



2015 Proposed Budget Presentation

August 18, 2014

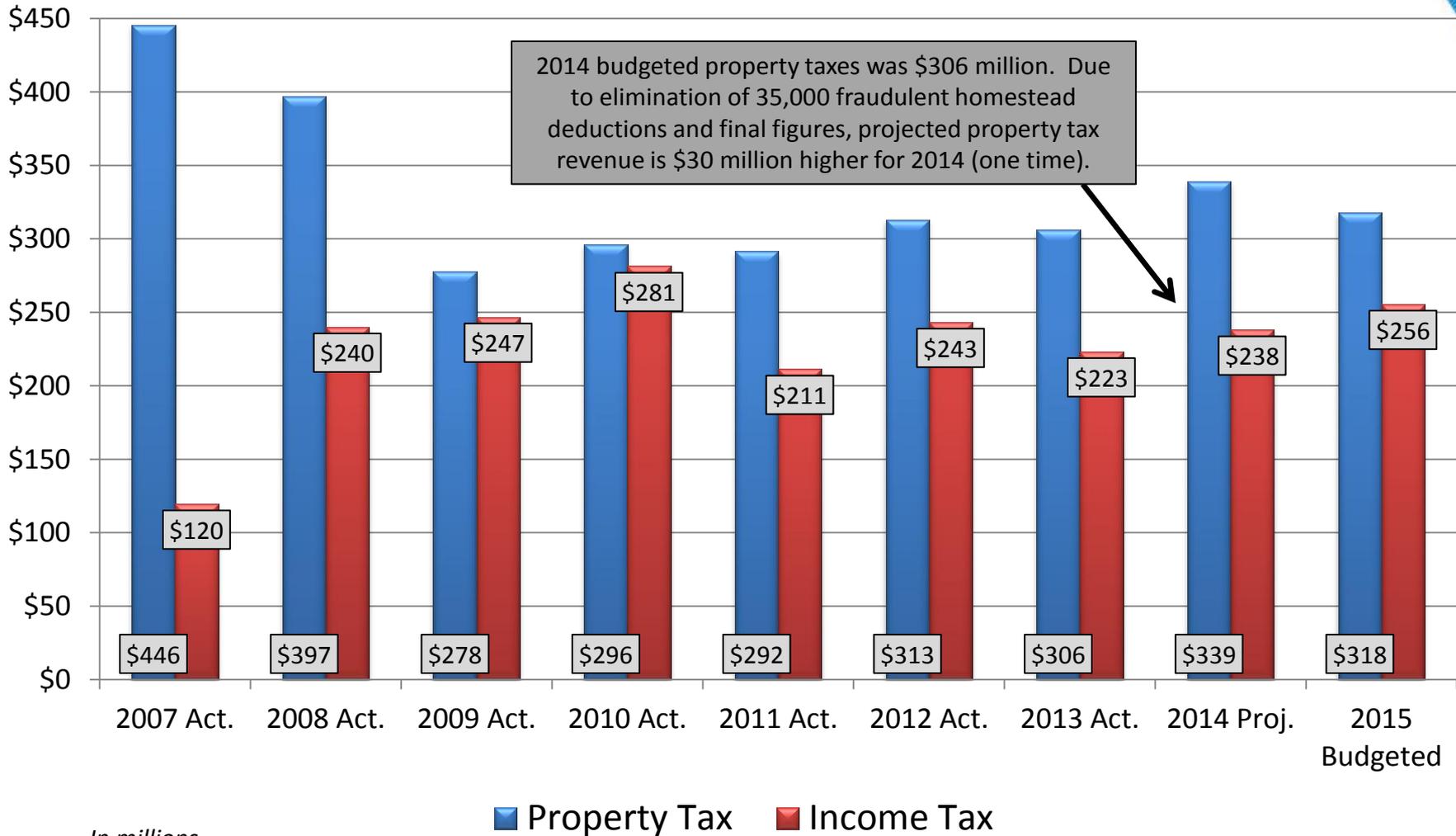
2015 Proposed Budget



- **City-County Received \$32M more in Property/Income Tax Revenue in 2014 than budgeted in tax supported funds**
 - City-County receiving \$63M less in revenue in 2015 than in 2008 (pre-recession and property tax caps)
- **2015 Introduced City-County Budget \$1.034 Billion for all funds**
 - 2014 Adopted Budget \$999,037,000
- **2015 Introduced City-County General Fund appropriation of \$608.5M**
 - 2014 Adopted General Fund appropriation was \$594.1M
- **Most Agency Budgets Stable**
 - Provides funding for Police, Fire, and AFSCME contracted raises
 - Provides funding for State mandated raises for Court Staff and Public Defenders
 - Provides funding for Sheriff Deputy pay increases
 - Adds 4 Community Corrections Caseworkers
 - Maintains Arts, Crime Prevention and other public purpose grants
 - Provides funding to Department of Code Enforcement for new Illegal Dumping and Unsafe Building programs
- **Does NOT include Mayor's proposals for high-quality preschool and new IMPD recruits through Public Safety Income Tax**
- **No use of TIF or Fiscal Stability Fund dollars to balance budget**

Tax Revenue

Indianapolis/Marion County Only



In millions

Public Safety



- **Public Safety/Criminal Justice represents 90% of General Fund**
- **Funds police/fire contractual raises and state mandated increased retirement payments**
