



LOUISVILLE METRO GOVERNMENT

FY 26 PROPOSED BUDGET OVERVIEW

MAY 8, 2025



AGENDA

Introduction

Revenue overview

Operating overview

Debt management overview

Capital overview

Question & answer

INTRODUCTION

FY 26 BUDGET FOCUS

Strategic Initiatives

- Safer, Stronger, Healthier City
- Provide Basic Government Services
- Expand Economic Development
- Increase Affordable Housing
- Early Childhood Learning

Operational Expectations

- Priorities
- Progress
- Performance

FEDERAL, STATE, AND SETTLEMENT FUNDS UPDATE



\$388.3M OF AMERICAN RESCUE PLAN (ARP) FUNDS HAVE BEEN APPROPRIATED. AS OF 3/31/25 \$318.7M HAVE BEEN SPENT AND THE REMAINING \$69.6M HAVE BEEN OBLIGATED PER US TREASURY GUIDELINES.



\$87M IN BIL FEDERAL AWARDS HAVE BEEN SECURED AND APPROPRIATED; UTILIZING \$21M OF PREVIOUSLY APPROPRIATED BIL MATCH DOLLARS. AN ADDITIONAL \$18.4M BIL FEDERAL AWARDS IN PROCESS, POTENTIALLY COMMITTING THE REMAINING \$6M OF BIL MATCH.



\$132M APPROPRIATED DIRECTLY TO LOUISVILLE METRO FROM THE FY 25/26 KENTUCKY STATE BUDGET.

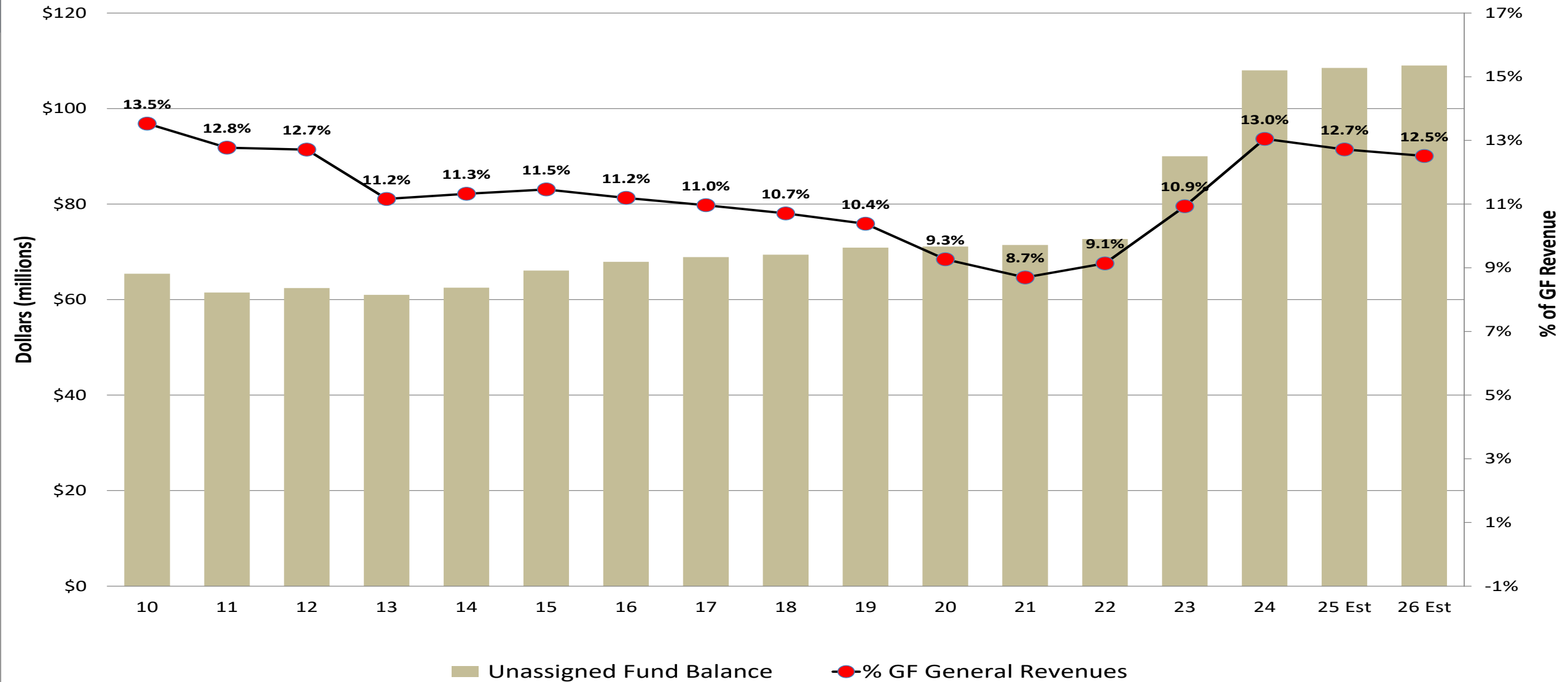


\$18.3M OF OPIOID SETTLEMENT FUNDS HAVE BEEN RECEIVED AS OF 4/30/25. APPROXIMATELY \$15.6M HAS BEEN APPROPRIATED TO DATE.



LOUISVILLE METRO HAS RECEIVED \$1.8M THROUGH SETTLEMENT AGREEMENTS WITH JUUL AND ALTRIA. SETTLEMENT FUNDS ARE REQUIRED TO BE USED FOR COMPENSATORY RESTITUTION OR REMEDIATION TO ADDRESS THE EPIDEMIC OF YOUTH VAPING AND NICOTINE ADDICTION.

GENERAL FUND UNASSIGNED FUND BALANCE



FY23- FY26 Urban Services District Revenues/Expenditures				
	FY23 Actual	FY24 Actual	FY25 Budget	FY26 Estimated
Revenue From Additional Taxes				
Levied in the USD				
Real Property Taxes	\$ 65,535,216.00	\$ 68,116,290.00	\$ 70,990,000.00	\$ 74,960,000.00
Personal Property Taxes	\$ 11,056,626.00	\$ 11,374,584.00	\$ 11,320,000.00	\$ 10,480,000.00
Bank Deposits	\$ 3,965,888.00	\$ 3,294,725.00	\$ 3,130,000.00	\$ 3,030,000.00
Life Insurance Shares	\$ 165,130.00	\$ 187,329.00	\$ 190,000.00	\$ 190,000.00
Insurance Premium Taxes on Group Health Plans	<u>\$ 4,968,147.00</u>	<u>\$ 5,826,611.00</u>	<u>\$ 5,994,600.00</u>	<u>\$ 7,030,000.00</u>
Total Revenues	\$ 85,691,007.00	\$ 88,799,539.00	\$ 91,624,600.00	\$ 95,690,000.00
Cost of Additional Services				
Provided in the USD				
Fire Department	\$ 73,947,882.00	\$ 74,671,938.00	\$ 82,457,200.00	\$ 78,172,100.00
Solid Waste Management	\$ 18,954,411.00	\$ 19,128,891.00	\$ 19,010,000.00	\$ 19,540,000.00
Street Lighting	\$ 5,537,698.00	\$ 4,400,047.00	\$ 4,950,000.00	\$ 5,521,700.00
Capital Expenditures				\$ 900,000.00
<i>Less: Central Business District Expenditures per KY SB 129</i>				<u>\$ (9,148,500.00)</u>
Total Expenditures	\$ 98,439,991.00	\$ 98,200,876.00	\$ 106,417,200.00	\$ 94,985,300.00
Difference	\$ (12,748,984.00)	\$ (9,401,337.00)	\$ (14,792,600.00)	\$ 704,700.00

