City Council
Finance Committee

Meeting Agenda

February 20, 2024
4:00 PM

Virtual 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, November 21st, 2024 (pg 3/60)

V. **ITEM 2** - Approval of Minutes, January 16th, 2025 (pg 10/60)

VI. Public Comments on Items Not on the Agenda

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 Year End Revenue, Sales and Bag Tax Reports (pg 15/60) – Jessica Zeas, Melissa Lundgren, Sales Tax Accountant-Auditors, Travis Anderson, Revenue and Tax Manager

VIII. ITEM 4 – 2025 Sewer Fee Proposed Adjustments (pg 35/60) – Cory Peterson, Deputy Director of Utilities, Kurt Kowar, Director of Public Works and Utilities

IX. ITEM 5 – 2026 Budget Supplemental Year – Preliminary Calendar, (pg 54/60) – Ryder Bailey, CPA, Finance Director

X. ITEM 6 – Monthly City Council Financial Updates, (pg 57/60) – Ryder Bailey, CPA, Finance Director

XI. Finance Director Updates

XII. Discussion/Future Items for Next Committee Meeting, March 20th, 4:00PM

- 2024 Year-End Cash and Investments
- Chandler Investment Presentation - Economy & Investments
- Monthly Revenue & Sales Tax Reports
- Update on research to estimate time commitment and cost required to determine MF permit-related expenses and revenues

XIII. 2025 Adopted Work Plan (pg 59/60)

XIV. Adjourn

City of Louisville
COLORADO • SINCE 1878

City Council Finance Committee

4:00 PM | Thursday, November 21, 2024
Virtual Meeting via Zoom
Regular Meeting

Call to Order – Councilmember Hoefner called the meeting to order at 4:00 PM and took roll call.

Committee Members Present:	Yes	Councilmember Hamlington
	Yes	Councilmember Hoefner
	Yes	Councilmember Kern

Staff Present:
Samma Fox, Interim City Manager
Ryder Bailey, Finance Director
Genny Kline, Interim City Clerk
Maria Ostrum, Interim Finance Manager
Meredyth Muth, Interim Deputy City Manager
Melissa Lundgren, Sales Tax Auditor
Ligea Ferraro, Executive Administrator
Adam Blackmore, Director of PROS
David Baril, Head Golf Professional

Others Present:
Councilmember Cooperman
Mayor Leh
Councilmember Fahey
Members of the Public

Approval of Agenda:
Councilmember Kern made a motion to approve the agenda. Seconded by Councilmember Hamlington. Agenda was Approved.

Approval of October 17, 2024 Meeting Minutes:
Councilmember Hamlington made a motion to approve the minutes. Councilmember Kern seconded. The meeting minutes were approved.

Public Comments on Items Not on the Agenda: None

Updates to the City Purchasing Policy:
The Finance Director presented the proposed City Purchasing Policy updates to the committee. The presentation and proposed updates to the policy were included in the meeting packet. Staff is seeking the committee's feedback and recommendation for an update to the City Purchasing Policy by City Council at a future council meeting.

Committee Comments:

Councilmember Kern expressed appreciation for the work staff did on this presentation. She asked about the federal government purchasing rules and whether it's not part of the standard operation policy. Ryder it will be codified in our updated purchasing policy. Councilmember Kern suggested using federal purchasing policies for all purchasing.

Councilmember Hamlington asked about the increase to the allowable purchase amount on the Pcard to $10,000 and the softening of the language related to reimbursing the city for paid tax on a P-card purchase. The Finance Director responded that these are usually quite small purchases, and staff is diligent in attempting to get taxes removed. At times, this requires a lot of time and effort for usually very small amounts. Councilmember Hamlington commented that with larger purchasing limits it is possible for the amount of taxes paid to increase and asked if the city will be able to request reimbursement for taxes paid with the change in the language. The Director of Finance assured the committee if the amount is of materiality the city will pursue reimbursement.

Councilmember Hamlington asked about lost or stolen purchasing cards and what the process is for identifying frequent offenders. The Director of Finance responded that the finance department tracks lost/stolen cards.

Councilmember Hoefner commented that the proposed changes make a lot of sense and asked that the auditors be asked to take a closer look at this to provide feedback on whether the controls we have in place for anti-fraud safeguards are sufficient. The Director of Finance responded that there are no proposed changes to internal controls with this policy update and controls are reviewed annually by our auditors. The auditors will be informed of any policy changes.

Councilmember Kern agreed with Councilmember Hamlington's comments regarding sales tax. She asked if the language could contain a dollar amount for purchases where staff must reimburse taxes paid. The Director of Finance suggested that the proposed language provides enough leverage to require reimbursement by the employee, saying also that staff would be happy adding a dollar amount if council wanted it included in the policy updates.

Councilmember Hoefner commented that he would be fine with additional language proposed by Councilmember Kern; however, he suggested that the proposed language gives provides sufficient leverage as written. He suggested language similar to, "if the amount of sales tax exceeds a certain amount, the city will make all reasonable efforts to obtain a refund." Councilmember Kern agreed with Councilmember Hoefner's suggestion. Councilmember Hamlington also agreed with the suggested language. The Director of Finance asked the committee for a dollar range to include in the policy. Councilmember Kern suggested that $100 in taxes seems a reasonable amount to seek reimbursement as the city wouldn't want to have a lot of instances where we are paying taxes we shouldn't be. Councilmember Hoefner agreed that $100 is a good starting point, suggesting staff to give thought to how much an average staff hour is worth and how many staff hours it can take to track down reimbursement for taxes paid to determine the dollar amount to include in the proposed changes brought to Council.

Public Comments: None.

Preliminary 2025 Work Plan Discussion:

The Director of Finance presented the preliminary 2025 Work Plan to facilitate discussions on the work plan. The proposed work plan was included in the meeting packet. Staff will return to the Finance Committee at the next meeting with a final work plan for adoption.

Committee Comments:

Councilmember Hoefner commented that he has discussed this topic offline with the Director of Finance and he has asked for additional language in the first section explaining that these are larger projects the committee is hoping to take on in 2025, but dates have not been assigned in order to allow the coordination of these projects with the overall Council work plan priorities. He also proposed including the Finance Committee work plan document in Council meeting packets to keep track of the projects to ensure priorities aren't overlooked during the course of the year.

Councilmember Hamlington asked if it would be useful for the committee to keep eyes on Parks and Open Space funds throughout the year. Councilmember Hoefner agreed with this suggestion, adding that a mid-year check-in might be useful. Councilmember Kern agreed with these suggestions and added that engaging OSAB before the mid-year check in on the Parks and Open Space Funds to get their input. Councilmembers Hamlington and Hoefner agreed with Councilmember Kern's suggestion.

Councilmember Kern commented that early next year the committee should look at a structured methodology on how to determine calculations of Marshall Fire rebuild fees and how we are calculating for the costs that might be refunded to the residents. The Director of Finance asked Councilmember Kern for more detail on what information she is looking for. Councilmember Kern responded that other communities have put specific percentages around how they are going to be calculating the cost to the city and how they might refund some of the permit fees collected. She suggested the committee should have a deeper discussion around how that will be managed to make sure we're accurately accounting for it and fulfilling a commitment made to the Marshall Fire impacted residents impacted by total or partial loss to ensure we refund what we can to them. The Director of Finance suggested this be added as a major work initiative: Marshall Fire Permit Fees Revisited. Councilmember Hoefner commented that he's not as familiar with what the city's commitment is and asked the Interim City Manager for input. Interim City Manager Fox responded that she would follow up on this question and asked Councilmember Kern what communities she is referring to so staff can formulate the work plan item. Councilmember Kern will provide the Interim City Manager the information. Councilmember Hoefner suggested to keep this as a placeholder for now and add it for a final review of the work plan at a future meeting.

Councilmember Kern commented that the committee should also look at affordable housing items mid-year to make sure we don't need to update the plans and see if there are opportunities to coalesce around housing goals. Councilmember Hoefner expressed concerns with overstepping bounds by taking over a project which belongs to the entire council. Councilmember Hamlington agreed with Councilmember Hoefner's comment and commented that she feels it needs to wait until the full council has determined the final workplan. Councilmember Kern commented that just a check in point from a finance committee perspective since funds have been allocated, suggesting that maybe mid-year the Finance Committee can look at where we are and how much farther we need to go to have ideas such as different appropriations or recommendations the committee could make to council. Councilmember Hamlington commented that council might even eventually want to establish a specific housing fund so it's an important conversation to continue.

Public Comments:

Mayor Leh commented that the affordable housing project is a full Council project, and he doesn't see a special role for the finance committee. He added that all of Council needs to be aware of what the options are for using the money and how, generally speaking, the projects can be financed.

Final 2024 Budget Amendment:
The Director of Finance presented the final 2024 Budget Amendment to the committee. The presentation and budget amendment documentation were included in the meeting packet.

The committee recommended that the budget amendment be brought to the December 3 Council meeting.

Committee Comments:

Councilmember Hamlington asked for a reminder of where the $900,000 is coming from which is being moved to the Parks and/or Open Space fund. The Director of Finance responded that it is the projected ending fund balance of the original fund, created from transfers and sales tax. This is what is left in the fund after the transfers have been made to the two new funds.

Councilmember Hamlington commented about items previously approved by council coming back for budget amendments. She expressed concern seeing this high of a number in a budget amendment and asked, as the finance committee, how those estimates can be narrowed down or if it is possible to have reserves for those bids to increase confidence that what the committee approves is in the ballpark of what it will cost. To have a healthy budget where we are confident in the pricing of approved items.

Councilmember Hoefner agreed with Councilmember Hamlington's comments, adding that when items do come to council as part of a budget amendment, highlighting it more directly that the thing we are about to do is likely to have a budget impact and try to ballpark the effects on the previous budget.

Councilmember Kern agreed with the comments of Councilmembers Hamlington and Hoefner. She also commented that her recollection is that some of these items had come to council as estimates and she agreed that the amount in the budget amendment is a lot.

There was a discussion around the Open Space and Parks funds and how the decision was made to split the remaining funds in the proposed budget amendment. There was an extensive discussion around Parks and Open Space as part of the 2025 work plan and how the committee and Council will need to work together to ensure both Parks and Open Space are each maintained in the best way possible for the community.

Public Comments:

Louisville Resident Cathern Smith asked that Open Space is funded as well as Parks is funded. She asked the Finance Committee and Council continue to work towards parity between the two. Open space is very integral to our community, trails are well-used and open space gives the community a very special quality. Our open spaces are in need of restoration, and we need to update our fire mitigation and management policies related to open spaces. Because of delays in funding, we don't have a current inventory of wildlife, and we don't have information to priorities management of the open spaces. These are the kinds of things we should be looking at to preserve our riparian area in the Coal Creek corridor. She asked the committee to achieve parity between parks and open space.

2025 Citywide Fees:

The Director of Finance presented the 2025 Citywide Fees to the committee. The documentation of proposed 2025 Citywide Fees was included in the meeting packet. Staff recommends approval of Resolution No. xx, Series 2024, setting certain fees, rates, and charges for the City of Louisville.

Committee Comments:

Councilmember Hamlington asked to look at fees for Recreation Center memberships, specifically the family fees given that nuclear families may not fit into the proposed structure. Councilmember Hoefner commented that council had received feedback on single head of household which made it into this schedule as Single Head of Household. Councilmember Hamlington commented that under the head of household membership there can be the same number of children as in the family pass. Councilmember Hoefner commented that it's understood that the family pass is two adults plus two children with an additional fee depending on the age of the children. Head of household is a single adult plus two children, with a lower fee than the family pass. Councilmember Hamlington suggested that it would be great to communicate the head of household option to the public, so they understand what head of household means so they know what is the best fit for their family. Councilmember Kern agreed that communication to the community is needed. Councilmember Hoefner commented that it was raised with councilmembers and staff this year; it was implemented very quickly and is already offered to residents. He expressed uncertainty about if there has been significant outreach to communicate it to residents.

Councilmember Cooperman asked if other facility membership fees such as the Memory Square pool have also been similarly adjusted with a head of household membership. Councilmember Kern responded that it should have been a city-wide change.

Councilmember Hoefner commented that the proposed fees seem consistent with the past. The committee work plan includes a discussion on how to approach this in the future; in particular, how to decide how fees are adjusted going forward, making sure we know how much each of these fees bring in in terms of revenue. It's important to be fair and even-handed across all of our fees.

Councilmember Kern agreed with Councilmember Hoefner's comments around a lack of consistency with the approach to fees and commented that she would like to have more consistency with planning in the future. She also commented that part of her concern with fees for the outdoor spaces. She asked if there is flexibility with those rates, or can we discuss how we approach those rentals with consideration around equity. Councilmember Hoefner agrees this will be an interesting topic to discuss in 2025. Councilmember Kern commented that she would like to see these fees go down.

Public Comments: None.

Q3 2024 Financial Report:
The Financial Analyst presented the 2024 Q3 Financial Report to the committee. The report was included in the meeting packet.

Committee Comments: None.

Public Comments: None.

Q3 2024 CIP Report:
The Senior Accountant presented the 2024 Q3 CIP Report to the committee. The report was included in the meeting packet.

Committee Comments:

Councilmember Hoefner commented that there are good reasons for the way we budget for Capital Improvement projects, and he expressed frustration that the percentage of the CIP budget we have spent is low compared to the overall budget. Councilmember Hoefner would like to determine a way to have budgeting tools to reflect economic reality each year, so the reports have more meaning. For example, what does it mean to have spent 20% of a project budget – is it good/bad, etc.?

Councilmember Kern commented that the finance committee can discuss benchmark measures for different kinds of expenditures.

Councilmember Hoefner asked for details on expectations included in the report.

Councilmember Hamlington commented that this also ties into the conversation earlier related to budget amendments. She agreed that having more tracking of this would be helpful in the work of the finance committee.

Public Comments: None.

Q3 2024 Revenue, Sales, and Bag Tax Report:
The Sales Tax Auditor presented the 2024 Q3 Revenue, Sales, and Bag Tax Report to the committee. The report was included in the meeting packet. There will be a Sales and Use Tax meeting for the public on December 18.

Committee Comments:

Councilmember Kern asked if Economic Vitality is aware of the sales and use tax meeting. The Sales Tax Auditor responded that Economic Vitality is aware of the event. Councilmember Kern asked if translation services will be available at the meeting. The Interim City Manager responded that we do ask for prior notification if translation service is needed so it can be set it up. Staff are very happy to accommodate language translation needs. The Interim Deputy City Manager also commented that translation services are offered in many languages.

Public Comments: None.

Finance Director Updates:
Members of the finance team are at a conference this week.
Next month the director will be out on paternity leave.

<u>Closing Questions/Comments from the Committee:</u> None

Items for the Next Regular Meeting, scheduled for December 19, 2024, 4:00-6:00 PM:

- Final 2025 Finance Committee Work Plan Discussion
- Final Assessed Valuation and Mill Levy Benchmarks
- Monthly Revenue & Sales Tax Report

Adjourn: The meeting adjourned at 5:29 PM

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City Council Finance Committee

4:00 PM | Thursday, January 16, 2025
Virtual Meeting via Zoom
Regular Meeting

Call to Order – Councilmember Hoefner called the meeting to order at 4:03 PM and took roll call.

Committee Members Present:	Yes	Councilmember Hamlington
	Yes	Councilmember Hoefner
	Yes	Councilmember Cooperman

Staff Present:
Samma Fox, Interim City Manager
Ryder Bailey, Finance Director
Genny Kline, Interim City Clerk
Meredyth Muth, Interim Deputy City Manager
Jessica Zeas, Tax Auditor
Travis Anderson, Revenue & Sales Tax Manager
Mahyar Mansurabadi, Sales Tax
Melissa Lundgren, Sales Tax
Ligea Ferraro, Executive Administrator
Cory Peterson, Deputy Director of Utilities
Kurt Kowar, Director of Public Works

Others Present:
Councilmember Fahey
Mayor Leh
Councilmember Kern

Approval of Agenda:
Councilmember Hamlington made a motion to approve the agenda, seconded by Councilmember Cooperman. The agenda was Approved.

Approval of November 21, 2024 Meeting Minutes:
No motion was made to approve the minutes.

Public Comments on Items Not on the Agenda: None

Final Assessed Valuation:
The Finance Director presented Boulder County's final assessed valuation to the committee. Details on the final assessed valuation were included in the meeting packet.

Committee Comments:

There was a discussion around residential versus commercial applications of the mill levies.

There was a discussion about how the maximum of the mill levies was set.

Public Comments: None.

Final 2025 Finance Committee Work Plan:
The Director of Finance presented the Finance Committee 2025 Work Plan. The work plan was included in the meeting packet. It was noted that the date of the June meeting would need to be adjusted due to the Juneteenth holiday. Staff requests committee approval and adoption of the final work plan with the change to the June meeting date.

The Director of Finance asked the committee to agree to a meeting date in June. The Committee agreed that June 12 will be the June meeting date.

The committee adopted the work plan as amended.

Committee Comments:

Councilmember Cooperman asked if the Golf fund should be examined this year. The Director of Finance responded that there will be time to discuss the Golf Fund this year.

Councilmember Hoefner commented that he is supportive of looking at the Golf fund in the budget context, adding that there have been past informal discussions of Golf being treated more like an enterprise for Tabor purposes rather than receiving General Fund support. He added that any subsidy from the General Fund for the golf course should be discussed as early in the year as possible.

Councilmember Cooperman commented that there have been requests from residents regarding permit fees for Marshall Fire rebuilds. He asked staff what the level of effort would be to provide a ballpark estimate of permit fees taken in for Marshall Fire rebuilds in comparison with the expenses related processing these permits. The City Manager responded that permit fees are intended to recoup the cost of permits, not intended to be a profit center for the City. If council is interested, staff can do an evaluation. Staff can also look at what other cities did with reference to rebates of permit fees and make decisions based on that information if the goal is to rebate funding. Councilmember Hoefner asked for a high-level sense of staff commitment to get ballpark figures. The City Manager responded that staff could do a cost analysis or hire a consultant to do this work, adding that it's important to be thoughtful that the same staff working on the Comprehensive Plan, the Downtown Vision Plan and other priorities on Council's Work Plan would also be responsible for doing this work. Staff would need more time to determine the level of effort required to perform a cost analysis of the Marshall Fire permitting fees versus costs. Councilmember Hoefner commented that he is happy to have this topic added to a meeting this year to determine the level of effort needed to do a cost analysis. Councilmember Hamlington had no comments on this topic.

