



RESOLUTION

ISSUE #10 | CHILDREN'S SERVICES LEVY

PRESENTED BY	WCC Civic Engagement Committee
BOARD APPROVAL	September 28, 2026

RESOLUTION

Resolved, that Woman's City Club endorse the Hamilton County Children's Services Levy appearing on the November 3, 2026, ballot, recognizing both the demonstrated need to maintain essential services for abused and neglected children and the need for continued fiscal discipline, transparency and accountability throughout the next levy cycle.

Further resolved, that Woman's City Club urge the State of Ohio to increase its financial responsibility for mandated child welfare services and reduce the disproportionate reliance on local property taxes to protect children who are suffering from or at risk of abuse or neglect.

Issue

Hamilton County is asking voters to approve a four-year renewal with an increase of the Children's Services Levy at 5.61 mills on the November 3, 2026, ballot. If approved, the levy would generate approximately \$116 million annually for Children's Services through Hamilton County Job and Family Services (JFS). Property owners would pay an estimated \$121 annually per \$100,000 of property value, approximately \$39 more than under the current levy.

The current levy generates approximately \$81–83 million annually and expires at the end of 2026.

Background

The Children's Services Levy has provided local funding for Hamilton County child welfare services since 1981. It supports abuse and neglect investigations, the 24-hour 241-KIDS hotline, foster and kinship care, adoption and permanency services, behavioral health services, family preservation and reunification, case management, and services for older youth transitioning from foster care. In the most recent year reported, Children's Services served 13,252 children and 6,376 families.

The levy's financial position has changed substantially since 2021. Its fund balance declined from approximately \$145.8 million in 2021 to \$41.9 million at the end of 2025. Annual expenditures increased from approximately \$106 million in 2022 to \$180 million in 2025, while revenues increased only modestly.

The principal cost driver has been out-of-home care. Placement costs nearly doubled during the levy period because of higher provider rates, limited placement capacity, and some children's increasingly complex behavioral, psychiatric, and medical needs. An independent financial review found no financial reporting or audit problems affecting the levy fund and concluded that the rapid drawdown was driven primarily by out-of-home placement costs.

The Tax Levy Review Committee recommended \$144 million annually in levy revenue, concluding that existing revenues were insufficient to support the base level of Children's Services needs and rebuild an adequate reserve. The Commissioners did not reject that assessment of financial need but set the levy request substantially below the approximately \$144 million in annual levy revenue recommended by the Hamilton County Tax Levy Review Committee (TLRC), an independent review board appointed by the County Commissioners to serve in an advisory capacity.

During their August 3, 2026, special meeting, Commissioners expressed concern about the size of the property-tax increase voters would be asked to approve and directed the administration to determine whether the levy request could be reduced through continued spending reductions, other funding sources, and additional cost-control measures. Commissioners selected the 5.61-mill option, which generates \$116 million annually, as a balance between the agency's financial needs and what they believed taxpayers might reasonably support. The four-year term, rather than the traditional five years, also provides an earlier opportunity to reassess costs, revenues and service levels.

Discussion

Background information to consider:

- Many core child welfare services are mandated by federal or state law. If levy funding were unavailable, Hamilton County would remain responsible for providing those services through the County General Fund or reductions to other County services.
- The levy balance declined from approximately \$145.8 million in 2021 to \$41.9 million at the end of 2025 as expenditures increasingly exceeded revenues.
- Out-of-home care costs increased more than 90% during the current levy cycle, while the number of children in care increased approximately 19%.
- More than 80% of children are served in family-based kinship or foster settings, which generally cost substantially less than group-home and residential placements.
- Ohio relies heavily on local governments to finance child welfare. Local funding provided approximately 70% of Hamilton County Children's Services revenue over the previous five years.
- JFS made substantial reductions and funding shifts in 2026 in response to the declining levy balance, including reductions to prevention and other non-mandated services. In 1992, Children's Services completed the requirements of a consent decree that required Children's Services to provide "family preservation services" to prevent placement. The goal was to prevent children from entering care and keep them with their families if possible or place them with relatives.
- Independent review found the underlying financial data sound but identified opportunities for stronger oversight of out-of-home care and contract services.
- Because the proposed levy is below the TLRC recommendation, the next levy cycle will depend on continued cost containment, additional revenue sources, and prioritization of services.

Previous WCC Actions

- WCC has endorsed this levy since it was established in 1981.

Arguments for Endorsement

- The County has a legal and moral responsibility to protect children who are abused, neglected or unable to remain safely at home.
- The levy reserve available in 2021 has been substantially depleted as the cost of mandated services, particularly out-of-home care, has increased.
- Independent financial review confirmed that rising service costs, rather than financial reporting problems, principally caused the deterioration of the levy's financial position.
- Failure of the levy would not eliminate mandated child welfare costs; those expenses would instead place substantial pressure on the County General Fund and other County services.

- The Commissioners reduced the proposed increase substantially below the TLRC recommendation in an effort to balance Children's Services needs with the burden on property taxpayers.

Arguments Against Endorsement

- The levy represents a significant property-tax increase at a time when homeowners face higher property values, inflation and other tax pressures.
- Expenditures increased considerably faster than projected during the current levy cycle, creating uncertainty about whether even the proposed increase will provide long-term fiscal stability.
- Rapid growth in out-of-home and contract spending, including reliance on single-source providers, indicates a continuing need for stronger procurement, contracting, and performance oversight.
- Ohio continues to provide a comparatively small share of child welfare funding, leaving local property taxpayers responsible for costs that could be more broadly supported by the State.

We are not yet aware of any organized opposition to this tax levy but some may materialize before the election.

THEREFORE

NOW, THEREFORE, BE IT RESOLVED, that Woman's City Club endorse the Hamilton County Children's Services Levy appearing on the November 3, 2026, ballot, recognizing both the demonstrated need to maintain essential services for abused and neglected children and the need for continued fiscal discipline, transparency and accountability throughout the next levy cycle.

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