

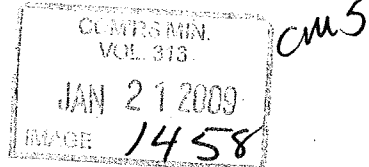
Item 6

The Commissioners thanked the TLRC members, Christian Sigman and Paula Knecht for their work on the mission and policy update...

There being no further comments/questions from the Board...

On motion of Mr. Pepper, seconded by Mr. Portune the resolution was adopted.

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RESOLUTION #2

A RESOLUTION TO ADOPT AN UPDATED TAX LEVY REVIEW COMMITTEE MISSION AND THE COUNTY VOTED TAX LEVY POLICY

BY THE BOARD:

WHEREAS, the Hamilton County Voted Tax Levy Policy ("Policy") was adopted on June 17, 1996 and was last amended on May 17, 2006; and

WHEREAS, the Board of Commissioners of Hamilton County adopted a Hamilton County Tax Levy Review Committee Mission Statement ("Mission Statement") on January 24, 2007; and

WHEREAS, on January 12, 2009 the Board of Commissioners of Hamilton County approved a new policy statement regarding the calculation of inflation relative to voted tax levy sizing; and

WHEREAS, both the Policy and the Mission Statement require updating; and

WHEREAS, it is the intent of the Board of Commissioners to update the language in the Mission Statement regarding the new inflation policy and to merge the elements of both the Mission Statement and the Policy into one integrated document for use by the Tax Levy Review Committee and levy-funded agencies;

NOW THEREFORE BE IT RESOLVED that the Policy last amended on May 17, 2006 and the Mission Statement approved on January 24, 2007 are now replaced by the attached document entitled "Hamilton County Tax Levy Review Committee Mission, Hamilton County Voted Tax Levy Policy" which includes the new inflation language in Section 4. of the Voted Tax Levy Policy.

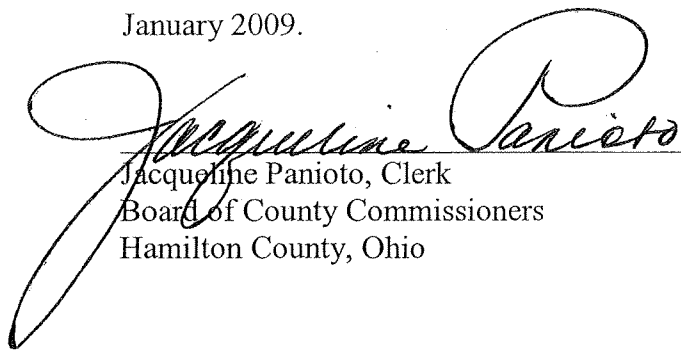
BE IT FURTHER RESOLVED that the Clerk of the Board be and hereby is authorized and directed to certify copies of this resolution to Patrick Thompson, County Administrator; Christian Sigman, Assistant County Administrator; Timothy Molony, Tax Levy Review Committee; Moira Weir, Job and Family Services; Patrick Tribbe, Hamilton County Mental Health and Recovery Services Board; Suzanne Burke, Council on Aging of Southwestern Ohio; Cheryl Phipps, Hamilton County Mental Retardation and Development Disabilities; Thane Maynard, Cincinnati Zoo; Tony Condia, Health Alliance, Inc.; Tony Helton, Children's Hospital Medical Center; Douglass McDonald, Cincinnati Museum Center; and Peggy O'Neill, CLEAR.

ADOPTED at a regularly adjourned meeting of the Board of County Commissioners of Hamilton County, Ohio, this 21st day of January 2009.

Mr. Hartmann YES Mr. Pepper YES Mr. Portune YES

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of County Commissioners of Hamilton County, Ohio in session the 21st day of January 2009.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the Office of Board of Commissioners of Hamilton County, Ohio, the 21st day of January 2009.



Jacqueline Panioto, Clerk
Board of County Commissioners
Hamilton County, Ohio

**HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE MISSION
HAMILTON COUNTY VOTED TAX LEVY POLICY**

January, 2009

The Board of Commissioners of Hamilton County controls voted levies that presently appear on the tax bill for Hamilton County property owners. It is the policy of the Board of Commissioners of Hamilton County to create a balance between the needs for funding by various levy agencies on the one hand and the tax burden on the home and business owners on the other hand.

The Board of Commissioners (Commissioners) intends to make Hamilton County more competitive with other counties in the rate of taxation and to assure the right balance between the public need for services and the ability of the public to bear the burden of property taxes.

HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE MISSION

Prior to the placement of each levy on the ballot, the Tax Levy Review Committee (TLRC) will be convened to review the request and advise the Commissioners. The TLRC will be made up of 9 independent Hamilton County residents (of whom none is associated with any board or agency funded in any way by Hamilton County tax dollars); the TLRC will also have as non-voting members the County Administrator and the Assistance County Administrator/Director of the Office of Budget and Strategic Initiatives.

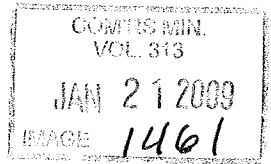
Individuals may serve on the Tax Levy Review Committee if they have a conflict of interest with a funded agency or its contracting agencies (defined as a) a financial interest, b) an employment relationship, c) legal, accounting or other consulting or representational relationship, or d) other material connections that a member believes may color his or her judgment) so long as:

- i) Such conflict of interest is disclosed to the TLRC and the Commissioners in writing within thirty (30) days of such member's appointment or with thirty (30) days after such conflict arises or the member becomes aware of it; and
- ii) With respect to recommendations to the Commissioners relative to the levy that funds the agency from which the conflict arises such TLRC member will recuse him/herself.

The TLRC is to thoroughly study each levy request and advise the Commissioners on i) whether such levy should appear on the ballot, ii) the appropriate level of revenue to be generated by taxation for each levy, iii) the appropriate duration for each levy, and iv) terms and conditions that should be inserted into each contract.

The responsibilities of the Tax Levy Review Committee are:

1. To establish priorities between competing levy proposals each year to assure compliance with the Hamilton County Voted Tax Levy Policy.



2. To develop jointly with Commissioner and County Administration staff the scope of work to be conducted by the outside review consultant, to oversee the work of such consultant and to receive the report of such consultant.
3. To ascertain whether a special levy on the property tax bills of property owners in Hamilton County is the appropriate method of funding the agency or service in question.
4. To ascertain what services should be provided by such levy funding, in order of priority.
5. Under advice provided from the Hamilton County Prosecutor's office, to ascertain the extent to which services funded by the levy are mandated to be provided by the county under applicable laws.
6. To make recommendations to the Commissioners on programs and services that should be established, programs and services that should be eliminated and efficiencies that can be attained.
7. To conduct mid-term performance reviews of agencies receiving levy funding to assure that budget targets and contractual obligations are being met.
8. To assure that no levy funds from the levy-funded agencies have been expended on political campaigns, or if they have, to report the same to the Commissioners.
9. To evaluate possible systemic changes in the levy system including mergers and consolidations of levies, margining of administrative functions among levies and other changes that will increase efficiency or improve services.
10. To implement the Hamilton County Voted Tax Levy Policy.

HAMILTON COUNTY VOTED TAX LEVY POLICY

The Board of Commissioners of Hamilton is responsible for the consideration of requests to place all voted tax levies before the voters. The purpose of this policy statement is to advise both the voters and the individuals requesting voted levy consideration of the Commissioners' expectations prior to the examination of the merits of any requests.

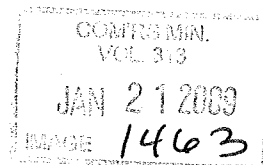
1. All voted levies must be for the benefit of Hamilton County residents.
2. All voted levy requests for the purpose of funding service provision shall be reviewed for consideration of alternate means of service provision, inclusion of similar services, the need for the proposed services, and other purposes.
3. Each levy-funded agency shall undergo a performance review spending by a consultant before approval for the ballot. Said consultant may either be engaged to work in

conjunction with the Tax Levy Review Committee (TLRC) or shall be deemed by the TLRC to be independent and sufficient for this purpose.

4. In its review of the various voted tax levies, the Tax Levy Review Committee shall seek savings where possible, and shall endeavor to maintain constant the total dollars collected from such levies. In no event should recommended increases in voted levy taxation exceed the rate of inflation for each replacement or renewal levy since it was last enacted. In calculating the number the initial year of the levy's previous term shall be used as a base year, and inflation shall be defined as the Cincinnati-Hamilton County Rate published by the Bureau of Labor statistics. A total of five years of inflation shall be calculated. If the Bureau of Labor statistics data is not available for a period, the inflation rate utilized by Hamilton County for budget purposes should be used.

In the case of a request for a completely new levy, the request should be reviewed on an ad hoc basis since there will be no base-line period on which to conduct an inflation calculation.

