OFFICE OF MANAGEMENT AND BUDGET
LOUISVILLE, KENTUCKY

CRAIG GREENBERG
MAYOR

ANGELA DUNN
CHIEF FINANCIAL OFFICER

MEMO TO: **Louisville Metro Council**

FROM: **Angela Dunn, Aaron Jackson**

SUBJECT: **Fiscal Impact of City of Prospect Proposed Annexation of approximately Forty-three properties between US Highway 42 and River Road**

DATE: **July 15, 2026**

This response is related to the request from the Louisville Metro Council Clerk dated June 25, 2026, to the Office of Management and Budget regarding the fiscal impact on Metro Louisville Government revenues from the proposed annexation by the City of Prospect of an area containing approximately forty-three parcels between US Highway 42 and River Road. The area includes thirty housing units along with an upscale 44-unit apartment development slated to be completed later in 2026. After completion of the apartment development the area will contain an estimated population of 141.

Metro Louisville stands to lose approximately $14,100 annually in 2026 dollars of Insurance Premium Taxes from this proposed annexation after the 44-unit apartment complex, the Lodges of Prospect, is completed. In addition, Metro Louisville stands to lose approximately $2570 annually in 2026 dollars of State Municipal Road Aid Revenue which is based upon decennial census population counts. This analysis is based upon the 2020 U S Census Bureau estimates along with information contained in some local Home Rule suburban city Comprehensive Annual Financial Reports.

In addition, some amounts of population formula-based Federal and State grant funds would be lost going forward.