Councilmember Hoefner asked Mayor Leh if he recommends the Finance Committee take up the question of how much it would cost to assess. Mayor Leh commented that he doesn't object to reviewing the feasibility of a cost analysis, noting that staff bandwidth is tight and agreed it's a good idea to get to what it would cost to do the analysis before agreeing to pursue it. Hoefner said Fin com would provide a recommendation to

Councilmember Hoefner asked the Director of Finance and City Manager when a good time would be to follow up on the cost analysis of Marshall Fire permitting fees versus costs. The City Manager requested that this topic be addressed at the March meeting. The Finance Committee requested that staff provide a feasibility study of the amount of effort and resources required to provide a cost analysis of the Marshall Fire permit fees in comparison with the costs of permitting Marshall Fire rebuilds.

Public Comments:

Mayor Leh commented that the permitting cost analysis is a challenging issue, noting that the commitment Council made in 2022 was a general commitment to be certain that there weren't any economies of scale in doing permits so that it resulted in some kind of additional money to the City that was over and above the cost of permitting.

Councilmember Kern commented that there were public commitments made to do a cost evaluation of Marshall Fire permit fees versus costs a few years ago. She commented that the previous City Manager committed in meetings to provide a cost analysis. Councilmember Kern also commented that it is her understanding that there was a plan put in place through the Planning Department related to Marshall Fire permits which should assist with any evaluation process.

Mayor Leh commented that Council didn't commit to refund fees. The only thing Council discussed was an evaluation.

2025 Insurance Renewal Update:
The Deputy City Manager provided updates to the City's 2025 insurance renewal. Details were included in the meeting packet.

Committee Comments:

There was a discussion on how a wind/hail buydown would be paid out of the budget.

Public Comments: None.

Budget Process Recap:
The Director of Finance provided a review of the supplemental year budget process. The presentation was included in the meeting packet.

Committee Comments:

Councilmember Hoefner commented that he would like to have the process of narrowing down and focusing on key policy choices earlier in the budget process than last year. He felt that last year's budget process resulted in a good outcome. He also commented that this year's Work Plan meeting was very positive and should set us up well in terms of understanding core priorities that will shape the off-year budget decision process in a way that's consistent with Council's stated values and priorities.

Councilmember Hamlington commented that she has no suggestions to change the calendar and expressed appreciation for staff's work on the schedule.

Public Comments:

Mayor Leh agreed with Councilmember Hoefner, adding that last year's budget retreat was lacking in detail for describing the paths forward and it would have been more productive with a better set of options for Council to mull over.

Final 2025 Utility Rate Presentation & Discussion:
The Deputy Director of Utilities provided an update on the 2025 final utility rates and fees. The presentation was included in the meeting packet.

The Committee gave approval to staff to present the 2025 utility rates to City Council.

Committee Comments:

Councilmember Hamlington asked how much above the estimates the final numbers would be if the expansions were removed. The Deputy Director of Utilities responded that we were only slightly above the estimates without the expansions.

Councilmember Hamlington asked if residents are paying for Redtail development wastewater plant upgrades. The Deputy Director of Utilities responded that the Redtail development is paying for all required upgrades related to that project.

Councilmember Cooperman asked about multifamily residential in comparison to other communities. He asked if multifamily residential gets a good deal on utility rates compared to other municipalities. The Deputy Director of Utilities responded that multifamily is considered a commercial user with one meter per building which is split between renters so it's difficult for the City to see how each renter is affected. Commercial rates are relatively low and align with residential rates.

There was a discussion around O&M Turnback.

Councilmember Hoefner commented that Louisville's rates are very competitive compared to neighboring communities and expressed appreciation for staff's work to keep the City's rates low. He expressed a desire that the City's budget process reflect actual expectations about what is going to happen in a particular year as close as possible to estimates and he is excited to see the results of returning to a 0% turnback. Councilmember Hoefner would like to give additional thought to the fund forecast outyears from 2030 forward, noting that the forecasted estimates don't seem accurate. He asked if the outyear stormwater estimates might default to an inflation expectation estimate that is more realistic than the current negative 7% estimate for 2030. The Deputy Director of Utilities responded that there is a mechanism in the rate model that can calculate a base increase based on inflation, noting that we have kept it at zero to keep the future fund balances more accurate. The Director of Public Works commented that the stormwater fund is unique as it is typically funded around $100-200k for maintenance each year as routine and periodically it has a very large project. We have one more large mitigation project to complete the flood mitigation project that Louisville needed to achieve. That's what you see in the negative 7% number in 2030. The stormwater fund will have a structural rebalancing after projects are completed.

Councilmember Hamlington asked if there is a reason the predictions extend out ten years in the future instead of five or six years. The Deputy Director of Utilities responded that the number of out years presented is just a preference to understand long-term impacts. We have a system that could project even farther out to capture capital asset replacement to ensure we truly are smoothing for the long-term for large capital increases. There is no reason we need to present ten years if you prefer to have it presented as a shorter projection.

The Committee requested a closer look at rate structure at the June meeting.

Public Comments: None.

Revenue, Sales, and Bag Tax Reports:
The Sales Tax Department presented the November 2024 Revenue, Sales, and Bag Tax Report to the committee. The report was included in the meeting packet.

Committee Comments:

Councilmember Hoefner commented that he likes to see the audit increase year over year.

Councilmember Hamlington expressed appreciation for the audit results. She asked about the inside and outside sales tax data, asking if this information is shared with Economic Vitality staff as she could see this informing their work. She feels it would be useful for other staff to leverage this information. The Sales Tax Auditor responded that these reports will be sent to EV when they are done. She also noted that May 2022 is when Nexus was adopted, commenting that trend-wise it's been a gradual new registration of businesses which has been part of the increase in audit revenue.

Public Comments: None.

Finance Director Updates: None.

Closing Questions/Comments from the Committee: None

Items for the Next Regular Meeting, scheduled for February 20, 2025, 4:00-6:00 PM:

- 2024 Year End Revenue and Sales Tax Reports
- 2026 Budget Supplemental Year – Preliminary Calendar and Process
- Write-off Accounts Receivables
- Monthly council Financial Updates

Adjourn: The meeting adjourned at 5:33 PM

City of Louisville
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FINANCE COMMITTEE COMMUNICATION
ITEM 3

SUBJECT: REVENUE AND SALES TAX REPORTS - DECEMBER 2024

DATE: FEBRUARY 20, 2025

PRESENTED BY: TRAVIS ANDERSON, REVENUE AND TAX MANAGER, JESS ZEAS, SALES TAX ACCOUNTANT/AUDITOR, MELISSA LUNDGREN CPA, CFE, SALES TAX ACCOUNTANT/AUDITOR II

SUMMARY:

Sales and Use Tax Collection Report – December 2024

Sales Tax: Increase YoY (December 2024 vs December 2023) by 7.2% for a total amount collected of $2,768,856. IN-city businesses collected $1,097,190 in sales tax, a decrease of $76,800 or 6.5%. Businesses located outside of the city collected $1,671,666, an increase of $261,710 or 18.6%.

YTD Cumulative Performance: Year-to-date, sales tax revenue is below budget by 3.4% ($816,932). However, compared to the same period in 2023, sales tax revenue has increased by 8.8%, $1,877,587, contributing to a year-over-year growth for all taxes combined of 12.6%. When comparing all taxes combined with the 2024 budget projection, we are 5.2%, $1,614,126 above budget. This is largely due to the reinstatement of our audit program and the focus put upon ensuring businesses are in compliance from our sales tax team in 2024.

Consumer Use Tax: Consumer use tax collections for December 2024 amounted to $360,824, reflecting purchases made outside of Louisville, brought into the city for the use of businesses.

Audit: Audit collections for December 2024 totaled $153,661, bringing our year-to-date total to $869,487.

Bag Tax: Q4,2024 Bag tax collected was $27,184, when compared to the previous quarter, Q3, 2024 which was $24,996, resulting in no notable change.

Bag Tax Compliance: Compliance has remained relatively steady in Q3 2024 when compared to Q4 2024.

RECOMMENDATION:

Receive and file.

CITY OF LOUISVILLE
Cumulative Revenue History Report

Sales Tax

Through Month	*Cumulative Budget*	Cumulative Sales Tax - 2024	Cumulative Budget Var. %	Cumulative Sales Tax - 2023	Cumulative Var. % to PY
JANUARY	*1,629,000*	1,694,541	4.0%	1,568,367	8.0%
FEBRUARY	*3,133,000*	3,203,905	2.3%	3,108,097	3.1%
MARCH	*5,281,000*	5,356,409	1.4%	5,138,343	4.2%
APRIL	*7,080,000*	7,043,090	-0.5%	6,614,626	6.5%
MAY	*8,975,000*	8,774,925	-2.2%	8,455,656	3.8%
JUNE	*11,367,000*	11,009,153	-3.1%	10,478,860	5.1%
JULY	*13,313,000*	12,953,932	-2.7%	12,202,636	6.2%
AUGUST	*15,275,000*	14,850,821	-2.8%	13,852,094	7.2%
SEPTEMBER	*17,466,000*	16,934,732	-3.0%	15,699,736	7.9%
OCTOBER	*19,372,000*	18,771,615	-3.1%	17,259,776	8.8%
NOVEMBER	*21,164,000*	20,513,212	-3.1%	18,820,535	9.0%
DECEMBER	*24,099,000*	23,282,068	**-3.4%**	21,404,481	**8.8%**

Budgeted increase from last year's Actual Sales Tax **12.6%**

Other Taxes - Combined

Through Month	*Cumulative Budget*	Cumulative Use, Building, Auto, Lodging & Bag Tax - 2024	Cumulative Budget Var. %	Cumulative Use, Building, Auto, Lodging & Bag Tax - 2023	Cumulative Var. % to PY
JANUARY	582,583	536,250	-8.0%	560,385	-4.3%
FEBRUARY	1,165,167	1,000,218	-14.2%	993,191	0.7%
MARCH	1,747,750	1,649,250	-5.6%	1,677,120	-1.7%
APRIL	2,330,333	2,142,669	-8.1%	2,793,349	-23.3%
MAY	2,912,916	2,572,092	-11.7%	3,225,840	-20.3%
JUNE	3,495,500	5,225,545	49.5%	3,788,383	37.9%
JULY	4,078,083	6,413,208	57.3%	4,827,504	32.8%
AUGUST	4,660,666	6,923,667	48.6%	5,217,016	32.7%
SEPTEMBER	5,243,249	7,488,834	42.8%	5,690,526	31.6%
OCTOBER	5,825,833	7,943,411	36.3%	6,211,504	27.9%
NOVEMBER	6,408,416	8,543,086	33.3%	6,839,569	24.9%
DECEMBER	6,990,999	9,422,057	34.8%	7,651,768	23.1%

All Taxes - Combined

Through Month	*Cumulative Budget*	Cumulative All Tax Revenue - 2024	Cumulative Budget Var. %	Cumulative All Tax Revenue - 2023	Cumulative Var. % to PY
JANUARY	2,211,583	2,230,791	0.9%	2,128,752	4.8%
FEBRUARY	4,298,167	4,204,122	-2.2%	4,101,288	2.5%
MARCH	7,028,750	7,005,660	-0.3%	6,815,464	2.8%
APRIL	9,410,333	9,185,759	-2.4%	9,407,975	-2.4%
MAY	11,887,916	11,347,017	-4.5%	11,681,497	-2.9%
JUNE	14,862,500	16,234,698	9.2%	14,267,243	13.8%
JULY	17,391,083	19,367,139	11.4%	17,030,140	13.7%
AUGUST	19,935,666	21,774,488	9.2%	19,069,110	14.2%
SEPTEMBER	22,709,249	24,423,566	7.5%	21,390,262	14.2%
OCTOBER	25,197,833	26,715,026	6.0%	23,471,280	13.8%
NOVEMBER	27,572,416	29,056,298	5.4%	25,660,104	13.2%
DECEMBER	31,089,999	32,704,125	5.2%	29,056,248	**12.6%**

