

City Council Finance Committee

Meeting Agenda

September 21, 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, August 17th, 2023 (pg 3/21)
- V. Public Comments on Items Not on the Agenda
- VI. **ITEM 2** - Tax Revenue Reports (pg 8/21) – Mahyar Mansurabadi, Sales Tax Auditor

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** –2024 Budget Discussion (pg 20/21) – Ryder Bailey, CPA
Finance Director

VIII. Finance Director Updates

IX. Discussion/Future Items for Next Committee Meeting, October 19th

- Sales Tax Reports
- Review of Water Issues
- Cash and Investments Report
- Marshall Fire Updates, if needed
- Open Space & Parks Sales and Use Tax Extension Update, if needed

X. Adjourn

City Council Finance Committee

9:00 AM | Thursday, August 17, 2023

Virtual Meeting via Zoom
Regular Meeting

Call to Order – Councilmember Dickinson called the meeting to order at 9:01 AM and took roll call.

Committee Members Present: Yes Councilmember Dickinson
Yes Councilmember Hamlington
Yes 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
Hannah Miller, Sustainability Specialist
Julie Glaser, Senior Accountant
Kurt Kower, Director of Public Works
Travis Anderson, Revenue & Sales Tax Manager
David Baril, Head Golf Professional
Kayla Betzold, Sustainability Coordinator
Kathy Martin, Recreation Superintendent

Others Present: Councilmember Most
Councilmember Leh
Mayor Pro Tem Fahey
Sherry Sommer, Resident
Paul Kane, Eide Bailly

Approval of Agenda:

Councilmember Hoefner made a motion to approve the agenda, seconded by Councilmember Dickinson. Agenda was Approved.

Approval of June 15, 2023 Meeting Minutes:

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

Public Comments on Items Not on the Agenda: None.

Annual External Auditor's Report:

Paul Kane with Eide Bailly presented the annual audit report to the committee. The report was included in the meeting packet.

Questions from the Committee:

Councilmember Dickinson asked how the unrestricted funds tie into the rest of the budget, the source of the funds and what they can be used for. The Director of Finance noted that exhibit 3 on page 32 of the report identifies fund balances. It is likely that a large transfer from ARPA to General Fund in 2022 and unanticipated revenue proceeds from the Marshall Fire is a significant amount of the increase in the unrestricted fund balance.

Questions from the public: None.

Mid-year Financial Report:

The Accounting Manager presented the mid-year financial report to the committee.

Questions from the Committee:

Councilmember Hamlington had a question about the Historic Preservation Fund. Ending fund balance compared to others, it seems disproportionately high revenues for expenditures. She asked if there is an opportunity for HPC to evaluate how funds are distributed and whether adjustments to the program are warranted to increase the disbursement of these funds for incentives. Chair Dickinson agreed that it should be determined how to increase the incentives, making them easier for applicants to receive. Fin Dir noted that 2023 expenditures are increasing and getting closer to

The City Manager noted that the Community Development Director and CMO have discussed this issue. The Community Development team is considering ways to further the program.

Councilmember Hoefner noted that the water budget revenue exceeded budget by \$6-7M. The Director of Public Works noted that there was a one-time payment of sale of water rights around \$2.6M.

Chair Dickinson replacement capital in water and WWTP – negative expenses in 2021 & 2022 then \$3.2M budget. The Director of Public Works noted that water and wastewater are continuing with large projects. With higher levels of precipitation this year, people aren't watering lawns, so water rate revenue is lower than usual. Projects may be delayed due to the external influences of temperatures and precipitation rates. Utility funds are very fluid based on external factors.

Councilmember Hamlington asked when we talk about Louisville using less water due to increased precipitation. Ideally in 10+ years, people won't have lawns to be watered. Will that decrease water usage and how do we plan for projects with this consideration. If we lean farther into conservation as a state, Louisville will be in a better position to have plenty of water. This will require looking at policies as a City.

Councilmember Hamlington noted that, looking at capital projects fund, some adopted budgets to adjusted budgets have increased significantly. The Director of Finance noted that, in the capital fund, you see carry-forward of projects from year to year. The left-over budget from the previous year is rolled into the current year budget and the budget is adjusted accordingly.

Chair Dickinson noted that sustainability, transportation, streetscape, parks, and golf course budgets are much higher than 2022 and there are those which are only 0%-2% complete at the end of June. He asked if these projects, generally speaking, will be ramping up at the end of 2023 or if they will likely be pushed to 2024. The Finance Director noted that the second half of the year typically shows an increase in expenditures against CIP projects due to project ramp-up times and the lag of invoicing after work has been completed.

The Finance Director communicated the budget and project controls the City uses.

Questions from the public: None.

Mid-year Capital Improvement Plan Report:

The Senior Accountant presented the mid-year capital improvement plan report to the committee.

Questions from the Committee:

Hamlington noted a number of purchases of fleet vehicles and asked if the current budget is for electric vehicles. Kurt the vehicles being purchased this year are trucks and are not electric vehicles. Electric duty vehicles are not mature enough to handle the workload required of these vehicles and supply chain delays are also a contributing factor.

The City Manager noted that we recently purchased an EV police vehicle which is being outfitted as a pilot program. There are different challenges – what happens if it's on an accident scene for hours with lights, they are not as roomy as what we usually have in law enforcement making it a tight fit for officers fully outfitted in gear, etc.. The Director of Public Works noted that the fleet has been reviewed for meeting decarbonization plan goals.

Chair Dickinson asked about the Open Space and Parks fund where projects are close to completion, but the funds haven't been spent. The Director of PROS noted that we're waiting to pay the bill until final punch list items are addressed.

Councilmember Hoefner asked about the 17% spent year to date versus budget and why the number is so low (have we accomplished less than we hoped, are we awaiting invoicing)? Director of Public Works noted that items like SH 42 and paving improvements include large grants where we've received the funding but haven't spent it because the projects are in progress. There is a lot of work happening on these projects and we strive to have all projects moving by this point in the year. In a lot of cases, we're waiting for invoicing from vendors. Councilmember Hoefner asked if we think we'll spend the \$5m for SH42 this year. The Director of Public works noted the SH42 project is a long-term project and funding will be spent over the next several years. This line item includes grants from DRCOG and the State for this project. The City has to budget for the full amount of the project because we are responsible for payment of the expenditures.

Councilmember Hamlington asked if there is value in adding a column to the report showing how much funding is from external sources for each project. The Finance Director will consider how to present this information to the Committee.

Tax Revenue Reports:

The Sales Tax Auditor presented the tax revenue report to the committee.

Questions from the Committee:

Councilmember Hamlington asked if projections are based on prior year performance trends to predict the projections? It was noted that prior-year performance is used to predict trends.

Councilmember Hamlington asked how these projections were made given that the past few years have been unusual, how are we confident in the projections? The Tax Auditor noted that this has been the top difficulty in determining trends. The years prior to COVID were also used to develop these projections for coming years.

Mid-year Bag Tax Report:

The Sales Tax Auditor presented the mid-year bag tax report to the committee. There was a discussion around the origination of the bag tax fees and the state fees in addition to City fees.

Questions from the Committee: None.

Enterprise Dashboards:

The Director of Parks, Recreation and Open Space introduced the Parks, Recreation and Open Space second quarter dashboards. The Head Golf Professional presented on the Golf Course dashboard through June. The Recreation Superintendent presented the Recreation & Senior Center dashboard.

Questions from the Committee: None.

Chair Dickinson cautions against increasing golf fees. Councilmember Most noted that she generally would not support golf fees to be raised, noting that, if fees need to be raised, we should raise them for non-residents first while considering ways to provide lower fees for low/moderate income residents. As a city we need to consider the impact of all decisions we make on low/moderate income residents.

Councilmember Hamlington asked how much of the recreation program and membership revenue is from residents versus other people using our facilities. PROS will include the data on resident versus non-resident revenues in the future.

Finance Director Updates:

The Finance Director introduced the new Sales Tax Manager. The finance team is working on the 2024 budget to be presented at upcoming Council meetings.

Questions from the Committee: None.

Items for the Next Regular Meeting, scheduled for September 21, 2023, 9:00-11:00 AM:

- 2024 Budget
- Sales Tax Reports

- Marshall Fire Updates, if needed
- Open Space & Parks Sales and Use Tax Extension Update, if needed

Items were approved for the next regular meeting.

Adjourn: The meeting adjourned at 10:59 a.m.

SUBJECT: SALES TAX REPORTS

DATE: SEPTEMBER 11, 2023

PRESENTED BY: MAHYAR MANSURABADI, SALES TAX AUDITOR

SUMMARY:

Financial Update: Sales Tax Breakdown by Type, Area, and Industry

In this financial update, we provide a comprehensive analysis of the City's sales tax collections, dissected by various parameters such as type, area, and industry.

To summarize the findings, we've experienced a noteworthy year-over-year increase in total sales tax revenue, amounting to a 12.9%. Upon closer examination of the data, we observe the following trends within specific categories:

1. **Sales Tax:** 8.7% growth in general sales tax revenue. Approximately half of our sales revenue, 48%, is generated from sales occurring outside the city limits. While there has been a recent deceleration in the growth of sales outside the city over the past two months, we remain ahead by 14.6% Year-To-Date (YTD) compared to 2022.
2. **Use Tax:** The standout performer is our use tax category, which has surged by 52.9%. The driving force behind this growth has been new businesses relocating to Louisville, particularly those engaging in substantial building and office acquisitions. It's essential to note that, as sales tax was not collected at the time of these purchases, businesses are obligated to remit use tax directly to the city.
3. **Building Use Tax:** Our building use tax, collected through the issuance of building permits, has increased by 18.1%. However, as we progress through the year we anticipate that this number will experience a gradual decrease.
4. **Auto Use Tax:** In contrast, our auto use tax revenue has seen a decline of -8.9%. This decrease can be attributed to a reduced volume of vehicle purchases in the post-pandemic landscape. Additionally, residents who lost their vehicles in the Marshall fire purchased new vehicles in 2022, contributing to the drop in revenue for 2023.
5. **Lodging Tax:** Our lodging tax revenue has surged by 39.4%. This significant increase can be attributed to two key factors: heightened travel activities in the post-pandemic era and the reopening of hotels that were temporarily closed during the initial months of 2022 due to damage caused by the Marshall Fire.

In an effort to provide a forward-looking perspective, our staff has incorporated revenue projections through the end of the year. These projections, indicated in italics and grayed out, take into account net revenue post-Business Assistance Program (BAP) rebates. Despite anticipating growth in the areas of Sales Tax, Use Tax, and Lodging Tax, we do not foresee an overall increase in Total Tax Revenue compared to 2022. This projection is primarily rooted in an expected decline of over 50% in building use tax revenue.

