

City Council Finance Committee

Meeting Agenda

June 15, 2023

9:00 AM

Electronic Meeting

Members of the public are welcome to attend and give comments remotely; however, the in-person meeting may continue even if technology issues prevent remote participation.

- You can call in to **+1 408 638 0968 or 833 548 0282 (Toll Free)**, Webinar ID **#878 7340 6932**.
- You can log in via your computer. Please visit the City's website here to link to the meeting: www.louisvilleco.gov/council

The Council will accommodate public comments during the meeting. Anyone may also email comments to the Council prior to the meeting at Council@LouisvilleCO.gov.

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. **ITEM 1** - Approval of Minutes, May 18th, 2023 (pg 3/75)
- V. Public Comments on Items Not on the Agenda
- VI. ITEM 2** - Rec Center Renewal & Replacement Calculation – Kathy Martin (pg 7/75)

Persons planning to attend the meeting who need sign language interpretation, translation services, assisted listening systems, Braille, taped material, or special transportation, should contact the City Clerk's Office at 303 335-4536 or MeredythM@LouisvilleCO.gov. A forty-eight-hour notice is requested.

Si requiere una copia en español de esta publicación o necesita un intérprete durante la reunión, por favor llame a la Ciudad al 303.335.4536 o 303.335.4574.

VII. **ITEM 3** – 2023/2024 Solid Waste Hauling Contract Request for Proposals (RFP) Discussion – Kurt Kowar, Director of Public Works and Utilities (pg 10/75)

VIII. **ITEM 4** - 2024/2025 Utility Rate Considerations – Kurt Kowar, Director of Public Works and Utilities (pg 15/75)

IX. **ITEM 5** -Open Space and Parks Sales and Use Tax Extension Update - Adam Blackmore, Director of Parks, Recreation and Open Space (pg 58/75)

X. **ITEM 6** - Marshall Fire Update– City Manager’s Office (pg 60/75)

XI. **ITEM 7** - Sales Tax Reports (pg 64/75) – Mahyar Mansurabadi, Sales Tax Auditor

XII. Finance Director Updates

XIII. Discussion Items for Next Meeting, July 20th

- Annual External Auditor’s Report
- Insurance Coverage(s) Update - Jason McMillan
- Enterprise Dashboards
- Sales Tax Reports
- Marshall Fire Updates, if needed
- Open Space & Parks Sales and Use Tax Extension Update, if needed

XIV. Adjourn

City Council Finance Committee

ITEM #1

9:00 AM | Thursday, May 18, 2023

Virtual Meeting via Zoom
Regular Meeting

Call to Order – Councilmember Dickinson called the meeting to order at 9:02 AM and took roll call.

Committee Members Present: Yes Councilmember Dickinson
Yes Councilmember Hamlington
No Councilmember Hoefner

Staff Present: Jeff Durbin, City Manager
Ryder Bailey, Director of Finance
Ligea Ferraro, Executive Administrator
Kim Baker, Accounting Manager
Meredyth Muth, City Clerk
Adam Blackmore, Director of Parks, Recreation, and Open Space
Mahyar Mansurbadi, Tax Auditor
Dawn Burgess, Risk Management Specialist

Others Present: Councilmember Most
Scott Prickett, Chandler Asset Management
Julie Hughes, Chandler Asset Management
Mayor Pro Tem Fahey

Approval of Agenda:

Councilmember Hamlington made a motion to approve the agenda, seconded by Councilmember Dickenson. Agenda was Approved.

Approval of April 20, 2023 Meeting Minutes:

Councilmember Hamlington made a motion to approve the minutes, Councilmember Dickinson seconded. Minutes were Approved.

Public Comments on Items Not on the Agenda: None.

Finance Director Updates:

The Finance Director provided updates on City and LRC budget approvals, Sales Tax Manager job opening, consultant engaged while the position is being filled. Audit is close to being completed and Audit report should be available in June.

Questions from the Committee: None.

City Investment Policy & Quarterly Report:

Chandler Asset Management introduced themselves and the Director of Finance described the City's relationship with Chandler Asset Management. The investment policies were provided to the committee in the meeting packet. The Chandler representatives presented updates on economic and employment

trends. Next Fed meeting is in June. The Director of Finance noted the City has a lot of short-term investments that will be affected by the trends.

Chandler Asset Management noted the investment portfolio's objectives and presented updates on the City's portfolio.

Questions from the Committee:

Councilmember Dickinson asked for clarification on the inflation trends and there was a discussion about inflation.

Councilmember Most noted that local home sales are slower and older families are moving out and younger families are coming in. Desirability is an important factor for people moving to Louisville.

Councilmember Dickinson asked for clarification on the types of investments in the portfolio.

Councilmember Hamlington asked about strategies to shift investments to plan for possible recession and corporate investment options. Councilmember Hamlington asked if the City's experience with the Marshall Fire and planning for possible future catastrophic events changes our reserves or short/long term investments? The Finance Director noted that these are separate items and this won't change the investment strategy as the City is very liquid in its investments.

Questions from the public: None.

Parks and Open Space Sales and Use Tax Extension:

The Director of Parks, Recreation and Open Space presented an update on the Parks and Open Space Sales Use Tax extension. The final task force meeting was held this week and polling responses were presented at the meeting. Polling indicated approximately 84% approval rating to continue and even an increase. A few community members were vocal about additional funding for open space maintenance and acquisition. A meeting will be scheduled this week to look at ballot language and a possible increase to be included or if increase should be a separate ballot initiative. Feedback was received about the current allocation of the tax.

Questions from the Committee:

Councilmember Dickinson noted that the ballot issue looks positive and the details of the ballot measure will need to be determined.

The City Manager noted that the Finance Committee should continue to consider options for if the measure doesn't pass. Councilmember Dickinson agreed.

Marshall Fire Update:

The Director of Finance provided an update on the Marshall Fire recovery costs and preliminary estimated unrecoverable costs. The City is working with the State on the FEMA requests. The Director of Finance noted that the City is getting about \$20M in assistance. Full impact and lessons learned will be provided to the committee at a future meeting when more information is available.

Questions from the Committee:

Councilmember Dickinson asked for clarification on the business income losses.

Councilmember Hamlington asked if (10:14am)

The City Manager noted that another big cost is the loss of two parks as well as the possibility of a lot of smaller costs piling up.

Councilmember Hamlington asked if the insurance policies are being reviewed with relation to what is covered/not covered and amount of reimbursements.

The City Manager mentioned that Travelers was willing to give a reasonable bid for this year's coverage and the City is working hard to ensure we have good coverage for a reasonable price next year. The Risk Management Specialist noted that the City's loss ratio right now is 11.53.

Fiscal/Reserve Policy Revision:

The Director of Finance presented an overview of the GFOA recommended Reserve Policy and the City's current reserves. The City doesn't have a disaster fund or disaster reserve. The Director of Finance noted that disaster funds are uncommon; most organizations use the General Fund reserve for disasters. It was noted that disaster reserve funds can be useful for cash flow while requesting support from the State and Federal agencies.

There was a discussion around the City's current reserve and what an appropriate reserve level might be.

Questions from the Committee:

Councilmember Hamlington asked if there are any thoughts on raising the requirements for the General Fund to cover disaster costs? The Finance Director noted that the 25% target is higher than the GFOA recommended reserves.

Councilmember Dickinson noted that we're at the target but still uncomfortable so the target was increased to 25%. The Finance Director noted that the City is projected to have about a 39% General Fund reserve for disasters at the end of this fiscal year.

The City Manager noted that the City received \$5M in ARPA funding to assist with disaster recovery.

Sales Tax Reports:

The Tax Auditor presented a summary on the City's 2023 Q1 tax revenues. The Finance Director noted that Bag Tax is remitted quarterly. There was a general discussion about the tax revenue summary.

Questions from the Committee: None.

Items for the Next Regular Meeting, scheduled for June 15, 2023 9:00-11:00 AM:

- Rec Center Renewal & Replacement Calculation – Kathy Martin
- Insurance Coverage Update – Jason McMillan
- Sales Tax Reports
- Marshall Fire Response Updates, if needed
- Parks & Open Space Tax Extension Update, if needed

Items were approved for the next regular meeting.

Adjourn: The meeting adjourned at 11:01 AM.

SUBJECT: RENEWAL & REPLACEMENT RESERVE CALCULATION FOR RECREATION & SENIOR CENTER

DATE: JUNE 15, 2023

**PRESENTED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR
KATHY MARTIN, SUPERINTENDENT OF RECREATION AND SENIOR SERVICES**

SUMMARY:

Section 2.5 Recreation Fund Reserves of the City's Financial Policies state:

"The minimum fund balance of the Recreation Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

In addition to maintaining an operating reserve, the Recreation Fund will also maintain a capital asset renewal and replacement reserve. The purpose of this reserve is to accumulate funds for the timely renewal and replacement of Recreation Center and Memory Square Pool assets. The methodology for calculating this reserve will be approved by the Finance Committee."

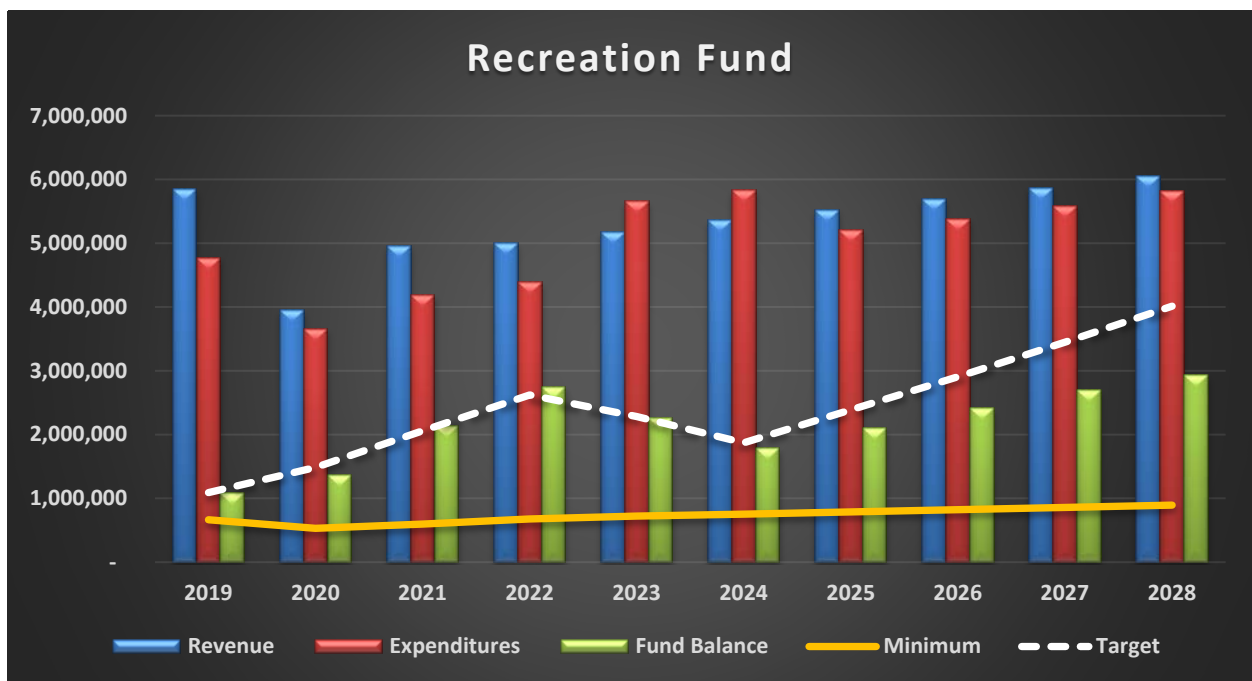
The Finance Committee has developed a calculation methodology for the renewal and replacement reserve. The attached worksheet summarizes the calculations using an updated equipment listing/aging for 2023 and refreshed formulas. The attachment is very difficult to read, staff will share the Excel version with the Committee during the meeting.

The highlighted bottom line of the worksheet represents the Targeted Renewal & Replacement Reserve:

- 2019 = \$391,009
- 2020 = \$839,074
- 2021 = \$1,382,971
- 2022 = \$1,701,066
- 2023 = \$2,306,866
- 2024 = \$2,930,840
- 2025 = \$3,137,563
- 2026 = \$3,394,067
- 2027 = \$3,675,751
- 2028 = \$3,968,189

The City Manager’s Budget Message for the 2023 Budget contained the following:

“Incorporating the revenue assumptions, the operating expenditure targets, the proposed interfund transfers, and the updated C-I-P projections outlined in the preceding discussion, the following chart summarizes a history and projection of revenue, expenditures, and fund balances for the Recreation Fund.”



The projected Recreation Fund balance at the end of 2024 is \$1.8 million, well above the 15% of operating expenditures, but not covering all the renewal and replacement reserve.

Staff will be available at the meeting to summarize the renewal and replacement calculations and to answer any questions.

DRAFT - 6/6/23																										
Recreation & Senior Center and Memory Square Pool																										
25-Year Building and Equipment Renewal and Replacement Projection																										
Source & Uses Statement for Recreation Fund																										
Assumptions:																										
Building Renewal and Replacement Reserve Factor (Perkins+Will)	2.00%																									
Initial Building Replacement Value for Non-Core and Shell (Perkins+Will)	13,116,687 (Includes Soft Costs)																									
Annual Building Current Replacement Value Inflation Factor	3.00%																									
Annual FF&E Replacement Value Inflation Factor	3.00%																									
Annual Sales Tax Inflation Factor	3.00%																									
Annual Intergovernmental Revenue and Charges for Services Fee Inflation	3.00%																									
Annual Non-Capital Operating Expense Inflation Factor (Cost of Government)	3.00%																									
Annual CIP Allocation Inflation Factor	3.00%																									
Annual Turnback Percentage	4.00%																									
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	25 Year Reserve/Expenditures
	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	Fiscal Year 2036	Fiscal Year 2037	Fiscal Year 2038	Fiscal Year 2039	Fiscal Year 2040	Fiscal Year 2041	Fiscal Year 2042	Fiscal Year 2043	Fiscal Year 2044
Furniture, Fixtures, and Equipment (FF&E) Replacement																										
FF&E Replacement Value with 2 Year Replacement Cycle	152,680	183,337	194,337	200,167	204,514	210,650	216,969	223,478	230,183	237,088	244,201	251,527	259,072	266,845	274,850	283,095	291,588	300,336	309,346	318,626	328,185	338,031	348,172	358,617	369,375	3,297,635
Annual Renewal and Replacement Reserve for FF&E with 2 Year Replacement	2	76,340	91,669	97,169	100,084	102,257	105,325	108,485	111,739	115,091	118,544	122,100	125,763	129,536	133,422	137,425	141,548	145,794	150,168	154,673	159,313	164,093	169,015	174,086	179,308	184,688
FF&E Replacement Value with 3 Year Replacement Cycle	183,304	177,645	189,195	194,770	210,540	216,856	223,362	230,063	236,965	244,074	251,396	258,938	266,706	274,707	282,948	291,437	300,180	309,185	318,461	328,014	337,855	347,991	358,430	369,183	380,259	2,260,854
Annual Renewal and Replacement Reserve for FF&E with 3 Year Replacement	3	61,101	59,215	63,065	64,957	70,180	72,285	74,454	76,688	78,988	81,358	83,799	86,313	88,902	91,569	94,316	97,146	100,060	103,062	106,154	109,338	112,618	115,997	119,477	123,061	126,753
FF&E Replacement Value with 4 Year Replacement Cycle	7,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Renewal and Replacement Reserve for FF&E with 4 Year Replacement	4	1,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,925
FF&E Replacement Value with 5 Year Replacement Cycle	107,149	112,209	112,209	115,575	119,042	122,614	126,292	130,081	133,983	138,003	142,143	146,407	150,799	155,323	159,983	164,782	169,726	174,818	180,062	185,464	191,028	196,759	202,662	208,741	215,004	772,171
Annual Renewal and Replacement Reserve for FF&E with 5 Year Replacement	5	21,430	22,442	22,442	23,115	23,808	24,523	25,258	26,016	26,797	27,601	28,429	29,281	30,160	31,065	31,997	32,956	33,946	34,964	36,012	37,093	38,206	39,352	40,532	41,748	43,001
FF&E Replacement Value with 6 Year Replacement Cycle	8,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Renewal and Replacement Reserve for FF&E with 6 Year Replacement	6	1,467	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,467
FF&E Replacement Value with 7 Year Replacement Cycle	22,786	30,618	30,618	31,536	38,232	39,379	40,560	41,777	43,030	44,321	45,651	47,020	48,431	49,884	51,380	52,921	54,509	56,144	57,829	59,564	61,350	63,191	65,087	67,039	69,051	173,129
Annual Renewal and Replacement Reserve for FF&E with 7 Year Replacement	7	3,255	4,374	4,374	4,505	5,462	5,626	5,794	5,968	6,147	6,332	6,522	6,717	6,919	7,126	7,340	7,560	7,787	8,021	8,261	8,509	8,764	9,027	9,298	9,577	9,864
FF&E Replacement Value with 8 Year Replacement Cycle	234,683	324,610	333,025	343,016	421,110	433,743	446,755	460,158	473,963	488,182	502,827	517,912	533,449	549,453	565,936	582,914	600,402	618,414	636,966	656,075	675,757	696,030	716,911	738,418	760,571	1,663,910
Annual Renewal and Replacement Reserve for FF&E with 8 Year Replacement	8	29,335	40,576	41,628	42,877	52,639	54,218	55,844	57,520	59,245	61,023	62,853	64,739	66,681	68,682	70,742	72,864	75,050	77,302	79,621	82,009	84,470	87,004	89,614	92,302	95,071
FF&E Replacement Value with 10 Year Replacement Cycle	444,241	345,403	345,403	355,765	366,438	377,432	388,754	400,417	412,430	424,802	437,547	450,673	464,193	478,119	492,463	507,236	522,453	538,127	554,271	570,899	588,026	605,667	623,837	642,552	661,828	1,199,898
Annual Renewal and Replacement Reserve for FF&E with 10 Year Replacement	10	44,424	34,540	34,540	35,577	36,644	37,743	38,875	40,042	41,243	42,480	43,755	45,067	46,419	47,812	49,246	50,724	52,245	53,813	55,427	57,090	58,803	60,567	62,384	64,255	66,183
FF&E Replacement Value with 15 Year Replacement Cycle	225,616	225,616	225,616	232,384	239,356	246,536	253,932	261,550	269,397	277,479	285,803	294,377	303,208	312,305	321,674	331,324	341,264	351,502	362,047	372,908	384,095	395,618	407,487	419,711	432,303	1,199,898
Annual Renewal and Replacement Reserve for FF&E with 15 Year Replacement	15	15,041	15,041	15,041	15,492	15,957	16,436	16,929	17,437	17,960	18,499	19,054	19,625	20,214	20,820	21,445	22,088	22,751	23,433	24,136	24,861	25,606	26,375	27,166	27,981	28,820
FF&E Replacement Value with 20 Year Replacement Cycle	52,800	52,800	52,800	54,384	56,016	57,696	59,427	61,210	63,046	64,937	66,885	68,892	70,959	73,088	75,280	77,539	79,865	82,261	84,728	87,270	89,888	92,585	95,363	98,224	101,170	90,956
Annual Renewal and Replacement Reserve for FF&E with 20 Year Replacement	20	2,640	2,640	2,640	2,719	2,801	2,885	2,971	3,060	3,152	3,247	3,344	3,445	3,548	3,654	3,764	3,877	3,993	4,113	4,236	4,364	4,494	4,629	4,768	4,911	5,059
FF&E Replacement Value with 25 Year Replacement Cycle	18,700	18,700	18,700	19,261	19,839	20,434	21,047	21,678	22,329	22,999	23,689	24,399	25,131	25,885	26,662	27,462	28,285	29,134	30,008	30,908	31,835	32,791	33,774	34,788	35,831	25,771
Annual Renewal and Replacement Reserve for FF&E with 25 Year Replacement	25	748	748	748	770	794	817	842	867	893	920	948	976	1,005	1,035	1,066	1,098	1,131	1,165	1,200	1,236	1,273	1,312	1,351	1,392	1,433
Annual Renewal and Replacement Reserve for all FF&E		257,706	271,245	281,647	290,096	310,541	319,857	329,453	339,337	349,517	360,002	370,802	381,926	393,384	405,186	417,341	429,862	442,757	456,040	469,721	483,813	498,327	513,277	528,675	544,536	10,005,922
Annual FF&E 2 Year Expenditures	2						197,252		207,582		220,224		233,635		247,864		262,959		278,973		295,962		313,986		333,108	353,394
Annual FF&E 3 Year Expenditures	3							198,202		223,427			244,145			267,783			291,521			318,553			348,092	368,922
Annual FF&E 4 Year Expenditures	4													138,123						160,123						603,018
Annual FF&E 5 Year Expenditures	5									119,146																
Annual FF&E 6 Year Expenditures	6																									
Annual FF&E 7 Year Expenditures	7										37,876															146,059
Annual FF&E 8 Year Expenditures	8											424,994														983,907
Annual FF&E 10 Year Expenditures	10													395,966												928,112
Annual FF&E 15 Year Expenditures	15																			279,747						279,747
Annual FF&E 20 Year Expenditures	20																							70,938		70,938
Annual FF&E 25 Year Expenditures	25																									
Total Annual FF&E Expenditure					197,252	198,202	207,582	119,146	443,651	37,876	658,629	244,145	781,953		529,742		327,488	731,391	854,876		632,540		1,121,817	407,760	353,394	7,847,443
Building Renewal and Replacement																										
Current Replacement Value of Non-Core and Shell (Entire Building)		13,116,687	13,510,188	13,915,493	14,332,958	14,762,947	15,205,835	15,662,010	16,131,871	16,615,827	17,114,302	17,627,731	18,156,563	18,701,259	19,262,297	19,840,166	20,435,371	21,048,432	21,679,885	22,330,282	23,000,190	23,690,196	24,400,902	25,132,929	25,886,917	26,663,524
Average Building Annual Renewal and Replacement Expense		262,334	270,204	278,310	286,659	295,259	304,117	313,240	322,637	332,317	342,286	352,555	363,131	374,025	385,246	396,803	408,707	420,969	433,598	446,606	460,004	473,804	488,018	502,659	517,738	533,270
Sources and Uses - Recreation Center Fund																										
Sources of Funds:																										
Taxes		936,957	847,856	1,019,338	1,095,420	1,141,080	1,207,060	1,249,670	1,290,800	1,339,210	1,385,420	1,426,983	1,469,792	1,513,886	1,559,302	1,606,081	1,654,264	1,703,892	1,755,009	1,807,659	1,861,889	1,917,745	1,975,278	2,034,536	2,095,572	2,158,439
Intergovernmental Revenue		57,840	161,502	191,675	175,650	145,310	145,310	145,310	145,310	145,310	145,310	149,669	154,159	158,784	163,548	168,454	173,508	178,713	184,074	189,597	195,284	201,143	207,177	213,393	219,794	226,388
Charges for Services		2,908,975	1,086,157	2,103,996	2,319,980	2,430,110	2,504,020	2,577,940	2,652,090	2,728,730	2,807,880	2,892,116	2,978,880	3,068,246	3,160,294	3,255,102	3,352,756	3,453,338	3,556,938	3,663,647	3,773,556	3,886,763	4,003,365	4,123,467	4,247,170	4,376,586
Miscellaneous		94,721	199,881	75,757	101,660	81,980	81,400	89,160	95,730	102,570	109,100	112,373	115,744	119,217	122,793	126,477	130,271	134,179	138,205	142,351	146,621	151,020	155,551	160,216	1	

