Budget Glossary: Understanding Your Government's Money

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DAVE BIGGERS FOR MAYOR

Budget Glossary: Understanding Your Government’s Money

Making Louisville’s Budget Accessible to Everyone

Budget Version: 3.1 ($1.13 billion)
Updated: October 2026

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WHY THIS GLOSSARY EXISTS

Government shouldn’t speak in code. If you’re paying for it through your taxes, you deserve to understand it.

This glossary translates budget jargon into plain English so every Louisville resident can understand where their money goes and how their city works.

No prerequisites needed. No college degree required. Just citizens understanding their government.

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BUDGET BASICS

Appropriation
Money officially allocated by Metro Council for a specific purpose. Once appropriated,

departments can spend it. Think of it like Congress approving funding – it's the formal permission to spend taxpayer dollars.

Budget
A financial plan showing expected revenue (money coming in) and planned expenditures (money going out) for a fiscal year. Like your household budget, but for Louisville. Our budget is **$1.13 billion for FY2026-27.**

Budget Variance
The difference between what was budgeted and what was actually spent. If we budget $10M for roads and spend $12M, the variance is $2M over. We track this in real-time so you can hold us accountable.

Capital Budget
Money spent on long-term assets like buildings, roads, and equipment that last multiple years. If it lasts longer than one year, it's usually "capital" spending. Building a mini substation is capital; paying the officers who work there is operating.

Fiscal Year (FY)
Louisville's budget year runs from July 1 to June 30. FY2026-27 means July 1, 2026 through June 30, 2027. It's confusing, but most governments don't use the calendar year for budgets.

General Fund
The main operating budget that pays for day-to-day city services. Of Metro's **$1.13 billion** operating budget, about $919 million is General Fund (Louisville Metro adopted budget FY2026-27); the rest is fees, grants and other receipts tied to their source. It's called "general" because it's not restricted to specific purposes like some other funds.

Line Item
A specific spending category in the budget (e.g., "Police Officer Salaries" or "Park Maintenance"). The more line items you see, the more transparent the budget. My plan publishes a department-by-department ledger of where every dollar goes.

Operating Budget
Money spent on day-to-day operations like salaries, supplies, and services. As opposed to capital spending, these are ongoing costs that recur every year.

Rainy Day Fund (Reserve Fund)
Money set aside for emergencies, unexpected expenses, or economic downturns. Like your emergency savings account. Financially responsible cities keep a reserve for emergencies. My budget maintains strong reserves while investing in prevention.

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REVENUE TERMS

(Where the money comes from)

Occupational Tax
Tax on wages earned by people working in Louisville (2.2% for people who live in Louisville Metro: 1.25% to Metro government, 0.2% to TARC and 0.75% to the public school boards; 1.45% for people who live elsewhere, who do not pay the school share. Source: Louisville Metro Revenue Commission, 2025 instructions). If you work in Louisville, this comes out of every paycheck whether you live here or not. It's one of the largest revenue sources.

Property Tax
Annual tax on real estate based on assessed property value. Major source of city revenue. If you own property in Louisville, you pay this. The rate is set by Metro Council and hasn't increased in my budget.

Insurance Premium Tax
Tax on insurance policies (auto, home, life, etc.). The state collects it and shares a portion with cities. You don't see this directly – it's built into your insurance premiums.

Intergovernmental Revenue
Money the city receives from state and federal governments, usually through grants. Like when the federal government gives money for roads or community development projects.

Tax Base
The total value of everything that can be taxed (property, income, sales, etc.). A growing tax base means the city can maintain services with the same tax rate. A shrinking tax base means taxes go up or services get cut.

Tax Rate
The percentage charged on taxable items. Property tax rate is per $100 of assessed value. Occupational tax is a percentage of wages. **My budget does NOT increase any tax rates.**

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SPENDING CATEGORIES

(Where the money goes)

Debt Service
Money used to pay back bonds (loans) the city took out for major projects. Like a mortgage payment. Louisville pays debt service every year on bonds it sold for past projects.

