
MINUTES OF SYMMES TOWNSHIP FINANCE & AUDIT COMMITTEE
REGULAR MEETING
JULY 29, 2020

The meeting was called to order at 6:25 p.m. Members of the Committee present were: Rik Vonderhaar, Pete Sayles, Michael Tranter, and Jennifer Ryan.

Also, present: Administrator - Mrs. Kim Lapensee, Township Trustees –Mr. Ken Bryant, Phil Beck and Ms. Jodie Leis and the Fiscal Officer – Joseph Grossi.

OLD BUSINESS

None.

NEW BUSINESS

PNC Bank – Mrs. Lapensee stated that PNC was supposed to be here tonight to discuss the banking options that we currently have with them. She stated that they declined to be here on the zoom meeting with us tonight because they did not want to be recorded. She stated that PNC sent an email to her explaining their why they could not attend and a proposal for services.

Fifth Third Bank – Mrs. Lapensee asked Fifth Third to be here tonight as well and asked them to do a short presentation on the services their bank offers. Mark Telles, Fifth Third Bank, VP of commercial funds management. He stated that his primary job is working with all government entities and he has been doing this for 12 years but in banking for 29 years. Lynn Rudolph, Fifth Third Bank, stated that he has been at the bank for 21 years, and he has been the Treasury Management Officer for 15 years. He stated that he works with Mark and all his accounts.

Mr. Telles stated that we have 2 banks within the township and 1 in Deerfield and 1 in Landen. Mr. Rudolf stated that he reviewed our bank account statements for the last 3 months and will go through a presentation he put together for the services they offer. He stated that he did hear that we have a need to have a bank close by for daily use, and electronic deposit. He stated that they offer ACH and wire services, fraud prevention, electronic deposit manager, etc. Mr. Telles stated that EDM allows a person to deposit money from their desk instead of having to visit the branch. Mr. Rudolf stated that they deal with banking fraud all the time and they have fraud protection available to all their clients. He stated that they could flag checks and the credit card purchases. Mr. Telles stated that they are seeing more fraud now more than ever. He stated that many checks are being stolen from mailboxes and they are white washing checks. Mr. Rudolf asked if we do our payroll in house. Mrs. Lapensee stated no, the township hires Paycor to process it. She stated that she enters the payroll online and they take money out of our account to wire it to all the employees. Mr. Rudolf asked if we make any ACH payments. Mrs. Lapensee stated that she does make some payments online via the Ohio business gateway for the pension and the Deferred Comp. Mr. Rudolf asked if we are paying any vendors online for payments. Mrs. Lapensee stated no, we have just been writing warrants to make most of all our payments. Mr. Rudolf stated that they have clients that are having a hard time writing checks because they would have to come into the office to sign a check. He stated that they do offer a service that would allow us to schedule payments instead of writing checks. He stated that they have a wire service that has multi tiers to try and eliminate fraud. Mr. Rudolf asked if we had a credit card. Mrs. Lapensee stated yes. We use it sparingly and only use it for a business that we have not established an account or when making an online purchase. He stated that they do have a credit card program that they can review, and we can set it up however we want. He stated that they do have a rebate program as well. He stated that all government and non-profits are put into a consortium where the rebates are pooled, and everyone benefits from their spending. Mrs. Lapensee asked if they have a credit card machine or if we can still use the one, we purchased 2 years ago. She stated that we have very few transactions. Mr. Telles stated that we can set up a program online where they can reserve and pay online with shelter rental fees. He stated that they just set up another customer like that. He stated

that we can also set it up on-line where we generate the invoices and people can pay them on-line. Mr. Rudolph stated that they do have a complete payment software system that is all on-line as well where the township can set a payment/grid system with parameters. He also outlined a worksheet system whereby ACH payments can be made, or warrants written that is checked via the worksheet that is sent to the bank to verify payments when the checks are cashed. Mr. Rudolph stated that there is a credit card program that they offer which gives a rebate if you spend over a certain amount. He stated that there is a management plan that goes with that where you can manage the limits and the cards on-line. Mr. Rudolph stated that they would need at least 45 minutes of the township's time to give an accurate pricing on the services we would want vs what we would pay. He stated that the township has more than 1 account and they have a hybrid account which we could fit into. He stated that it pays an earnings credit if you have over a certain amount in the account and it would offset any service fees. There was a discussion over when to have one or more accounts. He stated that the health care accounts have always been separate for many of his other clients. He stated that Fifth Third does have a dedicated person who deals with HSA's.

