

A Comparison of Local Government Expenditures between Louisville & Neighboring Cities

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Merger Review Commission

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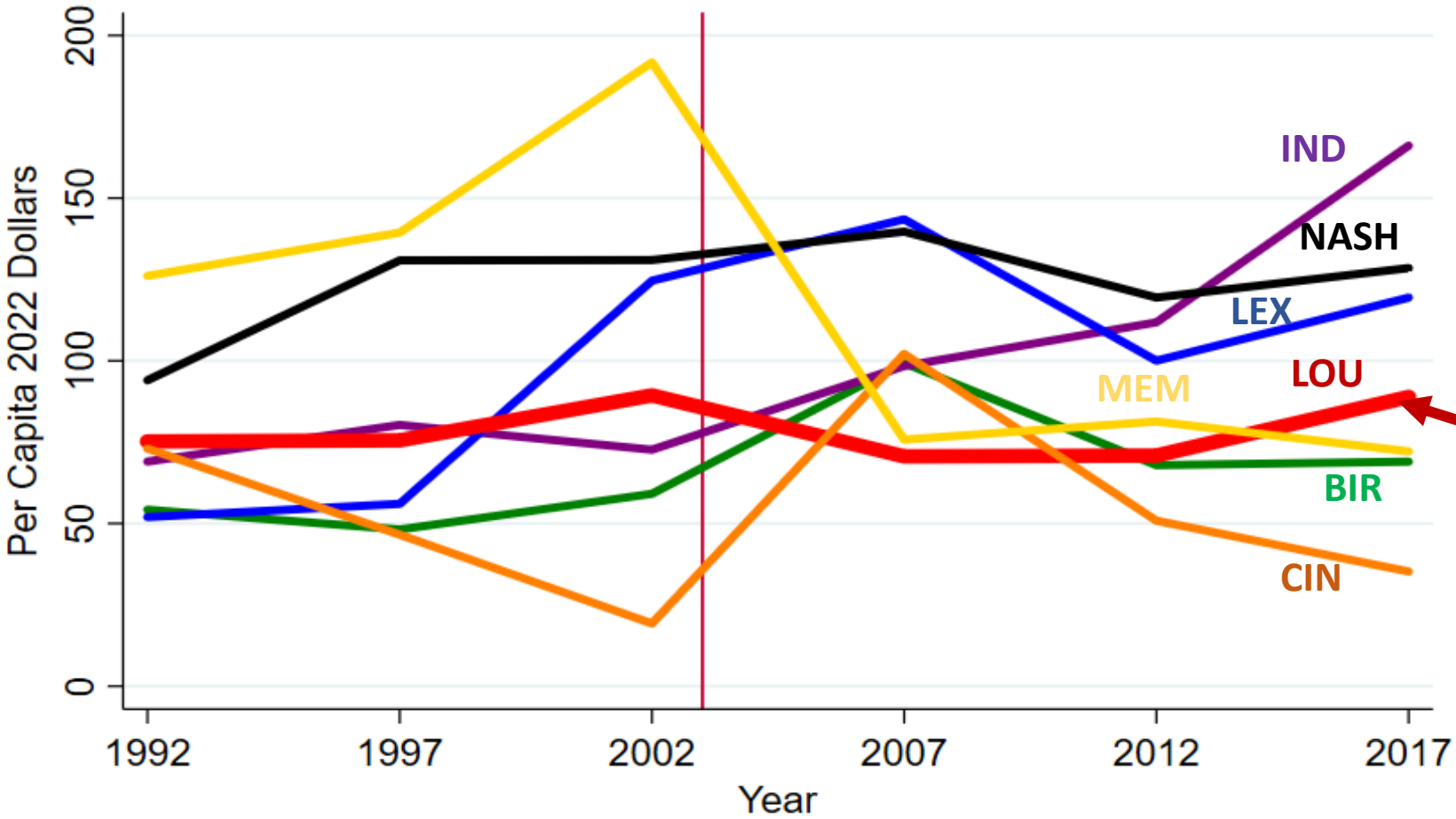
How Does Louisville Compare?