Memorandum | Public Works & Utilities

To: Finance Committee
CC: Jeff Durbin, City Manager
From: Kurt Kowar, P.E., Director of Public Works and Utilities
Date: 6/8/2023
Re: Solid Waste Request For Proposal Recommendations

Staff is providing opportunity for discussion regarding components of the Solid Waste Request for Proposal (RFP) prior to finalizing information and beginning the advertising process in November of 2023.

This topic was previously discussed with the City Council on April 4, 2023: [Link](#)

This memo serves to provide staff recommendations, additional details, and follow-up from the April 4, 2023 discussion.

- Pay As You Throw Increment – 100%
- Day of Week Service
 - Any Day of Week – Base Bid
 - One Day of Week – Bid Alternate
- Selection Committee – City Staff
- RFP Scoring Criteria Adjusted to Weight Customer Service
- Incentives/Penalties

1. Pay as You Throw Increment

Staff is not recommending any changes to the Pay as You Throw rate structure.

The current Pay as You Throw structure charges a 100% increment for each size increase in trash bin from 35g (1x) to 65g (2x) to 95g (3x).

2. Day of Week Services

The City currently receives solid waste services on Tuesday – Friday. Given that this is the current service basis this will be the Base Bid for services days in the RFP.

An Alternate Bid item will be required for a single day of the week service to allow for review of value in multiple days versus one day service.

Changing days of the week for service is doable but does present frustrations and confusion for residents during transition.

3. Selection Committee

A City Staff selection committee has historically reviewed RFP responses, summarized information, and made recommendations to City Council for approval. The selection committee will at a minimum consist of:

- Public Works & Utilities Director
- Facilities Manager
- Sustainability Manager

Other City Staff may contribute to the selection process beyond those currently identified.

4. RFP Scoring Criteria and Customer Service Weighting

2019 RFP Scoring Criteria

In 2019 the following scoring criteria were utilized for comparison of RFP's:

Points	70	5	5	5	5	5	5	100
Weight	70%	5%	5%	5%	5%	5%	5%	100%
Contractor Company	Pricing	Services	RFP	References	Schedule	Equipment	Interview	Totals
X	75	4.5	5	5	4	5	5	103.5
Y	70	4.5	5	5	5	4	5	98.5
							Diff	5

Pricing. Net pricing based upon the 2019 cart mix resulted in a 5-year contract savings of \$584,000 from the current 2019 pricing with the Republic Services bid. The Western Disposal bid offered a 5-year contract savings of \$125,000. Assuming all things equal this represented a 5 point difference in scoring and represented an 8.3% overall savings from rates at that time and was 6.5% less than the Western Disposal bid.

Services. Services provided by vendors are generally on par and offer various miscellaneous extras such as bulk pickup, paper shredding, curbside branch/leaf pickup, etc.

RFP. Request for Proposal scoring represents the overall completeness, adherence to instructions, and quality of the documentation submitted.

References. City Staff will contact vendor provided references to inquire into service quality and satisfaction of other like agencies. Generally, references will all provide positive feedback.

Schedule. Schedule scoring may represent what is desired versus what the competitive vendor provides. In the case of the 2019 bid process, Thursday service was desired, but the City was open to entertaining other service schedules.

Equipment. City Staff will review equipment provided for the contract for industry standards of quality, functionality, or additional factors such as sustainability.

Interview. The City Staff selection committee will evaluate the vendors team and their levels of experience and professionalism in relation to the City’s contract.

Overall, each time the City works through this process the scoring is very competitive and decisions aren’t necessarily obvious or straight forward.

Adjustment to Incorporate Added Customer Service Criteria

Historical RFP scoring criteria could be updated to include a Customer Service Criteria.

This new criterion could provide the following scoring points:

- (5) Exceptional Customer Service
- (2.5) Satisfactory Customer Service
- (0) Neutral/Unknown Customer Service
- (-2.5) Unsatisfactory Customer Service
- (-5) Poor Customer Service

Points	5	5	65	5	5	5	5	5	100
Weight	5%	5%	65%	5%	5%	5%	5%	5%	100%
Vendor	RFP Quality	Interview	Pricing	Customer Service	Schedule	Equipment	Additional Services	References	Totals
X	5.00	5.00	65.00	-5.00	5.00	5.00	5.00	5.00	90.00
Y	5.00	5.00	65.00	0.00	5.00	5.00	5.00	5.00	95.00
Z	5.00	5.00	65.00	5.00	5.00	5.00	5.00	5.00	100.00

In the example above, assuming all things equal except Customer Service, Vendor X, providing poor customer service (-5 points) would need to overcome a 10 point deficit to Vendor Z, providing exceptional customer service (5 points). Vendor Y, a vendor the City had not previously worked with would be an unknown customer service quality (0 points).

Differences in pricing and how competitive bidder pricing is relative to their perceived customer service levels could be one way to provide an objective way to score vendors with further emphasis on Customer Service.

The following table provides a quick reference to the relationship for the percent difference in price versus the associated calculated point difference:

Price Diff	65.00	Points Diff	Price Diff	Points Diff
1.00%	64.35	0.65	11.00%	57.85 7.15
2.00%	63.70	1.30	12.00%	57.20 7.80
3.00%	63.05	1.95	13.00%	56.55 8.45
4.00%	62.40	2.60	14.00%	55.90 9.10
5.00%	61.75	3.25	15.00%	55.25 9.75
6.00%	61.10	3.90	16.00%	54.60 10.40
7.00%	60.45	4.55	17.00%	53.95 11.05
8.00%	59.80	5.20	18.00%	53.30 11.70
9.00%	59.15	5.85	19.00%	52.65 12.35
10.00%	58.50	6.50	20.00%	52.00 13.00

In the current example, the green shaded percentages represent the range for the previous 2019 bid difference of 6.5% difference between Republic Services and Western Disposal.

Vendor Z with a poor customer service rating would need to have pricing approximately 16% less than Vendor X with an excellent customer service rating.

Vendor Y, that the City has not previously worked with and is unknown would need to provide pricing approximately 8% less than Vendor Z.

This example provides an objective way to discuss Customer Service Rating. The scoring provided may need to be weighted differently to meet the City Council’s expectations.

Simplified, from 2010 – 2019, Western Disposal likely experienced 25-50 complaints per month and was superior at addressing customer concerns. Republic Services seems to experience 50-100 complaints per month and struggles at time to address customer concerns or operational service issues.

Lastly, conversations regarding strict adherence to local customer service requirements and any breach of this expectation should be had. These expectations versus industry realities may limit available qualified bidders.

Ultimately, determining how much more Excellent Customer Service is worth should be a primary focus of this conversation.

A high-level perspective on increased customer cost is as follows:

- 48% of customers with 35g trash bin pay \$13.92 / mo. (10% ~ \$1.40, 20% ~ \$2.80)
- 39% of customers with 65g trash bin pay \$27.84 / mo. (10% ~ \$2.80, 20% ~ \$5.60)
- 11% of customers with 95g trash bin pay \$41.86 / mo. (10% ~ \$5.60, 20% ~ \$11.20)

5. Incentives/Penalties

The City's contract for solid waste services provides for fines and penalties under various conditions. It also provides for service interruptions during in inclement weather and force majeure.

When there are concerns identified by residents it takes time and discussion to identify if the concern is valid and collect information from both the Resident and Republic to validate the issue. The City historically has not utilized fines and penalties as a method to incentivize its vendors to perform adequately. Staff has taken a partnership approach and worked to improve service level issues through constructive conversations with business partners.

Incentivizing the contract would require additional tracking and verification of metrics that the City does not currently monitor and verify.

The entire contract is managed solely by the Public Works & Utilities Director with minor assistance from the Utility Billing and Finance Staff for billing coordination and front desk customer service calls.

Significant changes to contract philosophy to include aggressively using penalties or incentives would require addition of staff for monitoring and ongoing verification of issues and benchmarks. Based upon the 2019 bid pricing, the addition of one staff person would wipe out any program savings by selecting the lowest bidder at which point selection of the most qualified bidder would be recommended.

SUBJECT: 2024 Preliminary Utility Rates - Discussion

DATE: JUNE 15TH, 2023

PRESENTED BY: Kurt Kowar, P.E., Director of Public Works and Utilities

SUMMARY:

The Finance Committee is being asked to consider preliminary utility rates for 2024.

BACKGROUND:

Refer to PowerPoint Presentation for Background on rates.

FISCAL IMPACT:

Refer to PowerPoint Presentation for Background on rates.



2024 Preliminary Utility Rates Finance Committee

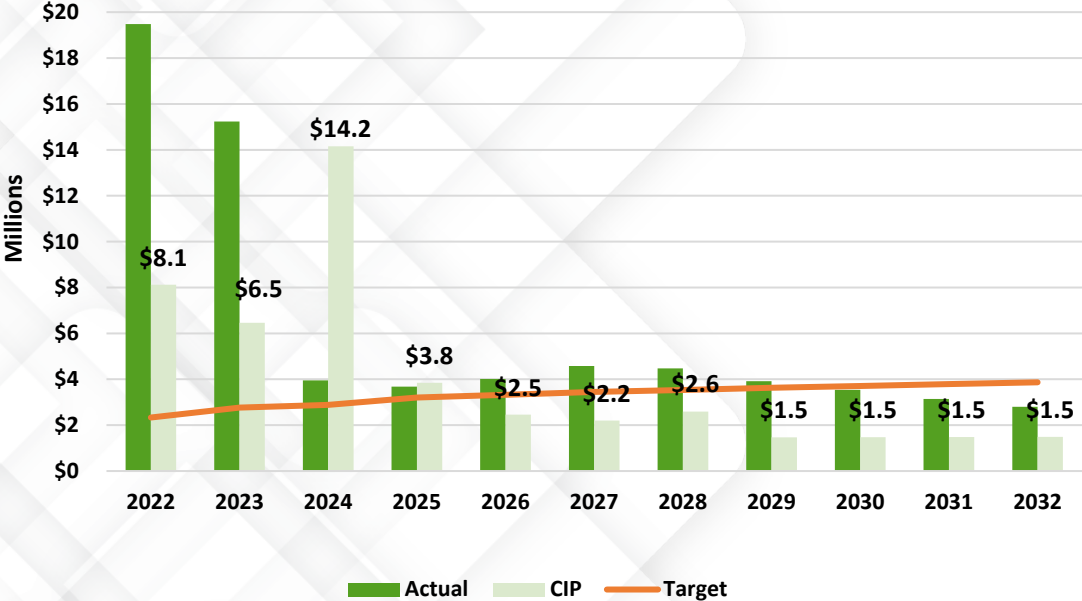
June 15, 2023

Overview

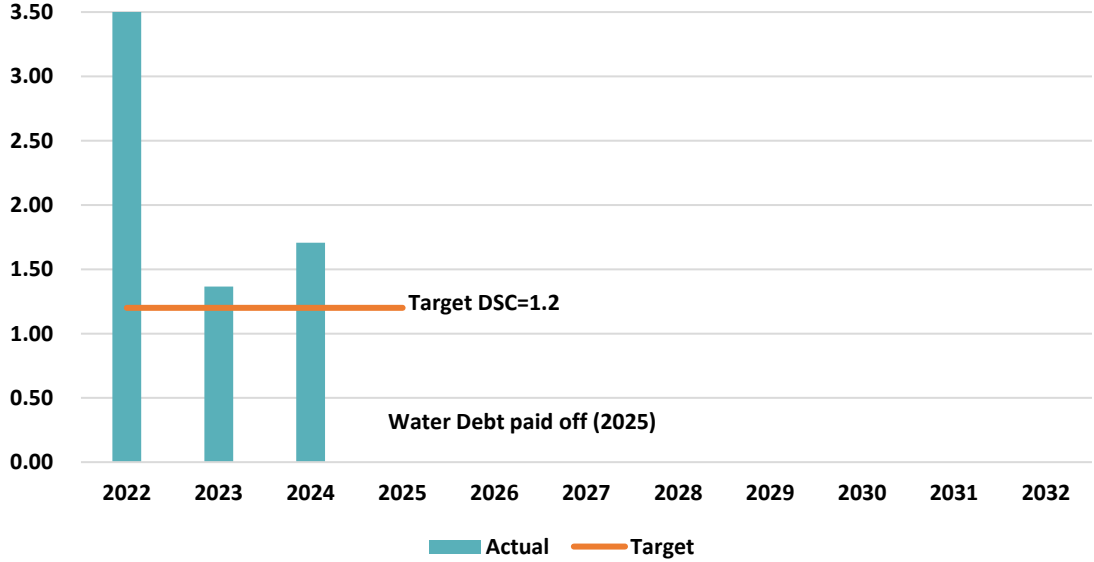
- Rate Drivers
- Baseline Financial Equation
- Performance Metrics
- Fund History
- Future Influencing Factors
- Rate Options
- Surrounding Community Comparison

Rate Drivers

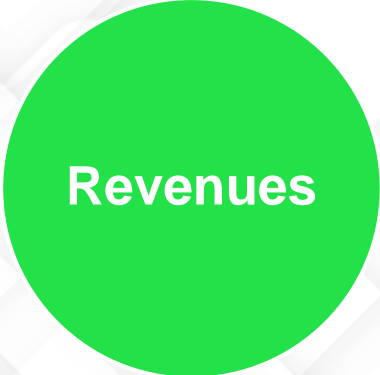
Cash Reserves (2023 - Water 90 days O&M)



Debt Service Coverage[DSC] (2023 - Water)



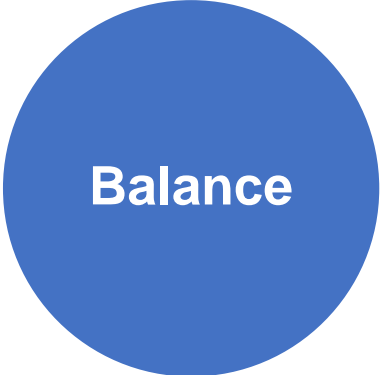
Baseline Financial Equation



- Monthly Rates (variable)
- Tap Fees (projections)



- O&M (fixed*)
- CIPs (variable)



- Target/Goal

* Majority of Utility O&M costs (chemicals, electricity, repairs, staffing, etc.) are fixed.

Financial Planning Performance Metrics (the same for all 3 Utilities)

Cash Reserves:

90 days cash or 25% of Total O&M

Working Capital Reserves Policy (section 2.4):

25% of current operating expenses

Rate Minimum:

Set to cover any increases in operating and maintenance costs

Turnback:

Set at 0%

Financial Planning Performance Metrics

Debt Service Coverage (DSC):

Ratio of net revenues
(operating revenue less operating expense)
to annual debt service payment

Target DCS above required minimum values

- Conservative approach to ensure legal DSC minimums are met even if revenue forecasts are not achieved
- Maintain or achieve higher credit ratings

Debt Service Coverage

Minimum target represented by the combination of all three Utility Funds

Required DSC Ratio

Colorado Water Resources and Power Development Authority	1.10
2013 Water and Wastewater Enterprise Revenue Bonds	1.15

Dual Target DSC Ratio

Fund	w/o Tap Fees	with Tap Fees
Water	1.2	1.4
Wastewater	1.2	1.3
Storm	1.3	1.3 ⁽¹⁾

(1) A tap fee for the stormwater utility has not been established, therefore the dual target is not used

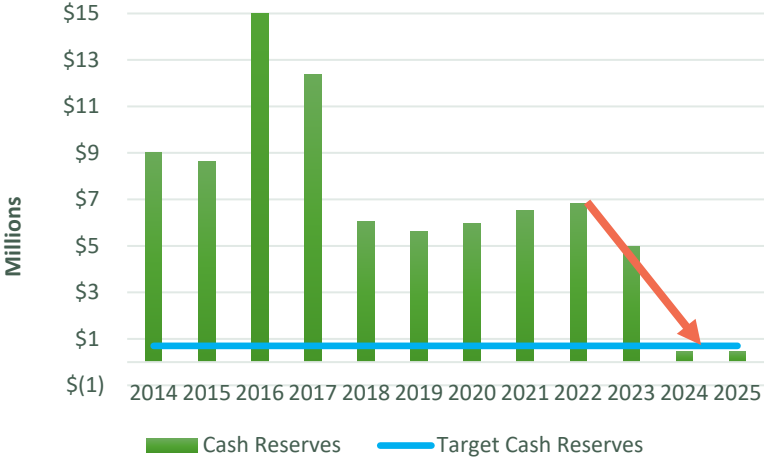
Utility Reserves History

Water Cash Reserves



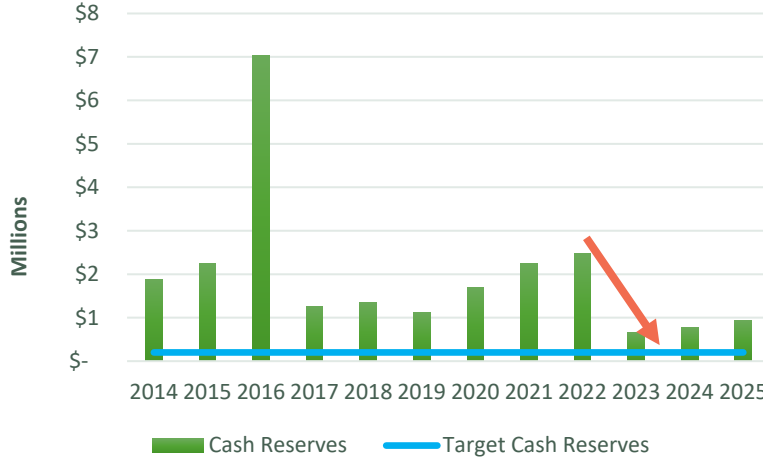
\$18 M to \$1.2M

Wastewater Cash Reserves



\$7M to \$0.7M

Stormwater Cash Reserves



\$2.5M to \$0.2M

Cash Reserve Policy Considerations

<u>2025 PROJECTIONS</u>	Water	Wastewater	Stormwater	Variability
Avg. Revenue	\$6.1M	\$4.9M	\$1.4M	Low – Med
Debt	\$-	\$2.0M	\$0.4M	Low
O&M Expenses	\$5.0M	\$2.8M	\$0.5M	Low – Med
Net	\$1.1M	\$0.1M	\$0.5M	
CIP Ranges	\$10k - \$6M	\$10k - \$6M	\$10k - \$6M	Med - High
Sensitivity to Change	Low - Med	High	High	
Tap Fees	\$180k - \$2M	\$10k - \$230k	\$-	High
Avg. Monthly Bills	\$45 (9k gals)	\$41 (4k gals)	\$8 (SFEQ)	Low

