

2021 Budget Presentation

**Marion County Auditor
Julie L. Voorhies**



Agency Overview

- **Accounting & Payroll Division** - Provides accounts payable and accounts receivable functions for all City and County departments and agencies; processes payroll and payroll taxes/deductions for all City and County employees/pensioners.
- **Real Estate and Settlement Division:** Processes all tax deductions, abatements, corrections, and refunds for Marion County taxpayers, including redemptions for the annual Marion County tax sale, and investigates homestead fraud; allocates and distributes taxes to all taxing units, and prepares the annual tax billing abstract, certifies net assessed values, and performs tax increment financing (TIF) neutralization.
- **Administration Division:** Provides customer service and works with OFM and Human Resources on hiring and personnel actions, as well as managing contract negotiation and pursuing legislation that best serves Marion County.



Budget Breakdown - Total

All Operating Funds

Funding Source	2020 Budget	2021 Proposed Budget
County General	\$12,260,934	\$12,289,509
Local Emergency Planning	\$110,000	\$110,000
Property Reassessment	\$5,330	\$0
Ineligible Deductions	\$236,750	\$436,108
Elected Officials Training	\$10,000	\$10,000
Total:	\$12,623,014	\$12,845,617



Budget Breakdown – Character 1 (Personnel)

Funding Source	2020	2021	Difference
County General	\$1,850,343	\$1,856,315	\$5,972
Ineligible Deductions	\$200,000	\$199,358	(\$642)
Total:	\$2,050,343	\$2,055,673	\$5,330



Budget Breakdown – Character 2 (Supplies)

Funding Source	2020	2021	Difference
Ineligible Deductions	\$13,750	\$13,750	\$0
Total:	\$13,750	\$13,750	\$0



Budget Breakdown – Character 3 (Services)

Funding Source	2020	2021	Difference
County General	\$10,410,591	\$10,433,194	\$22,603
Local Emergency Planning	\$110,000	\$110,000	\$0
Property Reassessment	\$5,330	\$0	(\$5,330)
Ineligible Deductions	\$0	\$200,000	\$200,000
Elected Officials Training	\$10,000	\$10,000	\$0
Total:	\$10,535,921	\$10,753,194	\$217,273

Note: The overall increase in Character 3 is due solely to a State-mandated increase for mental health funding in our countywide budget (\$230,384), despite a reduction in the Auditor’s operational budget for 2021.



Budget Breakdown – Character 4 (Capital)

Funding Source	2020	2021	Difference
Ineligible Deductions	\$23,000	\$23,000	\$0
Total:	\$23,000	\$23,000	\$0



Budgeting for Equity

In what ways does our proposed 2021 budget advance racial equity, both in the community and within our own agency?

The Auditor's Office is primarily an internal service agency that serves City-County employees (Payroll) and other agencies and departments (Accounts Payable and Receivable). Our Real Estate division, however, serves to administer deductions for property owners in Marion County. Language barriers are a known challenge in serving populations who are speakers of English as a second language. Internally, we always seek diverse candidates for our positions, and have made a recent management hire which increases our agency's diversity.

In the context of the Auditor's Office, how do we define "success" in advancing racial equity?

Success can only be measured by understanding the historical racial inequities in hiring and community engagement – and then working with that data to identify vulnerabilities in our hiring and promotions processes and public outreach to customers. We can use this insight to diversify our agency and foster a workplace that better mirrors the communities we serve. Nonetheless, obtaining and understanding the various data on educational attainment, gender, racial, and ethnic diversity remains key to identifying areas of improvement that may not be as obvious to us.



Budgeting for Equity (cont'd)

What are the areas/programs where the Auditor's Office has had some success or has significant potential to succeed in building racial equity? What are the areas/programs that present a challenge in terms of equity?

We have successfully worked to employ Spanish-speaking employees to better serve the burgeoning Hispanic/LatinX population in Marion County, although other vulnerable communities should be identified. Our most significant challenge is how we are to appropriately collect disaggregated demographic data from our taxpayers, given the State-mandated tax forms do not include this information and may not be altered by law.

Our customer base is generally comprised of residential homeowners in Marion County, although we do administer tax abatements and energy system deductions for commercial properties. We also engage with renters and land contract purchasers whose homes are eligible for tax sale because the landlord or seller has failed to pay property taxes. Frequently, these customers are not English-speakers and have been preyed upon by unscrupulous landlords and land contract sellers.

