Presentation to the Early Intervention Planning Council

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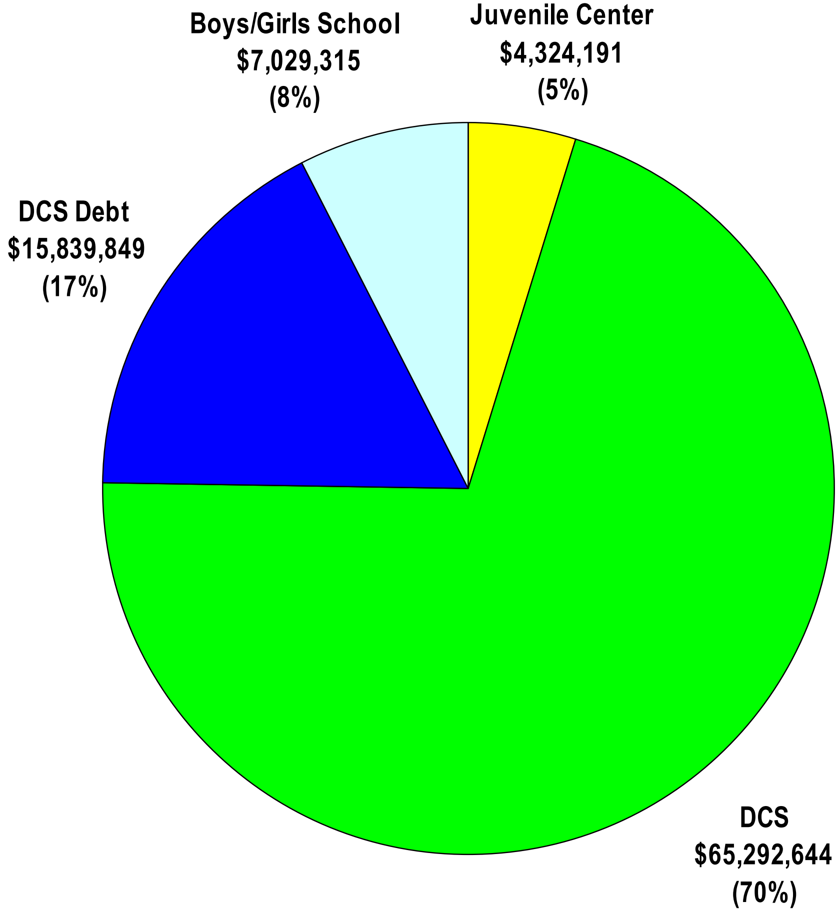
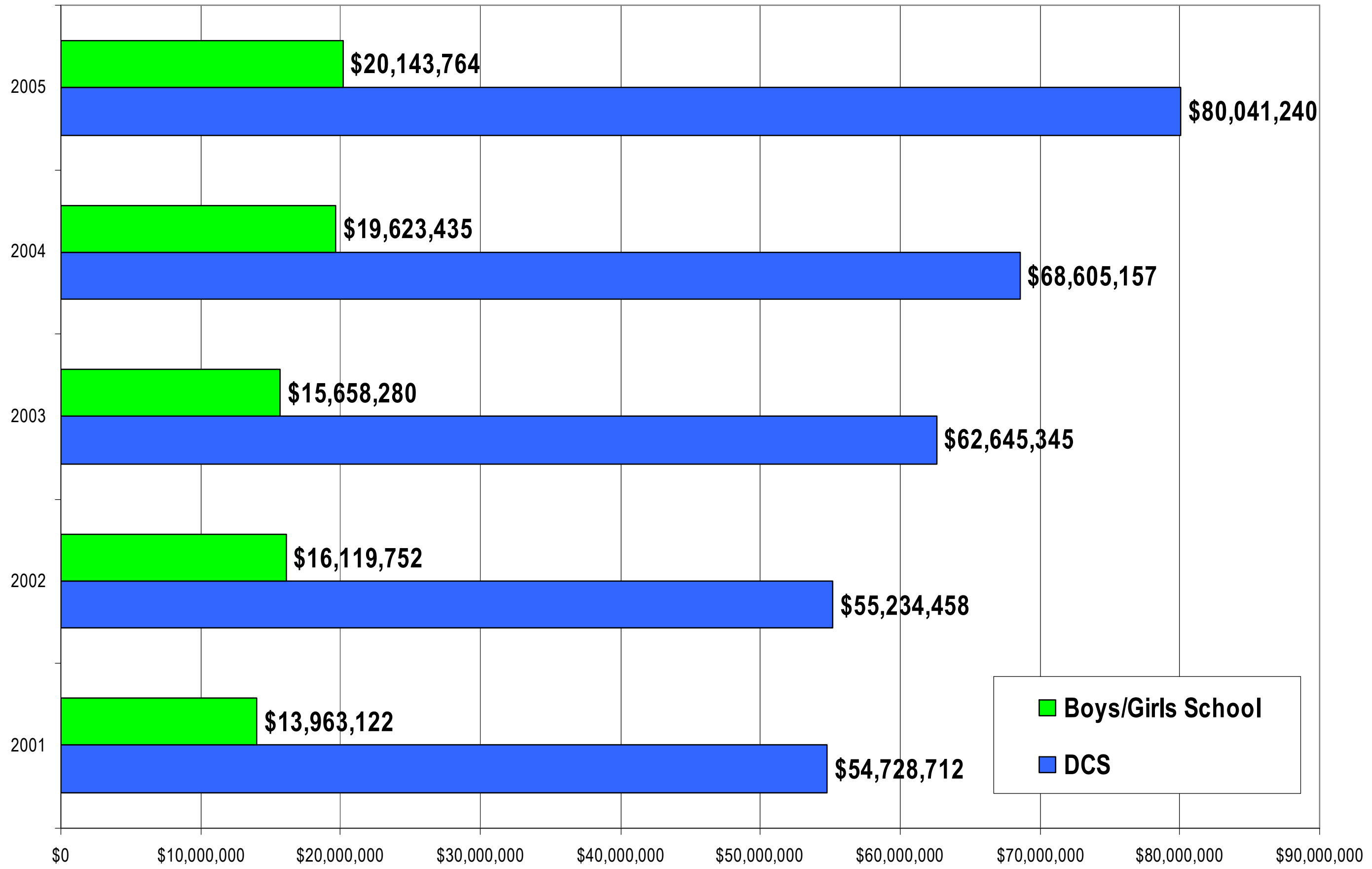
Fiscal Analysis of Family and Child Services in Marion County

- Family and child services include
  - Department of Child Services (DCS)
  - Child services (boys and girls school)
  - Juvenile Center (courts)
  - Federal grants such as Juvenile Accountability Block Grant
- Analytical approach
  - Totals and individual components
  - Study period 2001 – 2005
  - Future Projections
    - Greater Indianapolis Chamber Tax Review
  - National v. state and local funding

