

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

July 21, 2009

Hamilton County Board of Commissioners

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

Re: Reports of the 2009 Tax Levy Review Committee

Dear Honorable Board:

Enclosed with this letter are three reports of the Tax Levy Review Committee ("TLRC") for 2009; one with respect to the request to place a Mental Retardation and Developmental Disabilities Levy on the November 3, 2009 ballot, one with the respect to the request to place a Cincinnati Museum Center Levy on the same ballot and one with the respect to the request to place the Family Services and Treatment Levy on the same ballot.

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 21, 2009 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 Mental Retardation and Developmental Disabilities Levy was chaired by Mark Quarry and included John Smith and Gwen McFarlin. The Committee for the Cincinnati Museum Center Levy was chaired by Tom Cooney and included Dale Van Vyven and me. The Committee for the Family Services and Treatment Levy was chaired by Dan Unger and included Mark Berliant and Stephen

Taylor. The entire TLRC met nine 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 hundreds of 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, Lisa Webb continued to provide excellent support and advice in our efforts.

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:

Cincinnati Museum Center Levy (A) \$ 18,823,965

Cincinnati Museum Center Levy (B) \$ 32,974,950

Option A includes operating expenses only; option B includes operating and capital expenses.

Family Services and Treatment Levy (A) \$ 39,415,787

Family Services and Treatment Levy (B) \$ 37,238,338

Option A includes funding for three new programs, option B includes funding for existing programs and one new program.

MR/DD Levy \$400,199,446

The TLRC recommendations are between \$77 and \$61 million lower than the BOCC approved inflation policy over the coming 5 year levy period (depending on the CMC and FS&T options chosen).

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, James Horkey of Howard Wershale and Co, and Zach Zettler and Larry Suer of Cole Russell Architecture + Design 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.

We are working with the County Administration to schedule a Special Meeting to present these reports to the BOCC during the week of July 27th. If you have any questions in the meantime about these reports, I would be pleased to respond to them. In the alternative, Mark Quarry, Tom Cooney 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
Cheryl Phipps, MRDD Board
Doug McDonald, Cincinnati Museum Center
Neil Tilow, Talbert House
Patrick Tribbe, HCMHRS Board

Attachments:

2009 BOCC Inflation Policy Calculation

Cincinnati Museum Center Subcommittee Report

Family Services and Treatment Subcommittee Report

MR/DD Subcommittee Report

2009 BOCC INFLATION POLICY CALCULATION				
Updated with TLRC Recommendations as of July 20, 2009				
Levy	Actual Revenue 1st year of current levy - 2005	Revenue with 5-year Inflation	5-year levy total to stay in line with inflation policy	5-year TLRC Recommendation
Cincinnati Museum Center Operating Levy (A)	3,716,511	4,333,451	21,667,256	18,823,965
Family and Treatment Services Levy (A)	16,296,023	19,001,160	95,005,800	39,415,787
Cincinnati Museum Center Levy w/ Capital Bond Issue (B)	6,519,929	7,602,236	38,011,180	32,974,950
Family and Treatment Services Levy (C) *former Drake Levy	16,296,023	19,001,160	95,005,800	37,238,338
MR/DD Levy	68,644,855	80,039,889	400,199,446	400,199,446
TOTAL AMOUNT	91,460,807	106,643,285	533,216,426	470,412,734
(A) not included in total amount calculation				
(B) CMC Bond Issue will be retired in 2009				
(C) subcommittee recommendation				

CALCULATIONS - as of 1/09

Inflation		
Cincinnati-Hamilton County Metro		
2005	2.9%	
2006	3.9%	
2007	2.8%	
2008	3.0%	
2009	3.0%	
Cincinnati Museum Center Levy		
2005 Base Year Revenue		3,716,511
	0.029	3,824,290
	0.039	3,973,437
	0.0280	4,084,693
	0.0300	4,207,234
	0.0300	4,333,451
Cincinnati Museum Center Levy w/ Capital Bond		
2005 Base Year Revenue		6,519,929
	0.029	6,709,007
	0.039	6,970,658
	0.0280	7,165,837
	0.0300	7,380,812
	0.0300	7,602,236
Family and Treatment Services Levy		
2005 Base Year Revenue		16,296,023
	0.029	16,768,608
	0.039	17,422,583
	0.0280	17,910,416
	0.0300	18,447,728
	0.0300	19,001,160
MR/DD Levy		
2005 Base Year Revenue		68,644,855
	0.029	70,635,556
	0.039	73,390,342
	0.028	75,445,272
	0.0300	77,708,630
	0.0300	80,039,889