



2011 Budget in Brief

Hamilton County, Ohio



Board of County Commissioners

Greg Hartmann, President

Chris Monzel, Vice President

Todd Portune, Commissioner

County Administrator

Patrick Thompson

About the Cover

The 2011 Budget in Brief cover showcases six county entities that celebrated milestone anniversaries during 2010.



Give Back Cincinnati - 10 Years

With more than 5,000 members from 400 local companies, Give Back Cincinnati is one of Cincinnati's largest young professional organizations. It coordinates large-scale volunteer and civic engagement activities, and partners with other nonprofits to make an impact in the region and around the world.



City of Madeira - 100 Years

Located 10 miles northeast of downtown Cincinnati, Madeira is consistently praised for its charming atmosphere and high quality of life. It has been recognized by *Cincy* magazine as the #1 suburb in Greater Cincinnati, and by *BusinessWeek* as the 40th "best place to raise kids" in the United States.



Mercantile Library - 175 Years

Organized in 1835, Cincinnati's Mercantile Library presents frequent literary events to a county-wide membership, and continues to add to its time-honored collection. Home to the county's oldest public art collection, the recently refurbished library also presents concerts and civic programs.



Mt. Adams Reindog Parade - 20 Years

More than 500 dogs and their owners wear holiday-themed costumes and march the streets of Mt. Adams in the annual Reindog Parade benefiting SPCA Cincinnati. The SPCA also makes dogs available for adoption, sells Hamilton County dog licenses and offers low-cost microchipping at the event.



Tony Arrasmith & Associates

Cincinnati Playhouse in the Park - 50 Years

Founded in 1960, the two-time Tony Award-winning Playhouse celebrated its 50th anniversary during the 2009-2010 season. It is known for its artistic excellence, commitment to new works, extensive educational programming and as a home for America's best actors, directors, designers and theatre professionals.



WGUC - 50 Years / WVXU - 40 Years

Cincinnati Public Radio celebrated the anniversaries of 90.9 WGUC and 91.7 WVXU by bringing the internationally acclaimed public art installation "Play Me, I'm Yours" to Hamilton County and surrounding areas. Thousands of people played the 35 painted pianos, enjoying impromptu sing-alongs and concerts.

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.

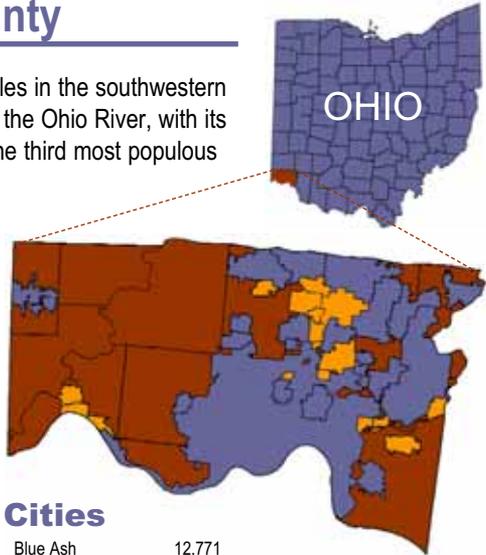
Named for Alexander Hamilton and established in 1790, the county was only the second to be carved out of the Northwest Territory. It predated Ohio statehood by 13 years and its boundaries included one-eighth of what is now Ohio.

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 2009 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 manage Board policies and prepare the county budget.



Cities

Blue Ash	12,771		
Cheviot	8,424	Mt. Healthy	6,098
Cincinnati	333,012	North College Hill	9,583
Deer Park	5,780	Norwood	20,404
Forest Park	18,601	Reading	10,561
Harrison	9,491	Sharonville*	11,119
Indian Hill	6,088	Silverton	5,150
Loveland*	9,539	Springdale	10,467
Madeira	9,085	St. Bernard	4,658
Milford*	39	Wyoming	8,345
Montgomery	10,584	Total	509,799