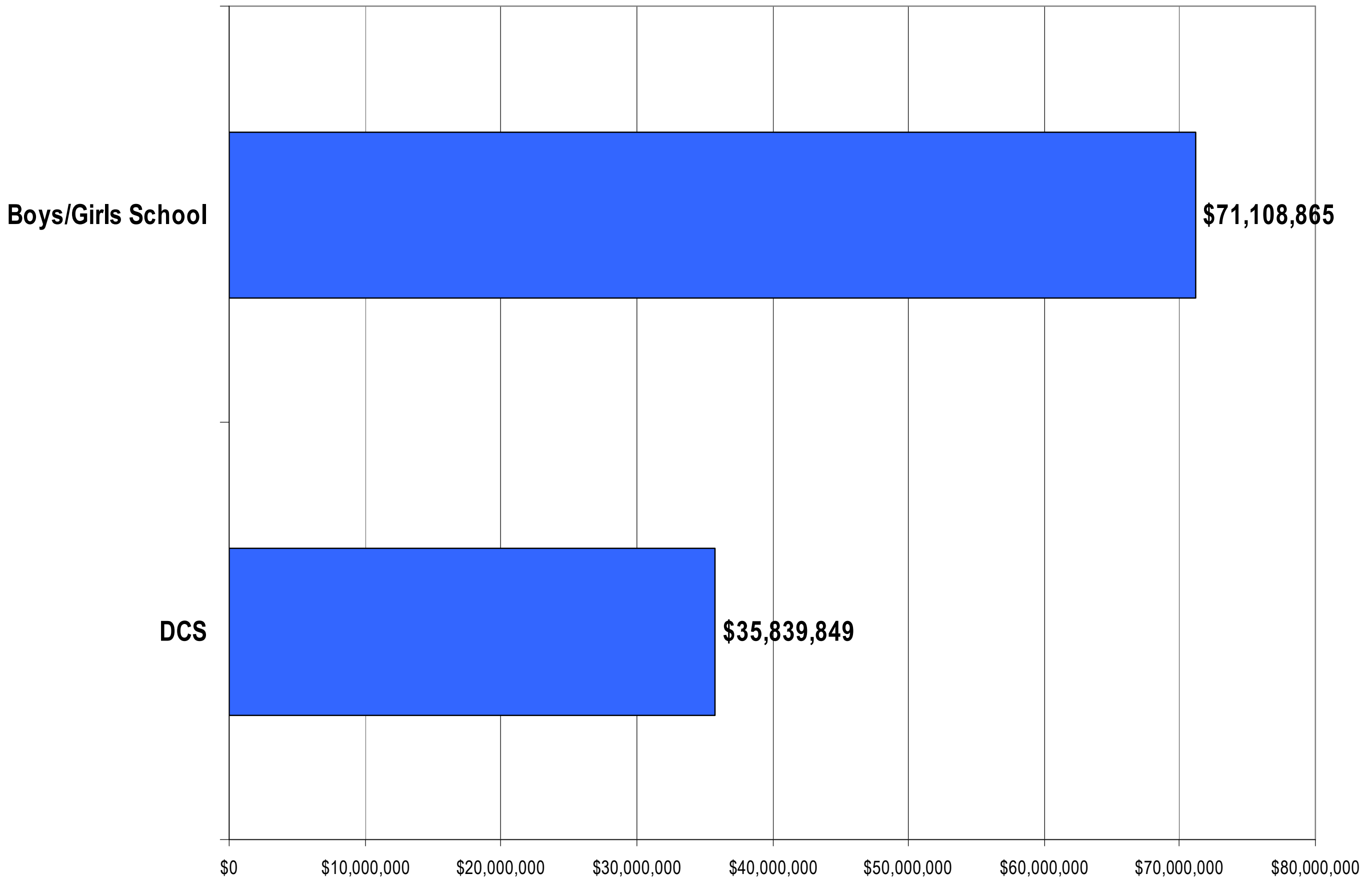
Total expenses: By 2005, total for Family and Child Services exceeds $100 million, or 13% of $813 million (2006 city/county budget)



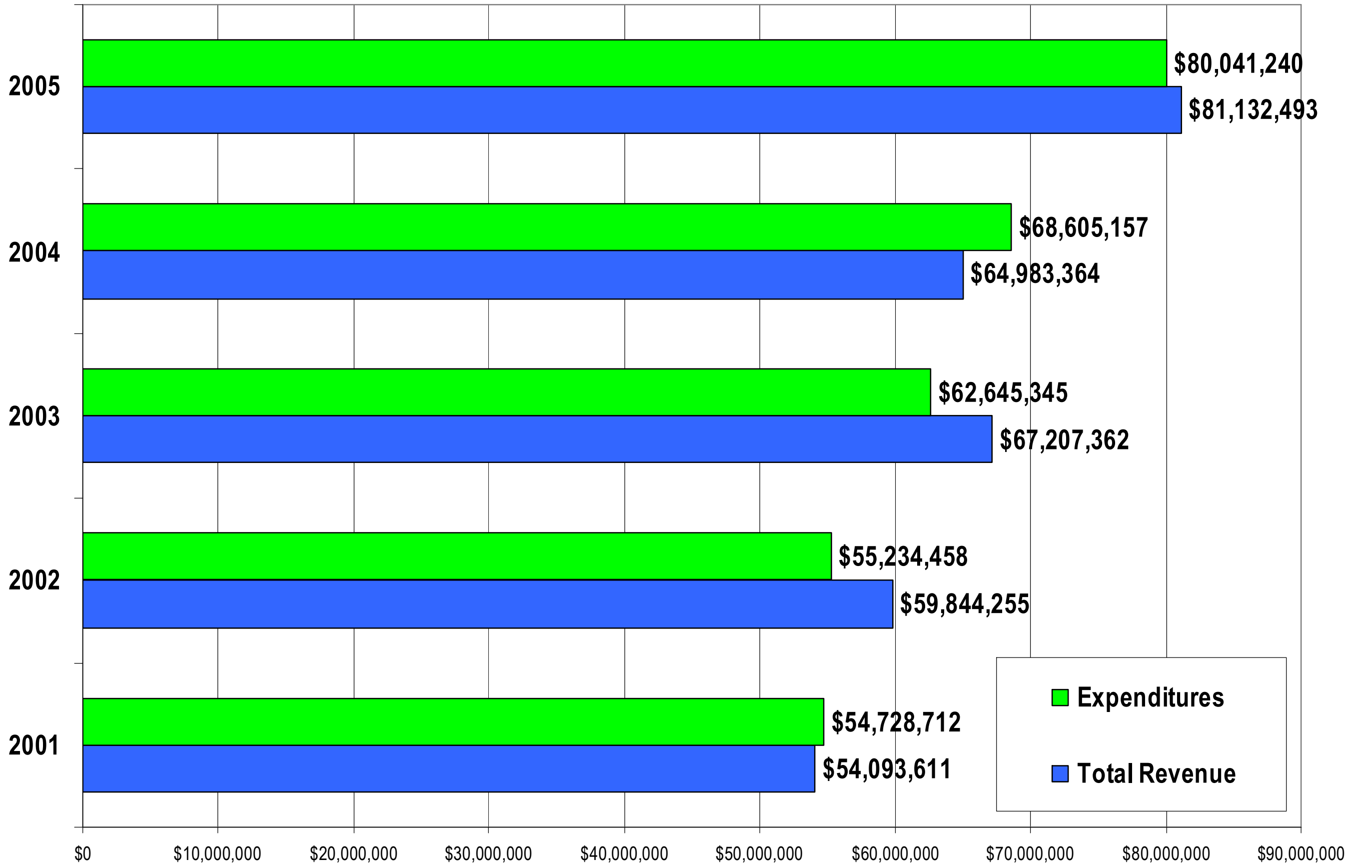
Annual Expenses: DCS and Boys/Girls School



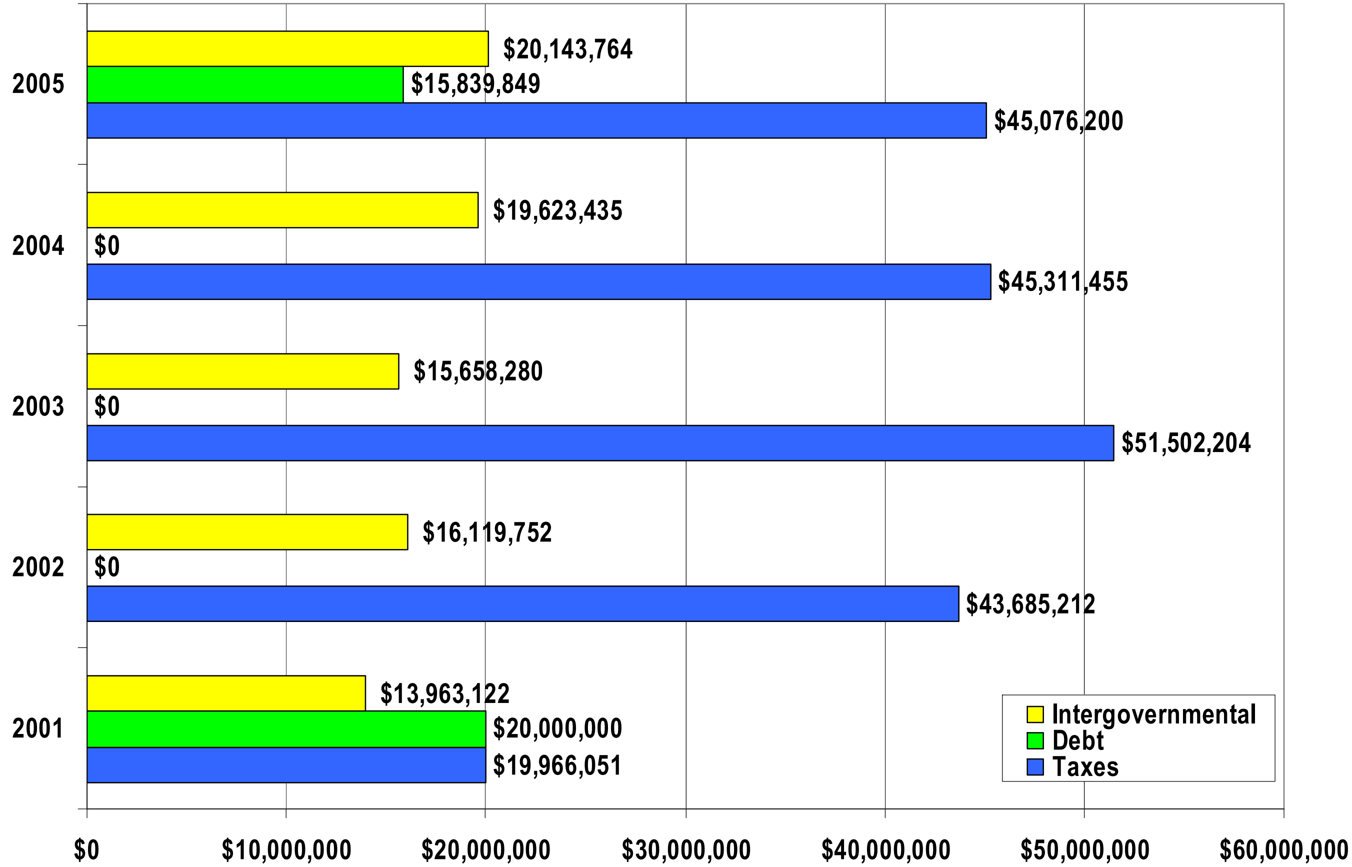
Department of Child Services' outstanding debt is over $100 million and Boys/Girls School debt has been reduced by $7,481,712