Mr. Telles stated that they offer employee banking benefits to all the employees which includes, budgeting, retirement, college savings, buying a house, etc. He stated that all these seminars are fee or offered virtually. Mr. Telles asked if there were any other questions. He stated that they do have positive pay which is a fraud prevention tool that he highly recommends. He stated that he can provide them a list of references. Mrs. Lapensee asked about security when logging onto the portal at Fifth Third. She stated that our risk insurance person suggested that we update our security so that when we log onto our on-line account, it generates a code each time we log on and only that person has the code. Mr. Rudolph asked if we only have a username and password. Mrs. Lapensee stated yes. Mr. Rudolph stated that some clients do not have that "token" simply because they are not moving money in and out of the account. He stated that it is an extra layer of security. Mrs. Lapensee asked about the investment side and whether they can buy or invest money in more than just CD's. She stated that we used to have Huntington Bank that managed our investments, but they would only buy CD's. She stated that we moved our money away from Huntington and went to Meeder Investments and they have a broader capability as a money manager to buy and invest in many things (such as CD's, commercial papers, etc.). Mr. Telles stated that they follow the ORC guidelines and will go to other banks to buy CD's, commercial paper, etc. Mrs. Lapensee asked how Fifth Third would structure our account vs PNC. Mr. Telles stated that PNC has what is called package accounts. He stated that you get some many deposits, checks, etc. for free and the rest you must pay for with fees. He stated that Fifth Third gives earnings credits which are based on the Fed's rates (basis points), and then they charge for all items coming in and out of our account. He stated that they are part of the Ohio Pooled Collateral System. He stated that all their accounts are collateralized (which means that all government money is backed 100%, 75% or 50% if something were to happen you could get your money back). Mr. Telles stated that the lower the collateralized number, the money savings they can pass along to us. He stated that some of his clients are at the 50% mark. Mrs. Lapensee asked what other townships are at. Mr. Telles stated that he can think of 2 that are at 50%. Mr. Rudolph stated that many clients in Warren, Butler and Montgomery County that are all at 50%. He stated that we can bump up their earnings credit if they can invest more of the money they have on deposit. Mr. Telles stated that he can send her the Ohio Pooled Collateral System.

Bylaws Discussion – Mr. Grossi asked the information that is contained in the bylaws and if we want to elect a chair and vice-chair like we are supposed to be doing. The board agreed that they are happy with the way things are. Mr. Sayles stated that he is comfortable with the way things are but wanted to know if Mrs. Lapensee and Mr. Grossi needed anything additional from the committee.

CARES ACT Money – Mr. Grossi stated that we received \$199,225.89 and that we have ideas on how we are going to use those funds. Mr. Grossi stated that if we do not use it, then we must send it back. He stated that it would be great to update our video/sound system so that we could tape our own meetings instead of paying others to do that for us. He stated that we may be getting additional money from the state. Ms. Leis asked what that money can be spent on? Mrs. Lapensee stated that there are many rules with this money, and it can only be spent on COVID19 related items. She suggested that we spent it on installing a glass enclosure for the front of the administration building which will protect the residents and employees when they enter the building. She stated that we can also spend it on upgrading our audio/visual system for the

meetings, and reimburse ourselves for the money that we have already spent on purchasing supplies and replacing signage that has been stolen through March, April, May, June and July related to COVID19. Mr. Vonderhaar asked if it could be used to buy emergency vehicles. Mrs. Lapensee stated no, but they can use it to purchase equipment used by the Fire Department that would be used to treat COVID patients. Mr. Sayles asked if we could use the money to purchase any additional equipment since people are supposed to be social distancing. Mrs. Lapensee stated no, but we can use the money to clean the existing equipment. Mr. Sayles asked if there was anything else. Mrs. Lapensee stated that we could use it to pay for a reallocation of time of a specific employee whose job it is to handle COVID related items. (for example, if one of the admin employees were moved to clean parks during this time, we could use CARES ACT money to pay for their salaries). Ms. Leis asked if we could buy cleaning equipment? Mrs. Lapensee stated yes. Mr. Bryant asked if we could use that money to pay for overtime for the first responders? Mrs. Lapensee stated that we do not see a bill for any overtime for the Sheriff or the Fire Department so it would be difficult to pinpoint. Mr. Vonderhaar asked if we could ask other townships on what they have been spending their money on or plan to. Mrs. Lapensee stated that the Administrator's group has been meeting once a week to discuss these issues and ideas. Mr. Bryant stated that other township is have their own safety services force. Mr. Tranter asked if it could be spent on garbage pickup. Ms. Leis asked if we could buy face masks for everyone (our residents). Mrs. Lapensee stated that we can spend it on buying additional PPE.