Personnel Costs
Salaries, benefits, and payroll taxes for city employees. Usually the largest part of a

department's budget. This includes health insurance, retirement contributions, and payroll taxes. All city employees keep their jobs in my budget.

Pension Contributions
Money the city pays into retirement funds for employees. Required by law and contract. Like matching your 401(k), but for public employees. Louisville has significant pension obligations that are fully funded in my budget.

Operating Expenses
Day-to-day costs like supplies, utilities, vehicle fuel, and equipment maintenance. Everything that isn't salary or capital. Electricity bills, office supplies, gasoline for patrol cars.

Capital Outlay
Purchases of equipment, vehicles, or infrastructure that last multiple years. A new fire truck is capital outlay. Gasoline for the fire truck is operating expense.

Transfer
Moving money from one fund to another. Sometimes confusing, but it's just internal accounting to get money where it needs to go legally.

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KEY BUDGET CONCEPTS

Reallocation
Taking money budgeted for one purpose and redirecting it to another purpose within the same total budget. My budget moves $72.7M between departments and re-points a further $205.4M inside them toward community programs – **same total budget, different priorities.** This is NOT new spending.

Same Total Budget
My budget is **$1.13 billion – exactly the same as Metro Council's adopted FY2026-27 budget.** Same amount. Zero tax increase. Zero new borrowing. Just different priorities.

Evidence-Based Budgeting
Making spending decisions based on proven results from research and other cities' experiences, not political promises or assumptions. My budget draws on what has worked in other cities.

Prevention-First Approach
Investing in programs that prevent problems (crime, health crises, fires) before they happen, rather than only responding after problems occur. Cheaper and more effective than crisis response.

Phased Implementation

Rolling out programs gradually over multiple years rather than all at once. Example: Building 12 mini substations in Year 1, then 12 more in Year 2, etc. This ensures quality and sustainability.

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PROGRAMS IN MY BUDGET

(Our specific initiatives)

Mini Police Substation
Small neighborhood police office (approximately 5,000 square feet) with officers assigned to walk and bike patrols in the immediate area. Not a traditional distant precinct – more like a neighborhood police post. Officers work out of here and patrol on foot so you see them and know them.

Cost: about $1,270,000 per station annually: 6 officers rotating shifts for 24/7 coverage (about $1,020,000 of pay LMPD already spends, at about $170,000 an officer before overtime), plus $250,000 of rent, utilities, equipment and vehicles
Total: 63 substations across all Louisville zip codes (phased over 4 years), $80.01 million a year at full build
Target: a 20-30% crime reduction around substations

Community Wellness Center
One-stop facility providing primary healthcare (nurse practitioners), mental health counseling, substance abuse treatment, social services navigation, and community programs. Think of it as a neighborhood health hub – not a hospital, but a place where you can get care for the things that often lead to emergencies.

Cost: $2.5 million per center annually (includes rent, staff of 8-10 professionals, medical supplies, operations)
Total: 18 centers strategically placed in underserved areas (phased over 3 years: 6 per year)
Evidence: 35% reduction in ER visits, $5.60 saved for every $1 spent

Participatory Budgeting
Democratic process where residents directly vote on how to spend a portion of the public budget. YOU attend community meetings, propose projects, and vote on which ones get funded. Real democracy with real money.

Amount: $15 million across all districts
Process: Community meetings → Project proposals → Public vote → City implements winning projects
Evidence: Used in cities around the world

Mental Health Crisis Response Team

Social workers or mental health professionals paired with police officers (or responding alone when appropriate) to mental health emergencies. When someone is having a mental health crisis, they need trained counseling, not just law enforcement.

Cost: $8 million for 18 co-responder teams, one at each wellness center, paid inside LMPD's own budget
Coverage: 8am to midnight at first, the peak crisis hours, growing to 24/7 across all districts
Evidence: other cities that send mental health professionals to these calls report fewer uses of force and fewer arrests

Youth Development Programs
Policy 06's programs: after-school activities (3-7pm – peak crime hours) with homework help, sports and conflict-resolution skills; paid summer jobs and internships, with an adult mentor for every young worker; early childhood education; library youth programs; school support partnerships with JCPS; and a year-round schooling pilot.