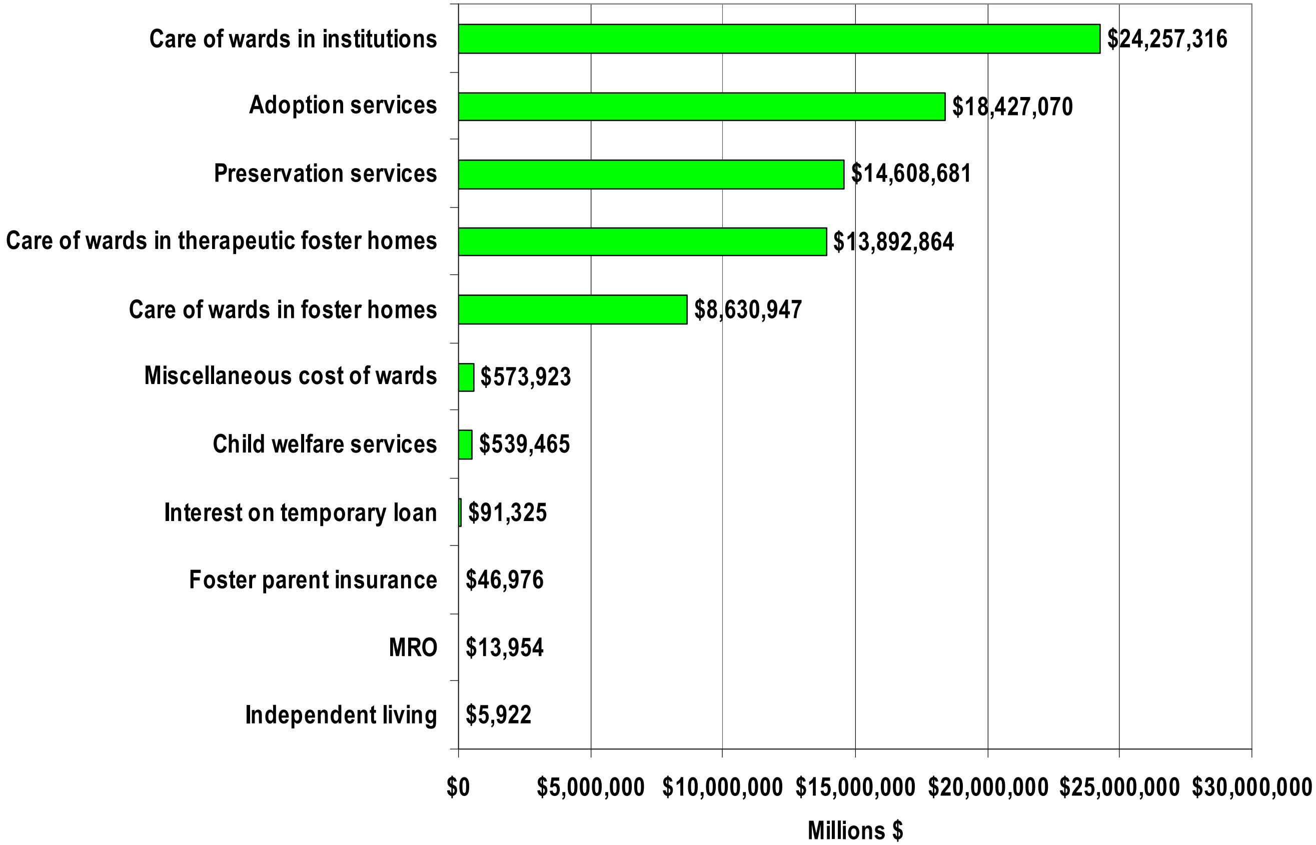
Department of Child Services annual revenue and expenditure patterns



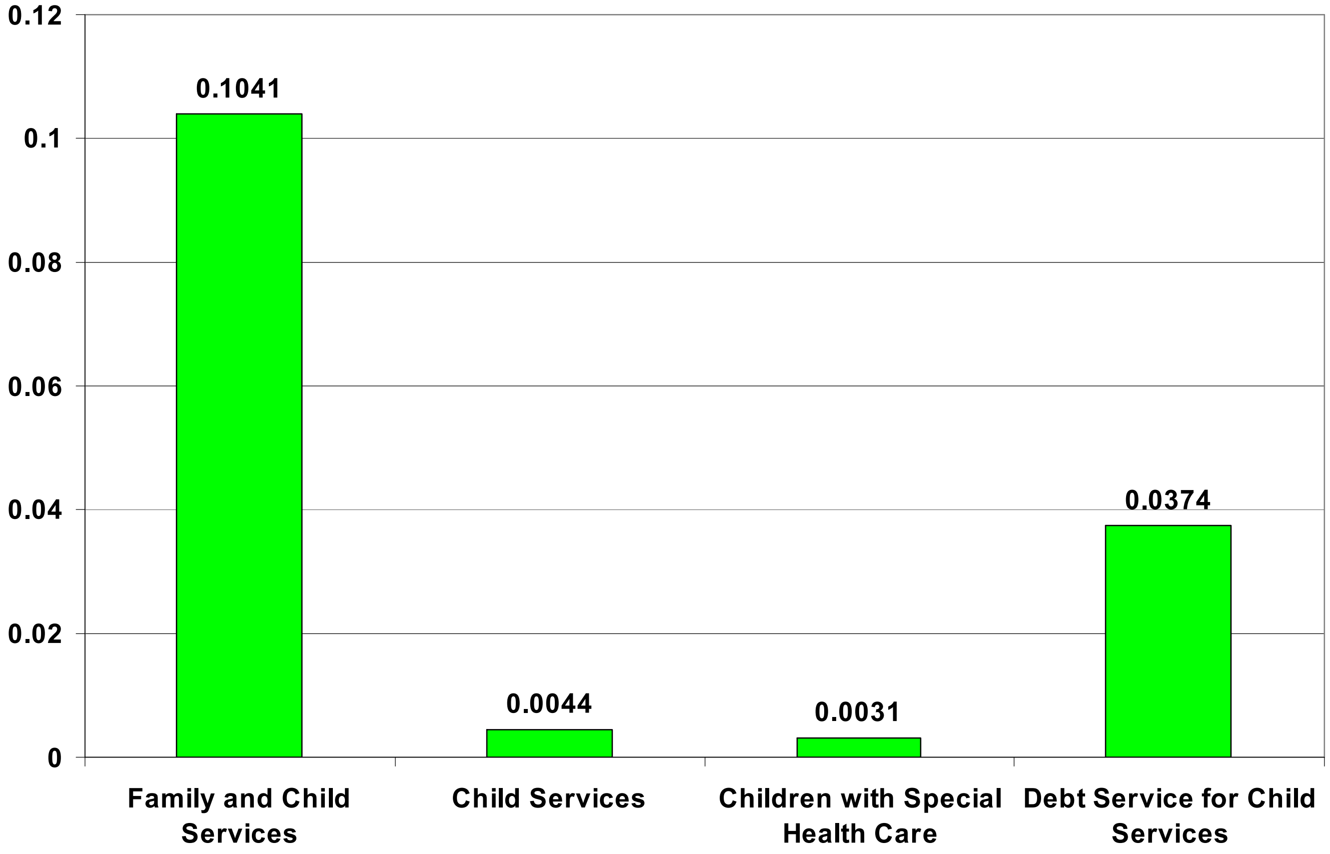
Department of Child Services local taxes (all but $2 million is property tax) and inter-governmental (reimbursement for expenses) are primary revenue sources