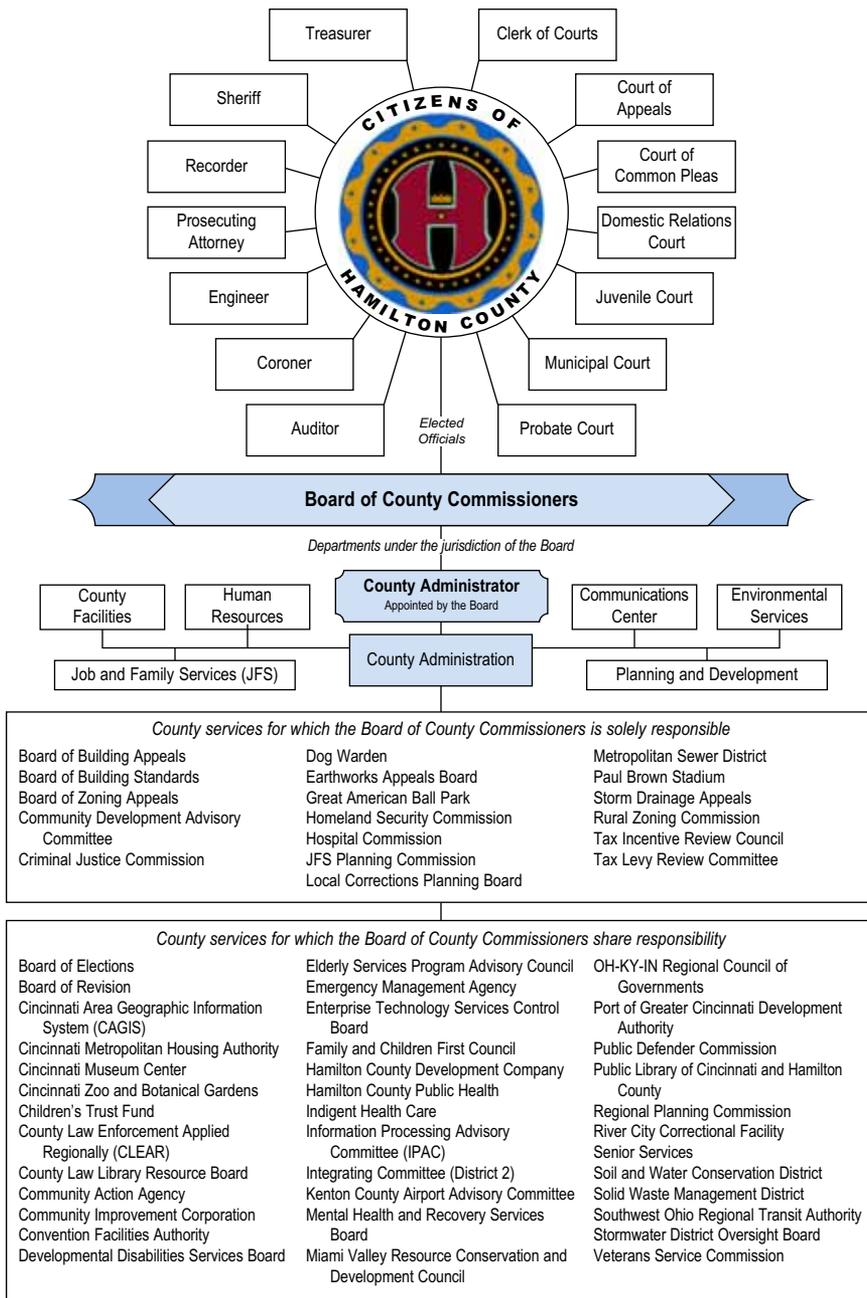
Villages

Addyston	1,003	Greenhills	3,851
Amberley Village	3,559	Lincoln Heights	3,927
Arlington Heights	843	Lockland	3,491
Cleves	2,735	Mariemont	3,196
Elmwood Place	2,495	Newtown	3,924
Evendale	3,025	North Bend	643
Fairfax	1,865	Terrace Park	2,233
Glendale	2,226	Woodlawn	2,657
Golf Manor	3,784	Total	45,457

Townships

Anderson	45,419	Miami	8,615
Colerain	62,566	Springfield	39,883
Columbia	3,371	Sycamore	20,442
Crosby	2,514	Symmes	15,852
Delhi	31,263	Whitewater	4,359
Green	61,377	Total	299,806
Harrison	4,145		

Population by Jurisdiction. *The total county population, according to 2009 census estimates, is 855,062. Estimates have fluctuated in recent years as jurisdictions have successfully challenged 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 administrators of their departments. The Board of County Commissioners (BOCC), and the County Administrator as its representative, have direct jurisdiction over the seven areas beneath the Board. The BOCC also has sole responsibility for the 18 other entities grouped in the next box and shares responsibility for the remaining 37 services 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 100 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 80 special revenue funds to account for tax



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. Enterprise funds include parking and stadium operations, and the Metropolitan Sewer District. The county's **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.

2011 General Fund Budget

Function/Department	Revenues	Expenses	FTEs ¹
Judicial			
Clerk of Courts	14,014,400	10,595,108	185.38
Court of Appeals	100	54,041	-- ²
Court of Common Pleas	65,488	7,024,293	37.25
Court of Domestic Relations	322,540	3,496,652	54.00
Court Reporters	1,000	2,457,173	39.50
Juvenile Court	8,167,000	20,077,248	306.67
Municipal Court	138,105	4,863,245	77.58
Probate Court	1,282,000	2,780,387	41.00
Probation	330,250	6,731,481	122.75
Public Defender	5,039,050	13,770,143	120.50
Public Safety			
Communications Center - 911 Call Center	--	1,329,108	-- ³
Coroner	857,200	3,548,765	44.33
Emergency Management	--	227,000	-- ³
Prosecutor	1,854,859	10,421,666	156.58
Sheriff	12,285,180	55,891,180	706.40
General Government			
Auditor	137,845,129	2,110,477	19.69
Board of Elections	236,000	7,108,760	46.40
Commissioners and County Administration	1,320,458	4,279,039	48.63
Communications Center - Telecommunications	60,000	1,339,322	8.58
Contracts and Subsidies	324,150	1,063,026	--
County Facilities	5,057,111	19,723,406	95.50
Non-Departmentals	2,071,501	7,361,753	2.00
Recorder	3,012,700	1,546,470	26.00
Treasurer	9,535,200	838,533	6.80
Debt Service	--	11,135,804	--
Public Works			
Planning & Development - Building, Planning & Zoning	2,517,700	2,908,685	41.57
Planning & Development - Sewer District	3,292,210	3,292,211	2.64
County Engineer	--	561,976	-- ³
Social Services			
Job and Family Services	--	1,148,793	-- ³
Veterans Service Commission	213,000	1,575,240	11.15
Economic and Community Development			
Planning & Development - Home Improvement	--	15,401	--
Economic Development	62,887	1,411,355	1.91
Total General Fund	209,905,218	210,687,741 ⁴	2,202.81

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.

⁴ Budgeted expenditures exceed revenues in 2011 due to the planned use of resources accumulated in prior years by the Juvenile Court.

General Fund Budget Summary

For calendar year 2011, the Board of County Commissioners has appropriated a general fund budget of \$210.7 million, a \$1.1 million, or 0.5%, decrease from the 2010 budget. The 2011 budget marks the lowest revenue and expenditure levels in the county since 1998. General fund employee positions are estimated to decrease by less than one position (0.62) from the 2010 budget.

2011 Budget Process

County Administration implemented substantial revisions to the budget development process during 2009 to allow departments to better plan for and respond to budget reductions, and ultimately to implement reductions in advance of January 1. Those process revisions remained for 2011 budget development. The county budget office released a general fund forecast budget to departments in May, with revisions in August, to alert agencies of the scope of the budget reductions required for 2011. During September departments were afforded an opportunity to respond to the forecasts in public working sessions with the Board of County Commissioners in advance of the release of the County Administrator's recommended budget.

The Administrator's recommendation took into account the department feedback and Commission direction to formulate a budget that addressed both, and was released on October 18. The County Commission held public hearings on the general fund budget during October and November and continued to review and build consensus around the budget at its weekly staff meetings before establishing budget levels on November 17. The open budget process and November passage date allowed departments time to develop and implement management plans within approved funding levels.

