

New Empirical Information to Share

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Merger Review Commission

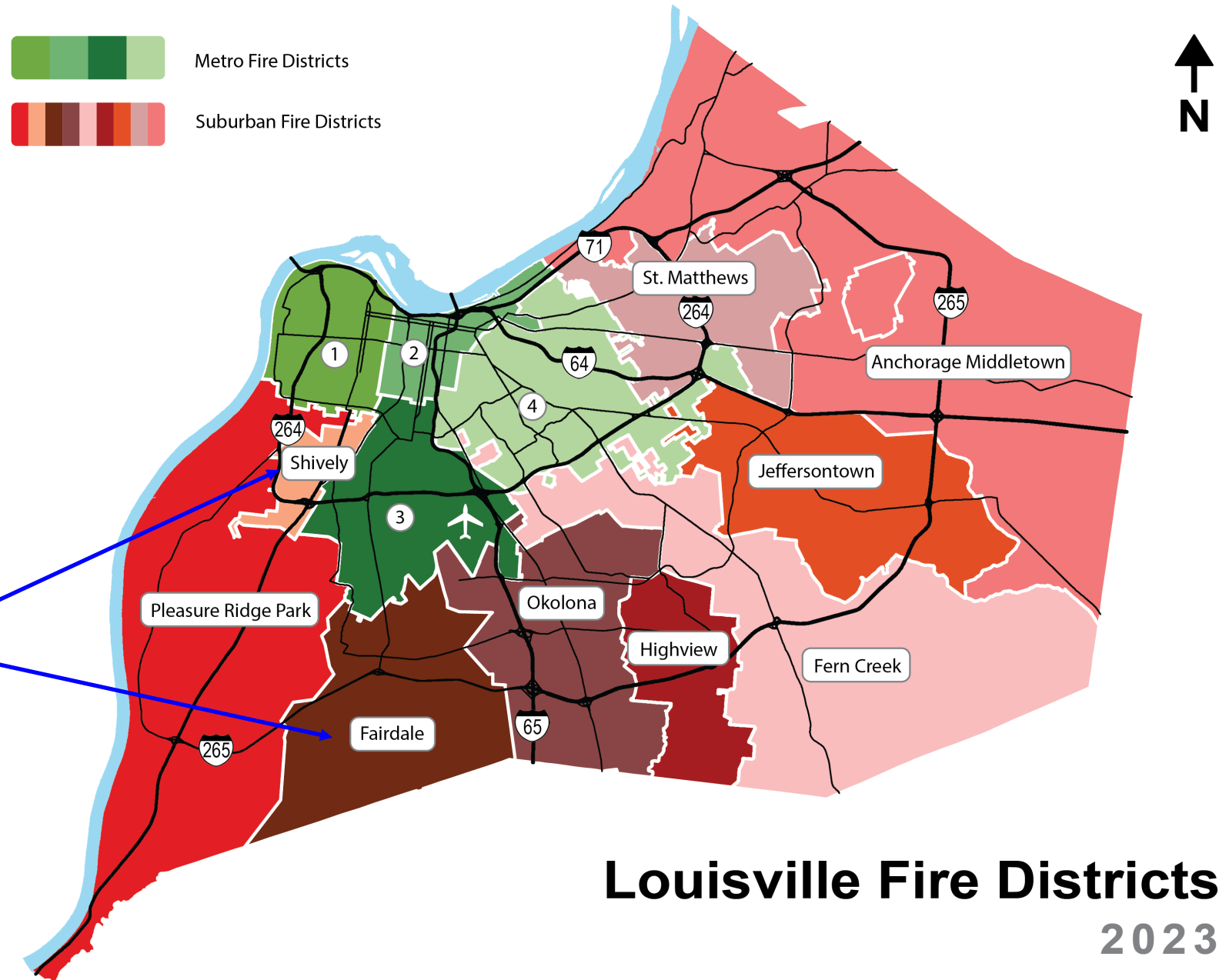
August 11, 2023

1. EMS cross-jurisdictional activity
2. Real estate property tax rates in suburban cities + fire districts
3. Interchange of employees between USD and Rest of County
4. Employee payroll in USD vs. Rest of County
5. Growth in Metro tax revenues, total expenditures since merger
6. Expanded analysis of Metro Government capital expenditures

EMS Districts

In 2003, the whole County was served by Metro EMS. Nominally, Metro EMS is still a county-wide agency.