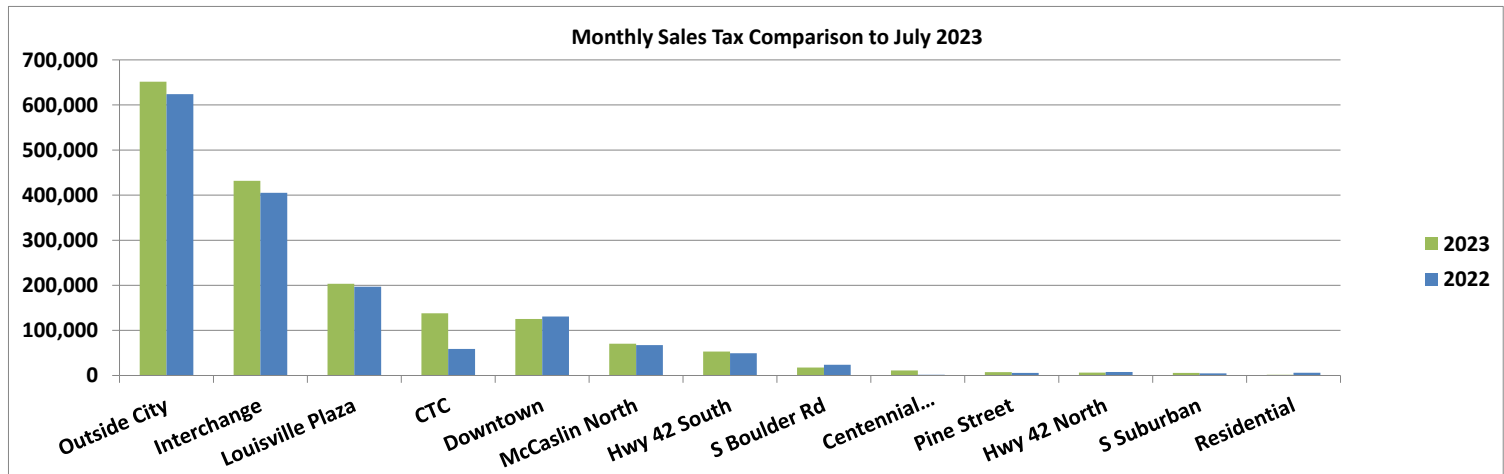
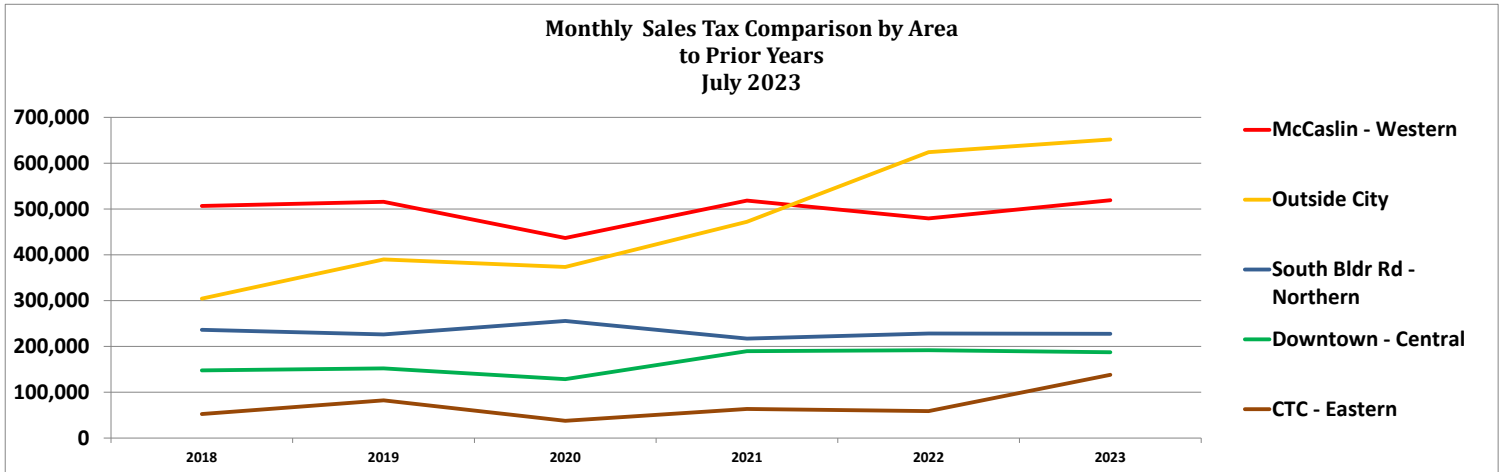
RECOMMENDATION:

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	1,841,030	154,813	100,612	130,404	46,617	-	46	2,273,522
	JUNE	2,023,204	223,473	101,731	129,621	55,112	-	52,606	2,585,746
	JULY	1,723,776	580,457	289,594	106,004	60,716	-	2,351	2,760,546
	AUGUST	1,642,000	163,000	105,000	156,000	38,000	-	-	2,104,000
	SEPTEMBER	1,985,000	309,000	128,000	152,000	38,000	-	60,000	2,672,000
	OCTOBER	1,725,000	138,000	103,000	137,000	25,000	7,000	-	2,135,000
	NOVEMBER	1,689,000	150,000	80,000	129,000	17,000	7,000	-	2,072,000
	DECEMBER	2,330,000	317,000	116,000	131,000	19,000	-	60,000	2,973,000
	YTD TOTALS	12,202,636	2,321,735	1,150,466	1,002,306	224,156	2,715	126,126	17,027,789
	Projected Totals *(Use Tax Net of BAF)	21,573,636	2,889,086	1,682,466	1,707,306	361,156	16,715	246,126	28,983,789
	YTD Variance % to Prior Year	8.7%	52.9%	18.1%	-8.9%	39.4%	-94.3%	30.2%	12.9%
	Est. Projected Variance to 2022	8.3%	9.0%	-55.5%	-10.1%	14.7%	-73.4%	30.3%	0.8%
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%

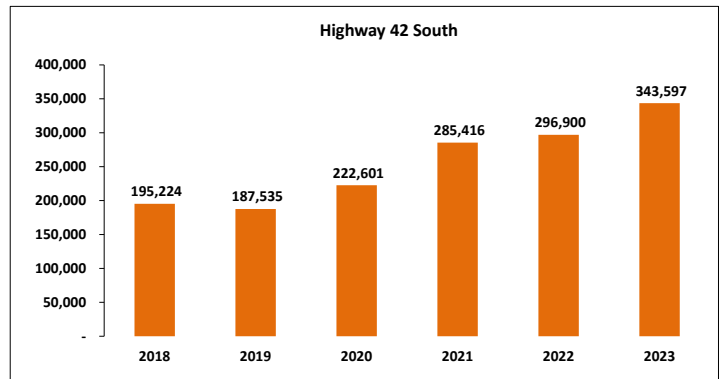
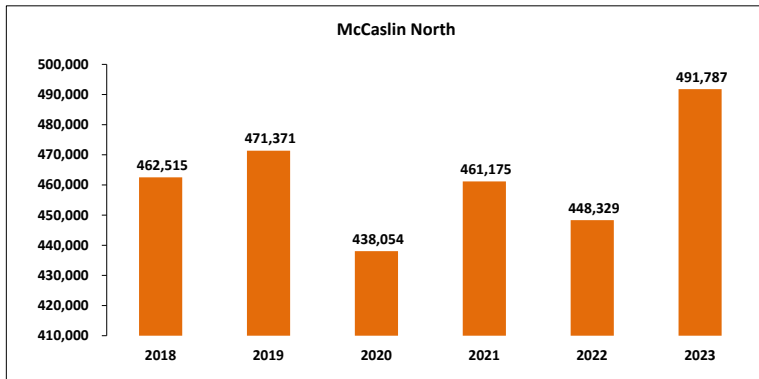
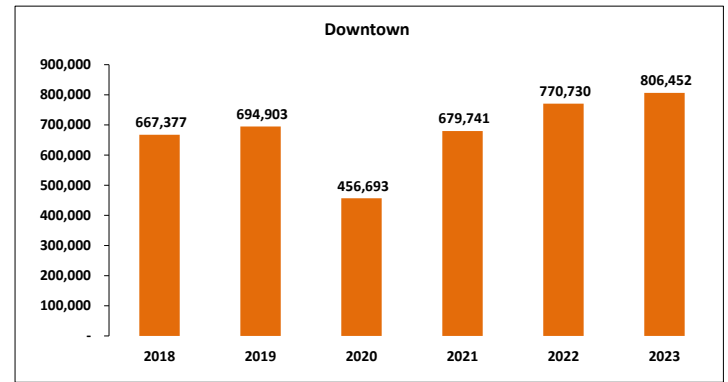
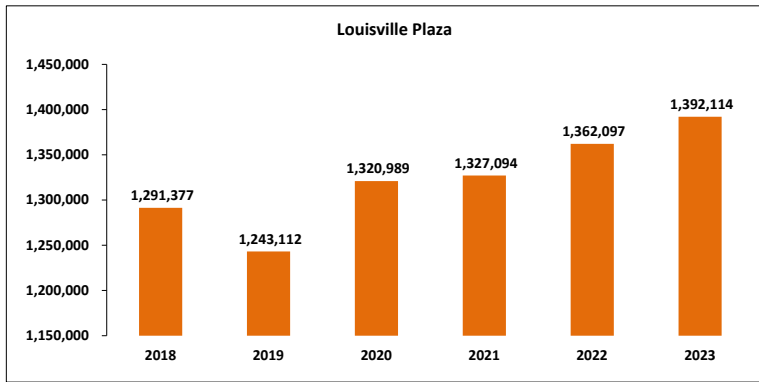
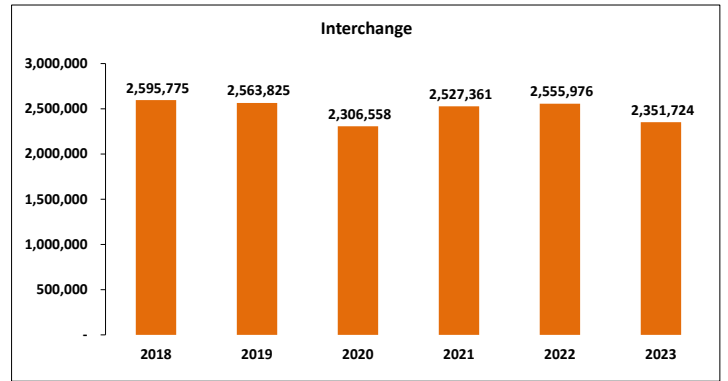
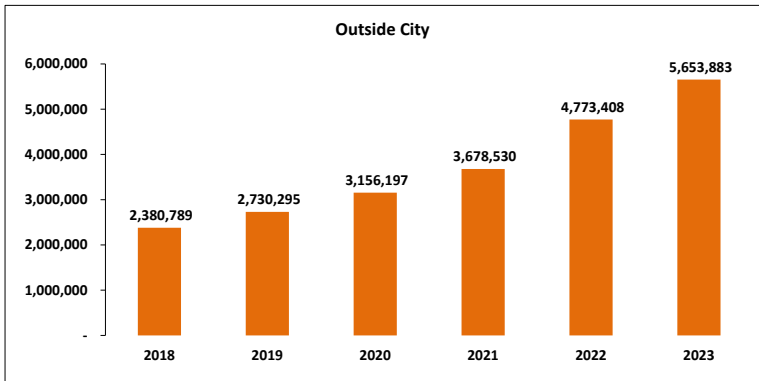
Monthly Sales Tax Revenue Comparisons by Area (July 2023)

