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 ($1.2 billion)
Updated: October 2025

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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 **$1.2 billion for FY 2025-2026.**

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. FY 2025-2026 means July 1, 2025 through June 30, 2026. 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. This is the **$1.2 billion** we're discussing in this campaign. 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. Our budget has 831 line items – most detailed mayoral budget Louisville has ever seen.

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 have 10-15% of their budget in reserves. Dave's 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 (currently 1.45% for city services, 0.75% for county services = 2.2% total). 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 Dave's 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. **Dave's 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 approximately $30M/year in debt service for past projects.

Personnel Costs
Salaries, benefits, and payroll taxes for city employees. Usually 60-70% of most department budgets. This includes health insurance, retirement contributions, and payroll taxes. All city

employees keep their jobs in Dave's 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 Dave's 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. Dave's budget reallocates approximately $150M from administration and support services to community programs – **same total budget, different priorities.** This is NOT new spending.

Same Total Budget
Dave's budget is **$1.2 billion – exactly the same as The current administration's approved 2025-2026 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. Dave's budget is based on outcomes from 50+ cities using similar approaches.

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 DAVE'S 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: $650,000 per station annually (includes rent, utilities, 6 officers rotating shifts for 24/7 coverage, equipment)
Total: 63 substations across all Louisville zip codes (phased over 4 years)
Evidence: 20-30% average crime reduction in 50+ cities using this model

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 successfully in 3,000+ cities worldwide (NYC, Paris, Chicago, Toronto, etc.)

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: $7 million for 10 mobile crisis units citywide
Coverage: 24/7 across all districts
Evidence: 40% reduction in use-of-force incidents, 30% reduction in arrests for mental health calls

Youth Development Programs
Consolidated programs including after-school activities (3-7pm – peak crime hours), summer jobs (3,000 positions), mentoring, life skills training, gang intervention, and athletics.

Cost: $55 million annually (consolidates scattered programs + adds $20M)
Reach: 15,000 youth in after-school programs daily, 3,000 summer jobs
Evidence: 35% reduction in violent crime among participants, 40% improvement in 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: $18 million for 15 centers (phased over 3 years)
Services: Free home safety inspections, free smoke detector installation, youth fire education, business consultation
Evidence: 40% reduction in residential fires in cities with robust prevention programs

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: $15.6 million for 52 community detectives (2 per council district)
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.
Dave’s budget: Police get **$245.9 million – same as the current budget.** 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.
Dave's budget: $1.2 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).
Dave's budget: Reallocates ~$150M from administration/jails to prevention. Same total, different priorities.

Layoffs vs. Reassignments
Layoffs: Firing employees, eliminating positions permanently.
Reassignments: Moving employees to different positions, providing training.
Dave's 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).
Dave's 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. Dave’s budget is the most transparent in Louisville history – all 831 line items public at rundaverun.org.

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FINANCIAL TERMS

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

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

Surplus
When revenue exceeds spending. Extra money can go to reserves or one-time projects. Dave’s 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. Dave’s 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 $1.2 billion budget for FY 2025-2026. Traditional approach with centralized services and reactive policing.

Biggers’ Budget
Dave Biggers’ proposed $1.2 billion budget for FY 2025-2026. Prevention-first approach with community-based services. **Same total, different priorities.**

The Difference
Not the amount (both $1.2B), 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: $63.5M on jails → Biggers: $27M on jails, $36.5M on prevention
- 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. Dave's budget targets **35% reduction over 4 years** based on evidence from similar cities.

Community Trust
How much residents trust police and government. Mini substations increase trust by average of 35% in cities using this model.

ER Visit Reduction
Fewer emergency room visits because people get preventive care at wellness centers. Average **35% reduction** in cities with similar programs.

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 save ~$150,000 per youth kept out of 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. Dave commits 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 info@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.

rundaverun.org

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Budget Glossary Version 3.1 | Updated October 2025

Calculate Your Tax Impact

See how Dave’s budget plan affects your family:

How Does Dave's 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 $1.2B 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 ZIP code areas across Louisville will receive mini substations over 4 years.