Debt Issuance

Utility	Debt Service Payment (\$million)						
	2023	2024	2025	2026	2027	2028	2029
Water	\$0.9M	\$0.9M	\$0	\$0	\$0	\$0	\$0
Wastewater	\$1.3M	\$1.3M	\$2.0M	\$2.0M	\$2.0M	\$2.0M	\$2.0M
Stormwater	\$0.3M	\$0.3M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M
Total	\$2.5M	\$2.5M	\$2.4M	\$2.4M	\$2.4M	\$2.4M	\$2.4M

AACE CIP Cost Estimate Classification

Estimating Class	Name	Project Definition level	Contingency Projections
Class 5	Order of magnitude	0% to 2%	30% to 100%
Class 4	Intermediate	1% to 15%	20% to 50%
Class 3	Preliminary	10% to 40%	10% to 30%
Class 2	Substantive	30% to 70%	5% to 20%
Class 1	Definitive	50% to 100%	3% to 15%

CIP Confidence

Action	Frequency	Forecast Period	Cost Estimate Classification
Master Plan	10 yrs	10-20+ yrs	Class 5 (30% to 100%)
Budget	2 yrs	6 yrs	Class 3 (10% to 30%)
Designs / Bids	1 yr	1-2 yrs	Class 2 (5% to 20%)
Rate Planning	1 yr	10 yrs	Classes 2-5 (5% to 100%)

Modeled Tap Fee

Utility	2023	2024	2025	2026	2027	2028	2029	Total
Water	\$1.7M	\$2.1M	\$2.2M	\$1.6M	\$1.8M	\$1.7M	\$0.2M	\$11.3M
Wastewater	\$284k	\$199k	\$244k	\$148k	\$188k	\$170k	\$9k	\$1.2M

** includes tap fee projections for the Redtail Ridge Development in 2024-2026*

Future Influencing Factors (next 12 to 18 months)

ITEMS	New Projects	Revenues	Expenditures	2023 Update
Supply/Material and Labor Issues	No	Unchanged	Increase	2021 O&M - \$6.4M 2023 O&M - \$8M (25%)
Federal Infrastructure Bill	Yes	Increase	Increase or Decrease	In process (+/- \$3M)
2022/23 Water/Wastewater Master Plan & Long Range Capital Replacement	Yes	Unchanged	Increase	In process (\$15M to \$91M+)
Additional Development	Yes	Increase	Increase	Rev \$0 - \$50M

Rate Options Overview

Options

A: Baseline (Planned CIPs & Inflation)

B: Master Plan (A + Master Plan Projects)

C: Reserve Policy (A + B + Increase in Reserves)

WATER

2023-2024 Capital Budget

Project Name	2023	2024	2025	2026	2027	2028	6-Year Totals
Water Pipeline Replacement	\$ 540,500	\$ 724,500	\$ 520,000	\$ 520,000	\$ 520,000	\$ 590,000	\$ 3,415,000
HVAC Replacement at NWTP	\$ 35,000						\$ 35,000
Water Heater Replacement at NWTP	\$ 25,000						\$ 25,000
Reservoir Inundation Map Update	\$ 60,000						\$ 60,000
Meter Replacement	\$ 1,900,000	\$ 1,900,000					\$ 3,800,000
Windy Gap	\$ 680,000	\$ 512,000	\$ 512,000	\$ 1,177,000	\$ 1,177,000	\$ 1,177,000	\$ 5,235,000
SCWTP Filter Media Replacement	\$ 616,000						\$ 616,000
SCWTP Residual Management	\$ 800,000	\$ 5,200,000					\$ 6,000,000
Vehicle Replacement	\$ 80,000	\$ 50,000					\$ 130,000
Water Rights Acquisitions	\$ 1,250,000	\$ 250,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,500,000
SBR Ditch Lining	\$ 425,000					\$ 325,000	\$ 750,000
Laboratory Refrigerators	\$ 30,150						\$ 30,150
Wheel Saw Attachment	\$ 14,000						\$ 14,000
Message Board Trailer	\$ 7,750						\$ 7,750
Harper Pump Station Improvements		\$ 200,000	\$ 1,930,000				\$ 2,130,000
Louisville Lateral Ditch Piping		\$ 3,016,000					\$ 3,016,000
SCWTP Administration Building Expansion		\$ 2,300,000					\$ 2,300,000
HBWTP Drying Bed Maintenance			\$ 221,000				\$ 221,000
High Zone Tank Security			\$ 60,000				\$ 60,000
Snow Plow Replacement			\$ 105,000				\$ 105,000
Instrumentation Replacement				\$ 260,000			\$ 260,000
TOTALS	\$ 6,463,400	\$ 14,152,500	\$ 3,848,000	\$ 2,457,000	\$ 2,197,000	\$ 2,592,000	\$ 31,709,900

Revised Capital Budget

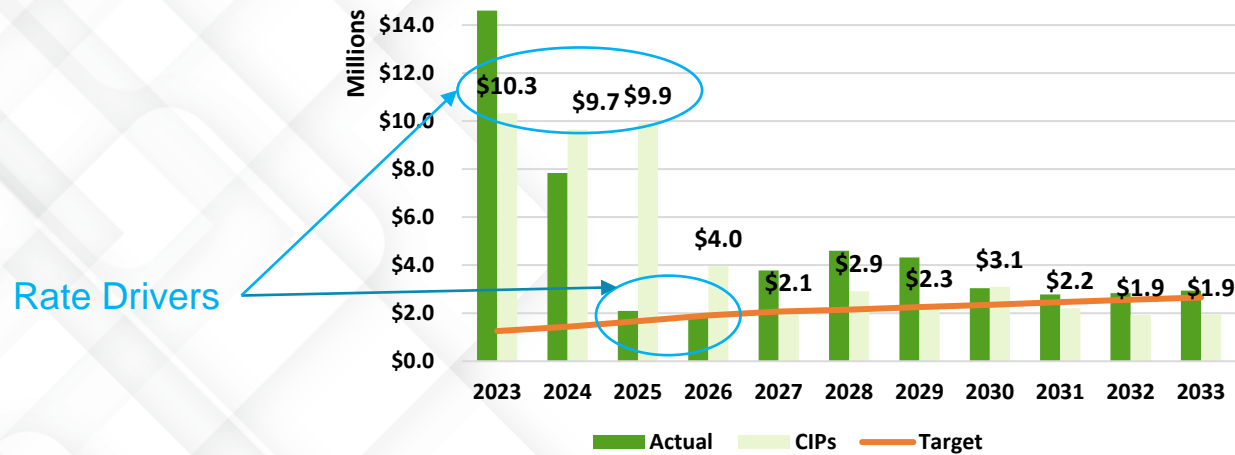
Project Name	2023	2024	2025	2026	2027	2028	6-Year Totals
HVAC Replacement at NWTP	\$ 35,000						\$ 35,000
Water Heater Replacement at NWTP	\$ 25,000						\$ 25,000
SCWTP Filter Media Replacement	\$ 616,000						\$ 616,000
SBR Ditch Lining	\$ 425,000					\$ 325,000	\$ 750,000
Laboratory Refrigerators	\$ 30,150						\$ 30,150
Wheel Saw Attachment	\$ 14,000						\$ 14,000
Message Board Trailer	\$ 7,750						\$ 7,750
SCWTP Administration Building Expansion		\$ 2,300,000					\$ 2,300,000
High Zone Tank Security			\$ 60,000				\$ 60,000
Instrumentation Replacement				\$ 260,000			\$ 260,000
Chemical Mixing Equipment	\$ 80,000						\$ 80,000
HBWTP Generator Replacement	\$ 100,000						\$ 100,000
Electrical Assessment	\$ 150,000						\$ 150,000
Marshall Lake Sediment Control	\$ 350,000						\$ 350,000
Raw Water Infrastructure	\$ 1,000,000						\$ 1,000,000
SWSP	\$ 116,235						\$ 116,235
Machinery & Equipment	\$ 51,900						\$ 51,900
Water Rights Acquisitions	\$ 5,000,000						\$ 5,000,000
Meter Replacement			\$ 1,900,000	\$ 1,900,000			\$ 3,800,000
SCWTP Residual Management	\$ 500,000	\$ 5,500,000					\$ 6,000,000
Harper Pump Station & Louisville Lateral		\$ 200,000	\$ 4,946,000				\$ 5,146,000
HBWTP Drying Bed Maintenance		\$ 221,000					\$ 221,000
Water Pipeline Replacement	\$ 910,500	\$ 411,000	\$ 1,390,000	\$ 481,000	\$ 742,000	\$ 1,110,000	\$ 5,044,500
Reservoir Inundation Map Update	\$ -						\$ -
Windy Gap	\$ 749,000	\$ 970,000	\$ 818,000	\$ 1,312,000	\$ 1,312,000	\$ 1,312,000	\$ 6,473,000
Vehicle Replacement	\$ 80,000	\$ 50,000	\$ 804,000	\$ -	\$ 78,000	\$ 168,000	\$ 1,180,000
TOTALS	\$ 10,240,535	\$ 9,652,000	\$ 9,918,000	\$ 3,953,000	\$ 2,132,000	\$ 2,915,000	\$ 38,810,535
PROPOSED CHANGES	\$ 3,777,135	\$ (4,500,500)	\$ 6,070,000	\$ 1,496,000	\$ (65,000)	\$ 323,000	\$ 7,100,635

No Change
 2022 Rollover
 2023 Cost Update
 2023 Schedule Update

Option A: Baseline

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	0%	0%	0%	0%	0%	3%	3%	3%	3%	
2024 Baseline Rates										
	7%	7%	7%	0%	0%	0%	0%	3%	3%	3%

Smoothing: Cash Reserves (7% for 2024)



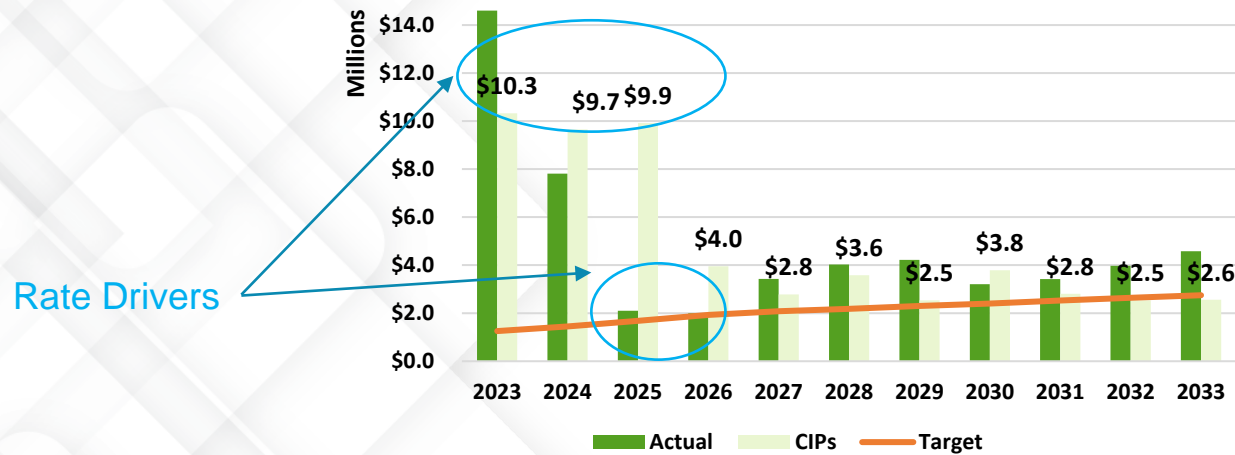
Option B: Master Plan Preliminary CIP

Project Name	2027	2028	2029	2030	2031	Totals
HBWTP Recycle System and Intake Improvements	\$ 600,000					\$ 600,000
SCWTP Valve Replacements		\$ 605,000				\$ 605,000
Security Upgrades			\$ 100,000			\$ 100,000
Water Quality Algae Mitigation System				\$ 589,000		\$ 589,000
<i>Reserve for Other Projects</i>			\$ 100,000		\$ 500,000	\$ 500,000
TOTALS	\$ 600,000	\$ 605,000	\$ 200,000	\$ 589,000	\$ 500,000	\$ 2,494,000

Option B: Master Plan

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	0%	0%	0%	0%	0%	3%	3%	3%	3%	
2024 Master Plan Rates										
	8%	8%	7%	3%	3%	3%	3%	3%	3%	3%

Smoothing: Cash Reserves (7% for 2024)



Option C: Reserve Policy

Capital Reserve Funding Levels	Percentage of Water Fixed Capital Assets (\$150M)
1. \$500,000	$\frac{1}{3}\%$
2. \$1,000,000	$\frac{2}{3}\%$
3. \$1,500,000	1%
4. \$2,000,000	$1\frac{1}{3}\%$

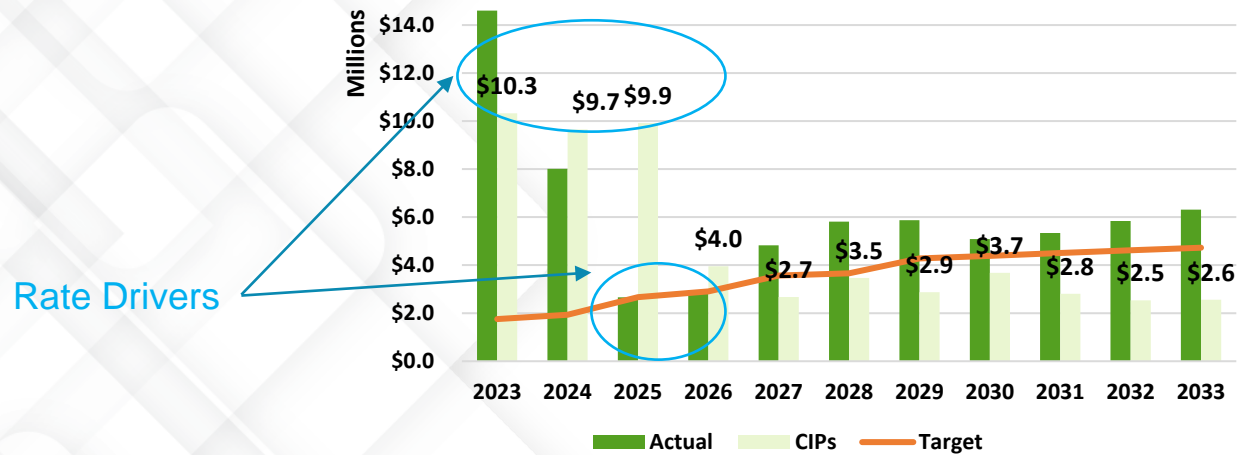
Option C: Reserve Policy

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	0%	0%	0%	0%	0%	3%	3%	3%	3%	
Option C1: \$500,000										
	9%	8%	5%	3%	3%	3%	3%	3%	3%	3%
Option C2: \$1,000,000										
	11%	10%	5%	3%	3%	3%	3%	3%	3%	3%
Option C3: \$1,500,000										
	14%	14%	3%	3%	3%	3%	3%	3%	3%	3%
Option C4: \$2,000,000										
	17%	17%	3%	3%	3%	3%	3%	3%	3%	3%

Alt Option C: Smoothing Reserve Policy

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Capital Reserve	\$0.5M	\$1M	\$1M	\$1.5M	\$1.5M	\$2M	\$2M	\$2M	\$2M	\$2M
	11%	11%	6%	2%	2%	2%	2%	2%	2%	2%

Smoothing: Cash Reserves (11% for 2024)



WATER: Financial Planning Alternatives

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	0%	0%	0%	0%	0%	3%	3%	3%	3%	
Option A: Baseline										
	7%	7%	7%	0%	0%	0%	0%	3%	3%	3%
Option B: Master Plan										
	8%	8%	7%	3%	3%	3%	3%	3%	3%	3%
Alt Option C: Reserve Policy (smoothing)										
	11%	11%	6%	2%	2%	2%	2%	2%	2%	2%

WASTEWATER

2023-2024 Capital Budget

Project Name	2023	2024	2025	2026	2027	2028	6-Year Totals
Fiber Optic Loop	\$ 54,210						\$ 54,210
CTC Lift Station	\$ 200,000						\$ 200,000
WWTP Solids Handling Upgrades	\$ 4,000,000						\$ 4,000,000
Sewer Pipeline Rehab/Replacement	\$ 460,000	\$ 540,500	\$ 632,500	\$ 460,000	\$ 520,000	\$ 520,000	\$ 3,133,000
WWTP Forklift	\$ 70,000						\$ 70,000
WWTP Pressure Washer	\$ 15,000						\$ 15,000
Vehicle & Equipment Replacement	\$ 27,000	\$ 65,000					\$ 92,000
Laboratory Refrigerator	\$ 14,850						\$ 14,850
Sewer Service Lateral backflow Valves		\$ 130,000					\$ 130,000
TOTAL	\$ 4,841,060	\$ 735,500	\$ 632,500	\$ 460,000	\$ 520,000	\$ 520,000	\$ 7,709,060

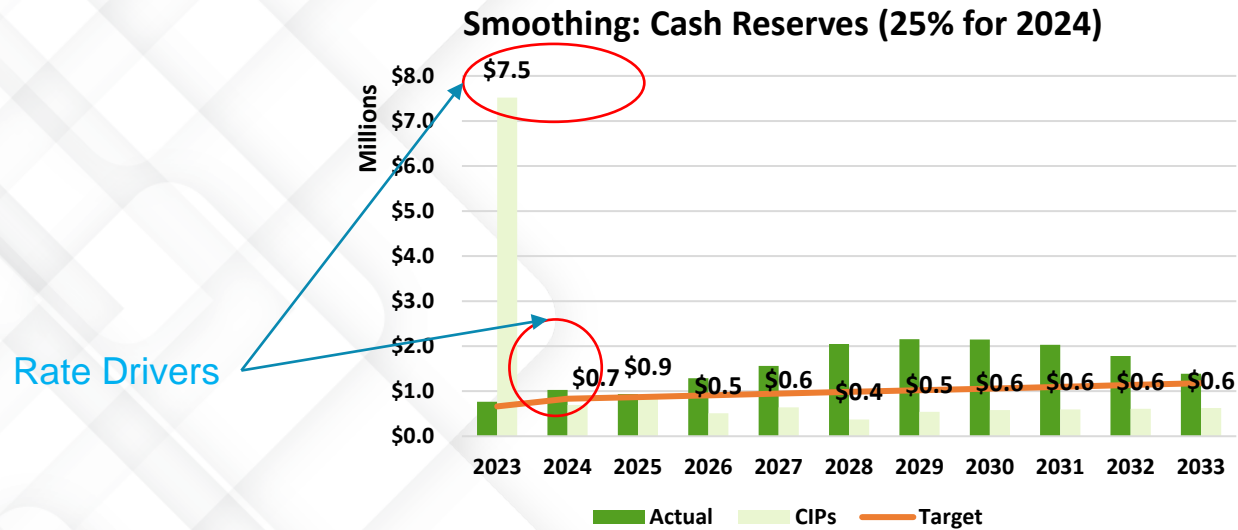
Revised Capital Budget

Project Name	2023	2024	2025	2026	2027	2028	6-Year Totals
Fiber Optic Loop	\$ 54,210						\$ 54,210
WWTP Pressure Washer	\$ 15,000						\$ 15,000
WWTP Forklift	\$ 70,000						\$ 70,000
Laboratory Refrigerator	\$ 14,850						\$ 14,850
Sewer Service Lateral backflow Valves		\$ 130,000					\$ 130,000
Sewer Pipeline Rehab/Replacement	\$ 808,472						\$ 808,472
WWTP Solids Handling Upgrades	\$ 4,600,000						\$ 4,600,000
Electrical Assessment	\$ 205,490						\$ 205,490
Instrumentation Upgrades	\$ 160,000						\$ 160,000
Master Plan	\$ 121,174						\$ 121,174
CTC Lift Station	\$ 500,000						\$ 500,000
Sewer Pipeline Rehab/Replacement	\$ 560,000	\$ 65,000	\$ 390,000	\$ 510,000	\$ 640,000	\$ 370,000	\$ 3,035,000
Vehicle & Equipment Replacement	\$ 85,000		\$ 544,000				\$ 629,000
Clarifiers Coating	\$ 327,000						\$ 327,000
TOTAL	\$ 7,521,196	\$ 95,000	\$ 934,000	\$ 510,000	\$ 640,000	\$ 370,000	\$ 10,670,196
PROPOSED CHANGES	\$ 2,680,136	\$ (40,500)	\$ 301,500	\$ 50,000	\$ 120,000	\$ (150,000)	\$ 2,961,136