AREA NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
Outside City	304,378	389,841	373,395	471,983	623,939	651,776	37.8%	4.5%
Interchange	425,868	433,546	362,162	429,709	405,296	431,854	25.1%	6.6%
Louisville Plaza	170,532	178,727	185,640	193,621	196,843	203,346	11.8%	3.3%
CTC	52,386	82,317	37,677	63,558	58,984	138,069	8.0%	134.1%
Downtown	110,836	112,499	82,808	134,975	130,830	125,319	7.3%	-4.2%
McCasin North	66,605	67,955	66,777	79,339	67,567	70,423	4.1%	4.2%
Hwy 42 South	29,271	30,930	37,111	46,940	49,378	52,979	3.1%	7.3%
S Boulder Rd	57,144	40,693	63,325	18,020	23,785	17,619	1.0%	-25.9%
Centennial Valley	7,740	8,885	4,052	4,370	1,671	11,075	0.6%	562.8%
Pine Street	6,972	8,628	6,720	6,835	5,618	7,510	0.4%	33.7%
Hwy 42 North	8,456	6,910	6,648	5,471	7,741	6,471	0.4%	-16.4%
S Suburban	6,422	5,160	3,697	5,124	4,807	5,772	0.3%	20.1%
Residential	603	104	1,974	1,031	5,938	1,562	0.1%	-73.7%
Total Revenue	1,247,212	1,366,196	1,231,987	1,460,976	1,582,397	1,723,776		
% Of Change	9.2%	9.5%	-9.8%	18.6%	8.3%	8.9%		

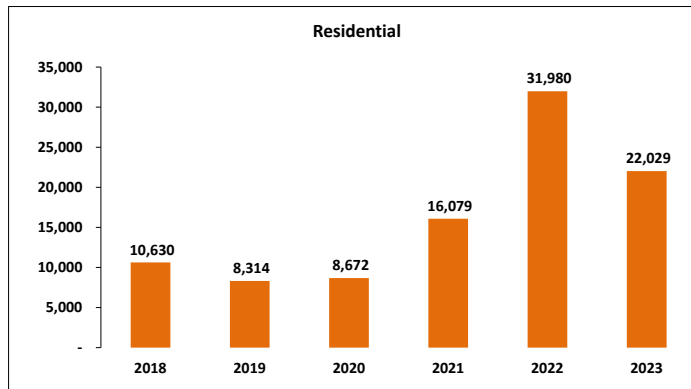
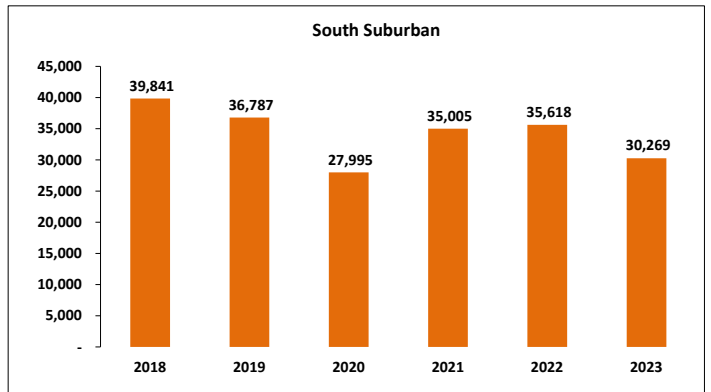
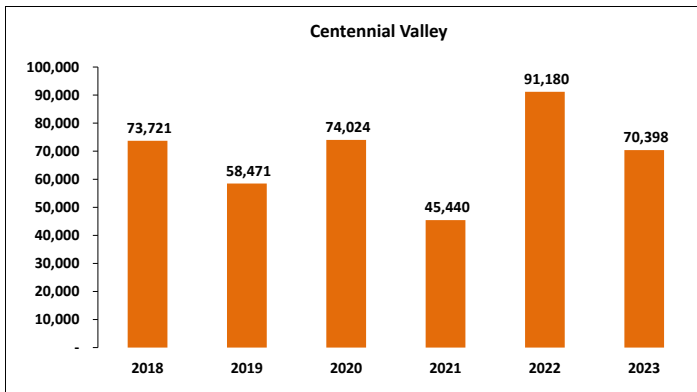
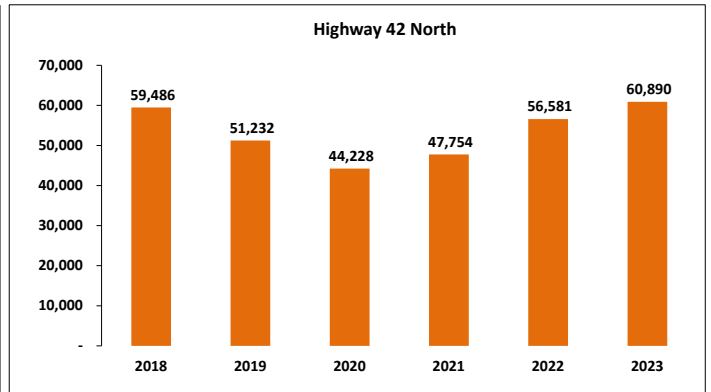
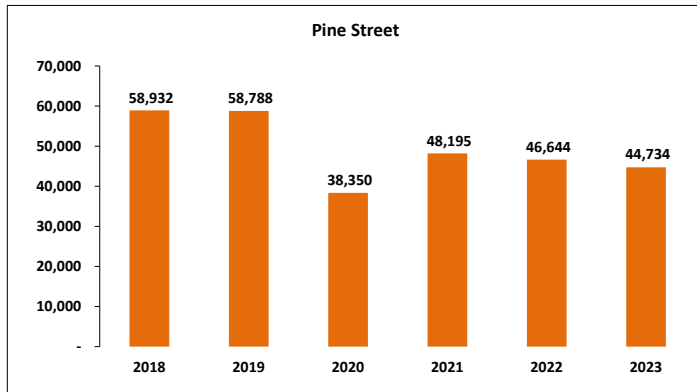
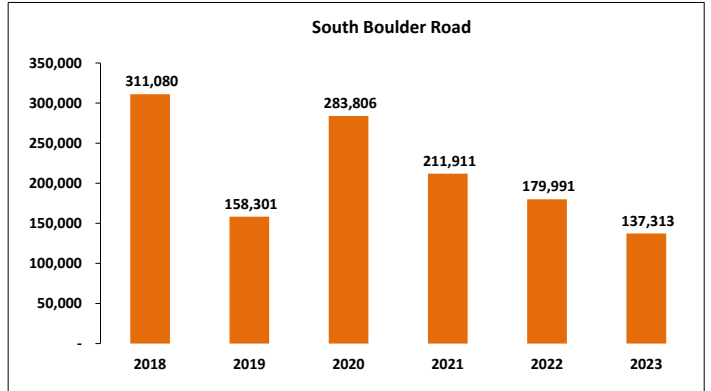
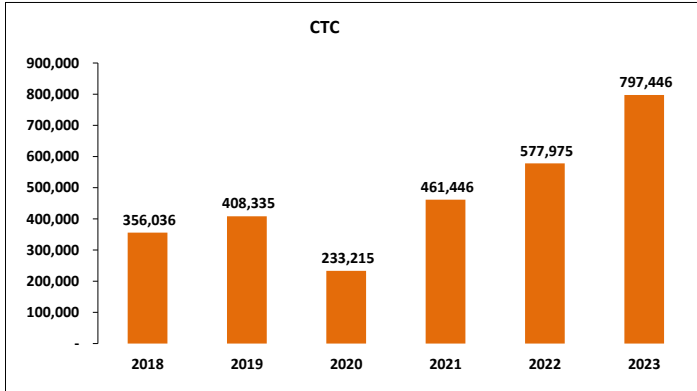


CITY OF LOUISVILLE
Revenue History by Area (Jan. - July 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Outside City	2,380,789	17.3%	2,730,295	14.7%	3,156,197	15.6%	3,678,530	16.5%	4,773,408	29.8%	5,653,883	18.4%	46.33%
Interchange	2,595,775	6.4%	2,563,825	-1.2%	2,306,558	-10.0%	2,527,361	9.6%	2,555,976	1.1%	2,351,724	-8.0%	19.27%
Louisville Plaza	1,291,377	11.5%	1,243,112	-3.7%	1,320,989	6.3%	1,327,094	0.5%	1,362,097	2.6%	1,392,114	2.2%	11.41%
Downtown	667,377	14.7%	694,903	4.1%	456,693	-34.3%	679,741	48.8%	770,730	13.4%	806,452	4.6%	6.61%
CTC	356,036	-27.0%	408,335	14.7%	233,215	-42.9%	461,446	97.9%	577,975	25.3%	797,446	38.0%	6.54%
McCaslin North	462,515	12.8%	471,371	1.9%	438,054	-7.1%	461,175	5.3%	448,329	-2.8%	491,787	9.7%	4.03%
Hwy 42 South	195,224	18.7%	187,535	-3.9%	222,601	18.7%	285,416	28.2%	296,900	4.0%	343,597	15.7%	2.82%
South Boulder Rd	311,080	-2.3%	158,301	-49.1%	283,806	79.3%	211,911	-25.3%	179,991	-15.1%	137,313	-23.7%	1.13%
Centennial Valley	73,721	-11.9%	58,471	-20.7%	74,024	26.6%	45,440	-38.6%	91,180	100.7%	70,398	-22.8%	0.58%
Hwy 42 North	59,486	10.4%	51,232	-13.9%	44,228	-13.7%	47,754	8.0%	56,581	18.5%	60,890	7.6%	0.50%
Pine Street	58,932	46.3%	58,788	-0.2%	38,350	-34.8%	48,195	25.7%	46,644	-3.2%	44,734	-4.1%	0.37%
South Suburban	39,841	4.7%	36,787	-7.7%	27,995	-23.9%	35,005	25.0%	35,618	1.8%	30,269	-15.0%	0.25%
Residential	10,630	35.1%	8,314	-21.8%	8,672	4.3%	16,079	85.4%	31,980	98.9%	22,029	-31.1%	0.18%
	8,502,782	8.9%	8,671,270	2.0%	8,611,383	-0.7%	9,825,146	14.1%	11,227,410	14.3%	12,202,636	8.7%	

