

LOUISVILLE COMPREHENSIVE REVIEW COMMISSION MINUTES

Friday, July 14, 2023
3:00 p.m.

I. CALL TO ORDER:

Co-Chair Jones called the meeting to order at **3:05pm**.

This meeting was held pursuant to KRS 61.826

II. ROLL CALL:

Present (13): Co-Chair Rep. Jason Nemes
Co-Chair Earl Jones
Senator Julie Raque Adams
Senator Mike Nemes
CM Anthony Piagentini
CW Cindi Fowler
Marianne Butler
Shelby Williams Somervell
Scott Shoenberger
Mayor Bonnie Jung
Chief Sean Dreisbach

Absent (2): Senator Gerald Neal
Rep. Ken Fleming
Rep. Pamela Stevenson
CM Jecorey Arthur

Attendees: Dr. Paul Coomes
Professor Bill Hoyt
Professor Matt Ruther

III. REPORT FROM MR. COOMES:

- Dr. Coomes presented his “History of Occupational Taxes in Jefferson County)”
- Slide 2: Occupational Tax Receipts
 - Municipalities other than Louisville Metro collecting occupational taxes & (tax rates):
 - Louisville Metro (1.25%)
 - Jeffersontown (1%)
 - Saint Matthews (.75%)
 - Shively (2%)
 - West Buechel (1.5%)
- Slide 3: Estimated Share of Metro Occupational Taxes paid by Place of residence of Workers
 - Unincorporated areas of the County are generating 37% of occupational taxes
 - Outside of the County is the next largest percent around 27% of occupational taxes, followed by the USD at 20% & 16% from Suburban Cities.
 - Unincorporated occupational taxes are creeping up as their population continues to increase, close to 50%of the city’s population.
- Slide 4: Estimated share of Municipalities that levy Occupational Taxes Paid by Place of Residence Workers
 - Dr. Coomes compared the location of the municipalities and where the workers who pay into the occupational tax live based upon each municipality.
 - No major policy considerations at this time
 - Data was collected from “On the Map” data portal

- Professor Hoyt provided an overview of his presentation: “A Comparison of Government Revenues and Taxes Between Jefferson County and Other Metropolitan Countie”
- The presentation will cover trends in revenues & taxes and a comparison to similar cities/coutnies.
 - Cities include: Birmingham, Cincinnati, Indianapolis, Lexington, Memphis, Nashville

- Years covered are 1992-2017, every 5 years from Census with 3 cycles before and 3 cycles after merger.
- Population Growth information from previous meeting was in error.
 - Corrected data this time shows Lexington (1.37x or 37% growth from 1992) & Nashville (1.3x or 30% from 1992) out pace Louisville's growth, while Louisville, Indianapolis & Memphis are growing at 1.11-1.15x (11-15%) each city's population from 1992
 - Birmingham's population is mostly stagnant at 1x and Cincinnati is decreasing in population at .94x its 1992 population.
- Employment Growth is commensurate with population growth
- Per Worker Earnings - in terms of Workers in Jefferson County, not based upon residence.
 - 28% of Workers come from outside of the County and are included in this data
 - Data from the Bureau of Economic Analysis
 - Louisville's 2017 per worker earnings were roughly \$72k, Lexington ~ \$64k, whereas Indianapolis & Nashville are closer to \$87k
 - Co-Chair Jones asked why? Professor Hoyt stated he could not state an exact reason. Dr. Coomes supposed the cities with the highest earnings shown are highly urbanized and have large corporate headquarters with high end office jobs.
- Total Government Revenues - Per Capita
 - Data aggregated of all taxes excluding school taxes. '
 - Memphis & Nashville are the highest
 - Louisville & Lexington are the lowest and steady
- Total Taxes Per Capita
 - Louisville is last in comparison, therefore Louisville is the lowest taxed city by comparison to all other cities.
 - CM Piagentini compares earnings and revenues
- Total Revenue as a Percentage of Earnings
 - Louisville has the lowest percentage of earnings compared to total revenue at 3.9%, recently being outpaced by Lexington and all other cities that exceed 5.8%-10%
 - Louisville is relatively steady while others have
- Intergovernmental Revenue as a Percentage of Earnings
 - Road Revenue is the largest portion of funding shown
 - Louisville is the lowest, on par with Lexington is about .5% of earnings
- Total Taxes as a Percentage of Earnings
 - Louisville (~1.6%) is second to last to Indianapolis (~1.4%)

- Total Income Taxes as a Percentage of Earnings
 - Louisville is high in comparison to other cities at .9% and Lexington is even higher at 1.35% whereas Cincinnati is in between at about 1.1%
- Total Sales Taxes as a Percentage of Earnings
 - Louisville is low at .3% with Indianapolis being lower at .2%
 - Birmingham exceeds 1.6%
 - Nashville is above 1.2%
 - Memphis is declining to .5%
 - CM Piagentini asks for a distribution bar chart of the types of taxes that fund the cities to show the differences in how much of each tax accounts for the full revenue.
- Property Taxes as a Percentage of Earnings
 - Kentucky is in the bottom 5 states for property taxes
 - Tennessee is on the high end with Memphis and Nashville around 1.7%-2% of earnings.

IV. REPORTS FROM COMMITTEES:

- GAPS:
 - Scott Schoeberger stated Gaps met earlier in the week
 - Dr. Coomes will meet with the committee to generate a the report
 - Committee is reviewing qualitative and quantitative analysis
 - A representative from the PVA will be invited to review property taxes from the different municipalities.
 - Julie Carr stated she understood that PVA will speak to the Committee not the full Commission.
- SERVICES:
 - No Report given
- TAXES:
 - No Report given

V. FUTURE MEETINGS DISCUSSION:

- Marianne Butler stated the Mayor's Office will be present in August. 8/11/23
- They are still reviewing some of the data and questions the Commission had last time.
- A commitment from the Mayor's office but no specific persons named to attend.
- Fire & EMS data will be addressed next time

VI. REVIEW OF PUBLIC COMMENT MEETING SCHEDULE:

- Co-Chair Jones asked for the Clerk to take roll to identify who will be attending the first Public Comment meeting at the South Central Library.
- The remaining meetings are scheduled for Monday and Tuesdays for the rest of the month of July.

VII. NEW BUSINESS:

- No New Business was discussed

VIII. ADJOURNMENT:

Co-Chair Jones adjourned the meeting at **4:00pm**.

This meeting was held pursuant to KRS 61.826