Cost: $32.5 million annually (Policy 06: $23.5M of Metro General Fund money, $6M federal, $2M reallocated, $1M from employer partners)
Reach: 15,000 youth in after-school programs daily, plus paid summer jobs and internships
Target: a 35% reduction in violent crime among participants, and better school attendance

Fire Prevention Centers
Community facilities focused on teaching fire safety, conducting free home inspections, installing smoke detectors, and preventing fires before they start. Especially focused on seniors and high-risk populations.

Cost: about $2.2 million a year at full build for 15 centers in fire stations: a fire-safety specialist at each, plus smoke alarms and teaching materials. Phased; Year 1 starts with $1.37 million re-pointed inside Louisville Fire
Services: Free home safety inspections, free smoke detector installation, youth fire education, business consultation
Goal: fewer home fires

Community Detective
Police detective assigned to a specific district focused on preventing crime through community relationships, not just solving crimes after they happen. They know the neighborhood, the people, the problems. They build trust before incidents occur.

Cost: $8.8 million a year for 52 community detectives (2 per council district), about $170,000 each before overtime, paid inside LMPD's own budget: detectives LMPD already employs, reassigned
Focus: Youth engagement, relationship building, prevention rather than just investigation

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FREQUENTLY CONFUSED TERMS

Defunding vs. Reallocating
Defunding: Cutting total funding for a department.
Reallocating: Keeping the same total but spending it differently.
My budget: Police stay flat at the **$268.4 million Metro Council adopted** (Louisville Metro adopted budget FY2026-27, all funds); the $8 million police-oversight programme moves to the independent Inspector General. This is reallocation (different deployment), NOT defunding.

Tax Increase vs. Same Budget
Tax Increase: Raising rates to bring in more revenue.
Same Budget: Using the same revenue as before.
My budget: $1.13 billion – **same total as the current approved budget. Zero tax increase.**

New Spending vs. Reallocation
New Spending: Adding money on top of current budget (requires tax increase or borrowing).
Reallocation: Moving existing money from one category to another (same total).
My budget: Moves $72.7M between departments and re-points $205.4M inside them toward prevention. Same total, different priorities.

Layoffs vs. Reassignments
Layoffs: Firing employees, eliminating positions permanently.
Reassignments: Moving employees to different positions, providing training.
My budget: Zero layoffs. Some employees reassigned to new wellness center, youth program, and community roles. All jobs protected.

Crisis Response vs. Prevention
Crisis Response: Reacting to problems after they occur (traditional policing, ER visits).
Prevention: Stopping problems before they start (community policing, wellness centers).
My budget: Balances both, with increased investment in prevention because it’s more effective and less expensive.

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GOVERNANCE TERMS

(How government works)

Metro Council
Louisville’s 26-member legislative body that passes laws and approves the budget. Like city council in other cities, but called “Metro Council” because of our city-county merger. 26 districts, each with one council member.

Ordinance
A law passed by Metro Council. The budget is passed as an ordinance each year. If Metro Council passes an ordinance, it becomes law (unless the mayor vetoes it).

Resolution
A formal statement or decision by Metro Council that doesn't have the force of law. Like a statement of support or a ceremonial recognition.

Public Hearing
Official meeting where citizens can comment on proposed policies or budgets before Metro Council votes. Required by law for budgets and major decisions. This is where YOU get to speak up.

Executive Branch
The Mayor and departments that implement laws and deliver services. The "doers" of government.

Legislative Branch
Metro Council that makes laws and approves budgets. The "rule-makers" of government.

Veto
The mayor's power to reject an ordinance passed by Metro Council. Council can override a veto with a supermajority vote.

Override
When Metro Council votes to pass a law despite the mayor's veto. Requires more votes than the original passage (usually 2/3 or 3/4 of council members).

Transparency
Making government operations, decisions, and budgets open and accessible to the public. My budget is published in full at rundaverun.org.