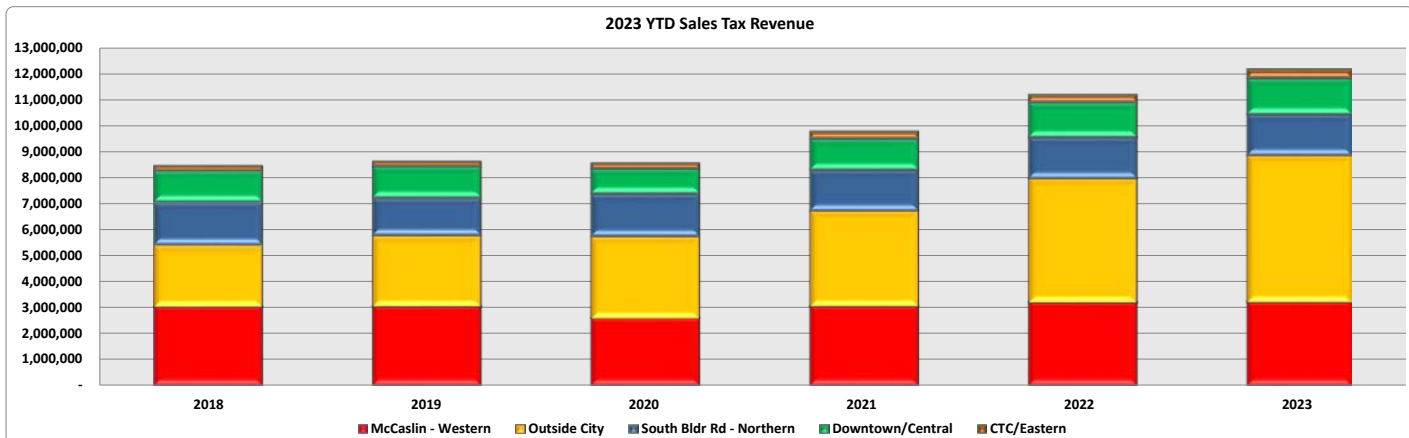
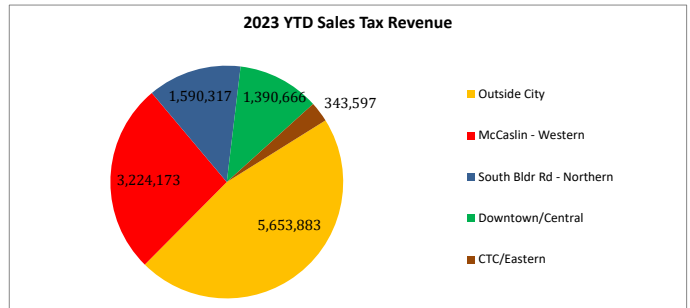
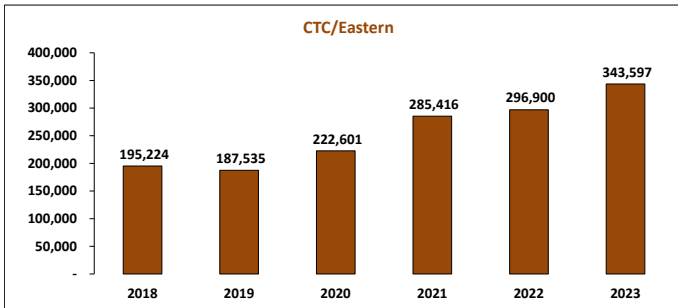
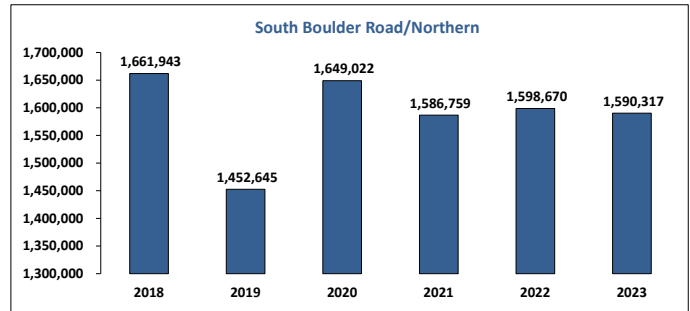
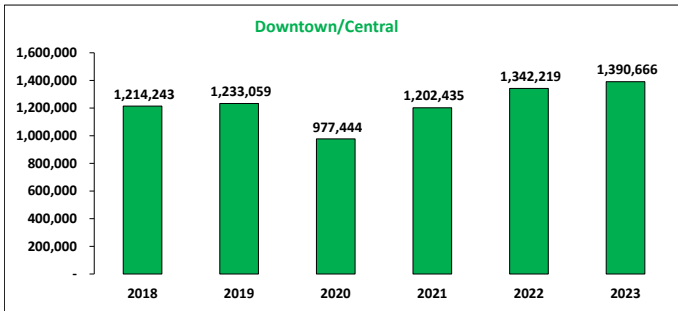
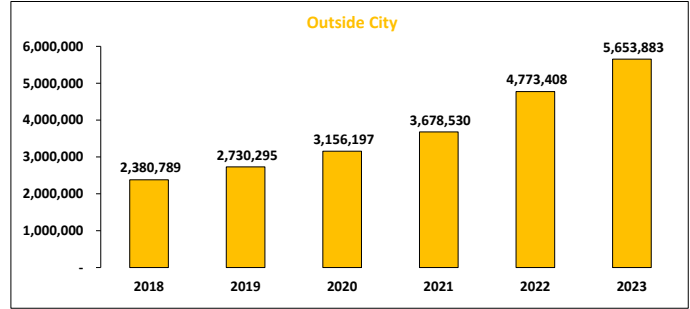
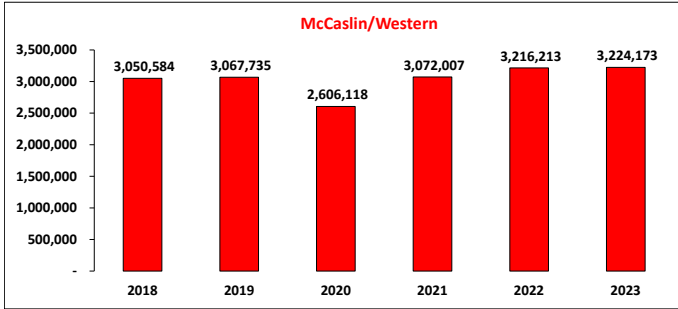


CITY OF LOUISVILLE
Revenue History by Area (Jan. - July 2023)



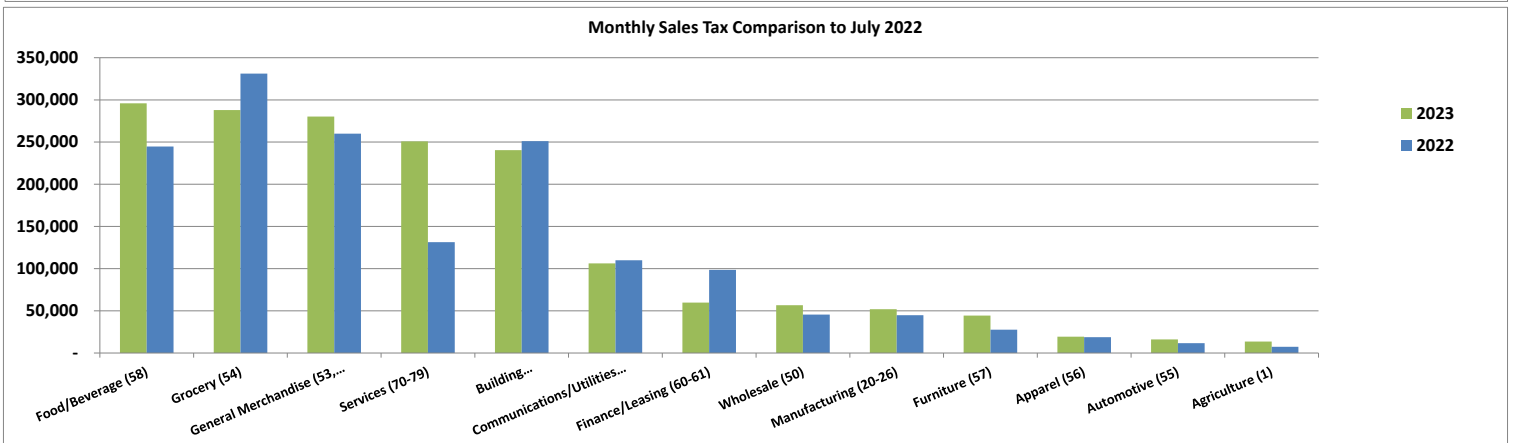
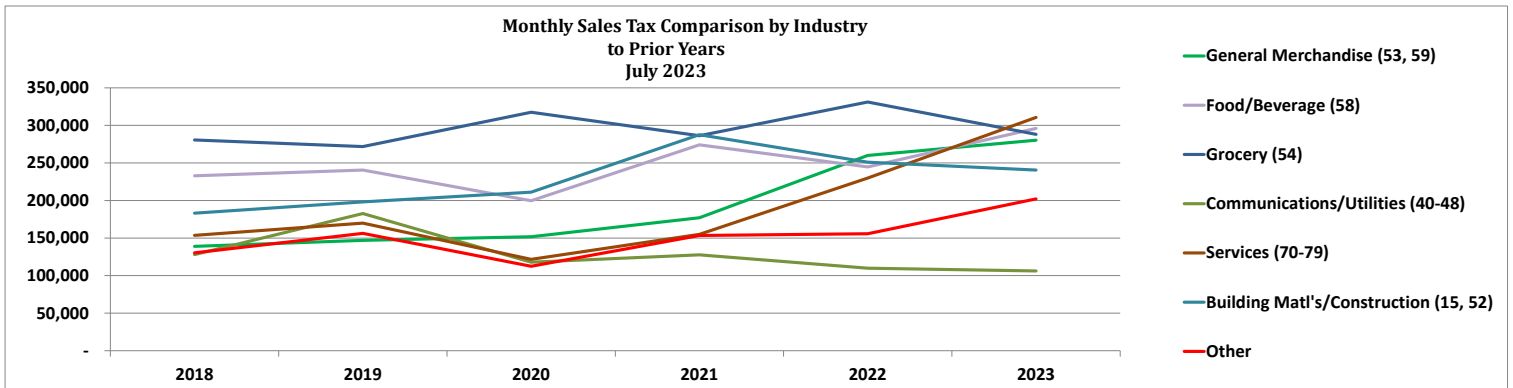
CITY OF LOUISVILLE
Sales Tax Revenue History by Area (Jan. - July 2023)