While we cannot create equity in home ownership, we can build equity in expanding opportunity to homeowners and renters already living in our community. We can do so by increasing our outreach to vulnerable populations in Marion County, particularly in terms of overcoming language barriers in the administration of property tax services.



Budgeting for Equity—Using Data

What disaggregated demographic data will the Auditor’s Office collect, track, and evaluate to assess equity impacts and inform our future budget decisions?

At present, we have no mechanism to collect disaggregated demographic data from our taxpayer customers. Our deduction applications and other tax-related procedures all require State-approved forms that may not be altered to include or request additional information.

Although we understand that having such data would aid us in property tax administration, we are also unsure what kind of demographic information may be appropriately requested under State law from taxpayers and residents who seek our assistance. With respect to Payroll and Accounts Payable data, specifically, we are dependent on the constituent City-County agencies and departments to collect the relevant demographic information as they hire employees and contract with their vendors.

What metrics will we use to measure progress?

As noted above, we are primarily an internal service agency in the City-County enterprise, and our engagement with the public is generally limited to property tax administration and paying vendors across the enterprise. Absent the ability to collect demographic data on the State-required deduction forms, we are unsure at this time how this data could be collected (for example, the racial makeup of our homestead deduction applicants and grantees).



Race / Ethnicity Statistics

June 30, 2020

Marion County Auditor's Office

Employees

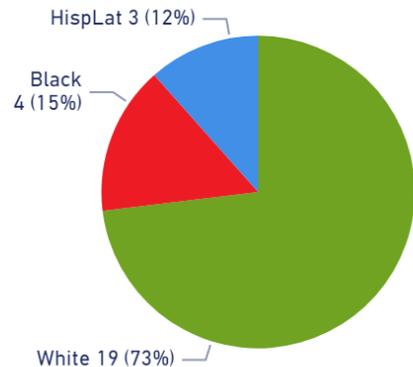
26

Managers

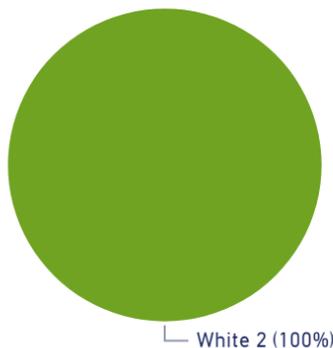
2

City of Indianapolis Demographics (U.S. Census Bureau Estimate 7/1/19) - White 61.4%; Black 28.3%; Asian 3.2%; American Indian 0.3%; Native Hawaiian/Other 0.1%; Hispanic/Latino 10.2%

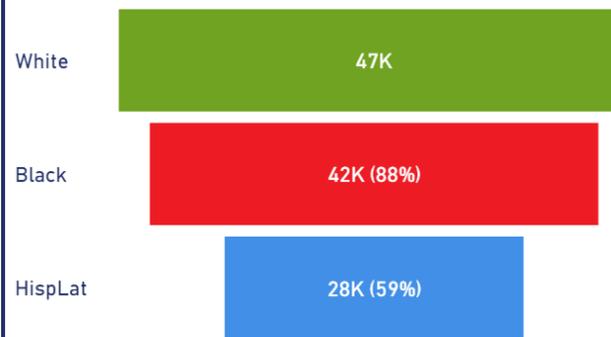
All Employees by Ethnic Group



Managers by Ethnic Group



All Employee Avg. Annual Salary by Ethnic Group



Management Avg. Annual Salary by Ethnic Group



All Employees by Position and Ethnic Group

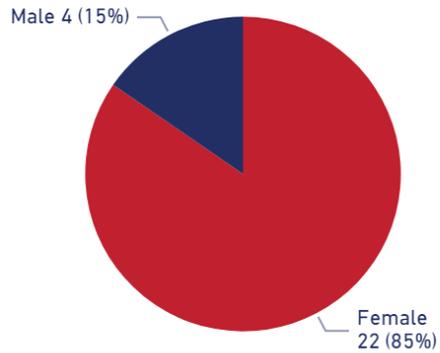


Avg. Annual Salary by Position, Ethnic Group, and Size of Ethnic Group

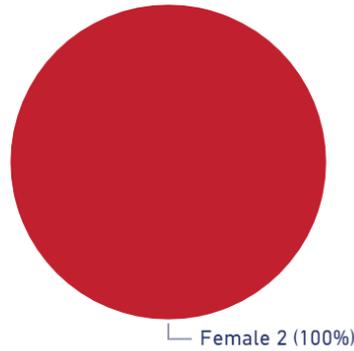


City of Indianapolis Demographics (U.S. Census Bureau Estimate 7/1/19) - Women 51.8%