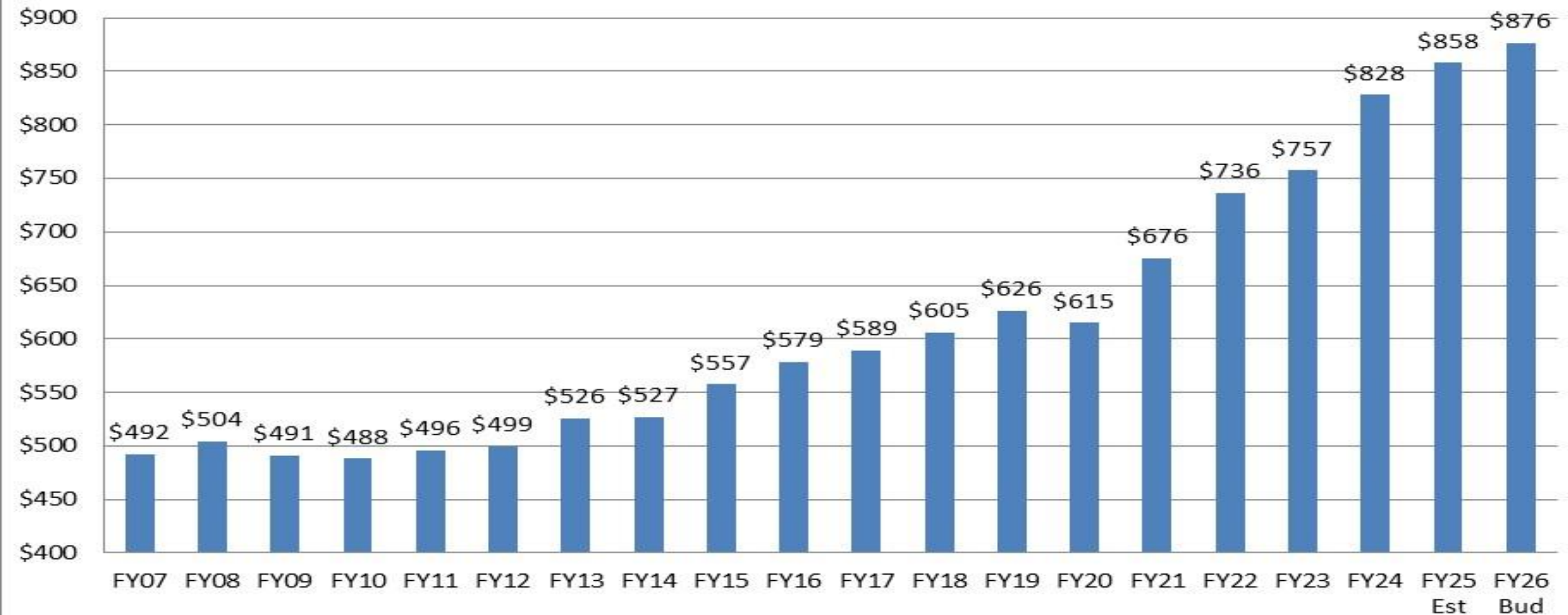
URBAN SERVICES DISTRICT

REVENUE AND EXPENSE SUMMARY

REVENUE OVERVIEW

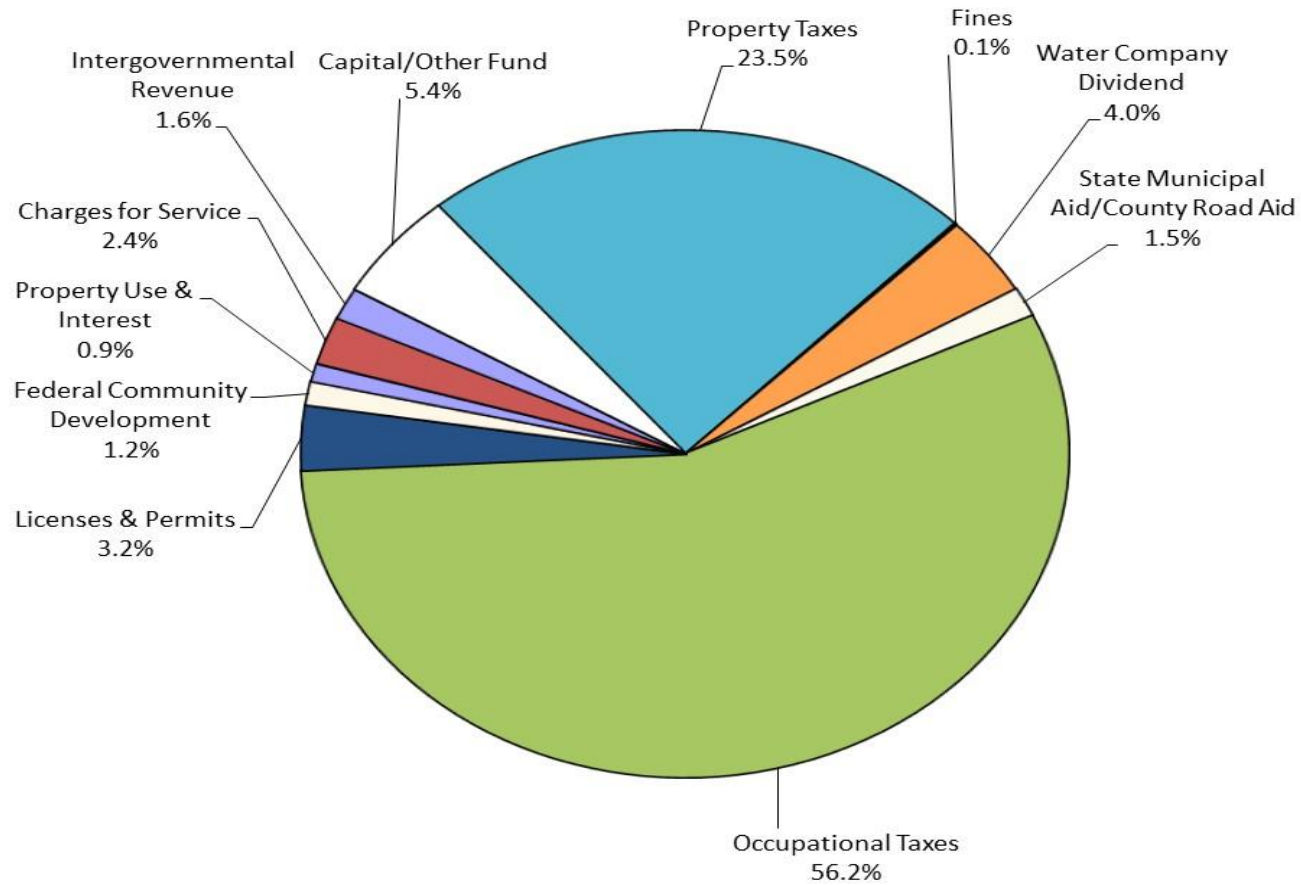
GENERAL FUND

General Fund (in millions)