- To better understand possible impacts of the merger on public services and expenditures on these services, we
- Compare per capita expenditures (\$2022) across the counties of the cities
 - Birmingham
 - Cincinnati
 - Indianapolis
 - Lexington
 - Memphis
 - Nashville
- for 1992 – 2017 (every 5 years from Census of Governments) -- 3 cycles before the merger and 3 after the merger
- **Expenditures are the total local (county, city, township, special district) expenditures in the county**
- Cities/County chosen based on similar populations and location
 - Possible “competitors”

Service Expenditures to Compare

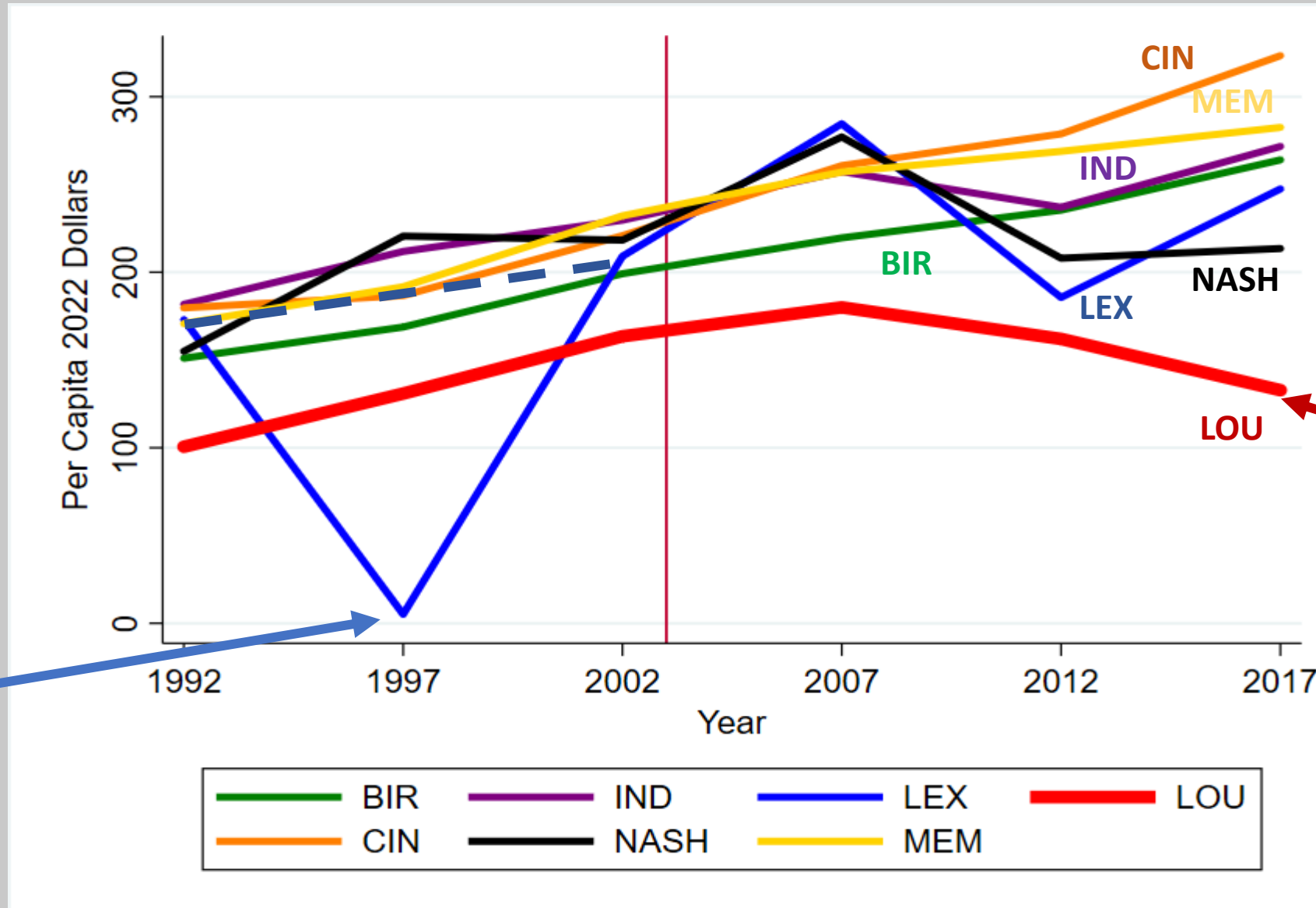
- Focus is on *current* expenditures
 - Capital expenditures are “lumpy” – difficult to see trends and make comparisons
- The expenditures
 4. Corrections
 5. Fire Protection
 6. Libraries
 7. Parks & Recreation
 8. Police
 9. Sum of all 5 categories
- 10. Population Growth