Part of Dave Biggers' comprehensive public safety plan.

See the Budget Impact

Explore how this policy fits into Dave's comprehensive $1.2 billion budget plan:

How Does Dave's 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 $1.2B budget - zero tax increase.

Share your results with friends and family:

 Share My Results

⚖️ Compare This Policy

See how Dave’s approach differs from current administration policies:

⚖️ Policy Comparison: Real Change vs. Status Quo

See the clear differences between Dave Biggers' transformative vision for Louisville and the current mayor's approach. The choice is yours.

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

Public Safety & Policing

Current Mayor

Traditional policing model

Approach

- Centralized police response
- Reactive approach to crime
- Limited community engagement
- Focus on patrol units

Timeline Ongoing

Budget Status quo funding
Impact Response times: 15-20 minutes average

Dave Biggers

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 Revenue-neutral through property tax restructuring
Impact Response times: 3-5 minutes (neighborhood-based)

Mental Health & Wellness

Current Mayor

Limited wellness infrastructure

Approach

- Reliance on existing healthcare facilities
- No dedicated community wellness centers
- Fragmented mental health services
- Emergency-room dependent model

Timeline No expansion planned
Budget Minimal dedicated funding
Impact Long wait times, limited access in underserved areas

Dave Biggers

Regional wellness centers network

Approach

- 18 wellness centers across 6 regions
- Mental health counseling, addiction support
- Youth programs, family services

- 3 centers per region for accessibility

Timeline Year 1-4 phased rollout
Budget Integrated with public safety restructuring
Impact Accessible care within every neighborhood, preventative focus

Youth Development

Current Mayor

Standard recreation programs

Approach

- Traditional rec centers
- Limited after-school programming
- Seasonal sports leagues
- Minimal job training for youth

Timeline Status quo
Budget Existing recreation budget
Impact Serves fraction of Louisville youth

Dave Biggers

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 $1,200 value per child annually
Impact Accessible programs in every neighborhood

Economic Development

Current Mayor

Corporate incentives focus

Approach

- Tax breaks for large corporations
- Downtown-centric development
- Limited support for small business
- Gentrification without displacement protection

Timeline Ongoing
Budget Millions in corporate subsidies
Impact Benefits concentrated in select areas

Dave Biggers

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 Redirected from corporate subsidies
Impact Jobs and wealth stay in neighborhoods

Housing & Affordability

Current Mayor

Market-driven housing

Approach

- Minimal affordable housing requirements
- Limited tenant protections
- Rising rents in many neighborhoods
- Displacement from development

Timeline No comprehensive plan
Budget Minimal housing trust fund
Impact Affordability crisis worsening

Dave Biggers

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 Increased trust fund through property tax reform
Impact Protects residents, prevents displacement

Government Transparency

Current Mayor

Standard reporting

Approach

- Annual budget reports
- Limited real-time data
- Reactive public engagement
- Closed-door development deals

Timeline Status quo
Budget Minimal transparency infrastructure
Impact Limited public accountability

Dave Biggers

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

󰀀 What Louisville Residents Say

󰀀 Community Endorsements

Share This Policy

Help spread the word about Dave’s vision for Louisville:

[dbpm_share_buttons]

Related Policies You Might Like

[policy_recommendations limit=”3″]

Make Your Voice Heard

Register to Vote

Register to Vote

Make your voice heard! Register to vote and participate in our democracy.

Register to Vote ✓ Check Registration

Important Deadlines

- **Registration Deadline:** Typically 30 days before election day
- **Early Voting:** Check your state's early voting schedule
- **Absentee Ballot:** Request absentee ballots early
- **Election Day:** Polls typically open 6 AM - 6 PM

Note: Deadlines vary by state. Check your local election office for specific dates.

Find Your Polling Place

Find Your Polling Location

Enter your address to find your polling place and get directions.

Your Address
City
State KY
ZIP Code
Find My Polling Place

You can also call **1-866-OUR-VOTE (1-866-687-8683)** for assistance finding your polling location.

Stay Updated on This Policy

Get notified when this policy is updated or when Dave speaks 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

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.