LOUISVILLE METRO
SOURCES OF REVENUE
FISCAL YEAR 2025-2026

General Fund - Municipal Aid/County Road Aid
Community Development Fund - Capital/Other Fund



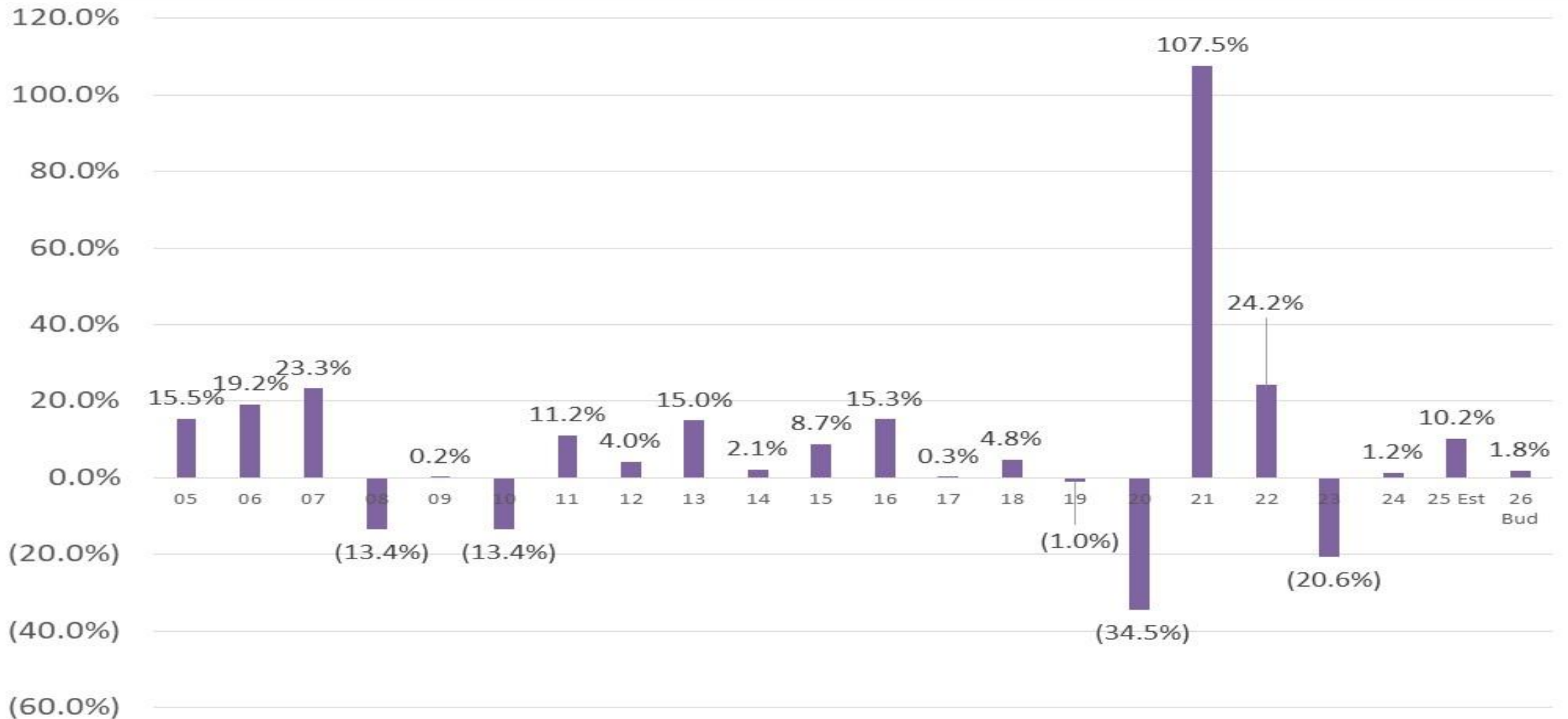
SOURCES OF REVENUE

	FY25 Est	FY26 Forecast	Growth Forecast	% Growth	*CAGR 5 %
R&P Property	\$192,590	\$200,960	\$8,370	4.3%	5.3%
Payroll	382,807	397,730	14,923	3.9%	4.6%
Net Profits	101,740	103,540	1,800	1.8%	6.3%
Insurance	93,010	96,730	3,720	4.0%	5.6%
Water Co.	33,920	37,700	3,780	11.1%	7.3%
Other	53,719	39,290	(14,429)	(26.9%)	13.3%
Total GF	\$857,786	\$875,950	\$18,164	2.1%	5.7%
*CAGR 5% is the Compound Average Growth Rate for the past 5 years, FY19-FY24					

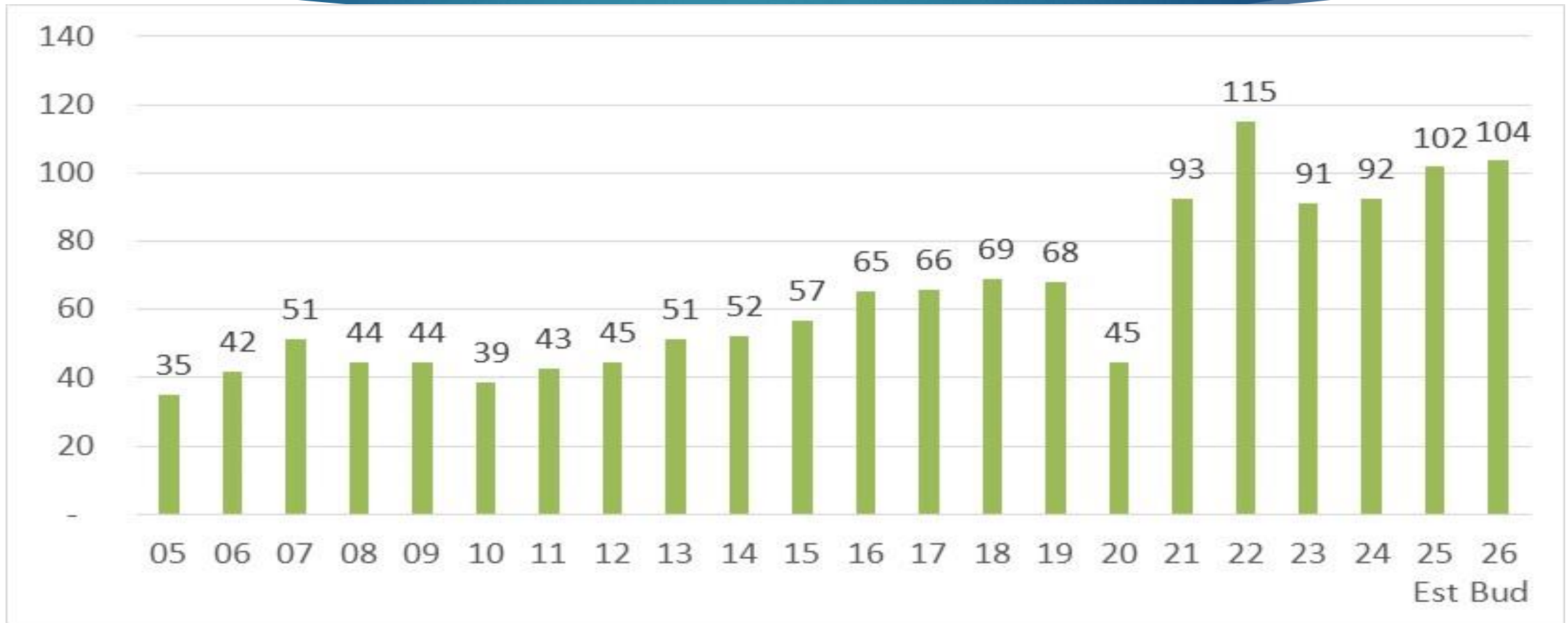
GENERAL
FUND
REVENUE (IN
\$000'S)

