

City of Bowling Green, Kentucky

MONTHLY FINANCIAL MEMORANDUM

For month ending November 30, 2024

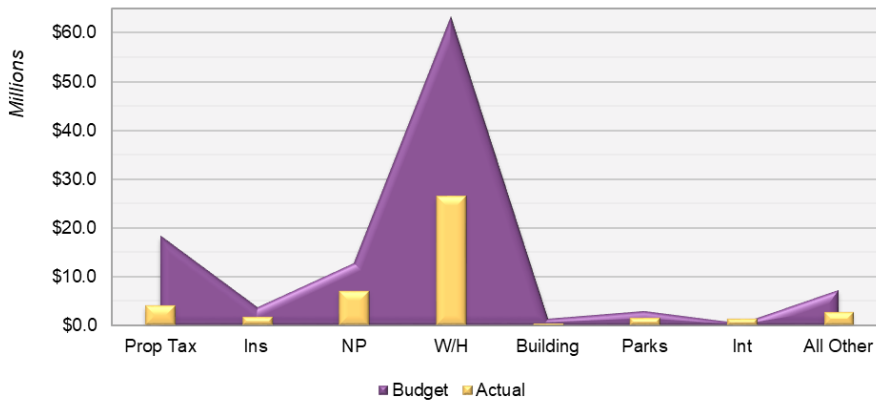
NOTE: The Monthly Financial memorandum is prepared each month and is utilized to analyze and assess the current financial condition of the City's General Fund and other select funds. The information found in this report is drawn from the City's general ledger as of the last day of each month, and occasional anomalies may occur. This report should be used for informational purposes only.

Assistant City Manager/CFO Commentary

Revenue Highlights:

The total FY2025 amended General Fund revenue budget is \$109,733,500. Through November, \$44,756,000 has been collected, or 40.8% of the amended revenue budget. The FY2025 adopted revenue budget was increased by +9.7% over the FY2024 adopted budget, aligning with business growth and expansion as well as a full year incorporation of the new 2.0% tax rate for both withholding fees and net profits. The most significant components of the revenue budget include withholding fees, net profits, and property taxes. Insurance premium taxes, building fees, parks & recreation, and the all other category show a negative or nominal decrease for November FY2025 vs. November FY2024. The other categories reflect increases over the prior year. Please note that approx. 48% of the all other category at this point in the year is comprised of a net reversal of a prior year-end fair market value adjustment on investments. It is an "on paper" only revenue that does not constitute cash collections.

General Fund YTD Budget to Actual Comparison - Revenues
through November 30, 2024

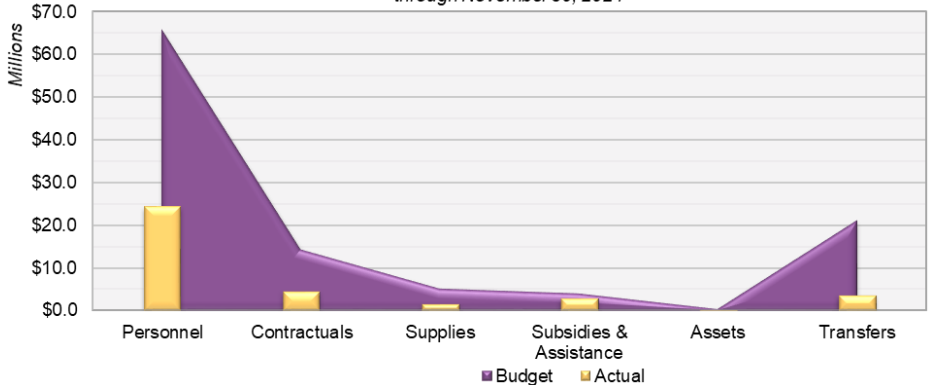


FY2025 YTD	
Compared to November 2023	
Total Revenues: +\$9,681,000 (+27.6%)	▲
Wage Withholding Fees: +\$5,671,000 (+27.3%)	▲
Total Expenses: +\$4,178,000 (+12.5%)	▲
Personnel Expenses: +\$2,694,000 (+12.4%)	▲

Expenditure Highlights:

The total amended FY2025 General Fund expenditure budget is \$113,176,000, which includes carryover projects and purchase orders from the prior fiscal year and approved current year budget amendments. The FY2025 amended expenditure budget is \$12,536,000, or 12.5%, more than the FY2024 amended budget through the current month of the fiscal year. The increase in the General Fund amended budget impacts the personnel (+10.5%), contractual (+15.3%), supply (+44.8%), subsidy (+11.5%), asset (+215.2%), and transfer-out (+7.9%) expenditure categories.