No Change
 2022 Rollover
 2023 Cost Update
 2023 Schedule Update

Option A: Baseline

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	8%	8%	4%	4%	4%	2%	2%	2%	2%	
2024 Baseline Rates										
	25%	8%	1%	1%	1%	1%	0%	0%	0%	0%

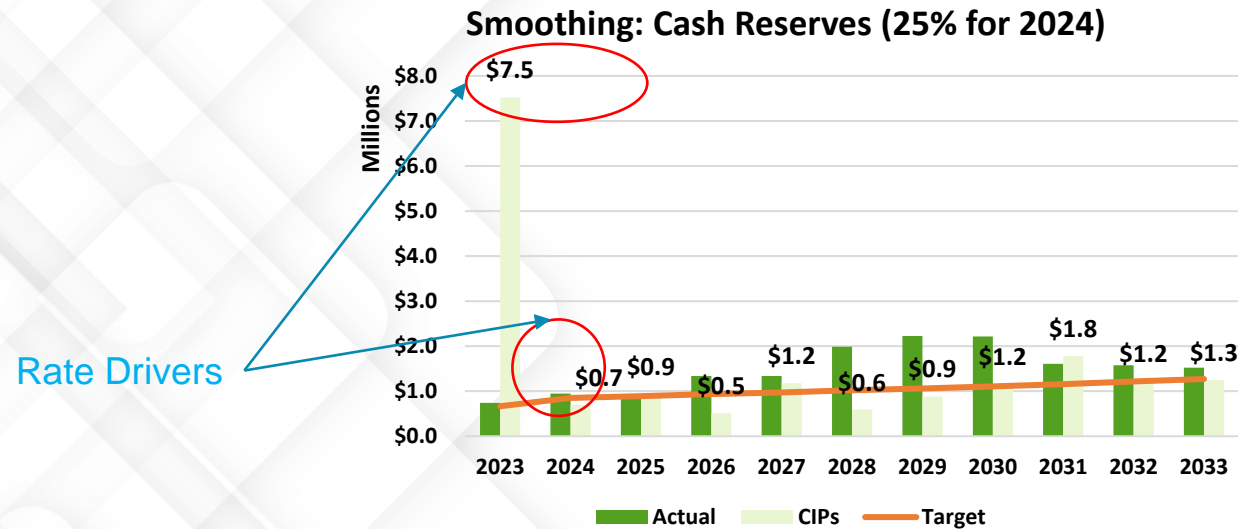


Option B: Master Plan Preliminary CIP

Project Name	2027	2028	2029	2030	2031	Totals
Selenium Investigation Study	\$ 100,000					\$ 100,000
Security Upgrades			\$ 100,000			\$ 100,000
Main Sewer Interceptor Replacement					\$ 1,000,000	\$ 1,000,000
Reserve for Other Projects	\$ 400,000	\$ 200,000	\$ 200,000	\$ 500,000		\$ 1,300,000
TOTALS	\$ 500,000	\$ 200,000	\$ 300,000	\$ 500,000	\$ 1,000,000	\$ 2,500,000

Option B: Master Plan

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	8%	8%	4%	4%	4%	2%	2%	2%	2%	
2024 Master Plan Rates										
	25%	10%	4%	3%	3%	2%	2%	2%	2%	2%

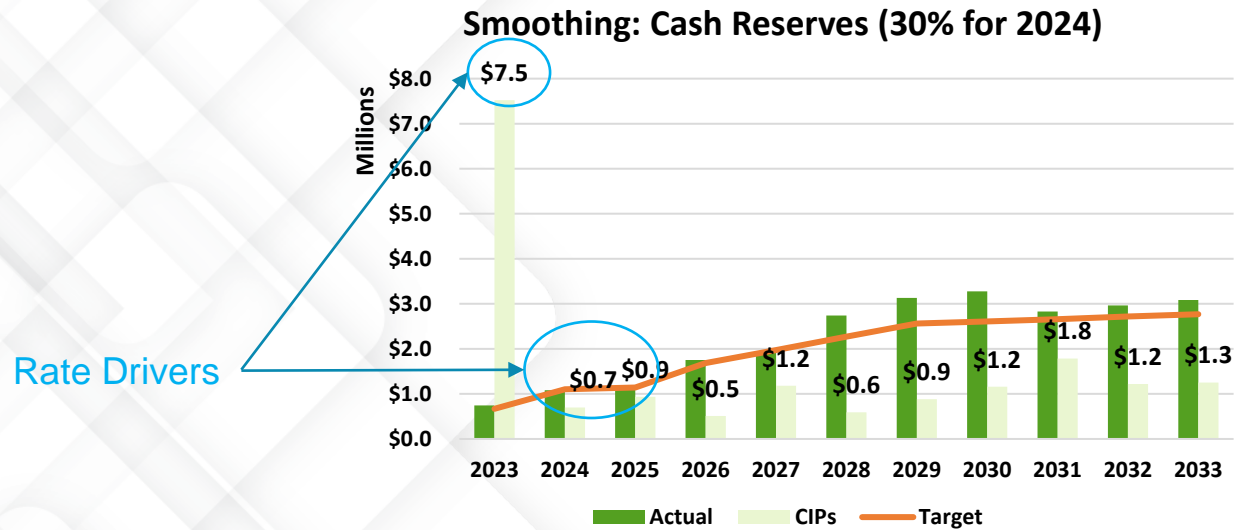


Option C: Reserve Policy

Capital Reserve Funding Levels	Percentage of Wastewater Fixed Capital Assets (\$50M)
1. \$500,000	1%
2. \$1,000,000	2%
3. \$1,500,000	3%

Alt Option C: Smoothing Reserve Policy

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Capital Reserve	\$0.25M	\$0.25M	\$0.75M	\$1M	\$1.25M	\$1.5M	\$1.5M	\$1.5M	\$1.5M	\$1.5M
	30%	8%	4%	4%	2%	2%	2%	2%	2%	2%



WASTEWATER: Financial Planning Alternatives

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	8%	8%	4%	4%	4%	2%	2%	2%	2%	
Option A: Baseline										
	25%	8%	1%	1%	1%	1%	0%	0%	0%	0%
Option B: Master Plan										
	25%	10%	4%	3%	3%	2%	2%	2%	2%	2%
Alt Option C: Reserve Policy (smoothing)										
	30%	8%	4%	4%	2%	2%	2%	2%	2%	2%

STORMWATER

2023-2024 Capital Budget

Project Name	2023	2024	2025	2026	2027	2028	6-year Total
Storm Sewer Detention Pond Maintenance	\$ 136,000	\$ 165,000	\$ 187,000	\$ 192,000	\$ 198,000	\$ 220,000	\$ 1,098,000
Stormwater Master Plan		\$ 150,000					\$ 150,000
Snow Plow Replacement (30%)			\$ 70,000				\$ 70,000
TOTAL	\$ 136,000	\$ 315,000	\$ 257,000	\$ 192,000	\$ 198,000	\$ 220,000	\$ 1,318,000

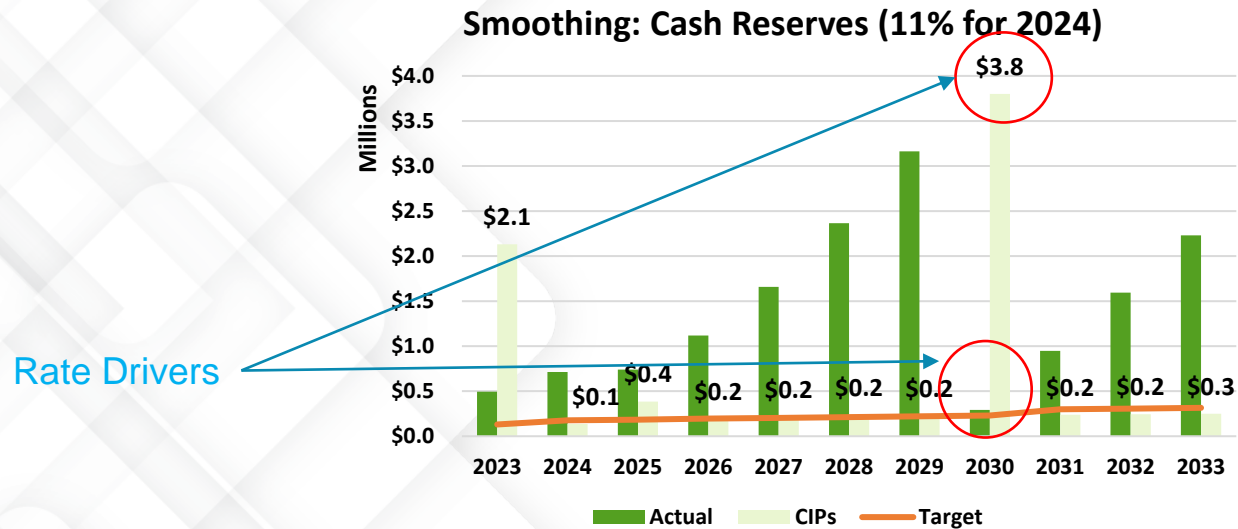
Revised Capital Budget

Project Name	2023	2024	2025	2026	2027	2028	6-Year Totals
Stormwater Master Plan		\$ 150,000					\$ 150,000
Snow Plow Replacement (30%)			\$ 70,000				\$ 70,000
Storm Sewer Detention Pond Maintenance	\$ 514,350	\$ 136,000	\$ 165,000	\$ 187,000	\$ 192,000	\$ 198,000	\$ 1,392,350
Drainage A-1 Garfield/Cottonwood	\$ 942,500						\$ 942,500
Stormwater Quality Master Plan	\$ 439,000						\$ 439,000
<i>Vehicle Replacement</i>					\$ 20,000	\$ 42,000	\$ 62,000
TOTAL	\$ 1,895,850	\$ 286,000	\$ 235,000	\$ 187,000	\$ 212,000	\$ 240,000	\$ 3,055,850
PROPOSED CHANGES	\$ 1,759,850	\$ (29,000)	\$ (22,000)	\$ (5,000)	\$ 14,000	\$ 20,000	\$ 1,737,850

No Change
 2022 Rollover
 2023 Cost Update
 2023 Schedule Update

Option A: Baseline

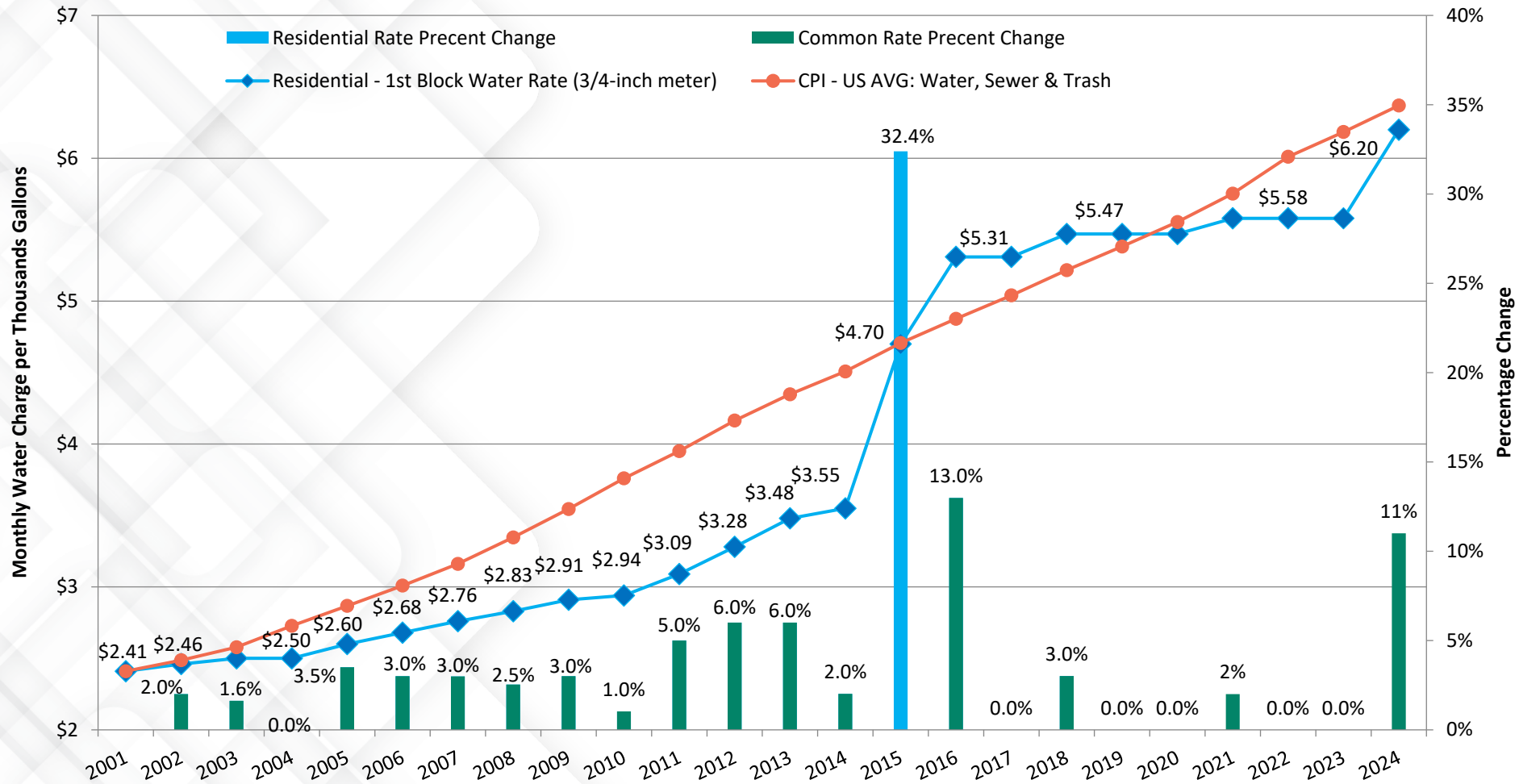
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2023 Rates (Approved 02/07/23 Council Meeting)										
	11%	12%	12%	12%	12%	12%	0%	0%	0%	
2024 Baseline Rates										
	11%	12%	12%	12%	12%	0%	0%	0%	0%	0%



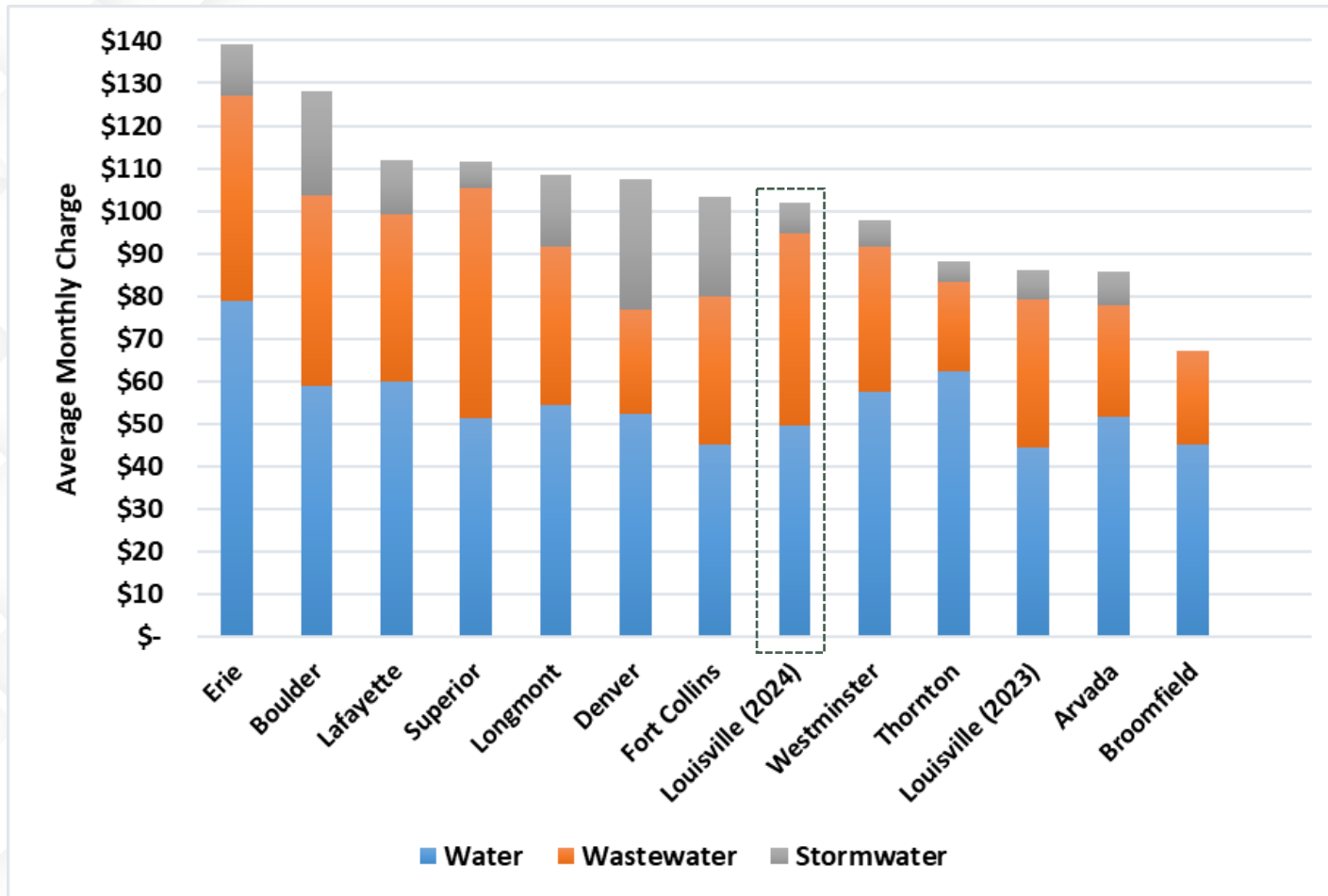
Past Rate Increases

Utility	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water	13%	0%	3%	0%	0%	2%	0%	0%	11%
Wastewater	13%	7%	7%	7%	0%	4%	4%	8%	30%
Stormwater	0%	4%	7%	18.5%	0%	5%	5%	9%	11%

Water Rate Increases vs CPI



2023 Average Monthly Water, Wastewater & Storm Rates (Louisville Single Family Residential)



• Based on average usage of approx. 9,220 gallons. Actual bills will be dependent on usage and will vary based on seasonal fluctuation.

Average⁽¹⁾ Monthly Residential Bill:

	Current 2023	Proposed 2024	Difference	Percent Increase
Water	\$44.53	\$49.46	\$4.93	11.1% ⁽²⁾
Wastewater	\$35.48	\$46.13	\$10.65	30%
Stormwater	\$6.70	\$7.44	\$0.74	11%
Total	\$86.71	\$103.03	\$16.32	18.8%

(1) Based on average usage of approx. 9,220 gallons. Actual bills will be dependent on usage and will vary based on seasonal fluctuation.

(2) Percentages difference result from rounding error

SUBJECT: Parks and Open Space Sales and Use Tax Measure Extension - Discussion

DATE: JUNE 15TH, 2023

**PRESENTED BY: ADAM BLACKMORE, DIRECTOR OF PARKS, RECREATION AND OPEN SPACE
RYDER BAILEY, CPA, FINANCE DIRECTOR**

SUMMARY:

At the February 21st Council Meeting, the City Council established the Parks and Open Space Sales Tax Task Work Force. The Tax Task Force's final meeting was held on May 15th, with recommendations to be presented to City Council on June 20th.

