



2009 Budget in Brief

Hamilton County, Ohio



Board of County Commissioners

David Pepper, President

Todd Portune, Vice President

Greg Hartmann, Commissioner

County Administrator

Patrick Thompson

About the Cover

The 2009 Budget in Brief cover showcases six county entities that celebrated milestone anniversaries during 2008.



Memorial Hall - 100 Years

Designed for patriotic oratory and veterans meetings, Memorial Hall was built by Hamilton County in 1908 and listed on the National Register of Historic Places in 1978. Today its meeting rooms and 500-seat auditorium are available for rental for community functions.



Hamilton County Development Company (HCDC) - 25 Years

HCDC was founded in 1983 and operates a one-stop shop for business financing, community economic development, and assistance for entrepreneurs. Pictured at its anniversary gala is County Commission President David Pepper presenting a proclamation to HCDC President David Main.



Cincinnati Children's Hospital Medical Center - 125 Years

Founded in 1883 in response to poor medical conditions for young patients, Cincinnati Children's Hospital stands as an international leader in medical services for infants, children and adolescents with its family-centered care, innovative research and outstanding teaching programs.



Krohn Conservatory - 75 Years

Krohn Conservatory, which opened in 1933 to replace existing Eden Park greenhouses, now boasts permanent displays of more than 3,500 species of exotic plants, a rain forest waterfall, and seasonal exhibits like the annual springtime butterfly show and holiday floral show.



Metropolitan Sewer District (MSD) - 40 Years

MSD was formed in 1968 by Hamilton County and is managed by the City of Cincinnati under a 50-year agreement. It provides wastewater removal and treatment for more than 225,000 accounts over 3,100 miles of sanitary and combined sewers. Pictured is Executive Director James A. Parrott.



Union Terminal - 75 Years

Built by seven passenger railroad companies in 1933, Union Terminal was America's last grand railroad station and the first modern building added to the National Register of Historic Places. Today it houses children's, natural history, and Cincinnati history museums, and an Omnimax theatre.

About Hamilton County

Hamilton County covers 414 square miles in the southwestern corner of the state of Ohio. Located on the Ohio River, with its county seat in Cincinnati, Hamilton is the third most populous county in the state.

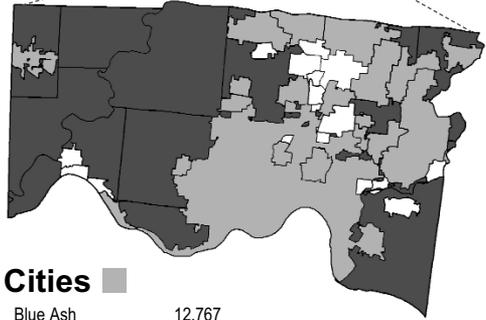
Named for Alexander Hamilton and established in 1790, the county was only the second to be carved out of the Northwest Territory. It predated Ohio statehood by 13 years and its boundaries included one-eighth of what is now Ohio.

Cincinnati was the population center of Hamilton County until the industrial era, when the city's inhabitants began to spread to the suburbs. The city contained 80% of the county's population in the 1900 census, but 2007 estimates show only 39% of the population resides in Cincinnati.

Government Structure

Hamilton County has no top executive and no single overall governing body. Administrative powers rest with a three-person Board of County Commissioners and eight other elected officials who function as the independent heads of their departments.

In 1963, the Board of County Commissioners created the appointed office of County Administrator to administer board policies and prepare the county budget.



Cities

Blue Ash	12,767	Mt. Healthy	5,988
Cheviot	8,283	North College Hill	9,429
Cincinnati	332,458	Norwood	20,102
Deer Park	5,653	Reading	10,390
Forest Park	18,256	Sharonville*	10,984
Harrison	8,918	Silverton	5,168
Indian Hill	5,893	Springdale	10,185
Loveland*	9,271	St. Bernard	4,562
Madeira	8,421	Wyoming	8,363
Milford*	38	Total	505,339
Montgomery	10,210		

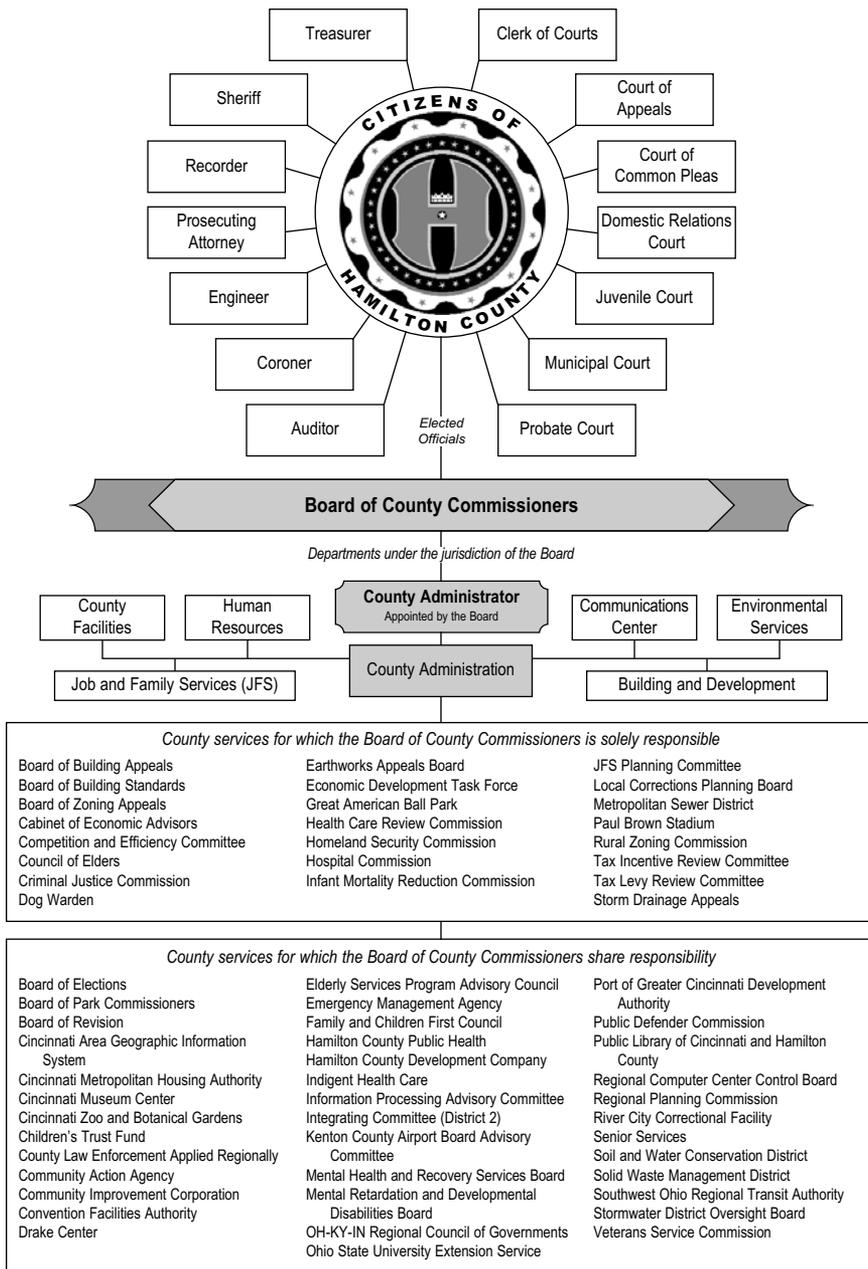
Villages

Addyston	977	Greenhills	3,789
Amberley Village	3,550	Lincoln Heights	3,861
Arlington Heights	826	Lockland	3,426
Cleves	2,624	Mariemont	3,146
Elmwood Place	2,451	Newtown	3,833
Evendale	2,912	North Bend	627
Fairfax	1,827	Terrace Park	2,174
Glendale	2,176	Woodlawn	2,609
Golf Manor	3,712	Total	44,520

