



# LOUISVILLE METRO GOVERNMENT

## FY 26 PROPOSED BUDGET OVERVIEW

MAY 8, 2025



*320*

# AGENDA

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Introduction

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Revenue overview

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Operating overview

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Debt management overview

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Capital overview

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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.*

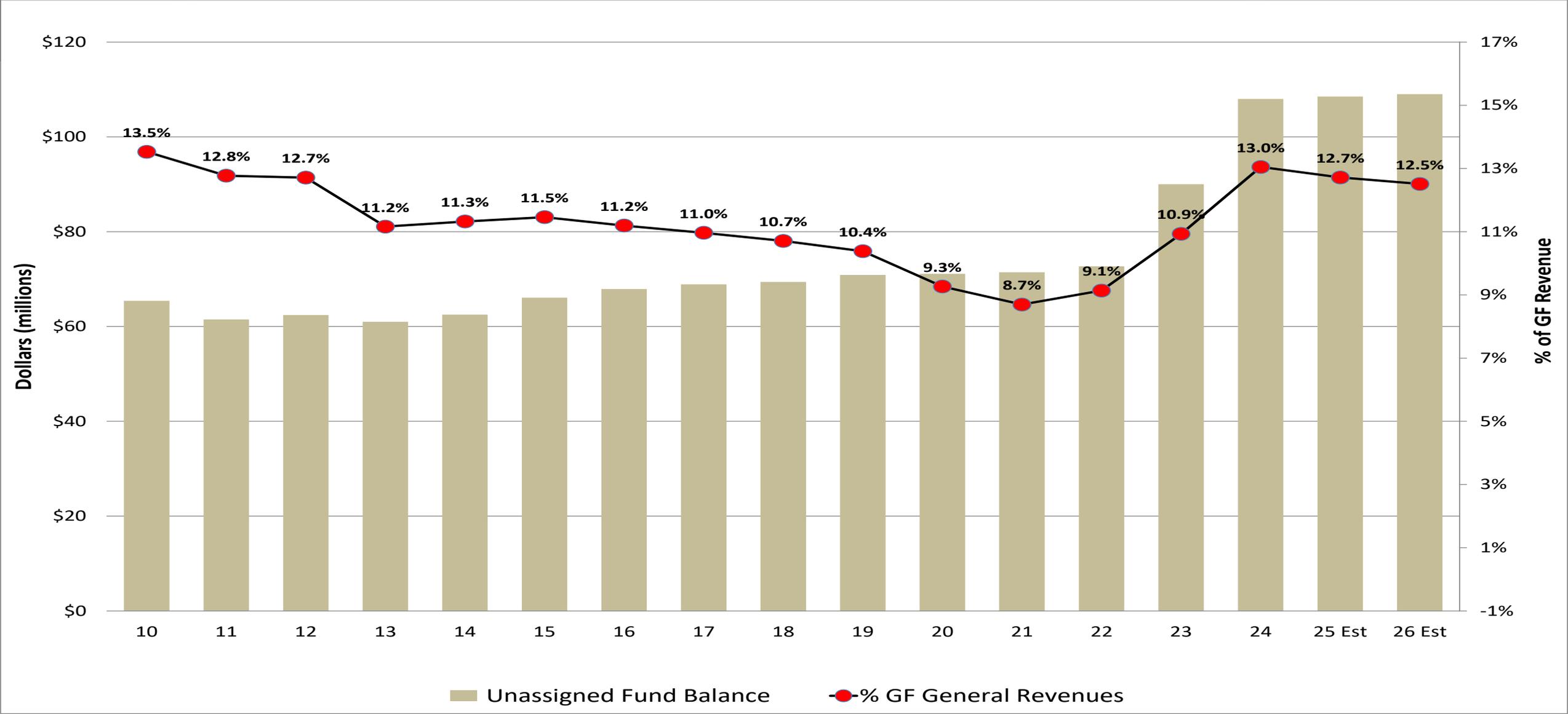
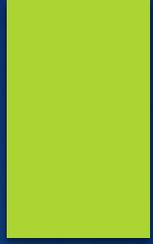


\$18.3M OF OPIOID SETTLEMENT FUNDS HAVE BEEN RECEIVED AS OF 4/30/25. APPROXIMATELY \$15.6M HAS BEEN APPROPRIATED TO DATE.



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
<b>Revenue From Additional Taxes</b>				
<b>    Levied in the USD</b>				
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>
<b>Total Revenues</b>	<b>\$ 85,691,007.00</b>	<b>\$ 88,799,539.00</b>	<b>\$ 91,624,600.00</b>	<b>\$ 95,690,000.00</b>
<b>Cost of Additional Services</b>				
<b>    Provided in the USD</b>				
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>
<b>Total Expenditures</b>	<b>\$ 98,439,991.00</b>	<b>\$ 98,200,876.00</b>	<b>\$ 106,417,200.00</b>	<b>\$ 94,985,300.00</b>
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

