

**BALLVILLE TOWNSHIP TRUSTEES – SPECIAL MEETING**  
**RE: ACQUISITION OF OAKWOOD CEMETERY**  
**BALLVILLE TOWNSHIP HOUSE**  
**TUESDAY, NOVEMBER 27, 2018 9:00 A.M.**

The meeting was called to order at 9:00 a.m. with Chairman David P. Stotz leading the Pledge of Allegiance. Also present were Trustees Richard A. Geyer and W. Robert Kusmer,

Chairman Stotz declared the purpose of the meeting was to discuss the acquisition of Oakwood Cemetery by the township.

Jim Bowlus introduced himself as vice president, and Barry Luse as president, of the Oakwood Cemetery Association. Mr. Bowlus stated that in the last fiscal year, 70% of their burials were cremations. Without full burials, they do not have the income to support the cemetery. Not all cremations are burials, and he gave the example of someone's ashes rumored to have been spread on the Ohio State football field following last week's victory over the University of Michigan.

Oakwood's expenses have remained the same, but the revenue is down. They charge \$850.00 for grave opening/closing. It is just a matter of time before their funds will be gone.

The cemetery association board members are all volunteers and good stewards of resources. On December 3, 2018 there will be a meeting of the lot holders, and they will decide whether the cemetery continues on with new board members, or whether the cemetery will be turned over to the township.

Mr. Bowlus stated that the numbers are just not there, and the cemetery will inevitably be turned over to the township – it is just a matter of when that will take place.

Barry Luse advised that the operation has no cash flow despite all efforts. It has become clear that the township will have possession of the cemetery, and it is not a question of "if", but "when", this will happen.

Mr. Bowlus stated that the cemetery by-laws stipulate that one-half of lot sales are supposed to go into a fund to perpetuate the cemetery, but that they have not been able to do so because expenditures have been more than revenues.

He further advised that cemetery records have been digitized and the Hayes Presidential Center is in possession of those records. Cemetery records are being maintained. Township Trustee Kusmer asked if the records were only scanned in, and the response was that they are in a Microsoft Excel file. The Presidential Center was very helpful to Oakwood during this process.

Mr. Bowlus informed those present that there are 25,000 burials in Oakwood Cemetery and that cemetery maintenance is very expensive.

Mr. Bowlus continued speaking, covering most of the following points:

When a lot is sold, a certificate is issued, and the owners own their lots. It is the owner's responsibility to pay for the foundation and to care for the foundation and monument.

Nathaniel Mellott, an employee at Oakwood Cemetery, maintains the newer, east side of the cemetery and the older section maintenance is contracted out because it more difficult to work with. Many of the older sections were laid out in circles.

President Hayes was originally buried in Oakwood, and then he was moved to the Hayes Presidential Center. Hayes family members continue being buried in Oakwood, with the last burial taking place very recently.

Oakwood has dirt from the city's recent project, and there are about 900 new graves available for sale. Ownership was discussed, and many people likely have certificates in lockboxes, but it is hard to determine who all the lot owners are.

Oakwood's fee schedule is \$850.00 per lot sale; \$850.00 for open and close. Four cremations are allowed per lot. The cost for the first cremation open and close is \$400.00; each additional open and close is \$650.00.

Oakwood Cemetery's by-laws were adopted in 1858. The deed is recorded at the courthouse.

The cemetery association has a published legal notice for a meeting on December 3, 2018 at 10:00 a.m. at Keller Koch Chudzinski Funeral Home, at which time the lot owners present will decide the direction that the cemetery ownership will go – to either continue as they have, or vacate the cemetery and turn it over to the township.

The process for turning the cemetery over to the township includes a survey and transferring of titles, and it will take several months to do this. If the cemetery continues operating, some new board members will be elected.

Oakwood is looking to make this a smooth transition and would like to communicate knowledge to the township. Nathaniel Mellott was cited as a valuable employee.

Mr. Luse said they have chosen January 31, 2019, the last business day in January, as the cemetery association's last day. They have commissioned a survey for a good legal description as there has been a whole string of deeds done over the years, and this needs to be done at some time anyhow.

Chairman Stotz asked about income and expenses. Mr. Bowlus advised that there is an average annual \$50,000.00 negative cash flow, but the township would have the benefit of having Oakwood's existing equipment. Mr. Luse stated that their equipment is used heavily and it is expensive to maintain.

Trustee Kusmer stated that the township will end up having the Oakwood Cemetery this year, and that the burden will have to be absorbed by the township. The township's recent General Fund Levy failed because the township's residents voted against it. He stated that he did not appreciate that the township has to take on Oakwood's problems. Trustee Kusmer estimated that it would take more than \$1,500,000.00 to \$2,000,000.00 address and repair Oakwood Cemetery's problems. Mr. Bowlus and Mr. Luse agreed with Mr. Kusmer's statements.

Chairman Stotz stated this situation is just like the Oakwood Mausoleum. After the township was given the mausoleum many years ago, the township then had to turn around and spend \$200,000.00 of taxpayer dollars to repair and restore it.