General Fund YTD Budget to Actual Comparison - Expenditures
through November 30, 2024



The Employee Health Care Trust Fund as a whole includes a budgetary increase of \$960,000, or 11.3%, over the prior year. The largest expenses of the fund are claims for medical, dental, vision, and prescription costs. These costs are also budgeted to increase by \$950,000, or 14.8%, to fully cover rising costs to operate the on-site health clinic and the City's self-funded employee health insurance program.

Katie Schaller-Ward

Assistant City Manager/Chief Financial Officer



COMMUNITY.
SERVICE.
GROWTH.

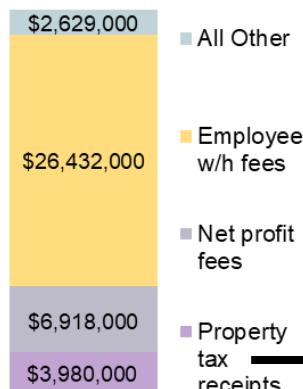
This financial report is designed to provide a general overview of the City of Bowling Green's finances. Questions or requests for information should be addressed to the Assistant City Manager/CFO at City Hall Annex, Department of Finance, 1017 College Street, Bowling Green, KY 42101; or (270)393-3000; or accounting@bgky.org.

GENERAL FUND REVENUE ANALYSIS

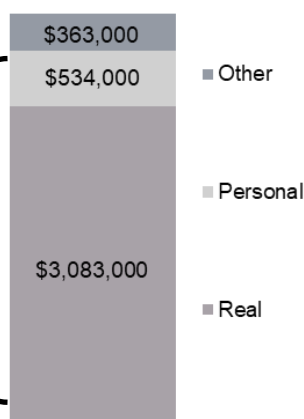
For month ending November 30, 2024

FY2024 YTD		FY2025 YTD		CHANGE (\$)	CHANGE (%)
\$35,075,000		\$44,756,000		+\$9,681,000	+27.6%
Revenue Category	FY2025 Amended Budget	FY2025 Actual	% Collected	Change compared to 11/30/2023	Highlights
Property Taxes	\$18,305,000	\$3,980,000	21.7%	-\$1,523,000 (-27.7%)	The property tax revenue source includes real and personal property, motor vehicle & boat, franchise and payments in-lieu-of taxes. Typically, invoices for the new property tax year are mailed in early October, but were mailed November 7th
Insurance Premium Taxes	3,600,000	1,648,000	45.8%	+\$210,000 (+14.6%)	This self-reported tax is collected in both the General Fund and Fire Improvement Fund; five year totals are presented on page four.
Net Profit Fees	12,753,000	6,918,000	54.2%	+\$4,625,000 (+201.7%)	The FY2025 budget was increased 8.9% from FY2024 to match the current business environment evidenced by lean and nimble operations as well as a full year at the new 2.0% net profit rate. CY2023 extensions were due October 2024.
Employee WH Fees	63,306,000	26,432,000	41.8%	+\$5,671,000 (+27.3%)	The FY2025 budget for this revenue source was increased by +13.9% compared to FY2024 budget and 8.7% compared to actual FY24 collections to reflect the job growth related to new business announcements and natural growth as well as a full year at the new 2.0% employee withholding rate. November returns showing October wages posted an increase of +61.1% vs. the same period last year. October 2023 and 2024 both had four Fridays reported in November, when combined with the first four months, an uneven overall comparison of months exists.
Building Fees	1,370,000	420,000	30.7%	-\$70,000 (-14.3%)	The FY2025 budget increased +5.2% vs. FY2024 actual collections due to the next phase in a number of large revenue generating projects carrying over into FY25. All three revenue accounts show decreases through November.
Parks & Rec Receipts	2,848,500	1,470,000	51.6%	+\$133,000 (+9.9%)	Hobson Golf Course & Driving Range produced +\$1,000 more in collections this November vs. FY2024. Overall, Golf operating receipts are up +\$71,000 and Aquatics receipts are up +\$66,000 compared to last fiscal year. Cemetery collections are up +\$3,000.
Interest Earnings	416,000	1,259,000	302.6%	+\$1,097,000 (+677.2%)	Interest earnings include both bank balance earnings and investments. The City is taking advantage of good interest rates using a sweep account for some of its operating funds.
All Other	7,135,000	2,629,000	36.8%	-\$462,000 (-14.9%)	This category contains multiple General Fund grants including two COPS grants for Police personnel, Assistance to Firefighters, two Homeland Security grants for a Cybersecurity position, hardware & software to enhance Cybersecurity, an EPA grant, Parks Development distributions to Golf and an increase in the repayment by Fire Improvement fund to the General fund.
Total	\$109,733,500	\$44,756,000	40.8%	+\$9,681,000 (+27.6%)	The positive change for FY2025 thru November is attributable to growth with employee withholdings, net profits and interest earnings representing two of the top three largest revenue sources.