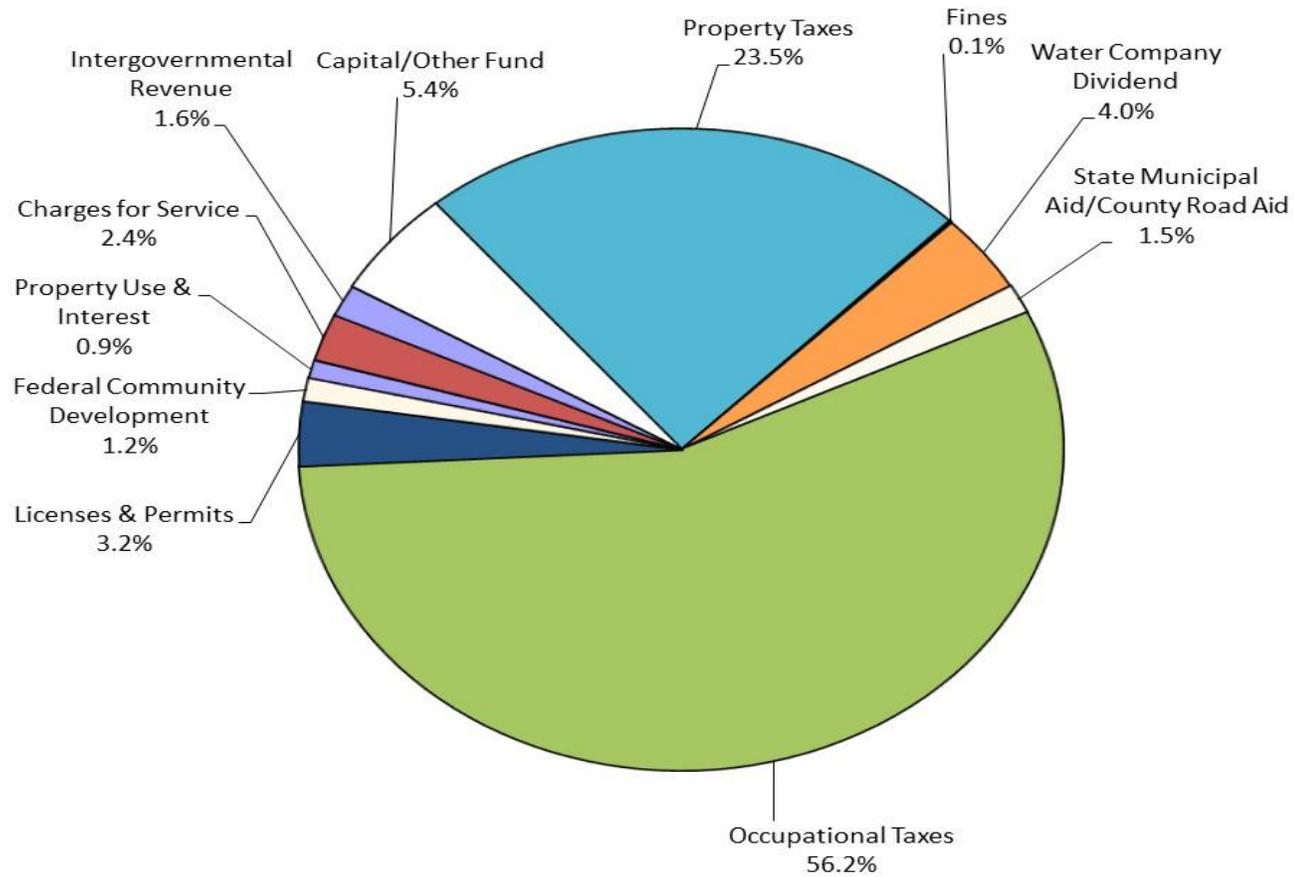
# GENERAL FUND

## 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

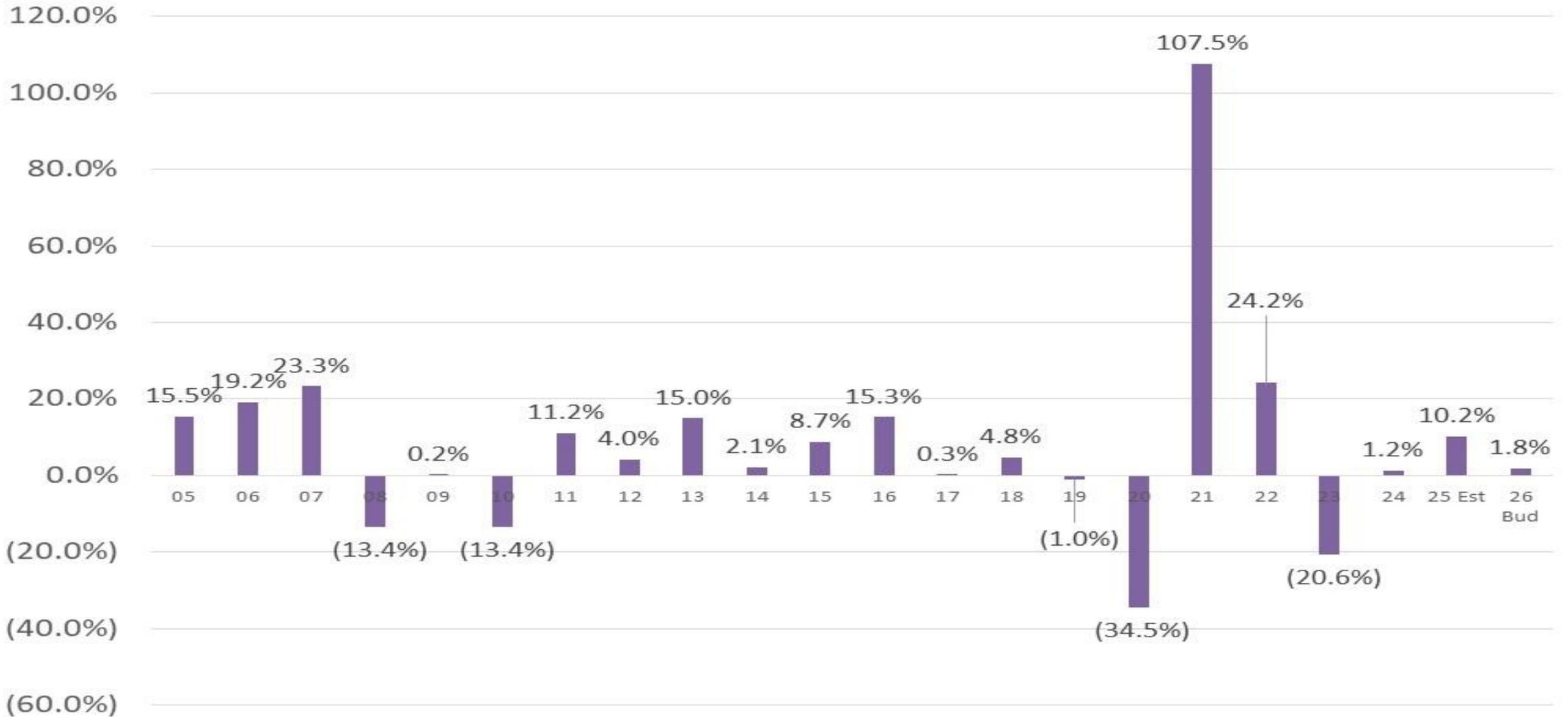
	FY25 Est	FY26 Forecast	Growth Forecast	% Growth	*CAGR 5%
R&P Property	\$192,590	\$200,960	\$8,370	4.3%	5.3%
Payroll	382,807	397,730	14,923	3.9%	4.6%
Net Profits	101,740	103,540	1,800	1.8%	6.3%
Insurance	93,010	96,730	3,720	4.0%	5.6%
Water Co.	33,920	37,700	3,780	11.1%	7.3%
Other	53,719	39,290	(14,429)	(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