Since then, the suburban fire districts have added EMS service, except for Shively and Fairdale, which are served primarily by Metro EMS.



Louisville Fire Districts
2023

All EMS calls go through MetroSafe, which dispatches units based on proximity and availability.

Units regularly respond to calls outside their primary jurisdiction.

Two years of MetroSafe data, 364,000 units dispatched:

For example, Jeffersontown EMS responded to 15,507 calls in their district, but also 2,967 calls in the USD/Shively/Fairdale.

MetroSafe Dispatches of Emergency Medical Service (EMS) Units, 2021-2022, by EMS District								
Dispatches	Dispatched to Anchorage	Dispatched to Fern Creek	Dispatched to Highview	Dispatched to Jeffersontown	Dispatched to Okolona	Dispatched to PRP	Dispatched to St. Matthews	Dispatched to Urban Services District (plus Shively and Fairdale)
Originating in Anchorage	22,740	790	179	2,636	465	404	3,621	4,367
Originating in Fern Creek	133	13,091	1,523	2,144	3,934	1,033	239	8,824
Originating in Highview	22	1,623	4,059	109	3,380	583	43	1,404
Originating in Jeffersontown	300	1,222	95	15,507	313	195	838	2,967
Originating in Okolona	41	1,580	1,458	58	16,294	1,944	56	6,577
Originating in PRP	18	56	17	13	1,084	30,108	19	14,397
Originating in St. Matthews	2,020	349	8	421	32	34	12,839	11,094
Originating with Metro EMS	369	2,779	422	443	7,091	16,015	1,074	136,183

Source: MetroSafe database. Shively and Fairdale have fire departments, but not EMS, and so are served primarily by Metro EMS.

But it is more complicated.

On average, only 78% all units dispatched arrive at the incident.

And only 56% of all dispatched units end up transporting a patient.

Transport Rate as Share of Dispatches								
Dispatches	Dispatched to Anchorage	Dispatched to Fern Creek	Dispatched to Highview	Dispatched to Jeffersontown	Dispatched to Okolona	Dispatched to PRP	Dispatched to St. Matthews	Dispatched to Urban Services District (plus Shively and Fairdale)
Originating in Anchorage	63.9%	47.2%	36.9%	60.0%	31.0%	26.5%	43.5%	41.5%
Originating in Fern Creek	15.8%	62.2%	53.8%	62.7%	56.6%	36.3%	27.2%	50.8%
Originating in Highview	9.1%	48.2%	54.9%	45.9%	52.6%	35.8%	20.9%	35.5%
Originating in Jeffersontown	33.3%	47.9%	41.1%	56.3%	41.9%	26.7%	41.2%	50.2%
Originating in Okolona	12.2%	50.2%	51.0%	44.8%	62.0%	44.5%	30.4%	41.9%
Originating in PRP	5.6%	32.1%	23.5%	30.8%	79.4%	44.6%	26.3%	37.6%
Originating in St. Matthews	53.8%	48.4%	37.5%	52.7%	43.8%	20.6%	66.9%	53.9%
Originating with Metro EMS	30.1%	54.1%	45.7%	56.9%	76.4%	55.0%	36.8%	60.1%

Source: MetroSafe database. Shively and Fairdale have fire departments, but not EMS, and so are served primarily by Metro EMS.

Metro EMS had highest transport rate

Cross-jurisdiction Dispatch activity:

Dispatches			
Originating District	Total Dispatches	% Out of Jurisdiction	% to USD
Anchorage-Middletown	35,202	35.4%	12.4%
Fern Creek	30,921	57.7%	28.5%
Highview	11,223	63.8%	12.5%
Jeffersontown	21,437	27.7%	13.8%
Okolona	28,008	41.8%	23.5%
Pleasure Ridge Park	45,712	34.1%	31.5%
St. Matthews-Lyndon	26,797	52.1%	41.4%
Metro EMS	164,376	17.2%	82.8%
Total	363,676		

St. Matthews-Lyndon had highest rate of dispatching and arrivals to USD.