Training – Mr. Grossi stated that all training sessions have been cancelled across the state for 2020. He stated that he has been doing on-line training because the state treasurer has opened classes for those with less than 2-years' experience.

UAN Conversion – Mr. Grossi stated that it has been a large task to convert because we must have hard balances to transfer over to the new system. Mr. Grossi stated that we are also over in the GF and under in the Lighting District fund. Mr. Bryant asked why we cannot just advance the money into the funds. Mrs. Lapensee stated that we paid those bills back in 2017 and that is when we should have advanced the money from the GF to the LD and advanced the money back once we received it. Mr. Grossi stated that he has been talking to the Local Government office to make the move and he said he could not help them. He suggested that we have a legal opinion from our Law Director stating why. Mr. Grossi stated that he wanted to move right away but he thinks it might be more prudent to wait until the end of the year. Mr. Sayles asked why we are concerned about being dinged. Mr. Grossi stated that he is not concerned. He stated that he is concerned about items that we have been warned about in prior audits such as an updated records retention policy. Mrs. Ryan stated that she has a lot of experience with public records and would be happy to help.

Proposed Fiscal Officer Bill – Mr. Grossi stated that he has talked to Ryan Holiday about participating in helping them with deficiencies when FO's leave office. He stated that he wondered if we would testify before the house to get that passed.

Public Records Request – Mrs. Grossi stated that we received a public records request asking for all warrants, PO's, Blanket PO's, etc. He stated that we received it from our old Fiscal Officer. He stated that we responded promptly and let her know that most of the items she is seeking are posted on-line on our website and what is not there she can come in and look at. Mrs. Lapensee stated that everyone must be specific about what record that they want. Mr. Beck asked if there is a form that they must fill out. Mrs. Ryan stated that she suggests that we move to a form and they must be very specific.

Law Director Switch – Mrs. Lapensee stated that Mr. McDonough has moved away from Wood Lamping and focusing on being a judge in Butler County. She stated that we will be getting Jeff Forbes to fill in for us until the end of the year. Mr. Beck stated that it would be a good opportunity for the township to get out there and see what else is available. Mr. Beck stated that they have been a good law firm and very affordable. He stated that he would like to see us get someone who is not afraid to stand up for the township. Mr. Vonderhaar suggested that we need to ask for request for proposals, so we are ready for the end of the year. Mr. Bryant suggested that we speak with Mr. Forbes and convey their thoughts.

Mr. Vonderhaar asked about their thoughts on PNC vs Fifth Third Bank. Mrs. Lapensee stated that all governments that she has worked with in the past (townships and cities) have all had Fifth Third

Bank. She stated that she does not know if that is by coincidence or choice, but she has never worked with PNC before until she came to Symmes. She stated that she will investigate the collateralization. Mr. Bryant stated that it lacks transparency because PNC did not want to appear on tape and talk with us. He stated that he is worried about that. Mrs. Ryan agreed with him. Mr. Bryant asked if we had our investments with PNC at one time. Mrs. Lapensee stated yes, we used to have our investments with PNC in 2017 and in 2018 Ms. Sims moved 2.5 million dollars from PNC to Huntington Bank. She stated that she remembers that Ms. Sims said that PNC was charging us to many fees to manage it. Mr. Grossi stated that he remembers that we were not making enough money at a trustees meeting. Mr. Tranter stated that from a general perspective, Fifth Third is an Ohio bank and understands Ohio law. He stated that PNC is from Pittsburgh and does not understand Ohio law. He stated that he has many issues dealing with banks that are not from Ohio. He stated that it feels that it is important to deal with local. Mr. Vonderhaar stated that he likes that they were offering up many people to come out and speak with the township about different services.

Mr. Vonderhaar asked if we wanted to go ahead and schedule another meeting to get it on the calendar. Mrs. Lapensee stated yes, we will need to start talking about the permanent budget and have it in place by December. Mrs. Lapensee asked if October 14 is good at 6:00 p.m. The board agreed to hold the next meeting on 10/14/20 at 6:00 p.m.

Mrs. Lapensee stated that we will have to have the board pass a resolution at the next meeting to establish a new fund for the CARES ACT money with new appropriations. Mr. Bryant stated that this first wave of money was distributed to so many counties and if we cannot figure out a way to keep it now, what are we going to do with the rest? Mrs. Ryan asked if it can be used for training. Mrs. Lapensee stated that she does not know the answer to that. Mr. Vonderhaar asked if we can donate it to other agencies. Mrs. Lapensee stated yes, but she is not sure how they can track that. Mr. Vonderhaar asked if we could donate additional PPE to the schools. Mr. Beck stated that the Loveland School District sued us in the past.

Meeting Adjourned 8:40 p.m.