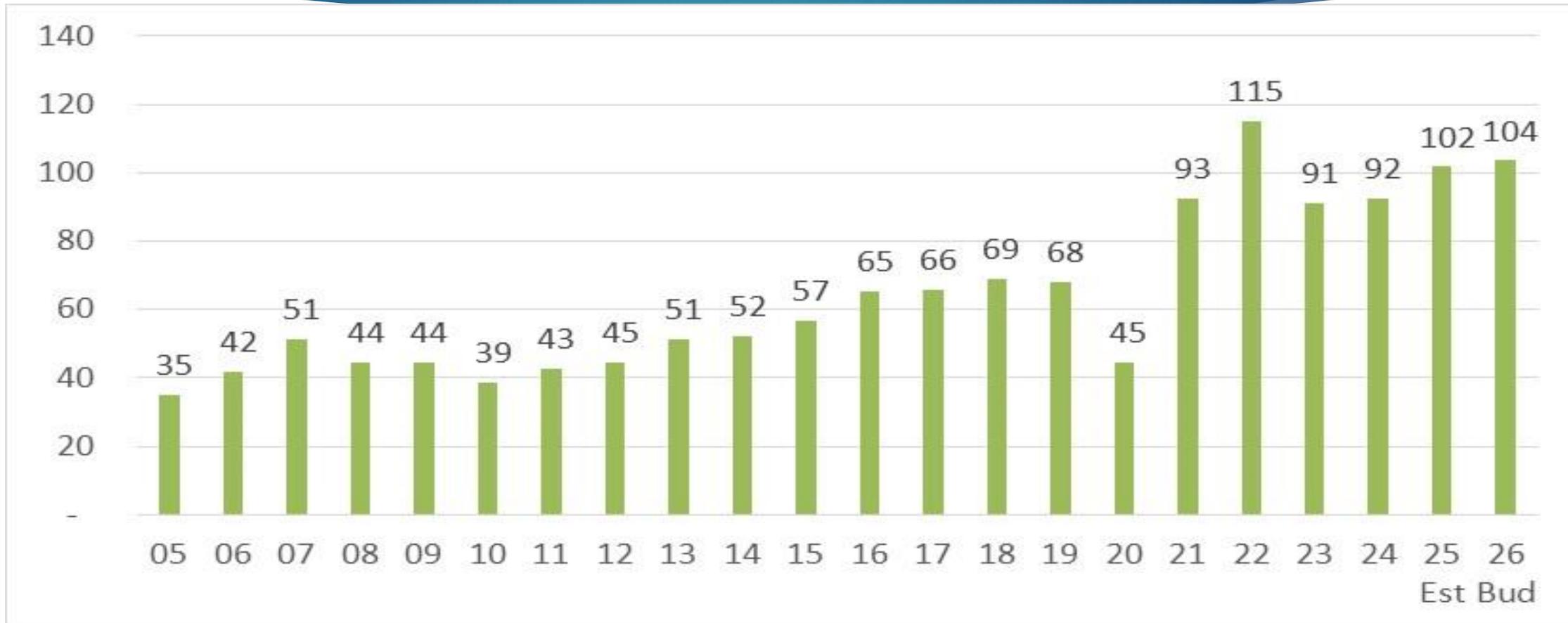
# GENERAL FUND REVENUE (IN \$000'S)