Units Arriving			
Originating District	Total Arriving	% Out of Jurisdiction	% to USD
Anchorage-Middletown	25,980	27.2%	8.2%
Fern Creek	23,021	51.9%	25.5%
Highview	8,264	56.9%	7.7%
Jeffersontown	16,530	22.4%	12.1%
Okolona	22,786	32.0%	16.5%
Pleasure Ridge Park	33,737	29.9%	25.3%
St. Matthews-Lyndon	21,155	45.8%	36.2%
Metro EMS	130,934	16.9%	83.1%
Total	282,407		

Cross-jurisdiction Transport activity:

Units Transporting			
Originating District	Total Transporting	% Out of Jurisdiction	% to USD
Anchorage-Middletown	20,193	28.0%	9.0%
Fern Creek	17,476	53.4%	25.6%
Highview	5,556	59.9%	9.0%
Jeffersontown	11,465	23.9%	13.0%
Okolona	15,313	34.0%	18.0%
Pleasure Ridge Park	19,730	32.0%	27.4%
St. Matthews-Lyndon	16,068	46.6%	37.2%
Metro EMS	98,529	16.9%	83.1%
Total	204,330		

St. Matthews-Lyndon, Pleasure Ridge Park, and Fern Creek had highest rate of transporting to USD.

	Units Dispatched	Units Arriving	Units Transporting
Suburban Districts to USD	49,630	30,619	22,435
USD to Suburban Districts	28,193	22,092	16,675
Net Flow in to USD	21,437	8,527	5,760