All Employees by Gender



Managers by Gender



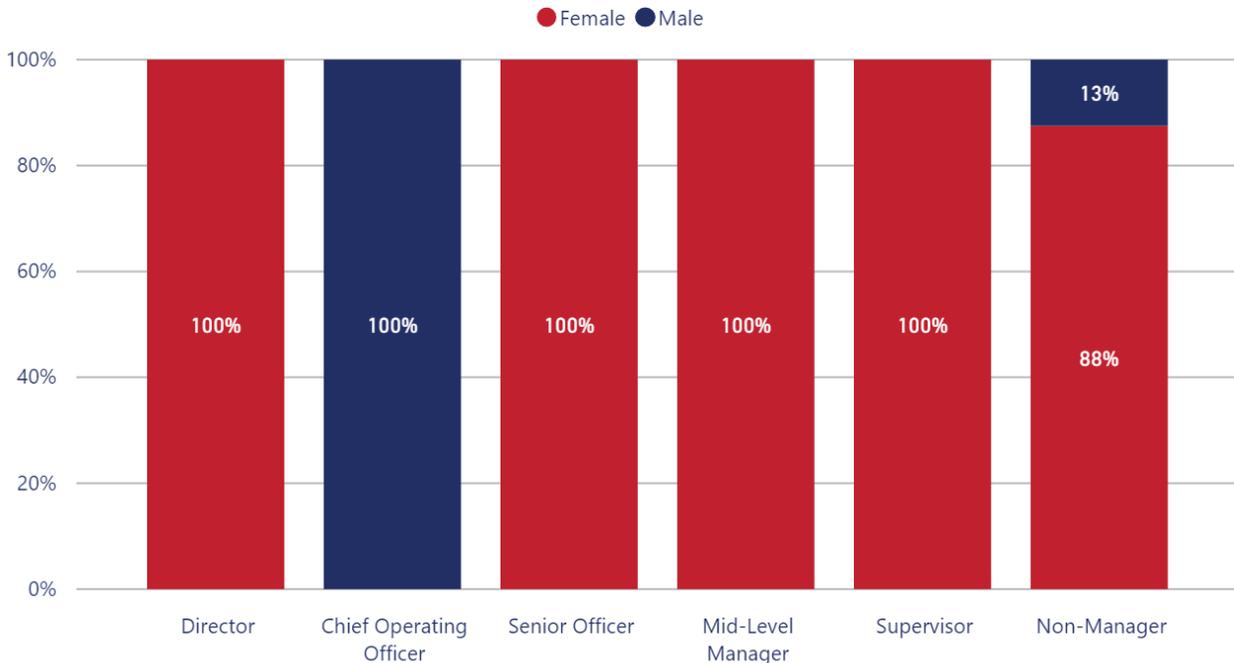
All Employee Avg. Annual Salary by Gender



Management Avg. Annual Salary by Gender



All Employees by Position and Gender



Avg. Annual Salary by Position, Gender, and Size of Gender Group



Budgeting for Equity—Staffing

What is the racial/ethnic makeup of the Auditor’s Office overall staff?

According to information self-reported by our employees to City-County Human Resources (“HR”), we have nineteen (19) White, four (4) Black, and three (3) Hispanic/LatinX employees. Since the time the data was aggregated by HR, we have made an additional hire that increases our agency’s racial/ethnic diversity.

What is the racial makeup of our management team?

In the data provided by HR, our management team is reflected differently than what we anticipated. Namely, the HR management data is broken out by Director, Chief Operating Officer, Senior Officer, Mid-Level Manager, and Supervisor, which is not reflective of our actual agency organization.