General Fund Revenues

All 2011 budget forecasts were revenue-driven, distributing available resources across general fund departments according to scenarios that reflected known liabilities and policy decisions. Economic indicators across many fronts show that a return to revenue growth will be slow and could take several years. The following items address the revenue assumptions for five of the largest revenue categories in the general fund:

- *Sales Tax.* General fund sales tax performance during the last seven months of 2010 rebounded from 2009 levels, averaging over an 8% increase monthly. For the 2011 budget, sales tax is anticipated to continue to grow modestly for the first five months (2%). After that, the budget assumes some decrease from 2010 levels, ending the year level or slightly below 2010 collections.
- *Property Taxes.* The general fund property tax rate is limited to 2.26 mills and additional revenue is only realized through new development and periodic reappraisals. 2011 general fund budgeted property tax revenue decreases \$1.5 million

from the 2010 budget. The decrease accounts for the state phase out of the personal property tax reimbursement, suspended public utility tax payments from Duke Energy, and a 1% reduction from the Auditor's estimated real estate tax collections based on prior year performance. The Duke Energy reduction is also reflected in reduced revenue estimates for voted property tax levies. In the next property reassessment for the 2012 collection year, the general fund will likely see a decrease in property tax revenue.

- *Local Government Fund (LGF)*. This state revenue sharing mechanism is directly tied to the general revenue performance at the state level. With continued state budget pressures, LGF revenue is estimated at \$18.3 million in 2011 and represents a decrease of \$2.4 million (11.8%) from 2010 collections.

Chart 1 - Variance in Major Revenue Categories, 2007-2011

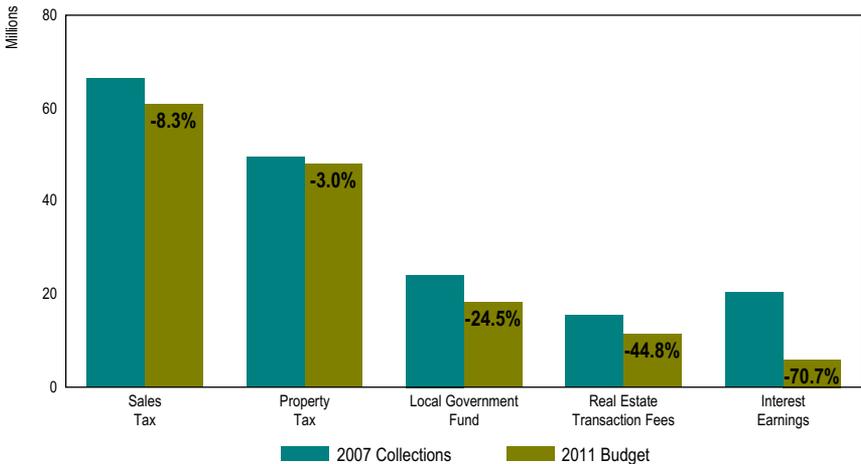
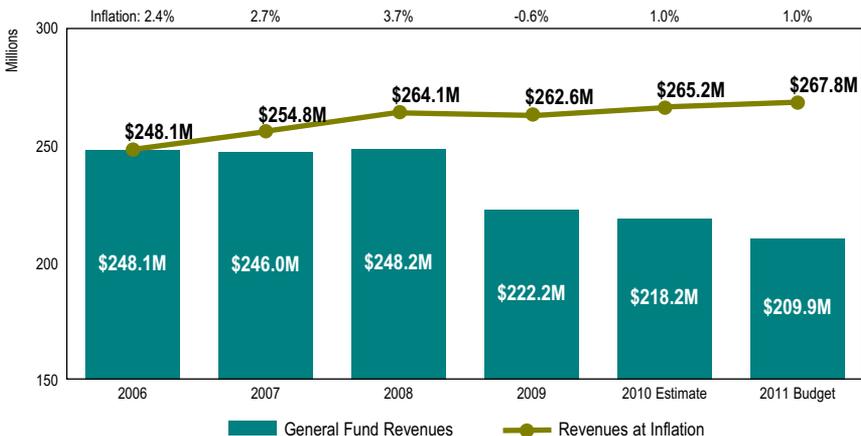


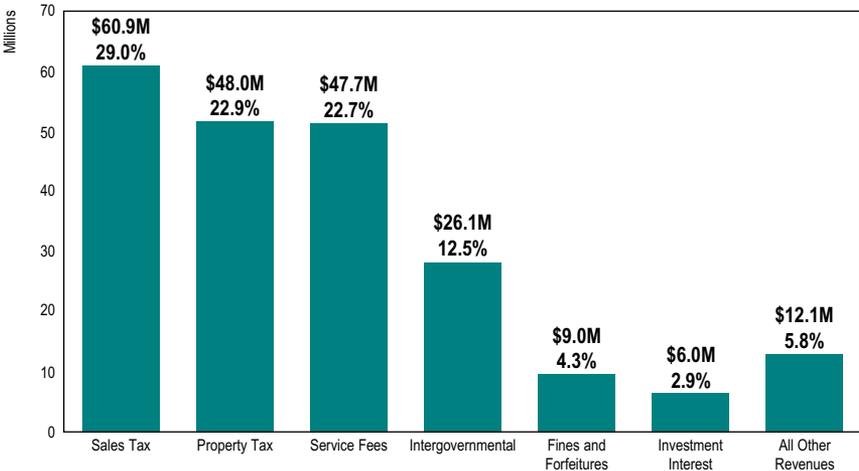
Chart 2 - General Fund Revenue Performance vs. Inflation, 2006-2011



- *Real Estate Transaction Fees.* 2010 revenue in recording fees, conveyance fees and transfer taxes demonstrated modest growth (2.4%) from 2009 collections, due to the federal new homebuyer tax credit and record low interest rates. Absent this scenario, 2011 real estate transaction-related revenues are estimated to generate \$8.6 million, a decrease of \$1.8 million (17.5%) from 2010 collections.
- *Interest Earnings.* Continued low interest rates are expected for the foreseeable future, with the federal funds interest rate anticipated to remain less than one percent through 2011. Interest earnings are estimated at \$6.0 million and represent a decrease of \$1.2 million (16.5%) from 2010 collections.

These five revenue sources are estimated at \$141.7 million for 2011, or 67.5% of the total general fund revenue estimate. The 2011 estimate for these revenue sources represents a \$34.3 million decrease from 2007 actual receipts. Adjusted for a lack of inflationary growth in these revenue sources, the decrease is \$43.4 million. Charts 1 and 2 detail the dramatic decrease in revenue during recent years.