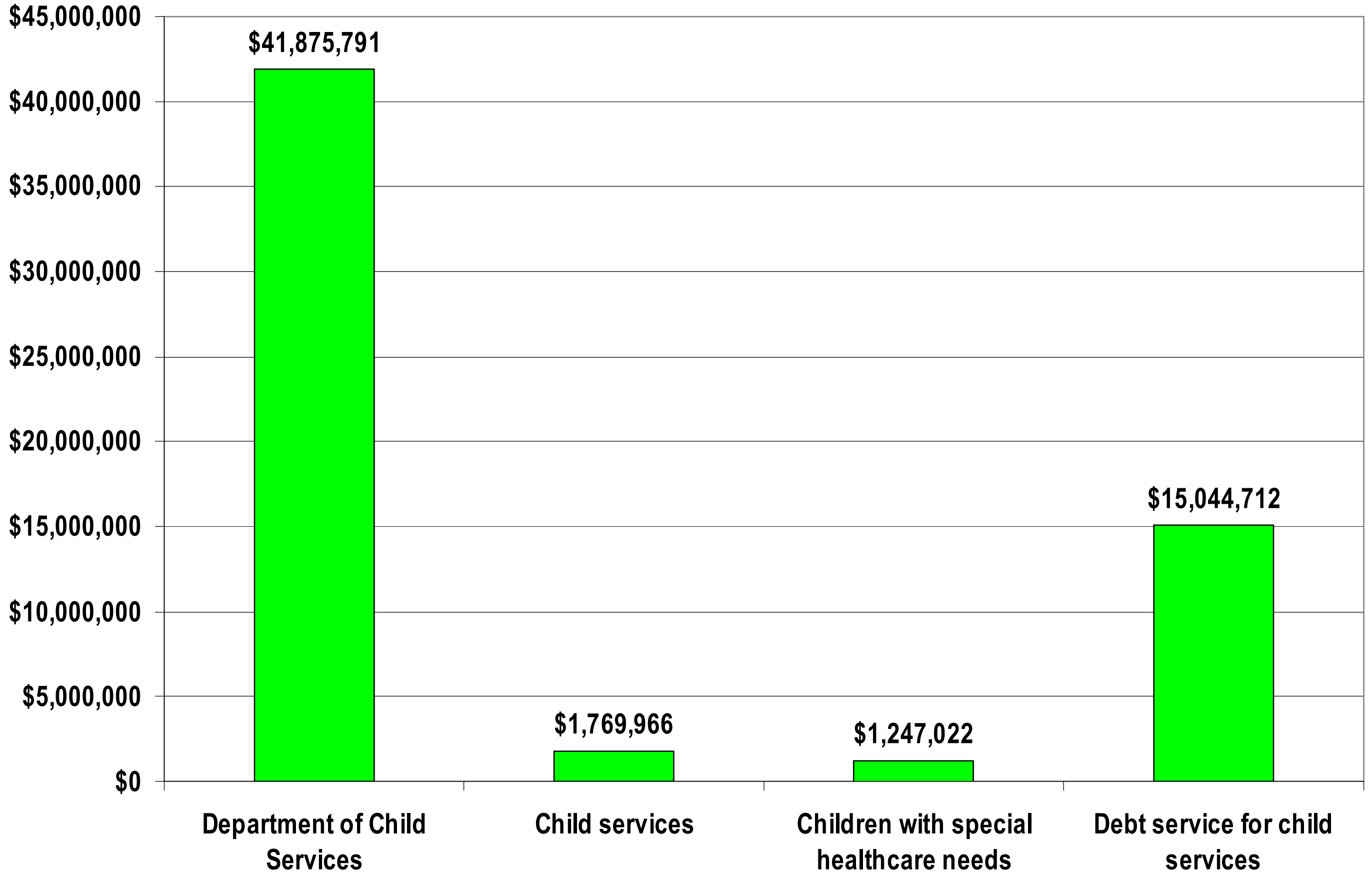
Department of Child Services 2005 expenditures/services



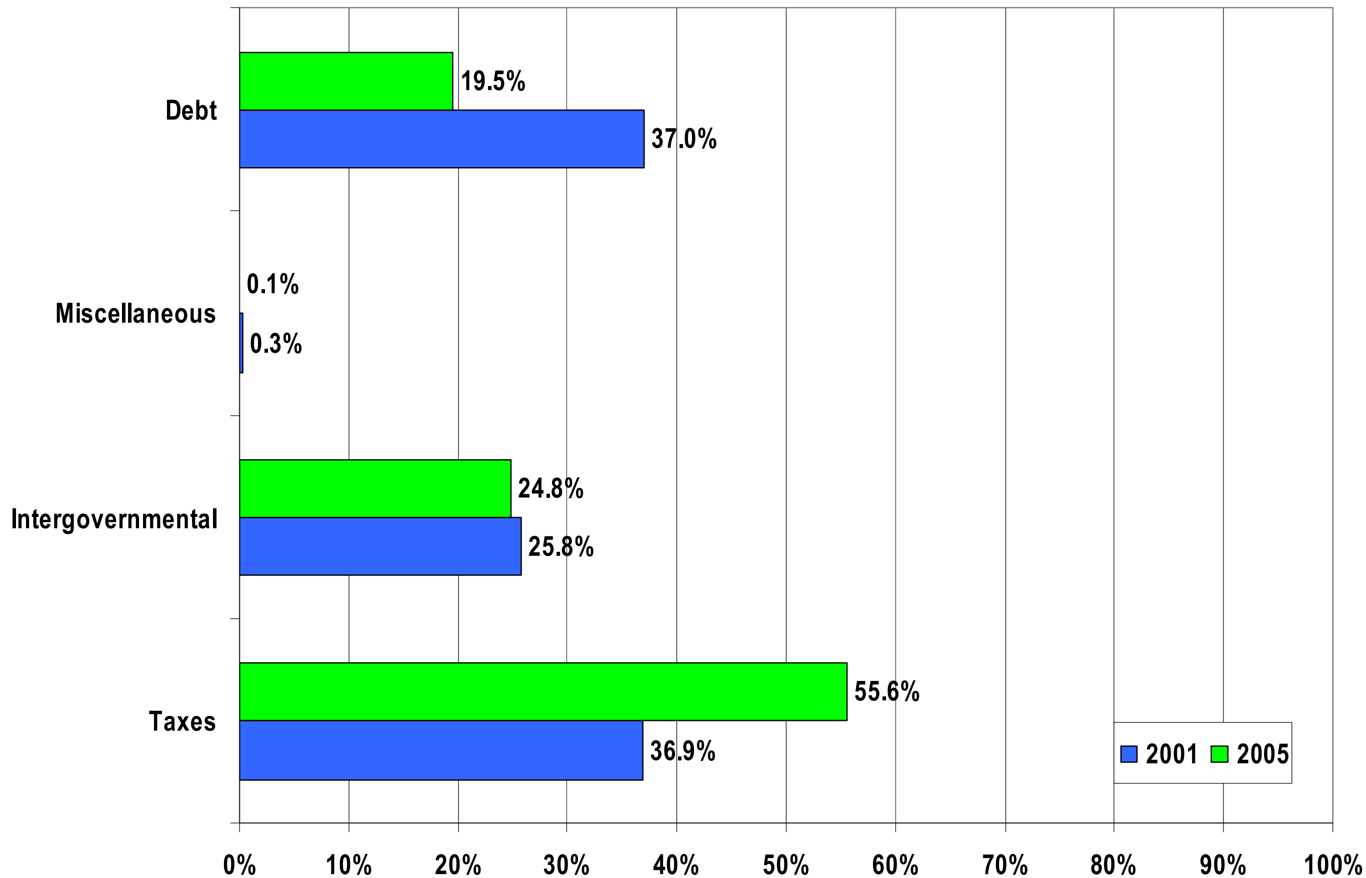
Four components of property tax rate in 2005 (DCS down from .1164 in 2003)