After five meetings, the Task Force has concluded and will present its findings to City Council on June 20th. Its aim was to understand the history of the tax and established a shared level of understanding of the services it funds. The Task force successfully utilized a Local Polling Firm, Magellan Strategies, to assist in polling the public on various considerations of the tax. The Tax force will provide an update as well as proposed Ballot Language to the City Council on June 20th.

Estimated timeline of the Task Force, Polling, Ballot Language is as follows;

- June 20 - Polling Results and Task Force Recommendations Presented to City Council
- July 11 - First Reading on Ballot Title Ordinance
- July 25 - Second Reading and Ballot Title Set
- November 7th, 2023 – Election Day

The Finance Committee is being asked to consider fiscal impacts, should the measure not successfully pass, which would result in an approximate \$2.85M loss of annual dedicated Park and Open Space revenue.

BACKGROUND:

The existing Open Space & Parks 10-year 3/8% sales and use tax was last approved in its current form in 2012 by Louisville voters and is slated to expire at the end of 2023. The sales and use tax, originally implemented for the acquisition of land in and around the City of Louisville for Open Space and Parks, has been in place since 1993. The tax was modified in 2002 to allow the tax revenues to be used for the operation and maintenance of open spaces and parks; the percentage and length of term remained the same. This same percentage, term, and purpose was approved again by the Louisville voters in 2012 via Ballot Measure 2A.

FISCAL IMPACT:

The Parks and Open Space sales and use tax generates approximately \$2.85M annually and is the primary funding source for Open Space and Parks operations, including staffing, maintenance, purchasing, and service agreements. Funds are also used for land acquisition and capital projects.

The Parks and Open Space Tax has been passed by local voters three times, in 1992, 2002, and 2012. However, it is not certain to pass in the Fall later this year. In the event the measure fails, the Parks and Open Space Division budget will require significant reductions or appropriations from other city revenue sources to balance in 2024 and beyond. Alternatively, Finance Committee may make alternative funding recommendations.

SUBJECT: MARSHALL FIRE UPDATE: June

DATE: June 15th, 2023

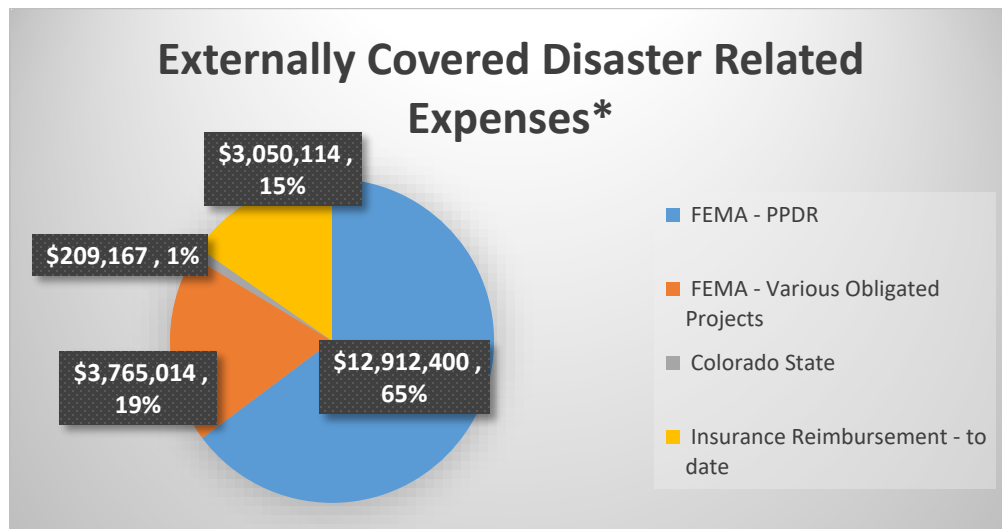
**PRESENTED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR
EMILY HOGAN, ASSISTANT CITY MANAGER
KIMBERLY BAKER, ACCOUNTING MANAGER**

The June 20th City Council Meeting will include a Comprehensive Update on the Marshall Fire.

Updates Since Last Meeting: Staff continues to work with the State on various documentation requests for Obligated FEMA projects. Fiscal Staff has updated previously provided charts (below, and on subsequent pages) Known Uncoverable Disaster Related Costs and Potentially Uncoverable Disaster Related Costs. Additional information, found under chart titled Externally Covered Disaster Related Expenses attempts to illustrate the amount of external funding the City received to mitigate negative financial impacts.

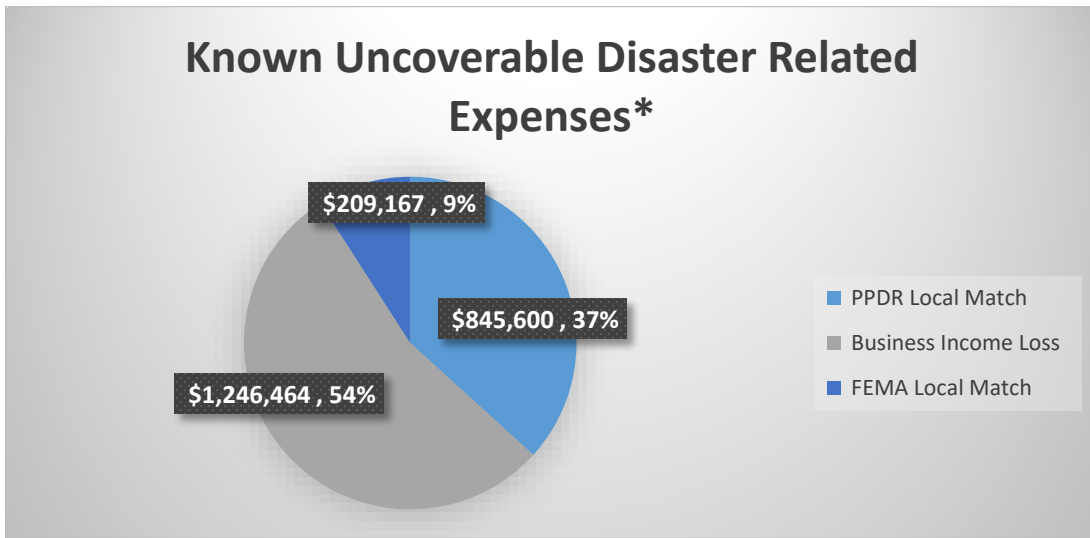
Deeper Fiscal Analysis continues and is necessary during the FEMA and Insurance close out and reconciliation process. These efforts are anticipated to continue for the foreseeable future. Staff will continue to regularly update the Finance Committee on all Marshall Fire Related costs and impacts at future meetings.

Chart 1 – Externally Covered Disaster Related Expenses (~\$19.9M)



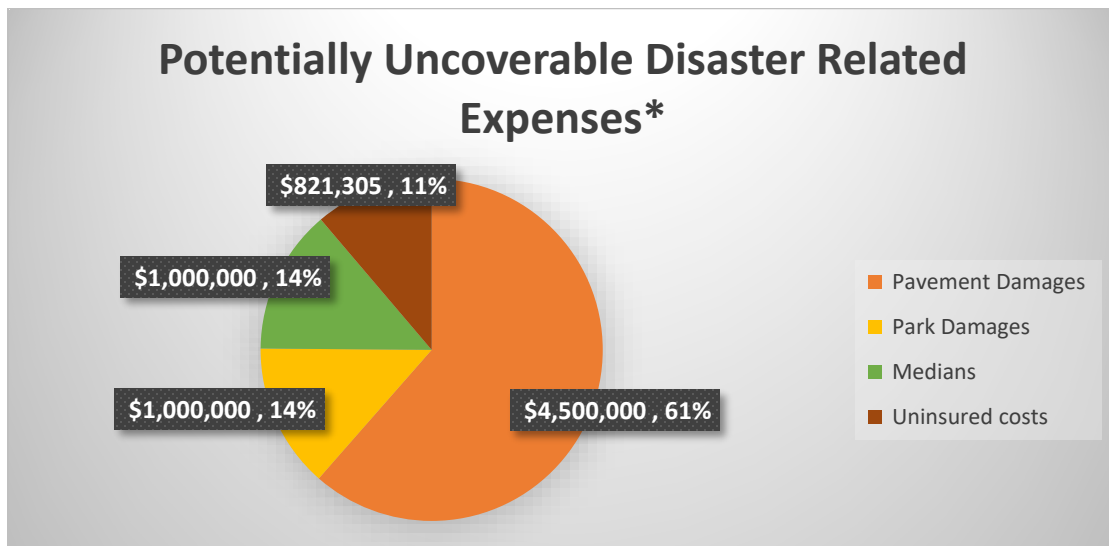
***Note: Estimates used, actuals are subject to change.**

Chart 2 – Known Uncoverable Disaster Related Expenses (~\$2.3M)



***Note: Estimates used, actuals are subject to change.**

Chart 3 – Potentially Uncoverable Disaster Related Expenses (~\$7.3M)



***Note: Estimates used, actuals are subject to change.**

Overview: City staff continues to manage all fire administrative functions. The process in any emergency is, of course, to address any immediate issues. Once those are resolved, the next step is to work with any insurance and FEMA issues to determine possible cost reimbursements. Upon setting those projects, the next step is to begin the process of identifying all associated costs and “lessons learned” to better prepare for the future.

This memo includes information regarding the City's expenditures and reimbursements related to the Marshall Fire. This data is not comprehensive, and represents a snapshot of the current financial status of various Marshall Fire projects.

FEMA Funding: FEMA puts projects into two categories: obligated and outstanding. FEMA has already committed – obligated – the funding. At this time, all public infrastructure repairs the City intends to request FEMA reimbursement for have been submitted and all projects have been obligated. Next steps include completion of work and then closeout.

The City participated in the Boulder County Private Property Debris Removal (PPDR), a FEMA project. City staff are working with Boulder County staff to reconcile the costs and submit those to FEMA. Boulder County is the lead fiscal agent for the project responsible for submitting all costs to FEMA for reimbursement.

Items not included for FEMA reimbursement process: An important goal of Staff's work is to ensure the total costs are clearly identified from this major event. Insurance is a significant factor for cost coverage from the fire. Staff continues to analyze the statement of loss from Travelers, and understand the coverage and how it relates to City Marshall Fire expenses and FEMA submittals.

The chart below gives a current snapshot of what has been submitted to insurance, how much has been repaid, and what is still outstanding. The City submitted over \$3.9 million to insurance for property damages and losses, and has received \$2.9 million, of which \$0.3 million was for business income loss. There are numerous unresolved factors in the submitted but unrepaid, including recent submittals under evaluation, projects that were or will not be covered due to insurance maximums, potential duplicate projects submitted, changing cost estimates, etc. The insurance reconciliation will continue over the next several months.

Summary: The City has several different teams working on the financial impacts of the Marshall Fire, with a goal to provide the Finance Committee with a clear and comprehensive summary. The City Manager's office and Finance staff meet weekly on ensuring documentation is being assembled and communication with FEMA is regularly occurring. This team meets with project managers, risk management, and the planning department on a twice monthly or monthly basis to keep track of the progress of the projects and financial impacts.

This coordination and effort requires considerable time. On the financial side, the major emphasis is receiving the final insurance commitments. This has to be completed before FEMA reimbursement requests can be closed out. The City continues to work with the State for our share and ensure we can reconcile the monies FEMA provides. None of these reimbursements are easily reconciled payments to invoices.

Simultaneously, staff is beginning the analytical work of identifying all costs, including those that are anticipated as well as those costs that are addressed through City funding sources such as permit fees.

The lessons learned phase is underway and is a continuous process.

This topic has now been placed on the monthly Finance Committee agenda to ensure transparent and uninterrupted communication of the actions occurring regarding this significant work effort for policy makers and City staff.

Other grant funding: The City has submitted or is in the process of submitting grant funding applications for the following projects:

- FEMA Hazard Grant Mitigation Program (HGMP) - \$4,900,557 for a new generator at the Louisville Recreation Center and replacement generators at the South Water Treatment Plant and Police/Court Building. If awarded the required local match is \$466,788 (a portion of which can be in-kind contributions). The grant application has been submitted to the State and FEMA and is pending review.
- Colorado State Forest Service Incentives for Local Government Grant Program - \$800,000 to develop a wildfire mitigation program that includes on-the-ground fuels reduction on public land, implementation of the City's Wildfire Risk Assessment and community education and outreach. The City received notice that it has been awarded \$150,000 for a Mitigation Coordinator and \$140,000 for fuels reduction. There is a required 100% local match of \$290,000.
- Colorado Department of Local Affairs Energy Impact Assistance Fund (EIAF) – the City was awarded \$90,000 by DOLA to hire a Recovery & Resilience Program Manager to guide recover and disaster mitigation/preparedness efforts within the organization and the community. The required local match is the remaining salary/benefits (approx. \$170,000 over 2 years).

SUBJECT: SALES TAX REPORTS

DATE: JUNE 7, 2023

PRESENTED BY: MAHYAR MANSURABADI, SALES TAX AUDITOR

SUMMARY:

Update on Sales Tax collected by the City, broken out by Type, Area and Industry.

In summary, total year-over-year increase was 17.8%, and broken out by categories:

- Sales Tax revenue = 9%
- Use Tax revenue = 86.6%
- Building Use Tax revenue = 64%
- Auto Use Tax revenue = -3.4%
- Lodging Tax revenue = 34.3%
- Audit Revenue = -92.1%

RECOMMENDATION:

Receive and file.

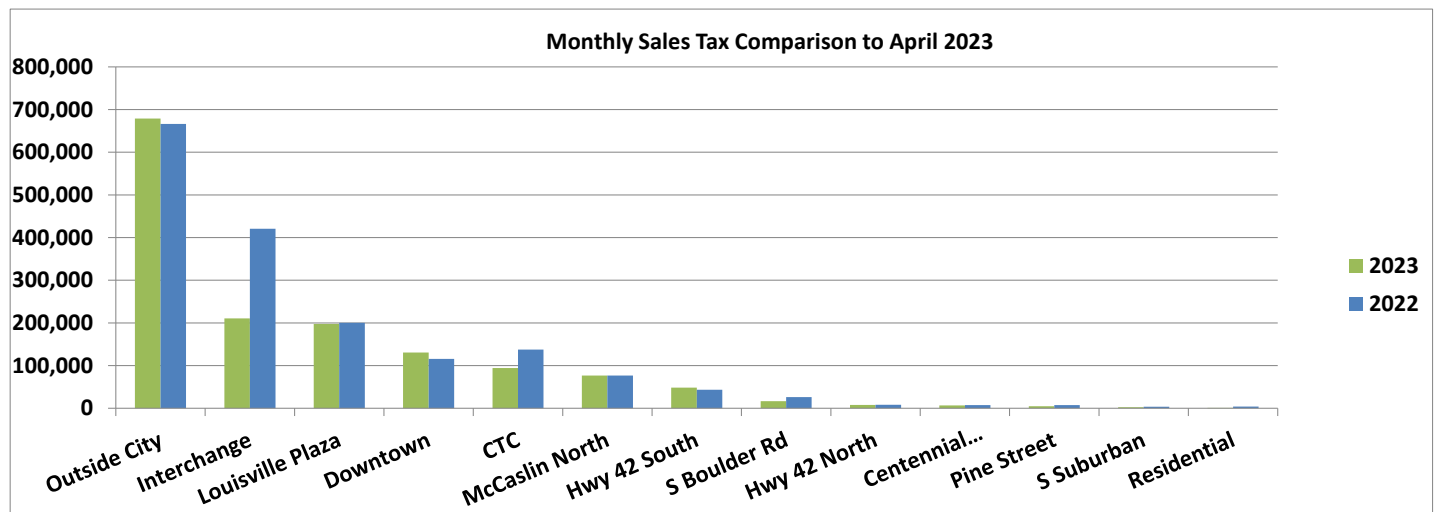
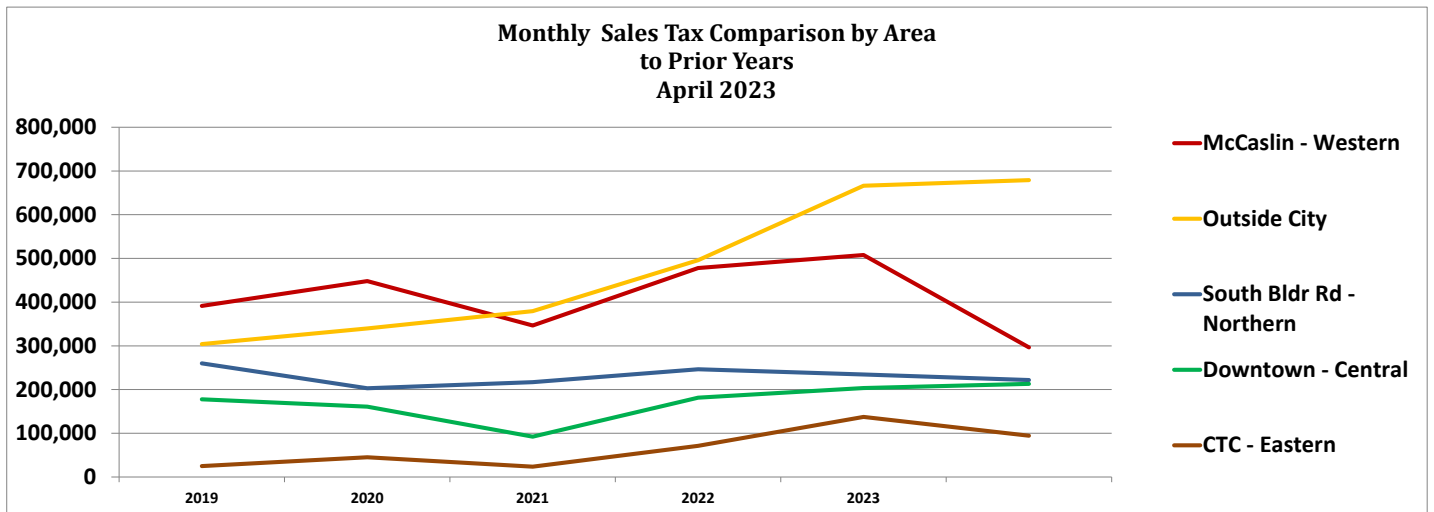
CITY OF LOUISVILLE