Chart 3 - General Fund Revenues by Source



2011 Commission Priorities

During this time of economic challenges, the Board of County Commissioners has concentrated its budget priorities on basic community needs in the face of declining revenues, while emphasizing those policy areas that might positively impact key trends and indicators within the purview of the County Commission. While maintaining its commitment to balancing the general fund budget and replenishing county reserves, the Board also established consensus priorities within the areas of economic development, public safety and government consolidation.

Initiatives contemplated in the 2011 budget that address these policy priorities include:

- Additional support for the economic development efforts of the Port Authority and

Awareness Campaign Addresses Abuse

Sometimes, mothers in love can't see the warning signs. They think that because their partner loves them, he will love their child. It is a mistake that can be fatal.

In Hamilton County, six of 17 child abuse deaths over the past five years were at the hands of mom's partner. That 35% rate is higher than the national rate of 15% (2006). The Ohio Department of Health reports that of the cases in which a child was killed due to abuse or neglect, the mother's partner was cited 28% of the time.



The Hamilton County Department of Job and Family Services launched the Choose Your Partner Carefully Campaign in 2010 to help bring awareness to the issue and educate the public on the warning signs that can lead to this specific type of abuse. The awareness campaign included advertising (television, outdoor, brochure), education and tools for mothers, and a website (www.KnowTheWarningSigns.com). The campaign was awarded the Cincinnati Public Relation Society's highest honor, the Blacksmith Award, in the community relations category.

The agency focused on a very specific, and often deadly, form of child abuse. When mothers choose a partner, they are not just choosing for themselves, they are choosing for their children too. Choosing the wrong partner can be, literally, deadly. Many non-biological partners have no relationship or commitment to the child. They are primarily interested in their own romantic involvement with the mother and may become irritated when problems with the child arise. According to an American Academy of Pediatrics study, "The common circumstances for the homicide are the victim being at home, being alone with the caretaker-perpetrator and crying."

It is a growing problem as the nation experiences more single parents. According to national statistics, children living with unrelated adults are nearly 50 times more likely to die as a result of abuse than are those living with two biological parents.

Warning signs of abuse include a child exhibiting fear, and shaking or crying uncontrollably when separated from the biological parent. Sometimes mothers in love can't see these signs. Those of us who love and support them must watch for the signs and intervene. If you know a child that may be a victim or at risk of abuse, call Hamilton County's Children's Services Division at 241-KIDS.

continual evaluation of the use of general fund appropriations for the most efficient means of pursuing robust economic development.

- Maintenance of current corrections system capacity while pursuing the most cost-effective alternative treatment and community re-entry solutions available.
- Support for strategies that streamline operations within county elected offices and consolidate similar services across jurisdictional boundaries.

General Fund Expenditures

The county budget process does not lend itself toward making discrete reductions to line items within individual departments. Instead the budget office focuses on accurately estimating available revenues and working with departments to size agency funding levels to match available resources. In this way, operational judgments are left to the subject matter experts within the departments, and budget staff focus on managing finances and operating impacts on a countywide basis.

Chart 4 - General Fund Expenditures by Function

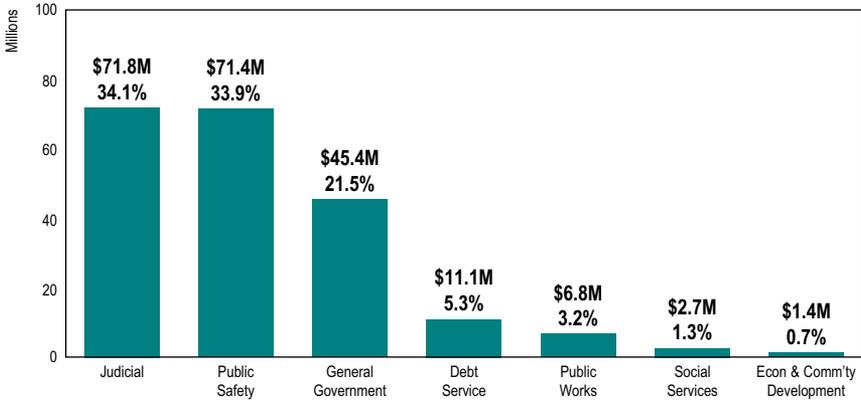
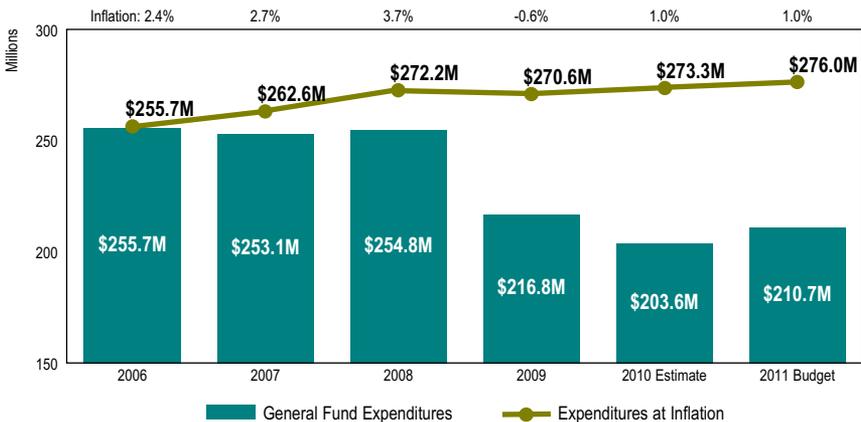


Chart 5 - General Fund Expenditures vs. Inflation, 2006-2011



COUNTY SPOTLIGHT

Mentoring Fosters Higher Education

The Hamilton County Higher Education Mentoring Initiative (HEMI) pairs foster youth entering their junior year of high school with a higher education mentor. The mentors prepare and assist students as they pursue post-secondary educational and career training opportunities available to them. Currently, 40 Hamilton County foster youth have enrolled in HEMI. They receive guidance ranging with applying for financial aid and scholarships to enrolling in college placement exams and visiting campuses.



Commissioner Greg Hartmann and the Hamilton County Job and Family Services (JFS) department started HEMI in 2009 with the goals of reducing the number of foster youth who drop out of high school, increasing the number who apply to and pursue higher educa-

tion, and guiding foster youth on a path to successful careers and sustainable income. The HEMI program depends on the involvement of partners at the University of Cincinnati, Cincinnati State Technical and Community College and Great Oaks Institute of Technology and Career Development to make the program accommodating to many different career choices.