## GROWTH FORECAST

# METRO NET PROFITS GROWTH RATE BY FISCAL YEAR



# METRO NET PROFITS BY FISCAL YEAR



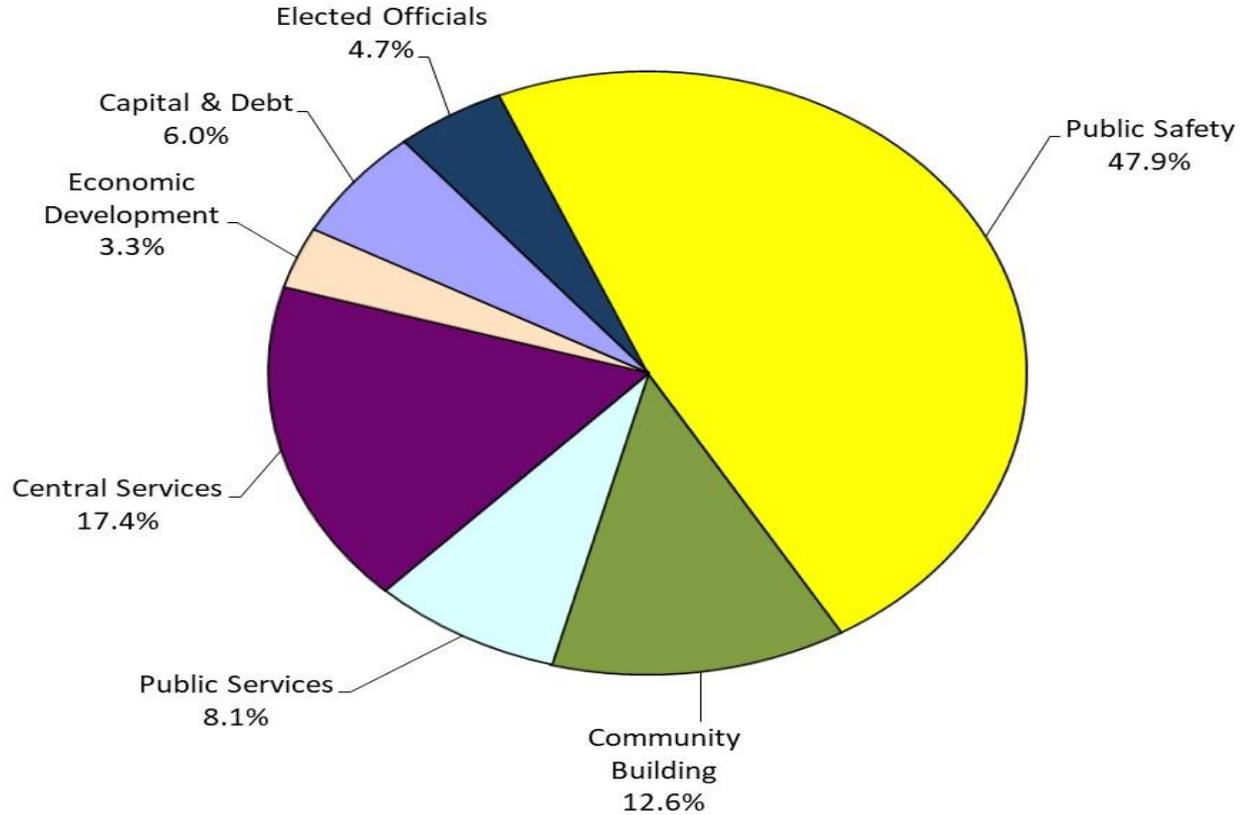
# QUARTERLY REVENUE SPREAD

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

# OPERATING OVERVIEW

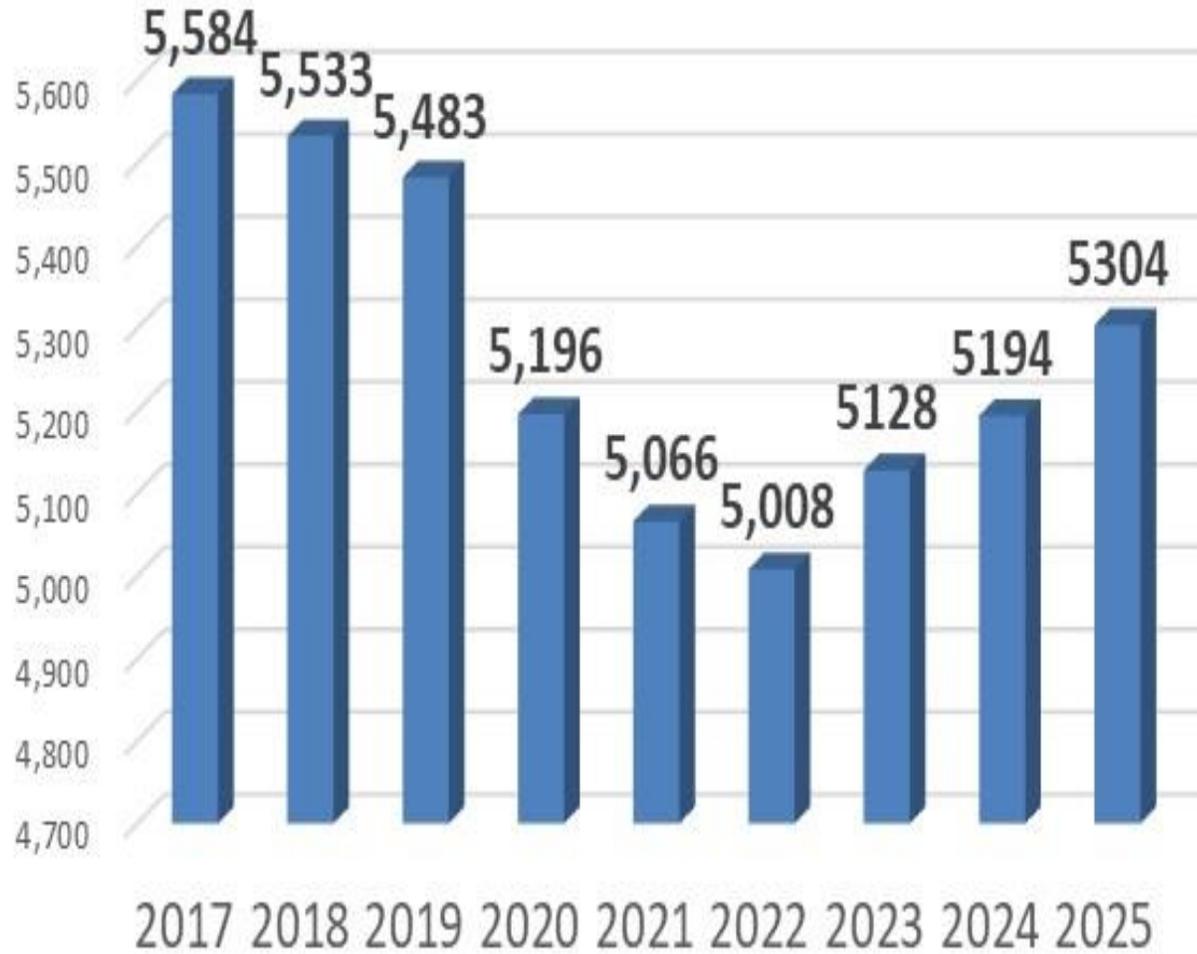
LOUISVILLE METRO  
EXPENDITURES (BY CATEGORY)  
FISCAL YEAR 2025-2026

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
<b>Net</b>	<b>(280)</b>	<b>(53)</b>	<b>26</b>	<b>(307)</b>

