

Approved
Bellbrook-Sugarcreek Merger Study Commission Meeting
Minutes
January 6, 2010

1. The meeting was called to order at 7:00 PM by Mike Shank, Co-Chairperson of the Merger Study Commission.
2. Mr. Shank called the roll with Commission members Tom Frantz, Dr. Sam Staley, Linda Hummel, Bill Berry, Howard Ackerman, Ron Folkerth, Donna Hellmann and Joan Gallagher present. Charlie Schwegman was not present.
3. Others present were, Denny Bennett, Bill Schieman, Jim Martin, Scott Bryant, Cindy Porter, Harold Rodgers, Jim Tharpe, Barbara Burson, Jason Bowman, Donna Seger-Lawson, Barry Tiffany and Mark Schlagheck.
4. The minutes from the December 2, 2009 meeting had been circulated and were presented for approval. A motion was made by Dr. Sam Staley to approve the minutes. Joan Gallagher seconded the motion. All voted yes except Linda Hummel and Bill Berry who abstained .The motion passed.
5. Jim Mercer of the Mercer Group Inc. presented a revised Staffing Report for a merged Bellbrook-Sugarcreek. There was a break-down of each position in the report, as well as justification for these positions. Generally speaking the Commission was pleased with the new Staffing Report and Justification. Mr. Ackerman thought that there should be a reduction in staff because of a merger. Mrs. Gallagher's assessment was that the Mercer Group was being realistic in adding several key personnel. Both the City and the Township had been conservative in their operations with several personnel doing dual jobs.
6. Next on the agenda, Tom Dority, from the Mercer Group Inc., made a power point presentation of the summary of the Budget Planning Model for a Merged Bellbrook-Sugarcreek. Previous to the meeting the Mercer Group sent spread sheets of the finances of the budgets for various funds: General, Police, Fire and EMS, Streets and Bridges, State Highway, Gas Tax, Waste Enterprise, Water Enterprise and Enforcement Trust. The Commission was pleased to finally get a quality report for the financial data of a Merged Bellbrook-Sugarcreek.

Before the meeting Dr. Sam Staley distributed three summary sheets containing graphs of the financial data that Tom Dority presented which highlighted the data in a different light. The last slide in the power point presentation, Notes on Property Tax Impacts, needed to be modified to account for the fact that taxes are levied on approximately one third of the assessed value of a property. Mr. Schlagheck will be asking Tom Dority to make this modification, and subsequently sending an electronic copy to the Commissioners. At this point Mr. Frantz stated that he as a City resident, he would like to know what the increased cost of doing business in the city would be if a merger didn't take place. Mr. Bryant asked Mr. Dority if the assumptions he made for the financial model of the merged government was statistically valid. Mr Dority replied that as a former city manager his experience in this type of assessment was around ninety percent on target. Mrs. Burson stated that the Mercer Group needed to talk to the Greene County Engineer relative to road and bridge expenditures.

7. Dr. Sam Staley volunteered his consultant skills to head an Ad hoc Committee along with Mr. Ackerman, Mrs. Hellmann and Mr. Shank to outline a plan to start the implementation of Mr. Schwegman's proposals for Phase 2 and Phase 3 of the Merger Study and have a report ready for the February 3, 2010 meeting. Mr. Shank read an e-mail from Mr. Schwegman which raised some questions and suggestions in response to the report of this Committee. Basically the Committee recommended and provided basis that the Annexation Impact Study could be performed in-house as an extension of Barry Tiffany's current analysis presented at the April MSC meeting. Mr. Schwegman was appointed to this committee to replace Mr. Ackerman who would be traveling for the next month.

Relative to the Annexation Mr. Tiffany reported on the latest court decision on Sugarcreek's being able to claim the property tax on the Dille Property. The Greene County Magistrate will be hearing motions for summary judgment followed by oral arguments at the end of January. No matter what the ruling, Mr. Tiffany indicated that the case will be appealed to the Ohio Second District court again.

The Ad hoc Committee directed Mrs. Hellmann to contact Jane Dockery and/or Jack Dustin at the Wright State Center for Urban and Public Affairs to inquire about timetable and costs for performing the Life Style Impact Analysis. Jane Dockery responded with a quote of \$2.760 for 4 Focus Group Sessions, 2 for each Bellbrook and Sugarcreek, and for recruiting participants, a draft and final report to be potentially completed by the first Wednesday in March.

Dr. Sam Staley made a motion” To accept the proposal to contract with Wright State University to conduct four focus groups on lifestyle concerns in the city of Bellbrook and Sugarcreek Township for the price of \$2,760.00”. It was seconded by Mrs. Gallagher. In the discussion for the motion, Ms. Hummel pointed-out at the onset of the Merger Study the Commission thought that they could do this analysis themselves. However Mrs. Gallagher indicated that it was important to have an independent source do the work just as it was important to have an independent group do the Financial Analysis. The vote was taken and the motion passed unanimously

8. Bill Schieman gave an overview of Conditions of Merger from other Merger Studies in South West Ohio. He reviewed 5 reports and listed 20 representative conditions of merger. Going through these sequentially, he was able to give the Commission an idea of what was needed to be included in a completed Merger Study as well as a Merger Study Report. He also reviewed what was usually on a Merger Study ballot and noted that “Annexation was the Diving Force of all Merger Studies!”

Mr Schieman suggested that the Commissioners review the 5 Merger Study Reports. Mr. Tiffany from the Township and Mr. Schlagheck from the City indicated that they could scan these 5 reports so the Commissioners could have an electronic copy. Ms. Hummel asked if at a later meeting Bill Schieman could review reasons why some of the mergers were successful and some were not supported by the voters.

Mr. Schieman also said that the Merger Study Commission now has the completed Financial Report. The Annexation and Life Style Impact studies are scheduled. The last part of the Study is the Conditions of Merger. These conditions can be codified to include the unique Zoning and Lifestyles of the Township.

9. Approval of Payment of Invoices: Discussion moved on to the Mercer Group’s November 25, 2009 invoice of \$11,076.45, \$ 8,120.00 for Professional Fees and \$2,956.45 for expenses. At the December 2, 2009 MSC meeting, the Commission voted to approve payment of travel, delay payment of Professional Services for Mercer until the January meeting and presentation of the Financial Model for the Merged Government. After review of this Dr. Staley made a motion “To approve the balance of the November 25th Mercer invoice for a total of \$8,120.00”.The motion was seconded by Mrs. Gallagher. The motion passed unanimously.

An invoice from the Mercer Group Inc. dated December 30, 2009 for Professional Fees of \$19,059.60 and \$226.50 for expenses was considered

for payment. It was noted that payment of this invoice would amount to more than the \$47,500 Service Fee contracted for the entire project. Mr. Schlagheck said that the \$47,500 was to include the expenses. Mr. Tiffany suggested that he and Mr. Schlagheck check the numbers and that the Commission could authorize payment at the February MSC meeting.

10. The next schedule meetings are Feb 3, and Mar 3, 2010. Future meetings will be scheduled at the February meeting.
11. Web Page Reminder: Mr. Schieman stated that there continued to be use of the Web Page for Merger Study information.
12. Public Comment:

Mr. Martin once again claimed that the Dille Property annexation was the result of Township Zoning. He also claimed that people who were interested in a Bellbrook-Sugarcreek merger were prolonging the Merger Study.

Mrs. Seger-Lawson stated that the Financial Analysis of the Merged Bellbrook-Sugarcreek was confusing to the general public. When it is officially presented it should be in a manner which is more readily understood.

13. Mr. Shank asked for a motion to adjourn. All in favor said Aye. The meeting was adjourned at 10:50 PM.