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FINANCIAL TERMS

Balanced Budget
Revenue equals expenditures – no deficit spending. Required by law for Louisville. My budget is fully balanced.

Deficit
When spending exceeds revenue. Louisville cannot legally run a deficit in the general fund. My budget has zero deficit.

Surplus

When revenue exceeds spending. Extra money can go to reserves or one-time projects. My budget maintains healthy reserves.

Bond
A loan the city takes out for major capital projects (like building a new library). Paid back over many years, similar to a mortgage.

Debt Ceiling
Legal limit on how much the city can borrow. Set by state law and local ordinance.

Return on Investment (ROI)
How much value you get back for money spent. Example: Wellness centers have an ROI of $5.60 saved for every $1 spent.

Cost-Benefit Analysis
Comparing the costs of a program to its benefits to determine if it's worth the investment. My budget programs all have positive cost-benefit ratios based on evidence from other cities.

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BUDGET COMPARISON TERMS

the current Budget
The current administration's approved $1.13 billion budget for FY2026-27. Traditional approach with centralized services and reactive policing.

My Budget
My proposed $1.13 billion budget. Prevention-first approach with community-based services. **Same total, different priorities.**

The Difference
Not the amount (both $1.13B), but HOW it's spent:

- the current administration: Centralized police precincts → Biggers: 63 neighborhood substations
- the current administration: Scattered programs → Biggers: 18 consolidated wellness centers
- the current administration: $67.96M, all funds, for the Department of Corrections, which runs the jail (Louisville Metro adopted budget FY2026-27) → Biggers: $41.2M. The jail shrinks by $36.5M through bail reform and diversion; $9.76M of that stays for pretrial services and diversion, and $26.7M goes to the 18 wellness centers ($20.5M) and participatory budgeting ($6.23M)
- the current administration: Minimal citizen input → Biggers: $15M participatory budgeting

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CRIMINAL JUSTICE TERMS

Bail Reform
Reducing reliance on cash bail (where only rich people can afford to leave jail before trial) and using risk assessment instead. Keeps dangerous people locked up, releases low-risk people, saves money.

Co-Responder Model
Police officer + mental health professional responding together to certain calls. Better outcomes, safer for everyone.

Community Policing
Police strategy where officers build relationships with community members through regular positive contact, not just emergency response. The foundation of mini substations.

Diversion Programs
Alternatives to jail for non-violent offenders (treatment, community service, monitoring). More effective than incarceration and much cheaper.

Pre-Trial Detention
Holding someone in jail before their trial. Most people in Louisville Metro Corrections are pre-trial, not convicted criminals.

Recidivism
When someone commits another crime after being released. Prevention programs reduce recidivism rates by addressing root causes.

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HEALTH & SOCIAL SERVICES TERMS

Primary Care
Basic healthcare (checkups, common illnesses, chronic disease management). Wellness centers provide this through nurse practitioners.

Substance Abuse Treatment
Medical and counseling services for addiction. Much more effective and cheaper than jail for non-violent drug offenses.

Mental Health Services
Counseling, therapy, psychiatric care for mental health conditions. Wellness centers provide this, reducing reliance on emergency rooms and police.

Social Services Navigation
Helping people access programs they qualify for (food stamps, Medicaid, housing assistance, job training). Wellness centers help residents navigate the system.

Preventive Care
Healthcare that prevents disease and identifies problems early (screenings, vaccinations, health education). Saves money long-term.

Trauma-Informed Care
Approach that recognizes how trauma affects people and provides appropriate support. Especially important for youth programs and violence intervention.

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PROGRAM OUTCOMES

Crime Reduction
Measurable decrease in criminal incidents. My budget targets **35% reduction over 4 years** based on evidence from similar cities.

Community Trust
How much residents trust police and government. Mini substations are meant to build trust between residents and police.

ER Visit Reduction
Fewer emergency room visits because people get preventive care at wellness centers. My target is a **35% reduction**.

Youth Employment Impact
Effects of summer jobs programs on youth behavior. Evidence shows **35% reduction in violent crime** among participants.