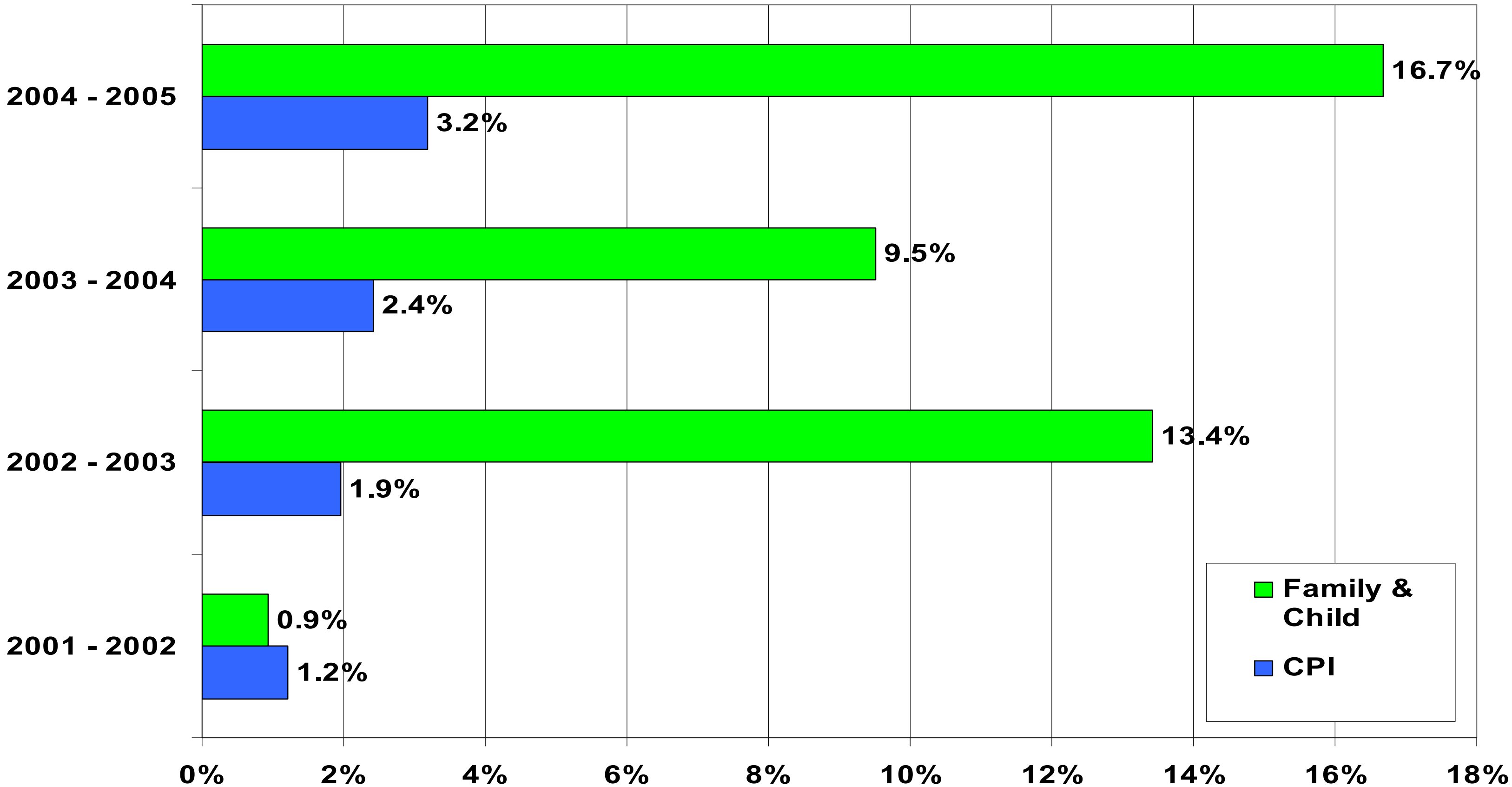
Property tax levy in 2005



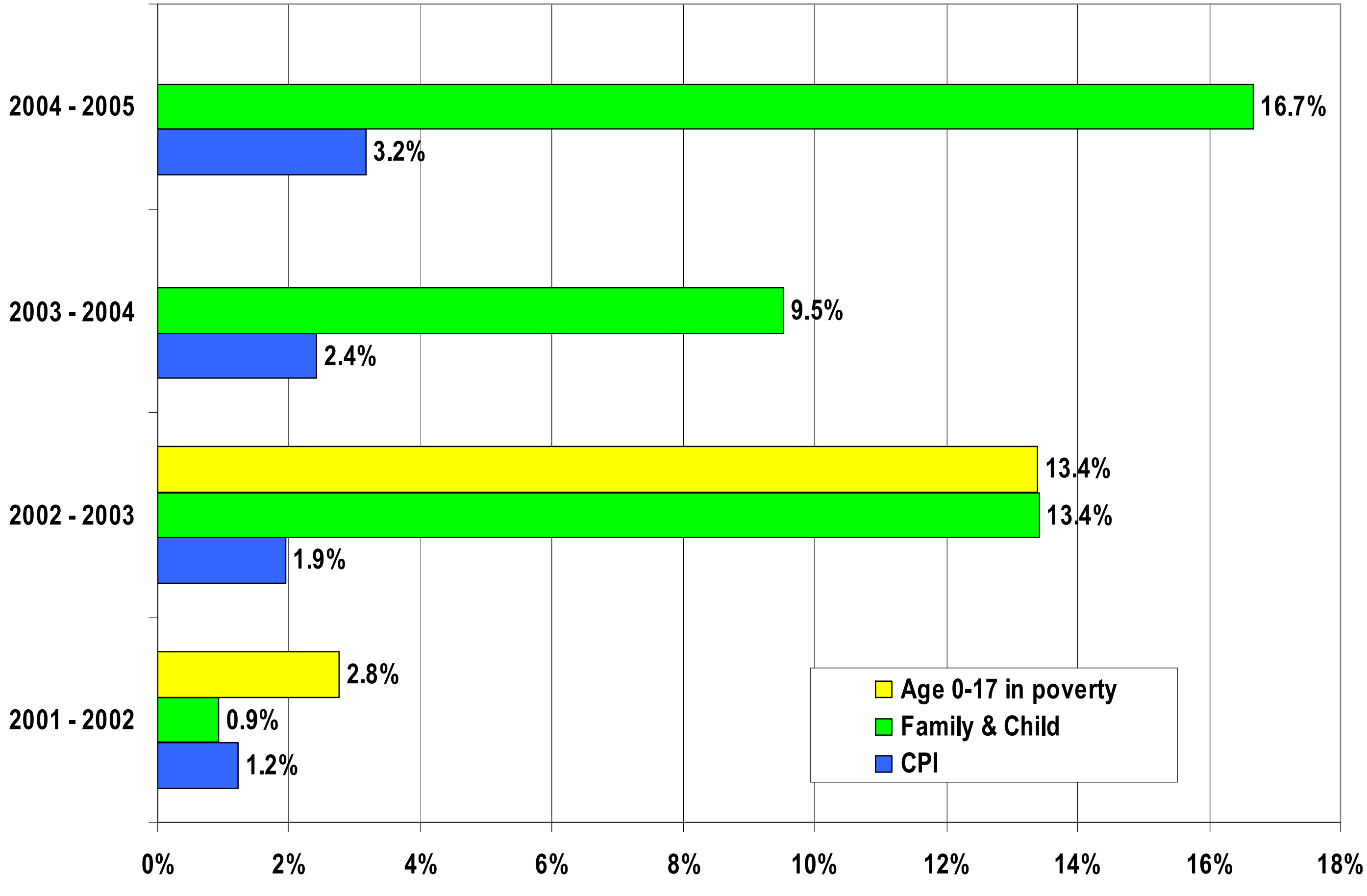
Changing share of revenue in debt years – intergovernmental (expense reimbursement) remains relatively constant



