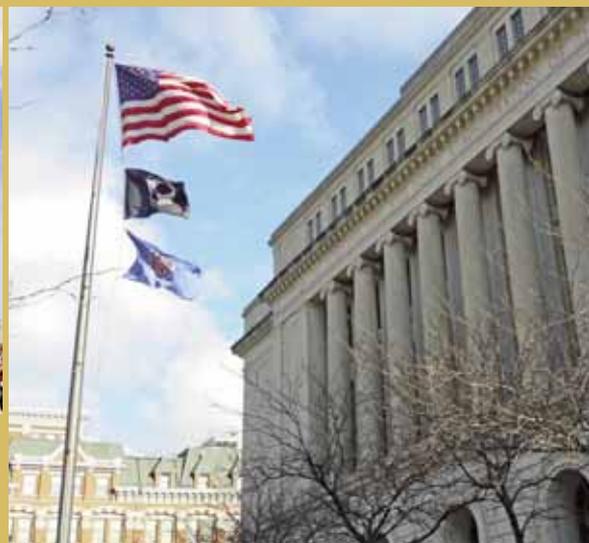




2016 Budget in Brief



Hamilton County, Ohio



Board of County Commissioners

Dennis Deters
Chris Monzel
Todd Portune

County Administrator

Christian Sigman



About the Cover

The 2016 Budget in Brief cover showcases six Hamilton County entities that celebrated milestone anniversaries during 2015.



**Amberley Village
75 Years**
Ranked seventh as Best Places to Live by *Cincinnati Magazine* in 2012, Amberley is known as a premiere community providing cornerstone services to its residents and businesses with a

combined police and fire department—one of only 30 consolidated departments in the United States.

**United Way
of Greater
Cincinnati
100 Years**
The United Way began making a



difference in 1915 when social service agencies and business leaders joined forces to better meet community needs. The organization now convenes nearly 150 agency partners and two dozen strategic initiatives to achieve goals in the areas of education, income, and health.



**Cincinnati
Museum Center
25 Years**
The Museum Center at Union Terminal is dedicated to sparking community

dialogue, insight, and inspiration as home to the Cincinnati History Museum, Duke Energy Children's Museum, Museum of Natural History & Science, Robert D. Lindner Family OMNIMAX® Theater, and Cincinnati History Library & Archives.

**Hamilton County
225 Years**
General Arthur St. Clair carved Hamilton County out of the Northwest Territory on



January 4, 1790, at Fort Washington (near what is now Lytle Park), naming it after Alexander Hamilton, the first secretary of the U.S. Treasury. Today we provide public services to over 800,000 residents in 49 cities, villages, and townships.



**Cincinnati
Boychoir
50 Years**
Cincinnati's Boychoir is one of the pre-

miere professional boychoirs in the United States. Located at the Aronoff Center, the Boychoir reaches 200 young men each year from more than 90 schools in Ohio, Kentucky, and Indiana. Since 1965, it has been dedicated to the musical, intellectual, and emotional development of these young men.

**Miami
Conservancy
District
100 Years**



MCD maintains its core mission of flood protection while working to preserve the quality of our water through monitoring, testing, and education. The staff provides city and county officials with extensive water monitoring and water analysis, and educates and involves citizens in protecting their local water resources.

About Hamilton County

Hamilton County covers 414 square miles in the south-western 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.

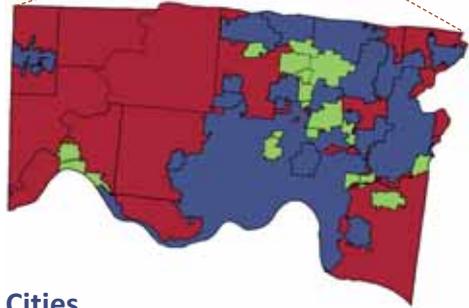
Established in 1790, the County was only the second to be carved out of the Northwest Territory. It predated Ohio statehood by 13 years and its boundaries included one-eighth of what is now Ohio.

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 currently only 37% of the population resides in Cincinnati.

Government Structure

County commissioners make up the general administrative body for county government. They hold authority for government taxing, budgeting, appropriating, and purchasing; and they hold title to county property. However, eight other elected officials, the judiciary, and several independent commissions possess executive authority for their offices.

In 1963, the Hamilton County Board of Commissioners created the appointed office of County Administrator to manage Board policies and prepare the County budget.



Cities

Blue Ash	12,149	Montgomery	10,440
Cheviot	8,325	Mt. Healthy	6,061
Cincinnati	298,165	North College Hill	9,362
Deer Park	5,703	Norwood	19,405
Forest Park	18,723	Reading	10,354
Harrison	10,479	Sharonville*	11,223
Indian Hill	5,808	Springdale	11,212
Loveland*	9,617	Wyoming	8,427
Madeira	8,936	Total	464,418
Milford*	29		