FULL TIME  
PERSONNEL

# CERS RATE HISTORY

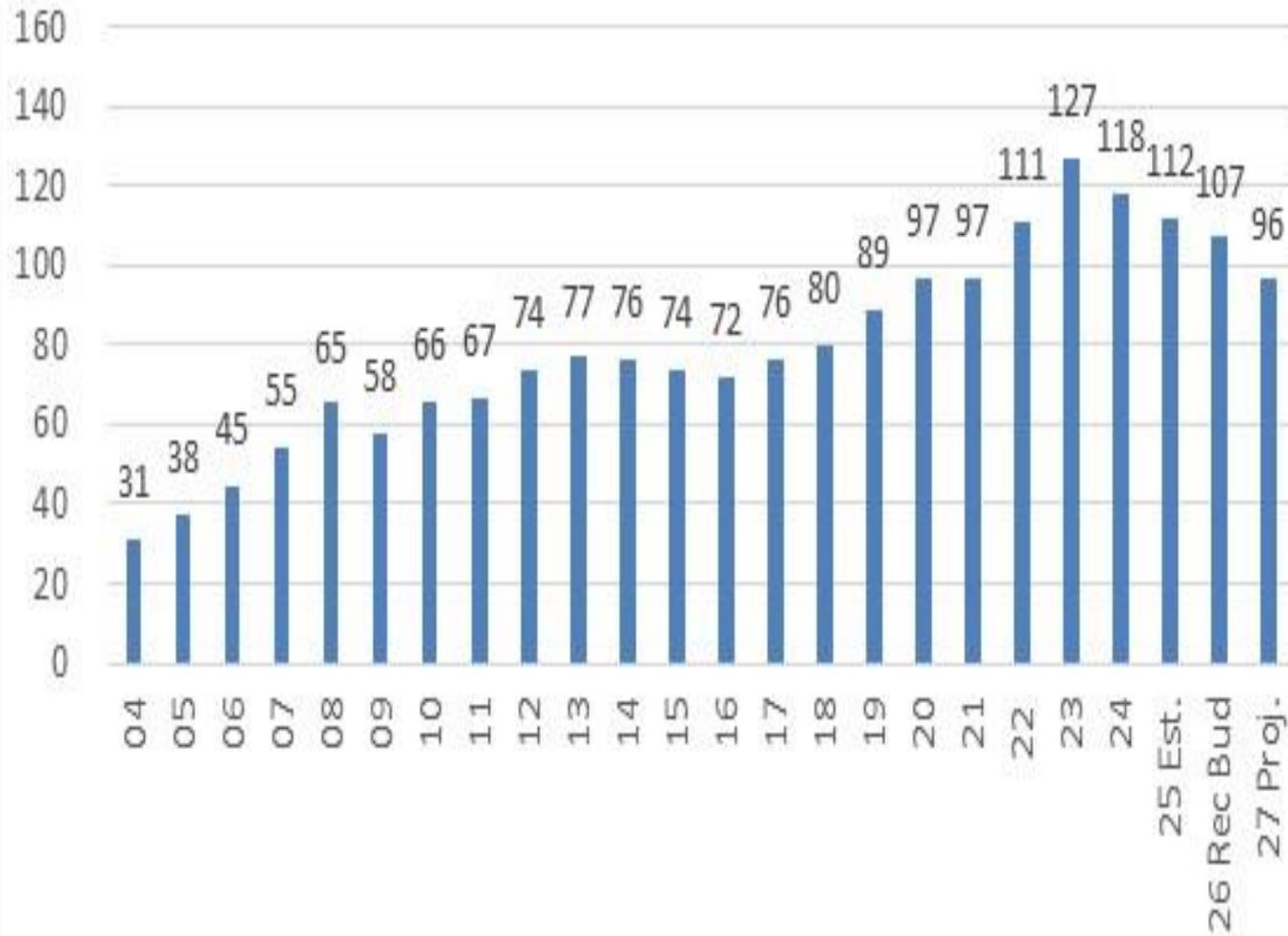
## Hazardous Duty

<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

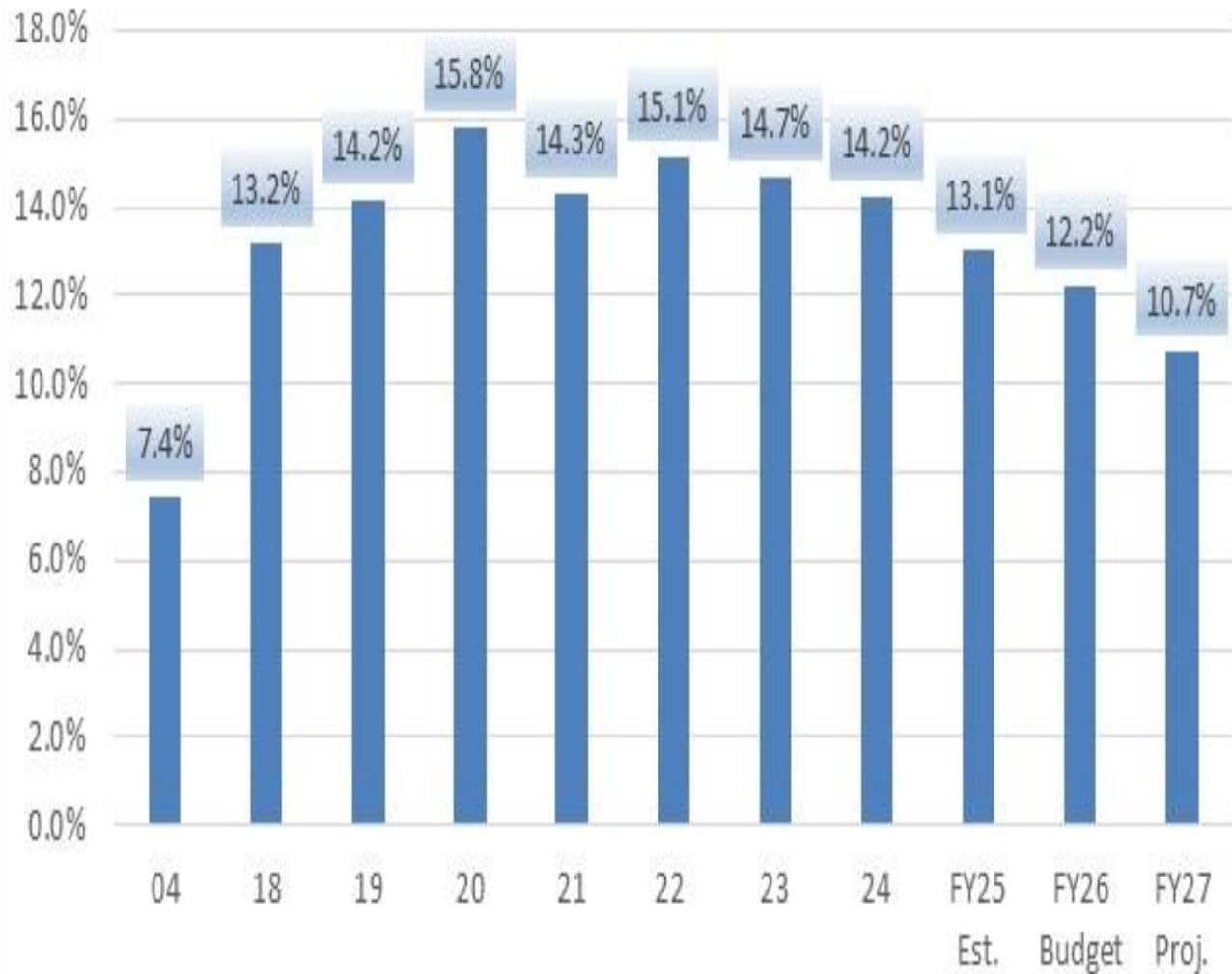
<u>Year</u>	<u>Rate</u>	<u>% Change from Prior Year</u>	<u>Cumulative % Change since FY04</u>
FY04	7.34	15.8%	
FY05	8.48	15.5%	16%
FY06	10.98	29.5%	50%
FY07	13.19	20.1%	80%
FY08	16.17	22.6%	120%
FY09	13.50	(16.5%)	84%
FY10	16.16	19.7%	120%
FY11	16.93	4.8%	131%
FY12	18.96	12.0%	158%
FY13	19.55	3.1%	166%
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)