In 2008 only three of 150 Hamilton County foster youth enrolled in high school pursued higher education. When preparing to “age out” of the system, this at-risk population is equipped only to maintain their most basic living needs without a support system. By 2010, 11 senior HEMI students graduated from high school and enrolled or planned to enroll in post-secondary education.

The goal of HEMI is to enroll a minimum of 20 new foster youth into the program each school year. HEMI currently targets foster youth in their junior and senior years of high school. In the long-term, the program envisions expanding to work with foster youth even earlier in their high school careers.

HEMI mentors are recruited from a diverse community population including, but not limited to, the business community, faith-based organizations, retirees, civic organizations and cultural groups. JFS staff and UC staff provide training for the mentors before they meet their mentee and through the course of their mentoring relationship. For more information contact Annie Dick Schellinger at 513-556-4368.

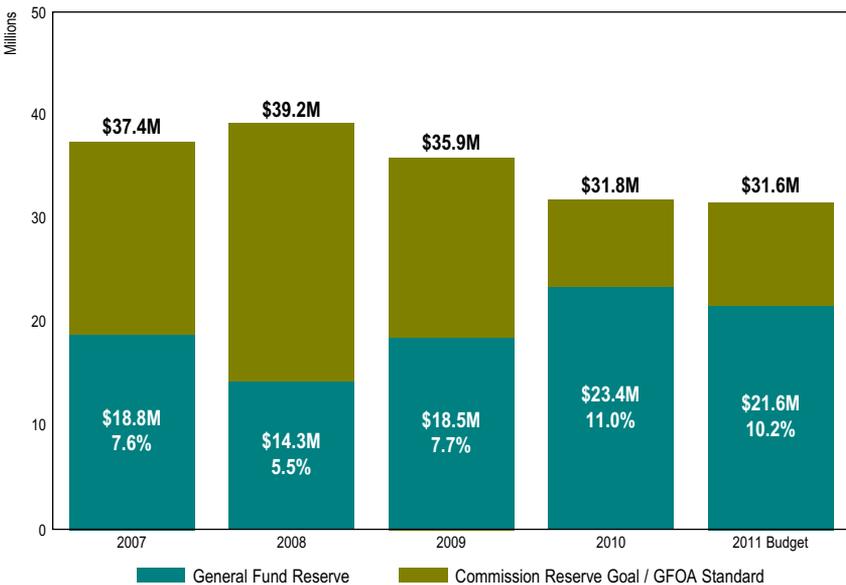
The Administrator’s recommended budget took into account priorities of the Board of County Commissioners, agency directors, and independently elected officials through its assumptions and adjustments primarily in the areas of public safety and administration of justice. County Administration worked closely with the Sheriff’s office to come to consensus on a budget level that would maintain current staffing in the Justice Center and patrol operations. In addition, the recommended budget addressed the concerns of administrators in the Domestic Relations, Probate and Juvenile courts through the use of revenue adjustments based on improved performance through the fall of 2010.

The Board of County Commissioners, in the final phase of budget adjustments, restored \$215,000 in Coroner’s lab personnel reductions and allocated an additional \$175,000 to economic development initiatives at the Port of Greater Cincinnati Development Authority. The adjustments were sustained through the transfer of Coroner utility expenses to the County Facilities department and through the revision of revenue estimates for sales tax and the local government fund.

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. Chart 6 illustrates the 2011 budget’s 10.2% projected reserve toward both the Commissioners’ goal and the Government Finance Officers Association (GFOA) recommended reserve level of 15% of operating expenditures. The 2011 fund balance decreases from the 2010 ending balance due to anticipated capital project investments in 2011 (\$1.8 million).

Chart 6 - General Fund Reserve



2011 Restricted Funds Budget

Function/Subfund	Revenues	Expenses	FTEs ¹
Health			
Developmental Disabilities Services Levy	105,853,891	111,029,029	626.91
Mental Health Levy	37,052,072	42,954,739	0.15
Indigent Care Levy	46,528,983	39,303,453	1.28
Mental Health and Recovery Services	11,942,785	12,003,075	1.13
Family Services & Treatment Levy - Drug Court	6,673,800	1,774,253	0.71
All Other Subfunds (2)	481,251	60,823	--
Social Services			
Public Assistance (JFS)	84,211,558	76,045,188	662.50
Children's Services Levy (JFS)	75,898,171	66,730,059	24.00
Senior Services Levy	20,662,622	22,257,311	0.10
Multi-County System Agencies	12,713,807	12,713,807	--
Bureau of Child Support (JFS)	11,956,098	11,958,080	111.00
Workforce Investment (JFS)	5,317,102	5,317,102	--
Family and Children First Council	902,500	833,728	8.94
Public Works			
Metropolitan Sewer District	231,490,000	58,827,610 ²	-- ³
Roads and Bridges (Engineer)	17,187,100	17,142,079	180.90
Permissive Auto Tax - County (Engineer)	4,759,000	4,750,000	--
All Other Subfunds (5)	7,476,057	7,547,655	28.15
Recreational Activities			
Paul Brown Stadium Debt/Operating	34,921,112	34,666,287	26.21
Great American Ballpark Debt/Operating	15,557,433	15,290,820	0.47
Parking Revenue Fund	7,010,000	9,267,908	0.60
Zoological Gardens Levy	7,349,902	7,288,464	0.05
All Other Subfunds (7)	5,847,738	4,463,183	4.14
General Government			
Medical Self-Insurance Fund	39,174,193	39,174,193	0.45
Real Estate Assessment (Auditor)	9,421,000	8,177,332	65.07
Workers Compensation Reserve	7,002,615	4,356,956	1.00
All Other Subfunds (9)	6,850,931	9,485,828	57.84 ⁴
Public Safety			
Indigent Care Levy - Inmate Medical	260,963	13,117,214	66.00
Communications Center - 911	6,799,860	7,032,621	75.42
Sheriff's Township Patrol (Reimbursed)	6,409,500	6,409,500	--
Crime Information Center Levy (CLEAR)	4,623,256	5,278,556	-- ³
All Other Subfunds (12)	5,111,200	8,354,466	69.68
Judicial (22 Subfunds)	11,870,460	19,923,338	130.67
Debt Service (3 Subfunds)	19,011,839	18,917,021	--
Economic Development			
Convention Center	5,500,000	5,500,000	--
Main Street Parking Garage	970,000	977,190	--
Environmental Control (Solid Waste Management)	2,650,000	2,829,642	10.27
Total Restricted Funds	877,448,799	711,758,511	2,153.64 ⁵

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

² The Sewer District temporary budget is 30% of request. Full-year appropriations will be legislated in early 2011.