**Revenue History
2019 through 2023**

YEAR	MONTH	SALES TAX	USE TAX	BLDG USE TAX	AUTO USE TAX	LODGING TAX	AUDIT	Bag Tax	TOTAL
2023									
	JANUARY	1,568,367	155,955	238,897	157,506	8,027	-		2,128,752
	FEBRUARY	1,539,730	208,668	99,366	106,393	15,663	2,715		1,972,536
	MARCH	2,030,246	223,743	219,554	157,285	12,178	-	71,169	2,714,176
	APRIL	1,476,283	774,627	100,712	215,093	25,843	-	(46)	2,592,512
	MAY								-
	JUNE								-
	JULY								-
	AUGUST								-
	SEPTEMBER								-
	OCTOBER								-
	NOVEMBER								-
	DECEMBER								-
	YTD TOTALS	6,614,626	1,362,992	658,530	636,277	61,712	2,715	71,123	9,407,975
	YTD Variance % to Prior Year	9.0%	86.6%	64.0%	-3.4%	34.3%	-92.1%	51.81%	17.8%
2022									
	JANUARY	1,290,514	176,432	130,345	128,149	3,109	208		1,728,758
	FEBRUARY	1,190,326	193,090	51,720	119,067	6,032	14,265		1,574,500
	MARCH	1,873,155	194,188	116,141	239,724	15,574	17,376	46,850	2,503,008
	APRIL	1,716,488	166,822	103,279	171,550	21,231	2,336		2,181,706
	MAY	1,596,606	141,953	156,057	162,552	37,751	817		2,095,736
	JUNE	1,977,923	363,695	166,434	145,676	30,068	-	50,020	2,683,797
	JULY	1,582,397	282,381	250,332	133,511	47,010	12,466		2,308,096
	AUGUST	1,732,722	170,194	577,453	169,804	63,940	8,651		2,722,763
	SEPTEMBER	1,769,359	333,062	1,252,503	155,205	22,131	-	46,134	3,578,394
	OCTOBER	1,469,642	176,355	329,917	214,840	42,562	15		2,233,332
	NOVEMBER	1,368,473	102,994	61,392	134,481	10,985	-		1,678,325
	DECEMBER	2,355,727	350,061	582,602	123,871	14,445	6,724	45,940	3,479,370
	YTD TOTALS	19,923,333	2,651,227	3,778,176	1,898,431	314,836	62,857	188,944	28,767,785
	YTD Variance % to Prior Year	9.1%	27.0%	54.8%	5.1%	16.0%	-33.9%		15.3%
2021									
	JANUARY	1,093,893	151,922	76,766	165,964	8,893	13,085		1,510,523
	FEBRUARY	1,048,733	123,647	175,248	141,326	9,311	9,343		1,507,607
	MARCH	1,473,421	187,196	497,955	118,578	12,589	1,431		2,291,171
	APRIL	1,447,875	92,613	880,417	156,795	13,198	3,434		2,594,332
	MAY	1,463,795	142,433	69,429	145,625	17,757	14,572		1,853,611
	JUNE	1,836,453	206,969	39,899	182,192	26,986	5,542		2,298,042
	JULY	1,460,976	121,088	(32,980)	144,891	38,956	15,499		1,748,430
	AUGUST	1,372,626	152,120	152,949	160,162	40,187	2,490		1,880,534
	SEPTEMBER	1,641,416	215,222	45,706	163,655	31,783	13,666		2,111,448
	OCTOBER	1,534,805	152,057	164,302	148,773	34,618	12,142		2,046,696
	NOVEMBER	1,503,261	162,041	156,565	144,254	23,667	1,145		1,990,933
	DECEMBER	2,377,087	379,832	214,495	134,883	13,526	2,814		3,122,637
	YTD TOTALS	18,254,341	2,087,139	2,440,753	1,807,098	271,471	95,163		24,955,964
	YTD Variance % to Prior Year	16.9%	39.3%	43.3%	19.3%	48.7%	-79.1%		19.0%
2020									
	JANUARY	1,146,885	139,124	167,476	143,490	20,259	10,328		1,627,562
	FEBRUARY	1,010,556	181,982	213,379	138,820	18,916	62,695		1,626,348
	MARCH	1,453,347	128,050	101,197	68,233	17,511	33,347		1,801,683
	APRIL	1,043,220	102,057	369,619	61,493	4,291	56,334		1,637,014
	MAY	1,104,718	86,298	182,958	52,846	7,772	34,308		1,468,899
	JUNE	1,620,670	135,567	62,081	152,603	13,238	126,571		2,110,730
	JULY	1,231,987	76,551	53,104	160,605	20,902	7,733		1,550,883
	AUGUST	1,176,398	83,836	53,404	155,256	24,833	26,419		1,520,146
	SEPTEMBER	1,500,877	105,141	136,333	145,388	18,154	48,695		1,954,587
	OCTOBER	1,274,200	123,011	36,568	192,352	17,622	7,756		1,651,508
	NOVEMBER	1,137,481	83,349	218,216	100,847	10,177	35,354		1,585,423
	DECEMBER	1,920,601	252,875	109,363	142,948	8,882	5,392		2,440,062
	YTD TOTALS	15,620,940	1,497,840	1,703,698	1,514,880	182,557	454,931		20,974,845
	YTD Variance % to Prior Year	-2.9%	-12.9%	-18.4%	-12.7%	-59.9%	-67.1%		-10.6%
2019									
	JANUARY	1,071,558	127,245	86,502	201,074	21,423	18,826		1,526,627
	FEBRUARY	936,429	147,890	265,760	118,258	21,707	67,844		1,557,888
	MARCH	1,334,863	152,930	65,076	142,231	27,356	74,188		1,796,643
	APRIL	1,159,948	284,945	203,698	123,778	30,600	27,803		1,830,773
	MAY	1,223,169	92,960	281,555	162,333	44,797	105,311		1,910,125
	JUNE	1,579,107	154,476	324,102	109,552	53,263	44,863		2,265,363
	JULY	1,366,196	95,129	208,918	160,122	62,859	22,182		1,915,406
	AUGUST	1,488,654	113,156	88,430	145,808	57,724	810,122		2,703,894
	SEPTEMBER	1,501,976	140,882	143,151	143,031	46,348	30,769		2,006,157
	OCTOBER	1,338,241	99,425	142,592	178,136	42,935	157,833		1,959,161
	NOVEMBER	1,208,379	101,710	213,900	126,120	27,259	7,513		1,684,881
	DECEMBER	1,878,105	209,877	64,581	125,652	18,444	13,666		2,310,324
	YTD TOTALS	16,086,625	1,720,626	2,088,265	1,736,096	454,714	1,380,919		23,467,244
	YTD Variance % to Prior Year	5.0%	19.1%	-8.1%	-14.6%	-3.8%	142.5%		6.2%

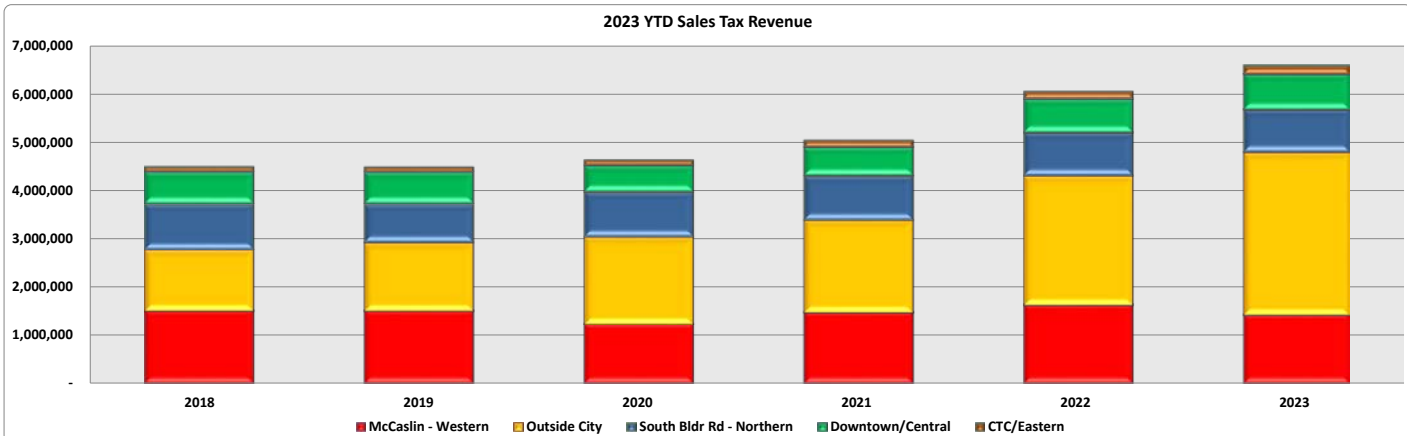
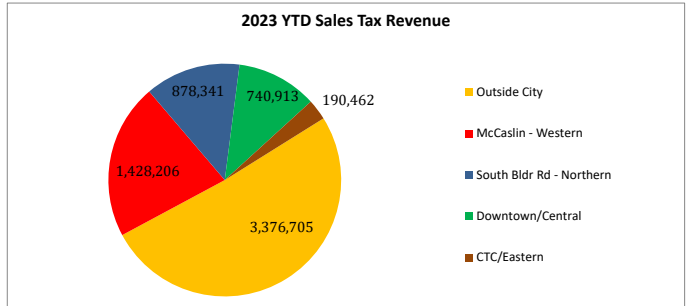
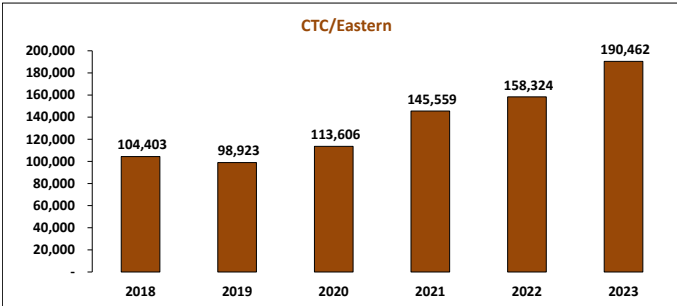
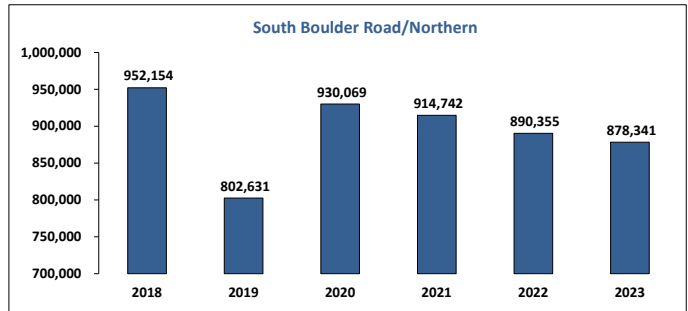
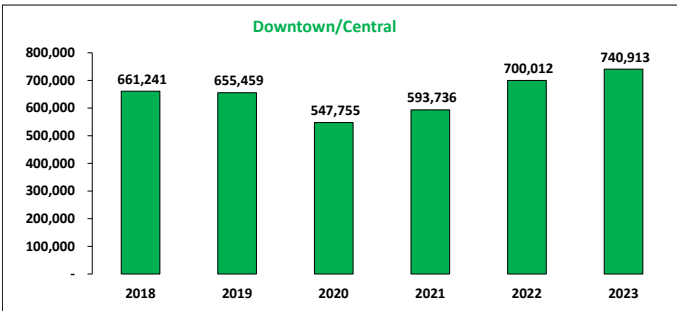
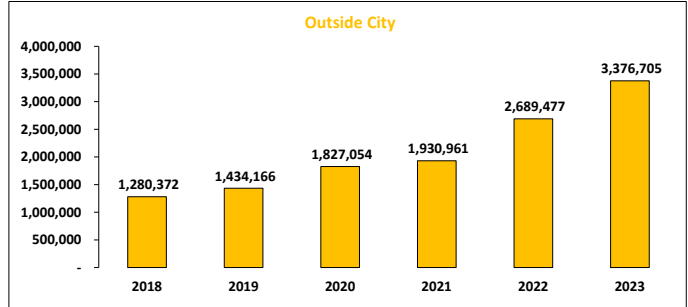
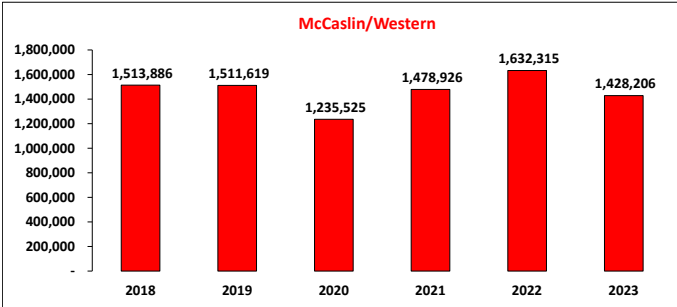
Monthly Sales Tax Revenue Comparisons by Area (April 2023)

AREA NAME	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
Outside City	339,971	379,380	495,889	666,159	679,070	46.0%	1.9%
Interchange	377,212	299,022	401,438	420,465	210,593	14.3%	-49.9%
Louisville Plaza	177,208	174,872	193,221	200,423	197,605	13.4%	-1.4%
Downtown	88,382	43,896	103,070	115,774	130,497	8.8%	12.7%
CTC	45,287	23,652	71,462	137,455	94,412	6.4%	-31.3%
McCaslin North	63,756	43,482	69,275	76,551	76,740	5.2%	0.2%
Hwy 42 South	26,301	27,894	43,939	43,512	48,219	3.3%	10.8%
S Boulder Rd	18,201	32,404	44,137	26,069	16,396	1.1%	-37.1%
Hwy 42 North	7,576	9,585	9,132	8,048	7,793	0.5%	-3.2%
Centennial Valley	2,808	2,400	2,715	7,397	6,693	0.5%	-9.5%
Pine Street	8,337	4,502	8,522	7,511	4,839	0.3%	-35.6%
S Suburban	4,505	1,742	4,533	3,380	2,437	0.2%	-27.9%
Residential	405	390	542	3,744	988	0.1%	-73.6%
Total Revenue	1,159,948	1,043,220	1,447,875	1,716,488	1,476,283		
% Of Change	1.6%	-10.1%	38.8%	18.6%	-14.0%		



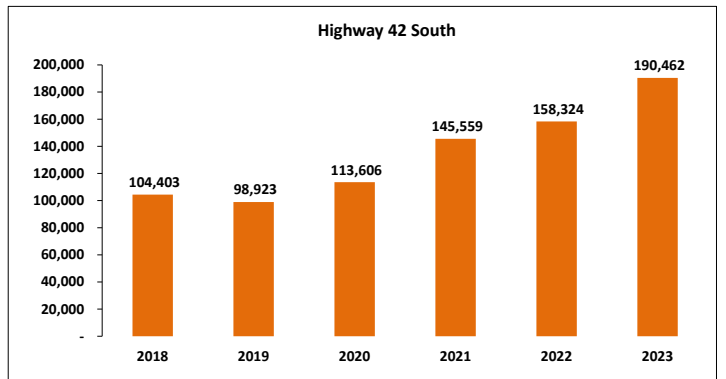
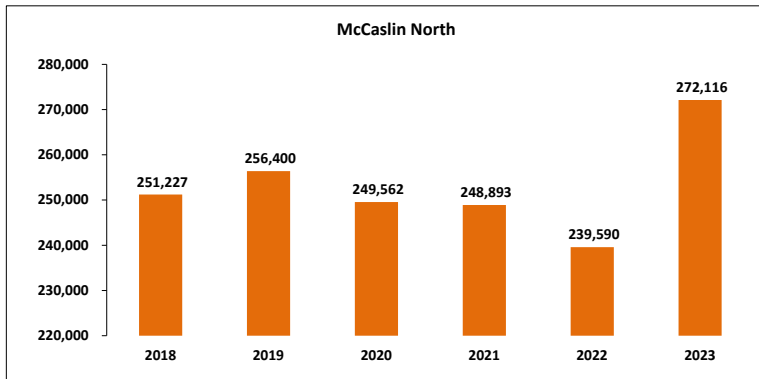
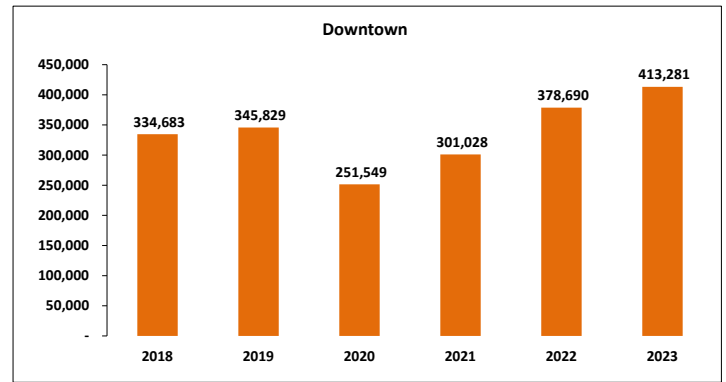
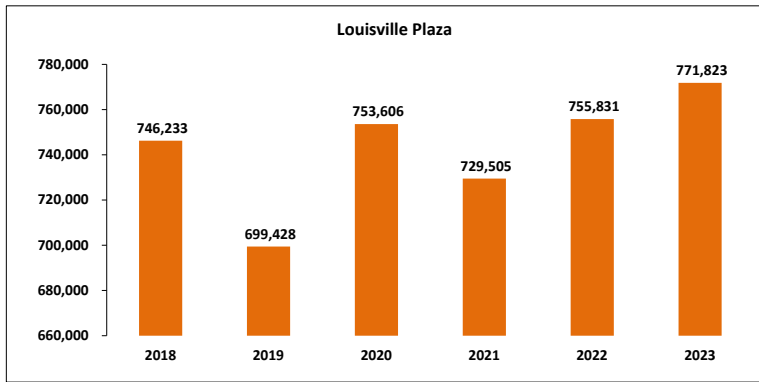
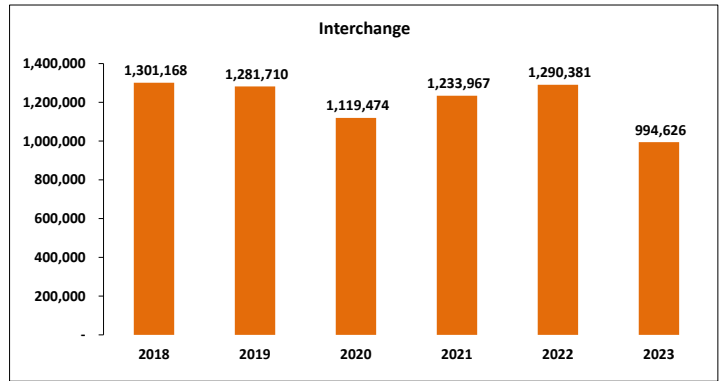
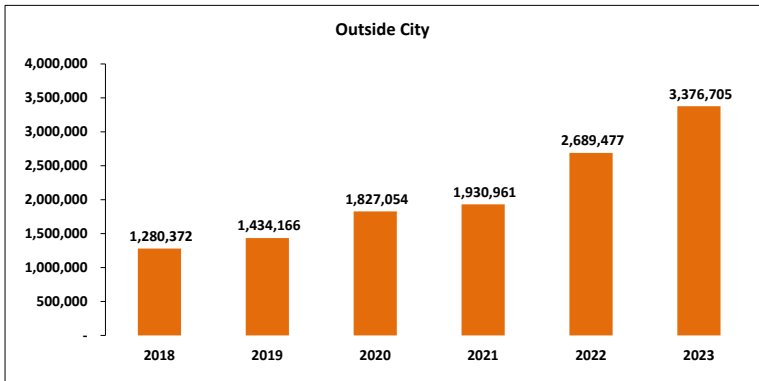
CITY OF LOUISVILLE
Sales Tax Revenue History by Area (Jan. - April 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Outside City	1,280,372	-29.92%	1,434,166	-21.50%	1,827,054	27.39%	1,930,961	5.69%	2,689,477	39.28%	3,376,705	25.55%	51.0%
McCaslin - Western	1,513,886	22.53%	1,511,619	-0.15%	1,235,525	-18.26%	1,478,926	19.70%	1,632,315	10.37%	1,428,206	-12.50%	21.6%
South Bldr Rd - Northern	952,154	2.37%	802,631	-13.70%	930,069	15.88%	914,742	-1.65%	890,355	-2.67%	878,341	-1.35%	13.3%
Downtown/Central	661,241	20.72%	655,459	19.66%	547,755	-16.43%	593,736	8.39%	700,012	17.90%	740,913	5.84%	11.2%
CTC/Eastern	104,403	-8.10%	98,923	-12.92%	113,606	14.84%	145,559	28.13%	158,324	8.77%	190,462	20.30%	2.9%
	4,512,058	8.9%	4,502,798	-0.2%	4,654,008	3.4%	5,063,922	8.8%	6,070,483	19.9%	6,614,626	9.0%	