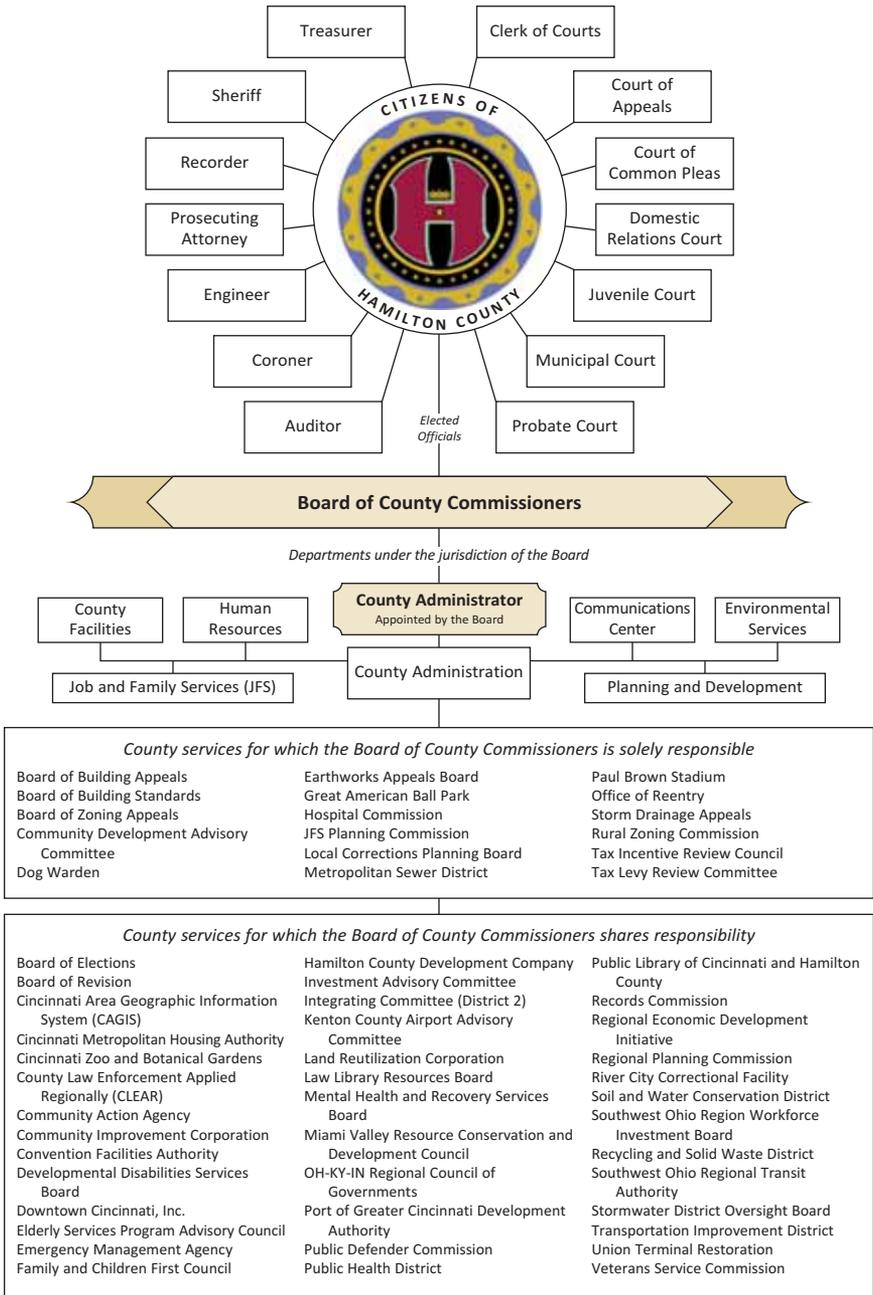
Villages

Addyston	934	Lincoln Heights	3,368
Amberley Village	3,598	Lockland	3,432
Arlington Heights	743	Mariemont	3,386
Cleves	3,365	Newtown	2,672
Elmwood Place	2,173	North Bend	861
Evendale	2,773	Silverton	4,779
Fairfax	1,703	St. Bernard	4,361
Glendale	2,157	Terrace Park	2,254
Golf Manor	3,595	Woodlawn	3,300
Greenhills	3,596	Total	53,050

Townships

Anderson	43,761	Miami	10,730
Colerain	58,878	Springfield	36,520
Columbia	4,552	Sycamore	19,301
Crosby	2,764	Symmes	14,816
Delhi	29,618	Whitewater	5,488
Green	58,741	Total	289,163
Harrison	3,994		

Population by Jurisdiction. *The total County population is 806,631 (per 2014 census estimates). Populations for cities with an asterisk (*) above include only those portions within Hamilton County.*



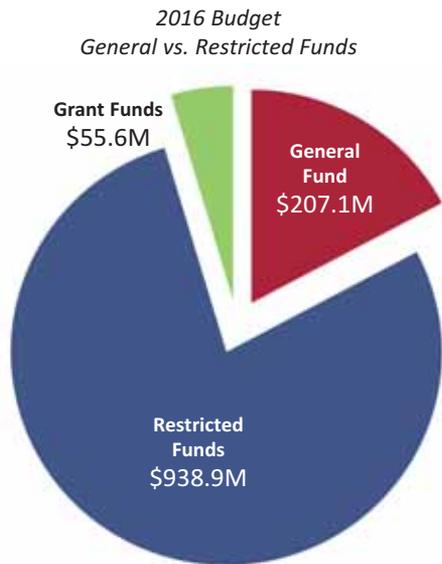
Organization Chart *Hamilton County's judges and other elected officials (grouped around the citizens at the top of the chart) are independent administrators of their departments. The Board of County Commissioners (BOCC), and the County Administrator as its representative, have direct jurisdiction over the seven areas beneath the Board. The BOCC also has sole responsibility for the entities grouped in the next box and shares responsibility for the services in the box at the bottom of the chart.*

Budget 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 comply with legal and contractual provisions. Revenue collected in the County's general fund can be used for any purpose (and much of the budget process is focused on this fund). But the general fund comprises only 17% of the total County budget in 2016. The other 83% is in 100+ restricted funds (including grants), where dedicated revenue sources may be used only for legally permissible expenses.

The total Hamilton County operating budget appropriated by the Board of County Commissioners for 2016 is \$1.2 billion. The budget is composed of the following broad categories of expenses:

- \$317.2 million is in tax levy funds, including the eight property tax levies (pages 16-17) and the Union Terminal sales tax levy.
- \$238.0 million is the Metropolitan Sewer District (pages 14-15).
- \$207.1 million is the County's general fund (pages 4-9).
- \$110.6 million is Job and Family Services programs not supported by the Children's Services property tax levy (page 11).
- \$90.0 million is riverfront and stadium expenses (page 10).
- \$55.6 million is state and federal grant funding. (Grant budgets are not addressed directly in this brief because they operate on separate fiscal years.)
- \$51.9 million is employee health and workers' compensation insurance.
- \$31.4 million is the Engineer's office for road and bridge maintenance.
- \$12.2 million is debt service on County capital improvements.
- That leaves \$87.7 million for all other expenses, across 46 other funds. (Restricted fund budgets are summarized on page 10.)



The Board of County Commissioners strives to achieve a budget that is structurally balanced, that is, on-going revenues meet or exceed on-going expenditures in each fund.

The fiscal year for all counties in Ohio is January 1 to December 31.

2016 General Fund Budget

Function/Department	Revenues	Expenses	Employees
Public Safety			
Communications Center (9-1-1 Subsidy)	--	3,303,250	-- ¹
Coroner	966,750	4,336,976	47.26
Dog Warden (Subsidy)	--	750,000	-- ²
Emergency Management (Subsidy)	--	600,000	-- ¹
Prosecutor	2,078,100	13,474,565	169.86
Sheriff	4,778,666	60,222,269	801.00
Judicial			
Clerk of Courts	13,929,760	12,121,487	183.90
Court of Appeals	--	86,330	-- ³
Court of Common Pleas	--	8,387,132	58.75
Court of Domestic Relations	257,000	3,268,041	45.60
Court Reporters	--	2,384,168	38.00
Juvenile Court	2,712,731	13,979,076	238.00
Municipal Court	452,224	5,256,418	88.40
Probate Court	1,602,000	2,974,469	39.00
Probation	391,371	6,184,100	110.79
Public Defender	7,880,809	16,032,756	142.00
General Government			
Auditor	148,801,672	2,126,614	20.34
Board of Elections	1,725,960	9,903,700	42.40
Commissioners and County Administration	192,713	3,837,420	43.95
Communications Center - Telecommunications	51,000	1,334,606	7.58
County Facilities	122,388	11,777,443	69.50
Information Technology (Contracts)	--	254,790	-- ²
Non-Departmentals	4,032,564	4,957,772	3.05
Recorder	2,640,000	1,098,110	20.00
Treasurer	7,640,300	657,497	3.35
Debt Service	32,500	6,892,500	--
Public Works			
County Engineer (Tax Mapping Subsidy)	--	405,862	-- ¹
Metropolitan Sewer District (Oversight)	3,111,000	3,112,834	4.40 ⁴
Planning and Development	2,540,000	3,052,754	42.05
Soil and Water Conservation District (Subsidy)	--	201,130	-- ¹
Social Services			
Job and Family Services (Subsidy)	--	609,820	-- ¹
Veterans Service Commission	205,000	1,548,802	11.15
Economic Development	154,007	1,919,188	-- ²
Total General Fund	\$206,298,515	\$207,051,880	2,230.98

