At the State Auditor meeting held on April 6, 2020, several items were discussed. This is a brief summary of what was discussed.

First, the State Auditor repeated their position that they are “Facilitators” for the process, the orderly dissolution of the Village of Amelia. This process should involve the Village and the two Townships. The Auditor’s office is also responsible for performing the final audit of the Village financial records and the dissolution will not be final until the final audit is completed.

Second, the Auditor admitted that their legal interpretation is somewhat different from the view of Batavia, Pierce and Amelia. However, they have been involved in all of the village dissolutions in Ohio. None of them have been as complex as Amelia, but they have seen many issues, and been in court on many occasions dealing with village dissolutions.

While the Auditor’s office states they are merely facilitators in the process, since they must sign off on the final audit, their legal interpretation is provided on most matters and the Townships are concerned that if they do not follow such guidance and interpretation, there is a risk of the dissolution process dragging on for many more months, plus the risk of having certain decisions not approved in the final audit of Amelia. In addition, this could jeopardize the audits of both Townships.

The Auditor believes that the Village Council of Amelia should be participating in the actions to carry out the dissolution. This includes: ending the income tax; using Village assets, including real estate, to pay off Village debts; and other items spelled out in the statute – ORC 703.21. That statute says, within its 14 paragraphs, that the Village has the power, during the dissolution process time, to “Settle claims, dispose of property, and levy and collect taxes to pay existing or accrued liabilities of the Village.” Thus, the Auditor has concluded that the Village should have been a party to the Agreement which the two Townships approved within the 60 day window as required by the same statute.

The Auditor believes, at this point, that the “Village” is represented by the old elected officials, not the newly elected ones. This is based on their experience with dealing with numerous dissolutions. In addition, they rely on an Ohio statute, which is often applied to boards appointed by one government official, and approved by another government body. The statute is RC 3.01, commonly called the “Holdover” statute. This statute says that an official leaving office will remain in office, even after his or her term is up, until the replacement officer is “elected…and qualified.” The Auditor further has concluded that the new Amelia officials cannot be “qualified” since the Village does not exist. The Auditor also concludes that the “Old” officials remain in their office until the final audit is complete and the dissolution is finished. There are many cases interpreting this statute as it comes up frequently with state boards and sometimes local council members. This statute, plus this case law, causes the Auditor to conclude that the old officials stay in office until the process is complete.

The Income Tax ending date has NOT been determined by the Auditor. Their opinion is that this has to be decided by the Village Council, that only the Village Council can terminate the income tax. We heard this theory for the first time last week, and it has not yet been analyzed by the legal counsel representing the Village or the Townships. When the Village Council convenes to meet, how will they know what date to pick to end the tax? State law indicates that the income tax should not end until all debts and other obligations have been paid or provided for. Again, the Auditor is working on several options to end the tax, providing for funds to pay off all Village debts, but the Auditor's office has stated that Council must determine which option to undertake. Several claims were filed within the "window" established by both Townships (Before March 1) but at least one individual has filed a new claim, called a Taxpayers Claim, just two weeks ago. All current, pending and potential liabilities must be considered before the final audit can be completed. We are in need of written guidance from the Auditor so we can have confirmation of advice which we have all heard over this four month process.

The State Auditor has not yet confirmed that the two Townships can sell off the real estate which is not needed by either Township, and use the sale proceeds to pay off the Village debt. We have been operating on this assumption the entire four month period, but the Auditor has caused a halt to carrying out that plan since the Auditor feels that the Village should have been part of the "60 day" agreement which was agreed upon. If the real estate passes to the two Townships as if there were no agreement, then the property belongs to them outright. Can they sell the property and pay off Village debt? Again, the Auditor promised us an answer to this issue. No one ever thought this would be an issue.

How do the Townships split up the other property? The Auditor advises that it should be on a 65/35 basis, and the Auditor said it would be fine to split it up as we see fit, as long as the totals are approximately 65/35.

What if the "old" Village Council refuses to pass the several ordinances needed to conclude the dissolution? The Auditor offers no answer to this question. The Village is checking its charter to determine how many Council Members are needed for a quorum. A related issue is the safety factor of a public meeting. Many of the participants in the Auditor meetings believe that the public will want to be present at such meeting, or meetings. How they can be accommodated under the safety rules imposed due to COVID-19 in the State of Ohio?

What happens to the funds in the TIF accounts of the Village? The Kroger TIF funds are needed to pay down Village debt. There are currently no Premier TIF service payment revenues coming into the Village. Certain legal technicalities concerning the Premier TIF Ordinance and the ability to file the tax-exemption papers for the Premier TIF are being reviewed. There are many unanswered questions concerning Pierce's ability to create a Township TIF to replace the Amelia Premier TIF. It is clear that Pierce can NOT simply replace it exactly for its original purposes or to pay off the Amelia debt. It is probably not legal to create a new TIF to pay for improvements which are already constructed. Pierce can replace it with a new TIF which provides other public benefits, but that depends on when Pierce could create its own TIF. Can it do so during the dissolution process? This is not known. There is no statute on point here.

This is where things stand as of this date, April 8, 2020.