Townships

Anderson	45,277	Miami	10,233
Colerain	62,405	Springfield	39,840
Columbia	4,047	Sycamore	20,433
Crosby	2,638	Symmes	15,798
Delhi	31,212	Whitewater	5,186
Green	61,285	Total	303,312
Harrison	4,958		

Population by Jurisdiction. *The total county population, according to 2007 census estimates, is 853,171. Estimates have fluctuated in recent years as jurisdictions continue to successfully challenge decreasing census figures. Populations for cities with an asterisk (*) above include only those portions within Hamilton County.*



Organization Chart Hamilton County's judges and other elected officials (grouped around the citizens at the top of the chart) function as independent administrative heads of their respective departments. The Board of County Commissioners (BOCC), and the county administrator as its representative, have direct jurisdiction over the six departments immediately beneath the board. The BOCC also has sole responsibility for the 23 other entities grouped in the next box and shares responsibility for the remaining 38 services listed in the box at the bottom of the chart.

Fund Structure

The accounts of the county are organized on the basis of funds. Fund accounting segregates revenue according to its intended purpose and is used to demonstrate compliance with legal and contractual provisions. The county has over 90 appropriated funds and subfunds. The county **general fund** is used to account for all resources except those required to be accounted for in another fund. **Special revenue** funds are restricted for specific purposes. The county has over 70 special revenue funds to account for tax



Eric Stuckey

The Hamilton County courthouse.

levies, grants, and social service programs, among many other restricted functions. **Debt service** funds are used to account for the payment of principal and interest on county indebtedness. **Enterprise** funds track activities for which the county recovers some or all of the costs from parties outside the government. The nine enterprise funds include parking and stadium operations, and the Metropolitan Sewer District. The county's eight **internal service** funds allocate costs to other government funds. For example, the Auditor's computer center is supported through fees charged to various county agencies, the Sheriff's rotary fund supports township patrols by billing the jurisdictions that receive services, and the workers compensation reserve fund allocates costs across all funds according to employees' salaries.

Basis of Accounting and Budgeting

County accounting is performed on the modified accrual basis for all funds except enterprise funds. Revenues are recognized in the period when measurable and available to meet obligations. For enterprise funds, actions are recorded on the accrual basis of accounting: revenues are recognized when earned and measurable, and expenses are recognized as incurred. Counties in the state of Ohio are required to prepare budgets on a cash basis: revenues are recognized when received and expenses are recognized when incurred.

A Balanced Budget

The state of Ohio requires that all funds be balanced; that is, resources must equal or exceed expenditures. The Board of County Commissioners has adopted an annual goal for the general fund budget to be structurally balanced; that is, on-going revenues must meet or exceed on-going expenditures.

Fiscal Year

All counties in Ohio operate on a calendar year, January 1 to December 31.

2009 General Fund Budget

Function/Department	Revenues	Expenses	FTEs ¹
Judicial			
Clerk of Courts	15,550,500	12,540,593	206.31
Court of Appeals	100	75,360	-- ²
Court of Common Pleas	67,612	8,501,628	64.60
Court of Domestic Relations	715,276	4,423,797	74.00
Court Reporters	33,000	2,726,838	42.50
Juvenile Court	14,034,011	25,992,287	361.72
Municipal Court	146,141	6,518,743	99.70
Probate Court	879,500	3,018,584	43.93
Probation	399,340	8,468,976	140.00
Public Defender	4,081,439	13,530,234	109.50
Public Safety			
Communications Center - 911 Call Center	--	1,867,518	-- ³
Coroner	1,006,700	3,913,427	44.01
Emergency Management	--	586,522	-- ³
Prosecutor	1,936,099	12,304,206	157.01
Sheriff	9,900,550	62,817,111	758.40
General Government			
Auditor	147,681,499	2,573,329	24.27
Board of Elections	400,000	7,148,113	40.40
Commissioners and County Administration	13,409,502	2,736,380	29.80
Communications Center - Telecom	855,000	1,932,320	11.08
Contracts and Subsidies	259,312	2,019,997	3.00
County Facilities	1,877,607	28,059,001	135.00
Human Resources	5,000	2,950,419	33.31
Non-Departmentals	1,400,000	3,364,941	1.00
Recorder	3,800,000	1,858,078	32.50
Treasurer	16,472,450	984,313	7.25
Debt Service	--	9,733,404	--
Social Services			
Job and Family Services	--	1,208,020	-- ³
Veterans Service Commission	213,000	1,527,273	10.15
Public Works			
Building & Development - Building Inspections	2,079,400	2,012,667	27.00
Building & Development - Sewer District	769,909	770,012	2.10
Building & Development - Stormwater	1,192,724	1,202,824	15.05
County Engineer	--	571,509	-- ³
Economic and Community Development			
Building & Development - Home Improvement	--	27,239	0.18
Building & Development - Planing & Zoning	179,500	426,508	7.19
Economic Development	64,738	1,017,738	1.25
Total General Fund	239,409,908	239,409,908	2,482.21

¹ An FTE is the equivalent of one full-time employee.

² Court of Appeals staff are employees of the State of Ohio.

³ Employees of these departments are accounted for in restricted funds supported in part by the indicated general fund subsidies.

General Fund Budget Summary

For calendar year 2009, the Board of County Commissioners has appropriated a general fund budget of \$239.4 million, a \$32.2 million, or 11.8%, decrease from the 2008 budget. Like the budgets of households across Hamilton County, the 2009 budget was developed in an environment of declines in revenue sources and increased costs for operational necessities such as health care, utilities, and labor.

2009 Commission Priorities

Keeping in mind that the public's dependence on government services increases during difficult economic times, the County Commission focused its budget goals for 2009 on achieving a balanced budget and replenishing county reserves without tax rate increases. Instead, the 2009 budget concentrates on achieving efficiencies through consolidation and eliminating duplicative activities. It lays the groundwork for growing the tax base through business development and retention as well as improving county housing stock to make long-term progress toward maintaining structurally balanced budgets with sustainable revenue sources.

While reductions to public safety and judicial areas were inevitable in a general fund budget in which these functions account for 70% of expenditures, the Commission continued to stress the importance of reducing crime and maintaining the quality of life in county neighborhoods among its primary budget goals. The following pages outline the major impacts of 2009 budget reductions across all departments in the Hamilton County general fund.