³ Personnel in these agencies are employed by the City of Cincinnati.

⁴ Includes county employees in the unappropriated Soil and Water Conservation District.

⁵ An additional 365.45 county employees are supported in separately legislated grant funds.

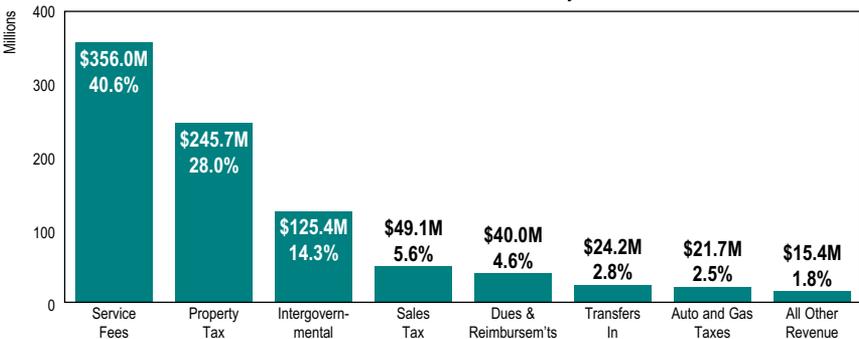
Restricted Funds Budget Summary

Across all restricted funds the Board of County Commissioners has appropriated \$711.8 million for 2011, a \$246.2 million (25.7%) decrease from the \$958.0 million approved for 2010. The majority of the decrease is related to two items: the State of Ohio assuming direct payment of child care support (\$114.3M) and the appropriation of a partial year budget for the Metropolitan Sewer District (\$137.9M). Other major decreases are related to Job and Family Services' continued state funding reductions. Decreases are offset by increases in the Developmental Disabilities levy due to additional capital costs (which were appropriated later in 2010 on a project basis) and local levy spending to offset state reductions; in the Mental Health levy, also to offset state funding reductions; and in the Parking Revenue Fund to reflect additional capacity and complexity of operations for the new riverfront garages. Parking revenue is anticipated to offset the increased cost, but there will be a collection lag period while County Administration proposes market rate increases in the first quarter of 2011.

Further discussion of restricted fund issues of note follow:

- Job and Family Services (JFS).** Budget challenges at the state level continue to substantially reduce revenues for JFS, amounting to a 46% decrease in grant awards over the last five years. JFS staff has decreased by over 800 positions, representing a decrease of 66% in management and supervisory staff and 45% in case management and support staff. At the same time foot traffic has increased 22%, reflecting the growing need for services. The agency has focused its resources on making services easier to access and shortening application processes.
- Metropolitan Sewer District (MSD).** An August 2010 judicial entry fully installs the requirements of the District's Wet Weather Improvement Plan. See the spotlight on the next page for more information on this capital plan. The MSD 2011 operating budget is still under County review and anticipated to be

Chart 7 - Restricted Fund Revenues by Source



Intergovernmental revenue includes grants, Medicaid receipts, and state revenue sharing. Sales tax shows only that anticipated for use in the 2011 operating budget. "All other revenue" includes sale of bonds, various licenses, title fees, court fines, and investment interest.

COUNTY SPOTLIGHT

Protecting Water, Updating Sewers

Every year, about 14.1 billion gallons of raw sewage mixed with storm water overflows from our sewers into local streams and rivers and also backs up into basements. This is not an accident or oversight, but the result of a sewer system designed to meet the needs of an earlier generation, not our modern society.

To better protect our health and the environment, wastewater utilities across the nation—like our Metropolitan Sewer District of Greater Cincinnati (MSD)—are being required to improve their sewer systems, particularly those with combined sewers that carry both sewage and storm water in the same pipes.

When our ancestors built and paid for our sewers, they made an expensive investment in their future, but one that would not last forever. Buried deep underground, parts of our current system are deteriorating due to age, and portions are not big enough to handle the present mixture of sewage and storm water that enter it during heavy rains.



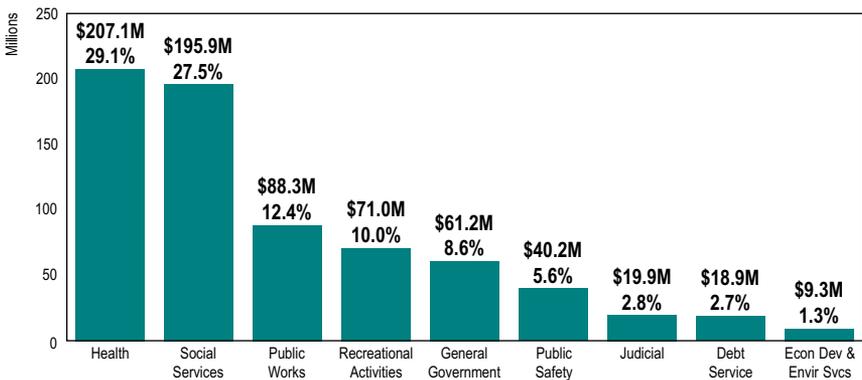
To resolve the problem, the U.S. Environmental Protection Agency (EPA) has mandated that Hamilton County and City of Cincinnati take action to dramatically address and reduce the overflow from the MSD system. This mandate, known as a “consent decree,” requires County residents to invest in their sewer system once again. The Board of Commissioners have addressed this challenge directly—working with federal regulators to ensure that the County is compliant with federal mandates, that it attains compliance using innovative and sustainable approaches, and that the solution is affordable to County residents. Hamilton County is not alone. The EPA lists 772 communities that are dealing with aging combined sewer systems. Like our County, many of these communities are also subject to federal consent decrees, and we are actively working together with federal regulators to explore ways to reduce the financial burden of compliance on local ratepayers.

To meet the demands of modern society, we must adapt and improve our 180-year-old sewer system so it can continue to meet its core mission: protecting public health and the environment through collection and reclamation of our most precious resource, water. To learn more about MSD’s capital investment initiative, visit: projectgroundwork.org

legislated in March. The 2011 sewer rate increase of 8% is lower than previously projected due to favorable construction contracting and the use of low-interest loan programs.