CITY OF LOUISVILLE

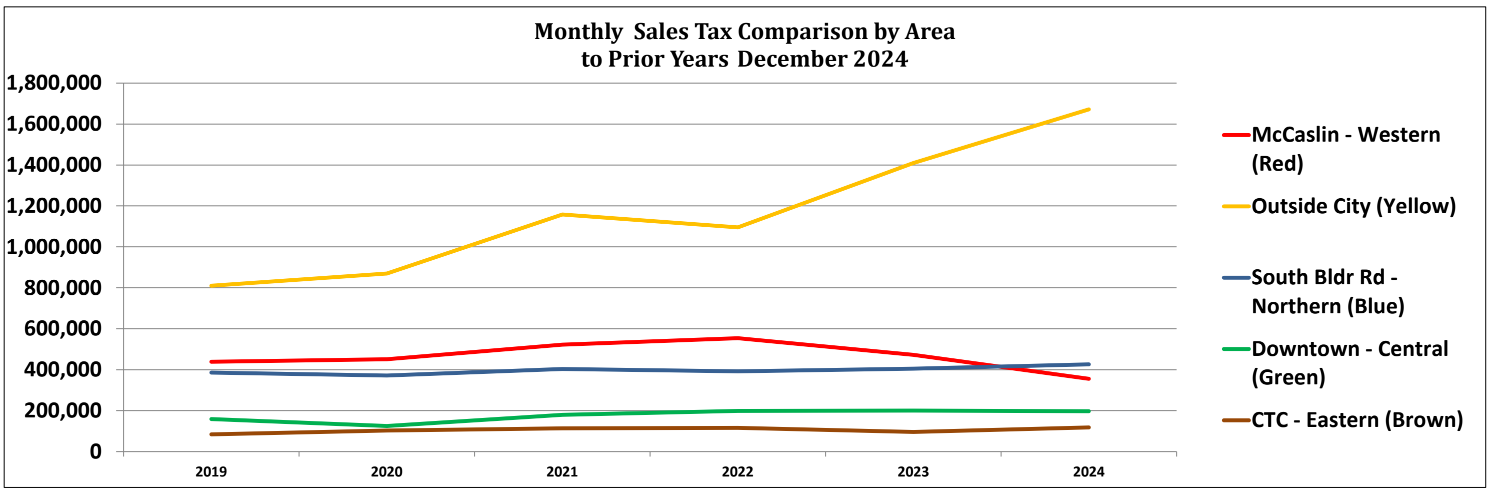
Revenue History

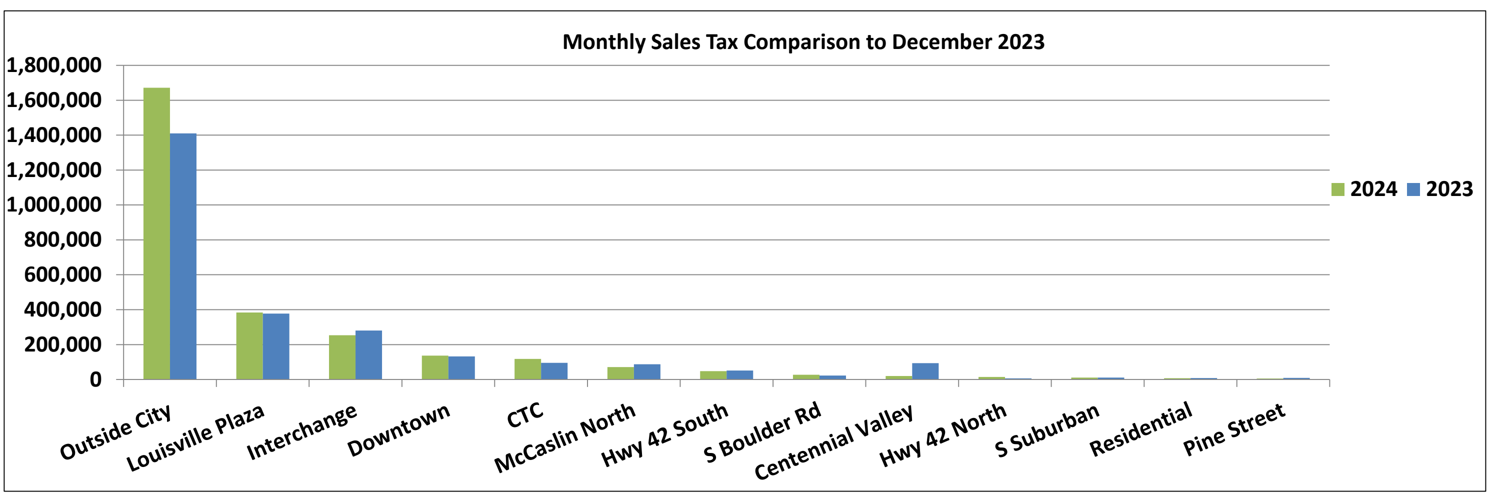
2020 through 2024

YEAR	MONTH	*SALES TAX MO. BUDGET*	SALES TAX	VAR. %	USE TAX	BLDG USE TAX	AUTO USE TAX	LODGING TAX	AUDIT	Bag Tax	TOTAL
2024											
	JANUARY	*1,629,000*	1,694,541	4.0%	231,929	113,184	172,085	19,052	-	-	2,230,791
	FEBRUARY	*1,504,000*	1,509,364	0.4%	119,255	176,535	151,369	16,768	-	41	1,973,331
	MARCH	*2,148,000*	2,152,505	0.2%	204,957	242,799	120,150	40,658	9,269	31,199	2,801,538
	APRIL	*1,799,000*	1,686,680	-6.2%	106,868	175,582	160,095	27,918	21,152	1,805	2,180,099
	MAY	*1,895,000*	1,731,835	-8.6%	144,957	3,236	164,151	80,600	36,418	60	2,161,258
	JUNE	*2,392,000*	2,234,228	-6.6%	271,578	1,926,072	131,978	51,593	242,860	29,372	4,887,681
	JULY	*1,946,000*	1,944,779	-0.1%	134,428	790,889	190,082	61,022	11,209	33	3,132,442
	AUGUST	*1,962,000*	1,896,889	-3.3%	134,336	130,170	149,308	59,572	37,068	5	2,407,348
	SEPTEMBER	*2,191,000*	2,083,911	-4.9%	195,461	92,291	178,529	41,864	32,066	24,958	2,649,079
	OCTOBER	*1,906,000*	1,836,883	-3.6%	70,187	148,112	186,755	45,900	2,709	914	2,291,460
	NOVEMBER	*1,792,000*	1,741,597	-2.8%	69,530	53,514	131,312	22,245	323,074	-	2,341,272
	DECEMBER	*2,935,000*	2,768,856	-5.7%	360,824	184,611	142,933	10,672	153,661	26,270	3,647,827
	YTD TOTALS	*24,099,000*	23,282,068	-3.4%	2,044,309	4,036,994	1,878,746	477,865	869,487	114,656	32,704,124
	2024 Adjusted Budget	*24,099,000*	24,099,000		3,239,333	1,548,333	1,700,333	403,000	-	100,000	31,089,999
	YTD Variance % to Prior Year	12.6%	8.8%		-40.5%	140.1%	2.3%	15.6%	1037.8%	-44.3%	12.6%
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	2,762,896
	AUGUST		1,649,459		84,672	105,041	156,199	43,180	-	419	2,038,970
	SEPTEMBER		1,847,642		223,587	43,341	119,898	52,083	-	34,601	2,321,151
	OCTOBER		1,560,040		98,476	174,305	201,959	44,457	-	1,782	2,081,018
	NOVEMBER		1,560,759		336,826	93,138	167,370	29,255	799	677	2,188,824
	DECEMBER		2,583,946		373,162	115,007	188,882	20,146	72,904	42,098	3,396,144
	YTD TOTALS		21,404,481		3,438,458	1,681,299	1,836,613	413,278	76,418	205,702	29,056,248
	Totals Post BAP Refund		21,299,674		3,123,008	1,681,299	1,836,613	413,278	76,418	205,702	28,635,991
	2023 Adjusted Budget		22,050,630		2,625,630	1,030,780	2,040,910	373,660		200,000	28,321,610
	Budget vs Actual Variance		-3.4%		18.9%	63.1%	-10.0%	10.6%		2.9%	1.1%
	YTD Variance *Post BAP		6.9%		17.8%	-55.5%	-3.3%	31.3%	21.6%	8.9%	-0.5%
	YTD Variance % to Prior Year		7.4%		29.7%	-55.5%	-3.3%	31.3%	21.6%	8.9%	1.0%
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
	2022 Adjusted Budget		20,145,920		2,386,940	1,532,520	1,914,660	319,480		101,250	26,400,770
	Budget vs Actual Variance		-1.1%		11.1%	146.5%	-0.8%	-1.5%		86.6%	9.0%
	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
	2021 Adjusted Budget		16,007,490		1,709,960	1,896,860	1,497,390	227,360			21,339,060
	Budget vs Actual Variance		14.0%		22.1%	28.7%	20.7%	19.4%			16.9%
	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
	2020 Adjusted Budget		14,616,360		1,189,540	1,895,060	1,041,660	181,890			18,924,510
	Budget vs Actual Variance		6.9%		25.9%	-10.1%	45.4%	0.4%			10.8%
	YTD Variance % to Prior Year		-2.9%		-12.9%	-18.4%	-12.7%	-59.9%	-67.1%		-10.6%

Monthly Sales Tax Revenue Comparisons by Area (December 2024)

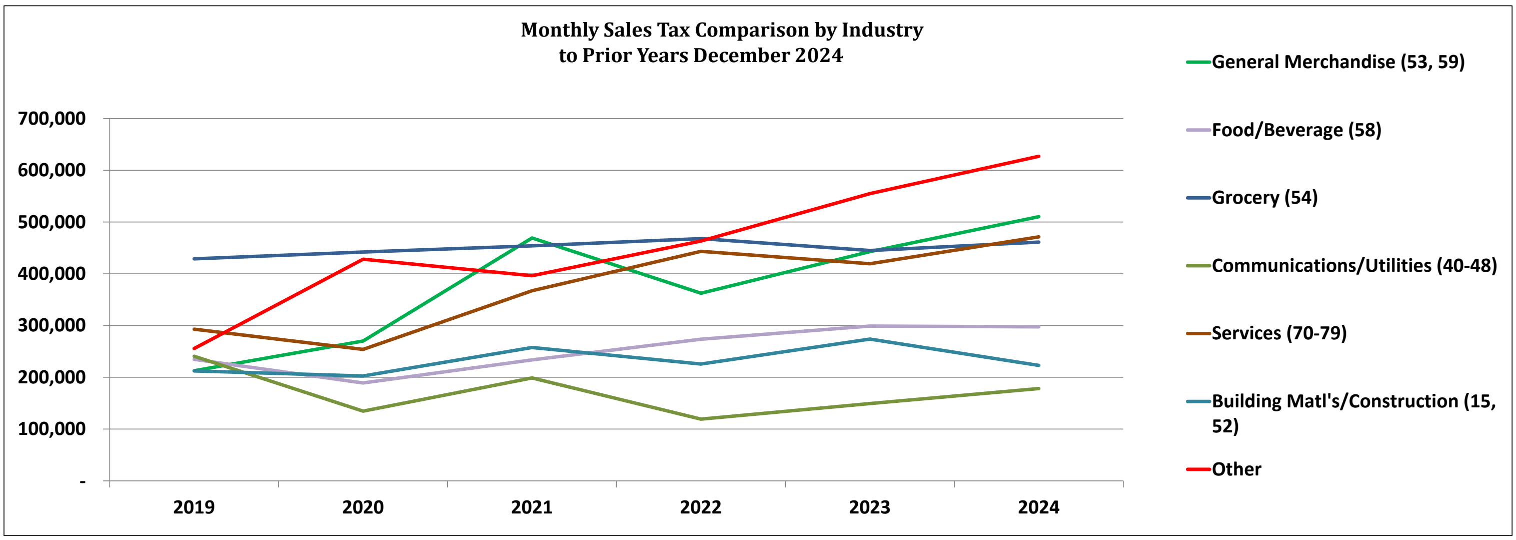
AREA NAME	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	% Of Total	% Change
Outside City	810,265	869,601	1,158,189	1,095,287	1,409,956	1,671,666	60.4%	18.6%
Louisville Plaza	334,847	324,897	371,473	364,082	377,112	384,038	13.9%	1.8%
Interchange	312,828	296,566	349,457	304,240	280,897	253,141	9.1%	-9.9%
Downtown	112,931	81,135	118,832	122,794	131,935	136,887	4.9%	3.8%
CTC	84,241	103,133	113,343	116,213	95,742	118,041	4.3%	23.3%
McCaslin North	59,359	71,298	72,620	79,653	87,233	71,303	2.6%	-18.3%
Hwy 42 South	31,833	34,360	46,673	62,633	51,079	47,565	1.7%	-6.9%
S Boulder Rd	40,459	37,974	26,281	19,984	22,292	27,333	1.0%	22.6%
Centennial Valley	59,602	76,276	91,987	158,298	93,889	20,181	0.7%	-78.5%
Hwy 42 North	10,654	8,780	5,946	7,632	5,957	14,801	0.5%	148.5%
S Suburban	7,229	6,966	8,341	11,793	10,565	10,923	0.4%	3.4%
Residential	4,722	4,547	9,440	7,078	7,926	7,192	0.3%	-9.3%
Pine Street	9,136	5,068	4,506	6,040	9,363	5,784	0.2%	-38.2%
Total Revenue	**1,878,105**	**1,920,601**	**2,377,087**	**2,355,727**	**2,583,946**	**2,768,856**		
% Of Change	**68.6%**	**2.3%**	**23.8%**	**-0.9%**	**9.7%**	**7.2%**		

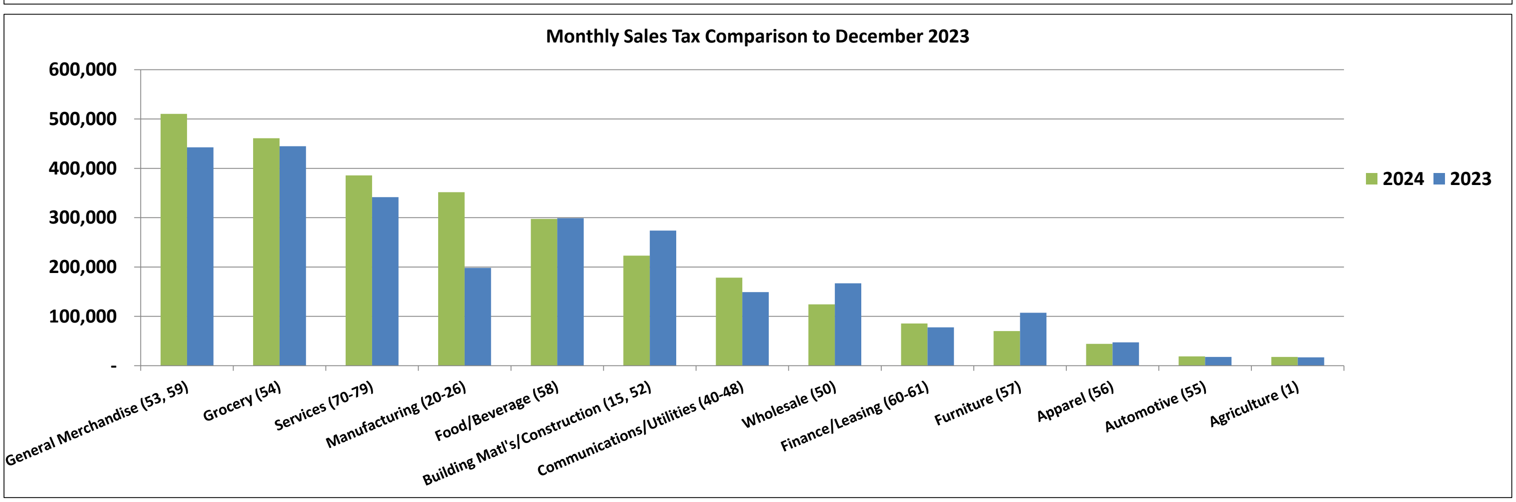




Monthly Sales Tax Revenue Comparisons by Industry (December 2024)

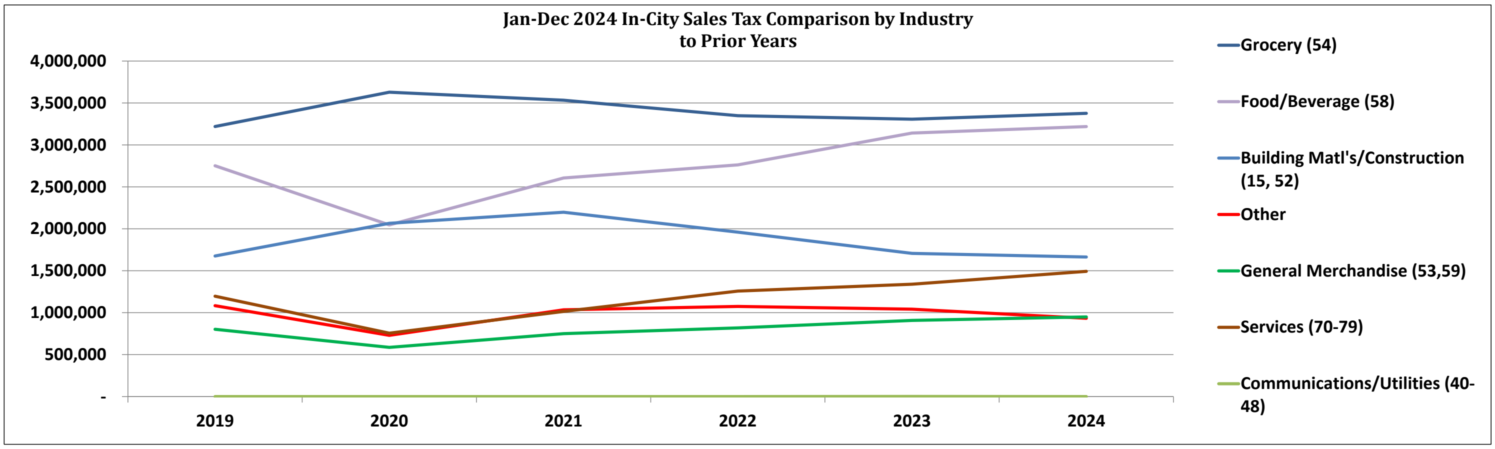
AREA NAME	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	% Of Total	% Change
General Merchandise (53, 59)	212,661	270,246	469,214	362,419	442,750	510,354	18.4%	15.3%
Grocery (54)	428,895	441,951	454,165	467,969	444,902	461,208	16.7%	3.7%
Services (70-79)	223,883	198,115	307,521	355,510	341,657	385,870	13.9%	12.9%
Manufacturing (20-26)	109,950	263,543	190,522	219,763	198,308	351,592	12.7%	77.3%
Food/Beverage (58)	234,817	189,093	233,674	273,475	298,996	297,470	10.7%	-0.5%
Building Matl's/Construction (15, 52)	212,370	202,581	257,694	225,784	273,874	223,021	8.1%	-18.6%
Communications/Utilities (40-48)	240,745	134,519	198,761	119,214	149,256	178,395	6.4%	19.5%
Wholesale (50)	57,685	81,152	101,722	134,310	167,139	124,456	4.5%	-25.5%
Finance/Leasing (60-61)	69,115	55,815	59,834	87,994	77,666	85,514	3.1%	10.1%
Furniture (57)	52,320	37,943	51,928	51,633	107,331	70,096	2.5%	-34.7%
Apparel (56)	20,610	26,829	32,077	32,259	47,313	44,361	1.6%	-6.2%
Automotive (55)	6,150	8,127	6,864	10,931	17,807	18,752	0.7%	5.3%
Agriculture (1)	8,905	10,687	13,112	14,466	16,945	17,769	0.6%	4.9%
Totals	**1,878,105**	**1,920,601**	**2,377,087**	**2,355,727**	**2,583,946**	**2,768,856**		
% Of Change	**68.6%**	**2.3%**	**23.8%**	**-0.9%**	**9.7%**	**7.2%**		

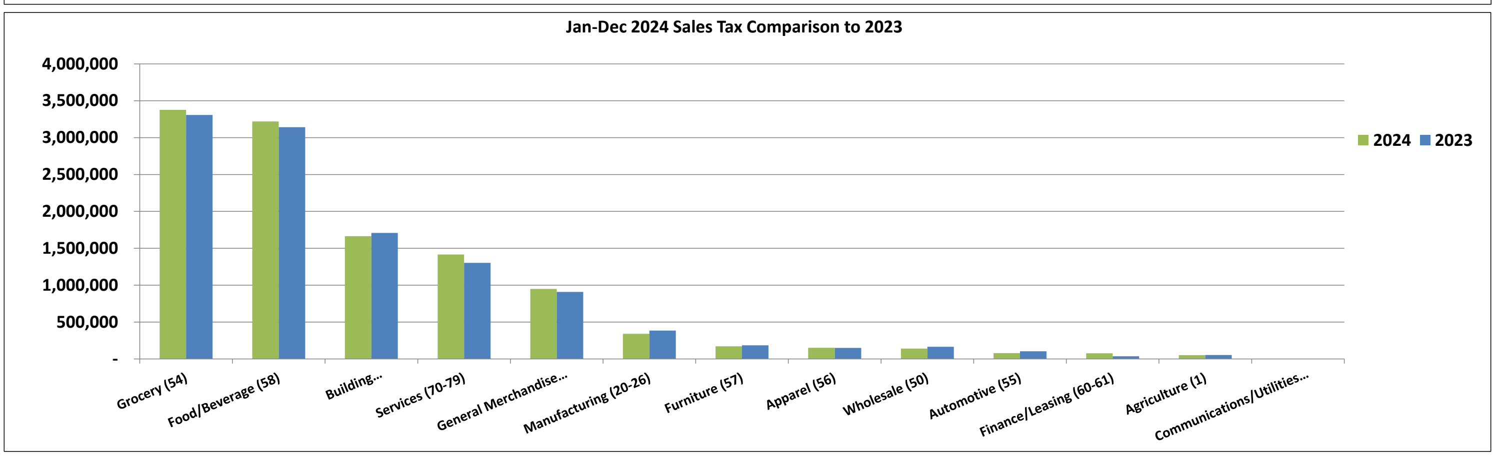




Sales Tax Revenue Comparisons by Industry - Inside City Area (Jan-Dec 2024)