¹ Employees of these departments are accounted for in restricted funds supported in part by the indicated general fund subsidies.

² Work in these departments is performed via contract with outside organizations.

³ Court of Appeals staff are employees of the State of Ohio.

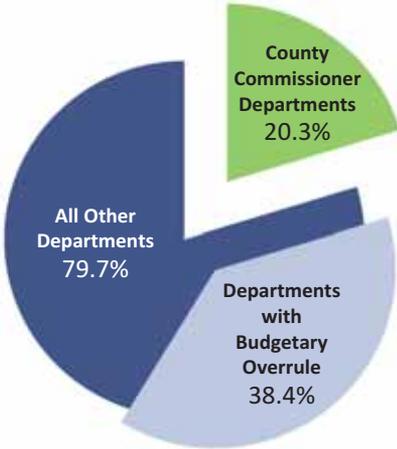
⁴ Sewer District operating and capital budgets are discussed in restricted funds, on pages 14-15.

General Fund Budget Summary

For 2016, the general fund budget is \$207.1 million, a \$5.3 million increase from the 2015 budget. However, the 2016 budget reflects an accounting change in mid-2015 which reduced \$7.9 million in both revenue and expenses related to Sheriff patrol reimbursements. As a result, the real increase from the 2015 budget is \$13.2 million, or 6.8%. \$7.4 million of the increase is related to ongoing expenses from 2015 above budgeted levels. The remaining \$5.8 million includes such items as increased medical insurance costs (\$1.65M), Presidential election costs (\$1.5M from an elections reserve), 1.5% employee

raises (\$1.1M), annualizing the Sheriff's 2015 hires (\$1.0M), a 9-1-1 detail rebate to jurisdictions (\$800K), a rate increase for Public Defender's assigned counsel (\$430K), and annualizing market-rate salary adjustments for prosecuting attorneys (\$300K).

General Fund Budget and Program Oversight



Unlike a city budget, where both budgetary and programmatic controls rest with a single office (usually a council or mayor), Ohio county budgets are set by the Board of County Commissioners, but programmatic oversight is divided between the Commissioners and eight other elected officials, as well as the judiciary and a number of independent

commissions. Several offices, including all of the judiciary, have the legal ability to overrule the Commission-approved budget and spend at their own discretion. County budget and programmatic oversight is further enumerated in the chart on this page.

General Fund Revenues

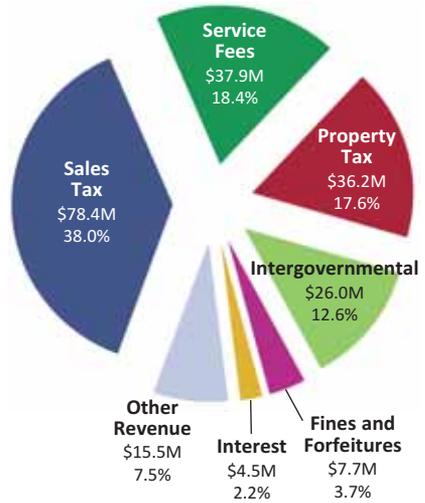
2016 general fund revenues are budgeted at a \$206.3 million, \$750,000 below budgeted expenses. The County will use the \$3.5 million budget stabilization fund to make up the difference as needed. Revenue increases that allow for the remaining growth in expenses include sales tax collections (+\$6.2M from 2015 budget), the accumulated elections reserve (+\$1.7M), an increase in the State reimbursement rate for the Public Defender (+\$1.65M) and a new utility service fee (+\$3.5M, related to funding 9-1-1 operations). Revenue growth above budgeted levels in recent years (especially in sales tax and transfer taxes) has provided for expenses over budget in a number of departments. County Administration continues to approach revenue projections cautiously as outlined in the following narrative discussion of major general fund revenues.

Among major County revenue sources are the following items of note for 2016:

- 2016 sales tax is projected at 0.6% growth (+\$457,000) from 2015 collections. This is a less cautious approach than previous years, and reflects six consecutive years of sales tax growth, averaging 4.3%. Nonetheless, sales tax performance in the last quarter of 2015 was less robust than the previous year, indicating that growth may be moderating.

- Service fees reflect a number of real estate transaction fees, as well as Coroner lab fees, fees between County departments, and some court fees. 2016 revenue is budgeted \$1.8 million below 2015 collections due to lower reimbursements from restricted funds and cautious real estate-related revenue estimates.

General Fund Revenues by Source



- 2016 property taxes are budgeted \$477,000 below 2015 collections due to cautious revenue projections. General fund property taxes grow primarily during triennial reassessments: the 2015 statistical reassessment resulted in little change; a physical reassessment will impact 2018 property tax revenue.

- Intergovernmental revenue increases \$630,000 from 2015 collections due to an increase to the State reimbursement rate for public defense (+\$1.0M), offset by lower estimates of reimbursements from the State for property tax credits (-\$142K) and Probate Court mental health hearings (-\$156K).

- Fines and forfeitures (largely court fines) are budgeted \$400,000 below 2015 collections. 2015 marked the first regular growth in this revenue source since 2008.

- Interest earnings are projected relatively stable in 2016, and have begun to increase slightly after reaching a low of \$4.1 million in 2014.

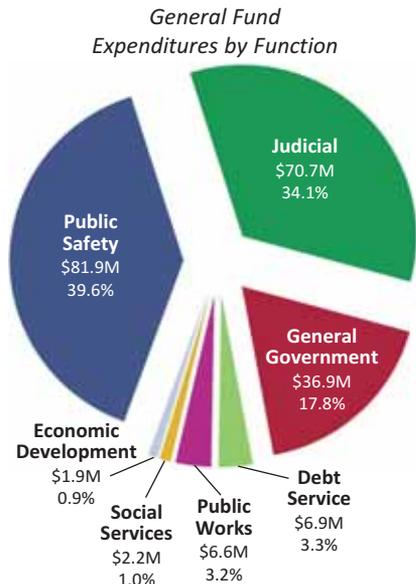
- Other revenues include \$3.5 million for a proposed utility service fee. This general revenue would be applied against the rising costs of operating the County's 9-1-1 communications center.