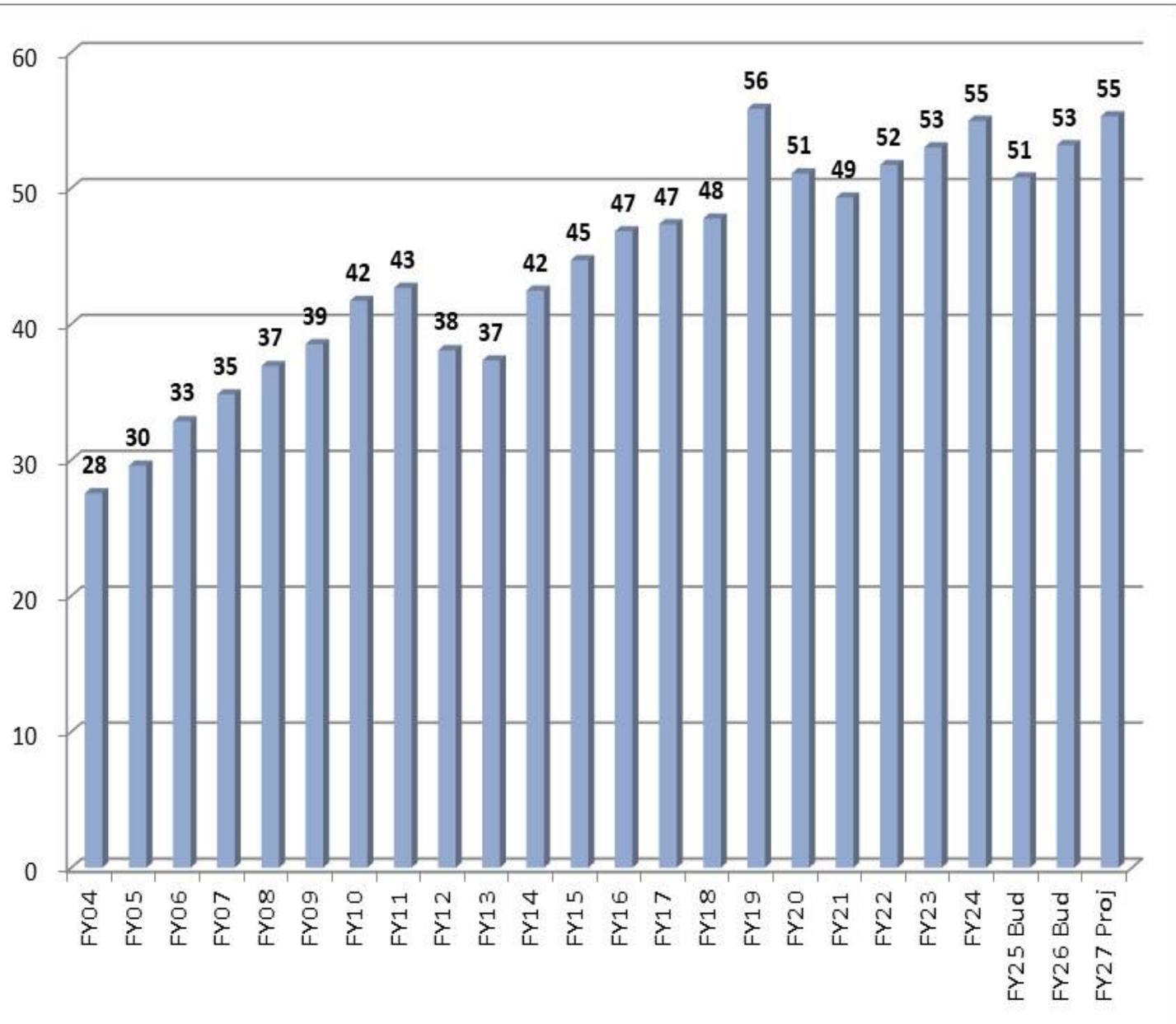


CERS  
CONTRIBUTIONS  
BY FISCAL YEAR

## Pension/General Fund

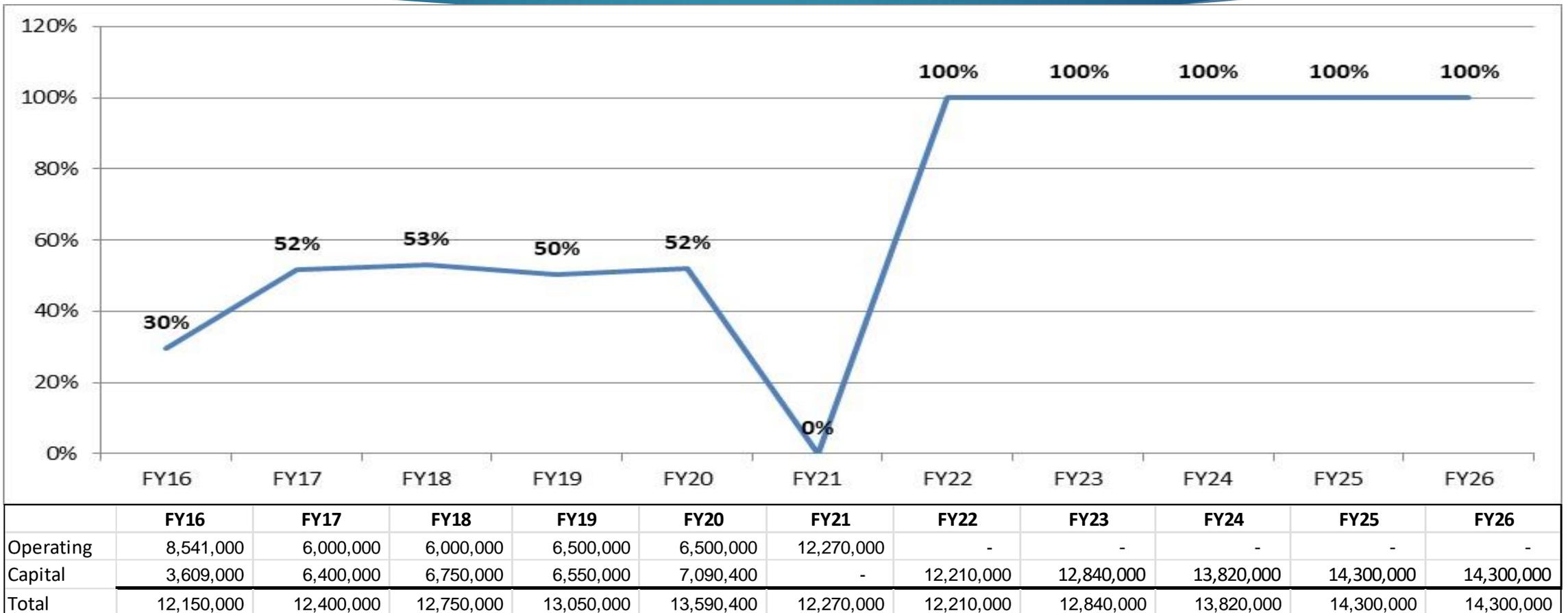


PENSION  
COST AS A %  
OF GENERAL  
FUND  
REVENUES  
BY FISCAL  
YEAR



# 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
<b>SUBTOTAL:</b>	<b>4,321,063</b>	<b>4,234,641</b>	<b>86,421</b>	<b>86,400</b>

**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
<b>SUBTOTAL:</b>	<b>\$74,761,583</b>	<b>\$7,315,054</b>	<b>\$67,446,529</b>	<b>\$67,446,500</b>
<b>FY26 TOTAL:</b>	<b>79,082,645</b>	<b>11,549,695</b>	<b>67,532,950</b>	<b>67,532,900</b>