Under our organizational structure, our “Chief Operating Officer” is female, which is not reflected in the HR data. In addition, our “Mid-Level Managers” and “Supervisors” serve similar roles across our agency divisions and are aggregated as one management level in our office. Taking that into account, all of our Mid-Level Managers and Supervisors are female, two of whom are White, one of whom is Black and one of whom is Hispanic/LatinX.



Budgeting for Equity—Staffing (cont'd)

What is the breakdown of compensation and level of authority by race, gender, and educational attainment?

Presently, educational attainment demographic data is not available to us, as it is not a data point currently collected and aggregated in the HR data. We look forward to working with HR going forward to find an appropriate way to collect this data and track it within our organization.

With respect to compensation, some of the HR compensation data may not be as accurate due to the organizational differences between the HR data and our internal agency organization, as described previously. For example, the HR compensation data does not account for non-White manager compensation under our agency structure, so the “Management Average Salary by Ethnic Group” data point skews White in the Race/Ethnicity Statistics slide.



Budgeting for Equity—Staffing (cont'd)

What is the Auditor's Office plan to recruit diverse candidates for future vacancies? If applicable, how will these efforts differ from years past?

We continue to seek diverse candidates for our positions, and primarily use a City/County-contracted temporary service firm to test candidates of all backgrounds before making permanent hires. In the time since the HR data was aggregated, we made a new management hire which increases our agency's diversity. Further, we have a new management position that will open for recruitment early in 2021, and we will seek diverse candidates for that role when the time comes.

In the past, our primary challenge to attracting quality candidates of all backgrounds has been the pay we can afford to offer our employees. Historically, we've had very low turnout for open positions – non-managers and especially managers – due to the pay disparity between County positions, City positions, and the private sector. In recent years, we've made every effort to enlarge our personnel budget – through staggered hiring and reductions in other areas of the budget – to increase salary offerings for open positions, which has been successful in recruiting experienced and diverse employees.



XBE Defintions - MBE: Minority-Owned Business; WBE: Women-Owned Business; VBE: Veteran-Owned Business; DOBE: Disability-Owned Business

City of Indianapolis Demographics (U.S. Census Bureau Estimate 7/1/19) - Minority 31.9%; Women 51.8%; Veteran 0.05%; Disability 10.3%

2019 Average XBE Spend % vs KPI Target

42%

Goal: 27 % (+55.57%)

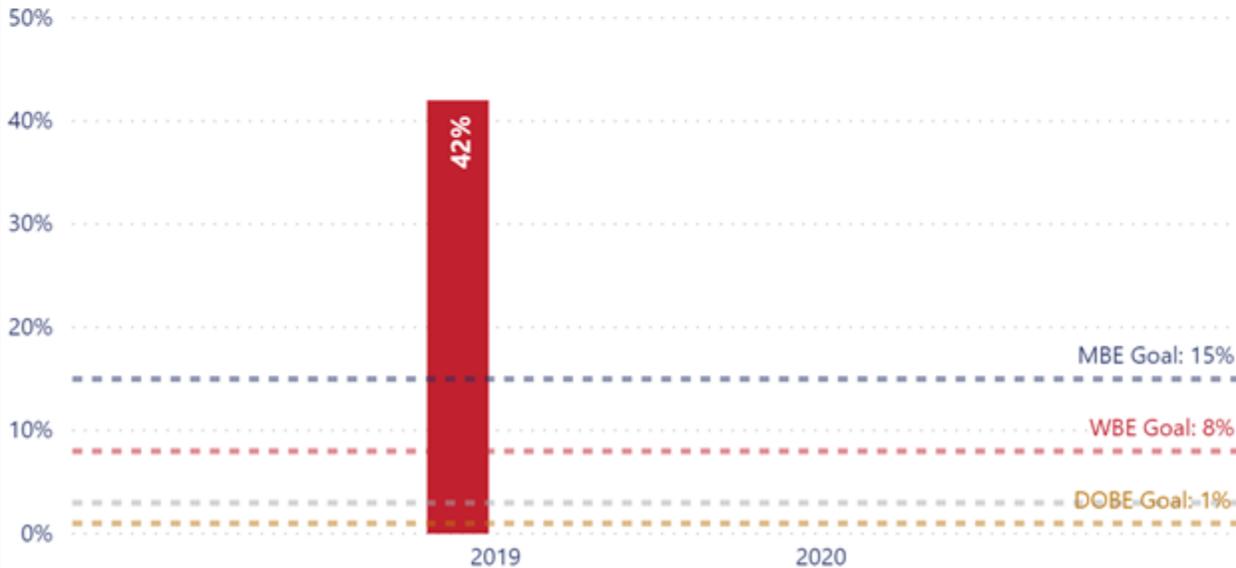
2020 Average XBE Spend % vs KPI Target

0%

Goal: 27 % (-100%)