Cost Savings
Money saved through prevention vs. crisis response. Wellness centers save $5.60 for every $1 spent. Youth programs aim to keep young people out of the juvenile justice system.

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IMPLEMENTATION TERMS

Year 1 / Year 2 / Year 3 / Year 4
Phased timeline for rolling out programs:

- **Year 1:** 12 substations, 6 wellness centers, expanded youth programs

- **Year 2:** 24 substations (12 more), 12 wellness centers (6 more)
- **Year 3:** 36 substations (12 more), 6 wellness centers (6 more)
- **Year 4:** 63 substations (27 more), all programs at full capacity

Rollout Strategy
Plan for gradually implementing new programs. Starts with highest-need areas, expands systematically.

Pilot Program
Small-scale test of a program before full implementation. Some programs may pilot in one district before expanding citywide.

Scaling Up
Expanding a successful program from small to large. Example: Starting with 12 substations in Year 1, scaling to 63 by Year 4.

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ACCOUNTABILITY TERMS

Key Performance Indicators (KPIs)
Measurable goals used to track program success. Example: “Reduce violent crime by 15% in Year 2” is a KPI.

Metrics
Measurements used to assess program effectiveness. Crime rates, ER visit rates, graduation rates, etc.

Transparency Dashboard
Public website showing real-time budget data, program outcomes, and spending. I commit to creating this.

Public Reporting
Regular reports to citizens on program progress and budget status. Quarterly reports proposed.

Community Input
Opportunities for residents to provide feedback on programs and priorities. Monthly community meetings, participatory budgeting, etc.

Audit
Independent review of city finances to ensure accuracy and compliance. Annual audits required by law.

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FINAL NOTES

Questions?
If you don't understand something in the budget, that's OUR failure, not yours. Email dave@rundaverun.org with questions and we'll update this glossary.

Full Budget:
Every line item available at rundaverun.org/budget

In Plain English:
Government should be understandable to the people it serves. That's why this glossary exists.

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You pay for this government through your taxes.
You deserve to understand how your money is spent.
No jargon. No barriers. Just facts.

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VOTE DAVE BIGGERS FOR MAYOR

A Budget You Can Understand. A Government You Can Trust.

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Budget Glossary Version 3.1 | Updated October 2025

Calculate Your Tax Impact

See how my budget plan affects your family:

How Does My Budget Affect You?

See your personalized impact - zero tax increase, real benefits

□ Household Income $50,000 50000
□□□□ Children in JCPS 0 0
□ Your ZIP Code

Your Personal Impact

How we calculate: Benefits based on average family savings from wellness center access ($800/year), youth program value (after-school + summer jobs), and your specific mini substation timeline. All benefits come from the same $1.13B budget - zero tax increase.

Share your results with friends and family:

 Share My Results

What This Means for YOUR Neighborhood

Every Louisville neighborhood is unique. Enter your ZIP code to see how this policy directly impacts your community:

Find Your Mini Substation

Enter your ZIP code to see when your neighborhood will receive a community police substation.

Find My Substation

63 mini substations across Louisville, at least one in every ZIP code, phased in over 4 years.

Part of my comprehensive public safety plan.

See the Budget Impact

Explore how this policy fits into my comprehensive $1.13 billion budget plan:

How Does My Budget Affect You?

See your personalized impact - zero tax increase, real benefits

Household Income $50,000 50000
Children in JCPS 0 0
Your ZIP Code

Your Personal Impact

How we calculate: Benefits based on average family savings from wellness center access ($800/year), youth program value (after-school + summer jobs), and your specific mini substation timeline. All benefits come from the same $1.13B budget - zero tax increase.

Share your results with friends and family:

Share My Results

⚖ Compare This Policy

See how my approach differs from current administration policies:

⚖ My Plan, Category by Category

Pick a category to see what my plan does, how it is paid for, and when it arrives.