Corrections



- Relatively steady per capita expenditure for Louisville, before and after merger
- Lower end of expenditures

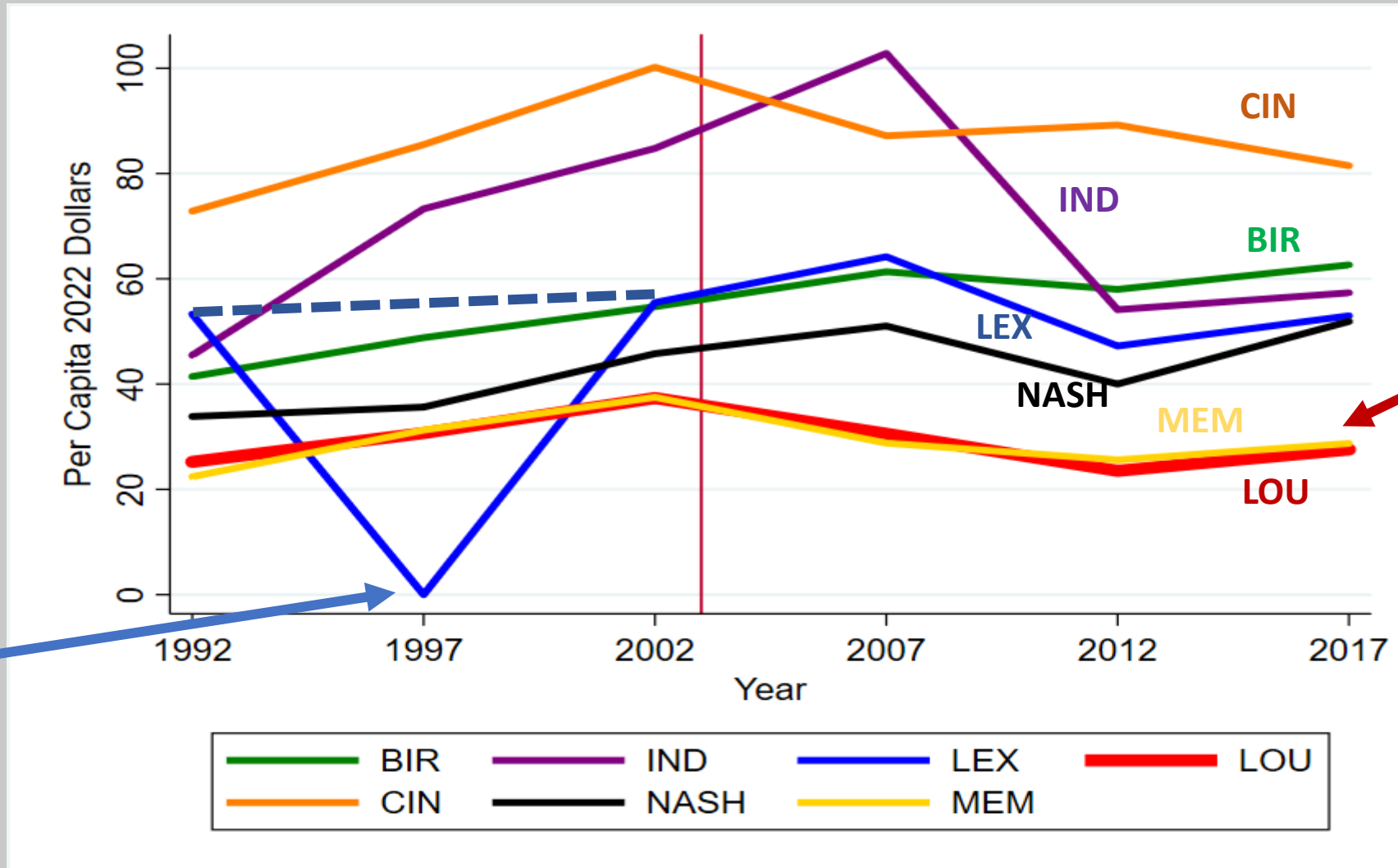
Fire Protection



- Bad data from Lexington

- Relatively steady per capita expenditure for LOU, before and after merger
- Lowest per capita expenditures
- **But no data yet for the major post-2017 expansion of Suburban Fire/EMS**

