



VILLAGE OF MILLERSBURG

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Jeff Huebner, Mayor

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Public Hearing – Motor Vehicle License Tax

The Council of the Village of Millersburg held a Public Hearing on November 23, 2009 at 6:30 p.m. Present were Council members Devone Polen, Mike Uhl, Junior Vaughn, Greg Hardesty, Jim Beechy, and Ruby Baird. Solicitor Hines was also present. Mayor Huebner opened the hearing for public comment on the proposed tax.

Crystal Weber asked for an explanation on the tax. Mayor Huebner explained that a \$10 increase would be placed on all motor vehicles licensed in the Village of Millersburg. This money can only be used for street repairs and maintenance. The Mayor explained that the budget has been cut this year and all paving was removed. Additionally, there are no plans to budget any paving for 2010. Solicitor Hines explained the law regarding the tax and noted that the Village could enact a \$15 fee but are only proposing the \$10. Weber noted that the State of Ohio, as of Oct 1, 2009 now has implemented a \$20 fee on registrations and drivers license after 7 days past due.

Kelly Hoffee asked what incentives there are to move to Millersburg. Her family moved here recently and is now paying municipal taxes to their work cities as well as to Millersburg, and neither city is offering a credit of any type. Mayor Huebner noted that income tax is a different issue, but incentives are water and sewer services, park services, police protection to name a few.

Ralph Sechriest noted he was concerned about more taxes. Residents need the basics for living and some cannot even afford that. Sechriest asked Council to look at the overall picture and to live within the budget. Difficult choices may need to be made, such as layoffs.

Vic Brown wanted to know why this proposed ordinance came up. Huebner noted he saw an article in the paper where another city had enacted the tax and he and Council chose to look into it. Brown asked if this money was to be used for the East Jones St. relocation project. Huebner stressed that the East Jones St. will be done with grant money and permissive tax money, not the license tax funds. Brown noted that a tax of \$10 will actually take an earning \$15 to cover the tax. In 2010 the federal tax will increase by 3%, said Brown. This will be putting an additional strain on everyone and is a burden to taxpayers. Huebner noted if the tax is passed, the money would not be collected until 2011 and estimated revenue would be \$30,000 per year. Brown asked if a voice vote would be given to the adoption of the ordinance. He was told there would be.

Brenda Hawkins noted she didn't feel it was right for residents to pay the tax, when other people are using the streets, such as tourists, whom she feels don't stop here anyway.

Weber asked if this will be on the ballot. Solicitor Hines explained that it would not be, unless, if the ordinance passed, a referendum was filed with the Village within 30 days of passage of the ordinance. Then the matter would be subject to a vote of the electors of the Village.

Allen Casey asked if this was discussed with the County. Huebner noted it was not. Casey stated that Village and County have always worked well together and is concerned this may harm the working relationship.

Kelly Hoffee noted that it is easy for people to be negative and Council has difficult decisions. She said Millersburg is a beautiful town and if additional revenue is needed, she would rather see the license tax instead of an income tax increase.

Merle Gingerich asked what happened that the need for this came up. Huebner noted that local government dollars have been cut and income tax receipts are changing due to loss of jobs and businesses closing. Expenses are continually rising and revenues are simply not keeping up.

Solicitor Hines noted that the County can still enact the tax; it would just be restricted as far as they would not be entitled to collect again on Village residents.

Allen Casey asked Clerk-Treasurer Karen Shaffer what her thoughts were on the matter. Shaffer noted that \$150,000 was cut from the budget for 2009 and for 2010 there are no plans for any capital outlay. All vehicle purchases and street paving are eliminated for 2010. Departments will be working on less of budget as in previous years. Shaffer noted that with decreased revenue, the Village needs to monitor funds closely and explore additional revenue sources.

With no other comments, Mayor Huebner closed the public hearing.

Date approved

Karen Shaffer, Clerk- Treasurer

Jeff Huebner, Mayor