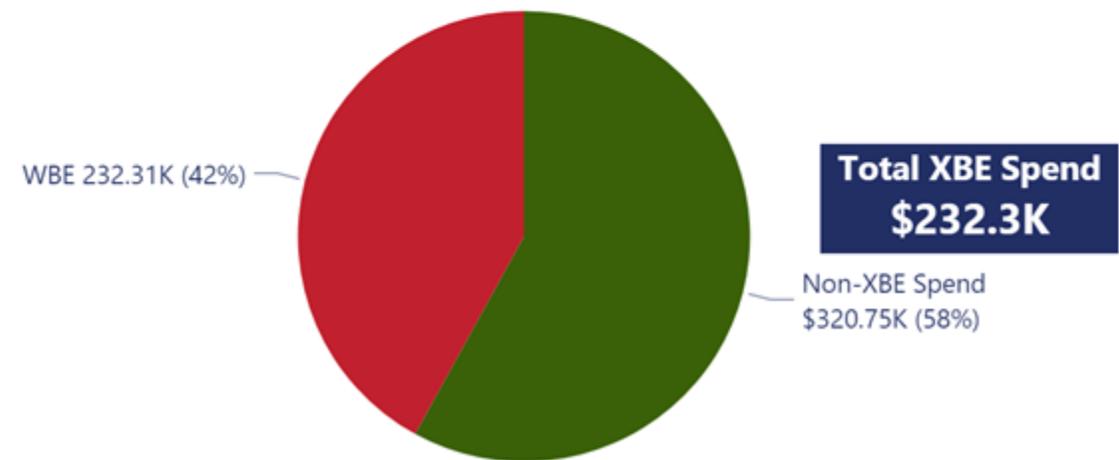
XBE % Spend by XBE Type, Year, and Goals

● MBE ● WBE ● VBE ● DOBE



XBE Spend to Total Spend (2019 - June 2020)

● Non-XBE Spend ● MBE ● WBE ● VBE ● DOBE



Budgeting for Equity—Spending

How does our current spending reflect efforts to address equity (procurement/contracting/etc.)?

The Auditor's Office engages in a very limited number of contracts each year, most of which are related to conducting tax sale and tax settlement processes. Most of these are with small vendors providing personal and professional services, without subcontractors. In 2019, we attained a 42% spend rate on WBE vendors and will likely do so again by the close of 2020.

Have we engaged the Office of Minority & Women's Business Development to establish and meet contracting goals?

We have not formally engaged OMWBD except when issuing RFPs and RFQs, which occur only every several years for our agency.

What steps will we take to build capacity of minority-owned firms to participate in procurement or contracting with the Auditor's Office?

As we compete services via RFP or RFQ going forward, we will work closely with OMWBD to seek the participation of such firms. In addition, we will continue to work with the Purchasing Division to seek XBE firms that can provide goods and services to our agency.



Budgeting for Equity—Engagement

How will the Auditor's Office engage community members, including communities of color and low-income communities, to identify programming and/or service needs for our agency?

Taxpayers in Marion County are a diverse group in terms of racial makeup, national origin, and primary language. Historically, we have observed that language barriers most often impact a taxpayer's ability to understand and seek eligible property tax deductions and other services from our office. Accordingly, we have actively sought to employ Spanish-speaking individuals in communications and tax customer service positions to ensure we are serving the Hispanic/LatinX population of taxpayers here in Marion County.

Nonetheless, we believe there are other underrepresented communities in Marion County that could benefit from additional outreach, although we have not identified a particularly vulnerable population at this time. Other efforts to engage might involve working with advocates and support service agencies to disseminate property tax opportunities to those Marion County residents they serve.



Questions?