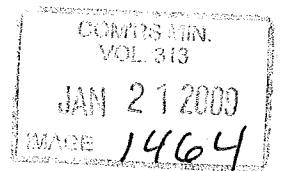
5. The performance review process shall be:
 - A. Any agency/entity requesting that a tax levy be placed on the ballot (hereinafter, "agency" or "applicant") shall formally report in writing to the TLRC by no later than 335 days before its intent to request that a levy be placed on the ballot, informing the TLRC of its intent to place the levy on the ballot, and requesting the performance review outlined in section 6 below.
 - B. The agency must submit all documentation supporting such request, including a copy of the final performance review report outlined in section 6, to the Commissioners no later than 180 days before the election upon which the tax levy request shall appear on the ballot. Not later than 160 days prior to such election, the TLRC shall be briefed by such agency on the nature and the details of the levy requested. At the same briefing, or at a separate briefing date established by the TLRC, the TLRC shall also be briefed on its findings by the entity which conducted the performance review. Not later than 120 days prior to such election, the TLRC shall complete its information collection concerning the requested levy. Not later than 105 days prior to such election, the TLRC shall complete its deliberations and provide a written report to the Hamilton County Commissioners with its recommendation(s) concerning the placement of the tax levy on the ballot, including the basis therefore, and the placement of specific provisions in the contract between the County and the agency upon successful voter approval, to ensure performance goals, based on the findings of the outside performance review, are met, including the basis therefore.
 - C. The performance review shall be paid for using the requesting agency's levy revenues, unless precluded by contract, in which event, the Commissioners shall identify an alternative source of funding. The performance review will commence at least 280 days prior to the election.



- D. The entity which conducts the performance review shall report directly to the TLRC and will conduct the performance review under the direction of the TLRC.
 - E. Should the requesting agency/entity have an existing performance review process with an outside reviewing entity, the Commissioners may agree to utilize such entity for this review purpose if said entity agrees to report directly to the TLRC, and (in the judgment of the Commissioners) no conflict of interest exists that will compromise the work of the reviewing entity. The entity chosen to perform the performance review will be at the sole discretion of the Commissioners, as advised by the TLRC.
 - F. In the event a proposed levy is a new levy, the agency may be subject to the aforesaid performance review, if authorized by the Commissioners. However, if the agency is not currently operating in a capacity that will be funded by the new levy, an outside needs assessment may be performed instead of a performance review, to determine resources required for the agency to operate in the desired capacity.
 - G. Reviews for an agency requesting a new levy will be paid for by said agency and, upon voter approval of the levy, reimbursed with the new levy funds. In the event the levy fails, the review will be paid for by the requesting agency.
6. The performance review may include, but is not limited to the following:

Management and Operations Review

- A. Review of the applicant's management processes, at all levels of the organization, to determine the information, tools and habits available to operate efficiently and make recommendations for improvement.
- B. Review of the applicant's core business processes and their impact on cost of providing services resulting in recommendations to reduce costs where appropriate.
- C. Review of the applicant's utilization of staff resources and the ability to match resources with the requirements of service provisions resulting in recommendations for improvement.
- D. Determine the number of clients served by the applicant, review its waiting list for services and the number of eligible prospective clients who are not being served, and make recommendations for improvement.
- E. Review of the quality of service provided by the applicant and make recommendations for improvement.



- F. Note accomplishments by the applicant's management.
- G. Note shortcomings in management by the applicant and make recommendations for improvements.
- H. Recommend objectives for contracts to be funded by the new levy, establish benchmarks for measuring progress towards those objectives, and recommend procedures to monitor interim progress to meet such benchmarks. For purposes of benchmarking and accountability review similar activity and/or services in Ohio's other counties to assure that efficiencies are provided and that performance meets or exceeds standards provided, however, that the lack of a similar service or levy in other Ohio counties shall not be deemed as prima facie evidence by the Committee that such tax levy or services are not needed, nor appropriate.
- I. Evaluate compliance by the applicant with past County contracts and the objectives set forth in those contracts.
- J. Conduct a survey of client/customer satisfaction, to provide feedback from the user and client communities.
- K. Compare the benefits to be provided by the applicant with similar agencies in other communities.
- L. Identify financial savings and/or service enhancements to be achieved by implementing recommended improvements.

Financial Review

- A. Evaluate the applicant's budget over past years and, if changed, the reasons for those changes.
- B. Evaluate the applicant's actual financial results of operation over past years, and if varied from budget, the reasons for those variations.
- C. Analyze the impact of inflation on the applicant's operations.
- D. Analyze actual and planned costs for capital expenditures.
- E. Evaluate the ability of the applicant to receive financial support from sources other than the tax levy (for example, federal, private, or state grants).
- F. Evaluate whether the request will result in a net budget increase for the applicant, taking into account reappraised real property values in Hamilton County.

7. In the event an existing tax levy fails, after full review by the TLRC, the agency may re-submit an issue for consideration within 10 months based on the following process.