General Fund Expenditures

For 2016, the County Administrator proposed a general fund budget of \$209.2 million in his transmittal to the Board of County Commissioners. The proposed budget attempted to scale department budgets based on actual and projected expense levels, recommended a 3% merit-based salary adjustment for non-represented staff, returned casino revenue to the general fund from the sales tax fund as of January 2016, and temporarily increased the real estate transfer tax as a stop-gap measure to support the 9-1-1 communications center and lower the detail rate to jurisdictions to \$14.67 per call. In addition, he presented a suite of \$4.6 million in items consistent with the Board's 2015-16 policy document, but which could not be accommodated in the recommended budget. A new utility service fee could support investments to address heroin addiction, transportation infrastructure, family homelessness, business retention, and market-rate salary corrections for County staff.

In December the Board approved a consensus budget of \$207.1 million. It left most recommended department funding levels intact, but removed the temporary transfer tax (-\$3.18M), and recognized \$1.14 million in improved revenue projections for 2016. The Board also made the following amendments to the recommended budget:

- A 1.5% compensation adjustment for employees effective in January 2016, instead of the 3% proposal, for an expense reduction of \$1.1 million. To the extent that general fund revenues come in higher than projected, and departments maintain expenditures within the appropriated 2016 budget, the Board will consider and support an additional 1.5% compensation increase in July. The Board also directed Administration to continue its work to provide an analysis of salary ranges and job classifications compared to the marketplace.
- Consideration of using a minimal utility service fee in mid-2016 to provide a funding solution for the County's 9-1-1 emergency communications center. If instituted, the fee would be levied at an amount to allow for a reduction in the detail rate to jurisdictions in 2016 to \$15, and a detail rate of \$10 for at least five years (2017-2021). This item assumed collection of the utility fee for half of 2016, generating \$3.5 million in



COUNTY SPOTLIGHT

e-Poll Books to Ease Voter Check-in

The mission of the Hamilton County Board of Elections (BOE) is to conduct open, accurate, reliable, and secure elections for the citizens of the County. Managed by a four person appointed Board, the BOE administers local, state, and federal elections for 550,000 registered voters.

In 2015, the BOE introduced Hamilton County voters to electronic poll books, becoming the first large county in the State of Ohio to implement the new technology countywide. Electronic poll books (e-poll books) help poll workers take advantage of technology to better facilitate the voting process. They replace the traditional paper poll books that contain a list of eligible voters in a precinct. However, they provide the opportunity to do much more to improve voting for the citizens of Hamilton County.

Poll workers are able to use e-poll books to re-direct voters to their correct polling locations, cutting down on the number of provisional ballots cast in an election. They can speed up the voting process, greatly reducing lines and voter wait times. Because e-poll books are not paper-based, Board of Elections' staff are also able to make sure that poll workers have access to the most accurate and up-to-date voter information available, increasing accuracy and aiding in decision-making.



As with any large technology implementation, Hamilton County's move to e-poll books did not happen without difficulties. The Board of Elections has been working diligently to refine the process and improve the system. Hamilton County voters can expect a much smoother, easier, and more efficient voting experience as they head to the polls for the 2016 elections.

For more information regarding the 2016 elections, please visit the BOE website at www.votehamiltoncounty.org. To join the BOE team as a poll worker, please contact Christa Criddle at 513-632-7042 or Gena Howard at 513-632-7041.

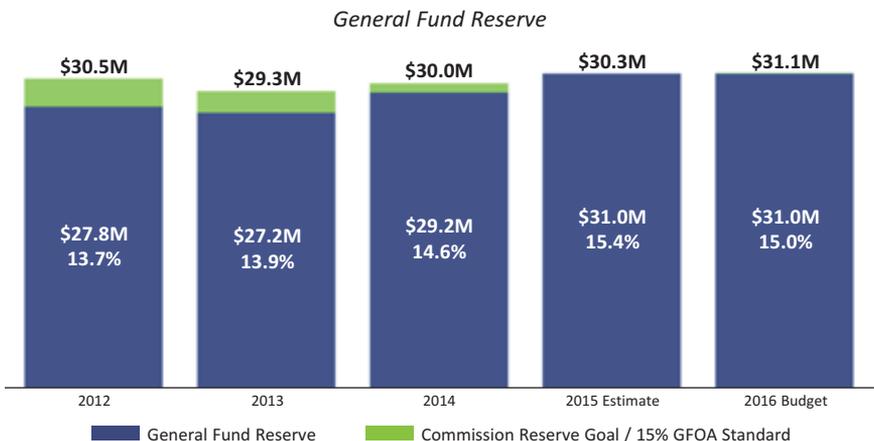
new revenue. \$800,000 of those collections would be rebated to jurisdictions to reduce the detail rate, also at mid year.

- \$4.3 million in casino revenue to continue providing stability to the County’s sales tax fund (instead of recognizing the revenue in the general fund). Until a long-term plan can be implemented within the sales tax fund, the Board directed that casino revenue remain dedicated to providing a full property tax rebate to property taxpayers in future years.
- \$1.2 million from the budget stabilization fund to increase detox, treatment, and recovery capacity surrounding the heroin and opiate epidemic. This funding will allow County treatment providers to serve an additional 700 individuals, and leverage funding from other local and federal sources.

In addition to the \$1.2 million investment in heroin addiction treatment in 2016 from the County’s budget stabilization fund, the 2016 budget also uses \$750,000 from the budget stabilization fund to close the gap between approved revenues and expenses. To the extent that 2016 revenue estimates are sufficiently cautious, there may be no need to make this draw on the stabilization 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. The chart below illustrates the 2016 budget’s 15% projected balance, satisfying the Commissioners’ goal and substantially achieving the Government Finance Officers Association (GFOA) recommended reserve level of two months of operating expenses. The 2016 reserve is level with the 2015 year-end balance, but decreases slightly as a percent of expenses due to the higher budget and thus a higher goal.