General Fund Revenue Decline

The county's top revenue sources are directly impacted by the economic downturn that started with the housing market decline in 2007 and continues through the current crisis in the credit markets. Each of these key revenue sources remains in decline:

- *Real Estate Transaction Taxes* – The downturn in the housing market has decreased not only the volume of real estate transactions, but also the average value per transaction. The projected 2009 total of real estate transaction taxes is \$3.5 million less than 2007.
- *Sales Tax* – Sales tax accounts for 26.7% of general fund revenue. During 2008, actual sales tax receipts ended the year \$2.2 million under budget. Given recent declines in retail sales, the 2009 budget for sales tax is \$1.5 million less than 2008 collections and \$2.5 million less than 2007.
- *Interest Earnings* – The County Treasurer is charged with investing the county's idle cash resources. Since early 2008, the federal funds rate has decreased from 4.25% to 0.25%. Earnings on the county's investments have decreased accordingly. In 2009, interest earnings are anticipated to be \$6.7 million below the 2007 actual amounts.
- *Property Tax* – The general fund property tax rate is limited to 2.26 mills and

Moving Forward in a Challenging Time

The Hamilton County Commission appreciates the enormous challenges facing our County's communities, from the need for good paying jobs, quality schools for our kids, and clean, safe streets. And we know many of our families are hurting in this economic recession—but we're also confident that if we work together, our best days are still ahead of us.

In 2009, nothing is more important than getting our economy back on track. We need to get people back on their feet, and begin to restore confidence in our economy again. Not only is this good for working families and our broader community, but only a recovery will allow us to fund the public safety and other critical services that citizens rightly expect and demand.

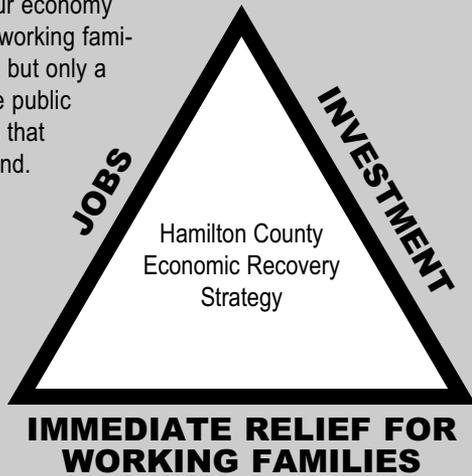
We have a simple three-prong strategy to spark this recovery.

Our first priority is providing immediate relief to working, middle class families, who will ultimately be the true engine of any lasting economic turnaround. If they are employed, secure in their homes, making ends meet, spending as they did prior to last fall, and confident, we will ultimately recover. If they are not, the economy will struggle. Doing everything we can to renew financial stability is critical.

Second, we must implement a job attraction and retention strategy. This means taking advantage of our natural strengths as a regional commercial hub with a well-educated workforce and exceptional market access.

Finally, we must secure Hamilton County's long-term future after this current economic recession has passed. The best way to do this is to take advantage of the numerous opportunities and resources that will be coming to invest in infrastructure and community revitalization.

The Commission will focus its efforts on making progress on each of these fronts during 2009.



additional revenue is realized through new development and reappraisals. Based on estimates provided by the County Auditor, general fund property tax revenue is anticipated to decrease \$1.0 million, or 2.1%, in 2009 from 2007.

This loss is compounded as 2009 is a reappraisal year in which the county might otherwise have achieved a revenue increase.

These four revenue sources, combined with Local Government Fund revenue from the state and building inspections revenue, are estimated at \$162.9 million for 2009, or 68.1% of the total general fund revenue estimate. The 2009 estimate for these revenue sources represents a \$16.1 million decrease from the 2007 actual receipts. Adjusted for a lack of inflationary growth in these revenue sources, the decrease is \$28.3 million. Additionally, the 2008 budget used several non-recurring revenue sources, such as restricted fund balances, to address the lack of revenue growth. These one-time resources are no longer available. Thus, the 2009 budget must account for two years' worth of decline or no growth in key revenue sources. Charts 1 and 2 detail the dramatic decrease from 2007.

Chart 1 - Decrease in Major Revenue Categories, 2007-2009

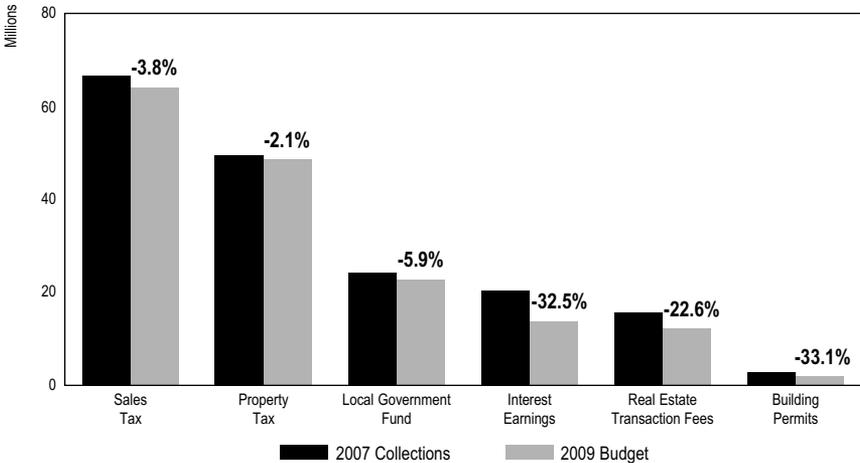
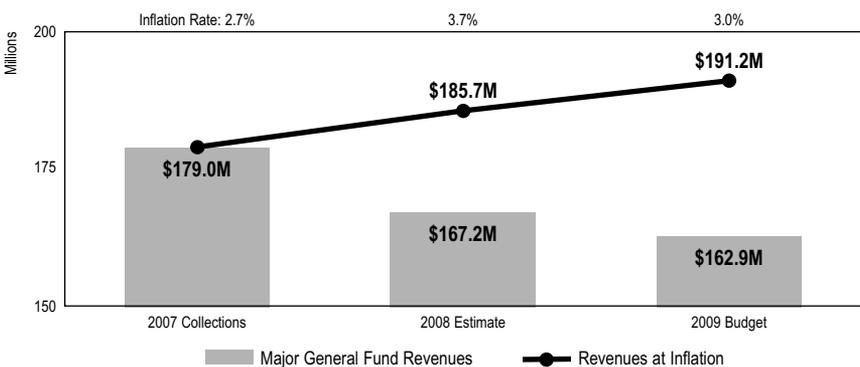


Chart 2 - Major General Fund Revenue Performance vs. Inflation, 2007-2009



General Fund Budget Balancing

To balance the 2009 general fund budget, the county administrator proposed a plan that included both department-based and countywide reductions, as well as consolidation efforts and some minor fee adjustments. The County Commission further refined the administrator's recommendation to establish the 2009 general fund budget. Key among the guiding principles that drove budget reductions were the following criteria:

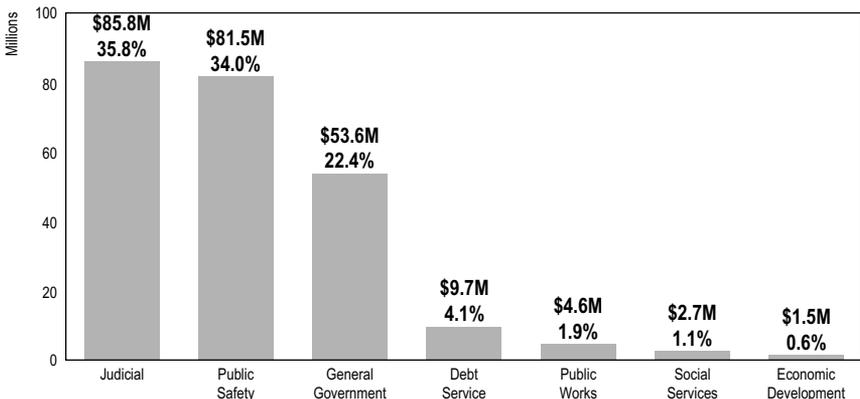
1. Do reductions support the Commission's 2009 budget goals?
2. Can the service or function fund itself, or does it generate revenues?
3. Can or should the service be provided or funded by another government entity or the private sector?
4. Who or what will be impacted, and to what degree, by the service elimination or reduction?

Department-Based Reductions and Consolidations

(The savings associated with the following actions are reductions from preliminary 2009 budget recommendations, not from 2008 budgeted amounts.)

- *Sheriff* – The 2009 Sheriff's budget includes the closure of the 822-bed Queensgate jail (\$10.7M) and significantly shifts the cost of the Sheriff's township patrols to the townships (\$5.8M).
- *Judiciary* – Collectively, the Hamilton County courts agreed to a budget reduction equivalent to 80% of the savings of a proposed consolidation of court support services (\$900K). In addition, the Juvenile Court sustained a reduction of \$4.0 million in levy funding due to reductions from the state in the department of Job and Family Services.
- *Building and Development* – The new department of Building and Development consolidated building and stormwater inspection, planning and zoning, sewer district oversight, and community development (\$200K).
- *County Administration* – 2009 budget reductions in County Administration (\$477K) comprised five positions, including one assistant county administrator.

Chart 3 - General Fund Expenditures by Function



- *County Facilities* - Facilities sustained reductions of \$3.7 million, including a major capital replacement for Job and Family Services and 11.5 positions, while accounting for a \$1.0 million increase in utility costs.
- *Other Elected Offices* – In the offices of the remaining independently elected officials (Clerk of Courts, Prosecutor, Coroner, Treasurer, Auditor, and Recorder) the 2009 budget included reductions of \$7.1 million. While personnel reductions were recommended in each of these departments, the application of budget cuts is at the discretion of the elected official. The Clerk’s office, where 67.8 position reductions were budgeted, is the only one likely to substantially reduce positions.

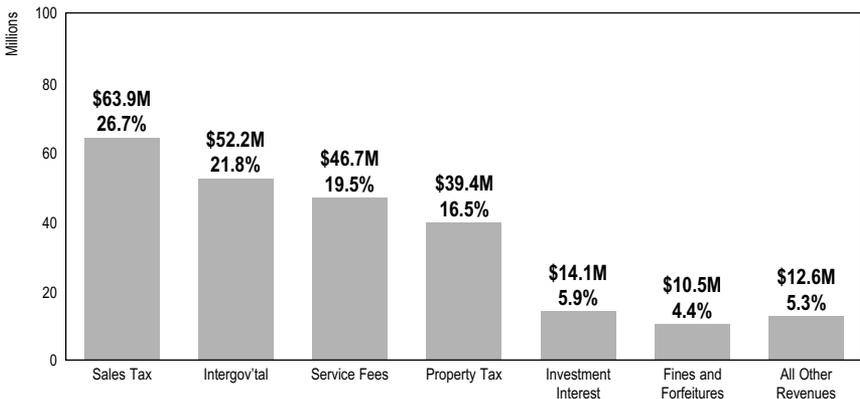
Countywide Reductions

- *Health and Dental Care* – Adjustments to county employee health and dental plans, including a new spousal surcharge and redistribution of cost sharing, resulted in a \$4.0 million general fund savings from preliminary budget estimates.
- *Capital Outlays* – County administration reduced \$2.9 million in capital outlay recommendations for 2009, potentially increasing equipment maintenance costs.
- *Overtime and Temporary Compensation* – Reductions totaled \$1.4 million, particularly in the Sheriff’s office, the Board of Elections, Juvenile Court and County Facilities.
- *Travel and Subscriptions* – Reductions totaled \$120,000 across all departments.

Fee Adjustments

- *Stormwater Fee* – Property owners in unincorporated areas will be assessed a new \$7 fee for stormwater and floodplain review and inspection (\$1.2 million).
- *911 Dispatch Fees* – User agencies will be assessed an additional \$0.55 on dispatch fees, a 4% increase, to support county 911 services (\$185,000).
- *Building Inspection Fees* – Increases include an annual adjustment tied to the construction cost index (\$88,400) and procedural fees related to plan revisions, appeals, and after hours and missed inspections (\$137,000).

Chart 4 - General Fund Revenues by Source



COUNTY SPOTLIGHT

The Banks Riverfront Development

In November of 2007, the Hamilton County Board of Commissioners and Cincinnati City Council approved a series of development agreements to move the long-awaited Banks project to reality. The Banks project will create a vibrant riverfront with a variety of residential options, entertainment venues including restaurants and bars, riverfront office and hospitality space, and an expansive green riverfront park. It will be developed under an aggressive economic inclusion policy, will bring more than \$600 million in private investment to the riverfront, and will become a regional economic force—all without the investment of general fund resources by Hamilton County. Instead, the Banks is supported through federal and state grants, tax incentive financing, private developer contributions, and other non-general fund support.

The Banks project will drive economic growth by leveraging private investment to create hundreds of new jobs and bring more than 3,000 residents to the riverfront. The project will also help make downtown Cincinnati a more competitive and attractive location by providing new sites for business development and expansion.

In constructing the project, the county and city are also establishing policies and goals designed to encourage small business opportunities and workforce development. Due to these inclusion policies, the community will not only build an exciting new destination and neighborhood on the riverfront but will also build the capacity of small businesses and the skills of individual workers.



The construction of the parking garages that will lift the development out of the flood plain are well underway. To date the project is on time, under budget and has exceeded the inclusion goals called for in the master development agreement. It is expected that residents will be living on The Banks by 2010.

- *Coroner Laboratory Fees* – To account for increased costs for services, lab fees increased 9.6%, generating \$84,000 in revenue.
- *Miami Conservancy District Assessment* – Parcels within the conservancy district will be assessed a \$1.53 annual fee for aquifer preservation (\$80,000).