- **50 new IMPD recruits funded within IMPD budget**
 - 2015 Budget contains funding for 80 new officers hired in 2014
 - 2015 projected attrition is 42 officers
- **20 new IFD recruits funded within IFD budget**
- **Funds increased contractual costs of inmate medical care and 911 dispatch service**
- **Maintain Crime Prevention Grant at \$2M**



IMPD Staffing

- **Separate proposal to provide sustainable funding to hire new IMPD Officers**
- **Council's bipartisan IMPD Staffing Commission Recommends:**
 - Increase in Public Safety Income Tax of 0.15%
 - Ave Household in Indy (median income of \$42,606) – \$5.32 per month
- **Proposal would generate \$29M annually for Public Safety/Criminal Justice**
 - Proposal would increase City public safety funding by \$16M
 - Proposal would increase County funding by \$11M
 - Other local units of government would receive \$1.9M for public safety
- **Mayor supports sunset of Public Safety Tax Increase, if General Assembly passes a commuter tax**
- **If Council passes this recommendation, City will consider applying for COPS grant**

IMPD Staffing



IMPD Staffing Projection – as budgeted

	2014	2015	2016	2017	2018
New Recruits	80	50	50	50	50
Projected Attrition	-42	-42	-42	-42	-42
Year-end Staffing	1,565	1,573	1,581	1,588	1,596

IMPD Staffing Projection – Mayor's Proposal

	2014	2015	2016	2017	2018
New Recruits	80	90	90	50	50
Projected Attrition	-42	-42	-42	-42	-42
Year-end Staffing	1,565	1,613	1,661	1,669	1,677