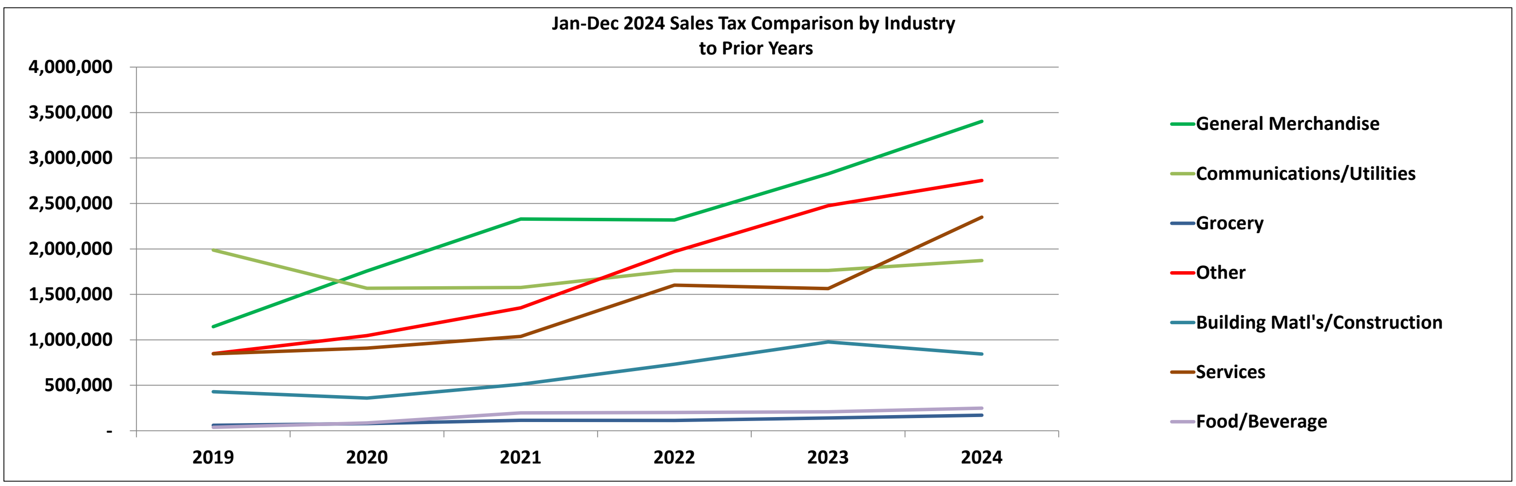
INDUSTRY NAME	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	% Of Total	% Change
Grocery (54)	3,219,724	3,628,992	3,533,312	3,348,472	3,306,954	3,377,401	29.0%	2.1%
Food/Beverage (58)	2,752,714	2,046,896	2,606,081	2,762,333	3,141,758	3,219,131	27.7%	2.5%
Building Matl's/Construction (15, 52)	1,675,478	2,065,433	2,198,001	1,960,860	1,707,843	1,664,211	14.3%	-2.6%
Services (70-79)	1,141,777	774,344	1,002,757	1,242,508	1,303,157	1,416,271	12.2%	8.7%
General Merchandise (53,59)	802,161	586,957	751,250	819,409	908,018	950,021	8.2%	4.6%
Manufacturing (20-26)	643,870	326,315	524,124	502,198	384,134	340,682	2.9%	-11.3%
Furniture (57)	137,991	107,991	131,578	111,373	185,309	171,630	1.5%	-7.4%
Apparel (56)	92,462	81,786	122,010	132,052	149,642	151,793	1.3%	1.4%
Wholesale (50)	81,566	80,859	109,533	151,094	165,104	138,854	1.2%	-15.9%
Automotive (55)	73,769	80,992	90,203	124,073	104,197	79,503	0.7%	-23.7%
Finance/Leasing (60-61)	55,028	(18,199)	12,523	15,925	36,894	77,075	0.7%	108.9%
Agriculture (1)	54,341	52,501	56,693	54,788	53,608	51,727	0.4%	-3.5%
Communications/Utilities (40-48)	1,093	641	469	494	2,159	780	0.0%	-63.9%
Totals	**10,731,975**	**9,815,507**	**11,138,536**	**11,225,578**	**11,448,777**	**11,639,077**		
% Of Change	**11.5%**	**-8.5%**	**13.5%**	**0.8%**	**2.0%**	**1.7%**		

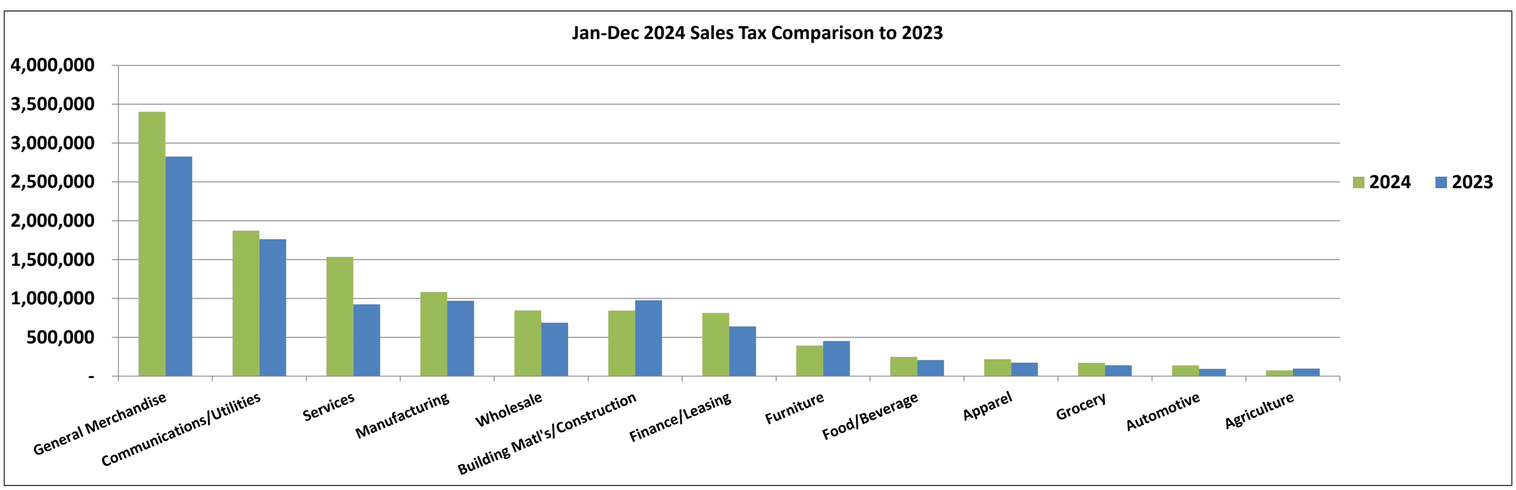




Sales Tax Revenue Comparisons by Industry - Outside City Area (Jan-Dec 2024)

INDUSTRY NAME	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	% Of Total	% Change
General Merchandise	1,144,761	1,758,011	2,329,054	2,318,555	2,827,348	3,403,755	29.2%	20.4%
Communications/Utilities	1,987,855	1,567,477	1,575,708	1,761,704	1,762,974	1,872,866	16.1%	6.2%
Services	404,533	450,961	589,973	771,729	923,089	1,535,602	13.2%	66.4%
Manufacturing	306,545	385,436	451,471	804,963	970,047	1,084,161	9.3%	11.8%
Wholesale	266,517	331,172	462,106	561,628	688,642	845,295	7.3%	22.7%
Building Matl's/Construction	428,679	359,366	510,792	731,513	976,843	844,229	7.3%	-13.6%
Finance/Leasing	442,289	457,521	447,281	829,236	640,840	814,024	7.0%	27.0%
Furniture	218,030	256,033	314,231	421,741	452,817	393,407	3.4%	-13.1%
Food/Beverage	37,747	86,631	196,627	200,401	208,073	248,431	2.1%	19.4%
Apparel	46,830	59,834	71,293	87,384	174,068	218,082	1.9%	25.3%
Grocery	60,267	78,838	114,657	113,802	140,231	170,956	1.5%	21.9%
Automotive	766	76	3,495	34,952	94,035	138,655	1.2%	47.5%
Agriculture	9,833	14,076	49,117	60,145	96,697	73,528	0.6%	-24.0%
Totals	**5,354,650**	**5,805,432**	**7,115,805**	**8,697,754**	**9,955,704**	**11,642,991**		
% Of Change	**40.8%**	**8.4%**	**22.6%**	**22.2%**	**14.5%**	**16.9%**		

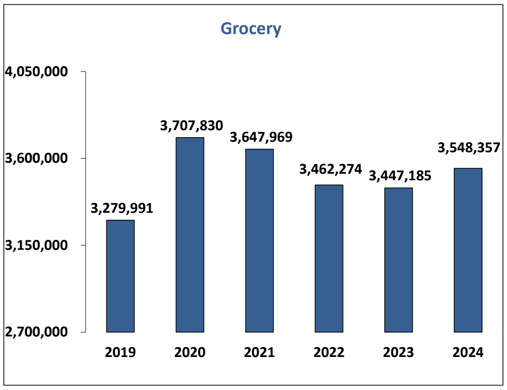


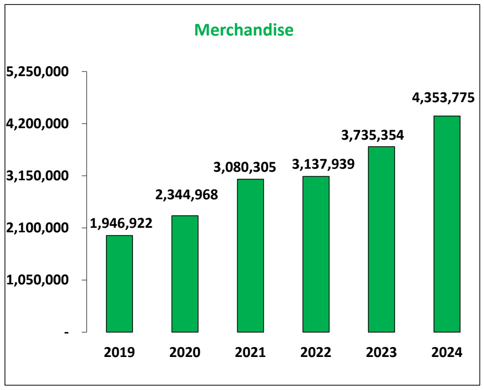


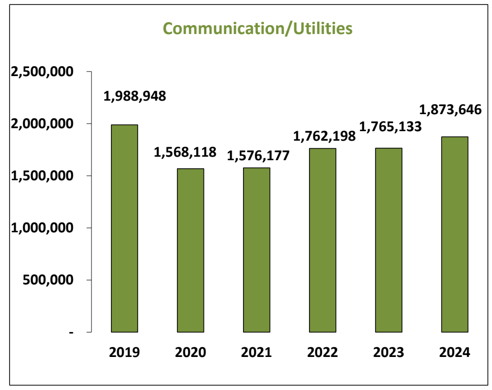
CITY OF LOUISVILLE

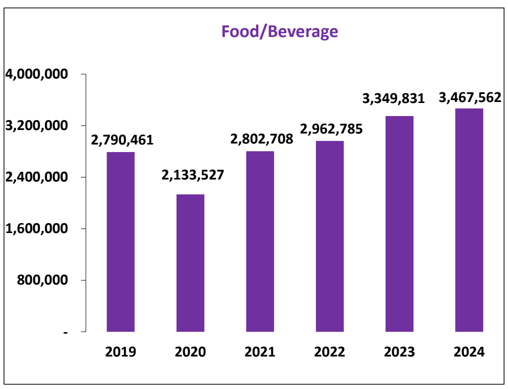
Revenue History by Industry (Jan - Dec 2024)

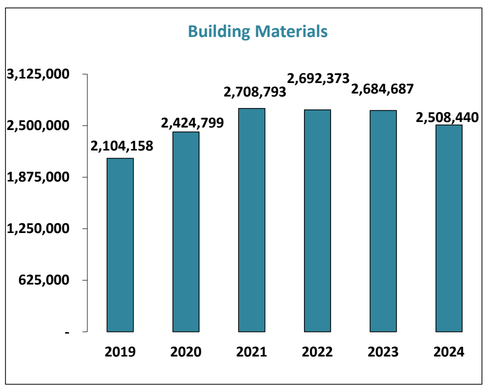
	2019	% Var	2020	% Var	2021	% Var	2022	% Var	2023	% Var	2024	% Var	% of Total
Merchandise	1,946,922	9.8%	2,344,968	20.4%	3,080,305	31.4%	3,137,939	1.9%	3,735,354	19.0%	4,353,775	16.6%	18.7%
Services	2,043,626	18.8%	1,664,627	-18.5%	2,052,534	23.3%	2,859,398	39.3%	2,903,979	1.6%	3,842,972	32.3%	16.5%
All Other	1,932,519	33.8%	1,777,072	-8.0%	2,385,855	34.3%	3,046,391	27.7%	3,518,311	15.5%	3,687,316	4.8%	15.8%
Grocery	3,279,991	13.0%	3,707,830	13.0%	3,647,969	-1.6%	3,462,274	-5.1%	3,447,185	-0.4%	3,548,357	2.9%	15.2%
Food/Beverage	2,790,461	12.7%	2,133,527	-23.5%	2,802,708	31.4%	2,962,785	5.7%	3,349,831	13.1%	3,467,562	3.5%	14.9%
Bldg Materials	2,104,158	18.4%	2,424,799	15.2%	2,708,793	11.7%	2,692,373	-0.6%	2,684,687	-0.3%	2,508,440	-6.6%	10.8%
Comm/Util.	1,988,948	49.1%	1,568,118	-21.2%	1,576,177	0.5%	1,762,198	11.8%	1,765,133	0.2%	1,873,646	6.1%	8.0%
	16,086,625	**19.8%**	15,620,940	**-2.9%**	18,254,341	**16.9%**	19,923,358	**9.1%**	21,404,480	**7.4%**	23,282,068	**8.8%**	

