

OHIO AUDITOR OF STATE KEITH FABER



3640 Colonel Glenn Highway
Medical Sciences Bldg., Suite 111
Dayton, Ohio 45435
937-285-6677 or 800-443-9274
WestRegion@ohioauditor.gov

NOTICE OF PROPOSED FINDING

April 25, 2025

Ohio Township Association Risk Management Authority
6500 Taylor Road
Blacklick, Ohio 43004

To Whom It May Concern:

The Auditor of State is auditing Bethel Township, Miami County, for the period January 1, 2022 through December 31, 2023.

Ohio Rev. Code § 117.24 requires the Auditor of State to determine whether “public money has been illegally expended, any public money collected has not been accounted for, any public money due has not been collected, or any public property has been converted or misappropriated. . . .” Those determinations in an audit report constitute “findings for recovery.” Ohio Rev. Code § 9.24(H)(3).

Under Ohio law, public officials are strictly liable for all public money received or collected by them or their subordinates under color of law. Ohio Rev. Code § 9.39; *Cordray v. Internatl. Preparatory School*, 128 Ohio St.3d 50 (2010).

For conduct occurring after September 13, 2022, **Ohio Rev. Code 507.14**, makes a township fiscal officer liable for a loss of public funds when a loss of public funds results from the township fiscal officer's negligence or other wrongful act.

A “Finding for Recovery” may be issued against you. Issuance of a Finding for Recovery constitutes a preliminary determination by the Auditor of State, in accordance with Ohio Rev. Code §§ 117.24 and 117.28, that you may be liable to a public office for public monies illegally expended. It does not constitute a final determination that such legal liability exists and is not an accusation of criminal misconduct. The proposed Finding for Recovery would be issued against you in the amount of \$1,373.62, and in favor of Bethel Township's General Fund and Fire 1.5mil Levy Fund.

We are proposing this Finding for Recovery for the following reason:

The former Fiscal Officer failed to make proper and timely tax payments to the City of Sidney, Ohio School District Income Tax, Regional Income Taxing Authority and the City of Huber Heights as required in 13 instances. As a result, late fees and penalties were incurred in the amount of \$1,373.62.

Description	Total
First Quarter 2022	\$1,166.56
Third Quarter 2022	166.22
Third Quarter 2023	40.26
Fourth Quarter 2023	0.58
Total Fees, Interest, and Late Payment Penalties	\$1,373.62

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.24, a Finding for Recovery for public monies illegally expended may be hereby issued against Deborah Watson former fiscal officer, and their bonding company, Ohio Township Association Risk Management Authority, jointly and severally, in the amount of \$1,373.62, and in favor of Bethel Township, General Fund and the Fire 1.5mil Levy Fund in the amount of \$1,045.66 and \$327.96 respectively.

The failure to pay tax payments timely is considered gross negligence. Late payment fees and related charges incurred through gross negligence are illegal expenditures which do not serve a proper public purpose. These charges would have been avoided had the funds been remitted by the required due dates.

If a Finding for Recovery were to be issued, the Auditor of State shall, pursuant to Ohio Rev. Code § 117.27, forward a copy of the audit report containing this Finding for Recovery to the statutorily designated legal counsel for the public office, who then may, under Ohio Rev. Code § 117.28, institute legal proceedings to collect the amount due to the public office. In addition, pursuant to Ohio Rev. Code § 117.30, a copy of the audit report will be certified to the Attorney General of the State of Ohio.

Pursuant to Ohio Rev. Code § 117.28, if the statutory legal counsel does not collect the amount due or pursue legal proceedings within one hundred and twenty days after the release of the audit report, the Ohio Attorney General may bring legal action to collect. The Ohio Attorney General may assign the matter for collection and may hire special counsel to collect the debt as authorized by Ohio Rev. Code § 109.08.

This "Notice of Proposed Finding for Recovery" has been prepared to permit you to submit any relevant information to this office for consideration. Please submit such information, as well as any questions concerning this Proposed Finding for Recovery, within five business days of receiving this Notice, to the Auditor of State at the following address:

Donna K. Waldron, CPA, CFE
Chief Auditor, Ohio Auditor of State
on the campus of Wright State University
3640 Colonel Glenn Highway
Medical Sciences Building, Suite 111
Dayton, Ohio 45435
Email: dkwaldron@ohioauditor.gov

If you wish to review the working papers on which the Proposed Finding is based, please contact me immediately to schedule an appointment. Reviewing the working papers, however, will not result in an extension of the time in which to respond.

Sincerely,

KEITH FABER
Auditor of State

A handwritten signature in dark ink, appearing to read "DKWaldron", written in a cursive, flowing style.

Donna K. Waldron, CPA, CFE
Chief Auditor, West Region

cc: Jamie Morris, Assistant Legal Counsel, Ohio Auditor of State
Chris Englert, Assistant County Prosecutor
Julie Reese, Township Trustee
Kama Dick, Township Trustee
Beth Van Haaren, Township Trustee
Rhonda Ross, Fiscal Officer