General Fund Reserve Balance

The county's financial position should be considered in a broader context than just the annual budget. The most common representation of a county's fiscal health is the general fund reserve. One of the major goals of the County Commission is to achieve a minimum reserve level of 5% of on-going general fund expenditures. Chart 5 illustrates how the 2009 budget maintains the 5% minimum reserve, while striving to achieve a balance in line with the Government Finance Officers Association (GFOA) recommended minimum of five to 15 percent of operating expenditures.

Chart 5 - General Fund Reserve Balance

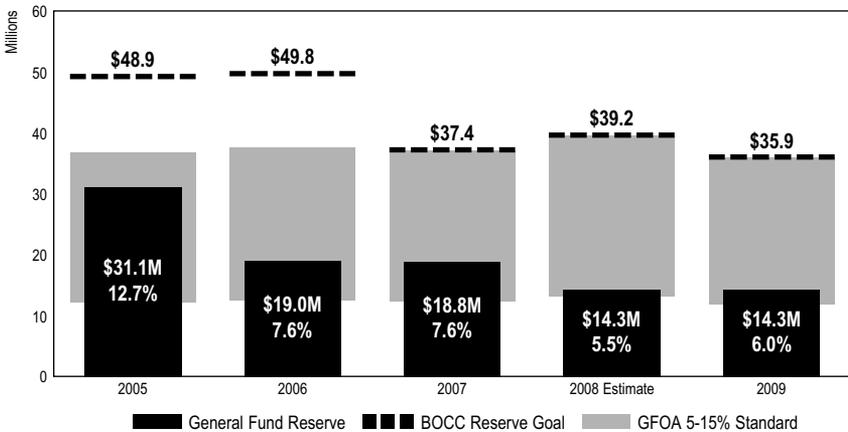
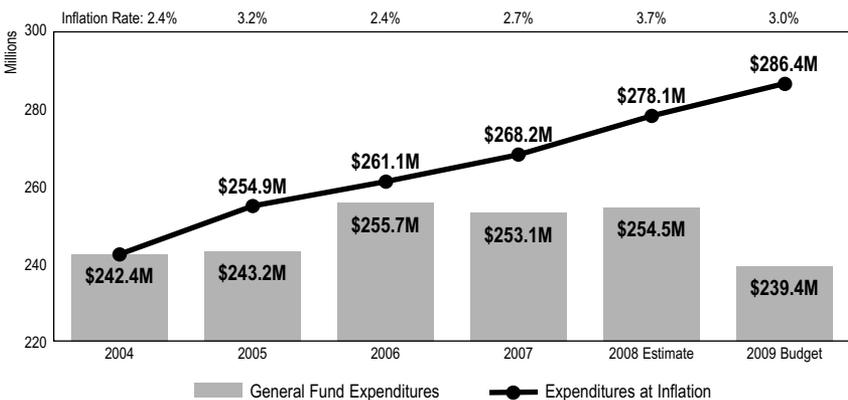


Chart 6 - General Fund Expenditures vs. Inflation, 2004-2009



2009 Restricted Funds Budget

Function/Subfund	Revenues	Expenses	FTEs ¹
Social Services			
Public Assistance (JFS)	220,321,642	230,641,721	1,180.50
Children's Services (JFS)	76,446,566	64,624,089	--
Bureau of Child Support (JFS)	21,871,766	21,870,527	240.50
Senior Services Levy	20,804,987	21,046,403	0.15
Multi-County System Agencies	12,453,762	12,453,762	--
Workforce Investment (JFS)	6,925,584	6,918,401	--
Family and Children First Council	984,500	1,213,245	7.94
Public Works			
Metropolitan Sewer District	210,740,000	190,837,660	-- ²
Roads and Bridges (Engineer)	16,877,400	16,825,243	182.99
Stormwater District	9,199,579	8,692,865	--
All Other Subfunds (3)	9,012,940	8,726,347	8.61
Health			
Board of Mental Retardation Levy	95,128,084	109,534,963	618.74
Mental Health Levy	37,566,290	37,697,272	--
Indigent Care Levy - Hospital Support	47,728,456	34,482,425	1.20
Drake Hospital Levy	16,001,704	12,655,868	0.70
Mental Health and Recovery Services	5,434,580	5,438,211	2.71
Hospital Facility Fund	32,600	32,600	--
Recreational Activities			
Paul Brown Stadium Debt/Operating	30,852,879	30,346,926	27.81
Great American Ballpark Debt/Operating	19,420,479	18,815,808	1.00
Zoological Gardens Levy	7,398,337	7,285,893	--
Riverfront Parking	7,000,000	6,442,557	--
All Other Subfunds (5)	7,280,855	6,343,953	1.00
Public Safety			
Indigent Care Levy - Inmate Medical	248,390	8,968,953	32.00
Communications Center - 911	7,611,423	8,038,089	81.92
Crime Information Center Levy (CLEAR)	4,761,274	7,061,208	-- ²
Sheriff's Township Patrol (Reimbursed)	5,719,500	5,719,500	--
All Other Subfunds (10)	5,987,492	7,704,300	67.99
General Government			
Workers Compensation Reserve	8,509,401	8,561,037	1.00
Real Estate Assessment (Auditor)	7,536,500	6,605,458	71.23
All Other Subfunds (11)	7,143,622	13,074,727	66.45 ³
Debt Service	22,451,774	22,735,080	--
Judicial (20 Subfunds)	6,955,552	14,946,017	73.27
Economic Development			
Convention Center	6,500,000	6,500,000	--
Parking Garage	924,600	924,177	--
Environmental Control			
Solid Waste Management	2,910,000	3,023,607	10.67
Total Restricted Funds	966,742,516	966,806,894	2,678.38 ⁴

¹ An FTE is the equivalent of one full-time employee.

² Personnel in these agencies are employed by the City of Cincinnati.

³ Includes county employees in unappropriated agencies: the Regional Planning Commission and the Soil and Water Conservation District.

⁴ An additional 341.62 county employees are supported in separately legislated grant funds.