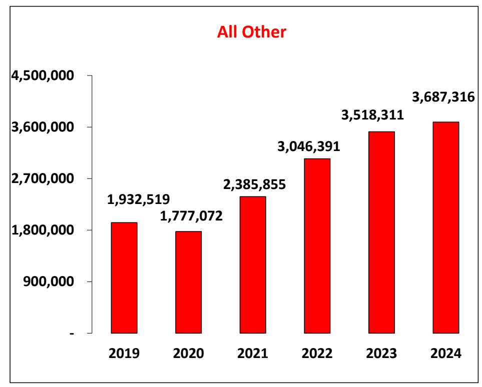


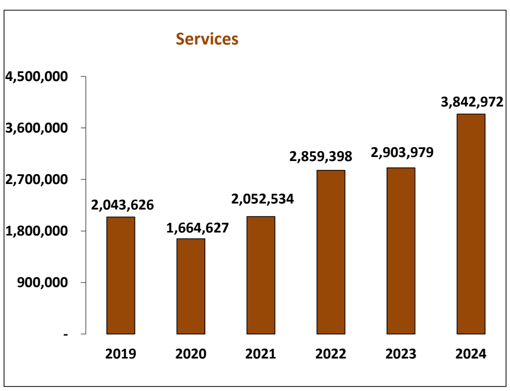


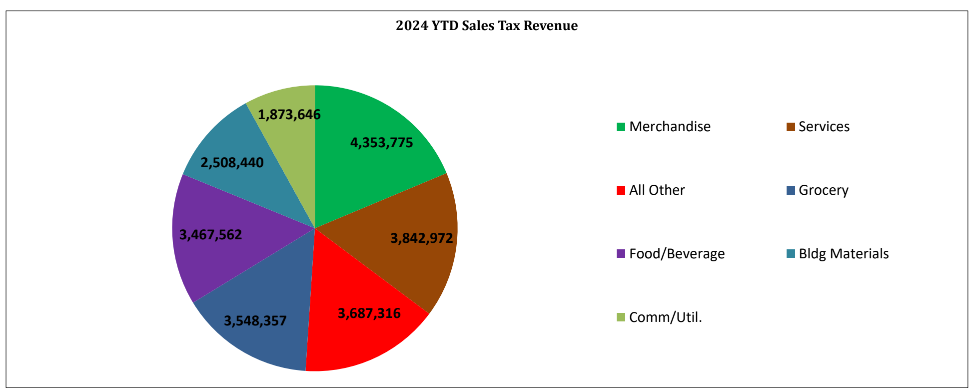


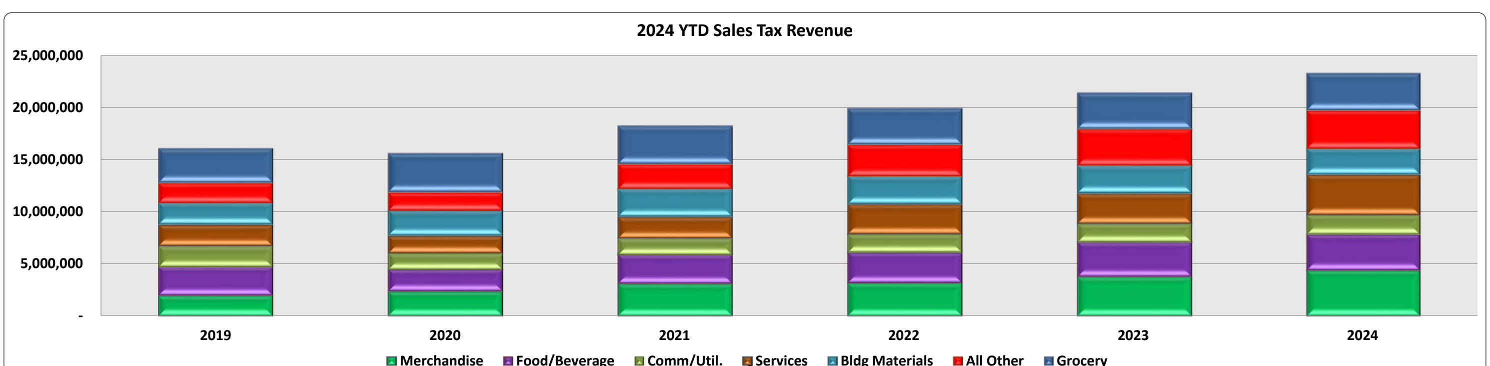






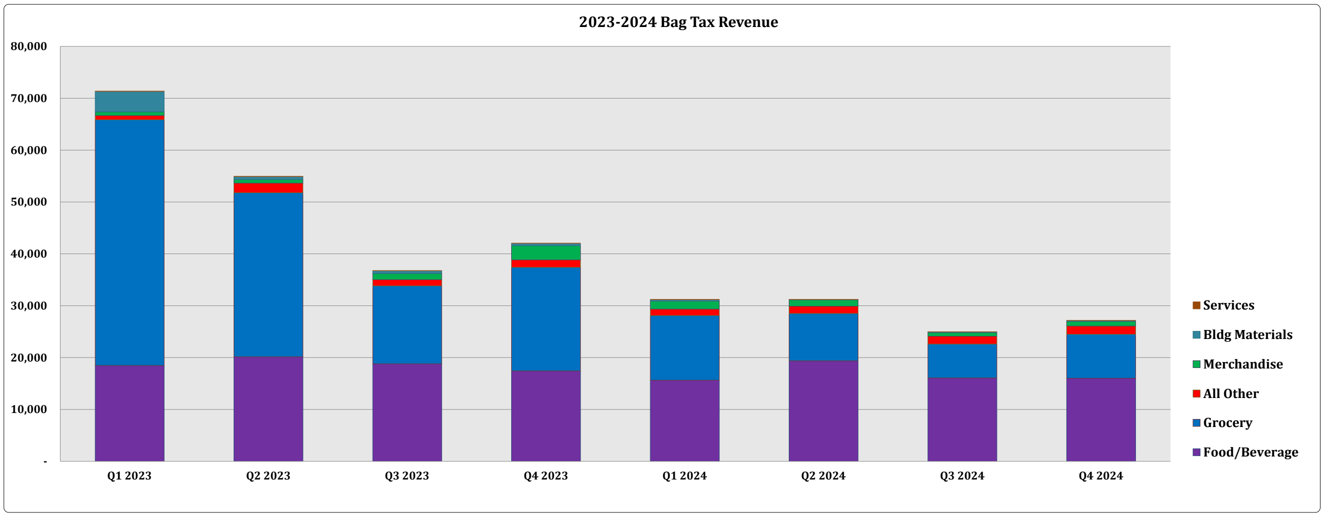


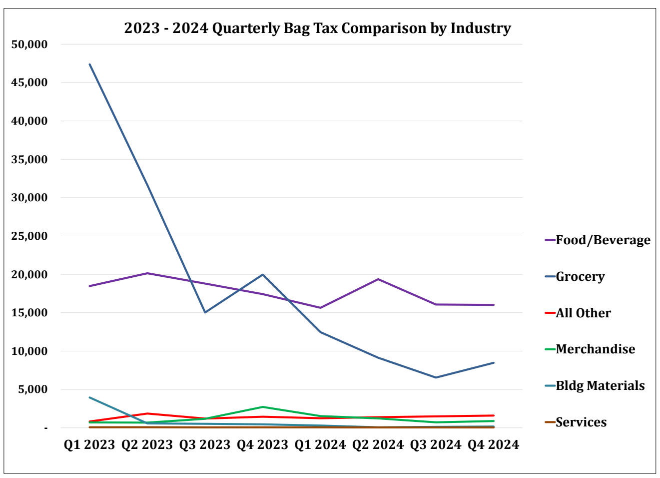


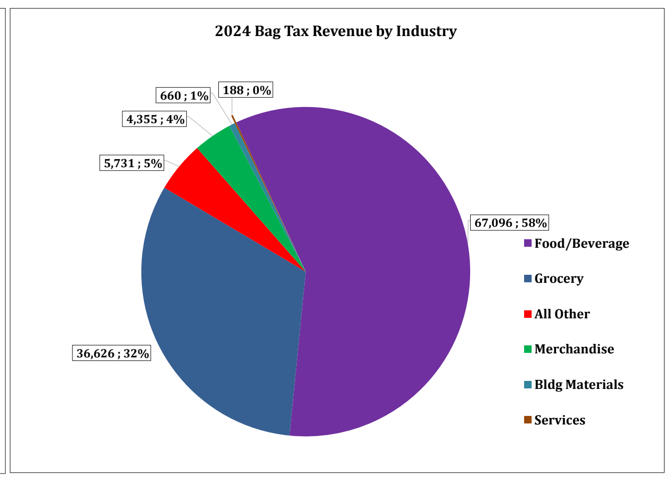


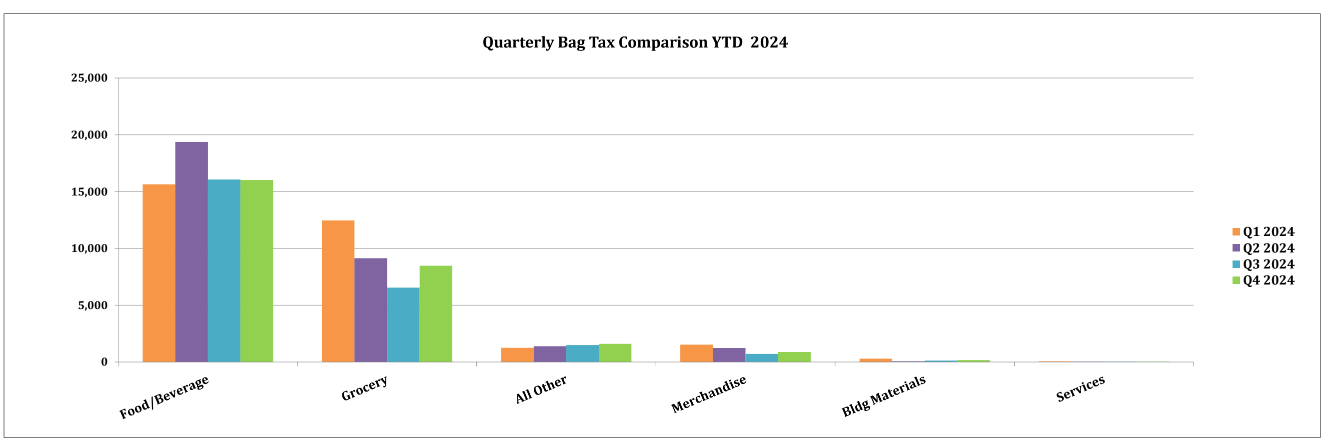
City of Louisville
Bag Tax Revenue Report

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Total	QoQ % Var	% of Total
Food/Beverage	18,472	20,144	18,798	17,425	15,641	19,370	16,069	16,016	141,935	-0.3%	58.9%
Grocery	47,372	31,636	15,031	19,972	12,464	9,137	6,549	8,475	150,637	29.4%	31.2%
All Other	826	1,859	1,203	1,444	1,249	1,389	1,495	1,598	11,062	6.9%	5.9%
Merchandise	700	680	1,178	2,722	1,530	1,232	714	879	9,635	23.2%	3.2%
Bldg Materials	3,953	574	525	455	296	67	127	170	6,166	33.6%	0.6%
Services	75	77	56	65	60	42	42	44	461	6.5%	0.2%
	71,397	54,970	36,790	42,082	31,240	31,236	24,996	27,184	319,896	**8.8%**	

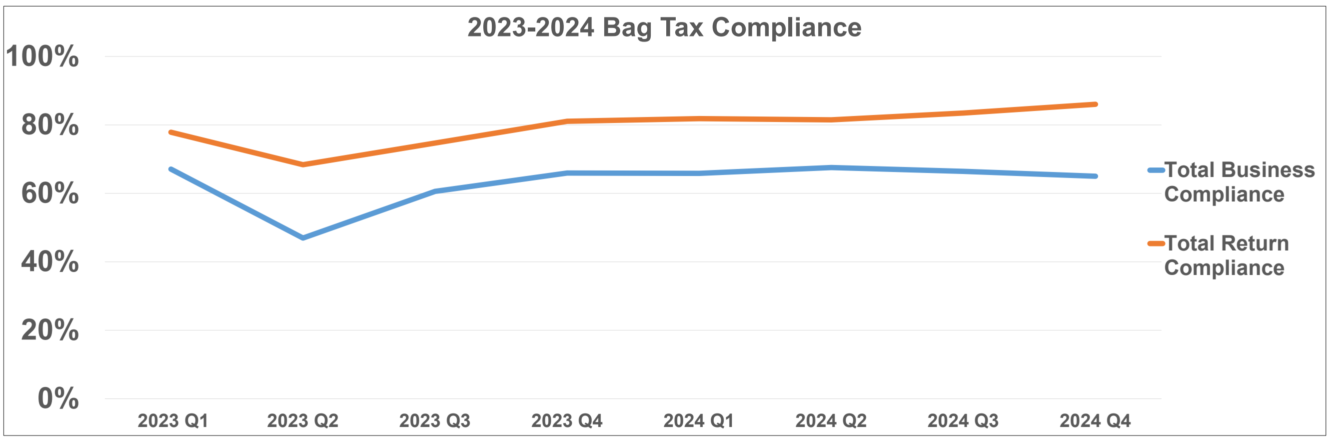


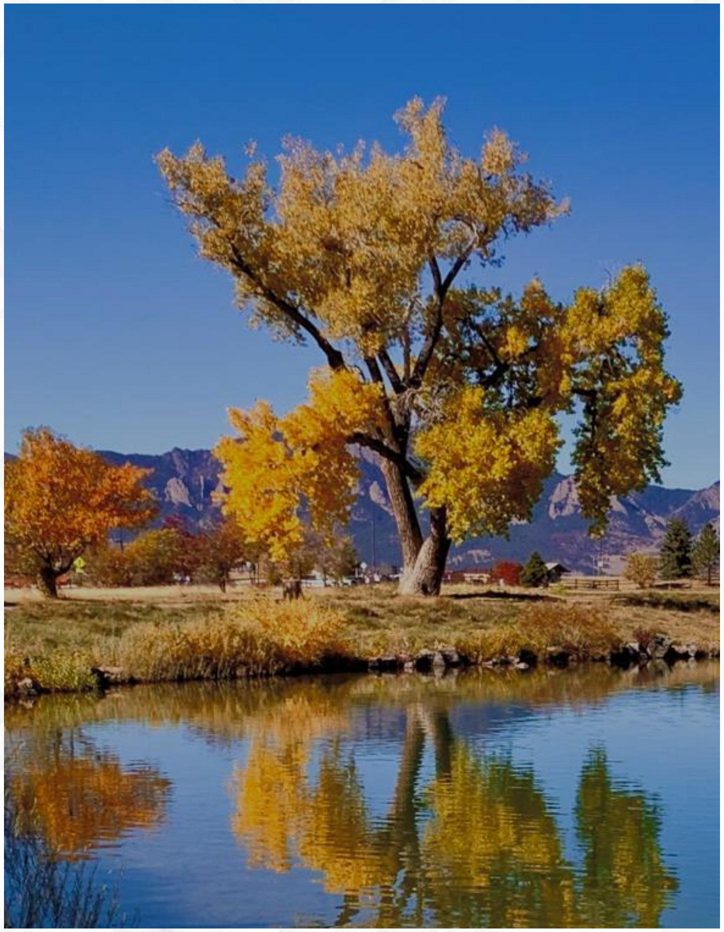






CITY OF LOUISVILLE								
Bag Tax Compliance								
Year	**Period**	**Total Bag Tax coded businesses**	**Total Missing Filers**	**Total Business Compliance**		**Total Required Returns**	**Total Missing Returns**	**Total Return Compliance**
2023	2023 Q1	237	78	67%		732	162	78%
	2023 Q2	262	139	47%		895	283	68%
	2023 Q3	274	108	61%		921	233	75%
	2023 Q4	182	62	66%		1094	207	81%
2024	2024 Q1	164	56	66%		1184	215	82%
	2024 Q2	151	49	68%		1281	237	81%
	2024 Q3	146	49	66%		1343	222	83%
	2024 Q4	120	42	65%		1625	227	86%





City of Louisville

2024 Sales Tax Revenue Analysis - Finance Committee

Travis Anderson

Tax and Revenue Manager

February 2025

Initial Overview

- When projecting monthly sales tax revenue, the department analyzed total sales for each month over the past five years. This allowed us to determine the percentage that each month contributes to the total annual revenue. We then applied these percentages to the budgeted amount of $24,098,000, which formed the basis of the finance committee reports in early 2024.

- Through March, actual revenue exceeded projections by $75,645 based on the budgeted amounts. However, I had been reviewing the data from a different perspective, which raised some concerns. Instead of using the five-year average, I compared our performance to 2023 figures, applying a similar percentage-based calculation. These calculations presented a very different picture—indicating that revenue was down by $428,390.

- As a result, we prepared a presentation illustrating year-over-year growth in neighboring jurisdictions. Based on these findings, we projected that we would likely fall short of the budget by $800,000 to $1.2 million in 2024.

	Current	1		3		5	
January	$1,694,541.00	$1,765,700.00	-$71,159	$1,590,293.00	$104,248.00	$1,629,000.00	$65,449.00
February	$1,509,364.00	$1,733,400.00	-$224,036	$1,519,281.00	-$9,917.00	$1,503,800.00	$5,442.00
March	$2,152,505.00	$2,285,700.00	-$133,195	$2,165,616.00	-$13,111.00	$2,147,700.00	$4,754.00

City of Louisville

Cleaning up Accounts

- Faced with a potential significant budget deficit, the Sales Tax team sought to close the gap. The first step was identifying registered businesses with missing filings. During our review, we found that nearly 1 in 5 businesses had failed to submit at least one required return.
- To address this, we sent personalized letters to each of these businesses, outlining the specific periods they had missed. As a result, from **February 1, 2024, to January 31, 2025**, we collected **$240,253** in tax revenue for periods prior to 2024.
- Another impact of this initiative is that we saw a significant increase in penalty and interest revenue from these filings.
- As a result of the letters sent one customer reached out after a large equipment purchase left them unable to pay the use tax, causing them to delay filing. We helped them submit their returns and set up a payment plan, securing over $50,000 in use tax, penalties, and interest.

City of Louisville

Economic Nexus

In May 2022, the City of Louisville adopted ***Economic Nexus***. This required businesses that sell more than $100,000 in the State of Colorado, with an Economic Nexus within our City, to collect and remit sales tax to Louisville.

- Many out-of-state businesses began filing through the State's SUTS system. Staff created a tracking tool to monitor their submissions and identified gaps between their required start date (May 2022) and actual filing dates. Using this data, we pinpointed businesses that were strong candidates for audits. Over the past year, we sent over 200 letters to SUTS businesses informing them of their potential tax liability and offered them the opportunity to submit a Voluntary Disclosure Agreement (VDA). So far:
  - **68 businesses** completed the process, collectively paying nearly **$650,000** in back taxes.
  - **10 additional businesses** are currently working through the process.
  - Remaining businesses did not respond.
- Among those that didn't respond, we identified **26 businesses** whose filings suggest they could owe significant amounts. These businesses are now at various stages of the audit process, ranging from initial review to completed assessments.

VDA Successful Example

One of our biggest successes from the VDA program is **Account S01331**. This business began filing in March 2024, reporting payments of **$5,000, $21,000, and $41,000** in the first three months. After receiving our letter, they agreed to work through the VDA process, ultimately paying **$211,965** in back taxes.

S01330	2024-03-20	2024-03-12							
S01331	2024-03-20	2024-03-19	$ 158,184.81		$ 158,184.81	$ 23,176.33	$ 135,008.48		$ 5,096.57
S01331	2024-04-22	2024-04-17	$ 1,112,657.42		$ 1,112,657.42	$ 563,291.55	$ 549,365.87		$ 20,738.56
S01331	2024-05-20	2024-05-17	$ 1,215,170.77		$ 1,215,170.77	$ 130,110.98	$ 1,085,059.79		$ 40,961.01
S01331	6/20/2024	6/18/2024	$ 173,812.78	$ -	$ 173,812.78	$ 37,481.32	$ 136,331.46	$ -	$ 5,146.51
S01331	2024-07-22	2024-07-14	$ 92,808.41		$ 92,808.41	$ 30,449.47	$ 62,358.94		$ 2,354.05
S01331	**2024-08-20**	**2024-08-18**	**$ 437,864.44**		**$ 437,864.44**	**$ 53,937.02**	**$ 383,927.42**		**$ 14,493.26**
S01331	2024-09-20	2024-09-18	$ 156,188.76		$ 156,188.76	$ 90,325.71	$ 65,863.05		$ 2,486.33
S01331	10/21/2024	10/18/2024	$ 106,536.65	$ -	$ 106,536.65	$ 65,075.19	$ 41,461.46	$ -	$ 1,565.17
S01331	11/20/2024	11/17/2024	$ 361,456.79	$ -	$ 361,456.79	$ 56,308.71	$ 305,148.08	$ -	$ 11,519.34
S01332	2024-05-20	2024-05-20	$ 1,442,417.75		$ 1,442,417.75	$ 1,442,417.75			

S01331	May 22 - Jan 24	4/12/2024	5/12/2024	5/1/2024	5/10/2024	7/9/2024	7/12/2024		Yes	$185,416.67	$26,548.61	$211,965.28

City of Louisville

Auditing

In December 2023, the finance committee expressed a desire to prioritize education first approach on auditing. In response, we held four quarterly Tax Seminars in 2024, giving local businesses the opportunity to ask questions and gain a better understanding of tax requirements.

However, with the rise in SUTS filings, the majority of our City's taxpayers are now out-of-city businesses with an Economic Nexus. Since these businesses are not viable participants for in-person seminars and would not benefit from our educational efforts, we shifted our focus to conducting audits to ensure compliance.

When selecting audit candidates, we look at several key factors, including unusual deductions.

I. We review businesses with high government sales, as these transactions are often reported incorrectly. To be compliant, businesses must provide proper documentation, including details on where the funds came from.

II. We examine businesses reporting high resale amounts but no use tax. This is common among manufacturers, who typically purchase equipment to sustain their operations, making the absence of use tax a potential red flag.

III. We analyze any business reporting deductions under the “Other” category. Very few expenses qualify for this classification, making it a key area for further review.

Occasionally, we come across businesses that require an immediate audit based on information we’ve received.

City of Louisville

Auditing Examples

Example A: The tax return below reports that nearly 55% of sales were categorized as "services". While this might be reasonable for some businesses, it doesn't align with the nature of this business, a restaurant, which Staff will flag for additional inquiry.

Line Num	Line Description	Entered Amount	Calculated Amount
1.	GROSS SALES AND SERVICES	124,164.00	124,164.00
2A.	ADD BAD DEBTS COLLECTED	0.00	0.00
2B.	TOTAL LINES 1 & 2A	124,164.00	124,164.00
3A.	NON-TAXABLE SERVICE SALES	67,720.00	67,720.00
3B.	SALES TO OTHER LICENSED DEALERS FOR TAXABLE RESALE	0.00	0.00
3C.	SALES SHIPPED OUT OF CITY OR STATE	0.00	0.00
3D.	BAD DEBTS CHARGE OFF	0.00	0.00
3E.	TRADE INS FOR TAXABLE RESALE	0.00	0.00
3F.	SALES OF GASOLINE AND CIGARETTES	0.00	0.00
3G.	SALES TO GOVERN'T, RELIGIOUS, AND CHARITABLE ORG.	0.00	0.00
3H.	RETURNED GOODS	0.00	0.00
3I.	PRESCRIPTION DRUGS AND PROSTHETIC DEVICES	0.00	0.00
3J.	OTHER	0.00	0.00
3K.	OTHER	0.00	0.00
3L.	OTHER	0.00	0.00
3.	TOTAL DEDUCTIONS	67,720.00	67,720.00
4.	TOTAL CITY NET TAXABLE SALES AND SERVICE	56,444.00	56,444.00
5A.	AMOUNT OF CITY SALES TAX AT 3.775%	2,131.00	2,131.00
6.	ADD EXCESS TAX COLLECTED	0.00	0.00
9A.	VALUE SUBJECT TO CONSUMER USE TAX	0.00	0.00
9B.	CONSUMER USE TAX AT 3.775%	0.00	0.00
11.	TOTAL TAX DUE	2,131.00	2,131.00
12A.	LATE FILE PENALTY (10% OF LINE 11 OR $15)	0.00	0.00
12B.	LATE FILING INTEREST (1% PER MONTH OFLINE 11)	0.00	0.00
13.	TOTAL TAXES , PENALTY & INTEREST	2,131.00	2,131.00
14A.	ADD PRIOR ADJUSTMENTS (DEBIT)	0.00	0.00
14B.	DEDUCT PRIOR ADJUSTMENT (CREDITS)	0.00	0.00
15.	TOTAL DUE & PAYABLE	2,131.00	2,131.00
16.	PAYMENT RECEIVED	2,131.00	2,131.00

Example B: While auditing Business A, we come across an invoice from Business B showing that Louisville tax was collected. However, when we check our system, Business B is not registered to remit that tax. If a business collects tax but does not remit it, we will likely open an audit.

