

## MADISON TOWNSHIP BOARD OF TRUSTEES

### WORK SESSION

SEPTEMBER 17, 2025

The Madison Township Board of Trustees met this day in SPECIAL session at the Township Administration building located at 5610 W. Alexandria Road, Middletown, Ohio at 7:30 p.m. The meeting was called to order by Board President Brian McGuire with the Pledge of Allegiance.

**ROLL CALL:** Mr. Willoughby – Present, Mr. McGuire – Present, Mr. Coldiron – Present, Mrs. Lapensee – Present, Mrs. Windle – Present.

#### PUBLIC COMMENTS:

None.

#### NEW BUSINESS:

**FINANCE RESPONSIBILITIES** – Mrs. Lapensee stated that she asked for the board to meet in a work session to discuss township job responsibilities. She stated that she feels that she needs to explain all that is required for the township as it relates to the finance department. She stated that in a typical township, here are the items that are necessary to be completed as required by the State Auditor's Office.

- Payroll

1. Biweekly – time worked is entered biweekly into the payroll system and posted. Once all EFT's and warrants have been printed, EFT file must be saved and then uploaded to the bank's website (First Financial Bank). All EFT's must be processed 2 days prior to pay day.
2. Monthly – Elected officials are paid monthly in the payroll system on the first day of the month. Once all EFT's and warrants have been printed, EFT file must be saved and then uploaded to the bank's website.
3. Biannual – Volunteer Firefighters and the Medical Director are paid biannually. The Fire Chief keeps track of the number of runs over a 6-month period. Volunteers are paid in June and November. (\*all biweekly personnel who are also volunteers pay type must be changed in the computer in November because the Chief likes to hand out a paper check at the Christmas party). (Remember to change the pay type back to EFT after that volunteer check run).
4. Annual – W2's must be processed in January and given to all personnel by January 31<sup>st</sup>. All W-3's must be processed by the same date and filed with the IRS electronically. 1099's must also be processed and sent to the IRS by January 31<sup>st</sup>.
5. Leave Balances must be kept and checked for accuracy on a regular basis.

6. OPERS reports must be filed monthly by the end of the following month. There are no external email alerts that are sent to my email for any notifications. All alerts sent by OPERS are internal to the site.
  7. Unemployment reports must be filed quarterly by employee, social security number and total wages paid.
  8. Changes in withholdings must be processed from time to time at the request of the individual employees.
- Withholdings
    1. Biweekly – all withholdings must be processed in the payroll system and posted. Deferred Compensation must be paid to the state through the business gateway.
    2. Monthly – all withholdings must be paid to the State of Ohio monthly (Local School Taxes and State Income Taxes) through the business gateway.
    3. Quarterly – All local taxes must be filed and paid to all cities in which the employees live (courtesy withholding). A quarterly report must accompany the checks. All taxes are processed in the payroll system and posted.
  - Taxes
    1. Federal – all federal taxes must be posted and paid within 6 days of the posting of payroll if the amount is over \$50,000.00. Since we get paid on Thursdays, the payment must be filed with the IRS by Wednesday of the following week. A 941 tax form must be sent to the IRS quarterly with the proper attachments.
    2. State – all state taxes must be withheld and processed monthly through the gateway.
    3. Schools – all school taxes must be withheld and processed monthly through the gateway.
    4. Local – all local taxes must be withheld and processed quarterly. An annual report for each authority must also be filed.
  - Budget
    1. Tax Budget – Tax budget must have a public hearing in May/June and approved by the board by July 15<sup>th</sup> and submitted to the county no later than July 20<sup>th</sup>. A resolution approved by the board must accompany the budget.
    2. Final Appropriations – Temporary appropriations must be adopted before January 1<sup>st</sup> of each year. Final appropriations must be adopted before April 1<sup>st</sup> of each year. A resolution approved by the board must accompany the submittal of the budget to the county prior to April 1<sup>st</sup>.
    3. Revised Budget Appropriations – Revised appropriations must be adopted before December 31<sup>st</sup> of each year and submitted to the county budget commission for approval. A resolution approved by the board must accompany the submittal.
    4. Annual Report – The annual UAN report must be completed and then submitted through the Hinkle System (state auditors office). A management report must accompany the annual report.
  - Purchase Orders/Blankets – a PO shall be processed prior to any purchase the township makes. All purchases over \$3,000.00 must be approved by a resolution.
    1. Regular Purchase Orders – There are annual purchase orders that the FO processes each year because we have expenses that happen every year and each month (i.e. utilities, regular maintenance, etc.). When there is a purchase that is approved by the Trustees for a particular vendor, a PO must be entered into the accounting system, and that amount of

money is encumbered for that purchase/vendor. These are processed monthly as approved by the Board.

2. Blanket Purchase Orders – There are blanket PO's that are processed for many types of expenditures in all the funds per line item. (i.e. fuel, operating supplies, maintenance, etc.). A blanket PO can be used for multiple vendors.
3. Then and Now Purchase Orders – a then and now purchase order is for purchases that did not follow the numbers 1 or 2. This option is available in the accounting system because the money was available then and still available now. This process is not recommended. This is only used when someone makes a purchase and does not communicate that purchase to the FO and a PO or blanket has not been taken out prior to the purchase.