GROWTH
FORECAST

METRO NET PROFITS GROWTH RATE BY FISCAL YEAR



METRO NET PROFITS BY FISCAL YEAR



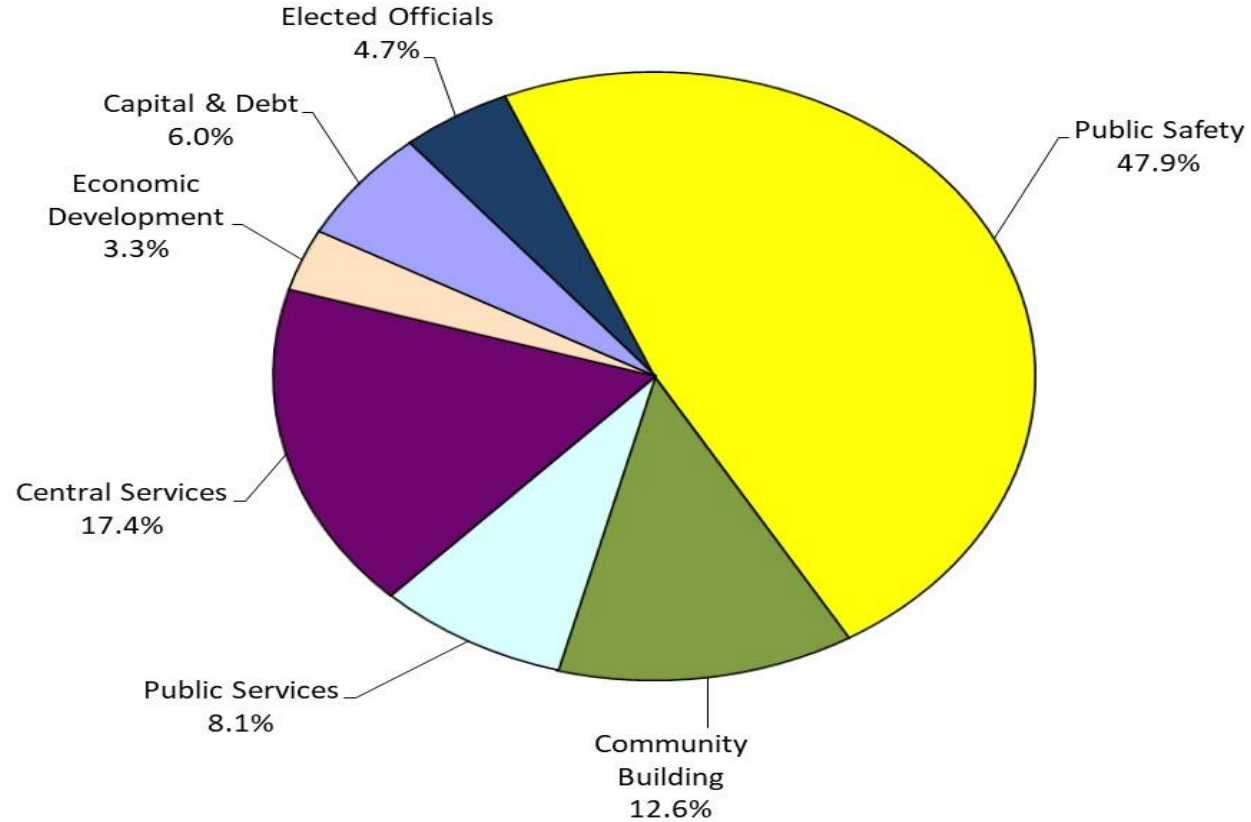
QUARTERLY REVENUE SPREAD

	Q1	Q2	Q3	Q4	FY26 TOTAL
Employee Withholdings	\$92,450,000	\$98,700,000	\$102,540,000	\$104,040,000	\$397,730,000
Net Profits	20,860,000	17,080,000	14,470,000	51,130,000	103,540,000
Insurance Premiums	24,960,000	24,210,000	22,730,000	24,830,000	96,730,000
Water Co. Dividend	7,510,000	14,990,000	7,600,000	7,600,000	37,700,000
Real & Personal Property	2,010,000	95,460,000	95,460,000	8,030,000	200,960,000
All Other	9,820,000	9,820,000	9,820,000	9,830,000	39,290,000
TOTAL:	\$157,610,000	\$260,260,000	\$252,620,000	\$205,460,000	\$875,950,000