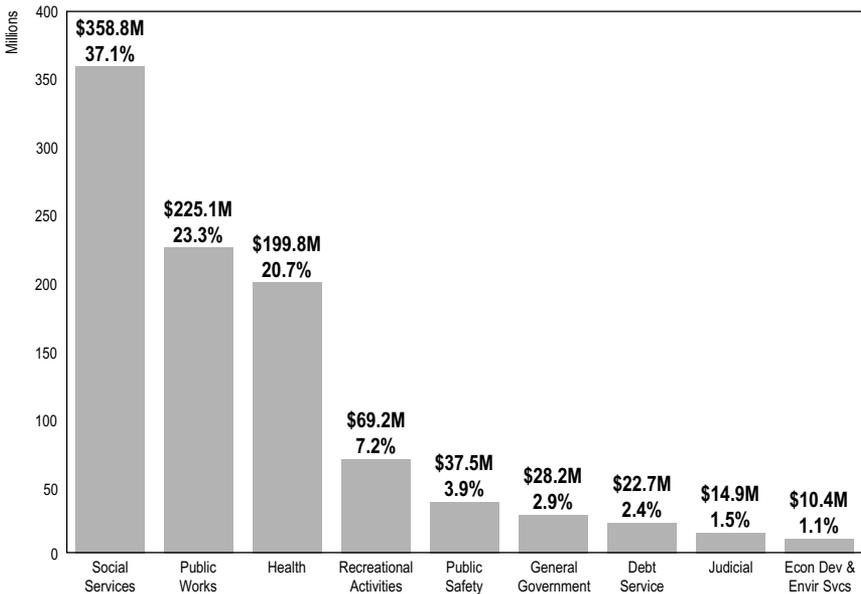
Restricted Funds Budget Summary

Across all restricted funds the Board of County Commissioners has appropriated \$966.8 million for 2009, a \$1.3 million (0.1%) decrease from the \$968.1 million appropriation adopted for 2008. Restricted fund budgets are relatively level due to decreases in the Auditor’s office as it exits a property value reassessment period, state budget reductions to Job and Family Services funding, and the lack of the judgment bond issued in 2008; offset by new activity related to stormwater quantity and quality in the Engineer’s office, planned levy expenditures in the Board of Mental Retardation, and consent decree expenditures at the Metropolitan Sewer District.

Further discussion of restricted fund issues of note follow:

- *Job and Family Services (JFS):* Because of the serious budget challenges in the State of Ohio, JFS anticipates a 40% reduction in state funding over the next several state fiscal years. Its reduction will result in decreased services in all program areas as well as a reduction in the JFS workforce. As a consequence, Children’s Services levy funding has begun to be reprioritized resulting in decreased levy funding for many entities that provide services to children.
- *Auto Title Administration Fund:* The Auto Title Fund within the Clerk of Courts office receives funding from a portion of vehicle registration fees. Revenues in the Title Fund have been declining for several years while expenses have continued to increase. The 2009 budget closes two of the satellite offices (eliminating 14 positions) and reduces staffing at the main office by four positions to bring expenses in line with revenues.

Chart 7 - Restricted Fund Expenditures by Function



COUNTY SPOTLIGHT

Foreclosure Assistance

In response to the growing foreclosure problem in our area, Hamilton County's Community Development Department has designated \$250,000 in Federal Community Development Block Grant funding since 2007 to help finance operation of the Hamilton County Homeowner Preservation Initiative (www.FactsForHomeOwners.com). Working with the City of Cincinnati and the United Way, the initiative partners with local



housing counseling agencies, including Working in Neighborhoods, The Home Ownership Center of Greater Cincinnati, Smart Money Community Services and The Better Housing League. Each of these organizations has extensive experience working with county residents on a variety of housing and financial issues.

The initiative's primary mission is to prevent foreclosures through intervention and intensive counseling. Services include:

- A 24-hour, seven day per week telephone hotline for homeowners facing foreclosure through the United Way's 211 helpline;
- Community outreach to make homeowners aware of services;
- Intensive, one-on-one counseling for homeowners in default;
- Emergency mortgage assistance in selected cases.

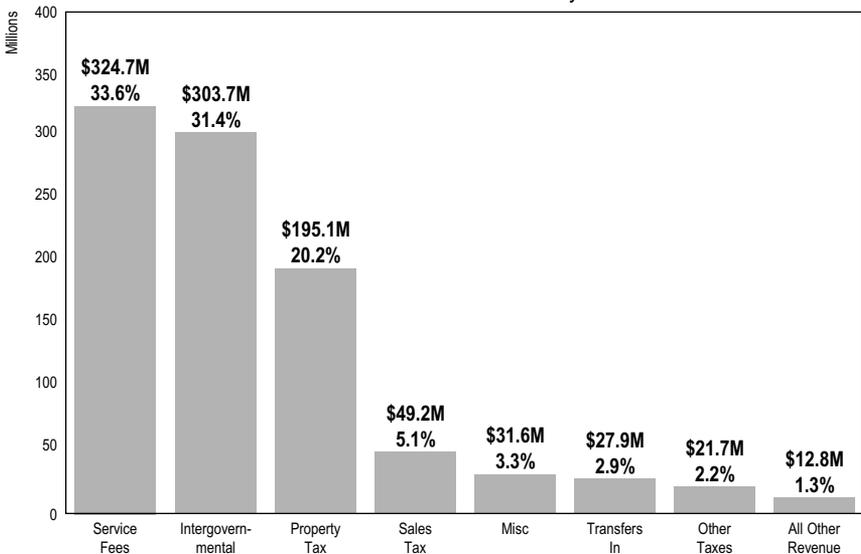
For 2009, Hamilton County will once again dedicate \$100,000 in federal block grant funding to this effort. In addition, matching contributions are being sought from private sector sources to expand the level of service offered.

Also in 2009, Community Development will receive almost \$8.0 million in new funding to address the problem of foreclosed and abandoned homes through the Department of Housing and Urban Development's Neighborhood Stabilization Program. Scheduled to be received in the first quarter of 2009, the grant will be used to rehabilitate (or in some cases demolish) foreclosed properties that have become a blighting influence in the communities where they are located.

By attacking the foreclosure problem on these fronts, the county hopes to reduce the number of families facing foreclosure while simultaneously addressing the damage that has already been done.

- Metropolitan Sewer District:** The county and the City of Cincinnati continue to work with federal courts, the EPA, and the Sierra Club to finalize the elements of the Global Consent Decree concerning combined sewer overflows and sanitary sewer overflows. The consent decree calls for a significant capital investment over the next two decades that will increase sewer charges annually. The 2009 rate increase is 12% and will increase the average quarterly sewer bill \$14.82, from \$123.59 to \$138.41.
- Stadium Sales Tax Fund:** The primary funding source for over \$940 million in riverfront projects built over the last decade is the one-half cent sales tax approved by voters in 1996. The county built its riverfront financing plan upon an assumed annual average sales tax growth of 3% from 2000-2032. To date, the actual average annual sales tax growth rate since 2000 is 1%. In addition to the lower-than-expected sales tax performance, the county was also recently required to make unanticipated payments to contractors for Great American Ball Park as the result of legal claims and is concerned that the State of Ohio will not complete its funding commitment to the projects. As a result, the fund deficit that was once projected in the 2012-2013 timeframe could occur as soon as 2010-2011.
- Drake Levy:** In addition to providing over \$10 million annually in support to the Drake Center, the Drake levy also provides approximately \$6 million annually for county alcohol and drug related treatment programs. With the expiration of the levy on December 31, 2009, the Board of County Commissioners will need to address an alternative funding source during 2009 for the county programs if they are to continue in 2010.

Chart 8 - Restricted Fund Revenues by Source



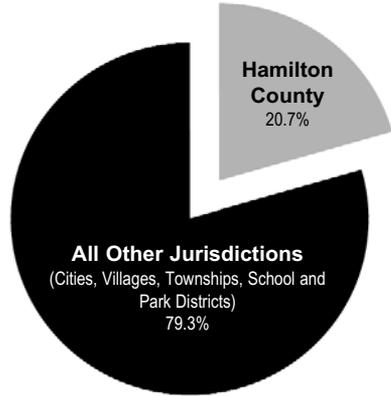
Intergovernmental revenue includes grants, Medicaid receipts, and state revenue sharing.