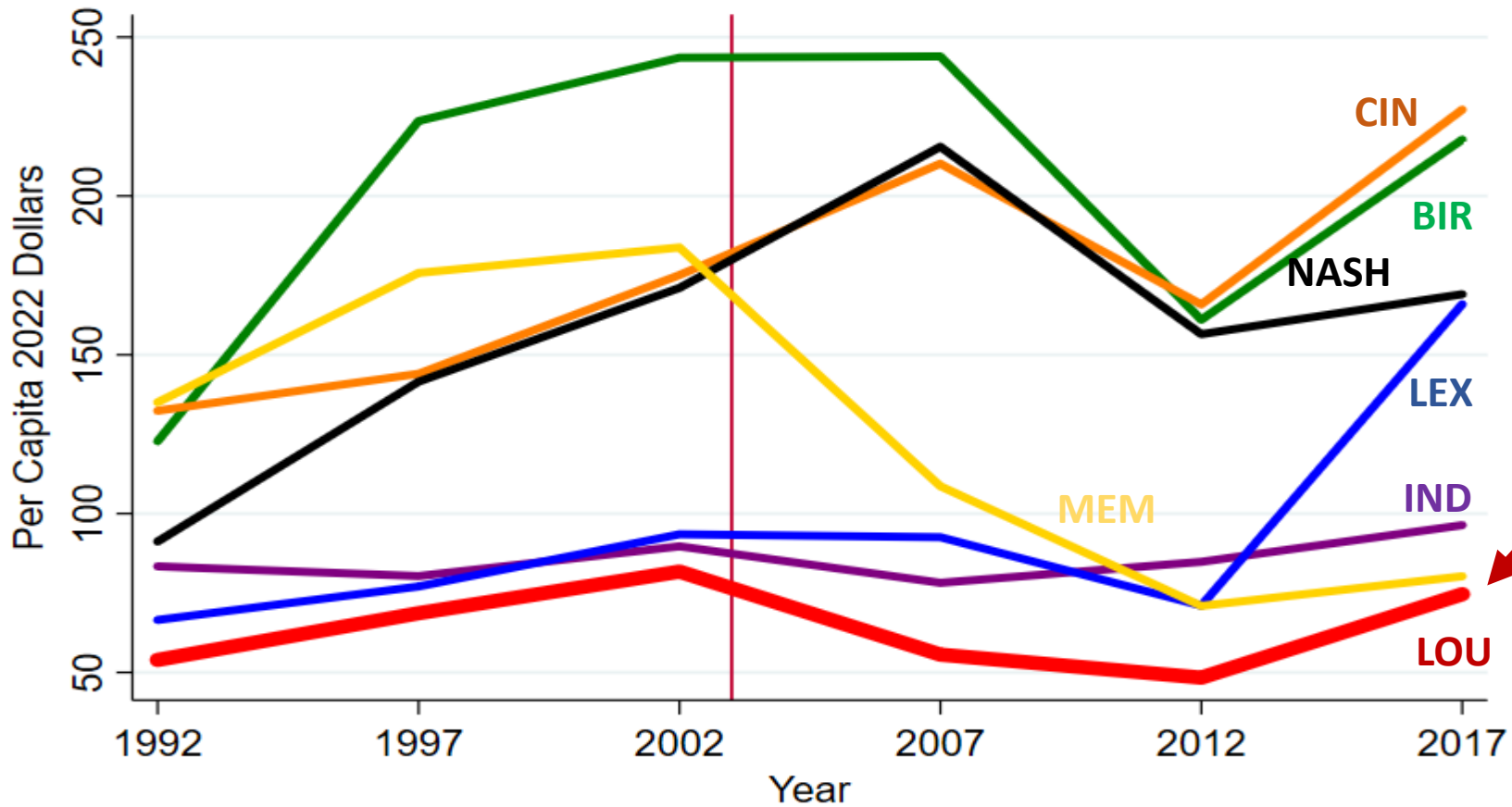
Libraries



- Another data error in 1997 for Lexington

- Slight decline, post merger Lower per capita expenditures (along with Memphis)