- Invoices

1. Received via email or mail – Invoices should be placed in the appropriate mailbox folder to the right of the FO door which are labeled “Invoices only” along with the packing slip.
2. Credit Card Purchases – All credit card purchase receipts shall be placed in the appropriate mailbox folder on the door of the FO office which is labeled “Credit Card Receipts only”. Do not place invoices in this area. Credit card payments are auto paid through First Financial on the 26<sup>th</sup> day of the month. The credit limit is \$5,000.00.
3. Processed in the accounting system – All invoices are paid every other day and tend to be ready by Friday's and placed in the Trustees mailbox for signatures. Invoices are matched up with the packing slips prior to being paid. Please make sure all packing slips are placed in the invoice mailbox. This packing slip is proof that the township received the merchandise, and the bill can then be paid.
4. Placed in the Trustees mailbox for signatures – They sign warrants at their leisure unless I send them a text message asking them to sign earlier.
5. Statements – These are received once a month from a few vendors. Just because there may be a balance on the statement does not mean the bill has not been paid. Vendors tend to wait for large periods of time without cashing our checks. We also have employees who wait two to three months to cash in on their volunteer checks.
6. W-9 – If you order from a new vendor, a W-9 is required. This ensures that the correct information is being entered into the accounting system. Invoices cannot be processed unless the vendor has been added to the system which requires a correct address. There are multiple vendors who have more than one address. **Please make sure you get the address where payments are to be mailed to.**
7. Tax Exempt Forms – Before a vendor is set up and first purchase is made, please make sure that you get a tax-exempt form and send it to the vendor. **WE DO NOT PAY LOCAL TAXES.**
8. There tend to be questions from time to time about an invoice or payment made to a vendor. It is easier for the employee who made the purchase to answer questions about payments with that vendor.

- Payments – There are also electronic payments that get processed in the accounting system and paid on-line. They are also placed in the Trustees mailbox for their signature, and they are aware of the payment being made. All HRA payments are electronic and must be tracked monthly so that the costs can be assigned appropriately by department and then reconciled at the end of the month.

- Deposits
  1. Cash or checks received by the township for a variety of services – Once the staff receives these payments, they are taken to First Financial and deposited into our bank account. A deposit must also be processed in the accounting systems individually by fund/entity. These deposits are also given to the Board to sign so that they are aware of our deposits being made.
  2. EFT's received by the County, state or feds – we receive monthly deposits (2 times) by Butler County (Motor Vehicle Taxes and Local Government Funds). There is a county vendor site that must be accessed for our payments/backup paperwork. We receive our tax settlements twice a year from the county (April and September). We receive liquor permit money up to four times a year (Quarterly). We receive Opioid or grant money sporadically. Deposits are made in the same manner as cash or checks.
  3. EFT's received by a variety of insurance companies for EMS billing – We receive EMS billing every day. Once the bank statement is available to print, it is printed, and all the EMS deposits are entered individually at one time at the beginning of the month.
- Reconciliations – A reconciliation is required each month and must be signed by the Trustees. All deposits, electronic payments, and warrants must be verified each month and reconciled. If one deposit or payments cannot be verified, the month cannot be reconciled. Each prior month must reconcile. The accounting system will not let you skip a month. It is imperative that if you receive any grant money for any purpose, it should be communicated to the FO so that there is a paper trail for that money. All deposits must have a written backup of what the money has been received for. All payments must have an invoice or receipt of what money has left the account. The Auditor's office does check for these items when they do the audits.
- Insurance – Each year the township must purchase Risk Insurance and Health related insurances. Typically, the FO needs to provide the financial data to get quotes.
- Assessments – Each year in September, the FO processes lighting district assessments and the Board needs to approve lighting assessments and other assessments for nuisances that went unpaid from the previous year. All electric bills must be tracked monthly for this assessment.
- Minutes – The FO is required to process minutes for each meeting. These minutes are completed monthly and approved by the Board at the next meeting. The minutes are then posted on the website (Linsay).
- Public Records Request – The FO is required to keep all records. There are public record requests from time to time.
- Meetings – the FO is required to attend a meeting once a quarter.
- Training – the FO is required to take 18 hours of finance training in the first year of office and then 12 hours each year after that. They are also required to take Public Records Training every term (all elected officials are required to do that as well).
- Grants – the FO tends to be the person who enters the financial information for grant reports or at least provides the information. All paperwork must be maintained for auditing purposes.
- Requests for job verifications – These are processed when received.

There are no job descriptions for our positions within the township. I strongly recommend we adopt job descriptions, so it is abundantly clear whose job duty it is for all the tasks within the township.

There are also no finance policies for the township. It is recommended that we adopt finance policies so that spending limits/policies can be determined.

Mrs. Lapensee also went over the statutory requirements as listed in the Ohio Revised Code under Section 507 which outlines the Fiscal Officers Responsibilities. They are:

- Minutes
- Public Records
- Assessments
- Training
- Meeting Attendance

She stated that given the considerable number of responsibilities for the township and the fact that there is only one employee in the Finance Department, which is why she asked the board to allow her to outsource payroll. She stated that she felt that \$6,000.00 was not a large amount of money and hiring an outside company vs an employee will save time. She asked if it was not their intention to allow her to hire an outside company, then she would ask that all employees be required to receive their paychecks via EFT (including volunteers) and that we adopt finance policies that are clear and helps to streamline the process.

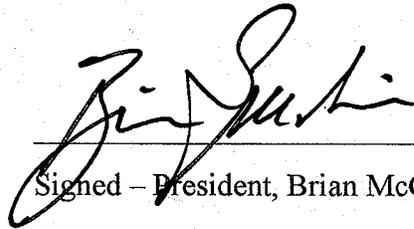
Mr. McGuire stated that he was worried about having Lindsay helping Mrs. Lapensee because he did not want to pile too many job duties on her plate and overwhelm her.

**ITEM 2025 – 163 – ADJOURNMENT**

Mr. Willoughby made a motion to adjourn the meeting at 8:30 p.m. Mr. Coldiron seconded the motion. A roll call of the vote resulted: AYES: Mr. McGuire, Mr. Coldiron and Mr. Willoughby; NAYS: None. The motion was declared approved.



Attest – Fiscal Officer, Kimberly Lapensee



Signed – President, Brian McGuire