OPERATING OVERVIEW

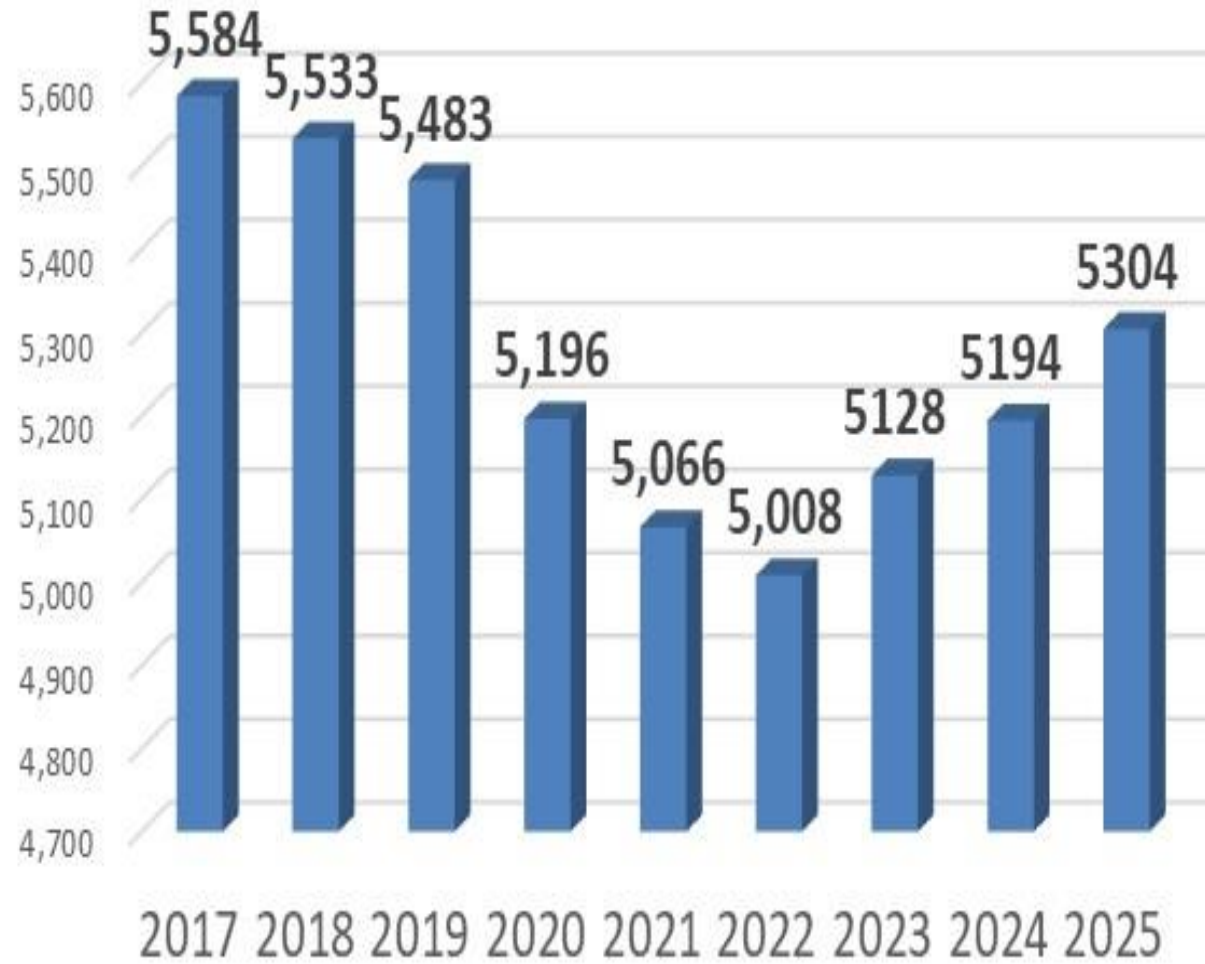
LOUISVILLE METRO
EXPENDITURES (BY CATEGORY)
FISCAL YEAR 2025-2026

General Fund
Opioid Fund
Community Development Fund
Capital/Other Fund



EXPENDITURES BY CATEGORY

Filled Full-Time Personnel as of April 1st



FULL TIME
PERSONNEL

Filled Position Comparison

	Full-Time	Part-Time	Other	Total
4/1/2025	5,304	232	216	5,752
4/1/2024	5,194	242	263	5,699
4/1/2023	5,128	246	214	5,588
4/1/2022	5,008	280	132	5,420
4/1/2021	5,066	263	134	5,463
4/1/2020	5,196	284	133	5,613
4/1/2019	5,483	318	136	5,937
4/1/2018	5,533	316	185	6,034
4/1/2017	5,584	285	190	6,059
Net	(280)	(53)	26	(307)

FULL TIME
PERSONNEL

CERS RATE HISTORY

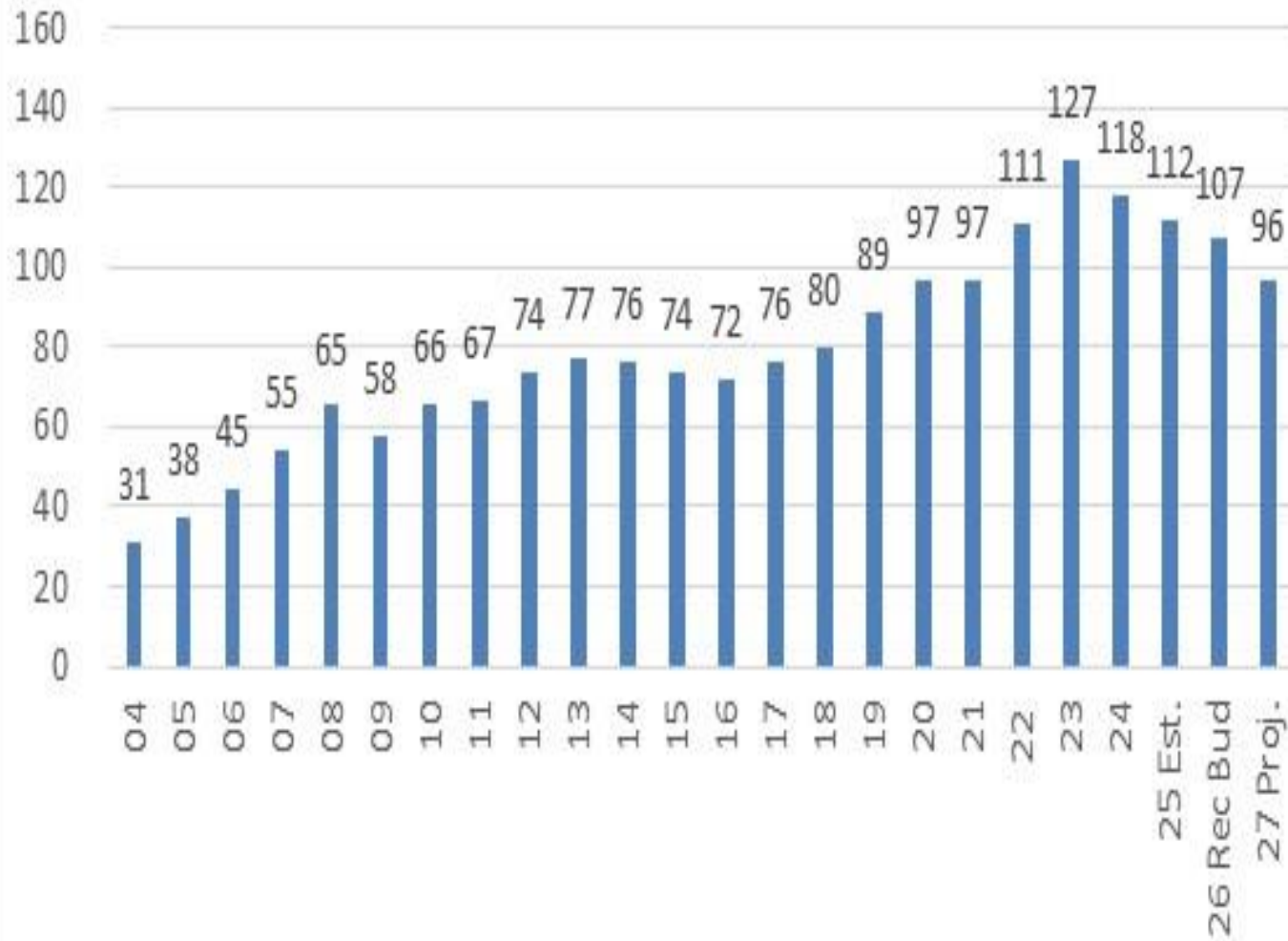
Hazardous Duty

<u>Year</u>	<u>Rate</u>	<u>% Change from Prior Year</u>	<u>Cumulative % Change since FY04</u>
FY04	18.51	13.7%	
FY05	22.08	19.3%	19%
FY06	25.01	13.3%	35%
FY07	28.21	12.8%	52%
FY08	33.87	20.1%	83%
FY09	29.50	(12.9%)	59%
FY10	32.97	11.8%	78%
FY11	33.25	0.8%	80%
FY12	35.76	7.5%	93%
FY13	37.60	5.1%	103%
FY14	35.70	(5.1%)	93%
FY15	34.31	(3.9%)	85%
FY16	32.95	(4.0%)	78%
FY17	31.06	(5.7%)	68%
FY18	31.55	1.6%	70%
FY19	35.34	12.0%	91%
FY20	39.58	12.0%	114%
FY21	39.58	0.0%	114%
FY22	44.33	12.0%	139%
FY23	49.59	11.9%	168%
FY24	43.69	(11.9%)	136%
FY25	38.61	(11.6%)	109%
FY26	35.73	(7.5%)	93.0%