# 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%

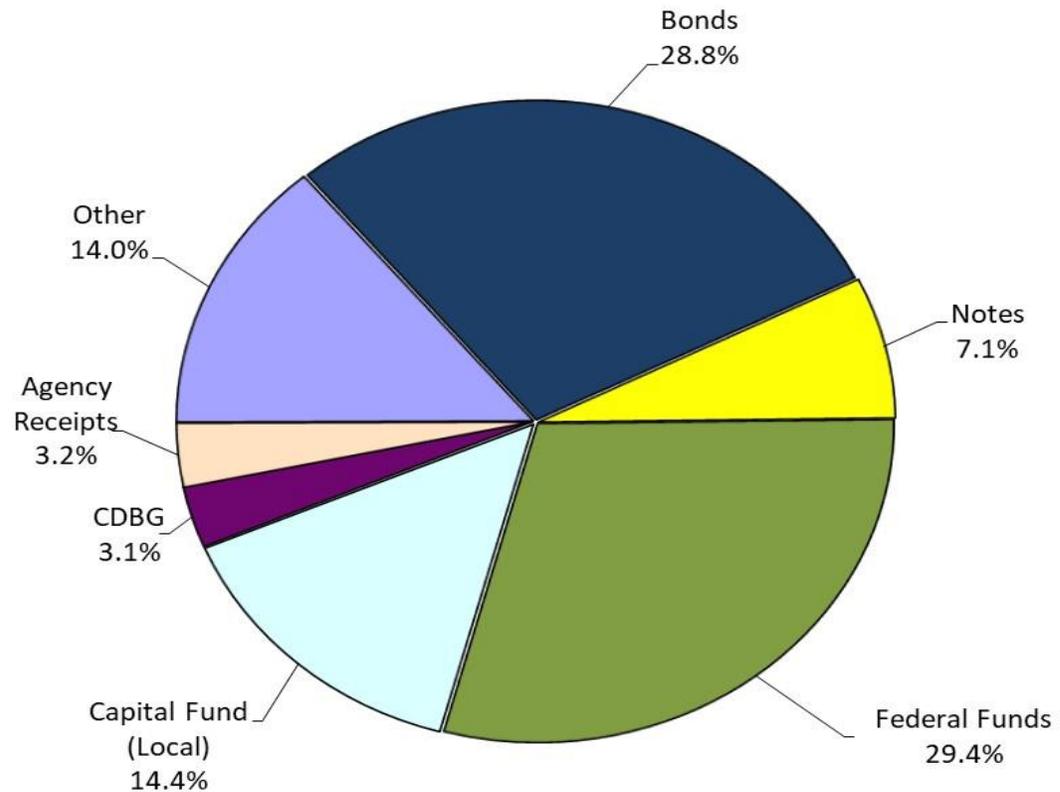
## Debt Service as a Percentage of Budgeted General Fund Revenue

	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

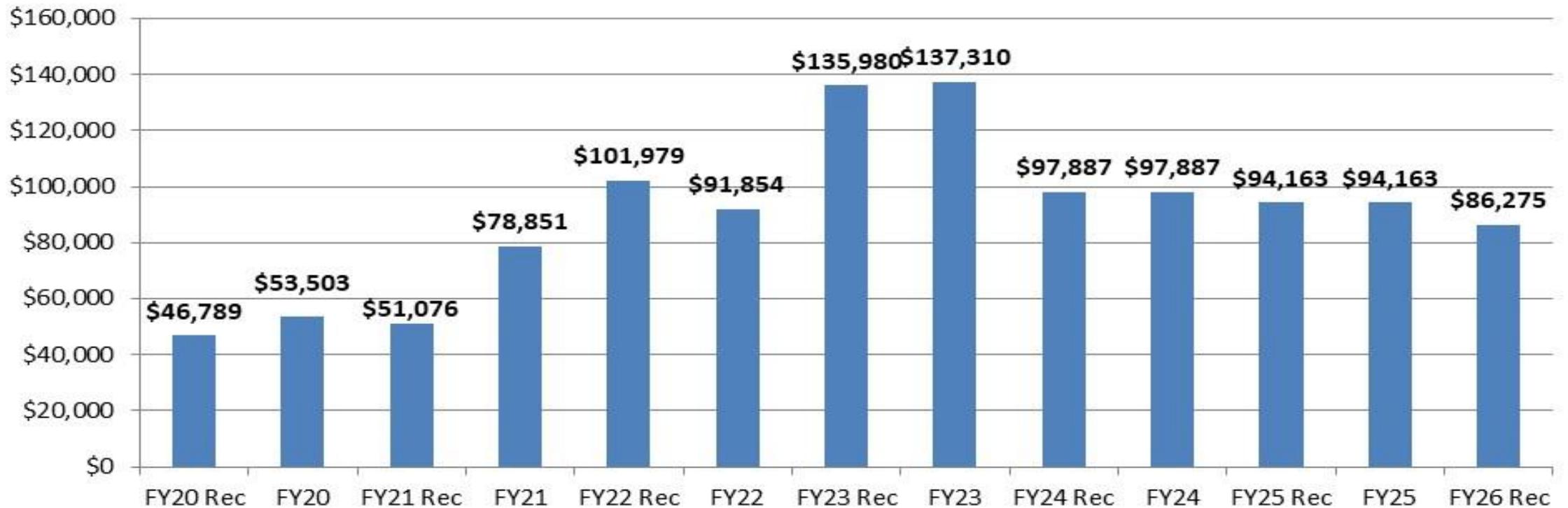
Funding Sources



# 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