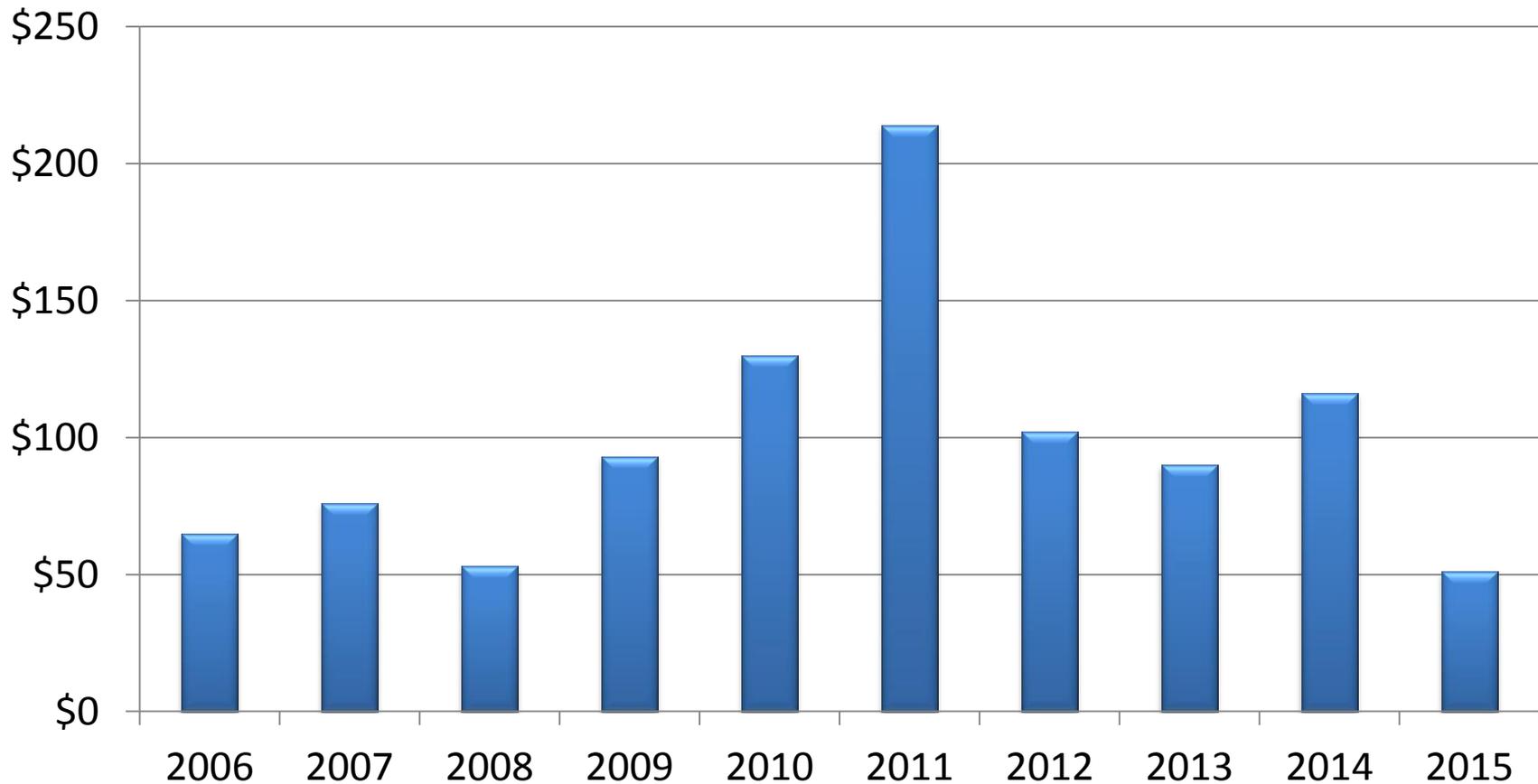
Infrastructure Investment

- **Uses remaining \$7.3M balance from RebuildIndy**
- **Does not assume any funding from RebuildIndy 2.**
 - Introduced in August 2013
 - Still has not been voted upon by City-County Council
- **Uses \$6M from Parking Meter Revenue for improvements**
- **Repays \$8M loan from Fiscal Stability Fund Council used to fund 2014 budget.**