Mr. Kusmer stated that the law was probably set up for a township to assume a small church cemetery if needed, but not a cemetery the size of Oakwood. He expressed concern for the burden this places on the township and future tax implications.

The discussion turned to finances. Oakwood has \$722,000 in a perpetual care fund that should have been receiving contributions all along, per their by-laws. These contributions not only stopped, but Oakwood reduced this amount by taking money out of the fund for its operating expenses.

The state of Ohio has a mandated endowment fund with a \$150,000 non-spendable balance, which came from 10% contributions.

Oakwood's expenditures through the time of transition were discussed, as well as the money tied up in its trust. They do not have the ability to write a check to the township for cash. With earning 3-4%, the shortfall should be \$25,000.00 or less.

There is a checking account for operating expenses.

Oakwood knows they will have expenses for the survey, employee severance, and contracts.

The west side's contracted mowing is \$1,800.00 per week/time and there are 25 mows a season. The mowing contract runs year-to-year. Mr. Mellott's wages for mowing the east side is estimated at \$26,000.00 a year.

Trustee Kusmer sought answers to several questions, and Oakwood representatives provided the following information:

Outstanding loans or leases? None.

Invoices/monthly expenses? None.

The home on the property has the normal home expenses.

The Oakwood Cemetery Association intends to have all bills paid for the transition to the township. For insurance purposes, we must have a smooth transition.

Mr. Bowlus discussed the Guns of Oakwood, six Civil War cannons in the cemetery. They no longer can afford to insure them, and cannot sell them because they have no clear title to them. Mr. Bowlus suggested that there are fundraising and grant opportunities here as a historical cemetery, something a good grant writer could get for the township.

The land for Oakwood Cemetery was donated by President Rutherford B. Hayes. He was buried in Oakwood for a while, and then was moved to the Hayes Presidential Center. Prominent citizens Hayes, Buckland, and Birchard were instrumental in the cemetery's start-up.

Mrs. Ickes requested that if it is decided at the December 3 meeting that the township will be taking over Oakwood Cemetery that an inventory of all items be provided, currently insured or not.

Mr. Bowlus stated that some costs cannot be cut.

Jack Ferguson asked if the cemetery association was going to put a good advertisement out that people could see and take notice of. It was discussed that the notice on Friends of Oakwood on Facebook likely reaches more people than the public notice in the News-Messenger.

Philip Klausz asked if the township would have to follow the Oakwood by-laws if the township receives the cemetery. Mr. Luse advised that the cemetery association would be dissolved in that event along with the by-laws.

John Willey asked about heirs and assigns. He also posited that the cemetery could have restrictions on it. They might be similar to those that came with the donation of the property for the hospital in that certain spaces could never be built upon. The response was that a legal survey would probably resolve those issues.

Mr. Luse advised that Marshall Melhorn in Toledo is the association's legal counsel, and Mr. Kusmer requested their contact information.

Mr. Bowlus assured Trustee Kusmer that all bills would be paid, and there was no pending or future litigation.

Mr. Willey asked about the house on the property. Mr. Bowlus responded that employee Nathaniel Mellott resides there and it is set up so that he must reside there for security reasons, and this is part of his compensation package. Mr. Bowlus stated that Mr. Mellott is interested staying on in the house by purchase/lease/rent.

Trustee Kusmer stated that the township would want to start with a clean slate and Oakwood would have to terminate all of its employees. Mr. Bowlus said he understood that Oakwood would have to let their employees go, and the township would have to re-hire them. He also mentioned a severance agreement for Mr. Mellott if the township does not hire him.

Jack Ferguson said he worked for Oakwood Cemetery for 15 years and enjoyed it. He explained how the cemetery worked while he was there, and asked what had happened. He stated he was told back then that his only job was to take care of the cemetery.

Mr. Luse said that he became interested in the cemetery after his daughter died and was buried there.

Mr. Luse also explained there is a huge difference between the costs in 2002 and today. Vault sales were discussed. He stated that local funeral homes started peripheral services and got the clients first; the marketplace is for the funeral homes, not the cemeteries.

Mr. Bowlus explained that the culture today for burials is different, and interest rates have played a role in finances.

Chairman Stotz said that the outcome will not be known until the December 3 meeting of the Oakwood lot owners is held. Mr. Ferguson asked about the number of people who might be present at the meeting - the decision will be made based on how those present will vote. It was discussed that a lot owner could be a buyer or an heir, and there is one vote per lot. Mr. Bowlus said that people that sign in at the December 3 meeting can vote. Oakwood will not go back and check to see if they have certificates for lots, and hopefully no one will perjure himself in the process.

Trustee Kusmer asked who the Oakwood Cemetery board members are, and they were identified as follows:

Barry Luse	Jim Bowlus
Bill Wingard	Bob Gross
Mike Gilbert	Larry Cook
Gene Yeager	Julie Chudzinski, treasurer

Mr. Klausz asked about the number of board members who might resign, and Mr. Bowlus and Mr. Luse stated they both plan on resigning. It is uncertain whether other board members will also resign. Mr. Bowlus may remain involved. Attorney Bill Wingard does a lot of legal work for them.