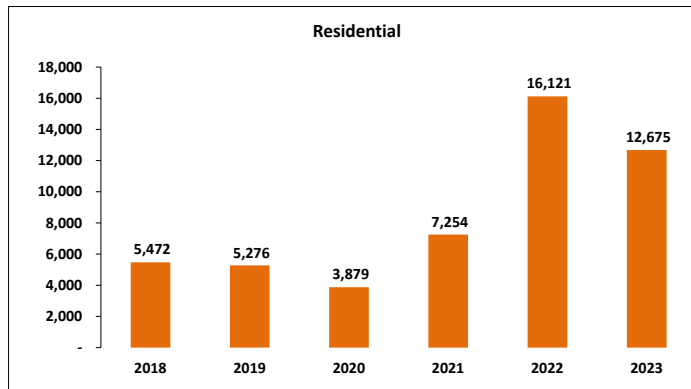
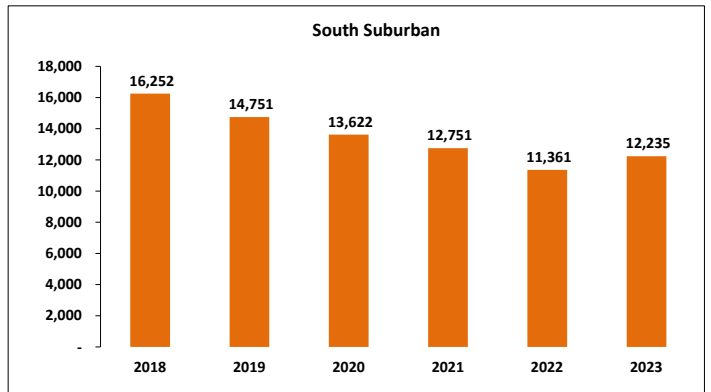
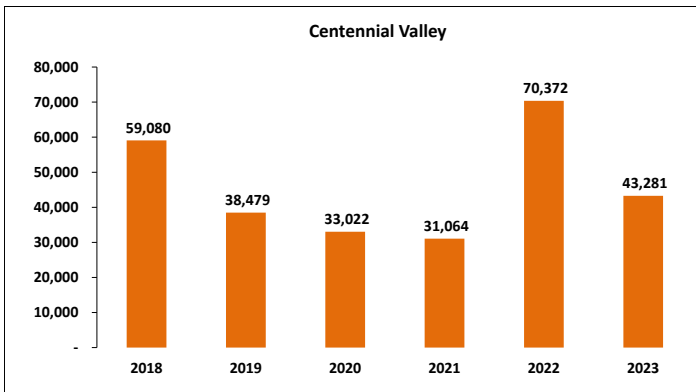
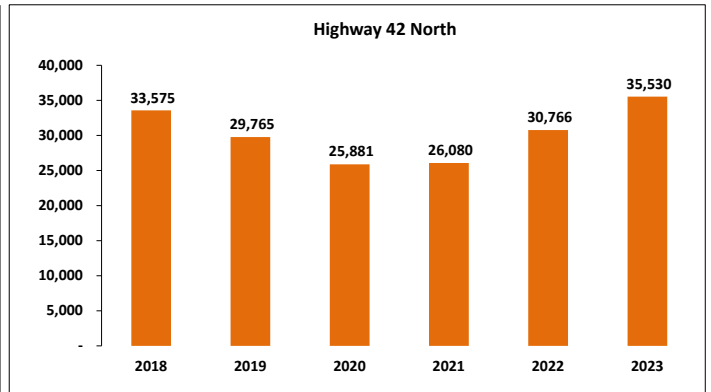
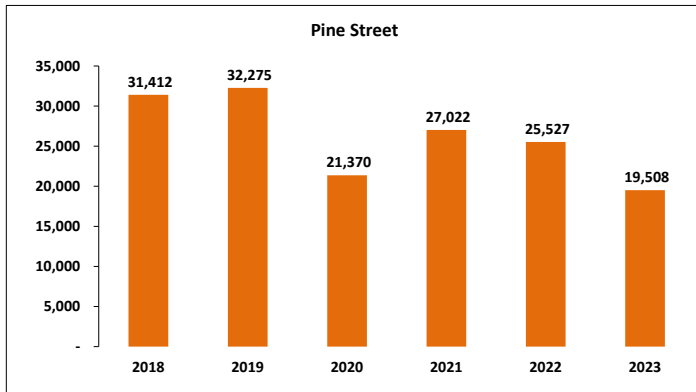
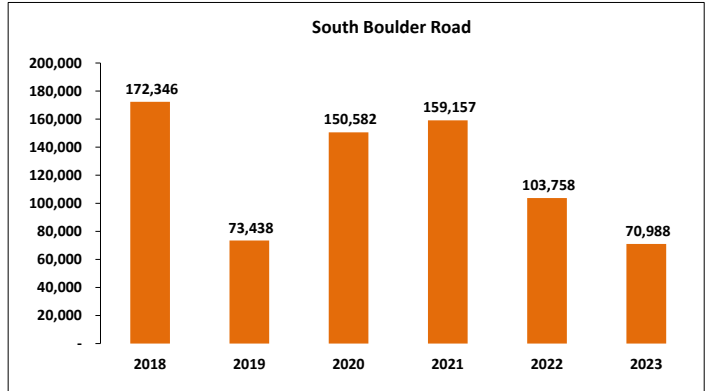
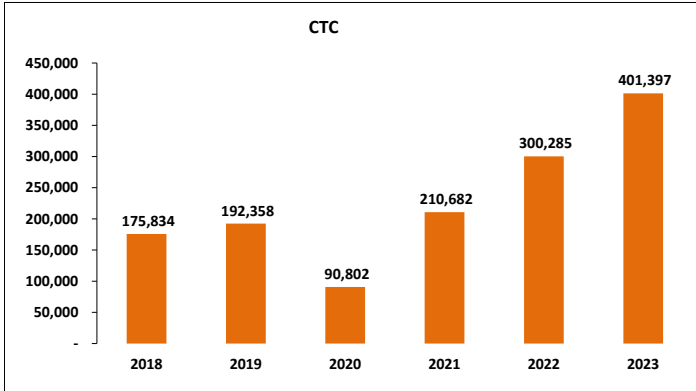


CITY OF LOUISVILLE
Revenue History by Area (Jan. - Apr. 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Outside City	1,280,372	-29.9%	1,434,166	12.0%	1,827,054	27.4%	1,930,961	5.7%	2,689,477	39.3%	3,376,705	25.6%	51.05%
Interchange	1,301,168	16.2%	1,281,710	-1.5%	1,119,474	-12.7%	1,233,967	10.2%	1,290,381	4.6%	994,626	-22.9%	15.04%
Louisville Plaza	746,233	-1.0%	699,428	-6.3%	753,606	7.7%	729,505	-3.2%	755,831	3.6%	771,823	2.1%	11.67%
Downtown	334,683	33.0%	345,829	3.3%	251,549	-27.3%	301,028	19.7%	378,690	25.8%	413,281	9.1%	6.25%
CTC	175,834	93.6%	192,358	9.4%	90,802	-52.8%	210,682	132.0%	300,285	42.5%	401,397	33.7%	6.07%
McCaslin North	251,227	0.7%	256,400	2.1%	249,562	-2.7%	248,893	-0.3%	239,590	-3.7%	272,116	13.6%	4.11%
Hwy 42 South	104,403	-8.1%	98,923	-5.2%	113,606	14.8%	145,559	28.1%	158,324	8.8%	190,462	20.3%	2.88%
South Boulder Rd	172,346	14.5%	73,438	-57.4%	150,582	105.0%	159,157	5.7%	103,758	-34.8%	70,988	-31.6%	1.07%
Centennial Valley	59,080	78.9%	38,479	-34.9%	33,022	-14.2%	31,064	-5.9%	70,372	126.5%	43,281	-38.5%	0.65%
Hwy 42 North	33,575	29.7%	29,765	-11.3%	25,881	-13.0%	26,080	0.8%	30,766	18.0%	35,530	15.5%	0.54%
Pine Street	31,412	47.0%	32,275	2.7%	21,370	-33.8%	27,022	26.4%	25,527	-5.5%	19,508	-23.6%	0.29%
Residential	5,472	41.0%	5,276	-3.6%	3,879	-26.5%	7,254	87.0%	16,121	122.2%	12,675	-21.4%	0.19%
South Suburban	16,252	19.3%	14,751	-9.2%	13,622	-7.7%	12,751	-6.4%	11,361	-10.9%	12,235	7.7%	0.18%
	4,512,058	8.9%	4,502,798	-0.2%	4,654,008	3.4%	5,063,922	8.8%	6,070,483	19.9%	6,614,626	9.0%	

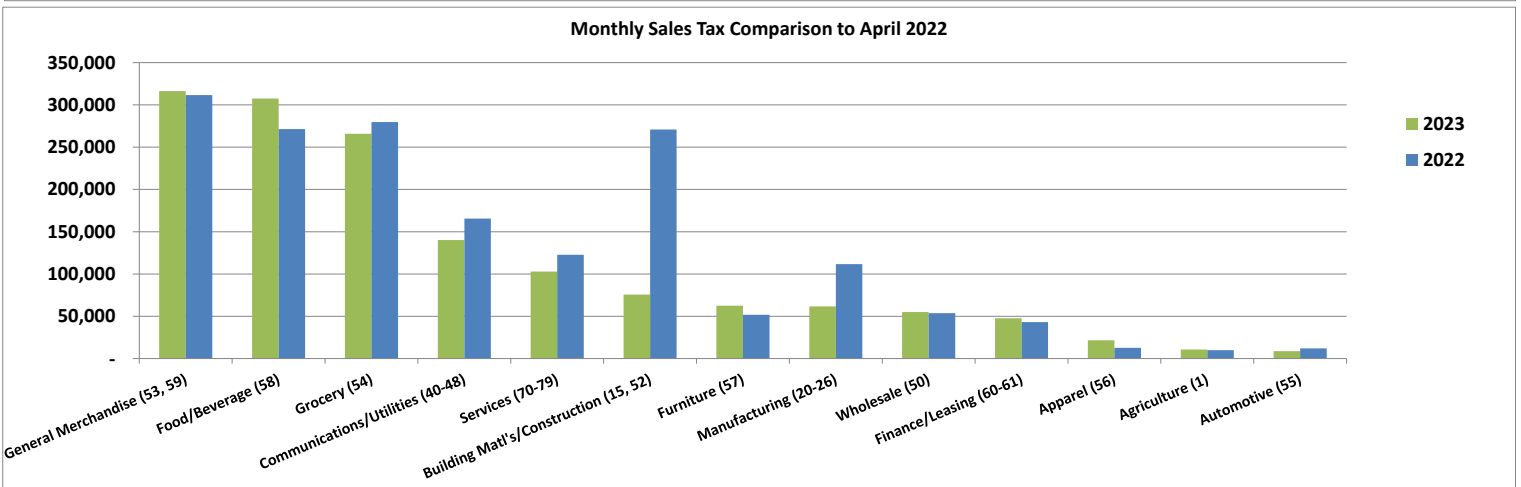
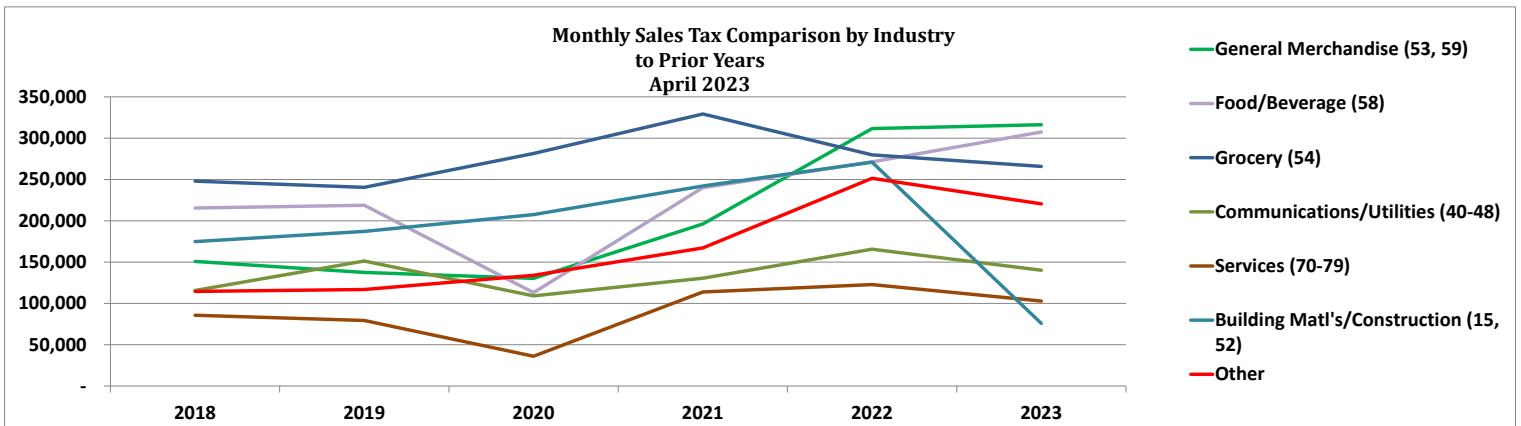


CITY OF LOUISVILLE
Revenue History by Area (Jan. -Apr. 2023)



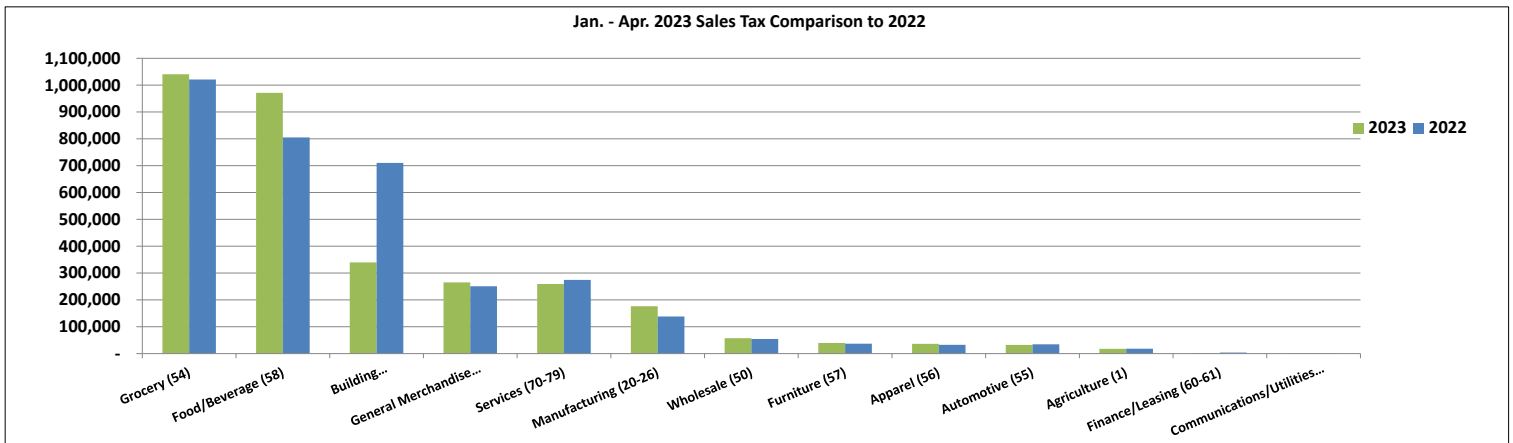
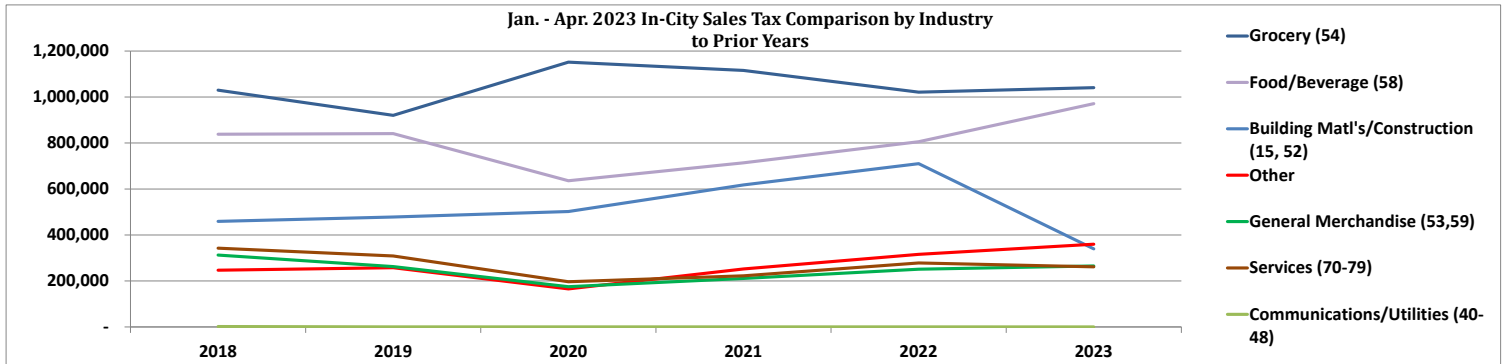
Monthly Sales Tax Revenue Comparisons by Industry (April 2023)

AREA NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
General Merchandise (53, 59)	150,812	137,410	130,293	196,112	311,526	316,253	21.4%	1.5%
Food/Beverage (58)	215,458	218,859	113,057	240,140	271,322	307,468	20.8%	13.3%
Grocery (54)	247,963	240,456	281,494	329,263	279,717	265,780	18.0%	-5.0%
Communications/Utilities (40-48)	115,593	151,231	109,088	130,464	165,599	140,142	9.5%	-15.4%
Services (70-79)	85,567	79,312	36,025	113,775	122,766	102,804	7.0%	-16.3%
Building Mat'l's/Construction (15, 52)	174,864	187,170	207,496	242,108	270,937	75,738	5.1%	-72.0%
Furniture (57)	38,136	21,012	64,830	27,167	51,704	62,562	4.2%	21.0%
Manufacturing (20-26)	29,862	46,740	28,441	56,600	111,600	61,604	4.2%	-44.8%
Wholesale (50)	26,045	27,627	24,704	54,746	53,631	55,045	3.7%	2.6%
Finance/Leasing (60-61)	27,205	28,630	31,824	28,898	43,189	47,609	3.2%	10.2%
Apparel (56)	8,351	10,009	3,810	10,879	12,679	21,667	1.5%	70.9%
Agriculture (1)	4,363	4,899	3,112	8,671	9,857	10,782	0.7%	9.4%
Automotive (55)	7,730	6,593	9,044	9,052	11,962	8,829	0.6%	-26.2%
Totals	1,131,949	1,159,948	1,043,220	1,447,875	1,716,488	1,476,283		
% Of Change	-4.3%	2.5%	-10.1%	38.8%	18.6%	-14.0%		



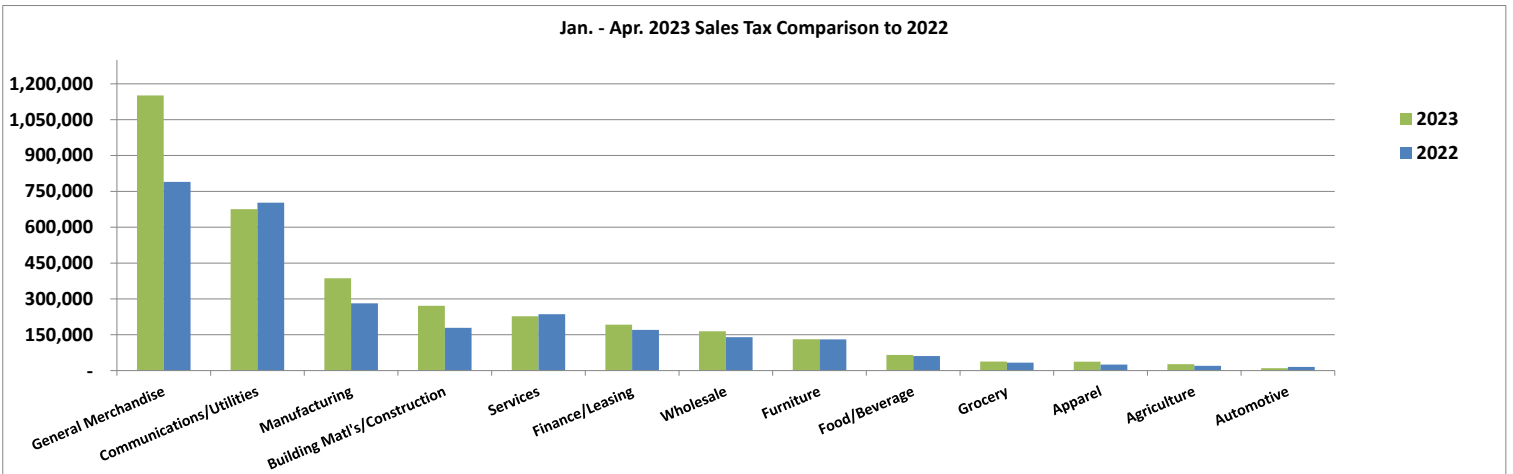
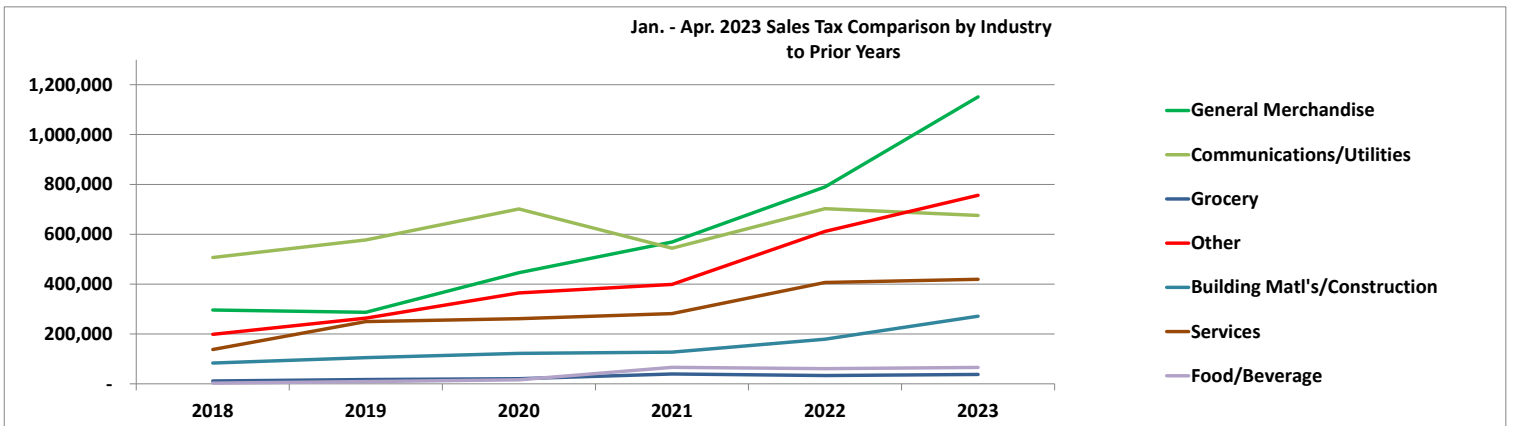
Sales Tax Revenue Comparisons by Industry - Inside City Area (Jan. - Apr. 2023)