Non-Hazardous Duty

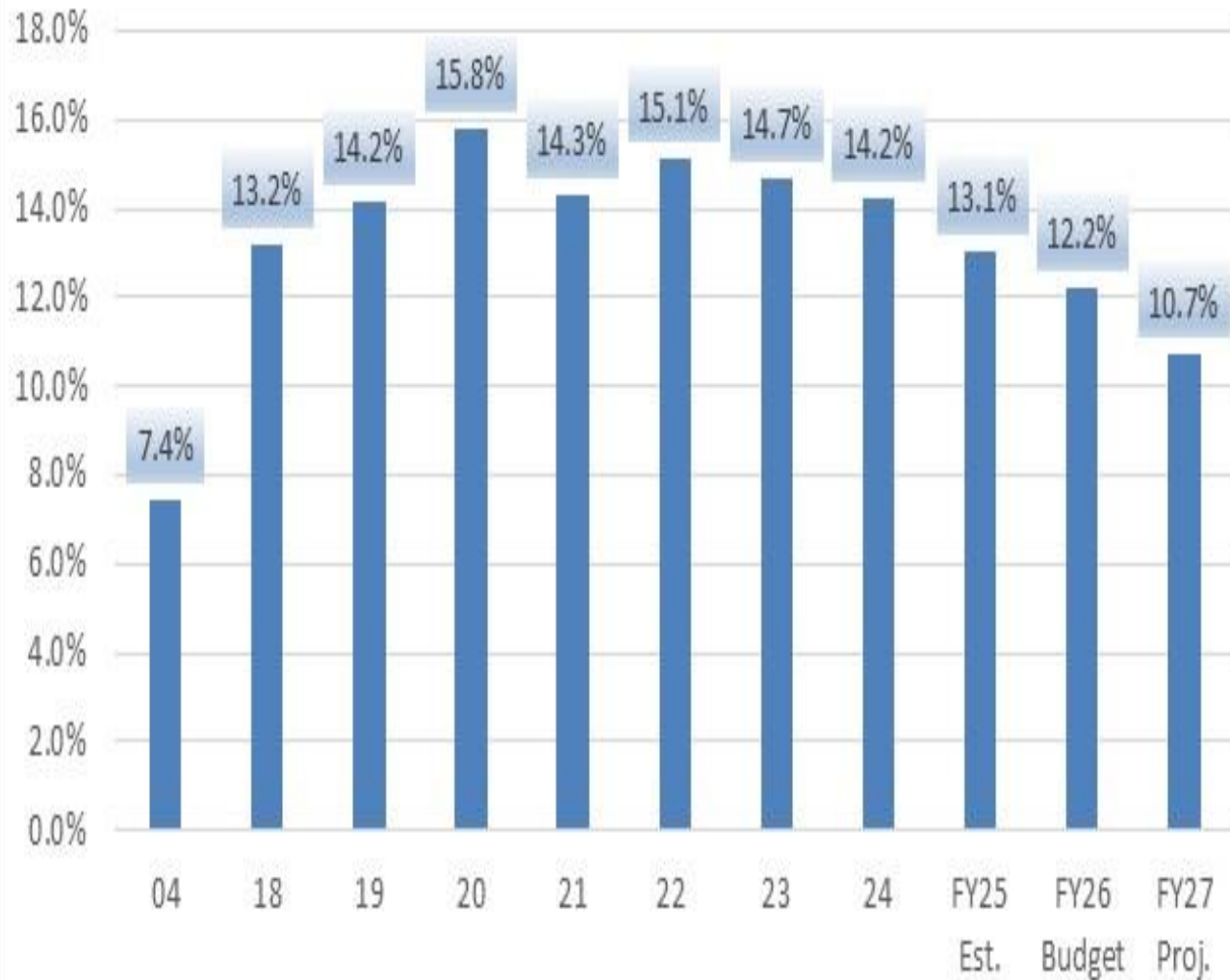
<u>Year</u>	<u>Rate</u>	<u>% Change from Prior Year</u>	<u>Cumulative % Change since FY04</u>
FY04	7.34	15.8%	
FY05	8.48	15.5%	16%
FY06	10.98	29.5%	50%
FY07	13.19	20.1%	80%
FY08	16.17	22.6%	120%
FY09	13.50	(16.5%)	84%
FY10	16.16	19.7%	120%
FY11	16.93	4.8%	131%
FY12	18.96	12.0%	158%
FY13	19.55	3.1%	166%
FY14	18.89	(3.4%)	157%
FY15	17.67	(6.5%)	141%
FY16	17.06	(3.5%)	132%
FY17	18.68	9.5%	154%
FY18	19.18	2.7%	161%
FY19	21.48	12.0%	193%
FY20	24.06	12.0%	228%
FY21	24.06	0.0%	228%
FY22	26.95	12.0%	267%
FY23	26.95	0.0%	267%
FY24	23.34	(13.4%)	218%
FY25	19.71	(15.6%)	169%
FY26	18.62	(5.5%)	154%

Metro CERS Contributions (in millions) by Fiscal Year (All Funding Sources)