Example C: When a business openly admits to incorrect practices. Business C submitted a bag tax return showing sales of partial bags. When we followed up, they admitted to calculating the number based on revenue rather than actual sales. The ongoing issue is further complicated by our efforts to ensure they charge the correct amount per bag. After more than a year and a half of unsuccessful compliance efforts through non-audit methods, an audit has become necessary.

Louisville

Audits in Action

- We typically aim to maintain around 10 audits per auditor to ensure efficiency and thorough reviews. However, due to our recent staffing shortage we had to adjust our approach. Anticipating this challenge, we proactively reduced the number of active audits to manage workloads effectively. Once our team is fully staffed and trained, we plan to increase our capacity back to 20 active audits, allowing us to operate at optimal efficiency.

D	E	F	G	H	I
Have Not Contacted Us Yet	Complete & Paid	Awaiting Payment	In Progress	Awaiting Docs	Overdue

Label	Account #		Date Documents were Received	Tax Due	Penalty	Interest	Amount Paid
2024-1	00969	,7/2	5/15/2024 & 8/23/2024				
2024-2	04699		5/3/2024	$ 2,259.79	$ -	$ 451.44	$2,711.23
2024-3	06131		5/20/2024				
2024-4	08944		5/6/2024				
2024-5	09190		5/15/2024	$ 1,062.93	$ 106.29	$ 704.37	$1,873.60
2024-6	Not registered	ed	6/13/2024	$ 6,536.57	$ 653.66	$ 1,568.78	$8,759.00
2024-7	10826	ed	5/15/2024	$ 5,721.86	$ 572.19	$ 1,144.37	$7,438.42
2024-8	02728	022,	4/26/2024	$ 311.96	$ 31.20	$ 28.29	$ 371.4
2024-9	09777		5/8/2024	$ 9,775.28	$ 977.53	$ 1,498.07	$12,250.8
2024-10	05441						
2024-11	00626		5/15/2024	$ 141.94	$ 14.19	$ 27.64	$ 183.7
2024-12	S00049	9/20	7/23/2024	$160,903.81	$18,935.38	$47,777.89	

Label	#	Received	Tax Due	Penalty	Interest	Paid
2024-12	S00049	7/23/2024	$160,903.81	$18,935.38	$47,777.89	
2024-13	S00065	7/23/2024	$ 14,228.56	$ 1,422.86	$ 4,336.82	
2024-14	S00066	7/23/2024	$ 33,980.46	$ 3,398.05	$ 7,996.91	
2024-15	S01032	6/18/2024	$ 69.10	$ 8.54	$ 17.21	$ 94.85
2024-16	S01083	8/27/2024	$ 389.54	$ 39.46	$ 93.18	$ 522.18
2024-17	S01392	6/18/2024	$ 790.53	$ 79.05	$ 130.51	$1,000.09
2024-18	S00417	8/21/2024				
2024-19	S00367	-	$ 20,069.72	$ -	$ 1,404.88	$21,474.60
2024-20	S01074	9/19/2024	$ 10,730.99	$ 1,080.57	$ 1,079.50	$12,891.06

2024-21	S01081	-	$280,397.65	$28,039.77	$68,355.35	
2024-22	10232	ic Nexus	$355,539.37	$35,553.94	$79,499.37	
2024-23	S00203	10/7/2024	$11,959.96	$ 1,196.00	$ 3,336.67	
2024-24	10371	ic Nexus				
2024-25	10048	9/12/2024	-	180.13	910.56	1,090.69
2024-26	09374					
2024-27	S01217					
2024-28	00146	23, 1/2024, 3/2024				
2024-29	10724	8/1/2024				
2025-1	03934	2022, 08/2023, 12/2023				

Penalties and Interest

As mentioned, we reached out to all businesses with missing filings to address compliance issues. In 2023, penalty and interest totaled $87,603. However, in 2024, this amount surged to $142,427, highlighting a significant increase in non-compliance. Below is the data for 2024, showcasing tax, penalty, interest, and audit revenue per month, compared against Budget.

	Tax	P&I	Audit	Total	1	
January	$1,694,541.00	$8,282.66	$0.00	$1,702,823.66	$1,765,700.00	-$62,876.34
February	$1,509,364.00	$7,493.40	$0.00	$1,516,857.40	$1,733,400.00	-$216,542.60
March	$2,152,505.00	$7,607.13	$9,269.45	$2,169,381.58	$2,285,700.00	-$116,318.42
April	$1,686,680.23	$4,946.52	$21,078.69	$1,712,705.44	$1,662,100.00	$50,605.44
May	$1,731,835.43	$11,407.00	$36,418.49	$1,779,660.92	$2,072,800.00	-$293,139.08
June	$2,234,228.00	$29,962.68	$242,860.31	$2,507,050.99	$2,277,800.00	$229,250.99
July	$1,944,778.76	$15,780.64	$11,209.08	$1,971,768.48	$1,940,700.00	$31,068.48
August	$1,897,463.71	$5,069.75	$37,066.74	$1,939,600.20	$1,857,000.00	$82,600.20
September	$2,085,064.03	$10,677.29	$32,065.60	$2,127,806.92	$2,080,100.00	$47,706.92
October	$1,837,500.48	$17,519.40	$2,708.84	$1,857,728.72	$1,756,200.00	$101,528.72
November	$1,736,888.44	$1,582.32	$323,074.10	$2,061,544.86	$1,757,300.00	$304,244.86
December	$2,768,856.40	$22,099.05	$153,660.66	$2,944,616.11	$2,909,200.00	$35,416.11
Total	$23,279,705.48	$142,427.84	$869,411.96	$24,291,545.28	$24,098,000.00	$193,545.28

City of Louisville

Thank you

- While the City fell short of 2024 Sales Tax Revenue projections by $818,295, this was effectively offset by an increase of $54,824 in collected penalty and interest, along with $869,412 in audit revenue. As a result, we successfully ended with a positive budget to actual variance of $193,545.

- Staff will continue to actively monitor Sales Tax Revenue. While the success of the Audit and VDA programs were essential exceeding 2024's Budget, those revenues are considered variable, can vary significantly year to year and therefore are One-Time sources. As we look forward to future years, emphasis on projections are based upon On-Going Sales Tax collections.

City of Louisville
COLORADO • SINCE 1878

FINANCE COMMITTEE COMMUNICATION
ITEM 4

SUBJECT: **2025 SEWER FEE PROPOSED ADJUSTMENTS**

DATE: **FEBRUARY 20, 2025**

PRESENTED BY: **KURT KOWAR, DIRECTOR OF PUBLIC WORKS AND UTILITIES**
CORY PETERSON, DEPUTY DIRECTOR OF UTILITIES

SUMMARY:

Public Works Department Staff will present proposed adjustments to Sewer Tap and Industrial Pretreatment Fees to the Finance Committee.

ATTACHMENT:
1. PowerPoint Presentation
2. Draft Council Communications

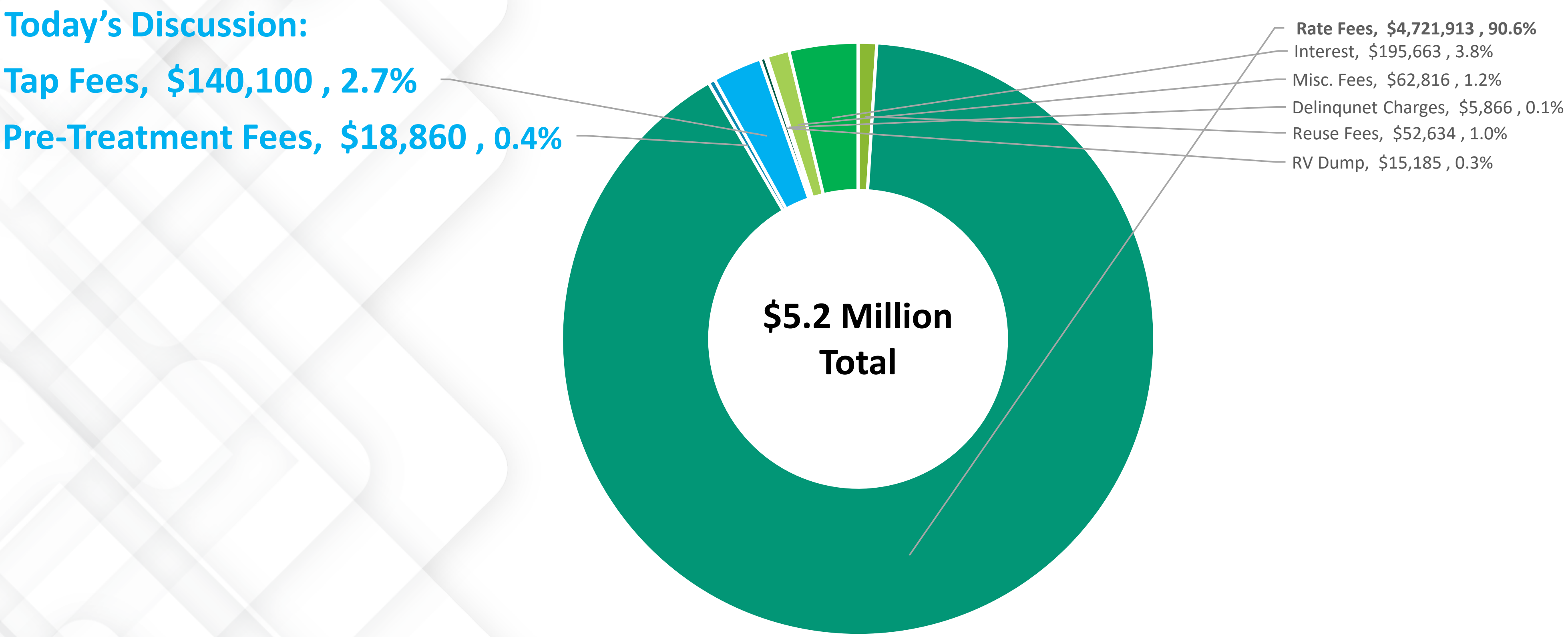
2025 Sewer Fees
Finance Committee

February 20, 2025

Overview

- Wastewater Fund Summary
- Sewer Tap Fees Adjustments
- Industrial Pretreatment Program
  - Sewer Use Regulation Fees and Charges Adjustments
- Draft Council Communications (Targeting March 4^{th})

Wastewater Fund Revenue (2024)



Sewer Tap Fees

- Tap fees or system development charges are a one-time charge paid by a new connector for system capacity or by an existing customers requiring increased capacity

- Established by Council Resolution per Municipal Code

- Annual Review
  - Construction & Infrastructure Costs
  - Adjustments 3 to 7 years (maintains stability)

2025 Sewer Tap Fees Adjustments

Unit	Current (2020)	Proposed 2025	Proposed Increase
Single Family Residential, per Unit	$ 4,600	$ 6,800	$ 2,200
Multi-Family, per Unit (80% SFE)	$ 3,680	$ 5,400	$ 1,720
Nonresidential, by Meter Size			
¾-inch	$ 4,600	$ 6,800	$ 2,200
1-inch	$ 8,200	$ 12,100	$ 3,900
1 ½-inch	$ 18,400	$ 27,200	$ 8,800
2-inch	$ 32,800	$ 48,300	$ 15,500
3-inch	$ 73,600	$ 108,800	$ 35,200
4-inch	$130,900	$ 193,400	$ 62,500

Comparison by Community (Single Family Service)	Sewer Tap Fee
Westminster	$16,270
Broomfield	$14,370
Erie	$8,860
Longmont	$8,540
Superior	$7,261
Louisville (Proposed)	**$6,800**
Lafayette	$6,360
Boulder	$4,746
Louisville (Current)	**$4,600**

Sewer Tap Fee Calculations

Table SSDC - 1

Wastewater Utility
Development of 2025 System Development Charge

Wastewater Mains				
Diameter (in.)		**Inventory of Mains**	**Current Construction Cost per Staff**	**Current Cost**
		linear feet	*per linear foot*	
Non-Backbone				
4		4,002		
6		29,530		
8		371,046		
10		10,289		
	Total	414,867	NA	NA
Backbone				
12		22,913	$235	$ 5,385,000
15		20,184	$250	$ 5,046,000
18		6,744	$265	$ 1,787,000
21		5,388	$285	$ 1,536,000
24		1,170	$305	$ 357,000
	Total	56,399		$ 14,111,000
Treatment Plant				
		Capacity	**Current Construction Cost per Staff**	**Current Cost**
		gallons per day	*per gpd*	
Total Wastewater Treatment Plant		2,530,000	$18.00	$ 45,540,000
Fee Calculation				
Total Facilities Current Cost				$ 59,651,000
Less Principal on Outstanding Debt				
Wastewater System Equity				$ 59,651,000
No. of Equivalents (a)				8,798
Wastewater SDC per equivalent				$ 6,780

Collection System

Treatment

Based on Actual City Bids
Adjusted for different sizes

Avg for Regional WWTP Projects
Adjusted for inflation

$6,800 – Proposed

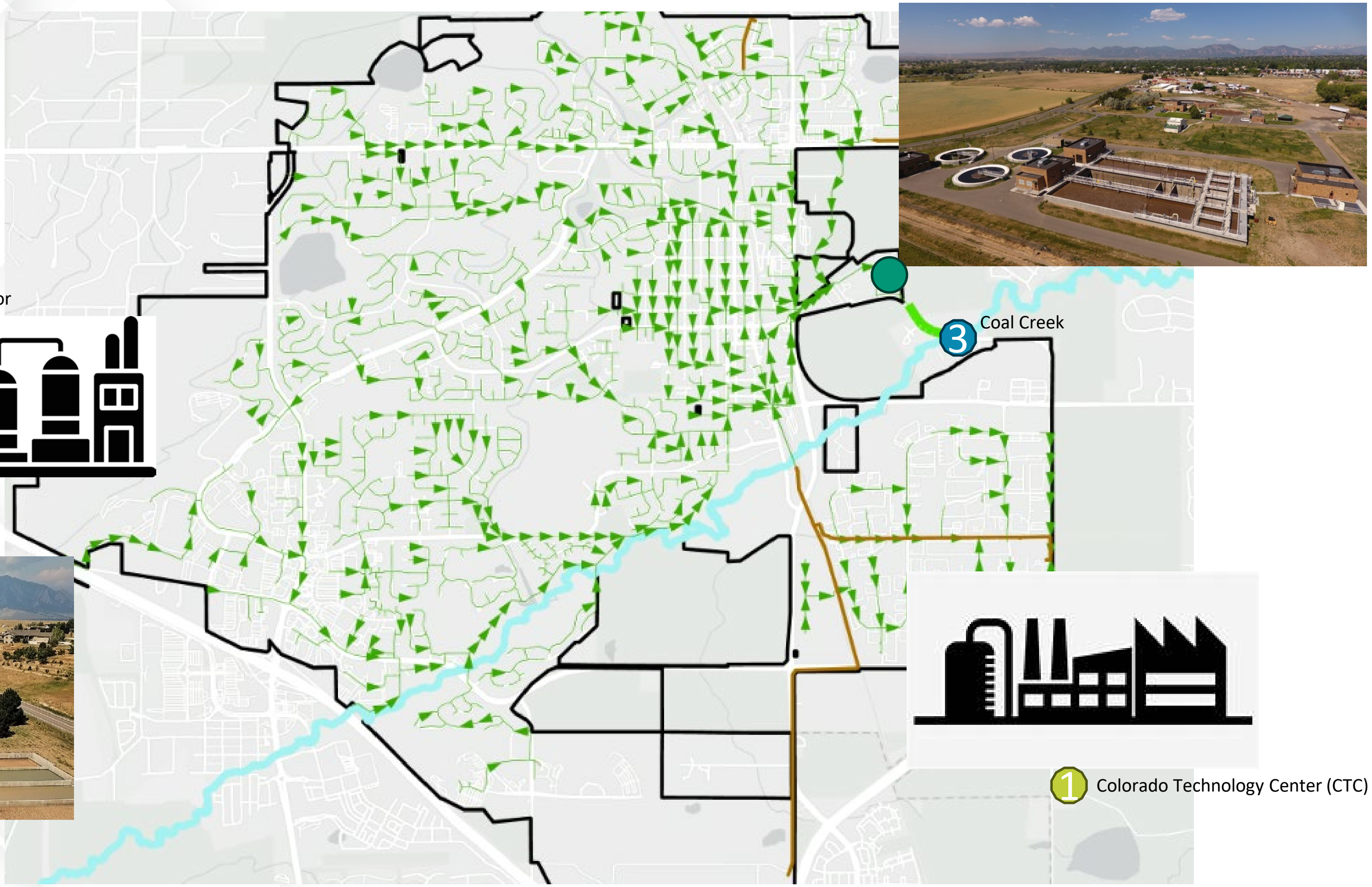
City of Louisville

Industrial Pretreatment Program (IPP)

- Part of the City's overall Environmental Compliance Program
- Why does Louisville have an IPP? Mandated and Regulated by the Environmental Protection Agency (EPA)
- Who Are IPP Users? Manufactures, Food Processors, Textiles, Metal Finishers, Pharmaceuticals, Water Treatment Plants etc.
- City Administrative Cost for the 2025 IPP: $102,500

Sewer System Overview

1	Sources
2	Treatment
3	Receiving Stream



1 McCaslin Corridor

1 Howard Berry Water Treatment Plant

IPP Growth

2015 = 3 Users

Today = 20 Users

670% increase

Future Developments

City of Louisville

IPP Challenges

- EPA Violations and Fines ($25,000)
- Staff Turnover (3 Employees in a 7-year Period, over 30% Vacant)
- Increasing Regulation and Rules Changes