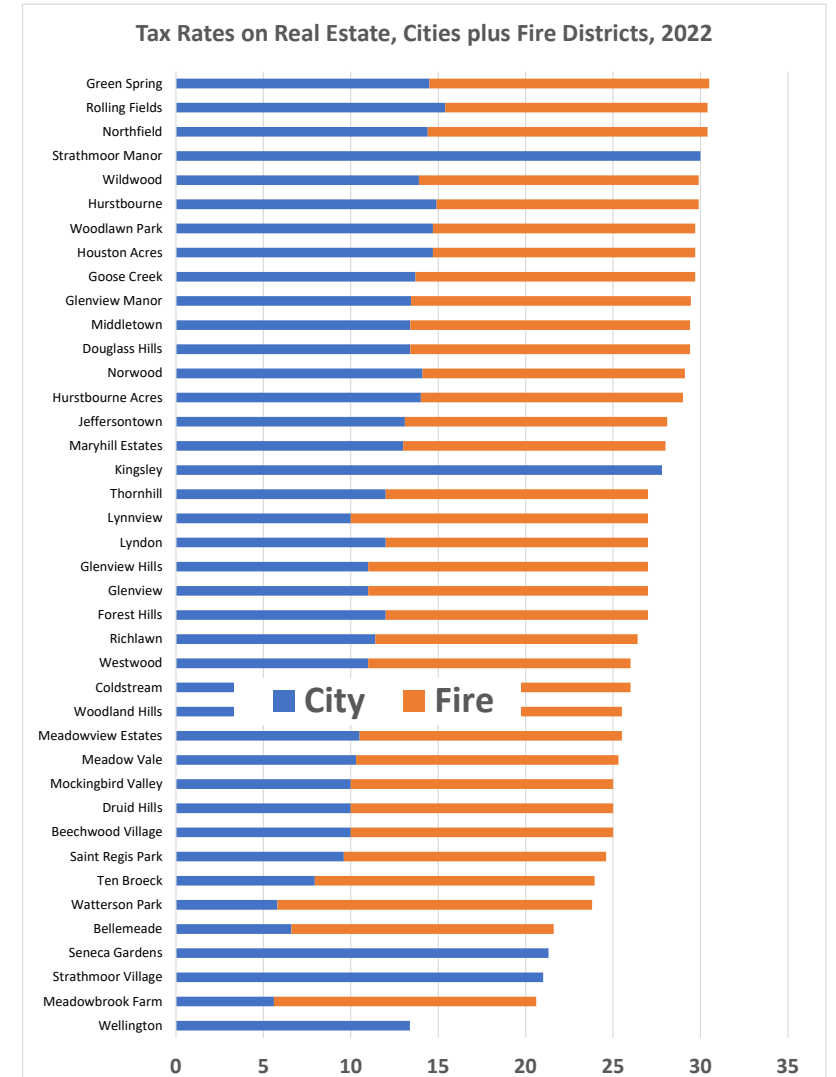
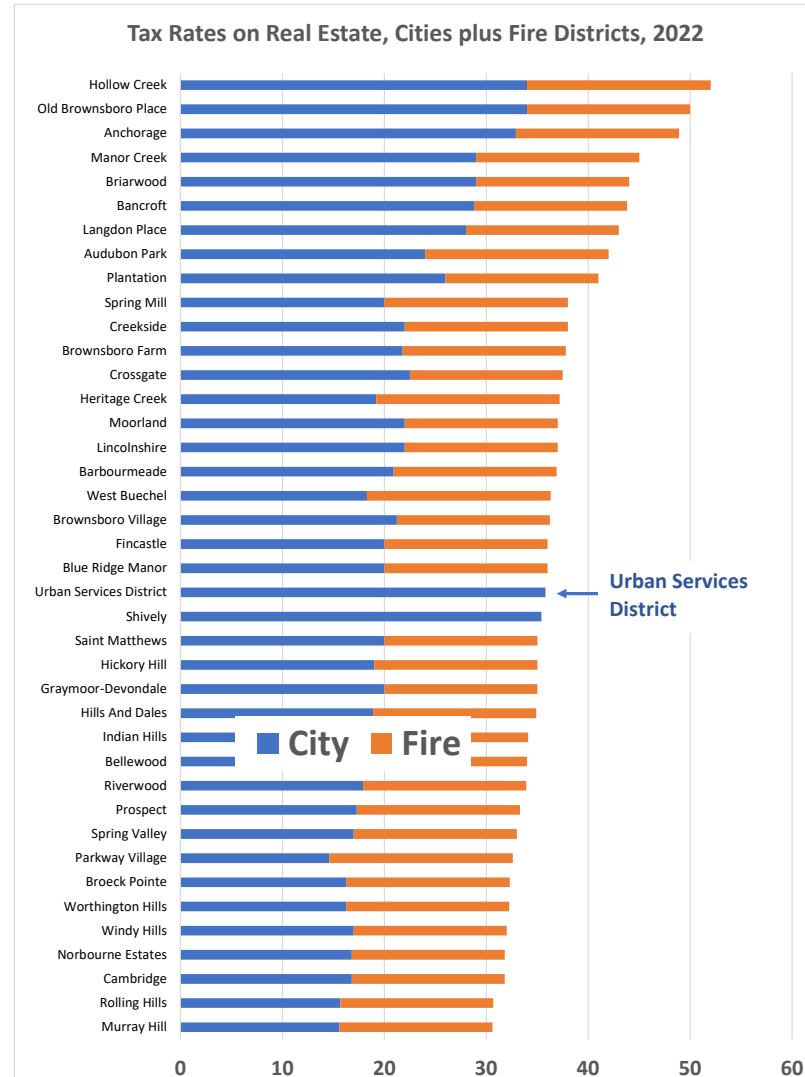
Net interchange is from suburban districts to USD.

How do suburban city property tax rates compare when taking into account the additional Fire and EMS taxes?

Rate is in cents per \$100 valuation.
Tax rates from Kentucky Department of Revenue.

Eleven cities were served by more than one fire district; here we show the rate of the fire district with largest coverage in the city.

Five cities are listed as served by the Louisville Fire Department (USD), and property owners are presumably not charged a suburban fire district rate: Seneca Gardens, Kingsley, Strathmoor Manor, Strathmoor Village, Wellington. We believe they contract annually with Louisville Fire.



Earl Jones: How many ‘Rest of County’ residents work in USD, and vice versa?