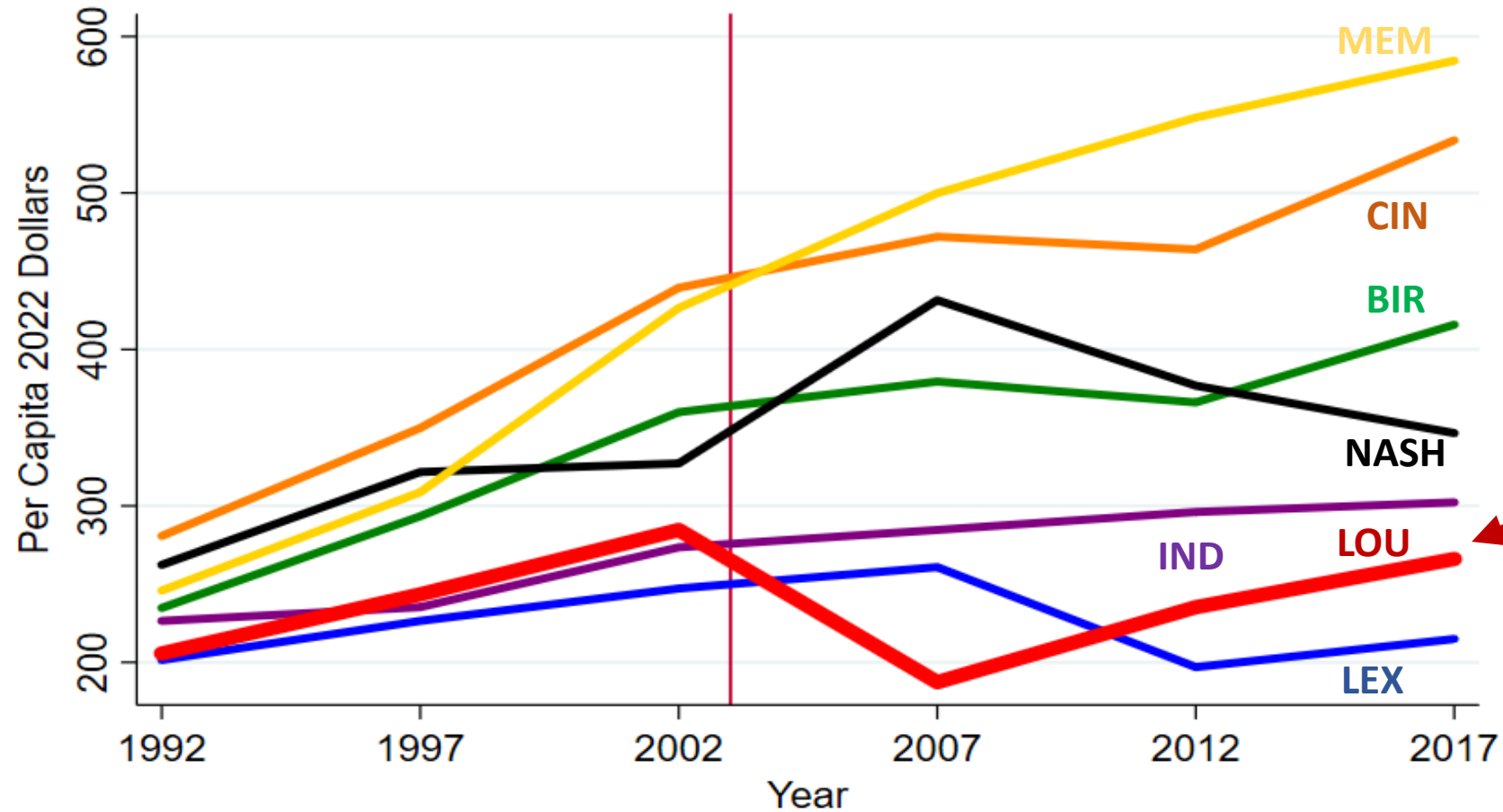
Parks and Recreation



- Decline post merger back to pre-merger level in 2017
- Lowest per capita expenditures