Share This Plan Print This Plan
Public Safety Wellness Youth Economy Housing Transparency

Public Safety & Policing

My Plan

Community-based mini substations

Approach

- 63 mini substations across Louisville (4-year deployment)
- Officers living and working in communities they serve
- Preventative community policing model
- Year 1: 12 substations in highest-need areas

Timeline Year 1-4 phased rollout
Budget Same $1.13 billion; no new taxes; priorities re-pointed inside the adopted budget
Impact Projected response times: 3-5 minutes (campaign estimate)

Mental Health & Wellness

My Plan

Wellness centers placed by health need

Approach

- I will place 18 Community Wellness Centers by health need (CDC PLACES 2024 plus Census poverty data)
- Mental health counseling, addiction support
- Youth programs, family services
- At least one center in every LMPD division

Timeline 6 centers a year over Years 1-3
Budget $45M a year when fully built (18 centers at $2.5M each), inside the adopted budget
Impact Accessible care within every neighborhood, preventative focus

Youth Development

My Plan

Comprehensive youth investment

Approach

- After-school programs at all substations
- Job training and mentorship
- Arts, sports, and STEM programs

- Youth advisory councils
- Summer employment pathways

Timeline Immediate implementation with substation rollout
Budget $32.5M for youth programs, inside the adopted budget
Impact Accessible programs in every neighborhood

Economic Development

My Plan

Community wealth building

Approach

- Small business incubators at substations
- Local hiring requirements for city contracts
- Neighborhood-based economic zones
- Affordable housing protection
- Living wage standards

Timeline Immediate policy changes, 4-year infrastructure build
Budget Same $1.13 billion; no new taxes; priorities re-pointed inside the adopted budget
Impact Jobs and wealth stay in neighborhoods

Housing & Affordability

My Plan

Housing as a human right

Approach

- Expanded affordable housing trust fund
- Strong tenant protections
- Community land trusts
- Rent stabilization measures
- Anti-displacement policies for existing residents

Timeline Immediate policy changes
Budget Same $1.13 billion; no new taxes; priorities re-pointed inside the adopted

budget
Impact Protects residents, prevents displacement
□

Government Transparency

My Plan

Radical transparency

Approach

- Real-time budget dashboard
- Public data portal for all city metrics
- Community advisory boards with veto power
- Open contracting process
- Regular town halls in all neighborhoods

Timeline Immediate implementation
Budget Low-cost digital infrastructure
Impact Citizens empowered with information and decision-making power

The Choice is Clear

Louisville deserves transformative change, not more of the same. Join us in building a city that works for everyone.

Join the Campaign Read Full Policy Platform

Share This Policy

Help spread the word about my vision for Louisville:

Related Policies You Might Like

How to Vote for Me

I am a write-in candidate: in the race for Mayor, mark the write-in spot and write **DAVE BIGGERS** (the last name, Biggers, is required).

Early voting, no excuse needed: October 29–31 · Election Day: Tuesday, November 3, 6 AM to 6 PM. Registration for the November 3 election closed October 5.

✓ Check My Registration and Polling Place View All Election Dates →

Stay Updated on This Policy

Get notified when this policy is updated or when I speak about this issue in YOUR neighborhood.

* indicates a required field

Email Signup Information
Fax Number (Leave blank)
Name *
Email * We'll send you updates about the campaign
Zip Code 5-digit zip code (optional)
☐ I'm interested in volunteering! We'll send you information about volunteer opportunities
Sign Up

We use your details only to reach you about the campaign. Privacy Policy

Have Ideas to Improve This Policy?

This is YOUR city. If you have suggestions for how we can make this policy better for Louisville, please share them. Every idea is reviewed.

Suggest an Improvement for Louisville

Have an idea for improving Louisville? Share your policy suggestion below. Your voice matters in shaping our city's future.

Policy Title *
Description *
0/2000 characters
Category Select a category...
Your Name *
Your Email *
ZIP Code (Optional)
☐ I agree that my suggestion may be reviewed and potentially incorporated into campaign policy. My email will only be used to notify me about the status of my suggestion.
Submit Suggestion

NOT ME, WE.

Together, we make Louisville better for everyone.