Miscellaneous revenue includes donations, auction proceeds, and various reimbursements.

All other revenue includes sale of bonds, various licenses, title fees, court fines, and investment interest.

2009 Property Taxes

Through special property tax levies, Hamilton County taxpayers make possible many community-enriching programs. County levies support services for abused and neglected children, senior citizens, people who are mentally retarded, developmentally disabled and mentally ill, as well as providing indigent health care, long-term and rehabilitative health care services, law enforcement assistance, and support for the Cincinnati Zoo and the Cincinnati Museum Center.



Who's Taxing You? *In the average 2009 tax district presented above, less than 21% of property taxes are under the taxing authority of the County Commissioners.*

Property taxes are calculated by millage rates. One mill equals \$1.00 for every \$1,000 of property value. Taxes are collected based on 35% of a property's value. For example, if a property is worth \$100,000, the millage rate would be applied to \$35,000. In addition, taxes due are reduced by a factor set by the state and by local tax credits.

Assessed House Value	County General Fund	Bond Retirement	Crime Info Center	Museum Center	Zoo	Drake Center	Senior Services
Full Millage	2.26	0.14	0.54	0.20	0.46	0.84	1.29
Effective Millage	2.26	0.14	0.15	0.17	0.32	0.70	0.89
\$100,000	67.09	4.16	4.33	4.93	9.39	20.73	26.38
\$125,000	83.86	5.19	5.41	6.17	11.74	25.91	32.97
\$150,000	100.63	6.23	6.49	7.40	14.09	31.09	39.57
\$175,000	117.40	7.27	7.57	8.64	16.44	36.27	46.16
\$200,000	134.17	8.31	8.66	9.87	18.79	41.45	52.76
\$225,000	150.94	9.35	9.74	11.10	21.13	46.63	59.35
\$250,000	167.72	10.39	10.82	12.34	23.48	51.81	65.95
\$275,000	184.49	11.43	11.90	13.57	25.83	57.00	72.54
\$300,000	201.26	12.47	12.98	14.80	28.18	62.18	79.14

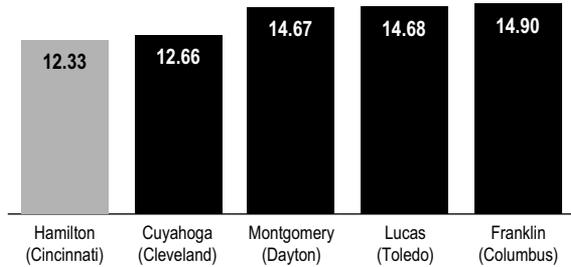
The levies highlighted in gray above are part of the county budget. All others—park levies; city, village, and township levies; and school levies—appear in this document for completeness only. While proceeds of these levies are collected and distributed by the County Auditor, the levies of these political subdivisions do not fall under the taxing authority of the Board of County Commissioners.

**The calculations above should be used for informational purposes only.
For more detailed information, visit the Auditor's website: www.hcauditor.org**

When property values increase, most levies do not receive additional funding. Each year the state calculates reduction factors so that the total collections for a levy stay close to that which voters originally approved.

In 2009, there is an overall increase in millage for those levies in the county budget (indicated in gray below) due to voter approval of a renewal levy with an increase for Cincinnati Zoo. The increase has an estimated impact of less than \$2.00 on the owner of a \$100,000 house.

The table below indicates the millage and property taxes (including credits) for homes in a representative taxing district in Hamilton County. While the total millage represents the countywide average, taxes for school districts and municipalities vary widely throughout the county.



Effective Millage Rates, 2009. The chart above shows the effective residential millage for property taxes under the taxing authority of the County Commissioners (in gray below) in the five most populous counties in the state. While Hamilton County ranks third in population, it has the lowest residential millage rate.

Mental Health	University & Children's Hospitals	Children's Services	MR/DD	Parks	Cities/Villages/Townships	School Districts	JVS*	TOTAL
2.99	4.49	2.77	3.62	1.03	7.52	51.59	2.70	82.44
1.47	1.59	1.65	3.01	0.78	7.52	37.06	2.00	59.69
43.64	47.17	48.88	89.32	23.08	223.23	1,100.09	59.37	1,771.76
54.55	58.96	61.09	111.65	28.85	279.03	1,375.11	74.21	2,214.71
65.46	70.75	73.31	133.98	34.63	334.84	1,650.13	89.05	2,657.65
76.37	82.54	85.53	156.31	40.40	390.64	1,925.15	103.89	3,100.59
87.28	94.33	97.75	178.64	46.17	446.45	2,200.17	118.74	3,543.53
98.19	106.12	109.97	200.97	51.94	502.26	2,475.19	133.58	3,986.47
109.10	117.91	122.19	223.29	57.71	558.06	2,750.21	148.42	4,429.41
120.02	129.71	134.41	245.62	63.48	613.87	3,025.23	163.26	4,872.35
130.93	141.50	146.63	267.95	69.25	669.68	3,300.26	178.11	5,315.29

Tax rates for cities, villages, townships and school districts vary throughout Hamilton County. The total effective millage for county tax districts ranges from 38.64 to 89.49. The average rate of taxation used for the calculations above is the rate for District 71, including the Village of Lockland and the Lockland School District.

* Residents of Hamilton County outside the limits of the Cincinnati Public and Northwest Local school districts pay property tax for the support of the Great Oaks Joint Vocational School (JVS) District. Residents of Northwest Local support the Butler County Technical and Career Development School District (1.93 mills).

Convention Center Renovation



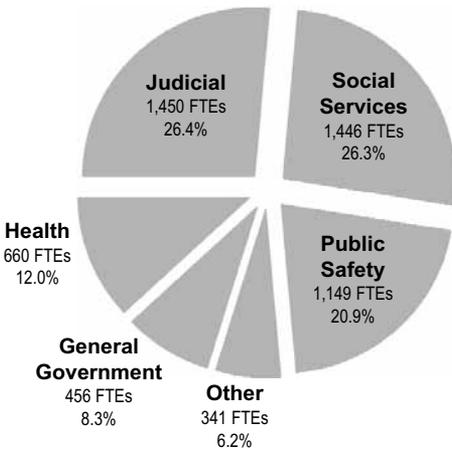
The Duke Energy Center welcomes meeting delegates and visitors with a series of glistening metal panels on its western facade alongside Interstate 75, proclaiming C-I-N-C-I-N-N-A-T-I in 50-foot-tall letters. The panels could just as easily read C-O-O-P-E-R-A-T-I-O-N, as the center stands as an example of what Hamilton County and the City of Cincinnati can accomplish when they work together with the local business community to achieve a common goal.

The Duke Energy Center's 2006 expansion was a collaboration of the city and the county, both of which won the support of the hotel industry in raising occupancy taxes to finance the convention center project and market the region to visitors. The resulting \$135 million expansion came in \$10 million under budget and means that the new center can now accommodate 75 percent of the existing convention, conference and meetings market in the United States.