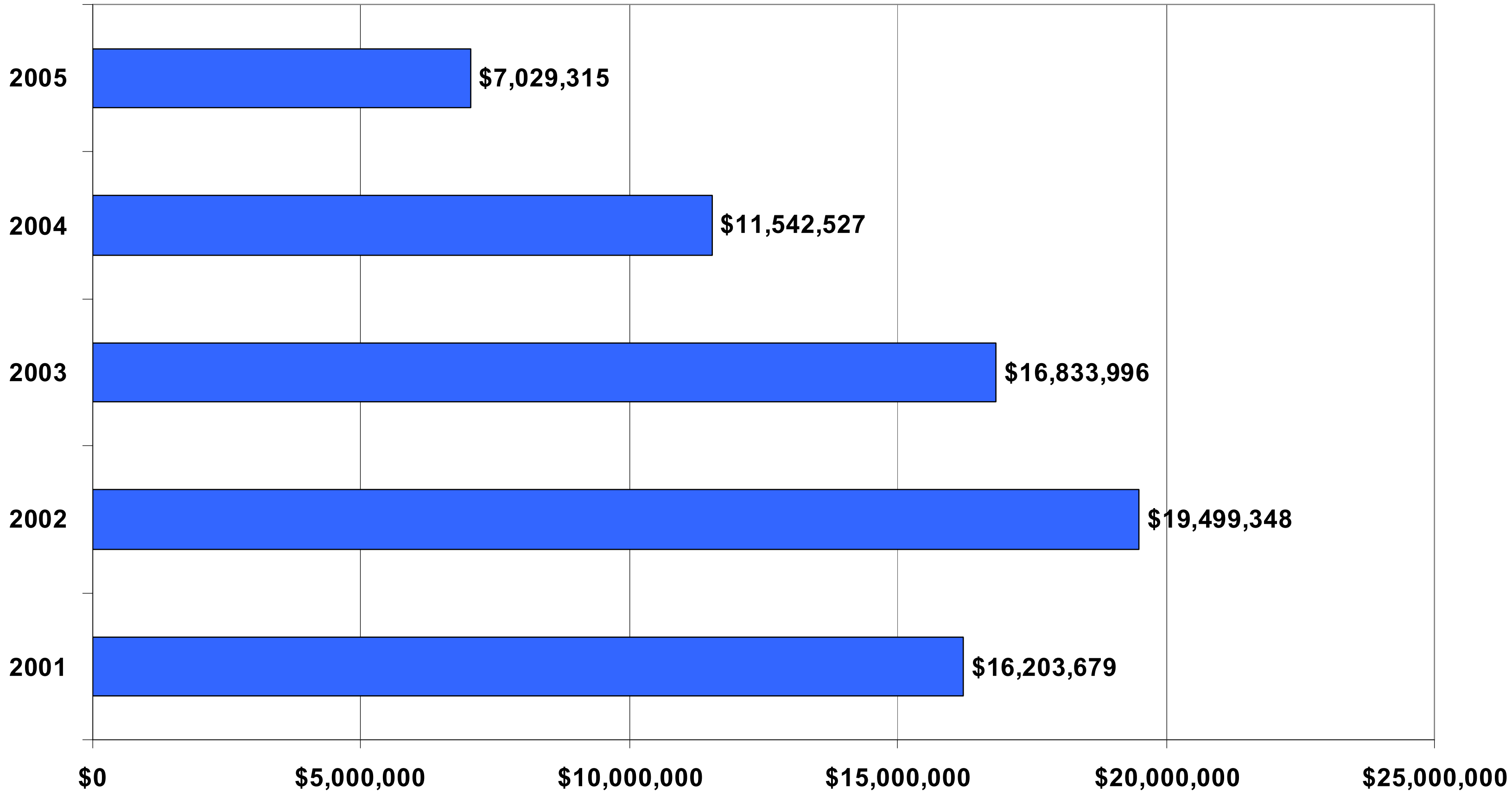
Family and child services expenditures in comparison to Consumer Price Index (Midwestern urban)



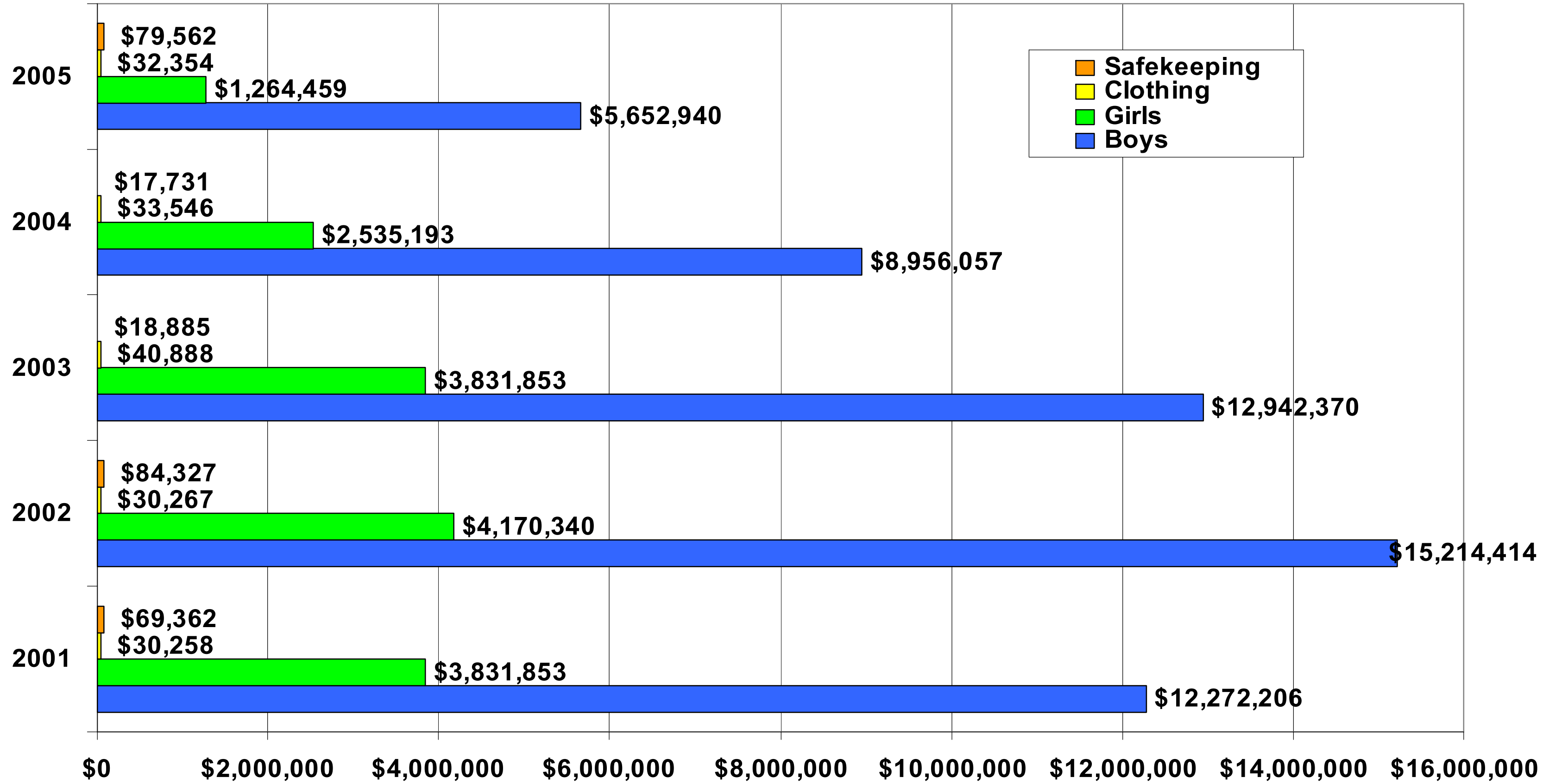
Family and Child Services expenditures in comparison to Consumer Price Index (Midwestern urban) and children in poverty (age 0-17 in Marion County)



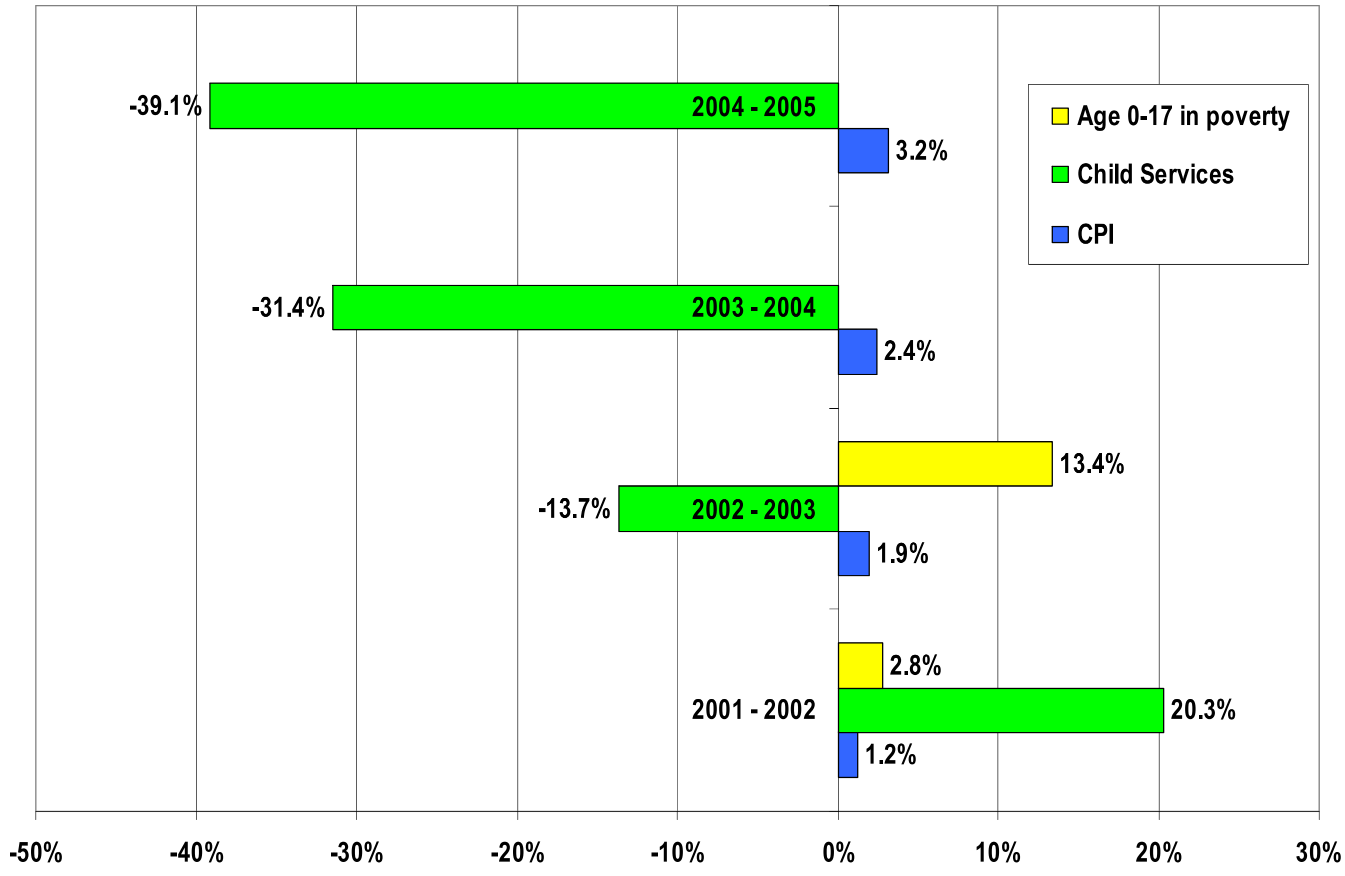
Boys/Girls School (clothing and safe-keeping) charges (this is all money owed to state minus $7 million)