2016 Restricted Funds Budget

Function/Fund	Revenues	Expenses	Employees
Public Works			
Metropolitan Sewer District	281,113,700	238,004,000	-- ¹
Roads and Bridges (Engineer)	15,814,127	19,998,589	192.46
Permissive Auto Tax - County (Engineer)	5,204,000	6,940,000	--
Other Funds (5)	7,147,501	7,591,675	37.58
Social Services			
Public Assistance & Family Fund (JFS)	94,550,233	92,849,140	759.00
Children's Services Levy (JFS)	64,248,865	72,132,237	--
Senior Services Levy	19,369,270	19,926,907	0.12
Bureau of Child Support (JFS)	12,543,562	12,487,435	124.00
Workforce Investment (JFS)	5,255,397	5,255,397	--
Health			
Developmental Disabilities Services Levy	94,083,718	97,373,435	568.17
Mental Health Levy	33,267,213	37,472,551	13.70
Indigent Care Levy	40,203,842	26,855,125	1.94
Mental Health and Recovery Services	8,130,821	8,627,561	1.69
Other Funds (2)	6,067,422	1,835,116	3.44
Recreational Activities			
Stadium/Ballpark Debt Service	46,744,932	46,744,932	--
Union Terminal Sales Tax	34,339,916	32,059,568	--
Parking Revenue Fund	11,357,747	11,326,123	1.45
Riverfront Taxes and PILOT Payments	21,669,778	11,911,791	--
Paul Brown Stadium Operating	707,907	9,977,456	27.34
Zoological Gardens Levy	6,815,758	6,672,675	0.05
Other Funds (9)	8,193,521	10,107,110	5.92
General Government			
Medical Self-Insurance Fund	47,857,310	47,191,547	3.55
Real Estate Assessment (Auditor)	9,415,300	7,366,110	51.66
Workers' Compensation	2,600,000	4,750,678	1.00
Delinquent Tax Collections (Treasurer)	3,171,000	3,618,250	20.85
Other Funds (6)	3,547,000	3,078,914	22.30
Debt Service (3 Funds)	12,027,000	12,035,000	--
Public Safety			
Indigent Care Levy - Inmate Medical	274,000	12,501,936	66.00
Communications Center - 9-1-1	8,554,528	9,439,405	74.42
Sheriff's Patrol Contracts	10,500,000	10,500,000	--
Crime Information Center Levy (CLEAR)	3,901,790	4,025,943	-- ¹
Central Warrants (Sheriff)	3,945,143	3,607,350	37.00
Other Funds (10)	4,026,344	6,151,332	28.81
Judicial			
Auto Title (Clerk of Courts)	3,839,910	4,197,876	42.80
Family Services & Treatment Levy - Residential Svcs	--	3,726,521	5.31
Courts Automation	900,000	3,195,566	8.00
Other Funds (21)	6,204,850	9,798,522	70.56
Economic Development			
Hotel/Motel Lodging Tax	14,043,235	14,043,235	0.65
Main Street Parking Garage	1,008,552	1,006,642	0.55
Environmental Control (Solid Waste Mgmt)	2,115,000	2,504,341	7.83
Total Restricted Funds	\$954,760,192	\$938,887,989	2,180.15²

¹ Personnel in these agencies are employees of the City of Cincinnati.

² An additional 270.66 County employees are supported in separately legislated grant funds.

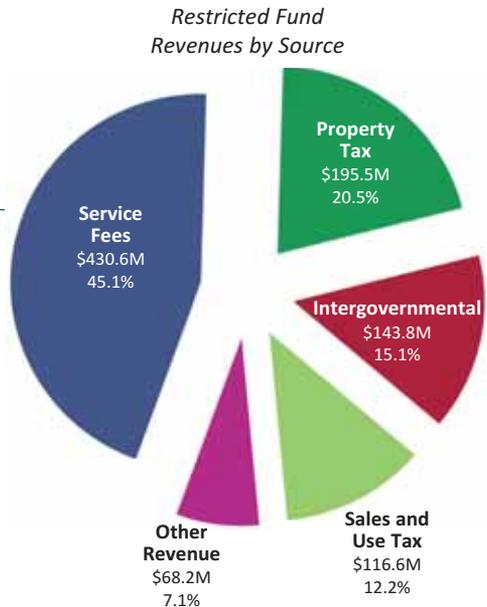
2016 Restricted Funds Budget

Across all restricted funds the Board of County Commissioners has appropriated \$938.9 million for 2016, a \$63.2 million (7.2%) increase from the \$875.1 million approved for 2015. Two items result in an increase of \$53.4 million: \$32.0 million for the first full year of collections related to the Union Terminal sales tax; and a \$21.4 million increase in expenses for the Sewer District, driven by growing debt service, additional hauling services with the closing of an incinerator, automation of watershed monitoring, and personnel costs previously allocated to the district capital budget. Other increases of note include: a \$5.5 million increase in the lodging tax fund due to an accounting change that consolidates expenses from a previously unbudgeted fund; a \$5.4 million increase in the medical self-insurance fund due to rising health care costs for County employees; a \$4.3 million increase in the Children’s Services Levy due to increases in staffing, child care provider costs, and local match requirements for federal funding; and a \$3.1 million increase in debt service related to the stadiums. These increases were offset by a decrease in the Developmental Disabilities Services Levy of \$10.8 million due to a change in how the State requires the agency to reimburse case management payments.

Further restricted fund items of note follow, concentrating on the two largest departments: the Metropolitan Sewer District and Job and Family Services, which respectively make up 25.3% and 19.5% of the total.

Job and Family Services

In a budget climate of flat, or in some cases reduced, funding from federal and state sources, Job and Family Services (JFS) continues to respond to the ever-increasing demand for services from County residents. The staffing level for 2016 is 45% lower than 2008. Meanwhile, as an example of the ever increasing demand, JFS has seen a 43% increase in the Medicaid caseload since 2007 (127,000 to 225,000). In 2015 alone, the Medicaid caseload increased by 30,000 cases as a result of the



Intergovernmental revenue includes grants, Medicaid receipts, and State revenue sharing. Sales and Use Tax includes both sales tax and lodging tax. Other revenue includes auto title fees, gasoline taxes, dog licenses, court fines, and various subsidies and reimbursements.

COUNTY SPOTLIGHT

County Facilities are Green Leaders

In 2015 the County's Times-Star Building at 800 Broadway was recognized as the only government building in Ohio to be certified for Leadership in Energy and Environmental Design (LEED) in operations and maintenance by the U.S. Green Building Council Certification Institute.

Jordan Steele



The Times-Star Building at 800 Broadway

The certification recognizes best-in-class building strategies and practices that are environmentally responsible and use resources efficiently.

There are presently 103 buildings in Ohio and 18 buildings in Hamilton County that have received LEED certification for 2015.