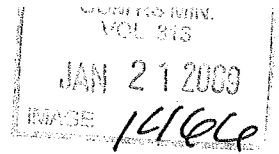
The request may not call for a higher rate of taxation than previously requested and the purpose of the request must be limited to only those purposes called for in the initial request. Based on this process, the agency shall submit all documentation requesting and supporting such request to the Commissioners no later than 120 days prior to the election. No later than 85 days prior to such election, the TLRC shall complete its deliberations and provide a written recommendation concerning the placement of the levy on the ballot, including the basis therefore.

Any agency requesting a levy under this process will not be required to pay any further fees to fund any outside/third party reviewing entity.

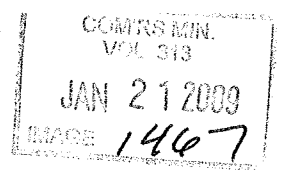
8. All voted levy requests shall be presented with a financial plan showing expenditures and revenues for the intended levy services. Such plans for time-limited voted levy requests must be presented for the life of the levy. Continuing voted levy requests must be accompanied by a plan for no more than a ten-year period. The continuing plan shall be updated for the Commissioners' consideration as part of the annual budget request.
9. The financial plan shall include projected revenue from all sources to the detail requested by the County's Office of Budget and Strategic Initiatives.
10. Agencies funded by voted levies shall use the approved levy plan as a guide for the annual budget request. Annual budget appropriations for each entity will not exceed the levy plan expenditures for that entity for any given year unless expressly approved by the Commissioners. Proposed changes in planned expenditures shall be explained to the Commissioners during the County's annual budget process.

Significant variations in sources of non-levy revenue shall be reported, by agencies funded by voted levies, to the detail requested by the County's Office of Budget and Strategic Initiatives, in the budget request and at periodic reviews with the County Administration. The Commissioners may adjust appropriations and/or consult with the Budget Commission based on the expenditure, revenue, and funding information received. The Office of Budget and Strategic Initiatives will conduct reviews of special levy and associated restricted funds each year. It remains agency responsibility to manage its budget and appropriation.

11. The projected carryover (unencumbered balance) at the end of the current period shall be considered in the projected financial plan.
12. Financial plans shall not have a planned carryover (unencumbered balance) at the end of a levy period or at the end of a continuing levy ten year plan.



13. Any annual levy revenue over estimate and savings from expenditures under the planned budget shall accumulate in the levy fund balance to be used for:
 - A. a reserve for working capital for the entity at the end of the levy period in the event the levy fails, or
 - B. a reserve to be used at the end of the current levy period in sizing the next levy millage, or
 - C. funding increased costs over expenditures as determined by the Commissioners.
14. Encumbrances are treated as budgeted expenditures in the year the commitment to purchase is made. Encumbrances outstanding at the end of the fiscal year (calendar year) are reported as reserves of fund balances and provide the authority for using those appropriations in the subsequent fiscal year (calendar year) to complete the transaction.
15. Each appropriation lapses at the close of the fiscal year (calendar year) to the extent that it has not been expended or encumbered. The appropriation for a capital expenditure is deemed to be abandoned to the extent the project is not under contract by the close of the fiscal year (calendar year).
16. All financial plans must be prepared on a calendar year basis.
17. All non-County government recipients of tax levy funding may have an annual financial audit of the use of tax levy funds conducted by the County to be paid for by the respective agency receiving such funds out of such funds.
18. The basis of accounting shall be agreed to by the County Administration prior to submittal of the voted levy plan. In most instances, a modified accrual basis of accounting shall be used.
19. All agencies receiving tax levy funding will undergo a mid-term evaluation by the TLRC, commencing within 60 days of the midpoint of the existing levy period. The purpose of the mid-term evaluation is to ensure the levy recipient's compliance with the provisions of the contract between such recipient and the County. The TLRC will have the right to engage an outside reviewer to assist in this process, the cost of which shall be borne by the recipient of levy funds out of such funds. The TLRC will obtain a written report from the reviewing entity within 30 days after the evaluation is completed. The TLRC will review this report and forward it to the Commissioners within 30 days, along with comments by the TLRC and the agency being evaluated.
20. The County will enter into an agreement with each non-county agency funded with levy dollars to assure that the agencies are operating efficiently and in accordance with priorities established by the Commissioners. Upon appearance on the ballot, each funded agency will contractually agree (i) that disbursement of levy proceeds is conditioned upon such agency entering into an additional contract with the



Commission and that it will have no entitlement to dollars unless such agreement is entered into and (ii) that no funds from the agency and no agency resources may be used to advance the passage of the tax levy in any way that results in levy proceeds directly or indirectly being used for the passage of said levy including being used as collateral for advances or loans, and/or by supplanting other agency dollars that have been diverted for use for the passage of such levy. This section shall not be read to prohibit any member of such agency from working on behalf or, or from speaking out in favor of, the passage of such levy.