Itemized Boys/Girls School Expenses



Boys/Girls School Charges Do Not Relate to Consumer Price Index or Poverty



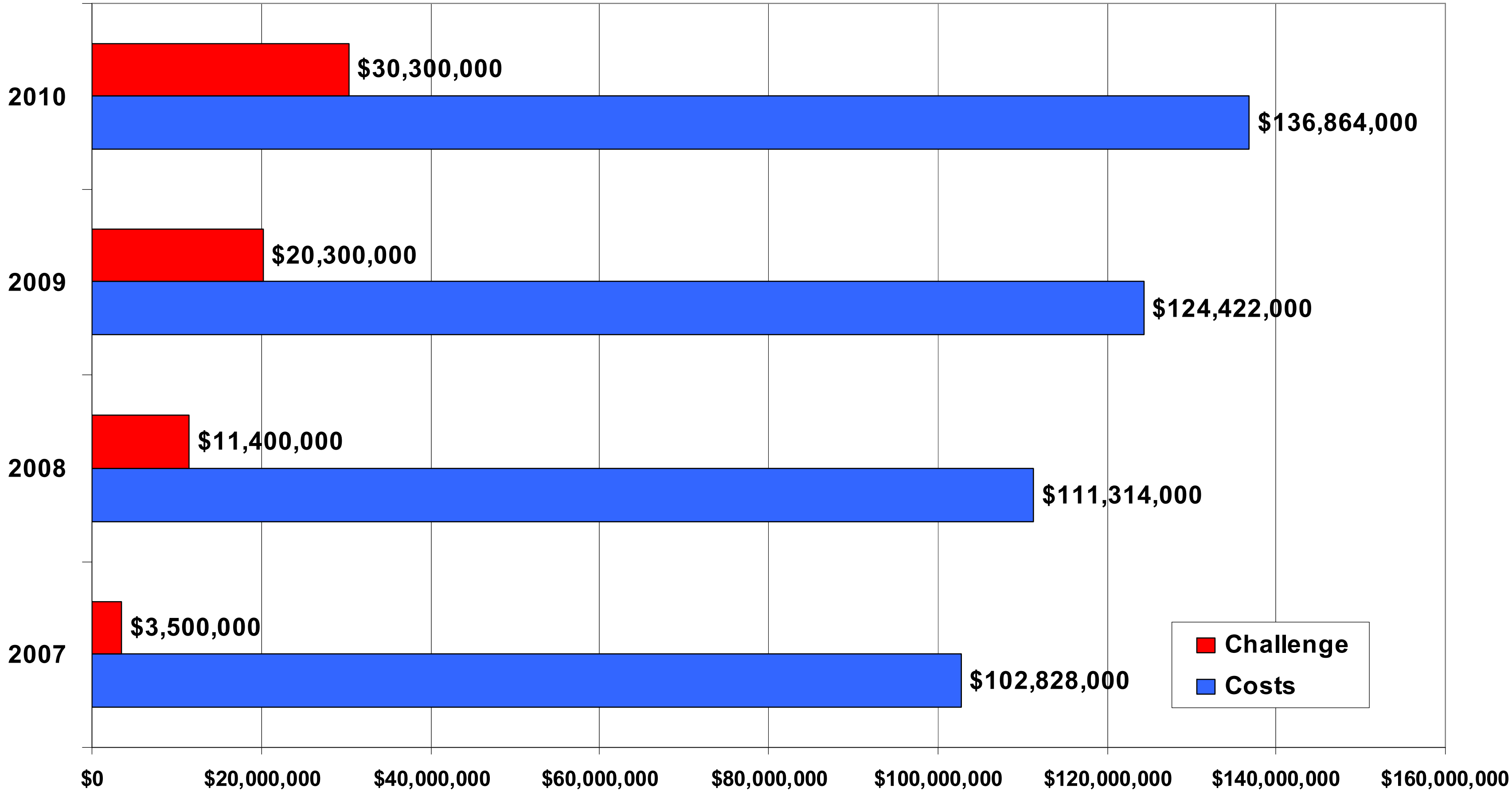
The future appears to hold greater fiscal challenges for child services and city/county government

- Invest in Indianapolis / Tax Alliance
  - Greater Indianapolis Chamber
  - Katz, Sapper & Miller, H.J. Umbaugh

Invest in Indiana found five primary challenges

- Circuit breaker legislation
- Diminishing fund balances
- Elimination of inventory tax
- Public safety and criminal justice expenditures
- Child services expenditures

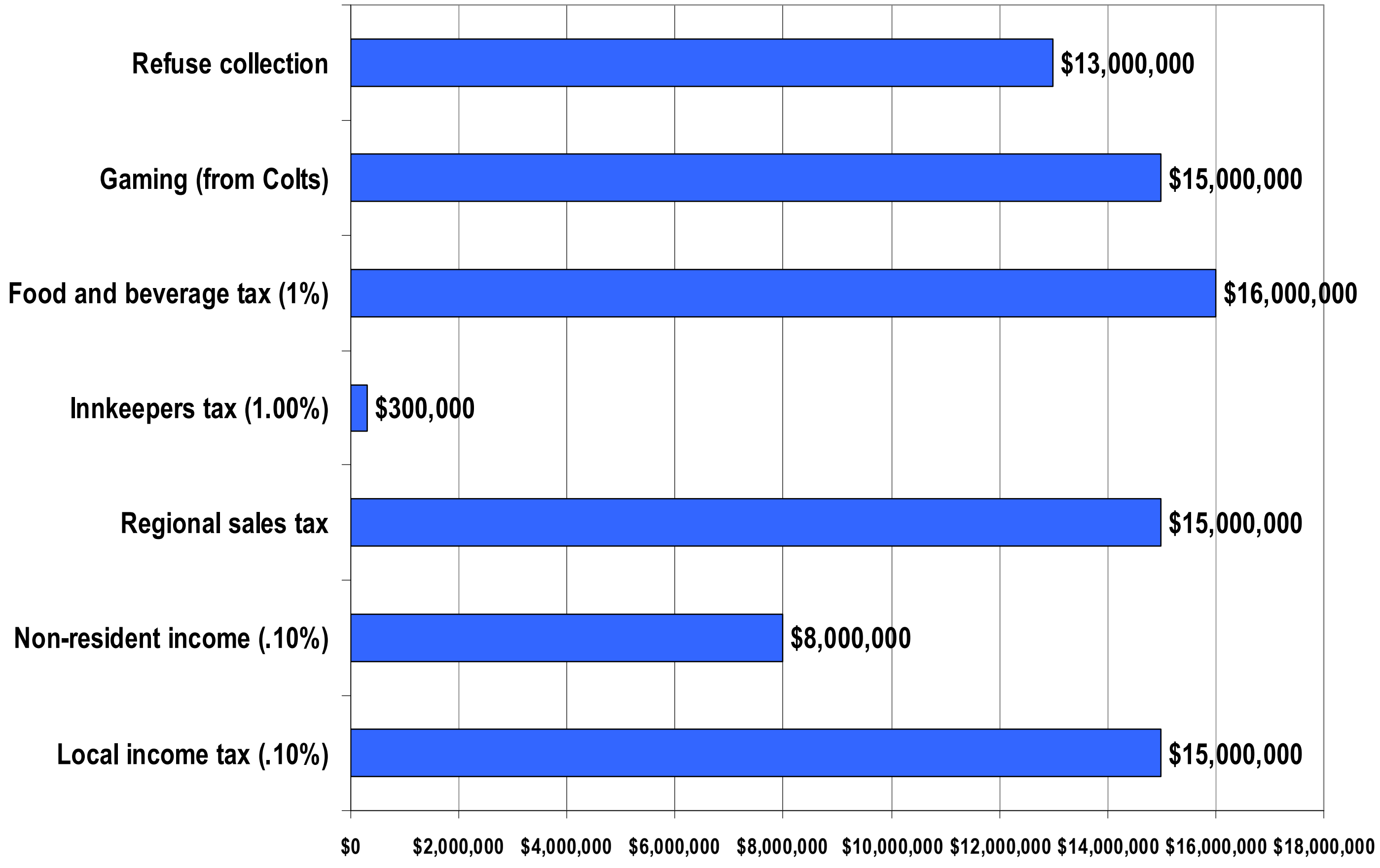
Invest In Indianapolis projects a growing child services cost and a growing funding deficit