Trustee Geyer asked how a person becomes a board member, and discussion took place.

Trustee Kusmer asked about existing maps and drainage. Mr. Mellott said that the older side was sold by square footage. Mr. Bowlus said that graves are sometimes located by inserting a rod until they hit a casket/vault. In the really old part of the cemetery, it is harder to locate burials that were in wooden boxes as they can't find anything that provides a specific as a point of reference.

Mrs. Ickes questioned if the township is guaranteed some revenue in the transition, since this is not "if" but "when" circumstance, and asked if it is better to make the transition now rather than later. Mr. Bowlus said that a new Oakwood board may choose to spend money unwisely.

Mr. Luse stated that there have been many trees removed in recent years, and it was clarified that approximately 80 trees have been removed, some due to a chemical application issue. It was discussed that some people want to plant new trees, which should not take place as tree removal is a big expense.

It was suggested that perhaps the township would do better with maintaining expenditures than the cemetery association has done.

Mr. Willey stated that people might get worked up about this change of ownership over to the township as they will be both negatively excited and concerned. The township will have to make unpopular decisions because they will be forced to do so.

Mr. Bowlus stated that it might be better for the township to pass a levy. Mr. Kusmer stated the township was unable to pass a levy for its operating expenses recently, and reminded him that it would cost more than \$1,000,000.00 to get Oakwood Cemetery in good condition.

Mrs. Ickes asked about receiving financials if the township will be receiving the cemetery, and Mr. Mellott responded that they would be sent to the Ohio Department of Commerce. She asked about other large expenditures besides the known survey and attorney fees, and stated that this is very foreboding situation.

Mr. Willey asked how many people show up at the lot holder meetings, and Mr. Bowlus replied that sometimes 8-10, or sometimes none at all. Mr. Willey said that the cemetery association needs to get the word out about the December 3 meeting, or that people will be surprised.

Mr. Willey also stated that the cemetery association needs to step up and explain what has happened and not just dump this on the township. Mr. Bowlus replied that the cemetery just isn't getting the needed cash flow. Mr. Luse advised that most people show up at the meetings only because they have complaints.

Further discussion took place on the December 3 meeting. Trustee Geyer suggested that the cemetery association send notices to all township residents – and that he is concerned about only the township residents so that they are notified. Mr. Luse stated this would be taken under advisement.

It was discussed that many lot owners are not township residents, and discussion took place on notices, voting on the cemetery's future, and how people will find out about the meeting on December 3. Mr. Luse said people don't usually pay attention to these things until they are hit in the wallet. Mr. Geyer reiterated that the cemetery association should send notices so people know about the meeting. It was pointed out that there is little time left to do so before December 3.

Mr. Luse then suggested that the township send out notices for the December 3 meeting of the Oakwood Cemetery Association.

Chairman Stotz stated that the township will obviously be receiving the cemetery no matter what.

Mr. Willey stated that there is a story to tell here, and the current cemetery association board needs to tell it to explain why Oakwood Cemetery will become a township liability.

Mr. Luse said he will volunteer to help, and has wanted to get involved with the township for many years, short of an elected position.

Mr. Klausz asked about what happens in the event the township cannot handle the cemetery, and it was discussed that the state will have to take it on. The township should not have to go broke over this burden. Discussion ensued.

Mr. Luse suggested that the state reinstate the inheritance tax. Trustee Kusmer said that the state has taken \$300,000.00 a year from the township's General Fund with the loss of the inheritance tax. The state touts that it has \$2.7 billion in its rainy day fund and, yet, the townships are told to raise their taxes and pass levies if they need more income.

Oakwood Cemetery covers approximately 43 acres.

Discussion took place on the December 3 Oakwood Cemetery meeting. Mr. Bowlus advised that finances will be presented, the same as today. It will be explained that there are cultural changes, and no cash flow. New trustees will be appointed to run the cemetery in the future, or it will be turned over to the township. There will probably be a show of hands for any vote that takes place. Mr. Ferguson suggested a secret ballot for the vote. A series of motions will be needed to effectuate changes.

Discussion took place on equipment, survey of the cemetery, and other necessary parts of the transition process. The cemetery's sources of revenue are cemetery lot sales, open and close fees, and foundations. Summer maintenance is the largest expense.

Mr. Mellott asked the trustees about him staying in the house on the property. He was told by Chairman Stotz and Trustee Kusmer that it was too early to discuss this. The township would make a decision if the township gets the cemetery and he would be given first consideration.

There being no further business, it was moved by Mr. Geyer, seconded by Mr. Kusmer, to adjourn the meeting at 10:53 a.m. Upon a vote, Mr. Geyer - Yes; Mr. Kusmer - Yes; Mr. Stotz – Yes; the motion passed and the meeting was adjourned.

Respectfully submitted,

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Ellen K. Ickes, Fiscal Officer

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David P. Stotz, Chairman