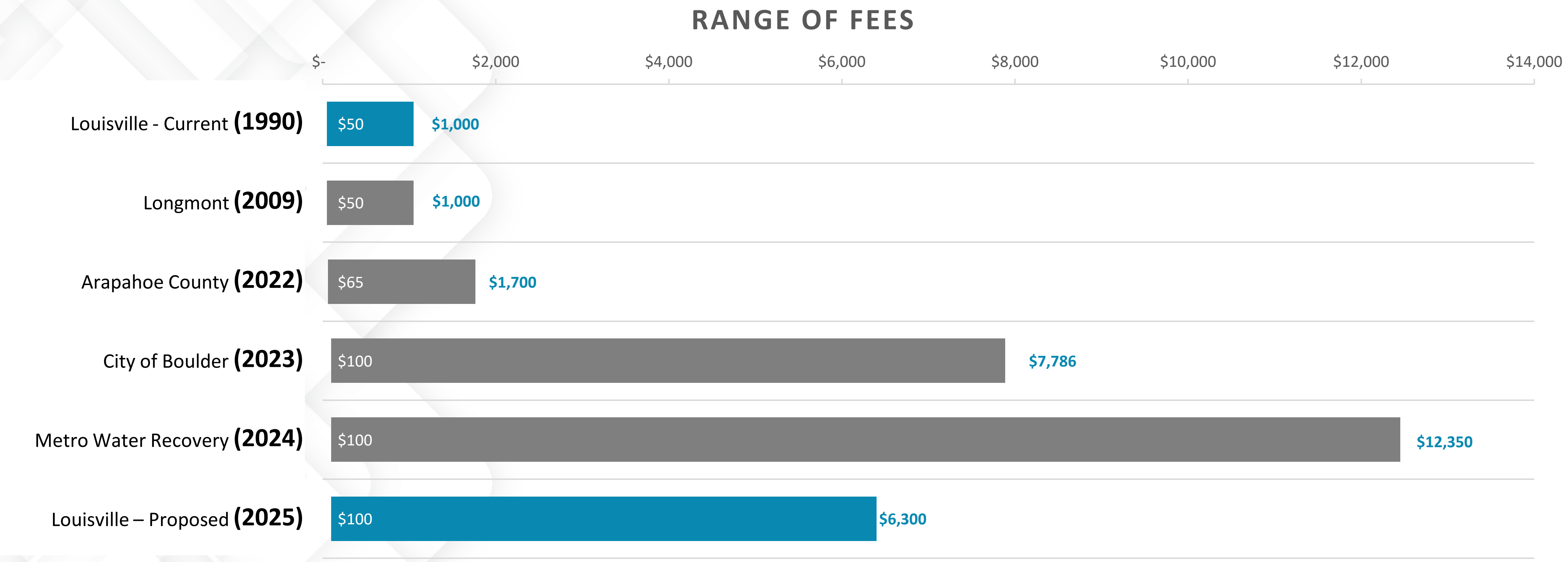
Sewer Use Regulation Fees and Charges

- Designed to Cover the Costs of Implementing and Operating an Industrial Pretreatment Program (IPP)
- Cost Recovery Goal = 90%
- 10% General Administration (Not Every User Enters the IPP)
- 2025 Cost: $102,500 @ 90% ≈ $92,500

Sewer Use Regulation Fees and Charges

Code Section Ref.	Fee Description	2023 Fee	2024 Fee	Exact % Change	2025 Proposed Fee	Additional Fee Information	Staff Responsibility
13.32.110	**Cost Recovery Fees for Wastewater (Annual):**						
	Significant Contributor	$1,000	$1,000	630%	$6,300	Individual Discharge Permit w/ Pollutant Limits & Monitoring	Public Works Director
	Small Significant Contributor	$500	$500	700%	$3,500	Individual Discharge Permit w/ Monitoring, w/o Pollutant Limits (i.e. BMPs in lieu of numeric limits)	Public Works Director
	Minor Significant Contributor (NEW)	N/A	N/A	N/A	$1,600	Individual Discharge Permit w/o Monitoring or Pollutant Limits (ex. Categorical User that does not discharge process water to POTW)	Public Works Director
	Other Control Mechanism (NEW)	N/A	N/A	N/A	$900	Ex. General Discharge Permit, Compliance Schedule, Annual Certification, etc. (per occurrence)	Public Works Director
	Lab Analysis Fee (NEW)	N/A	N/A	N/A	Direct Costs	Customers will be billed direct cost for outside lab fees	Public Works Director
	Application Fee (NEW)	N/A	N/A	N/A	$100	Outside of plan review process	Public Works Director
	Non-Routine Reports (NEW)	N/A	N/A	N/A	$250	Reports Outside of Permitted Requirements Ex. New or Change, One-Time Certification Form, etc.	Public Works Director
	Deficiency – Level 1 (NEW)	N/A	N/A	N/A	$100	Overdue 10-60 days and/or 2nd Offense	Public Works Director
	Deficiency – Level 2 (NEW)	N/A	N/A	N/A	$250	Overdue 61-90 days and/or 3rd Offense	Public Works Director
	Deficiency – Level 3 (NEW)	N/A	N/A	N/A	$500	Overdue 91-120 days and/or 4th Offense	Public Works Director

IPP Fees and Charges Comparison



City of Louisville

CITY COUNCIL COMMUNICATION
AGENDA ITEM ___

City of Louisville
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SUBJECT: **2025 SEWER TAP FEES (DRAFT)**

RESOLUTION NO. ___, SERIES 2025 – A RESOLUTION SETTING SEWER FEES

DATE: **MARCH 04, 2025**

PRESENTED BY: **KURT KOWAR, P.E., PUBLIC WORKS DIRECTOR**

SUMMARY:

Staff recommends approval of the attached resolution to increase sewer tap fees effective May 1, 2025.

Sewer tap fees are one-time charges assessed on new construction or developments connecting to the sewer system. These fees are designed to offset the costs of infrastructure capacity within sewer mains, lift stations and the wastewater treatment plant and the integration of new users into the utility sewer system.

Sewer tap fees are reviewed periodically to ensure proper cost allocation. The last adjustment in sewer tap fees went into effect in 2016. As part of the 2024 review process, it was determined that sewer tap fee were lagging current costs and needed to be adjusted to match.

Prior City Council approvals of Sewer Tap Fees have been included with the overall Citywide Fees adoption designated as Table 5. The proposed Table 5 is shown below and included as Exhibit A to the resolution.

Table 5: Sewer Tap Fees (2025 Proposed – 48% Increase)

Unit	Proposed Amount	Prior Amounts (2024)
Single Family Residential (SFE), per Unit	$6,800	$4,600
Multi-Family, per Unit (80% SFE)	$5,400	$3,680
Senior Resident, per Unit (60% SFE)	$4,100	
Nonresidential, by Water Meter Size		
¾”	$6,800	$4,600
1”	$12,100	$8,200
1 ½”	$27,200	$18,400
2”	$48,300	$32,800
3”	$108,800	$73,600
4”	$193,400	$130,900

A comparison of sewer tap fess for surrounding communities is presented below.

COMMUNITIES	SEWER TAP FEE
WESTMINSTER	$16,270
BROOMFIELD	$14,370
ERIE	$8,860
LONGMONT	$8,540
SUPERIOR	$7,261
LOUISVILLE - PROPOSED	**$6,800**
LAFAYETTE	$6,360
BOULDER	$4,746
LOUISVILLE - CURRENT	**$4,600**

Sewer Tap Fees were reviewed in detail at the February 20th Finance Committee. The Committee is in support of the recommended adjustments.

FISCAL IMPACT:
The proposed adjustments are designed to be equitable, ensuring that growth pays for itself. By increasing fees proportionate to development impact, the City ensures that existing customers are not burdened by these costs.

PROGRAM/SUB-PROGRAM IMPACT:
One of the main objective for the Utility Sub-Program is to allowing for properly treated wastewater with competitive prices for service. Adequate sewer tap fee supports this objective.

RECOMMENDATION:
Staff recommends City Council approval of the Resolution to increase sewer tap fees.

ATTACHMENTS:
1. Resolution

STRATEGIC PLAN IMPACT:

☒	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

City of Louisville
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CITY COUNCIL COMMUNICATION
AGENDA ITEM ___

SUBJECT: **RESOLUTION NO. __, SERIES 2025 – A RESOLUTION SETTING THE 2025 SEWER USE REGULATION FEES & CHARGES FOR THE CITY OF LOUISVILLE, COLORADO (DRAFT)**

DATE: **MARCH 04, 2025**

PRESENTED BY: **KURT KOWAR, PUBLIC WORKS**

SUMMARY:
Staff is recommending approval of the attached resolution for the adoption of the sewer use regulation fees and charges effective May 1, 2025.

As outlined in Municipal Code section 13.32.110, sewer use regulation fees and charges shall be designed to recover the costs of the implementation and operation of the Industrial Pretreatment Program (IPP). A 90% cost recovery is recommended.

The IPP is a requirement of the Environmental Protection Agency (EPA) for a regulatory system designed to reduce or eliminate pollutants in industrial and commercial wastewater before it enters a publicly owned treatment works. The program is part of the Clean Water Act and ensures that industries and other significant dischargers comply with national, state, and local pretreatment standards to protect the environment, public health, and the efficiency of wastewater treatment plants.

RECOMMENDED FEES AND CHARGES:
Staff compared other IPPs (shown below in **Figure 1**) and are recommending Fees and Charges centered on varied classes of users and the type of reporting or administrative load they create. Also recommended, is a new schedule to address noncompliance with a focus on reoccurrence deficiencies including late or failure to report permit limit exceedances, equipment malfunction, etc. These new Fees and Charges will provide better recovery of the administrative work for noncompliance, encourage timely reporting and potentially incentivize compliance.

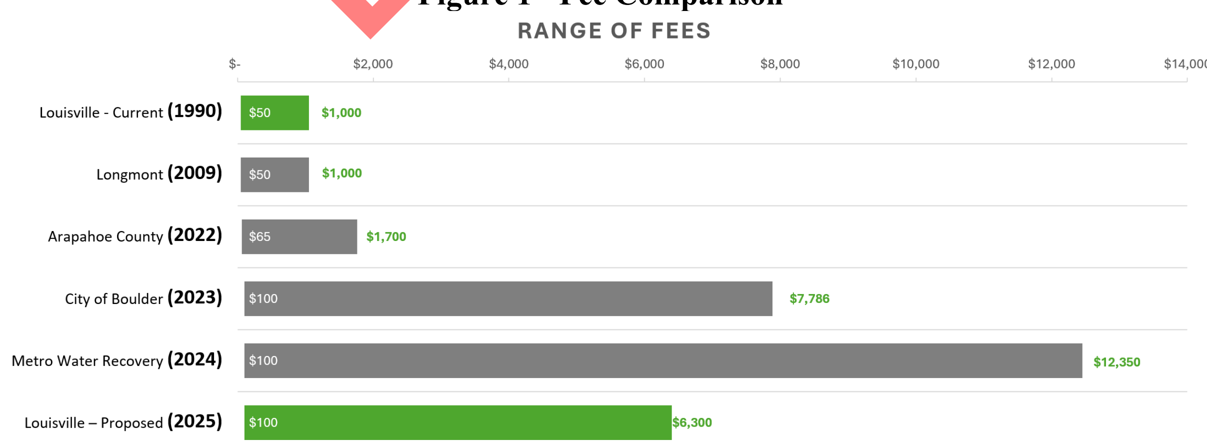
Surcharges were also evaluated and found to be adequate. No changes are recommended for 2025.

The following **Table 1** summarized the recommended fees and charges with administrative fees (without shading) and compliance fee (shaded gray).

Table 1: Recommended Fees and Charges

Fee Description	2025 Fee	Additional Fee Information	
		Frequency	Basis
Significant Contributor	$6,300	Annually	Individual Discharge Permit w/ Pollutant Limits & Monitoring
Small Significant Contributor	$3,500	Annually	Individual Discharge Permit w/ Monitoring, w/o Pollutant Limits (i.e. BMPs in lieu of numeric limits)
Minor Significant Contributor	$1,600	Annually	Individual Discharge Permit w/o Monitoring or Pollutant Limits (ex. Categorical User that does not discharge process water to POTW)
Other Control Mechanism	$900	Per Occurrence	Ex. General Discharge Permit, Compliance Schedule, Annual Certification, etc.
Lab Analysis Fees	TBD	Annually	Customer will be billed direct cost for outside lab fees
Application Fee	$100	Per Application	Outside of plan review process
Non-routine Reports	$250	Per Report	Reports Outside of Permitted Requirements Ex. New or Change, One-Time Certification Form, etc.
Noncompliance			
Deficiency – Level 1	$100		Overdue 10-60 days and/or 2nd Offense
Deficiency – Level 2	$250		Overdue 61-90 days and/or 3rd Offense
Deficiency – Level 3	$500		Overdue 91-120 days and/or 4th Offense

Figure 1 - Fee Comparison



FISCAL IMPACT:
2025 IPP revenue would increase to approximately $92,500 for 2025 aligning with a 90% cost recovery.

PROGRAM/SUB-PROGRAM IMPACT:
The program goal for Utilities is to ensure safe, reliable, great tasting water; properly treated wastewater; effective stormwater control; successfully managed solid waste; and competitive prices for all services. An updated and effective sewer usage fees will ensure proper cost recovery and maintains equity within the sewer utility.

RECOMMENDATION:
Adopt Resolution No. ___, Series 2025 approving the 2025 Sewer Usage Fees.

ATTACHMENT(S):
1. Resolution No. ___, Series 2025
2. Exhibit A – 2025 Sewer Usage Fees

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☒	**Reliable Core Services**
☐	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

City of Louisville
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FINANCE COMMITTEE COMMUNICATION ITEM 5

SUBJECT: **2026 SUPPLEMENTAL BUDGET CALENDAR**

DATE: **FEBRUARY 20, 2025**

PRESENTED BY: **RYDER BAILEY, CPA, FINANCE DIRECTOR**

SUMMARY:

The City of Louisville 2025/26 Biennial Budget has been posted on the City's Website and printed copies have been ordered. Staff is commencing work on the 2026 Supplemental Budget.

Included in the packet is a Draft Budget Calendar for the 2026 Supplemental Budget development.

Some notable dates on the calendar have been identified below:

- **May 1, 2025** – City Board and Commission Input Deadline, Submitted through Departments
- **May 6, 2025** – City Council Considers 1st Citywide 2025 Budget Amendment for "Carry Forwards", Any New Items since Budget Adoption and/or Necessary Adjustments.
- ***July 9, 2025*** *(Tentative)* – **(Noon to 5pm)** City Council Annual Budget Retreat
- **September 2, 2025** – City Manager's *Recommended* Budget Presented to City Council at a Regular Meeting (Public Hearing set).
- **September and October 2024** – Budget Study Session(s), as needed
- **October 21, 2025** – City Council Conducts Public Hearing on *Revised Recommended* Budget.
- **Monday, November 3, 2025** – City Council Presented with Resolutions to Adopt the Budget, Appropriate Funds, and Levy Taxes.

This item is information only and no action is being requested from the Committee.

ATTACHEMENT:

1. 2026 Supplemental Budget Calendar

City of Louisville, Colorado
Budget Development Calendar
2026 Supplemental Budget (2025 Finance Dept Consolidated Calendar)