Infrastructure Investment



Historical Infrastructure Spending



In millions – includes local, state, federal and RebuildIndy funding

Other Agency Budgets



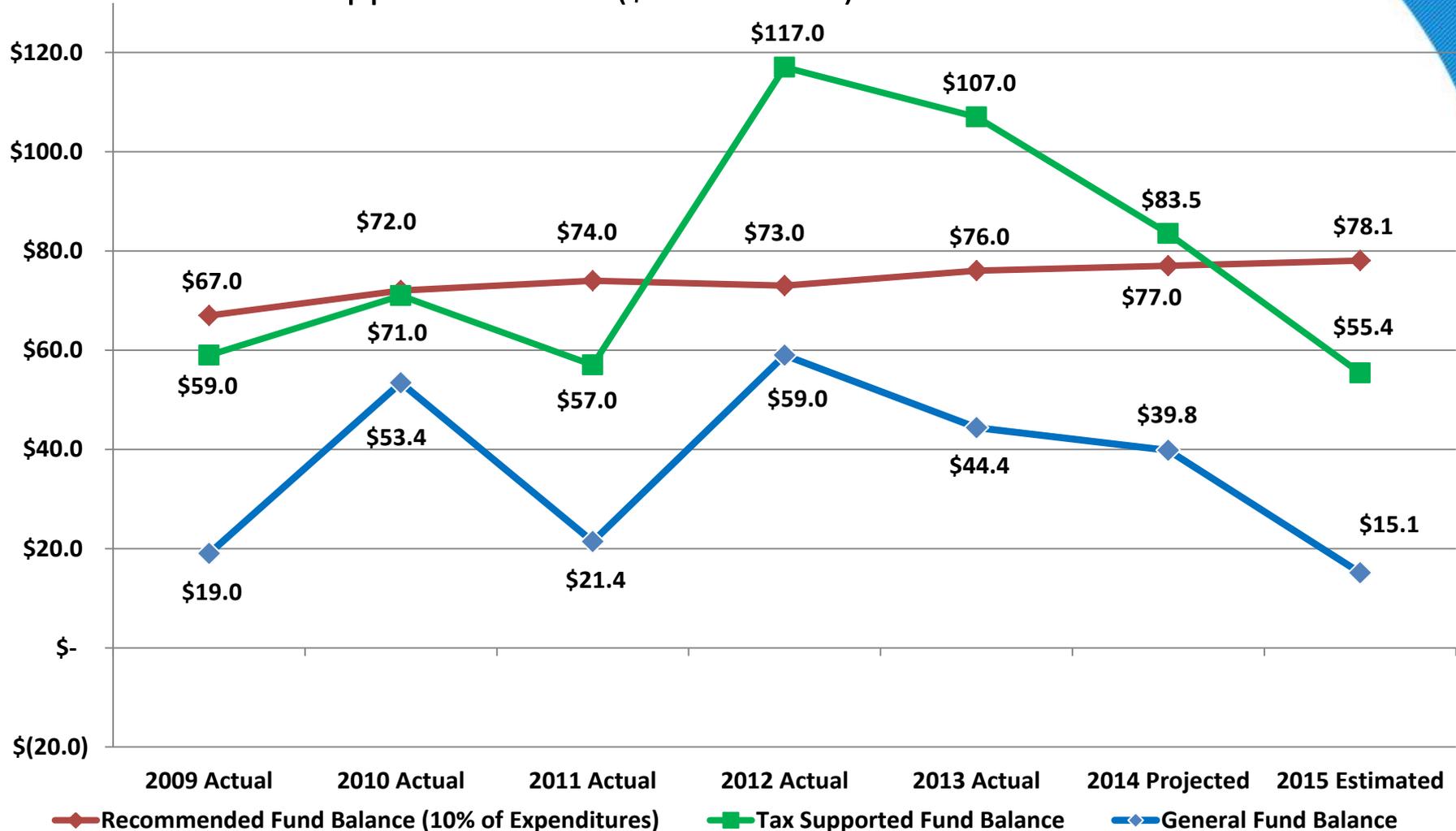
Agency	2014 Adopted Budget	2015 Introduced Budget	Difference	% Change
IMPD	\$200,363,922	\$209,194,291	\$8,830,369	4.4%
IFD	\$145,068,571	\$154,677,066	\$9,608,495	6.6%
Public Works	\$158,104,309	\$139,545,340	-\$18,558,969	-11.7%
Parks Department	\$16,560,099	\$17,184,020	\$623,921	3.8%
Code Enforcement	\$16,948,391	\$18,866,821	\$1,918,430	11.3%
Metro Development	\$36,370,753	\$68,636,511	\$32,265,758	88.7%
Mayor's Office	\$4,342,883	\$3,934,972	-\$407,911	-9.4%
City-County Council	\$1,730,016	\$1,703,394	-\$26,622	-1.5%
Sheriff's Department	\$108,121,377	\$111,809,407	\$3,688,030	3.4%
Prosecutor's Office*	\$27,955,418	\$27,315,793	-\$639,625	-2.3%
Sup/Circuit Courts	\$53,839,178	\$54,333,326	\$494,148	0.9%

* - Includes Prosecutors Office and Child Support Division

Year End Fund Balances



General and Tax Supported Funds (\$ in Millions)



Note: Figures do not include Fiscal Stability Fund or RebuildIndy Funds.

Looking Ahead to 2016



- Forecast continued recovery in income tax revenue and property tax revenue
- Estimate healthcare savings from new Consumer Drive Healthcare Plan
- \$73M in Fiscal Stability Fund
- Continue to maintain positive fund balances
- Structural deficit cut from \$37 million in 2014 to \$25 million in 2015