The 750,000 square foot facility offers increased flexibility, improved design and the latest in technological advances and amenities, as well as one of the Midwest's largest grand ballrooms at nearly 40,000 square feet. The improvements are succeeding in attracting high-profile organizations like the NAACP and the National Baptist Convention to the city in 2008. As a result, hotel tax collections have achieved record levels that will be invested back into the tourism industry, thus sustaining continued growth.

The success of the convention center renovation, coupled with the \$45 million reimagining of Fountain Square, has brought a cascade of new restaurant openings to downtown Cincinnati, and created a central business district vibrant with activity and populated by residents and visitors alike.

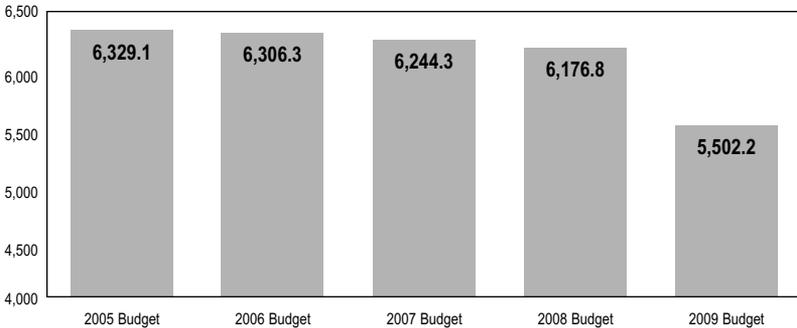
2009 Employee Position Estimates



Positions by Function.

The 2009 budget includes the equivalent of 5,502.2 full-time positions (FTEs) across all county funds (including grant funds). This is a net reduction of 674.6 positions from 2008. The 2009 budgeted position count is subject to the implementation of department directors and elected officials. **Actual position counts during 2009 may vary substantially, depending on how departments choose to absorb budget reductions.**

The "other" category to the left includes those departments in the following functional areas: economic development, environmental control, public works and recreational activities.



Position Trends. The chart above shows the decrease of 826.9 employee positions between 2005 and 2009. Between 2005 and 2007 positions decreased primarily due to an early retirement program at the Board of Mental Retardation and Developmental Disabilities, the transition of the Treatment Accountability for Safer Communities (TASC) program to community-based agencies, the consolidation of the the Alcohol and Drug Addiction Services Board and the Mental Health Board, and the transfer of the Section 8 housing program to the Cincinnati Metropolitan Housing Authority.

The 68 positions reduced in 2008 and the 675 reduced in 2009 have primarily been the result of budget reductions shared across most departments. While the County budget office makes recommendations regarding position reductions with the annual budget, the implementation is ultimately the responsibility of department directors and elected officials, who may choose to absorb reductions by other means. Major position reductions recommended in the 2009 budget include the following:

- **Sheriff** As many as 200 FTEs may be reduced due to the closure of the Queensgate jail and assuming no additional funding for non-reimbursed township patrols.
- **Job and Family Services** While the budget accounts for 192 implemented reductions, as many as 200 additional reductions are a possibility as the result of state budget cuts for 2009 and 2010.
- **Juvenile Court** The budget estimates a reduction of 90 FTEs, but the court could see a loss of as many as 160 positions, dependent on grant funding. The court's reductions are the effect of lost funding from Job and Family Services due to state reductions and the general fund budget deficit.
- **Clerk of Courts** The budget estimates a loss of 86 FTEs based on a 25% general fund staff reduction and the closure of two auto title offices. Early implementation indicates fewer lost FTEs.
- **Probation** Decreased staffing of as many as 33 FTEs is due to the elimination of the community services program and other across-the-board department reductions.

2009 Hamilton County Elected Officials

Board of County Commissioners

David Pepper, President
Todd Portune, Vice President
Gregory Hartmann, Commissioner

Joseph T. Deters, **Prosecutor**
Simon L. Leis, Jr., **Sheriff**
Dr. O'dell M. Owens, **Coroner**
William W. Brayshaw, **Engineer**

Wayne Coates, **Recorder**
Dusty Rhodes, **Auditor**
Robert A. Goering, **Treasurer**
Patricia M. Clancy, **Clerk of Courts**

Hamilton County Vision

To serve the residents of Hamilton County by providing the best and most responsive county government in America

Hamilton County Mission

To reach out to Hamilton County residents to provide efficient service of the highest quality, encourage resident participation in service development and to deliver county services equitably

This document is produced by the
Hamilton County Office of Budget and Strategic Initiatives
603 County Administration Building
138 East Court Street, Cincinnati, Ohio 45202
(513) 946-4400

Patrick Thompson, County Administrator
Christian Sigman, Assistant County Administrator for Budget and Public Safety

Public feedback on the 2009 budget may be submitted via the customer feedback link on the county website or by calling County Administration or the County Commissioners at the contact numbers listed on the next page.

Current and prior year budget documents are available for download from the county website:

www.hamiltoncountyohio.gov

Budget publications are also available at the Public Library of Cincinnati and Hamilton County.

Hamilton County Board of Commissioners

138 East Court Street, Room 603, Cincinnati, OH 45202

www.hamiltoncountyohio.gov

General Information Phone Number: (513) 946-INFO (4636)

Auditor	946-4000	Jury Commission	946-JURY (5879)
Auto Titles	946-4646	Justice Center	946-6100
Building Inspections	946-4550	Juvenile Court	946-9200
Clerk of Courts	946-5666	Law Library	946-5300
Child Support Services Center	946-7387	League of Women Voters	281-8683
Commissioner Hartmann	946-4405	Library	369-6000
Commissioner Pepper	946-4409	Marriage Licenses	946-3589
Commissioner Portune	946-4401	Mental Health and Recovery Services Board	946-8600
Common Pleas Court	946-5800	Mental Retardation/Developmental Disabilities Board	794-3300
Communications Center	825-2170	Municipal Court	946-5200
Community Development	946-8230	OSU Extension	946-8989
Coroner	946-8700	Park District	521-7275
Council on Aging	721-1025	Planning and Zoning	946-4500
County Administration	946-4400	Probate Court	946-3580
Court of Appeals	946-3500	Probation	946-9600
Development Company	631-8292	Prosecutor	946-3000
Dog Warden	541-6100	Public Defender	946-3700
Domestic Relations Court	946-9000	Public Works	946-4750
Election Information	632-7000	Purchasing	946-4355
Emergencies	911	Recorder	946-4600
Emergency Management	263-8012	Sewer District	244-1300
Engineer	946-4250	Sheriff	946-6400
Environmental Services	946-7777	Soil and Water Conservation District	772-7645
Facilities	946-5000	SPCA	541-6100
Family and Children First Council	946-4990	Stormwater District	946-4250
Foster/Adoptive Parent Recruitment	632-6366	Treasurer	946-4800
Health District	946-7800	Veterans Services	946-3300
Human Resources	946-4700	Voter Registration	632-7000
Job and Family Services	946-1000	Zoning Appeals	946-4502

Hamilton County, Ohio
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