Last Revised 2/5/25

Dates	Description	Type	Jan	Feb	March	April	May	June	July	August	September	October	November	December
January 16, 2025	Finance Committee: 2025 Budget Recap/Feedback, Utility Presentation, Insurance Update	Finance Committee												
Last week of January	Finance / Dept Quarterly Check ins	Internal Meetings												
January - February 2025	Open Purchase Order Clean Up Work- File Sent to Departments via Microsoft Team (Dept Direction sought to either Close or Keep open) **Deadline** is February 7th	Internal Tasks												
February 1, 2025	**DEBT -** CWRPDA Loan Annual Payment #1	Debt												
February 7, 2025	**Deadline** -Departments to Review and Confirm to the "Open Purchase Order" spreadsheet for Open Purchase Orders to "roll over" into 2024. **Due** to Finance Via Microsoft Team Channel	Internal Tasks - Deadline												
February 7, 2025	**Deadline -** for all **2024** Check Requests/Invoices for 2024 Budget - Write **"2024"** Clearly at the Top of the Check Request (Requests/Invoices received after this date will coded to 2025)	Internal Tasks - Deadline												
February 18, 2025	Distribution of Budget Calendar to the Department Directors at Executive Leadership Team meeting	Internal Meetings												
February 20, 2025	Finance Committee: 2026 Supplemental Budget Calendar and Process, Stax 2024 Reports / Audit Program Update	Finance Committee												
February 26, 2025	List of Rollover/CarryOver Budget requests (Largely Capital) **Sent** to Departments (Via Microsoft Team Channel) **due March 14th**	Internal Tasks												
February 26 - March 14, 2025	Meetings/Communications between Departments and Finance Director re: Carryovers/Rollovers/New Requests - **Largely utilizing Microsoft Teams** - 2025 Budget Amendment Tracking Channel	Internal Meetings												
March 14, 2025	**Deadline** - Rollover/CarryOver/Budget requests (Largely Capital) **Due** to Finance (Via Team Channel)	Internal Tasks - Deadline												
March 17, 2025	CIP Request Forms (Process Memo) **posted** to Finance via Microsoft Team Channel CIP Program **due April 24th**	Internal Tasks												
March XX, 2025	*Resolution adopting new Water, Wastewater and Storm Water Utility Rates* ***(Public Works Dept)*** *Target Effective date 5/1*	Council												
March 20, 2025	Finance Committee: 2024 C&I, Chandler presentation	Finance Committee												
March 27, 2025	Meeting with City Manager and Finance Director to review all Carryovers/Rollovers/ New 2025 Budget Requests	Internal Meetings												
April 1, 2025	Finance/HR **posts** Personnel 'Request for New Position Form' to Microsoft Team Budget Channel **due May 1st**	Internal Tasks												
April 15, 2025	HR **distributes** Variable Personnel Budget Form' to Microsoft Team Budget Channel **due May 8th**	Internal Tasks												
April 17, 2025	Finance Committee: Review of the Carry/Rollover/budget amendments (2025), 2024 EOY Cash Basis, Operational Turnback, and Fiscal/Reserve Policies	Finance Committee												
Last week of April	Finance / Dept Quarterly Check ins	Internal Meetings												
April 24, 2025	**Deadline - CIP Forms due** to Finance	Internal Tasks - Deadline												
May 1, 2025	**Deadline** - Boards / Commission Input	Internal Tasks - Deadline												
May 1, 2025	**Deadline** - Personnel 'Request for New Position' Forms **due** to HR/Finance via Microsoft Team Channel or Robin Brookhart	Internal Tasks - Deadline												
May 5 - May 16, 2025	External Audit Fieldwork (Eide Bailly, LLP)	Internal Tasks												
May 6, 2025	Council adoption of Carry/Rollovers/Budget Amendments (2025) - 2025 1st Budget Amendment	Council												
May 7, 2025	Operating Budget Projections (2026) are **available in Munis**, Job Aid and Responsibility List distributed, deadline to complete **June 13th**	Internal Tasks												
May 7, 2025	**CMO/Communications Post** KPIs to Microsoft Teams Budget Channel - Due **June 13th**	Internal Tasks												
May 8, 2025	**Deadline** - 'Variable Personnel Budget Form' **due** to HR - Robin Brookhart	Internal Tasks - Deadline												
May 9, 2025	CIP Requests Compiled by Finance and Provided to CMO	Internal Tasks												
May 11 - May 14, 2025	Tyler Connect Conference - San Antonio, Texas	Conference												
May 15, 2025	Finance Issues Forms to Departments for Six-Year Revenue Estimates (*likley* via Microsoft Teams Budget Channel)	Internal Tasks												
May 15, 2025	Finance Committee: Q1 Financial Reports, Q1 Tax Reports, Q1 C&I Reports, Review of Financial Policies	Finance Committee												
May 21, 2025	City Manager/ Finance Director and Human Resources meet on New Position Requests	Internal Meetings												
May 22, 2025	HR and Finance to Meet on 2026 Wage and Benefit Projection Process	Internal Meetings												
May 14 - June 13, 2025	Departments, **CMO** and Finance Director have meetings to review 2025/26 Revenue & Future Year Revenue estimates; the 2025/26 expenditure budget and CY estimates; Munis is used by Departments	Internal Meetings												
June 1, 2025	**DEBT -** Rec Center Debt Payment #1 (I)	Debt												
June 6, 2025	City Manager/ Finance Director meet with Human Resources on Initial Proposed Merits, Market Adjustments, and Position Changes	Internal Meetings												
June 9 - June 13, 2025	Finance and Human Resources Prepare First Draft of Wage & Benefit Projections for 2026 (Includes all 2025 changes to date)	Internal Tasks												
June 12, 2025	Finance Committee: **Budget Retreat** (Format) Preview, Rec Center Renewal & Replacement Calculation Update, Initial 2026 Utility Rate Presentation	Finance Committee												
June 13, 2025	**Deadline -** All Operating Budgets **are entered in Munis** as Finance Director and Departments have gone through their budgets and also learned how to do this with Munis	Internal Tasks - Deadline												
June 13, 2025	**Deadline** - Departments Submit Updated Annual Key Performance Indicators to CMO/Communications	Internal Tasks - Deadline												
June 13, 2025	**Deadline -** All 2025 Revenue Estimates entered into Munis by either Department or Finance Department	Internal Tasks												
June 17, 2025	At Executive Team Meeting, HR information is distributed and discussed	Internal Meetings												
June 24 - June 27, 2025	CML Conference - Loveland, CO	Conference												
June 29 - July 2, 2025	GFOA Conference	Conference												
July 7, 2025	Preliminary Revised Capital Improvements Plan to City Manager and Departments (Retreat Prep)	Internal Tasks												
July 7, 2025	Finance Consolidates Departments' Operating and C-I-P Change Requests and Consolidates Financial Impacts (Retreat Prep)	Internal Tasks												
July 15, 2025	Finance Department Distributes the "2026 Requested Budget" at Executive Leadership Meeting with updated revenues and expenditure changes	Internal Meetings												
July XX, 2025 (12:00 - 5:00 PM)	City Council Budget Retreat: Current Year Update; Major CIP Changes, if necessary; Personnel costs, other mid-year changes/updates that may impact 2026	Council												
July 17, 2025	Finance Committee: External Auditor's Report	Finance Committee												
July 16, 2025 - July 31, 2025	City Manager Meets with Departments on Operating and C-I-P Change Requests for the 2026 Budget and KPI's, if necessary	Internal Meetings												
Last Week of July	Finance / Dept Quarterly Check ins	Internal Meetings												
August 1, 2025	**DEBT -** CWRPDA Loan Annual Payment #2	Debt												
August 1, 2025	City Manager Issues Final Directives to Finance on the 2026 Supplemental *Recommended Budget*	Internal Tasks												

City of Louisville, Colorado
Budget Development Calendar
2026 Supplemental Budget (2025 Finance Dept Consolidated Calendar)

Last Revised 2/5/25

Dates	Description	Type	Jan	Feb	March	April	May	June	July	August	September	October	November	December
August 1, 2025	City Manager/ Finance Director re-connect on Human Resources on Merits, Market Adjustments, and Requested Position Changes (2nd Draft of Wage and Benefit Projections for 2026, *if necessary*)	Internal Meetings												
August 4 - August 8, 2025	Finance and Human Resources Prepare Second/Final Draft of Wage & Benefit Projections for 2026, *if necessary*	Internal Tasks												
August 5, 2025	Finance and City Manager discuss the City Manager's final recommendations at Executive Leadership Team Meeting; any final considerations must be discussed as a team at this meeting	Internal Meetings												
August 21, 2025	Finance Committee: Q2 Financial, Q2 Tax, Q2 C&I, **Budget** Update	Finance Committee												
August 11 - August 25, 2025	Finance Consolidates and Summarizes City Manager's *Recommended Budget* - Prepares for Distribution	Internal Tasks												
September 2, 2025	City Manager's ***Recommended*** Budget Presented to City Council at a Regular Meeting (*Public Hearing Set?)*	Council												
September 9, 2025	**Budget Study Session, if necessary**	Council												
September 17, 2025	LRC Commission - 2026 Budget Presentation	LRC/URD												
September 18, 2025	Finance Committee: **Budget** Update and Q2 CIP Update	Finance Committee / Non-Profit												
September 30, 2025	**Budget Study Session, if necessary**	Council												
September 24 - October 11, 2025	Finance Consolidates and Summarizes a *Revised Recommended Budget* for Public Hearing and Distribution	Internal Tasks												
October 1, 2025	City Clerk - Issues Public Notice for Budget Hearing	Internal Tasks												
October 7, 2025	**Budget Council Meeting, if necessary**	Council												
October 14, 2025	**Budget Study Session, if necessary**	Council												
Mid-October	**LRC Calc of Pledged Revenue Calculation - LRC Debt Payment due to US Bank**	LRC/URD												
October 16, 2025	Finance Committee: Preliminary Assessed Valuation, if necessary & **Budget** Update, if necessary, C&I Chandler Presentation	Finance Committee												
October 21, 2025	City Council Conducts **Public Hearing** on ***Revised Recommended*** Budget	Council												
October 22 - 30, 2025	Finance Prepares *Final Budget* and Resolutions to Adopt the Budget, Appropriate Funds, and Levy Taxes	Internal Tasks												
October 25 - October 29, 2025	ICMA Conference	Conference												
Last Week of October	Finance / Dept Quarterly Check ins	Internal Meetings												
November 1, 2025	**DEBT - LRC Bond Payment due to US Bank**	Debt / URD												
November 3, 2025 (MONDAY)	City Council Presented with Resolutions to **Adopt** the Budget, Appropriate Funds, and Levy Taxes	Council												
November 4 - December 31, 2025	Finance/CMO Comm - Prepares Printed Budget Document / Posts Budget to Finance Website / Files Budget with State (DOLA) and GFOA Award, believe deadline is Jan 31, 2026	Internal Tasks												
November 5, 2025	Post adopted budget in Munis (Post to Master for Reports)	Internal Tasks												
November 19, 2025	LRC Adopts 2026 Budget	LRC/URD												
November 19 - November 22, 2025	Colorado Government Finance Officers Association	Conference												
November 20, 2025	Finance Committee: Q3 Financial, Q3 Tax and Q3 C&I Reports / **Final City 2025 Budget Amendment**, **Fees**	Finance Committee												
November 26, 2025	**DEBT** - Rec Center Debt Payment #2 (P+I)	Debt												
December 2 or 16th, 2025	**Final 2025 Budget Amendment**	Council												
December 18, 2025	Finance Committee: *Final Assessed Valuation and Mill Levies* , Final 2026 Work Plan	Finance Committee												

Key

- Internal Task
- External Task
- Finance Committee
- Council
- Conference
- LRC/URD
- Debt
- Filing/Reporting Deadline
- Finance / Dept Quarterly Check ins

City of Louisville
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FINANCE COMMITTEE COMMUNICATION ITEM 6

SUBJECT: MONTHLY CITY COUNCIL FINANCIAL EMAIL UPDATES

DATE: FEBRUARY 20, 2025

PRESENTED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR

SUMMARY:

Section 11-6(d) of our Home Rule City Charter states that: "Monthly or more often if required by the Council, the City Manager shall submit to the Council data showing the relation between the estimated and actual revenues and expenditures to date."

Finance staff prepared the attached report to fulfill this Charter requirement, and will email all City Councilmembers approximately 15 days after the end of the previous month.

ATTACHMENT:

1. January 2025 Monthly Council Finance Update Report

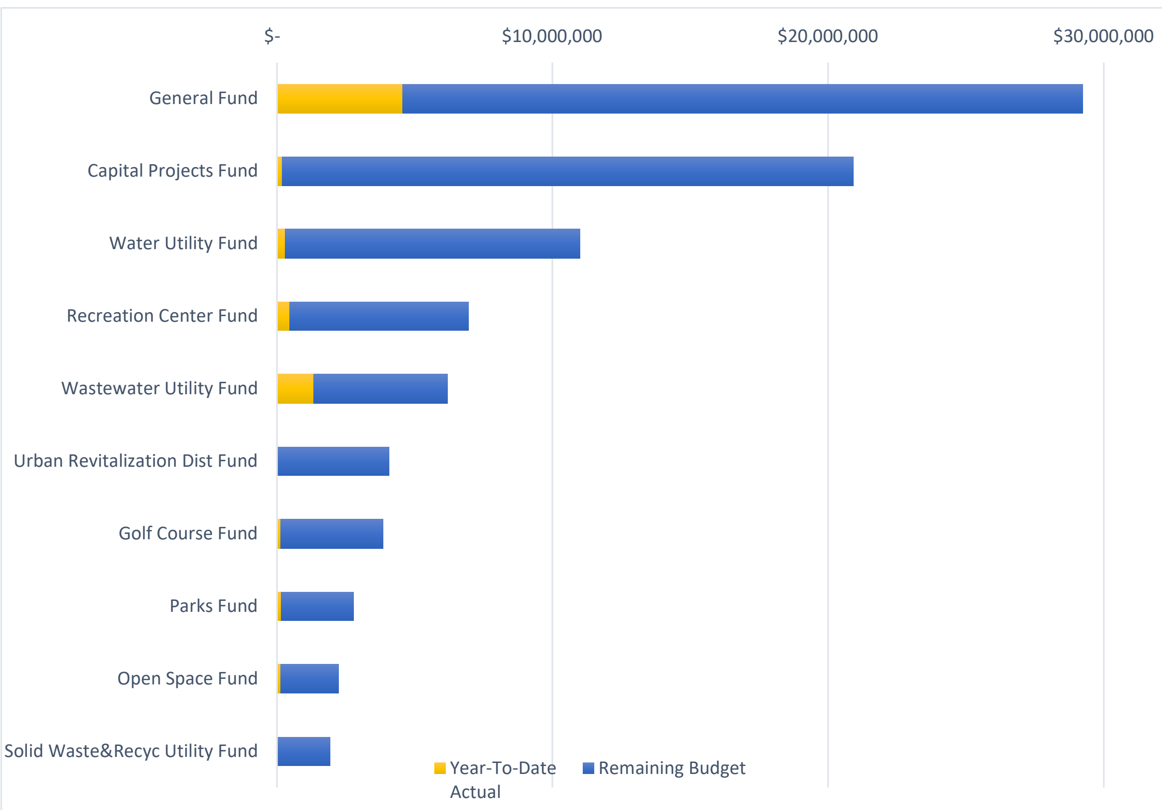
January 2025 (Cash Basis)

All Funds - Prior Month End Actuals Versus Budget - FY 2025

Report Run Date

Thursday, February 13, 2025

Fund	Fund Title	Adopted Budget	Adjusted Budget	Year-To-Date Actual	Remaining Budget
101	General Fund	$ 29,252,703	$ 29,252,703	$ 4,547,391	$ 24,705,312
301	Capital Projects Fund	$ 20,917,113	$ 20,917,113	$ 186,095	$ 20,731,018
501	Water Utility Fund	$ 10,999,005	$ 10,999,005	$ 295,307	$ 10,703,698
208	Recreation Center Fund	$ 6,959,517	$ 6,959,517	$ 460,481	$ 6,499,036
502	Wastewater Utility Fund	$ 6,186,791	$ 6,186,791	$ 1,327,939	$ 4,858,852
221	Urban Revitalization Dist Fund	$ 4,073,170	$ 4,073,170	$ -	$ 4,073,170
520	Golf Course Fund	$ 3,855,033	$ 3,855,033	$ 136,854	$ 3,718,179
211	Parks Fund	$ 2,782,984	$ 2,782,984	$ 152,057	$ 2,630,927
210	Open Space Fund	$ 2,235,956	$ 2,235,956	$ 129,747	$ 2,106,209
510	Solid Waste&Recyc Utility Fund	$ 1,927,823	$ 1,927,823	$ 5,871	$ 1,921,952
402	Debt Service-Rec Ctr Bond Fund	$ 1,742,600	$ 1,742,600	$ -	$ 1,742,600
503	Storm Water Utility Fund	$ 1,412,396	$ 1,412,396	$ 232,956	$ 1,179,440
207	Historic Preservation Fund	$ 966,343	$ 966,343	$ 222,076	$ 744,267
302	Impact Fee Fund	$ 340,000	$ 340,000	$ -	$ 340,000
202	Conservation Trust-LotteryFund	$ 300,100	$ 300,100	$ -	$ 300,100
204	Cemetery Fund	$ 280,372	$ 280,372	$ 32,277	$ 248,095
603	Fleet Management Fund	$ 169,700	$ 169,700	$ -	$ 169,700
602	Technology Management Fund	$ 146,300	$ 146,300	$ 1,700	$ 144,600
205	PEG Fee Fund	$ 20,050	$ 20,050	$ -	$ 20,050
203	Cemetery Perpetual Care Fund	$ 17,600	$ 17,600	$ -	$ 17,600
206	Parking Improvement Fund	$ 50	$ 50	$ -	$ 50
	Total	**$ 94,585,605**	**$ 94,585,605**	**$ 7,730,750**	**$ 86,854,855**



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2025 Finance Committee Adopted Work Plan

Major Work Initiatives

Finance Committee will review (at minimum) all budget amendments, CIP requests, operating budgets, and utility rates before they go to Council.

The following items are Committee priorities for 2025, Staff and Finance Committee will agenize in alignment with the City Council Work Plan.

- 2026 Budget Development, Supplemental Year
- Update Citywide Purchasing Policy
- Fees – Inflationary Factor vs Other
- On-Going Financial Impact of Marshall Fire

Quarterly Reports

Material exceptions to be discussed at monthly FiCom meetings

- Cash and Investment Reports
- Financial Reports
- Enterprise Dashboards: Recreation, Golf, Utilities
- Utility Updates: Finances, Acquisitions, Rates, Gap/Chimney Hollow, Other

First Quarter	Second Quarter
Jan 16 - 4:00PM – 6:00PM • Final Assessed Valuation (formerly Dec 2024) • Final 2025 Work Program (formerly Dec 2024) • Property, Casualty and Liability Insurance Update • Utility Fund Update / Inter-Fund Loan / Final 2025 Rate Presentation and Discussion • 2025 Budget Process Recap / Feedback • Monthly Revenue & Sales Tax Reports	**April 17 - 4:00PM – 6:00PM** • 2024 EOY Revenues, Expenditures & Changes in Fund Balances (Cash Basis) • Operational Turnback Update • 2024 Year End CIP Report • Review Rollovers/Carry-Overs/1st Budget Amendment • Monthly Revenue & Sales Tax Report
Feb 20 - 4:00PM – 6:00PM • 2026 Budget Supplemental Year - Preliminary Calendar and Process • Monthly City Council Financial Update • Sales Tax: 2024 Year End Reports, Audit Program • Write-off of Uncollectible Accounts Receivable	**May 15 - 4:00PM – 6:00PM** • Review of Fiscal/Reserve Policies • Exploration of Potential New Revenue Sources for City Major Capital Items – Study Session • Parks Fund – Long Term Forecast Structural Issue • Q1 Financial Reports • Q1 Revenue, Sales and Bag Tax Reports • Q1 Cash and Investments Report

First Quarter (cont.d)	Second Quarter (cont.d)
March 20 - 4:00PM – 6:00PM • 2024 Year End Cash and Investments • Chandler Investment Presentation - Economy & Investments • Monthly Revenue & Sales Tax Reports • Research estimated time commitment and cost required to determine MF permit related expenses and revenues	**June 12 - 4:00PM – 6:00PM** • Rec Cen Renewal & Replacement Calculation • Monthly Revenue & Sales Tax Report • Initial 2026 Utility Rate Presentation and Discussion • Budget Retreat Preview
Third Quarter	**Fourth Quarter**
July 17 - 4:00PM – 6:00PM • Annual External Auditor's Report • Citywide External Auditors RFQ/RFP Responses Review • Monthly Revenue & Sales Tax Report	**October 16 - 4:00PM – 6:00PM** • Budget Update, if necessary • Chandler Investment Presentation - Economy & Investments • Monthly Revenue & Sales Tax Reports • Preliminary Assessed Valuation, if necessary
August 21 - 4:00PM – 6:00PM • Q2 Financial Report • Q2 Revenue, Sales and Bag Tax Reports • Q2 Cash and Investments Report • Mid-Year Enterprise Dashboard Updates • Open Space Fund and Target Acquisition Reserve Discussion • Budget Update/Discussion: Initial revenue estimates and major expenditure drivers, revisit 2025 unfunded budget items • Revised 2026 Utility Rate Presentation and Discussion, if necessary	**November 20 - 4:00PM – 6:00PM** • Q3 Financial Reports • Q3 Revenue, Sales and Bag Tax Reports • Q3 Cash and Investments Report • Preliminary 2026 Finance Committee Work Program Discussion • Final Budget Amendment • Citywide Fees
September 18 - 4:00PM – 6:00PM • Q2 CIP Report • Budget Update/Discussion, if necessary • Monthly Revenue & Monthly Sales Tax Reports	**December 18 - 4:00PM – 6:00PM** • Final 2026 Committee Work Program Approved • Monthly Revenue & Monthly Sales Tax Report • Final Assessed Valuation, if necessary