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Outside City	2,380,789	-24.57%	2,730,295	-13.49%	3,156,197	15.60%	3,678,530	16.55%	4,773,408	29.76%	5,653,883	18.45%	46.3%
McCaslin - Western	3,050,584	17.05%	3,067,735	0.56%	2,606,118	-15.05%	3,072,007	17.88%	3,216,213	4.69%	3,224,173	0.25%	26.4%
South Bldr Rd - Northern	1,661,943	0.78%	1,452,645	-11.91%	1,649,022	13.52%	1,586,759	-3.78%	1,598,670	0.75%	1,590,317	-0.52%	13.0%
Downtown/Central	1,214,243	24.23%	1,233,059	26.15%	977,444	-20.73%	1,202,435	23.02%	1,342,219	11.63%	1,390,666	3.61%	11.4%
CTC/Eastern	195,224	-12.30%	187,535	-15.75%	222,601	18.70%	285,416	28.22%	296,900	4.02%	343,597	15.73%	2.8%
	8,502,782	8.8%	8,671,270	2.0%	8,611,383	-0.7%	9,825,146	14.1%	11,227,410	14.3%	12,202,636	8.7%	



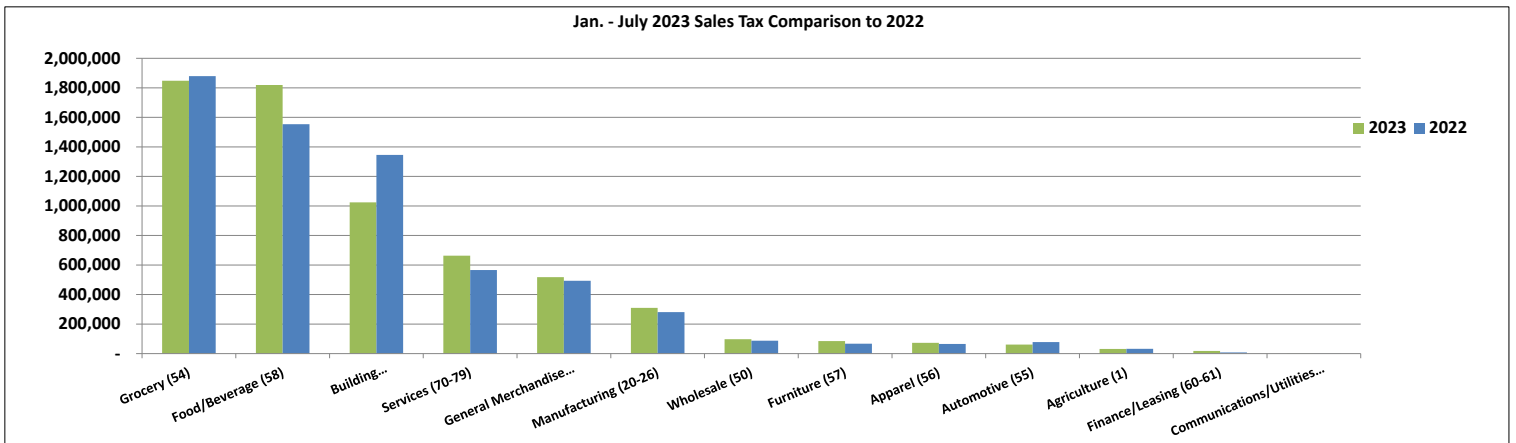
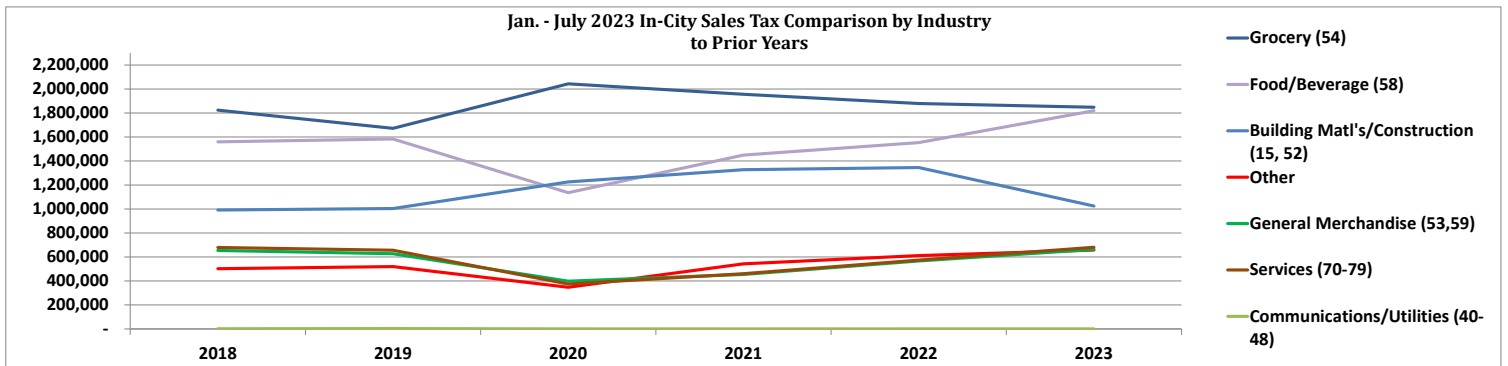
Monthly Sales Tax Revenue Comparisons by Industry (July 2023)

AREA NAME	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
Food/Beverage (58)	218,481	232,871	240,546	199,691	274,135	244,663	296,011	17.2%	21.0%
Grocery (54)	247,369	280,540	271,796	317,515	286,288	331,127	288,017	16.7%	-13.0%
General Merchandise (53, 59)	161,488	138,937	146,897	151,836	177,005	259,927	280,289	16.3%	7.8%
Services (70-79)	118,003	121,467	138,324	87,636	123,562	131,414	250,819	14.6%	90.9%
Building Mat'l's/Construction (15, 52)	163,014	183,124	198,183	211,091	287,590	251,049	240,506	14.0%	-4.2%
Communications/Utilities (40-48)	106,241	127,930	182,645	117,787	127,638	109,881	106,188	6.2%	-3.4%
Finance/Leasing (60-61)	31,520	32,118	31,631	34,012	31,411	98,555	59,812	3.5%	-39.3%
Wholesale (50)	21,817	24,299	24,117	31,219	28,888	45,516	56,664	3.3%	24.5%
Manufacturing (20-26)	30,805	61,873	85,781	26,596	52,416	44,828	51,902	3.0%	15.8%
Furniture (57)	17,002	22,182	24,329	33,119	39,172	27,607	44,418	2.6%	60.9%
Apparel (56)	8,783	9,810	9,868	8,032	16,202	18,776	19,414	1.1%	3.4%
Automotive (55)	8,464	7,107	7,918	8,996	8,465	11,729	16,075	0.9%	37.0%
Agriculture (1)	4,826	4,954	4,162	4,459	8,205	7,323	13,660	0.8%	86.5%
Totals	1,137,813	1,247,212	1,366,196	1,231,987	1,460,976	1,582,397	1,723,776		
% Of Change	28.3%	9.6%	9.5%	-9.8%	18.6%	8.3%	8.9%		



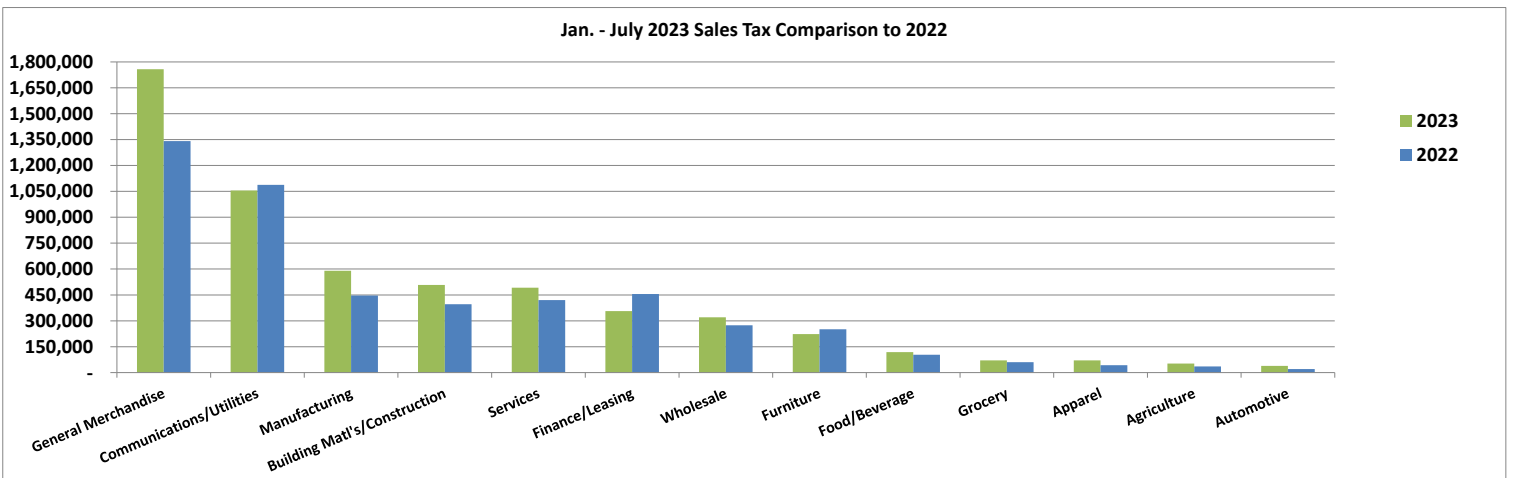
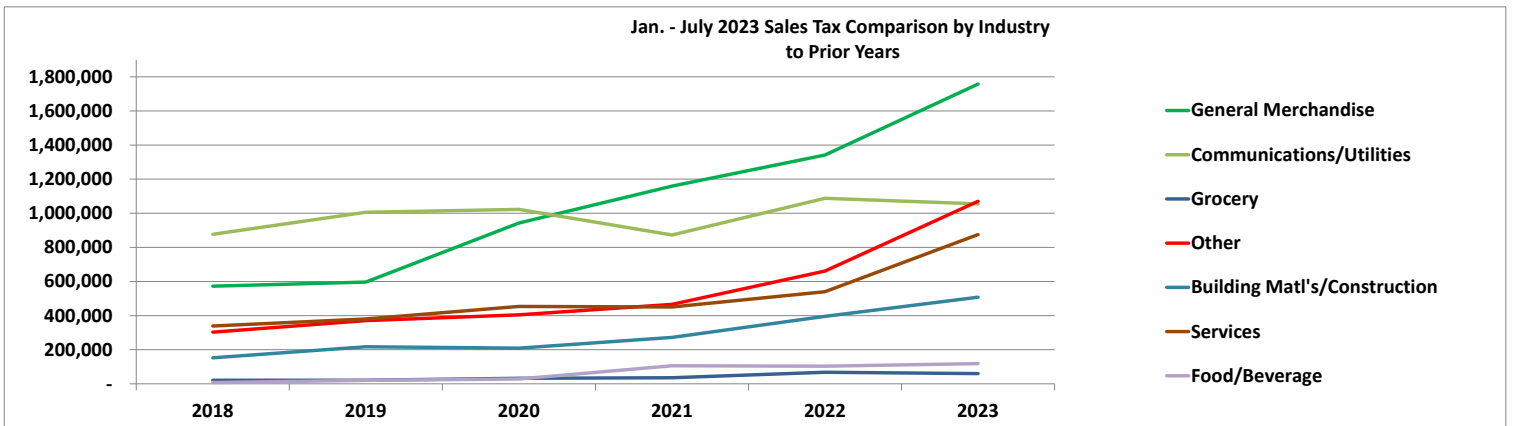
Sales Tax Revenue Comparisons by Industry - Inside City Area (Jan. - July 2023)