		Place of Work	
		Urban Services District	Rest of County
R e s i d e n c e	Urban Services District	41,769	41,186
	Rest of County	72,602	127,046
	Outside County	70,462	116,825

Source: US Census Bureau, LODS/OnTheMap program, 2020; based primarily on employer filings under the Unemployment Insurance program. Program knows the employer location as well as the home address of employees.

How much of total payroll in Jefferson County is earned in the Urban Service District?

	Establishments	Employees	Annual Payroll	Average Pay
Urban Services District	5,271	119,525	\$8,032,105,000	\$67,200
Jefferson County Total	19,834	442,453	\$26,085,770,000	\$58,957
USD share of total	26.6%	27.0%	30.8%	

Source: US Census Bureau, Zip Code Business Patterns, 2021; zip codes were assigned to the USD if 50% or more of the zip code was in the USD.

Earl Jones: How many households are in the Urban Services District and Rest of County?

Household Growth in Jefferson County, Last Two Decades					
	2000	2010	2020	Growth 2000-2020	
City of Louisville/USD	111,414	106,749	108,063	-3,351	-3.0%
Suburban cities	59,752	62,757	65,416	5,664	9.5%
Formerly unincorporated area	115,846	139,669	154,713	38,867	33.6%
Total	287,012	309,175	328,169	41,157	14.3%

Source: US Census Bureau; with estimates for unincorporated area by Dr. Ruther.

108,000 in USD (33% of total)

220,000 in Rest of County (67% of total)

Jason Nemes: Growth in Metro tax revenues, expenditures since merger?

Growth in Metro Government Tax Revenues and Expenditures, 2003 to 2023

	2003	2023	growth	% change
Tax Revenues*	\$346,479,687	\$644,662,100	\$298,182,413	86.1%
Total Expenditures**	\$663,699,115	\$1,138,460,985	\$474,761,870	71.5%
<i>Deflator (2012=100)***</i>	<i>82.0</i>	<i>126.1</i>	<i>44.2</i>	<i>53.9%</i>
Real Tax Revenues (2023\$)	\$533,213,469	\$644,662,100	\$111,448,631	20.9%
Real Total Expenditures (2023\$)	\$1,021,396,984	\$1,138,460,985	\$117,064,001	11.5%
County Population	703,970	786,443	82,473	11.7%
Personal Income of Residents (thousands)	\$23,723,728	\$51,492,065	\$27,768,337	117.0%
Real Personal Income of Residents, (thousands of 2023\$)	\$36,509,532	\$51,492,065	\$14,982,533	41.0%
Net Earnings of Residents (thousands)****	\$15,454,423	\$29,609,459	\$14,155,036	91.6%
Real Net Earnings of Residents (thousands of 2023\$)	\$23,783,520	\$29,609,459	\$5,825,939	24.5%
Number of Wage and Salary Jobs in County	445,243	491,045	45,802	10.3%
Wages and Salaries Earned in County (thousands)	\$16,363,629	\$32,937,335	\$16,573,706	101.3%
Real Wages and Salaries Earned in County (thousands of 2023\$)	\$25,182,739	\$32,937,335	\$7,754,596	30.8%
Residence Adjustment to Personal Income (thousands)*****	-\$3,903,836	-\$9,395,338	-\$5,491,502	140.7%
Real Residence Adjustment to Personal Income (thousands of 2023\$)	-\$6,007,792	-\$9,395,338	-\$3,387,546	56.4%

Note that real expenditures have grown at the same rate as the population.

Real wages and salaries have grown faster, contributing to strong growth in occupational tax revenues. These are on a 'place of work' basis, i.e., the workers don't necessarily live in Jefferson County.

Earnings of nonresident commuters growing rapidly.

Footnotes to table.

Sources: revenues from "Comprehensive Annual Financial Report, Louisville-Jefferson County Metro Government, Fiscal Year 2003"; and "Louisville Metro Government Recommended Budget, 2023-2024"; population, income and jobs from US Bureau of Economic Analysis through 2021, extrapolated to 2023 using compound annual growth rate 2001-21; deflator from US Bureau of Economic Analysis.

