

HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE
138 East Court Street
Room #603
Cincinnati, Ohio 45202

July 23, 2007

Hamilton County Board of Commissioners

Hon. Todd Portune - President
Hon. David Pepper – Vice President
Hon. Pat DeWine
138 East Court Street
Room # 603
Cincinnati, Ohio 45202

Re: Reports of the 2007 Tax Levy Review Committee

Dear Honorable Board:

Enclosed with this letter are two reports of the Tax Levy Review Committee (“TLRC”) for 2007; one with respect to the request to place a Senior Services Levy on the November 6, 2007 ballot and one with the respect to the request to place the Mental Health Levy on the same ballot. The committee intends to conduct its mid-term review of the Drake, Cincinnati Museum Center and MRDD levies and issue its report to you on those levies later this year. In addition, the committee will conduct a full review of the Zoo Levy, expected to be placed on the primary 2008 ballot, either in January or March, 2008.

First, I want to thank the County Commissioners for empanelling the TLRC. The formation of this committee and this review process is crucial to provide a critical review of the important work performed by the funded agencies. The Board of County Commissioner’s (“BOCC”) continuing commitment to this process is important to this community. Further, the guidance provided through its Mission Statement adopted January 24, 2007 was critical in guiding the work of the TLRC and providing a disciplined approach in the community towards the levy process.

Second, the good and hard work of the other eight members of the Committee should be recognized. Each member served on a sub-committee for intense review of one of the two levies. The Committee for the Senior Services Levy was chaired by Dan Unger and included Virginia Wojtowicz , John Smith and Dale Van Vyven. The Committee for the Mental Health Levy was chaired by Mark Quarry and included Tom

Cooney, Gwen McFarlin and Connie Pillich. The entire TLRC met more than ten times to conduct its work and held public hearings on both levies. The subcommittees held numerous additional meetings with the selected consultant, agency staff, and interested citizens. We had excellent participation from each TLRC member. In all, I estimate that more than 350 volunteer hours were expended in this effort. My appreciation goes to them for this outstanding work.

The committee relied in great measure on both the County staff and outside consultants to assist them in their work. Specifically, Paula Knecht continued to provide excellent support and advice in our efforts. She was aided by Lisa Webb and Clara Hughes.

I am pleased with this transmittal to report that the TLRC has fulfilled the Mission Statement in each of its specifics. A few highlights:

- A.) The Committee brought each levy within the inflation policy established by this BOCC. (See Attachment A) The 5-year recommendations for the November ballot are as follows:

Mental Health Levy	\$187,114,835
Senior Services Levy	\$103,317,730

With these recommendations, the tax burden on the County property owners will increase in dollars by more than \$33 million over the coming 5-year levy cycle, but will decrease in inflation adjusted dollars by approximately \$2 million dollars during that same time period. This represents a drop in inflation adjusted taxation of approximately .7%.

Based on the TLRC funding recommendations, the Administration is currently working with the County Auditor's Office to identify the millage requirements for each levy whether it is to be placed on the ballot as a renewal or a replacement levy. They will also prepare the affect on taxes for the owner of a \$100,000 home for each type of levy. This information will be presented to you under separate cover by the County Administration as soon as it is finalized with the Auditor's Office.

- B.) We engaged the outside reviews required by the BOCC. This policy unquestionably has enhanced the ability of the TLRC to provide a critical review of agency spending and operations. I thank Ken Murray and Mark Olson of TATC Consulting and the staff of Maximus Consulting for all their guidance and hard work.

- C.) We have inquired of and reminded the funded agencies of limitations on involvement in political campaigns with taxpayer resources.
- D.) We have analyzed agency operations and made recommendations for important operational reforms.
- E.) For the purposes of benchmarking and accountability we reviewed similar activity in several other Ohio counties to assure local agencies are providing efficient and effective service.

In closing, during our analysis of both tax levies, many times there were questions and concerns regarding operations and finances of services not directly funded by these levies. Many agencies receive funding from several tax levies and, in some cases, additional funding from the County's General Fund. I recommend that the BOCC empanel another committee to study the total tax burden placed on the residents of Hamilton County. A high level analysis would not only provide benchmarking with other counties, but would spur discussion with regards to the effect of the proposed jail sales tax, the County's aging population, the phasing out of the Drake Levy and other high level tax issues.

We are scheduled to present these reports to the BOCC at the July 30, 2007 staff meeting. If you have any questions in the meantime about these reports, I would be pleased to respond to them. In the alternative, Mark Quarry and Dan Unger will be prepared to answer your questions.

Thank you again for this opportunity to serve. It has been a thoroughly rewarding experience.

Sincerely,

Timothy W. Molony
Chairman
Hamilton County Tax Levy Review Committee
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Cc: TLRC Members
Patrick Thompson, County Administrator
Patrick Tribbe, HCMHRS Board
Suzanne Burke, Council on Aging
Moirra Weir, JFS
Michael Setzer, Sorta
Glenn Welling, OSU

Attachments:

Mental Health Subcommittee Report

Senior Services Subcommittee Report

Agency Responses to Maximus/TATC Performance Reports