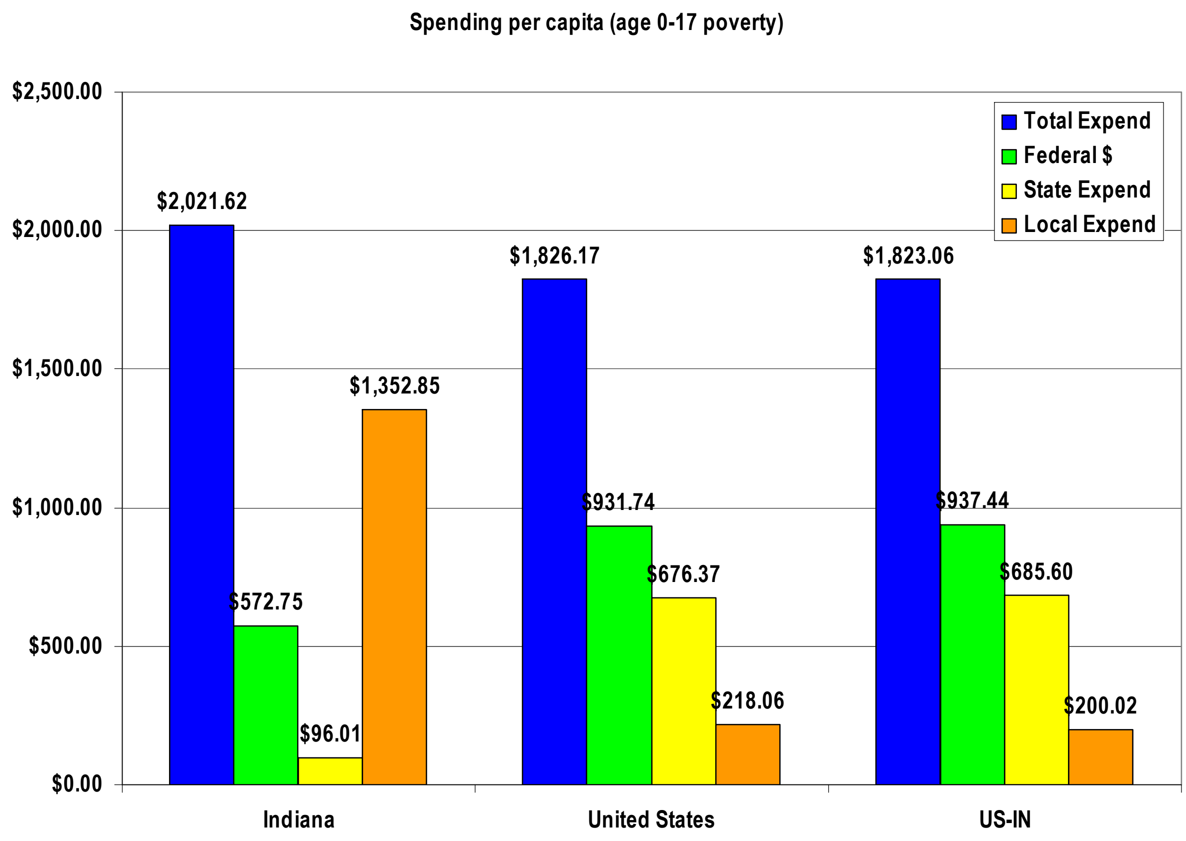
Invest in Indianapolis recommends

- State assume child services funding – a statewide rate
- Increased efficiency and cooperation efforts
  - Including a blue ribbon efficiency commission and county-wide capital improvement planning
- Consideration of new revenue sources

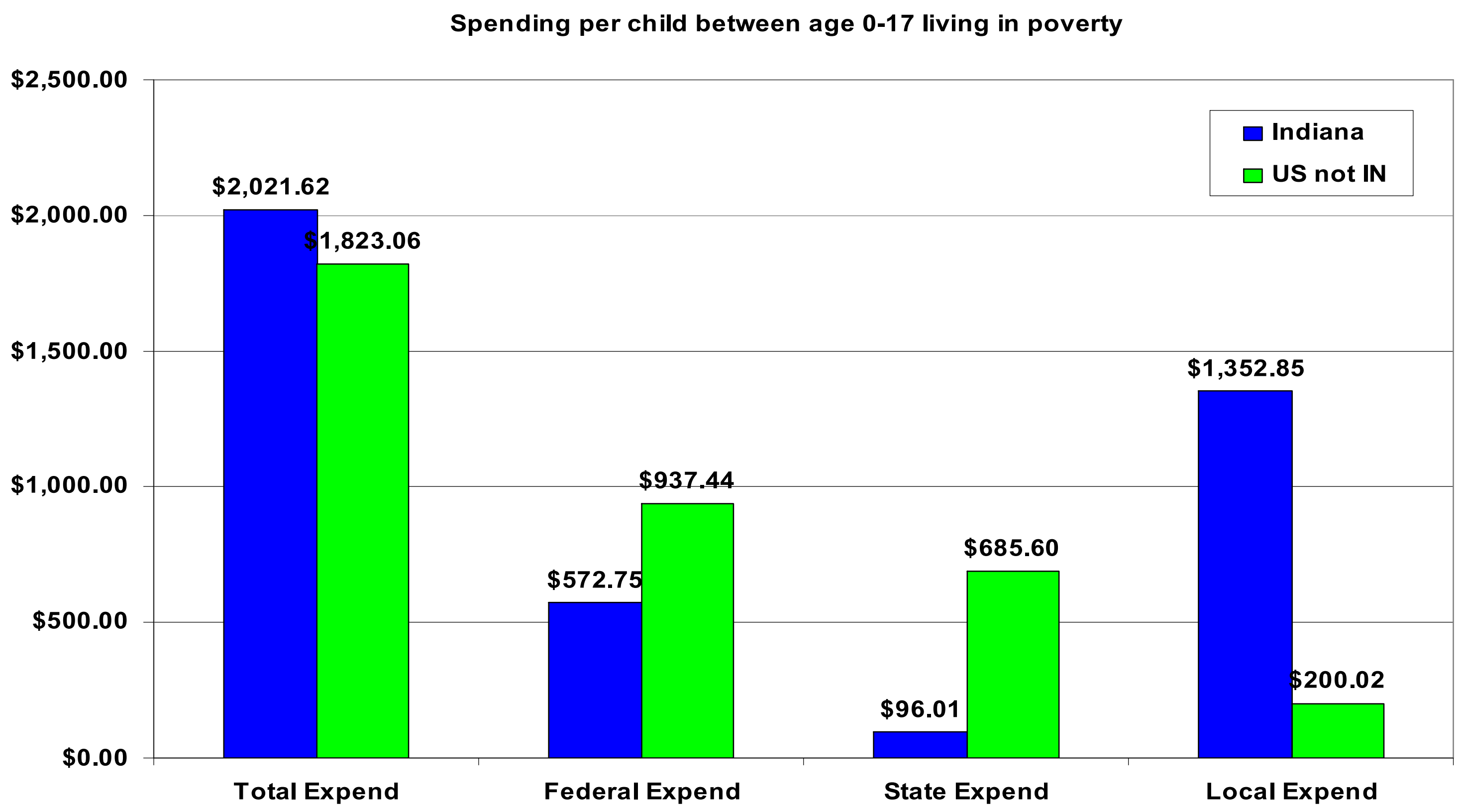
Possible revenue sources total $82.3 million—there will be competition for these dollars



Comparing the Indiana way to national averages – we spend more and fund much differently



In Marion County, if we get the national per capita amount, we would raise an additional $15.2 million



Possible Actions

- Improve understanding of costs per unit of consumption
- Centralize accountability and budgeting (local / state)
- Work for greater federal share
- Work to support Invest in Indianapolis recommendation to move to state funding source
- Consider the same new revenue sources that every other challenge is considering
- Others?