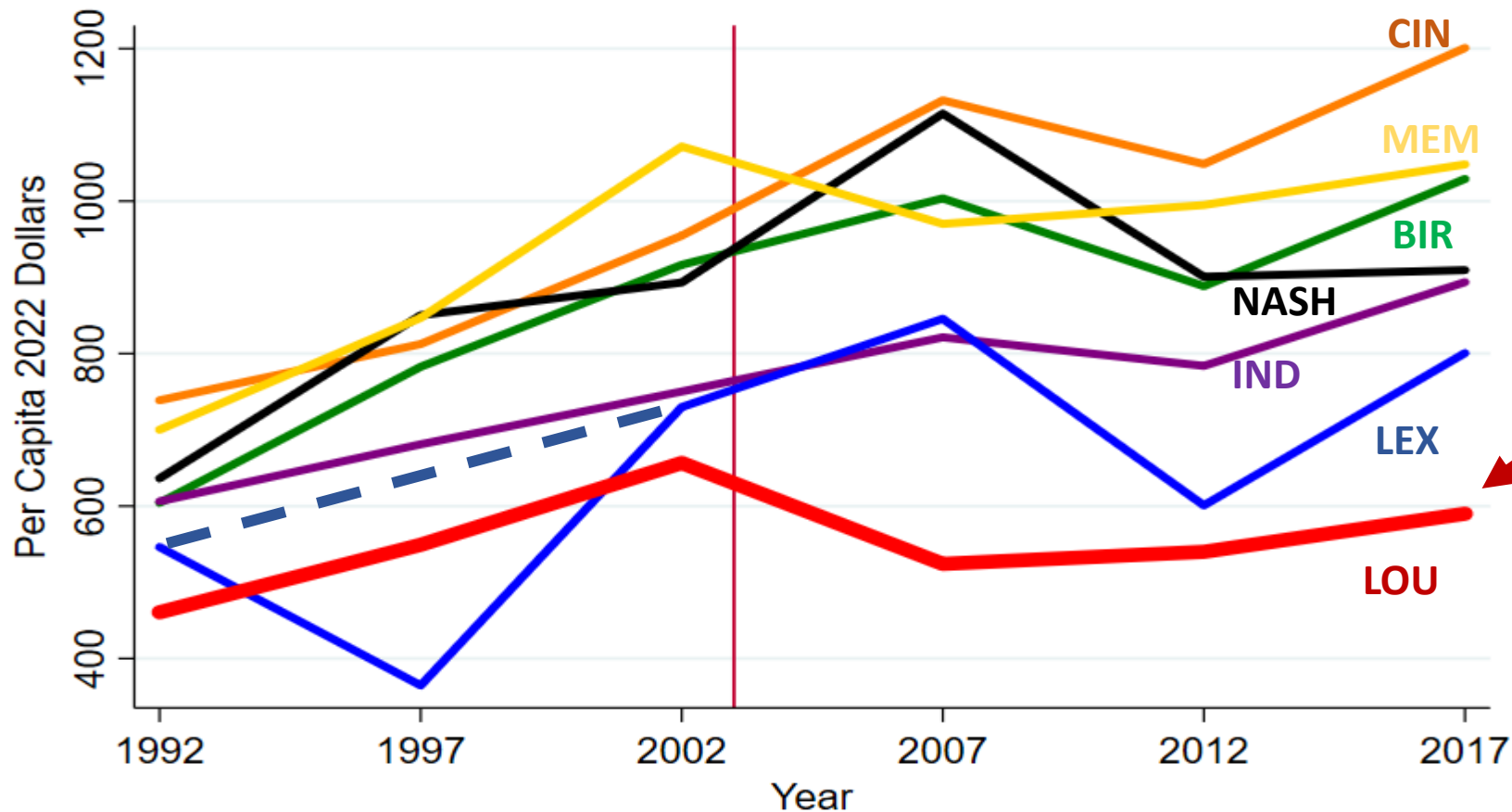


Police



- Decline post merger (2002 to 2007) graduate increase back to near pre-merger level
- Among lowest per capita spending (with LEX & IND)

