



Ohio Revised Code

Section 118.023 Declaring existence of fiscal watch; financial recovery plan.

Effective: September 29, 2015

Legislation: House Bill 64 - 131st General Assembly

(A) Upon determining that one or more of the conditions described in section 118.022 of the Revised Code are present, the auditor of state shall issue a written declaration of the existence of a fiscal watch to the municipal corporation, county, or township and the county budget commission. The fiscal watch shall be in effect until the auditor of state determines that none of the conditions are any longer present and cancels the watch, or until the auditor of state determines that a state of fiscal emergency exists. The auditor of state, or a designee, shall provide such technical and support services to the municipal corporation, county, or township after a fiscal watch has been declared to exist as the auditor of state considers necessary.

(B) Within ninety days after the day a written declaration of the existence of a fiscal watch is issued under division (A) of this section, the mayor of the municipal corporation, the board of county commissioners of the county, or the board of township trustees of the township for which a fiscal watch was declared shall submit to the auditor of state a financial recovery plan that shall identify actions to be taken to eliminate all of the conditions described in section 118.022 of the Revised Code, and shall include a schedule detailing the approximate dates for beginning and completing the actions and a five-year forecast reflecting the effects of the actions. The financial recovery plan also shall evaluate the feasibility of entering into shared services agreements with other political subdivisions for the joint exercise of any power, performance of any function, or rendering of any service, if so authorized by statute. The financial recovery plan is subject to review and approval by the auditor of state. The auditor of state may extend the amount of time by which a financial recovery plan is required to be filed, for good cause shown.

(C) The auditor of state shall declare that a fiscal emergency condition exists under section 118.04 of the Revised Code in the municipal corporation, county, or township if either of the following applies:

(1) A feasible financial recovery plan for a municipal corporation, county, or township for which a fiscal watch was declared is not submitted within the time period prescribed by division (B) of this



section, or within any extension of time thereof; or

(2) The auditor of state finds that a municipal corporation, county, or township for which a fiscal watch has been declared has not made reasonable proposals or otherwise taken action to discontinue or correct the fiscal practices or budgetary conditions that prompted the declaration of fiscal watch, and the auditor determines a fiscal emergency declaration is necessary to prevent further decline.