In 2015 five County-managed buildings also earned the U.S. Environmental Protection Agency's (EPA) ENERGY STAR certification: the Times-Star Building, the County Administration Building (138 East Court), the Taft Law Center (230 East Ninth), the Alms & Doepke Building (222 East Central Parkway), and 250 William Howard Taft. These

buildings represent over 25% of the certified buildings in downtown Cincinnati. Only 178 buildings in Ohio received this certification for 2015. The Times-Star Building is one of only two buildings in the State of Ohio to maintain this certification from the EPA every year since 2008.

ENERGY STAR certification signifies that these five buildings perform in the top 25% of similar facilities nationwide for energy efficiency, and meet strict energy efficiency performance levels set by the EPA.

By achieving these types of certifications the Hamilton County Board of Commissioners and the County Facilities Department has continued to move along the path of ongoing energy efficiency, not only by saving money for the County taxpayers, but also by preventing the release of greenhouse gases, protecting the environment, and having a positive impact on the health of occupants and the public.

full implementation of the Affordable Care Act. The 2016 budget includes 20 additional Medicaid caseworkers. In the Children’s Services division, JFS assists families struggling with multiple issues. These reflect the social environment of the County—with increased substance abuse and instances of domestic violence. This division will also be adding 20 new caseworkers in 2016. These changes revolve around increased access to services and organizational changes designed to provide more time for intensive casework with families.

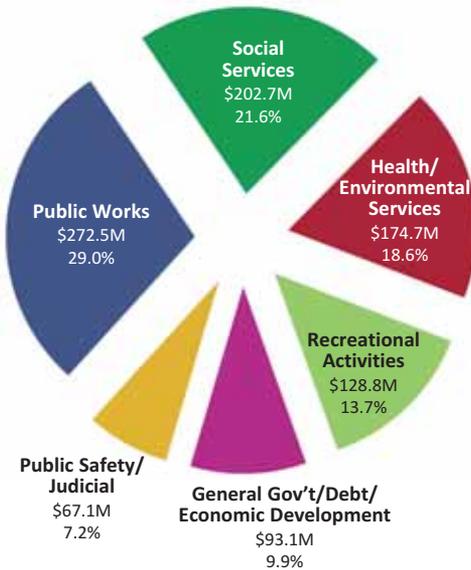
Other Restricted Funds

Property Tax Levies. There were no levies on the ballot for renewal during 2015. 2016 property tax revenues across all of the County’s voted levies increased \$1.5 million from 2015 budgeted amounts due to new construction. At the same time the phase-out of Ohio’s tangible personal property tax (TPP)

resulted in a decrease of nearly \$4.9 million in property tax revenues. Together these result in a total levy revenue decline of \$3.4 million. Current levy agencies continue to balance revenues through the use of fund balances and service level adjustments to County residents.

The Tax Levy Review Committee is currently undergoing mid-term reviews of the Mental Health and Senior Services levies. A review of the Children’s Services Levy for the November 2016 ballot will begin in the first quarter.

Restricted Fund Expenditures by Function



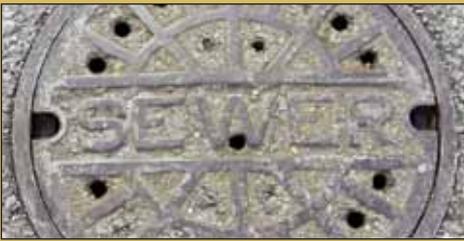
Communications Center.

The 9-1-1 Center has been drawing down reserves over the past

several years. 2016 represents the final year that the center will be able to use reserves to meet its budgetary needs. The 2016 budget balances the fund on \$3.5 million in revenue from a proposed utility services fee, but that need grows to between \$6.5 million and \$8.0 million in 2017. The Communications Center is currently upgrading its computer-aided dispatch system and 800 megahertz radio system. The radio towers that serve as the backbone of the communications system are also in need of capital repairs, as maintenance has been deferred for several years in order to reduce costs. These systems represent some of the largest costs facing the Communications Center and are the critical items necessary to an effective 9-1-1 communications system.

Who Owns the Sewer District? You Do.

The Metropolitan Sewer District of Greater Cincinnati (MSD) is a county sewer district established pursuant to Chapter 6117 of the Ohio Revised Code. It was formed in the 1920s and became known as Hamilton County Sewer District No. 1 in 1955. The City of Cincinnati and 19 other local jurisdictions consolidated their sewer systems into District No. 1 in 1968. As part of the consolidation, the City granted the sole and exclusive use of all sanitary and combined sewers and sewage treatment facilities to the County.



On April 10, 1968, the County and City entered into an agreement in which the County engaged the City to be the County's agent in operating MSD until 2018. The County retained its

statutory authority and control of MSD including, but not limited to, the sole authority to establish sewer service charges, adopt rules and regulations, and approve capital improvement programs. The County designated the City as its sole managing agent for the operation of the sewer system, subject to the control and direction of the Board of County Commissioners.

In 2014 the County petitioned the U.S. District Court to enjoin violations of a federal consent decree arising from the City's failure to act as the County's agent in operating MSD. The Court granted the County's petition and held certain City procurement ordinances unlawful. In so doing, the Court held that "the MSD Agreement creates a principal-agency relationship pursuant to which the City's authority as agent is specifically limited and is subject to the direction and control of the County as principal." Applying this further, the Court held that "under the plain terms of the MSD Agreement...the County maintains authority and control over MSD."

Ultimately every public utility is financed by and bears its first responsibility to its ratepayers. The MSD Operating Agreement expires in April 2018. Hamilton County welcomes your input on the future of this vital public service. Contact your County Commissioners via the County website or the phone numbers on page 21, and contact your city or township leaders to voice your position on your sewer utility.

Metropolitan Sewer District (MSD)

MSD's budget is composed of the operating budget and the capital improvement program (CIP) budget. The \$238.0 million operating budget approved by the County Commissioners was reduced from the requested amount. The approved budget still funds all necessary operations completely, and only discretionary expenditures were reduced. The 2016 operating budget for MSD has for the first time reached the point where debt service exceeds the remaining operating budget: \$118.9 million supports district operations, maintenance and repair, and operating capital items (including vehicles); \$119.1 million is debt service. The operation and maintenance portion of the budget represents an increase over historic spending levels to address sludge handling transition, the implementation of remote monitoring systems, and an increase in personnel.