Sum of 5 Expenditure Categories



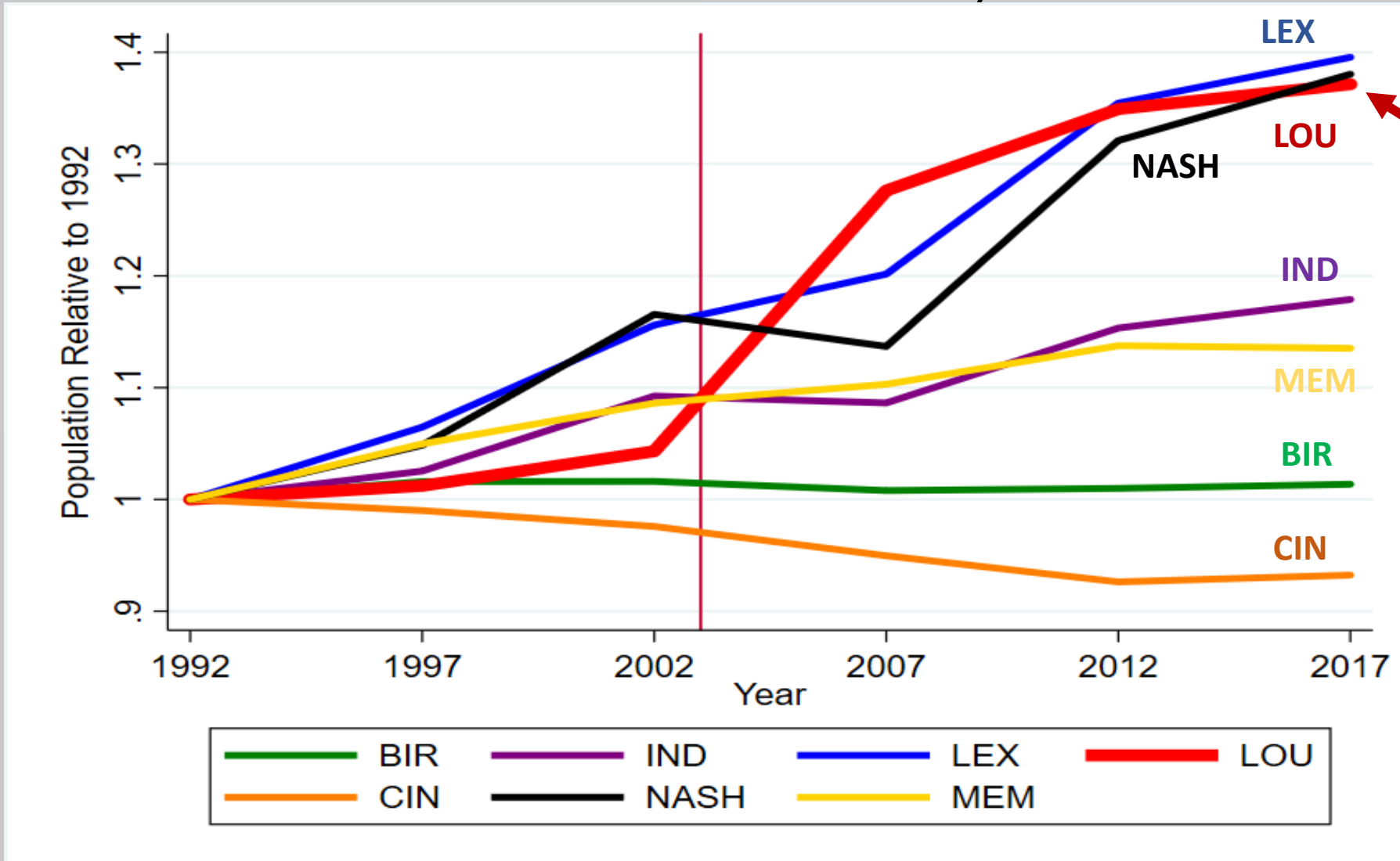
- Decline post merger (2002 to 2007)
- Lowest per capita spending



Why different trends among the Cities?

