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Village Dissolution

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Village Dissolution

Why would a Village do this?

- Major issues with utility updates
- Apathy
- Unrealistic demands of citizens



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Village Dissolution

What happens to the Village taxpayers if the Village dissolves into another local government?

The Village taxpayers would become a taxpayer of the new local government under which the Village dissolved.

- Take on tax rates of local government
- Follow ordinances in effect of the local government
- Receive services under the local government



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Ohio Revised Code Sections that apply

- ORC 703.20 - Surrender of corporate power by Villages
- ORC 703.21 - Rights and Liabilities not Affected by Surrender of Corporate Power



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What are the steps to surrender corporate power by Villages from ORC 703.20?



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Village Dissolution

- A petition to place the issue of surrendering of corporate powers on the ballot.
 - must contain forty percent of the electors *(This is determined by the number voting at the last municipal election. The County Board of Elections can provide number of signatures needed.)*
- Once signatures have been obtained, the petition is presented to the Council of the Village.
 - Highly recommend that the petition have more than the required forty percent in case some names are not valid



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- Council will verify the signatures as to whether they are registered voters and if there is a sufficient number with Board of Elections.
- Once it is verified that the petition is in order, Council passes ordinance/resolution placing the issue of surrendering corporate power on ballot.
 - Verify filing deadlines with the Board of Elections
 - Recommend village solicitor (legal counsel) prepare ordinance and talk with Board of Elections for language



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- The ordinance/resolution approved is then delivered to the County Board of Elections to be placed on the ballot.
- Prior to the election, it is recommended that a public **information** meeting to be held to inform voters of issues surrounding the surrendering of corporate powers.
 - Recommended speakers: Village Mayor, President of Council, representative of the entity the Dissolving Village will become part of, County Commissioner, County Auditor (talk about tax rates), County Prosecutor/Atty Gen Office (legal issues and agreements)



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- If voters approve the surrendering of corporate powers, the Clerk shall certify the results to the Secretary of State and County Recorder. Corporate powers shall cease on that date.



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The Village has officially surrendered corporate power. Now what happens?



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- There needs to be an orderly transition of services, assets, liabilities and related financial activity to the appropriate government entities.
 - The Village can look at the process after the official vote or the groundwork for agreements can be started before the petition to place it on the ballot.
- All assets must be safeguarded during the transition period. Maintenance and repair of assets must be done.
 - This includes roads, cemeteries, water/sewer operations.
 - Insurance and utilities paid
 - Meters read for water/sewer



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Village Dissolution

- During transition period, the Clerk maintains the Village's position until all financial matters are addressed and the final audit is released.
- Typically, the transition period consist of a series of meetings with State, County, Township, Law Director (legal counsel) and other elected officials.
 - The meetings may be facilitated by the Auditor of State's Office and are for the purpose of identifying and solving issues relating to the transfer of services and financial activities.



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- A final audit must be performed. It must cover up to the last check made out to the entity absorbing the Dissolved Village.
 - You will need to work with AOS for timing.



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