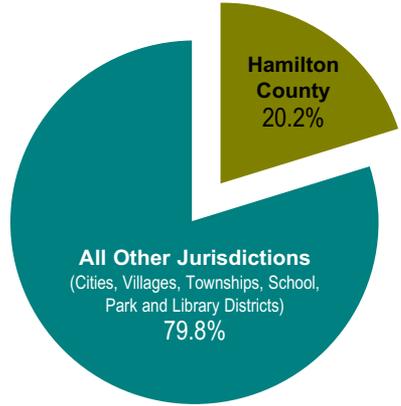
- **Stadium Sales Tax Fund.** In December 2010, the Cincinnati Reds and Cincinnati Bengals agreed to a number of stadium lease adjustments and the County Commission reduced the property tax rebate to address a pending deficit in the Stadium Sales Tax Fund. These actions result in a balanced fund for 2011.
- **Indigent Care Levy.** Budget pressures in the county general fund have led to the use of the surplus balance in the indigent care levy for qualifying general fund expenditures, including a \$2.4 million reimbursement in 2011 for eligible expenditures incurred during 2007 and 2008. The very nature of the indigent care levy may be an issue for both the Tax Levy Review Committee and the Board of Commissioners during 2011 given major changes in the local health care delivery system (i.e., dissolution of the Health Alliance and suburban hospital construction) as well as the unknown impact of federal health care reform. Both the indigent care levy and the children's services levy will be reviewed during 2011 for the November ballot.
- **Duke Energy Tax Payments.** The suspension of public utility tax payments from Duke Energy could have an annual impact of as much as \$4.0 million on voted property tax levy funds. Current Auditor estimates do not assume collection of these revenues in 2011 during the state appeals process.
- **Delinquent Property Tax Funds.** In December 2009 the state legislature approved a bill to allow the Prosecutor's and Treasurer's offices to use surplus balances in their delinquent real estate funds to support the general operations of the offices. The 2011 budget uses surplus in both funds to support these offices and the County will likely pursue an extension of the 2011 expiration date for this resource.

Chart 8 - Restricted Fund Expenditures by Function



2011 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 developmentally disabled and mentally ill, as well as providing indigent health care, treatment alternatives to incarceration, law enforcement assistance, and support for the Cincinnati Zoo and the Cincinnati Museum Center.



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 factors set by state and by local tax credits.

Who's Taxing You? *In the average 2011 tax district presented above, less than 21% of property taxes are under the taxing authority of the County Commissioners.*

Assessed Home Value	County General Fund	Crime Info Center	Museum Center	Zoo	Family Services & Treatment	Senior Services	Mental Health
Full Millage	2.26	0.54	0.18	0.46	0.34	1.29	2.99
Effective Millage	2.26	0.15	0.15	0.32	0.34	0.90	1.49
\$100,000	68.71	4.48	4.60	9.72	10.34	27.29	45.15
\$125,000	85.89	5.60	5.74	12.14	12.92	34.11	56.44
\$150,000	103.07	6.72	6.89	14.57	15.51	40.94	67.73
\$175,000	120.25	7.84	8.04	17.00	18.09	47.76	79.01
\$200,000	137.43	8.96	9.19	19.43	20.68	54.58	90.30
\$225,000	154.61	10.08	10.34	21.86	23.26	61.41	101.59
\$250,000	171.79	11.20	11.49	24.29	25.84	68.23	112.88
\$275,000	188.97	12.32	12.64	26.72	28.43	75.05	124.17
\$300,000	206.14	13.44	13.79	29.15	31.01	81.87	135.45

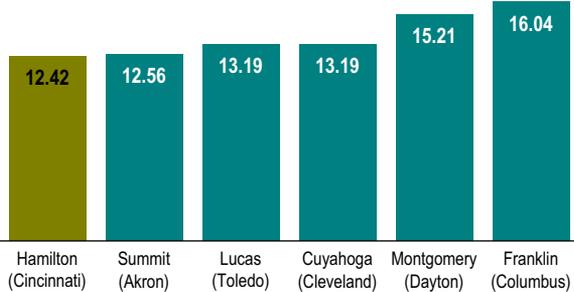
The levies highlighted in green above are part of the county budget. Those in blue—park and library levies; city, village, and township levies; and school levies—appear in this document for completeness only. While proceeds of these levies are administered and distributed by the County Auditor, the levies 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 County 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 what voters originally approved.

The Board of County Commissioners attempt to maintain property tax growth at or below inflation rates each year. In 2011, millage under the taxing authority of the Board increased slightly in order to maintain voted levy revenue as the value of taxable property countywide decreased.

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, 2011. The chart above shows the effective residential millage for property taxes under the taxing authority of the County Commissioners (in green below) in the six most populous counties in the state. Hamilton County has the lowest rate.

Indigent Health Care	Children's Services	Developmt Disabilities	Parks	Public Library	Cities/Villages/Townships	School Districts	JVS*	TOTAL
4.49	2.77	4.13	1.03	1.00	20.08	50.48	2.70	94.74
1.61	1.66	3.55	0.79	1.00	20.08	25.19	2.03	61.51
48.81	50.58	107.94	23.88	30.40	610.53	765.99	61.71	1,870.11
61.01	63.22	134.92	29.85	38.01	763.16	957.48	77.13	2,337.64
73.21	75.87	161.90	35.82	45.61	915.79	1,148.98	92.56	2,805.17
85.42	88.51	188.89	41.79	53.21	1,068.42	1,340.47	107.99	3,272.69
97.62	101.16	215.87	47.76	60.81	1,221.05	1,531.97	123.41	3,740.22
109.82	113.80	242.86	53.73	68.41	1,373.68	1,723.47	138.84	4,207.75
122.02	126.45	269.84	59.70	76.01	1,526.31	1,914.96	154.27	4,675.28
134.23	139.09	296.83	65.67	83.61	1,678.95	2,106.46	169.69	5,142.80
146.43	151.73	323.81	71.64	91.21	1,831.58	2,297.96	185.12	5,610.33

Tax rates for cities, villages, townships and school districts vary throughout Hamilton County. The total effective millage for county tax districts ranges in 2011 from 41.24 to 95.10. The average rate of taxation used for the calculations above is the rate for District 176: the Village of Glendale and the Princeton 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).