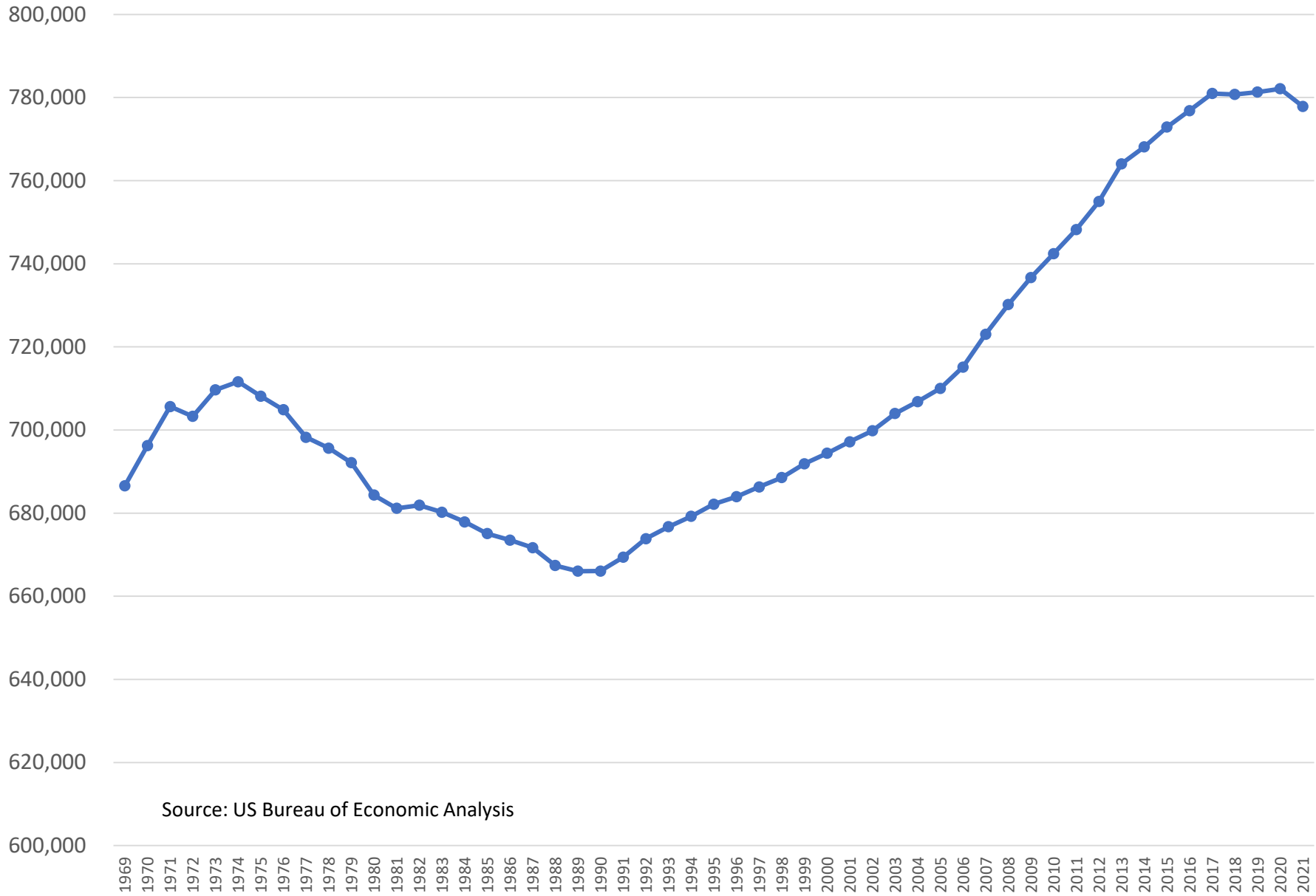
- We are looking at trends in *per capita* spending
- Change in spending per capita depends on:
 - Changes in total spending
 - Changes in population
- 2 cities could have very similar trends in total spending but very different trends in per capita because of different trends in population growth
 - Steady total spending with high population growth → decrease in per capita spending
 - Steady total spending with population decrease → increase in per capita spending
- Comparing the growth of population among the cities

Population Growth (County Population relative to 1992)



- Louisville along with Nashville & Lexington fastest population growth
- For Louisville, fastest growth (2002-2007) coincided with merger

Jefferson County KY Population



Source: US Bureau of Economic Analysis