Early Childhood Education Proposal

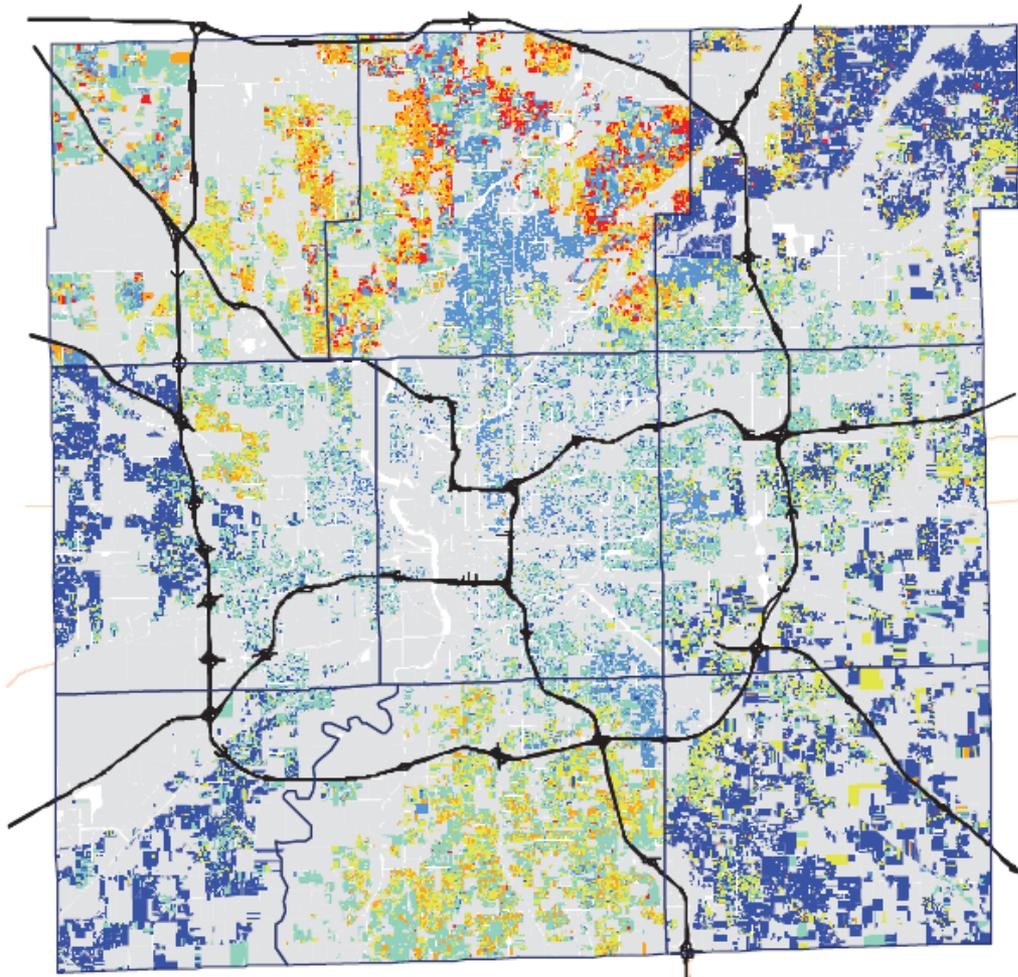
- **\$50 million early childhood education initiative over 5 year period**
 - \$25 million from city funds
 - \$25 million from other government/philanthropic grants
- **Provide affordable, high-quality preschool to Indy 4-year olds**
 - Serve children from families eligible for free/reduced school lunch program
 - Approximately 1,300 students served per year
 - Family of four earning less than \$44,122.50
- **Provide scholarships to high-quality preschool**
 - Schools must meet Level 3 or Level 4 preschool academic standards
 - \$1 million per year dedicated to helping programs/schools reach Level 3 or Level 4 accreditation
- **City funding provided by elimination of Local Homestead Tax Credit**
 - NOT \$45,000 state homestead exemption
 - 46% of Marion County homeowners would not be impacted because they are already at 1% tax caps
 - Average impact on 54% of households not at cap - \$22 per year (\$1.84 per month)
 - State of Indiana and 18 other counties have already eliminated Local Homestead Tax Credit
- **Unfair tax on working poor**
 - All workers in Marion County pay income tax
 - Local Homestead Credit takes Income Tax Dollars and pays down property taxes of just homeowners
 - Only \$4 million of the \$12 million credit actually reduces property taxes, only 33% effective

Local Homestead Credit Elimination



Marion County COIT Homestead Credit Analysis

Taxpayer Impact of Removing COIT Homestead Credit (Est. 2012-13)



County Overview

Impact of Removing COIT Homestead Credit

- Non Hmstd. Parcel
- No Liability Impact
- \$0 - \$10
- \$10 - \$30
- \$30 - \$50
- \$50 - 70
- Greater than \$70

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Q&A