



Ohio Revised Code

Section 118.07 Commission or financial supervisor - powers and duties.

Effective: November 2, 2018

Legislation: House Bill 312 - 132nd General Assembly

(A) The financial planning and supervision commission, or when authorized by the commission, the financial supervisor, shall have the following powers, duties, and functions:

(1) To review all tax budgets, tax levy ordinances, bond and note ordinances or resolutions, appropriation measures of the municipal corporation, county, or township, and certificates of estimated resources to require that such are consistent with the financial plan and a balanced appropriation budget for the current fiscal year, and any supporting information upon which the financial plan and balanced appropriation budget has been developed and based, and to determine whether revenue estimates and estimates of expenditures and appropriations will result in a balanced budget;

(2) To inspect and secure copies of any document, ordinance, resolution, or instrument pertaining to the effective financial accounting and reporting system, debt obligations, debt limits, financial plan, balanced appropriation budgets, appropriation measures, report of audit, statement or invoice, or other worksheet or record of the municipal corporation, county, or township; provided that any attorney-client privilege shall remain inviolate;

(3) To inspect and secure copies of any document, instrument, certification, records of proceedings, or other worksheet or records of the bureau, county budget commission, county auditor, or other official or employee of the municipal corporation, county, or township or other political subdivision, unit, or agency of government of the state;

(4) To review, revise, and approve determinations and certifications affecting the municipal corporation, county, or township made by the county budget commission or county auditor pursuant to Chapter 5705. of the Revised Code to ensure such determinations and certifications are consistent with the laws of the state;

(5) To bring civil actions, including mandamus, to enforce this chapter;



- (6) To approve the amount and purpose of any issue of debt obligations;
 - (7) To authenticate and assist the appropriate officers of the municipal corporation, county, or township in the delivery of debt obligations of the municipal corporation, county, or township;
 - (8) To consult with the officials of the municipal corporation, county, or township and the auditor of state regarding any necessary or appropriate steps to bring the books of account, accounting systems, and financial procedures and reports of the municipal corporation, county, or township into compliance with requirements prescribed by the auditor of state, and regarding desirable modifications and supplementary systems and procedures pertinent to the municipal corporation, county, or township;
 - (9) To assist or provide assistance to the municipal corporation, county, or township in the structuring or the terms of, and the placement of sale of, debt obligations of the municipal corporation, county, or township;
 - (10) To perform all other powers, duties, and functions as provided under this chapter;
 - (11) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the exercise of its powers under this chapter;
 - (12) To consult with officials of the municipal corporation, county, or township and make recommendations for cost reductions or revenue increases to achieve balanced budgets and carry out the financial plan.
- (B) During the fiscal emergency period, the commission or, when authorized by the commission, the financial supervisor, shall, in addition to other powers:
- (1) With respect to the appropriation measure in effect at the commencement of the fiscal emergency period of the municipal corporation, county, or township if such period commenced more than three months prior to the end of the current fiscal year, and otherwise with respect to the appropriation measure for the next fiscal year:



(a) Review and determine the adequacy of all revenues to meet all expenditures for such fiscal year;

(b) Review and determine the extent of any deficiency of revenues to meet such expenditures;

(c) Require the municipal corporation, county, or township to provide justification documents to substantiate, to the extent and in the manner considered necessary, any item of revenue or appropriation;

(d) Not later than sixty days after taking office or after receipt of such appropriation measure for the next fiscal year, report to the municipal corporation, county, or township on such determination.

(2) Require the municipal corporation, county, or township, by ordinance or resolution, to establish monthly levels of expenditures and encumbrances consistent with the financial plan and the commission's or, when authorized by the commission, the financial supervisor's review pursuant to divisions (B)(1)(a) and (1)(b) of this section. The commission or, when authorized by the commission, the financial supervisor, shall approve and monitor the monthly levels of expenditures and encumbrances and require justification documents to substantiate any departure from any approved level.

(C) In making any determination pursuant to division (B) of this section, the commission and the financial supervisor may rely on any information considered in its judgment reliable or material and shall not be restricted by any tax budget or certificate or any other document which the municipal corporation, county, or township may have adopted or received from any other governmental agency.

(D) The municipal corporation, county, state, and township officers or employees thereof, are hereby authorized and directed to assist diligently and promptly the commission and the financial supervisor in the prosecution of their duties, including the furnishing of any materials, including justification documents, required.

(E) Annually on or before the first day of April, the director of budget and management, as chairperson of a commission, or the auditor of state, as financial supervisor as provided in division



(L) of section 118.05 of the Revised Code, shall make reports and recommendations to the speaker of the house of representatives and the president of the senate concerning progress of the municipal corporation, county, or township to eliminate fiscal emergency conditions, failures of the municipal corporation, county, or township to comply with this chapter, and recommendations for further actions to attain the objectives of this chapter, including legislative action to make provisions of law more effective for their purposes, or to enhance revenue raising or financing capabilities of municipal corporations, counties, or townships. The director or the auditor of state may make such interim reports as the director or the auditor of state may determine to be appropriate for such purposes and shall make such additional reports as may be requested by either house of the general assembly.