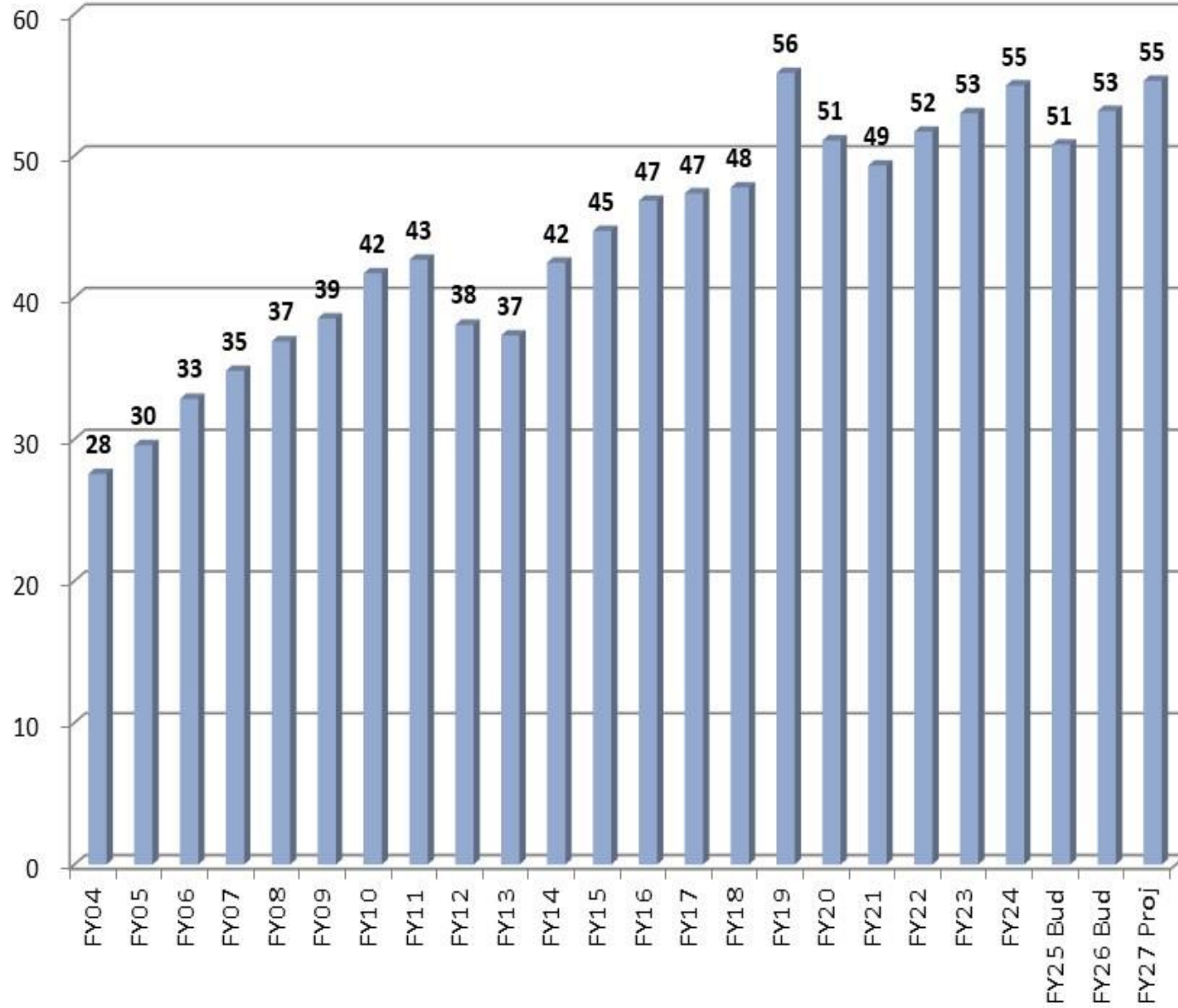


CERS
CONTRIBUTIONS
BY FISCAL YEAR

Pension/General Fund

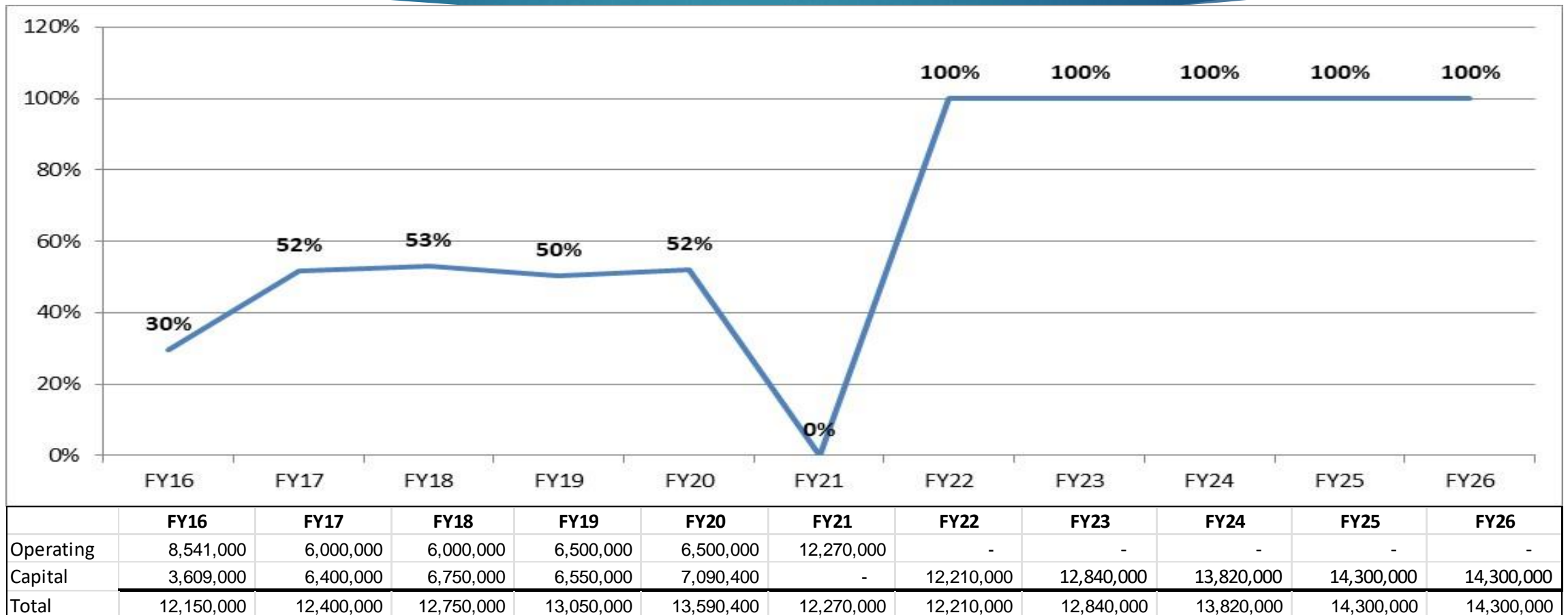


PENSION
COST AS A %
OF GENERAL
FUND
REVENUES
BY FISCAL
YEAR



HEALTH INSURANCE COST

ROAD FUNDING (MAP) HISTORICAL APPROPRIATIONS



DEBT MANAGEMENT OVERVIEW

LOUISVILLE METRO
DEBT SERVICE
FISCAL YEAR 2025-2026

FY26 Debt Service Paid by the Office of Management & Budget

Issue	Gross Debt Service	External Source of Debt Service	Net Debt Service	Budgeted Amount
2007A	4,321,063	4,234,641	86,421	86,400
SUBTOTAL:	4,321,063	4,234,641	86,421	86,400

FY26 Debt Service Paid by the Revenue Commission

Issue	Gross Debt Service	External Source of Debt Service	Net Debt Service	Budgeted Amount
2009F	8,023,289	965,874	7,057,415	7,057,400
2010C	733,199	240,027	493,173	493,200
2013A	673,238	-	673,238	673,200
2014D	748,525	-	748,525	748,500
2014F	2,388,800	-	2,388,800	2,388,800
2015A	1,791,300	460,000	1,331,300	1,331,300
2015B	687,840	-	687,840	687,800
2015B Ctr City	2,514,455	2,070,605	443,850	443,900
2016A	4,415,400	-	4,415,400	4,415,400
2016B	4,093,794	3,371,159	722,635	722,600
2017A	5,342,069	207,390	5,134,679	5,134,700
2017B	262,145	-	262,145	262,100
2018A	588,994	-	588,994	589,000
2018B	1,570,411	-	1,570,411	1,570,400
2019A	2,662,025	-	2,662,025	2,662,000
2020A	4,983,150	-	4,983,150	4,983,200
2022A	16,464,850	-	16,464,850	16,464,900
2023A	5,834,850	-	5,834,850	5,834,900
2024A	8,571,625	-	8,571,625	8,571,600
2025A	2,411,625	-	2,411,625	2,411,600
SUBTOTAL:	\$74,761,583	\$7,315,054	\$67,446,529	\$67,446,500
FY26 TOTAL:	79,082,645	11,549,695	67,532,950	67,532,900

DEBT SERVICE PAYMENT SCHEDULE

OUTSTANDING DEBT LEVEL

Outstanding Debt as a Percentage of Budgeted General Fund Revenue

	Totals in Millions															Est FY25	Est FY26
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24		
Outstanding Debt (Audit)	\$450	\$428	\$393	\$371	\$340	\$331	\$468	\$494	\$544	\$502	\$494	\$469	\$634	\$588	\$666	\$679	\$679
General Fund Table (Budget)	\$488	\$496	\$499	\$526	\$527	\$557	\$579	\$589	\$605	\$626	\$615	\$676	\$736	\$757	\$828	\$858	\$876
Debt as a % of General Fund:	92%	86%	79%	71%	65%	59%	81%	84%	90%	80%	80%	69%	86%	78%	81%	79%	78%