* includes property taxes, occupational and net profits taxes, insurance premiums taxes.			
** Expenditures using all funds, including taxes, federal and state grants, debt, and fee revenues.			
*** the Implicit Price Deflator for Personal Consumption Expenditures, first quarters of 2003 and 2023.			
**** net earnings adjusts for commuting among counties, includes wages, salaries and proprietors' income, but excludes transfer payments and property income (dividends, interest, rent). Transfer payments account for 24% of personal income. Property income accounts for 18% of personal income. Transfer payments have been growing twice as fast as earnings and property income.			
County. For example, in 2003, the adjustment was a negative \$3.9 billion, revealing that the large influence of commuters from other counties into Jefferson County to work.			

Jecorey Arthur: Expand Metro Government capital expenditures analysis beyond “Community Projects” presented earlier.

Metro Council staff went through 1,730 capital projects appropriated over the 2004 to 2024 fiscal years, total \$2.5 billion. Thank you Beth Stenberg, Steve Haag, and LaTonya Bell.

Estimates of the share of CAPEX in Urban Services District depend upon method of geographic allocation, and availability of specific program information. This is not very precise.

A majority (61%) of capital expenditures went for programs for which a specific geographic destination is not clearly identified. We assigned them to the “Community-wide” bucket and allocated 31.6% of that to the Urban Services District (its share of County population). This includes Police, all government buildings, the Zoo, and TARC.

Result: **47% of capital expenditures in USD**

However, many of the very large “Community-wide” capital expenditures, including those funded by large federal grants, may be disproportionately targeted to USD neighborhoods. There are hundreds of these entries. If these were counted in the USD, the USD share would likely jump to **65-80%**. But we do not have the time and resources to research all of them and determine the actual geographic allocations.

For example, these 12 “Community-wide” categories account for 11% of all capital allocations.

Large Capital Expenditures For Which We Could Not Determine Geographic Destination	
Louisville Affordable Housing Trust Fund and Louisville CARES	\$106,300,400
HOME Program	\$34,884,700
HOME Funds & March	\$30,513,800
Home Repair- Emergency/Exterior/Cod Alleviation and Rental Rehabilitation	\$17,600,600
Housing Rehabilitation	\$16,462,300
Shelter Care Plus Grants	\$13,750,300
HOME Investment Partnership Program	\$10,463,600
Federal Forfeiture Projects	\$9,977,700
Energy Conservation Projects	\$9,300,000
Evolve502 Scholarship Support	\$9,000,000
Weatherization Program	\$7,642,300
Residential Repair	\$7,399,000
Justice Assistance Grant (JAG)	\$8,565,000
	\$281,859,700

These other large expenditures are also presumed to be spread evenly around the County.

Other Large Capital Expenditures Assumed to be Community-wide	
General Capital Improvements (TARC)	\$39,915,100
Vehicles/equipment general services	\$24,700,000
Vehicles/equipment for Police	\$24,350,000
Metro Sidewalk Repair Program	\$20,569,445

General Method

1. All expenditures on government buildings and equipment counted as Community-wide (not USD)
2. Solid waste management (\$2.8 million) and Louisville Fire (\$25.8 million) counted as USD
3. Metro EMS expenditures counted as USD since almost all their transports are inside USD.
4. Metro Council District-directed funds allocated to Districts
5. Most “Community Services and Revitalization” funds (\$149.1 million) counted as Community-wide; though 24% could be allocated to specific geography.
6. A majority of Housing and Community Development (\$328.6 million) funds counted as Community-wide; though 45% could be allocated to specific geographies.
7. Most “Economic Growth and Development” funds (\$219.5 million) allocated to USD.
8. Public Works (\$789.7 million) spending on paving, sidewalks, traffic signals counted as Community-wide unless allocated to Council Districts (\$239.8 million), then USD split estimated.
9. Parks and library expenditures allocated based on location of the parks and libraries, with system-wide expenses counted as Community-wide.
10. Science Center (\$5.9 million) counted as USD.
11. Zoo (\$49.4 million) considered Community-wide.
12. TARC (\$39.9 million) considered Community-wide.

Note: a lot of the items listed as capital expenditures are actually grants for various services.