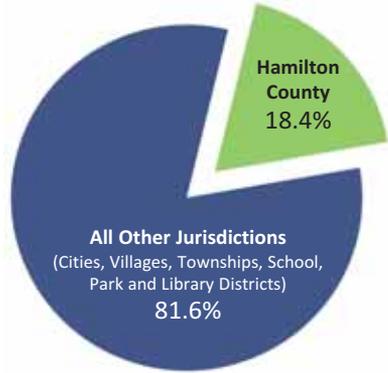
The CIP for 2016 is \$300.7 million. It is composed primarily of projects to perform the work identified in a consent decree with the US Environmental Protection Agency to reduce or eliminate combined and sanitary sewer overflows (73% of the 2016 program). The capital plan was reduced from the original MSD request, but funding for all Phase 1 consent decree projects was maintained to facilitate federal compliance. Deferred projects did not have design complete and easements had not been acquired. A few non-time sensitive projects were also delayed. As in 2015, the CIP is significantly higher than the past (\$211.2M for 2014); however, it is important to note that the CIP includes the Lick Run project (\$102M) and the Werk & Westbourne treatment facility (\$59M) which have had funding delayed until 2016, but will include expenditures over the next several years. (The 2016 CIP consists of approximately \$200 million of projects that were not completed in the 2015 CIP, and are being carried over.) The County has also reviewed asset management project spending and identified a need to increase spending by \$10 million to maintain the District's existing assets, including the collection and treatment systems. The net result is that the capital plan cash flow (or dollars spent) will be marginally higher than past years.

In 2015 the County Commissioners established a task force to look at sewer rate affordability issues. The task force is scheduled to make recommendations in the summer of 2016. To address current and future expenditures, an average rate increase of 5.5% was recommended with the 2016 budget; however, the Commissioners wanted to incorporate the affordability task force recommendations into any rate increase. Existing sewer reserve balances allowed the Board to delay the action on an increase and the potential rate structure changes until mid-2016.

The County continues to establish policies, procedures and rules for appropriate governance of financial management and operational reporting at the district.

2016 Property Taxes

Hamilton County taxpayers make possible many community-enriching programs through special property tax levies. County levies support services for abused and neglected children, senior citizens, and people who are developmentally disabled and mentally ill, as well as providing indigent health care, treatment alternatives to incarceration, law enforcement technology, and support for the Cincinnati Zoo.



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 2016 tax district detailed below, less than 19% of property taxes are under the taxing authority of the County Commissioners.*

Assessed Home Value	County General Fund	Crime Info Center	Family Services & Treatment	Zoo	Senior Services	Mental Health	Indigent Health Care
Full Millage	2.26	0.54	0.34	0.46	1.29	2.99	4.07
Effective Millage	2.26	0.17	0.34	0.35	1.00	1.64	1.70
\$100,000	\$67.69	\$4.98	\$10.18	\$10.58	\$29.86	\$49.26	\$51.03
\$125,000	\$84.62	\$6.23	\$12.73	\$13.22	\$37.32	\$61.58	\$63.79
\$150,000	\$101.54	\$7.47	\$15.28	\$15.87	\$44.79	\$73.90	\$76.55
\$175,000	\$118.47	\$8.72	\$17.82	\$18.51	\$52.25	\$86.21	\$89.30
\$200,000	\$135.39	\$9.97	\$20.37	\$21.15	\$59.72	\$98.53	\$102.06
\$225,000	\$152.31	\$11.21	\$22.91	\$23.80	\$67.18	\$110.84	\$114.82
\$250,000	\$169.24	\$12.46	\$25.46	\$26.44	\$74.65	\$123.16	\$127.58
\$275,000	\$186.16	\$13.70	\$28.01	\$29.09	\$82.11	\$135.48	\$140.34
\$300,000	\$203.48	\$14.95	\$30.55	\$31.73	\$89.58	\$147.79	\$153.09

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 County Commissioners.

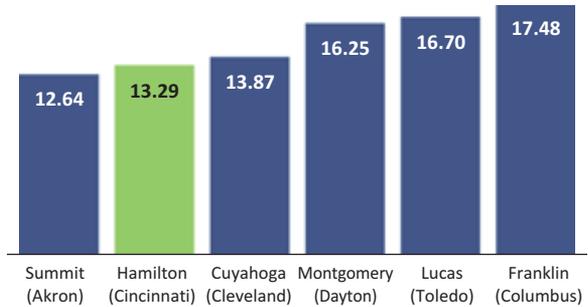
The calculations above should be used for general information only.

For more detailed calculations, visit the County Auditor at: www.hamiltoncountyauditor.org

Most property tax levies only receive additional revenue due to new construction. When existing property values change, the millage rate is automatically adjusted so that the total revenue stays close to what voters originally approved.

The Board of County Commissioners attempt to maintain property tax growth below inflation. For 2016, successful claims before the County Board of Revision lowered property values, thus increasing the County’s effective millage rates.

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, 2016. The chart above shows effective residential millage for property taxes under the County Commissioners in the most populous counties in the State.

Children’s Services	Developmental Disabilities	Parks	Public Library	Cities/ Villages/ Townships	School Districts	Joint Vocational School*	TOTAL
2.77	4.13	1.03	1.00	8.75	78.15	2.70	110.48
1.88	3.94	0.88	1.00	7.38	47.39	2.13	72.06
\$56.27	\$118.11	\$26.45	\$29.95	\$220.91	\$1,419.41	\$63.76	\$2,158.46
\$70.34	\$147.64	\$33.06	\$37.44	\$276.14	\$1,774.26	\$79.70	\$2,698.07
\$84.41	\$177.16	\$39.68	\$44.93	\$331.37	\$2,129.12	\$95.64	\$3,237.69
\$98.47	\$206.69	\$46.29	\$52.42	\$386.59	\$2,483.97	\$111.58	\$3,777.30
\$112.54	\$236.22	\$52.90	\$59.91	\$441.82	\$2,838.82	\$127.52	\$4,316.92
\$126.61	\$265.74	\$59.51	\$67.39	\$497.05	\$3,193.67	\$143.46	\$4,856.53
\$140.68	\$295.27	\$66.13	\$74.88	\$552.28	\$3,548.53	\$159.40	\$5,396.15
\$154.74	\$324.80	\$72.74	\$82.37	\$607.51	\$3,903.38	\$175.34	\$5,935.76
\$168.81	\$354.33	\$79.35	\$89.86	\$662.73	\$4,258.23	\$191.28	\$6,475.37

Varying tax rates for cities, villages, townships and school districts result in total effective millage rates in the County that range from 44.17 to 111.64. The average rate of taxation used for the calculations above is the rate for District 181: Sycamore Township and Reading Community City Schools.

* Residents of Hamilton County outside 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).

Coalition Addresses Heroin Epidemic



The Hamilton County Heroin Coalition (HCHC) was created in 2015 in response to the scourge of heroin and opiate addiction in Hamilton County and the region. In 2014, Hamilton County experienced 177 heroin-related deaths, thousands of overdoses, and countless incidents of drug-related crime.

The HCHC is chaired by Commissioner Dennis Deters and includes representatives of public health, law enforcement, treatment providers, and prevention experts. The collaborative, action-oriented Coalition has prioritized efforts in four areas in order to have maximum impact: prevention and public awareness, harm reduction, supply control, and treatment.