INDUSTRY NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
Grocery (54)	1,824,203	1,672,387	2,043,502	1,956,486	1,879,083	1,847,959	28.2%	-1.7%
Food/Beverage (58)	1,560,051	1,583,517	1,135,819	1,449,536	1,553,376	1,819,385	27.8%	17.1%
Building Mat'l's/Construction (15, 52)	991,439	1,003,672	1,225,874	1,327,150	1,345,605	1,024,429	15.6%	-23.9%
Services (70-79)	654,088	627,198	398,224	454,182	566,385	663,129	10.1%	17.1%
General Merchandise (53,59)	563,813	501,794	327,727	410,207	493,329	518,176	7.9%	5.0%
Manufacturing (20-26)	265,686	279,839	131,794	276,066	281,279	309,394	4.7%	10.0%
Wholesale (50)	39,872	49,273	47,090	58,970	87,297	97,883	1.5%	12.1%
Furniture (57)	70,730	71,888	56,892	69,854	67,361	84,669	1.3%	25.7%
Apparel (56)	50,670	47,158	36,109	53,395	65,696	72,746	1.1%	10.7%
Automotive (55)	43,709	39,618	46,297	50,445	77,822	61,372	0.9%	-21.1%
Agriculture (1)	31,003	32,198	29,254	33,561	32,328	31,589	0.5%	-2.3%
Finance/Leasing (60-61)	24,919	29,433	(23,756)	6,522	8,096	17,647	0.3%	118.0%
Communications/Utilities (40-48)	1,810	3,000	358	241	245	374	0.0%	52.5%
Totals	6,121,993	5,940,975	5,455,186	6,146,616	6,457,902	6,548,752		
% Of Change	6.5%	-3.0%	-8.2%	12.7%	5.1%	1.4%		



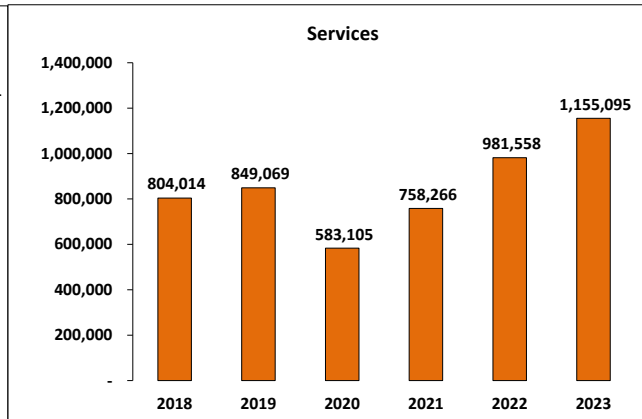
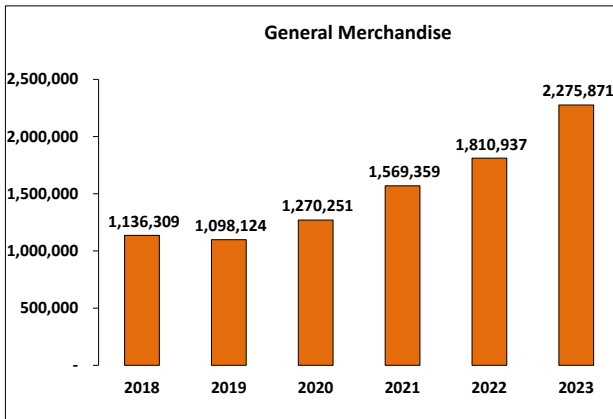
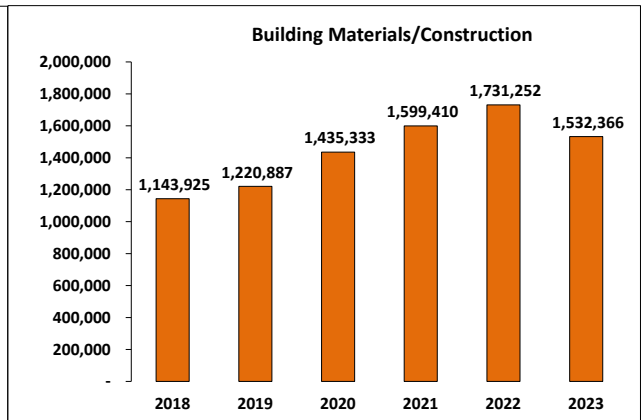
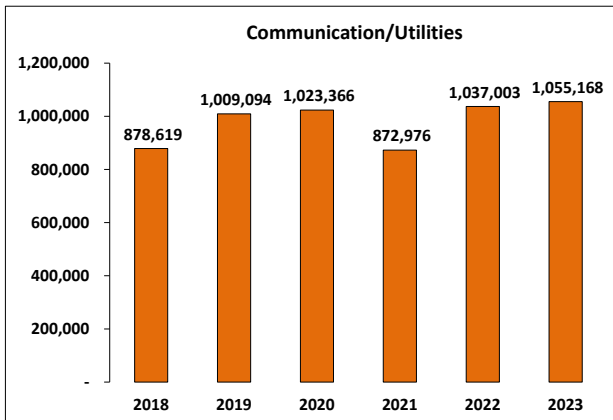
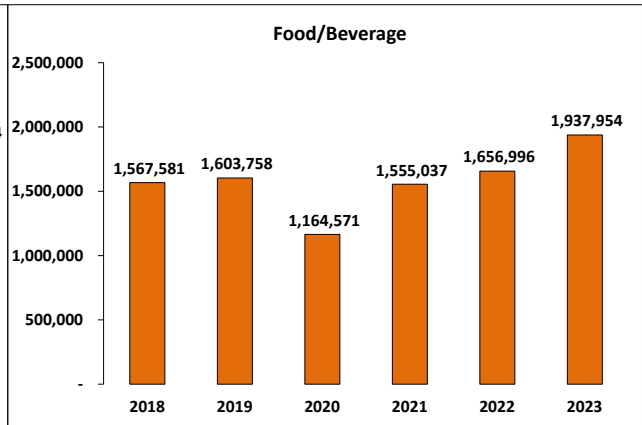
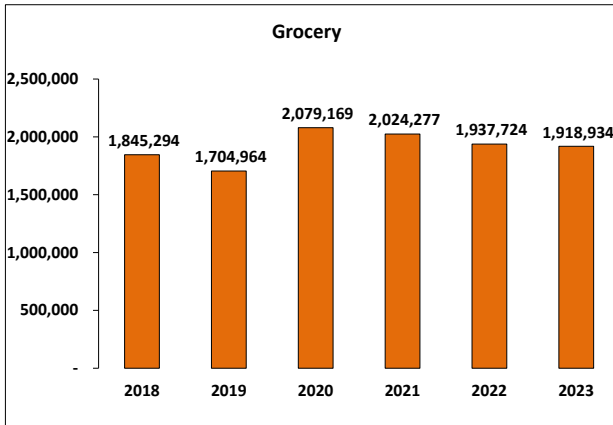
Sales Tax Revenue Comparisons by Industry - Outside City Area (Jan. - July 2023)