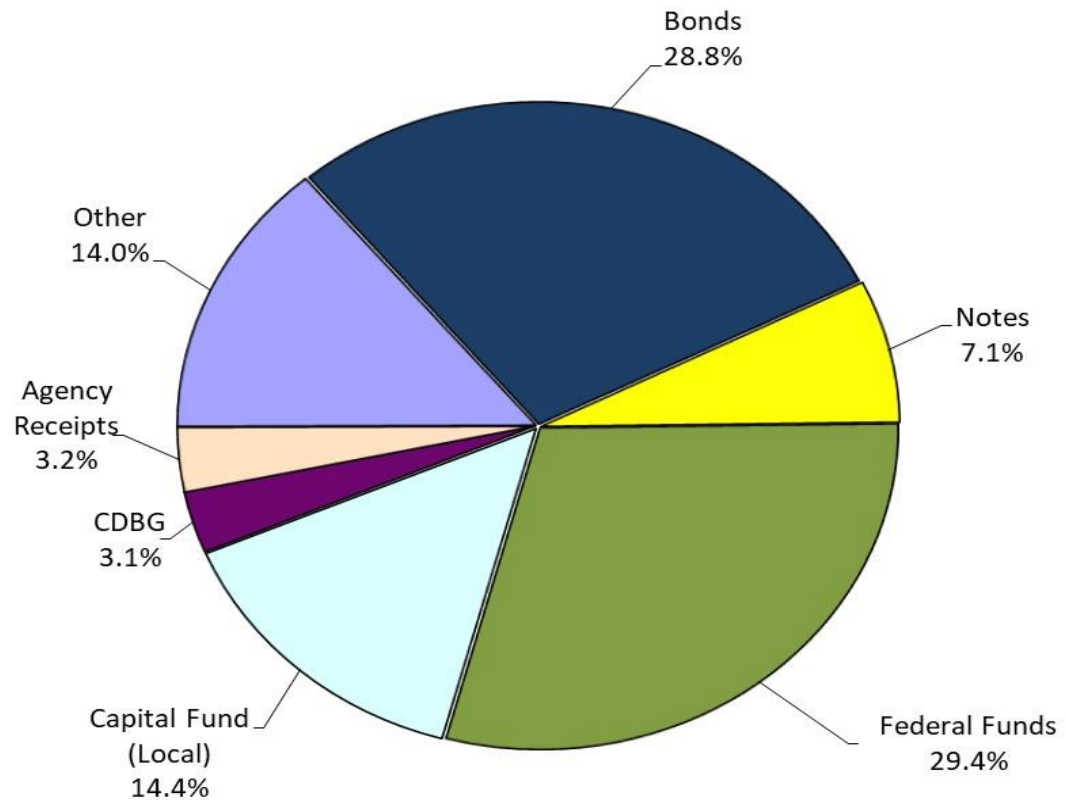
Debt Service as a Percentage of Budgeted General Fund Revenue

	Totals in Millions															Est FY25	Est FY26
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24		
GF Budgeted Revenue	\$488	\$496	\$499	\$526	\$527	\$557	\$559	\$583	\$605	\$626	\$615	\$676	\$736	\$757	\$828	\$858	\$876
Contra Addback	\$18	\$24	\$25	\$25	\$29	\$33	\$38	\$44	\$47	\$49	\$52	\$50	\$50	\$58	\$54	\$56	\$62
Total Revenue	\$506	\$520	\$523	\$550	\$556	\$590	\$597	\$627	\$652	\$675	\$666	\$725	\$786	\$815	\$882	\$914	\$938
Budgeted Net Debt Service	\$37	\$43	\$45	\$45	\$44	\$48	\$50	\$52	\$55	\$56	\$56	\$52	\$62	\$63	\$68	\$68	\$72
Net Debt Service/Total Rev:	7.4%	8.2%	8.6%	8.2%	8.0%	8.1%	8.4%	8.2%	8.4%	8.3%	8.4%	7.1%	7.9%	7.7%	7.7%	7.4%	7.7%

CAPITAL OVERVIEW

LOUISVILLE METRO
CAPITAL BUDGET
FISCAL YEAR 2025-2026

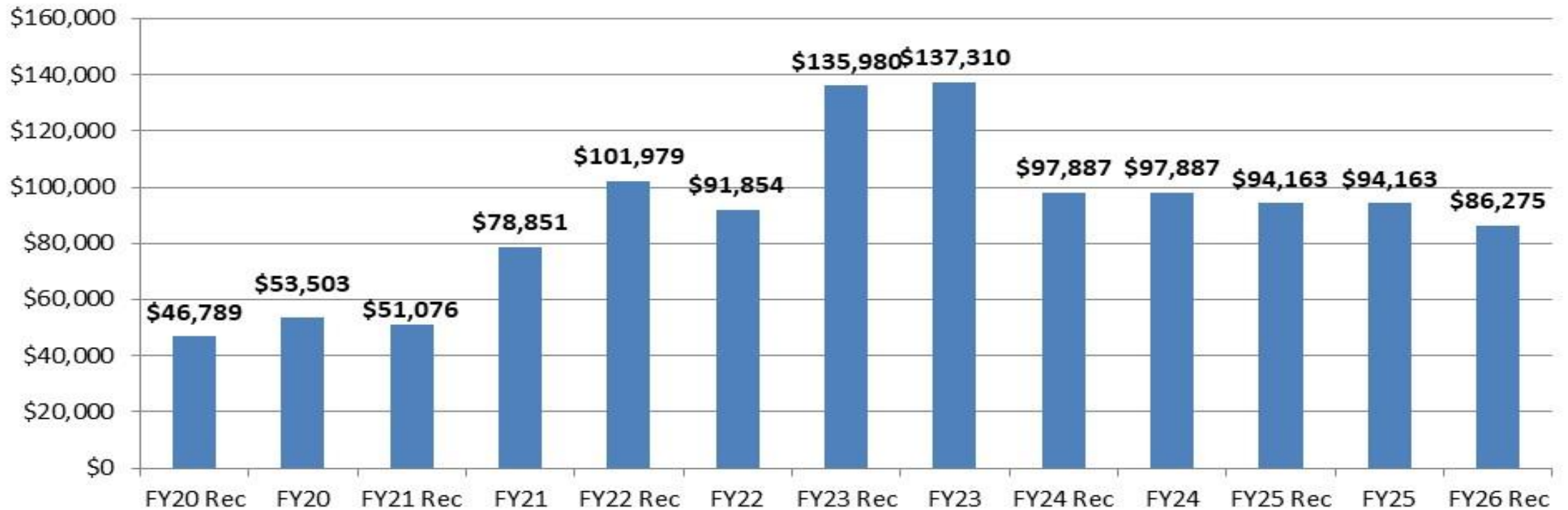
Funding Sources



CAPITAL FUNDING SOURCES

CAPITAL DEBT FY20 – FY 26

**Debt Funding in Capital Budgets
(In \$000s)**



MULTI-YEAR CAPITAL PLAN

Builds Upon on Last Year's Plan

Living Document that will Continue to Evolve

Non-Binding; for Planning Purposes Only

Captures Historically Funded Projects

Identifies New and Priority Projects for Future Consideration

QUESTIONS