INDUSTRY NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
Grocery (54)	1,029,742	920,341	1,151,773	1,115,668	1,021,177	1,040,522	32.1%	1.9%
Food/Beverage (58)	838,402	840,969	635,874	713,990	805,416	971,236	30.0%	20.6%
Building Mat'l's/Construction (15, 52)	459,416	478,277	501,936	617,840	710,212	339,585	10.5%	-52.2%
General Merchandise (53,59)	312,657	262,791	175,088	210,971	250,983	265,130	8.2%	5.6%
Services (70-79)	332,461	294,903	223,004	219,136	274,512	259,235	8.0%	-5.6%
Manufacturing (20-26)	121,591	128,031	53,996	112,815	138,342	176,302	5.4%	27.4%
Wholesale (50)	21,532	24,097	22,383	30,321	54,612	57,211	1.8%	4.8%
Furniture (57)	36,303	39,892	26,483	38,189	36,916	39,576	1.2%	7.2%
Apparel (56)	26,138	25,314	19,796	23,329	32,895	36,486	1.1%	10.9%
Automotive (55)	23,408	21,229	25,616	27,826	34,362	32,234	1.0%	-6.2%
Agriculture (1)	18,061	18,916	17,183	19,638	18,507	18,068	0.6%	-2.4%
Finance/Leasing (60-61)	10,185	13,578	(26,399)	3,114	3,962	2,228	0.1%	-43.8%
Communications/Utilities (40-48)	1,791	293	222	125	125	109	0.0%	-13.2%
Totals	3,231,685	3,068,632	2,826,955	3,132,962	3,382,021	3,237,922		
% Of Change	7.7%	-5.0%	-7.9%	10.8%	7.9%	-4.3%		



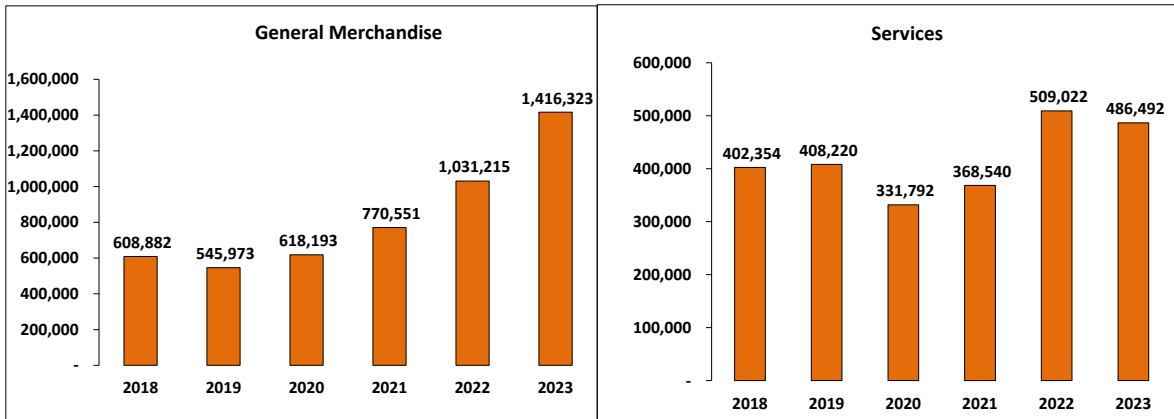
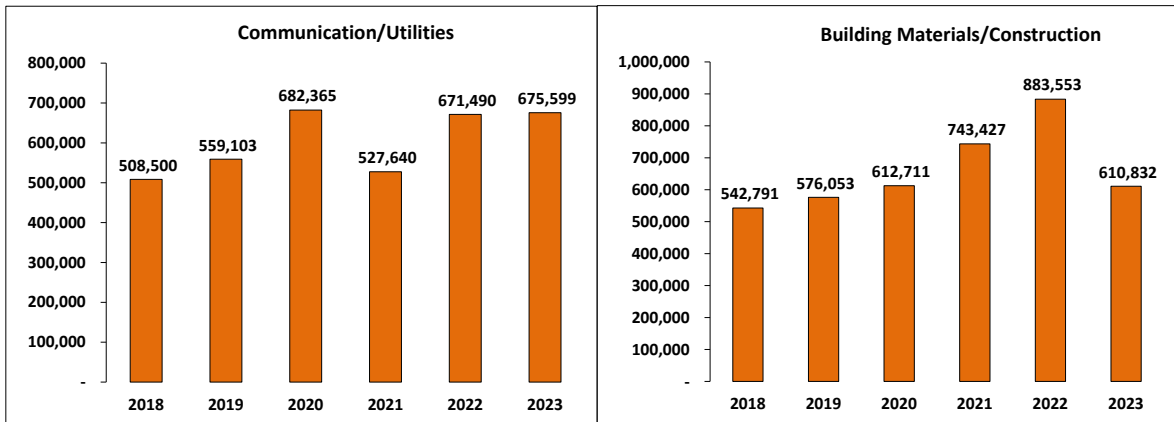
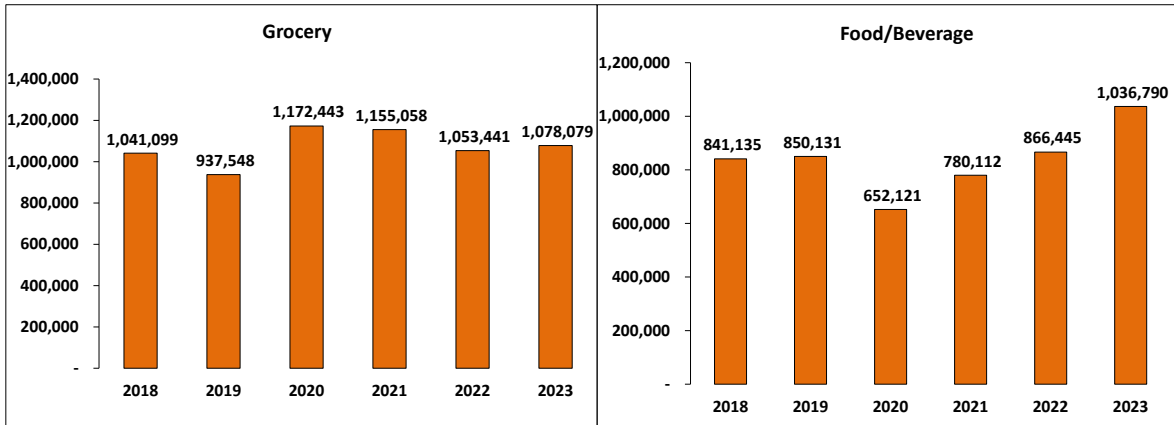
Sales Tax Revenue Comparisons by Industry - Outside City Area (Jan. - Apr. 2023)

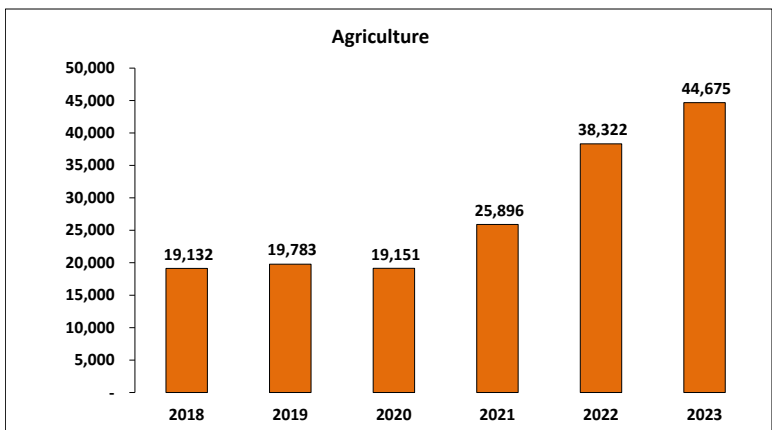
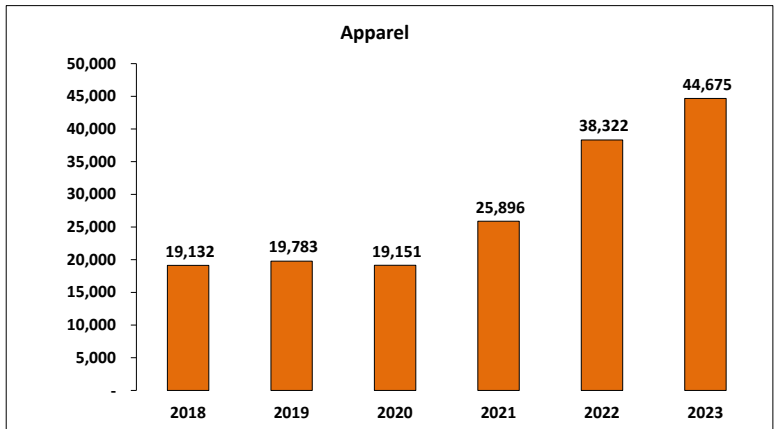
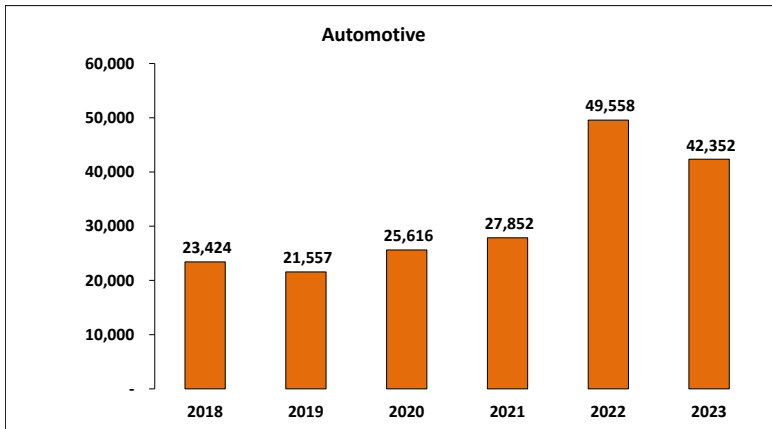
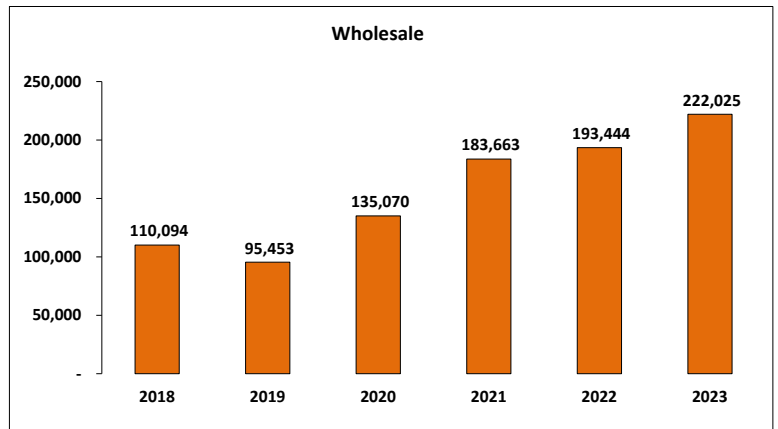
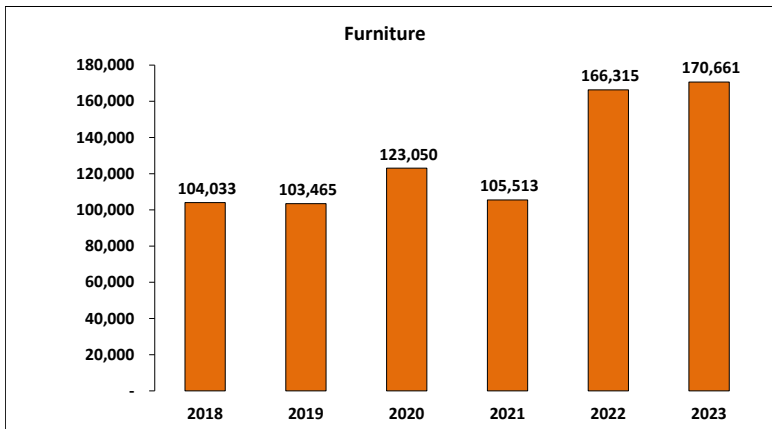
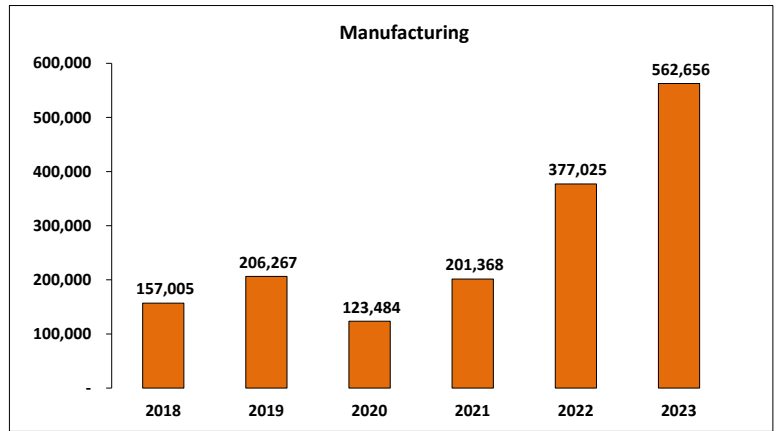
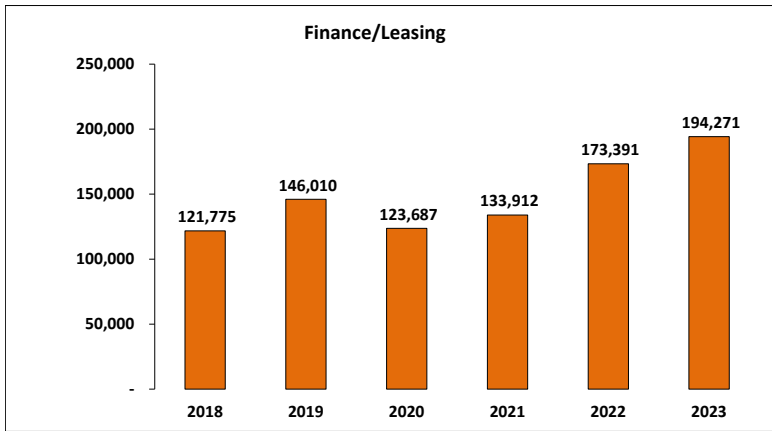
INDUSTRY NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
General Merchandise	296,225	286,953	446,017	569,032	789,809	1,151,194	34.1%	45.8%
Communications/Utilities	506,709	577,089	701,508	543,816	702,581	675,490	20.0%	-3.9%
Manufacturing	35,414	118,971	137,828	154,206	281,393	386,354	11.4%	37.3%
Building Matl's/Construction	83,375	104,738	121,863	127,152	178,818	271,247	8.0%	51.7%
Services	69,894	115,203	110,385	150,395	236,224	227,257	6.7%	-3.8%
Finance/Leasing	111,590	134,309	151,136	131,272	170,173	192,043	5.7%	12.9%
Wholesale	88,562	71,603	113,015	153,845	139,575	164,814	4.9%	18.1%
Furniture	67,730	63,685	97,024	67,434	130,601	131,085	3.9%	0.4%
Food/Beverage	2,734	9,161	16,246	66,122	61,030	65,554	1.9%	7.4%
Grocery	11,404	17,377	20,779	39,470	33,206	37,557	1.1%	13.1%
Apparel	5,698	8,059	14,622	17,133	24,977	37,385	1.1%	49.7%
Agriculture	1,071	883	2,048	6,331	19,830	26,623	0.8%	34.3%
Automotive	16	328	-	26	15,196	10,118	0.3%	-33.4%
Totals	1,280,420	1,508,358	1,932,471	2,026,233	2,783,414	3,376,721		
% Of Change	11.9%	17.8%	28.1%	4.9%	37.4%	21.3%		



Revenue History by Industry (Jan. - Apr. 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Merchandise	608,882	51.9%	545,973	-10.3%	618,193	13.2%	770,551	24.6%	1,031,215	33.8%	1,416,323	37.3%	21.4%
Grocery	1,041,099	5.4%	937,548	-9.9%	1,172,443	25.1%	1,155,058	-1.5%	1,053,441	-8.8%	1,078,079	2.3%	16.3%
Food/Beverage	841,135	12.3%	850,131	1.1%	652,121	-23.3%	780,112	19.6%	866,445	11.1%	1,036,790	19.7%	15.7%
Comm/Util.	508,500	-6.9%	559,103	10.0%	682,365	22.0%	527,640	-22.7%	671,490	27.3%	675,599	0.6%	10.2%
Bldg Matl's.	542,791	7.6%	576,053	6.1%	612,711	6.4%	743,427	21.3%	883,553	18.8%	610,832	-30.9%	9.2%
Manufacturing	157,005	-17.4%	206,267	31.4%	123,484	-40.1%	201,368	63.1%	377,025	87.2%	562,656	49.2%	8.5%
Services	402,354	-3.6%	408,220	1.5%	331,792	-18.7%	368,540	11.1%	509,022	38.1%	486,492	-4.4%	7.4%
Wholesale	110,094	39.4%	95,453	-13.3%	135,070	41.5%	183,663	36.0%	193,444	5.3%	222,025	14.8%	3.4%
Fin./Lease	121,775	3.2%	146,010	19.9%	123,687	-15.3%	133,912	8.3%	173,391	29.5%	194,271	12.0%	2.9%
Furniture	104,033	28.6%	103,465	-0.5%	123,050	18.9%	105,513	-14.3%	166,315	57.6%	170,661	2.6%	2.6%
Apparel	31,835	-1.8%	33,235	4.4%	34,327	3.3%	40,389	17.7%	57,264	41.8%	73,871	29.0%	1.1%
Agriculture	19,132	10.7%	19,783	3.4%	19,151	-3.2%	25,896	35.2%	38,322	48.0%	44,675	16.6%	0.7%
Automotive	23,424	11.8%	21,557	-8.0%	25,616	18.8%	27,852	8.7%	49,558	77.9%	42,352	-14.5%	0.6%
	4,512,058	8.9%	4,502,798	-0.2%	4,654,008	3.4%	5,063,922	8.8%	6,070,483	19.9%	6,614,626	9.0%	





CITY OF LOUISVILLE
Revenue History by Industry (Jan. - Apr. 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Merchandise	608,882	51.9%	545,973	-10.3%	618,193	13.2%	770,551	24.6%	1,031,215	33.8%	1,416,323	37.3%	21.4%
All Other	445,522	6.0%	479,760	7.7%	460,698	-4.0%	584,681	26.9%	881,927	50.8%	1,116,240	26.6%	16.9%
Grocery	1,041,099	5.4%	937,548	-9.9%	1,172,443	25.1%	1,155,058	-1.5%	1,053,441	-8.8%	1,078,079	2.3%	16.3%
Food/Beverage	841,135	12.3%	850,131	1.1%	652,121	-23.3%	780,112	19.6%	866,445	11.1%	1,036,790	19.7%	15.7%
Services	524,129	-2.1%	554,230	5.7%	455,479	-17.8%	502,452	10.3%	682,413	35.8%	680,763	-0.2%	10.3%
Comm/Util.	508,500	-6.9%	559,103	10.0%	682,365	22.0%	527,640	-22.7%	671,490	27.3%	675,599	0.6%	10.2%
Bldg Materials	542,791	7.6%	576,053	6.1%	612,711	6.4%	743,427	21.3%	883,553	18.8%	610,832	-30.9%	9.2%
	4,512,058	8.9%	4,502,798	-0.2%	4,654,008	3.4%	5,063,922	8.8%	6,070,483	19.9%	6,614,626	9.0%	