COUNTY SPOTLIGHT

Developing a Riverfront Community

In November of 2007, the Hamilton County Board of Commissioners and the Cincinnati City Council approved a series of development agreements to begin the long-awaited redevelopment of the Ohio riverfront, the region's "front door" to the State of Ohio. The Banks project will create a riverfront neighborhood with over \$600 million in private development for commercial space, entertainment venues and a variety of residential options as well as a world-class park spanning the two sports stadiums.

To date, the first phases are nearing completion with 80,000 square feet of commercial space and 300 apartments. Occupancy of the apartments is expected in early 2011 and the commercial space will be completed around opening day for Reds baseball.

With the receipt of federal stimulus funding, portions of the second phase of The Banks project are underway on the west side of the Freedom Center.

When fully developed The Banks project will create hundreds of new jobs and bring more than 3,000 residents to the riverfront. The project will also help attract and retain major employers to the region by demonstrating a strong commitment to economic development and effective collaboration between Hamilton County and the City of Cincinnati.

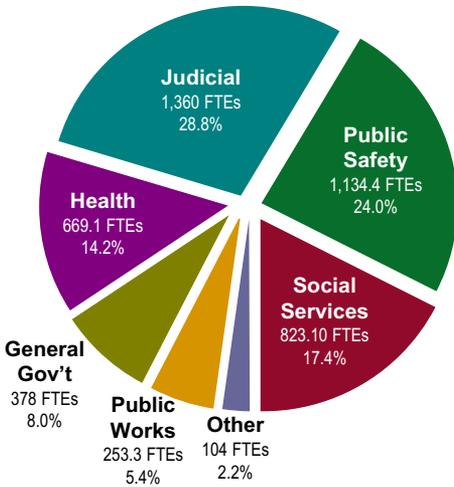
Additional information concerning The Banks development and a video of construction progress can be found at: www.thebankspublicpartnership.com.



2011 Human Capital Management

The management of county personnel and benefits is a major factor in the development of the annual budget. During 2010 and 2011, 10 of the County's 12 bargaining units are either up for negotiations or wage re-openers. During 2010 an additional bargaining unit was organized in the field operations division of Planning and Development and the County began negotiations with a new unit in the Sheriff's office. Due to funding constraints, the 2011 budget does not include funding for salary adjustments for any staff. To the extent adjustments are required as a result of the collective bargaining process, a funding source will need to be identified. Non-represented employees have not received salary adjustments since 2007.

The 2011 budget includes an 8% increase for employee health insurance costs. It does not include any changes in the employee paid premiums; however, co-pays for the HMO plan increase \$5 from \$25 to \$30 for primary care and \$30 to \$35 for specialists.

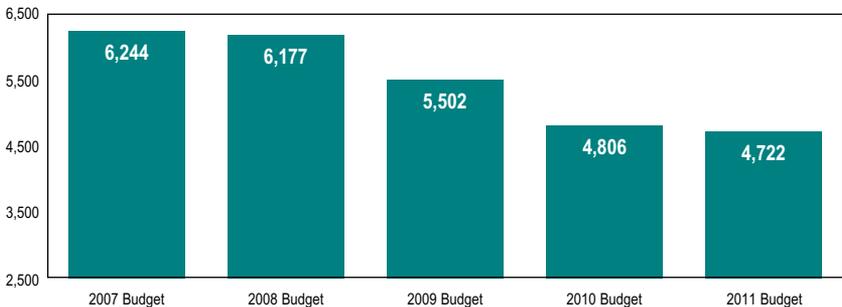


Positions by Function.

The 2011 budget includes the equivalent of 4,722 full-time positions (FTEs) across all county funds (including grant funds). This is a net reduction of 84 positions from 2010. The 2011 budgeted position count changes throughout the year subject to staffing decisions of department directors and elected officials.

The "other" category to the left includes those departments in the areas of economic development, environmental control, and recreational activities.

Position Trends. The chart below shows the decrease of 1,500 employee positions between 2007 and 2011. While in previous periods major changes have been related to programmatic revisions, since 2007 reductions have been shared across most departments due to budget constraints.



2011 Hamilton County Elected Officials

Board of County Commissioners

Greg Hartmann, President
Chris Monzel, Vice President
Todd Portune, Commissioner

Joseph T. Deters, **Prosecutor**
Simon L. Leis, Jr., **Sheriff**
Anant Bhati, M.D., **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 2011 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	Foster/Adoption Recruitment	632-6366
Auto Titles	946-4646	Health District	946-7800
Building Inspections	946-4550	Human Resources	946-4700
Clerk of Courts	946-5666	Job and Family Services	946-1000
Child Abuse/Neglect	241-KIDS (5437)	Jury Commission	946-JURY (5879)
Child Support Services Center	946-7387	Justice Center	946-6300
Commissioner Hartmann	946-4405	Juvenile Court	946-9200
Commissioner Monzel	946-4409	Law Library	946-5300
Commissioner Portune	946-4401	League of Women Voters	281-8683
Common Pleas Court	946-5800	Library	369-6000
Communications Center	825-2170	Marriage Licenses	946-3589
Community Development	946-8230	Mental Health and Recovery Services Board	946-8600
Coroner	946-8700	Municipal Court	946-5200
Council on Aging	721-1025	OSU Extension	946-8989
County Administration	946-4400	Park District	521-PARK (7275)
Court of Appeals	946-3500	Planning and Zoning	946-4500
Development Company	631-8292	Probate Court	946-3600
Developmental Disabilities Services	794-3300	Probation	946-9600
Dog Warden	541-6100	Prosecutor	946-3000
Domestic Relations Court	946-9000	Public Defender	946-3700
Elder Abuse/Neglect	421-LIFE (5433)	Purchasing	946-4355
Election Information	632-7000	Recorder	946-4600
Emergencies	911	River City Corrections	946-6800
Non-Emergency Police	825-2280	Sewer District	244-1300
Non-Emergency Fire/Rescue	825-2260	Sheriff	946-6400
Emergency Management	263-8200	Soil and Water Conservation District	772-7645
Engineer	946-4250	SPCA	541-6100
Environmental Services	946-7777	Stormwater District	946-4250
Facilities	946-5000	Treasurer	946-4800
Family and Children First Council	946-4990	Veterans Services	946-3300
		Voter Registration	632-7000

Hamilton County, Ohio
Office of Budget and Strategic Initiatives
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Cincinnati, OH 45202-1226



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