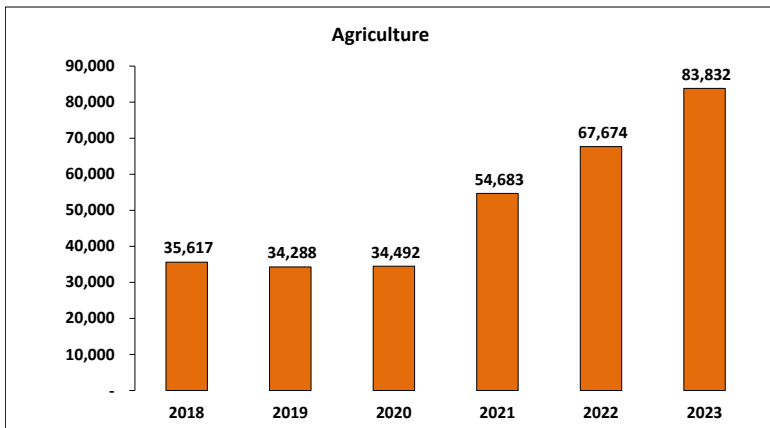
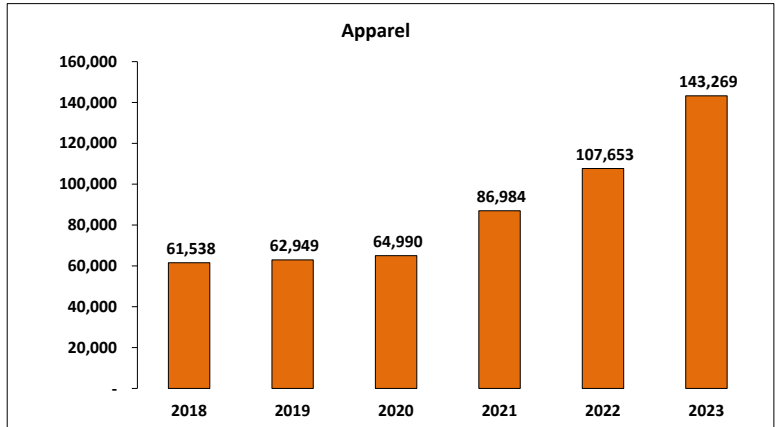
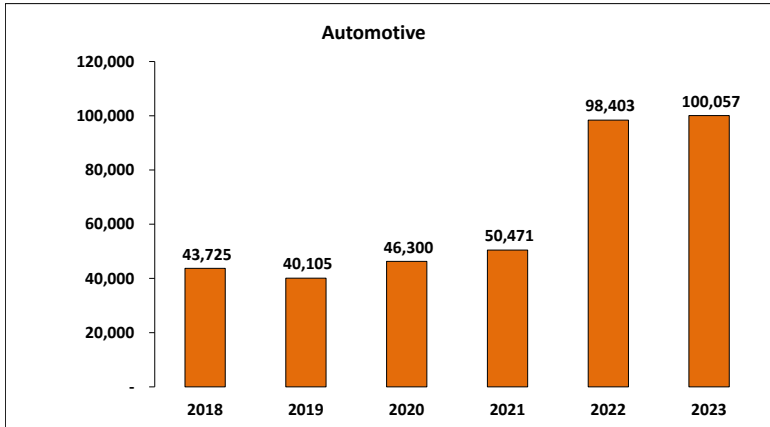
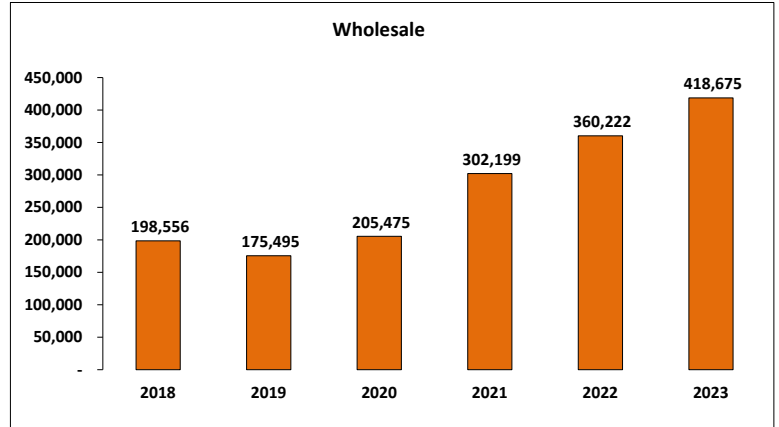
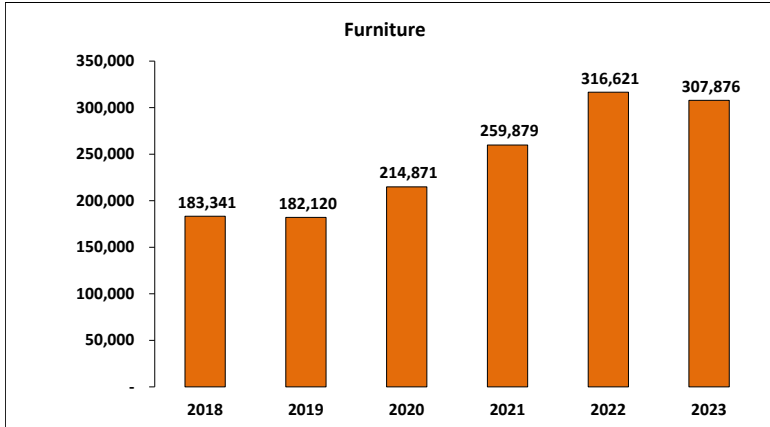
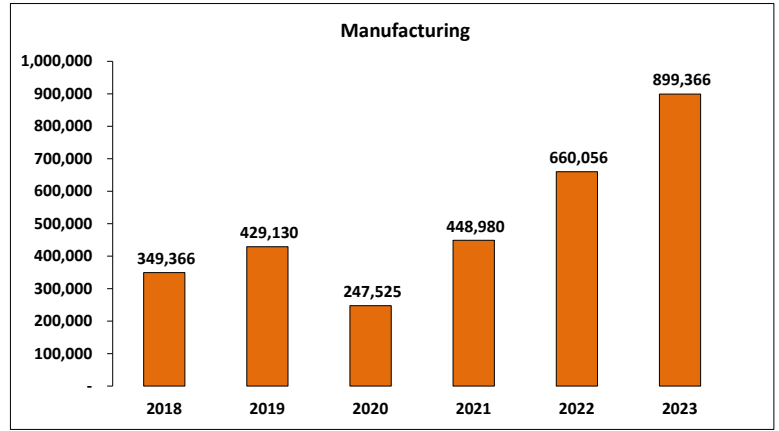
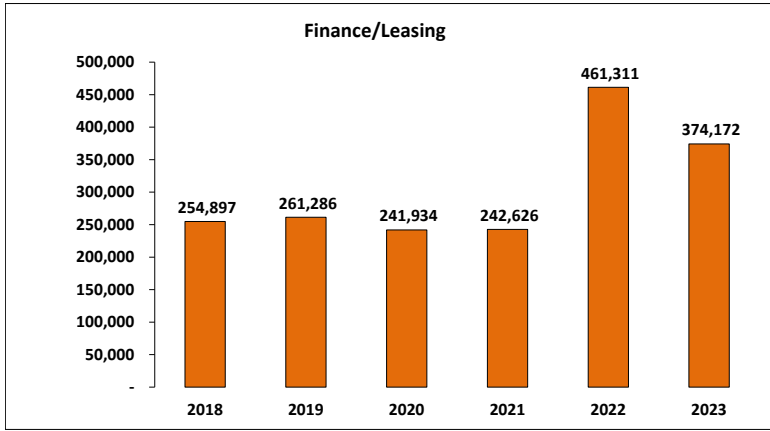
INDUSTRY NAME	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	% Of Total	% Change
General Merchandise	572,497	596,330	942,524	1,159,152	1,341,229	1,757,695	31.1%	31.1%
Communications/Utilities	876,809	1,006,094	1,023,008	872,735	1,087,780	1,054,794	18.7%	-3.0%
Manufacturing	83,680	149,291	115,730	172,915	446,437	589,973	10.4%	32.2%
Building Matl's/Construction	152,486	217,215	209,458	272,261	395,944	507,937	9.0%	28.3%
Services	149,926	221,871	184,882	304,084	419,909	491,966	8.7%	17.2%
Finance/Leasing	229,978	231,853	265,690	236,104	455,309	356,526	6.3%	-21.7%
Wholesale	158,684	126,221	158,385	243,229	274,080	320,792	5.7%	17.0%
Furniture	112,611	110,232	157,979	190,025	251,247	223,207	3.9%	-11.2%
Food/Beverage	7,530	20,242	28,752	105,500	103,622	118,569	2.1%	14.4%
Grocery	21,090	32,577	35,667	67,790	60,209	70,976	1.3%	17.9%
Apparel	10,868	15,791	28,881	33,589	42,688	70,523	1.2%	65.2%
Agriculture	4,614	2,090	5,238	21,122	35,391	52,259	0.9%	47.7%
Automotive	16	487	3	26	20,581	38,685	0.7%	88.0%
Totals	2,380,789	2,730,295	3,156,197	3,678,530	4,934,427	5,653,899		
% Of Change	17.3%	14.7%	15.6%	16.5%	34.1%	14.6%		



Revenue History by Industry (Jan. - July 2023)