In 2015, the Board of Commissioners allocated funding and resources to move forward with several facets of the Coalition's work. Ten heroin investigators, on loan from several local police departments, were equipped to operate out of County facilities to specifically investigate overdose deaths and identify the suppliers of the deadly drugs. The County purchased naloxone, an anti-overdose medication, for every police department and publicly-funded social services agency in the County. The Board also allocated \$1.2 million to the Heroin Coalition to be used primarily for increased capacity for detox, treatment, and recovery services.

Additionally, the County is a leading partner in the development of a regional public awareness campaign to aid in prevention and public education efforts. Residents and families can learn more about the Heroin Coalition, how to get help, and how to get involved at www.injecthope.com.



**INJECT
HOPE**

The HCHC will continue its work in 2016, including increasing partnerships with local hospitals and the medical community, as well as expanding youth prevention programs and increasing the coordination of heroin and drug-related data for law enforcement across the region.

2016 Human Capital Management

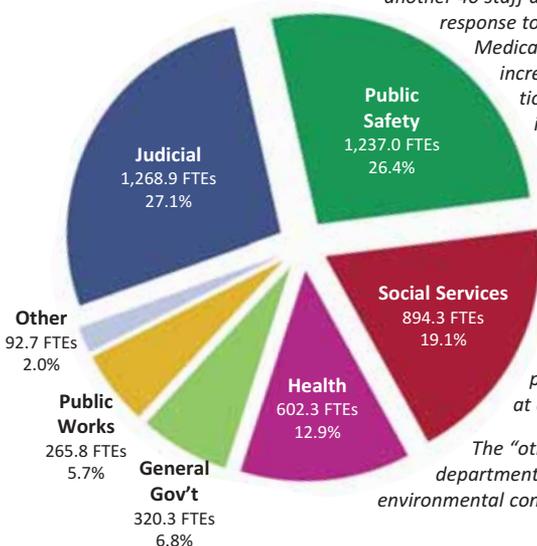
The 2016 budget includes a 1.5% salary adjustment for unrepresented staff effective with the first payroll. A mid-year salary adjustment will also be considered if revenues allow. Additionally, the County has 12 labor agreements with bargaining units representing over 1,400 employees. Eight of these agreements (including five “me-too” contracts where represented employees receive the same adjustments as non-represented) include 2016 raises up to 3%. Four bargaining units remain in negotiations at present.

A full study of the County’s compensation plan was conducted during 2014, confirming that the plan lags the market. 2015 saw an update to this review with recommendations to make market-based pay adjustments. Funding is not available to make these adjustments as we begin 2016.

The County’s employee wellness program will continue to seek higher engagement rates in 2016. In addition to offering more wellness education programs, the County added two new ways for employees to earn WellBucks credit through participation in community walks/runs and completion of a fitness tracking log. In 2015, 1,500 County employees earned up to \$250 in wellness incentives for completion of a health screening process, and participation in wellness programming. In addition, Hamilton County was recognized by the American Heart Association as a 2015 Fit-Friendly Workplace.

Positions by Function.

The 2016 budget includes the equivalent of 4,681 full-time positions (FTEs) across all County funds (including grant funds). This is a net increase of 127 positions from 2015. The largest increase is in the Sheriff’s office (+70). This includes 30 corrections officers due to proposed shift changes and another 40 staff across the rest of the department in response to a performance audit. JFS (+40) increased Medicaid caseworkers by 20 to address increased caseloads with the full implementation of the Affordable Care Act, and increased children’s services caseworkers by 20 for closer case review. The Clerk of Courts increased staff (+11) to address retirement transitions, department backlogs, and a new auto title office. The Engineer added nine staff to begin to address long-term vacancy and decrease overtime use. Developmental Disabilities Services reduced staff by 21.5 due to an early retirement incentive program, as well as decreasing enrollment at adult centers.



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

2016 Hamilton County Elected Officials

Board of County Commissioners

Dennis Deters
Chris Monzel
Todd Portune

Joseph T. Deters, Prosecutor	Wayne Coates, Recorder
Jim Neil, Sheriff	Dusty Rhodes, Auditor
Dr. Lakshmi K. Sammarco, Coroner	Robert A. Goering, Treasurer
Ted Hubbard, Engineer	Tracy Winkler, 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
County Administration Building, Room 603
138 East Court Street, Cincinnati, Ohio 45202
(513) 946-4400

Christian Sigman, County Administrator
John P. Bruggen, Director, Office of Budget and Strategic Initiatives

Public feedback on the 2016 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 on the next page.

Hamilton County also maintains social media accounts on Twitter (@HamiltonCntyOH) and Facebook (HamiltonCountyOhio)

Over 20 years of 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)

Addiction Service Hotline	281-7880	Foster/Adoption Recruitment. . .	632-6366
Appeals Court.	946-3500	Health District	946-7800
Auditor	946-4000	Human Resources	946-4700
Auto Titles	946-4646	Job and Family Services	946-1000
Building Inspections.	946-4550	Jury Commission	946-JURY (5879)
Clerk of Courts	946-5666	Justice Center	946-6300
Child Abuse/Neglect.	241-KIDS (5437)	Juvenile Court.	946-9200
Child Support Services.	946-7387	Law Library.	946-5300
Commissioner Deters	946-4406	League of Women Voters	281-8683
Commissioner Monzel.	946-4409	Library.	369-6000
Commissioner Portune	946-4401	Marriage Licenses	946-3589
Common Pleas Court.	946-5800	Mental Health/Recovery Svcs. . .	946-8600
Communications Center	825-2170	Municipal Court	946-5200
Community Development.	946-8230	Park District	521-PARK (7275)
Coroner.	946-8700	Planning and Zoning	946-4550
Council on Aging	721-1025	Probate Court	946-3580
County Administration	946-4400	Probation	946-9600
Developmental Disabilities	794-3300	Prosecutor	946-3000
Dog Warden	541-6100	Public Defender	946-3700
Domestic Relations Court	946-9000	Purchasing	946-4355
Economic Development	631-8292	Recorder	946-4600
Elder Abuse/Neglect	421-LIFE (5433)	Reentry Office	946-4304
Election Information	632-7000	River City Corrections	946-6800
Emergencies	911	Sewer District.	352-4900
Non-Emergency Police	825-2280	Sheriff	946-6400
Non-Emergency Fire	825-2260	Soil and Water Conservation . . .	772-7645
Emergency Management	263-8200	SPCA	541-6100
Engineer	946-4250	Stormwater District.	946-4250
Environmental Services.	946-7777	Treasurer	946-4800
Facilities	946-5000	Veterans Services	946-3300
Fire Hydrant Repair	946-8950	Voter Registration	632-7000

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