

MEMO ON MVSD INFORMATION REQUEST

To: Attorney Tom Wilson

From: Judge Lou A. D' Apolito & Judge Ronald J. Rice

First, before any hearing is scheduled, we need to see written opinion letters from the Ohio Attorney General and/or the Ohio Auditor, or some other governmental agency, such as the Prosecutors of Trumbull and Mahoning Counties that the act to transfer funds is permissible. There is no need to schedule any hearing until these are received.

If you are unable to secure a governmental opinion letter, then we would need to hire legal counsel, such as a special master appointed by the Court, in order to do research and give us written opinions and answers to our questions. This could potentially be very expensive and that cost would have to be assessed to the MVSD, whether approval is given or not.

Second, after we have the formal approval letter, and at any initial formal hearing, we would like the following items to specifically addressed:

What is the purpose of the MVSD and does it have an actual mission statement in its original organization as to purpose?

Does the formation of the MVSD permit return of funds?

Who exactly does the MVSD represent, the cities, the taxpayers, the end water users and why?

Do the current Board Members have fiduciary obligations to the MVSD to preserve its financial well-being?

Are there any conflicts of interest of any Board Members in voting for this funds transfer?

Has money ever been refunded to just the cities in the history of the MVSD?

If so, when, where, how much and for what was it used for?

Other than for political reasons, why does it make financial sense to the MVSD to return the funds rather than be prepared for future MVSD needs, like dam repairs, etc.?

Why not give every water consumer a break on their bills instead of giving money to the Cities?

If the fund approval were to be approved, can they be restricted to specific projects?

Why are other communities such as Poland, McDonald, and Austintown not sharing in the funds based upon surcharges to them? There should be representatives of all the communities that use MVSD water in order to discuss any potential issues further at any public hearing.

If there are "surplus funds", is the MVSD over charging for what it does?

What guarantee is there that after the return of funds rates will not go up in the near future?

Is there a rainy day fund for the MVSD, and if not why?

What is the total amount of debt currently for the MVSD? And to whom is it owed?

Would it not be smarter for the MVSD to pay off all its debts first? If not explain in detail why

Are there bond holders or other secured creditors, and if so, have they approved of this financial dealing?

What was the reasoning of the Board for taking this action?

Does this set a precedent for the next time financially struggling cities to ask for refunds when you do not have surplus funds?

Other questions may arise as this process progresses which we would also reserve the need to have addressed.

Any Supreme Court case law you have to support or answer any of these questions would also be appreciated.