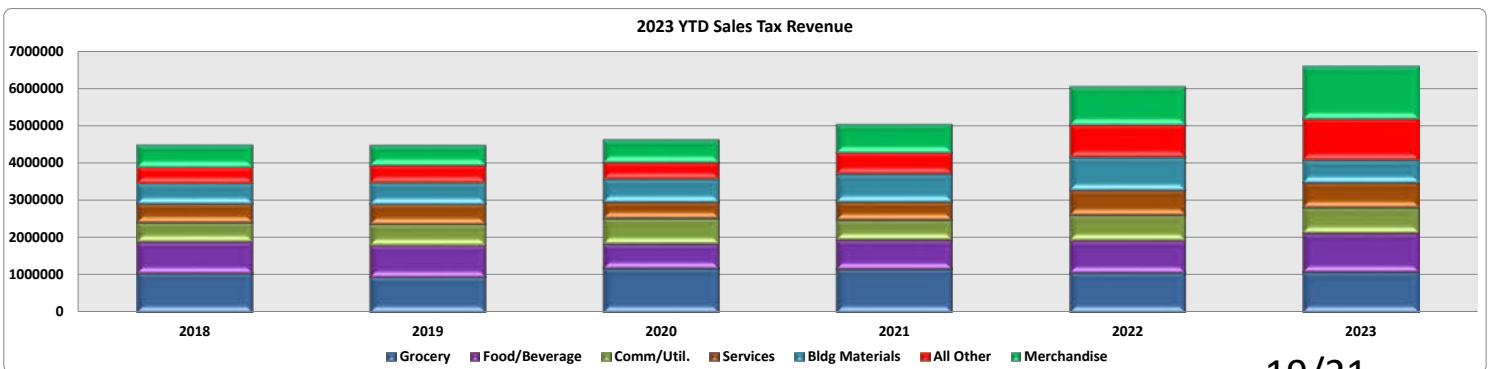
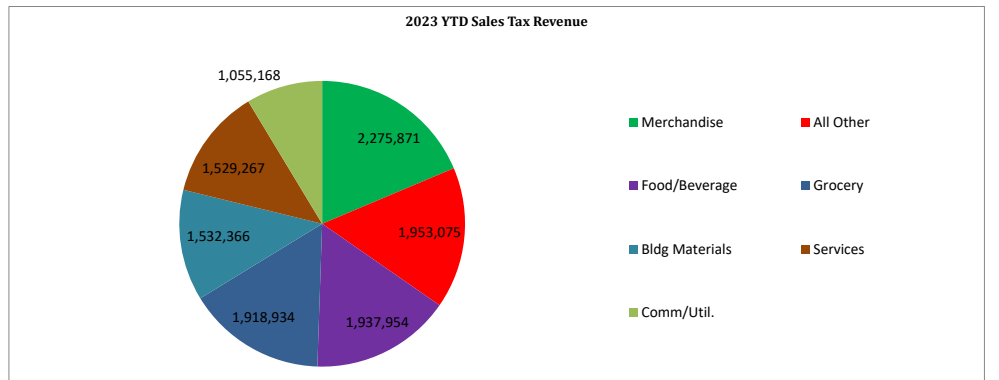
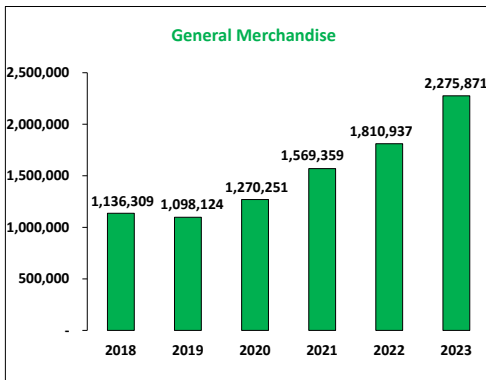
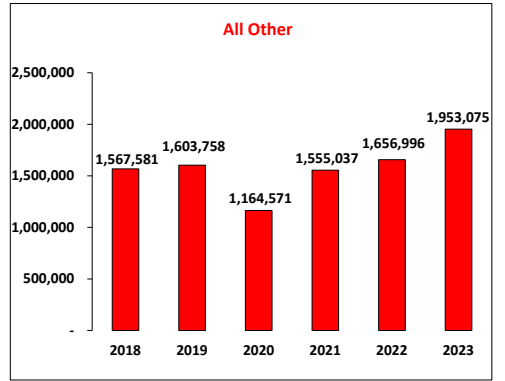
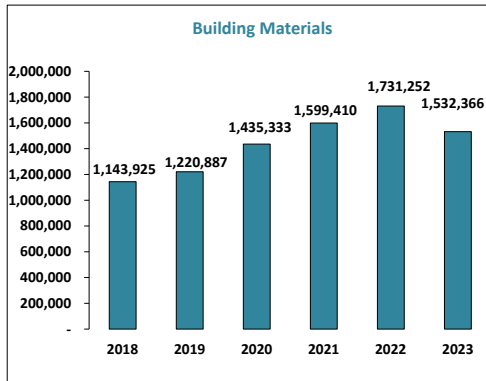
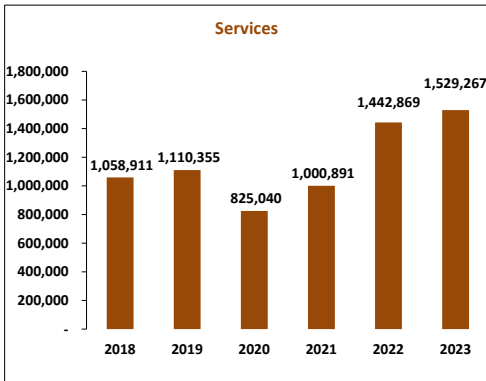
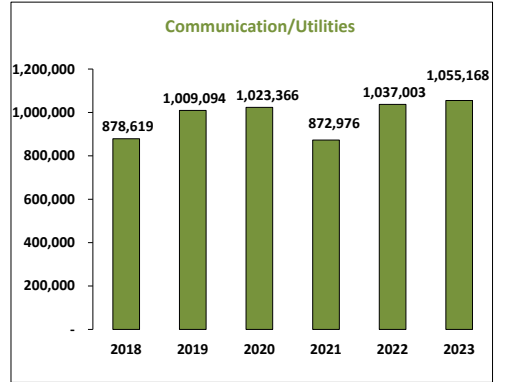
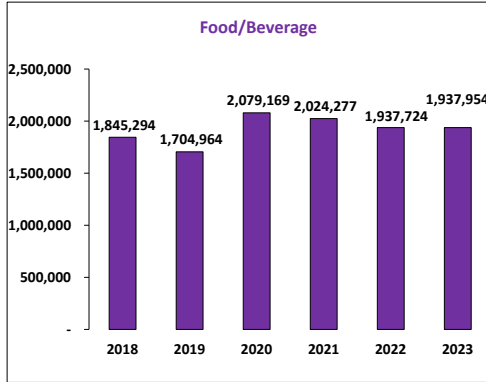
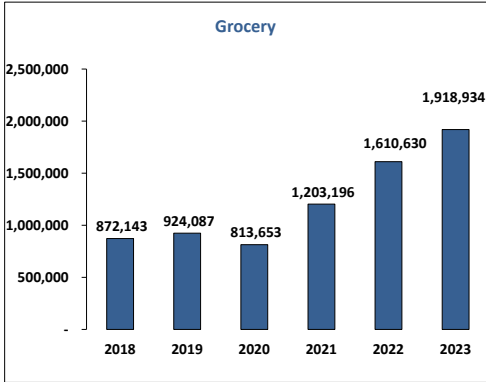
	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Merchandise	1,136,309	37.3%	1,098,124	-3.4%	1,270,251	15.7%	1,569,359	23.5%	1,810,937	15.4%	2,275,871	25.7%	18.7%
Food/Beverage	1,567,581	13.7%	1,603,758	2.3%	1,164,571	-27.4%	1,555,037	33.5%	1,656,996	6.6%	1,937,954	17.0%	15.9%
Grocery	1,845,294	6.2%	1,704,964	-7.6%	2,079,169	21.9%	2,024,277	-2.6%	1,937,724	-4.3%	1,918,934	-1.0%	15.7%
Bldg Matl's.	1,143,925	9.7%	1,220,887	6.7%	1,435,333	17.6%	1,599,410	11.4%	1,731,252	8.2%	1,532,366	-11.5%	12.6%
Services	804,014	2.4%	849,069	5.6%	583,105	-31.3%	758,266	30.0%	981,558	29.4%	1,155,095	17.7%	9.5%
Comm/Util.	878,619	-4.0%	1,009,094	14.8%	1,023,366	1.4%	872,976	-14.7%	1,037,003	18.8%	1,055,168	1.8%	8.6%
Manufacturing	349,366	-23.6%	429,130	22.8%	247,525	-42.3%	448,980	81.4%	660,056	47.0%	899,366	36.3%	7.4%
Wholesale	198,556	33.5%	175,495	-11.6%	205,475	17.1%	302,199	47.1%	360,222	19.2%	418,675	16.2%	3.4%
Fin./Lease	254,897	14.5%	261,286	2.5%	241,934	-7.4%	242,626	0.3%	461,311	90.1%	374,172	-18.9%	3.1%
Furniture	183,341	21.2%	182,120	-0.7%	214,871	18.0%	259,879	20.9%	316,621	21.8%	307,876	-2.8%	2.5%
Apparel	61,538	1.4%	62,949	2.3%	64,990	3.2%	86,984	33.8%	107,653	23.8%	143,269	33.1%	1.2%
Automotive	43,725	7.1%	40,105	-8.3%	46,300	15.4%	50,471	9.0%	98,403	95.0%	100,057	1.7%	0.8%
Agriculture	35,617	9.7%	34,288	-3.7%	34,492	0.6%	54,683	58.5%	67,674	23.8%	83,832	23.9%	0.7%
	8,502,782	9.0%	8,671,270	2.0%	8,611,383	-0.7%	9,825,146	14.1%	11,227,410	14.3%	12,202,636	8.7%	





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

	2018	% Var	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	% of Total
Merchandise	1,136,309	37.3%	1,098,124	-3.4%	1,270,251	15.7%	1,569,359	23.5%	1,810,937	15.4%	2,275,871	25.7%	18.7%
All Other	872,143	-2.1%	924,087	6.0%	813,653	-12.0%	1,203,196	47.9%	1,610,630	33.9%	1,953,075	21.3%	16.0%
Food/Beverage	1,567,581	13.7%	1,603,758	2.3%	1,164,571	-27.4%	1,555,037	33.5%	1,656,996	6.6%	1,937,954	17.0%	15.9%
Grocery	1,845,294	6.2%	1,704,964	-7.6%	2,079,169	21.9%	2,024,277	-2.6%	1,937,724	-4.3%	1,918,934	-1.0%	15.7%
Bldg Materials	1,143,925	9.7%	1,220,887	6.7%	1,435,333	17.6%	1,599,410	11.4%	1,731,252	8.2%	1,532,366	-11.5%	12.6%
Services	1,058,911	5.1%	1,110,355	4.9%	825,040	-25.7%	1,000,891	21.3%	1,442,869	44.2%	1,529,267	6.0%	12.5%
Comm/Util.	878,619	-4.0%	1,009,094	14.8%	1,023,366	1.4%	872,976	-14.7%	1,037,003	18.8%	1,055,168	1.8%	8.6%
	8,502,782	9.0%	8,671,270	2.0%	8,611,383	-0.7%	9,825,146	14.1%	11,227,410	14.3%	12,202,636	8.7%	



SUBJECT: 2024 BUDGET DISCUSSION

DATE: SEPTEMBER 21, 2023

PRESENTED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR

SUMMARY:

To date, Finance Staff has held three public meetings on the 2024 Budget, on each of the following dates. All materials are found on our City website, links below.

- Tuesday, July 18th (Library) – Budget Retreat
<https://www.louisvilleco.gov/home/showpublisheddocument/39127/638249349931300000>
- Tuesday, September 5th (Council Meeting) City Manager’s Recommended Budget Presentation
<https://www.louisvilleco.gov/home/showdocument?id=39581&t=638291634289060504>
- Tuesday, September 12th (Library) – Budget Special Meeting
<https://www.louisvilleco.gov/home/showdocument?id=39645&t=638297711455340007>

There are three additional future public meetings scheduled on the 2024 Budget on the following dates:

- Tuesday, September 26th – 2nd Budget Special Meeting
- Tuesday, October 17th – (Council Meeting) – Final Budget Presentation
- Monday, November 6th – (Council Meeting) – 2024 Budget Adopted

Staff will provide a Summary on the 2024 Recommended Budget Transfers and their background.

See Table 1: Inter-Fund Transfers Matrix 2024

Table 1: Inter-Fund Transfers Matrix 2024

City of Louisville, Colorado Inter-Fund Transfers Matrix 2024 Recommended Budget						
Transfers Out	Transfers In					Total
	General Fund	Open Space & Parks Fund	Cemetery Fund	Recreation Fund	Capital Projects Fund	
General Fund	\$ -	\$ 1,017,900	\$ 122,220	\$ 1,268,650	\$ -	\$ 2,408,770
Cemetery Perpetual Care Fund	-	-	16,750	-	-	16,750
Historic Preservation	202,790	-	-	-	-	202,790
Capital Projects Fund	-	-	-	153,550	-	153,550
Impact Fee Fund	-	97,330	-	-	215,410	312,740
Total	<u>\$ 202,790</u>	<u>\$ 1,115,230</u>	<u>\$ 138,970</u>	<u>\$ 1,422,200</u>	<u>\$ 215,410</u>	<u>\$ 3,094,600</u>

Staff will be available to facilitate a Budget discussion and answer questions.