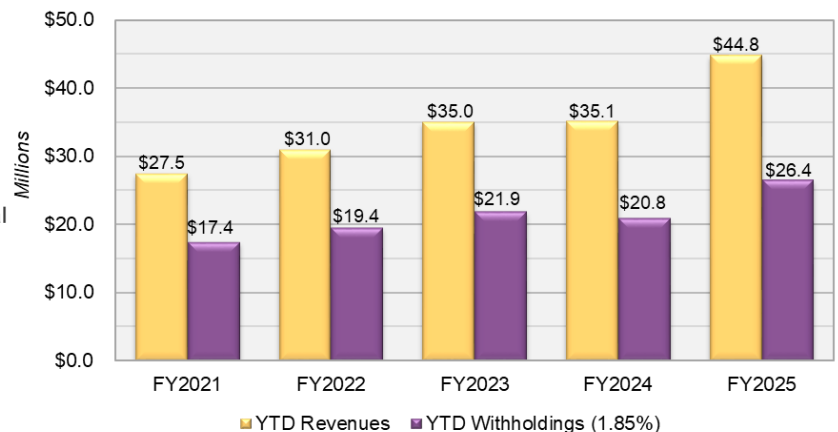
Top 4 Revenue Drivers - Actual



Property Tax Breakdown - Actual



YTD General Fund Revenue Comparison through November 30, 2024



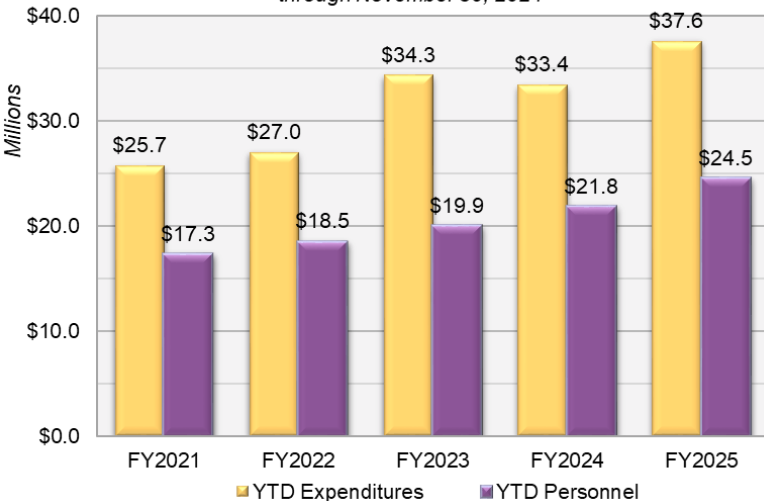
GENERAL FUND EXPENDITURE ANALYSIS

For month ending November 30, 2024

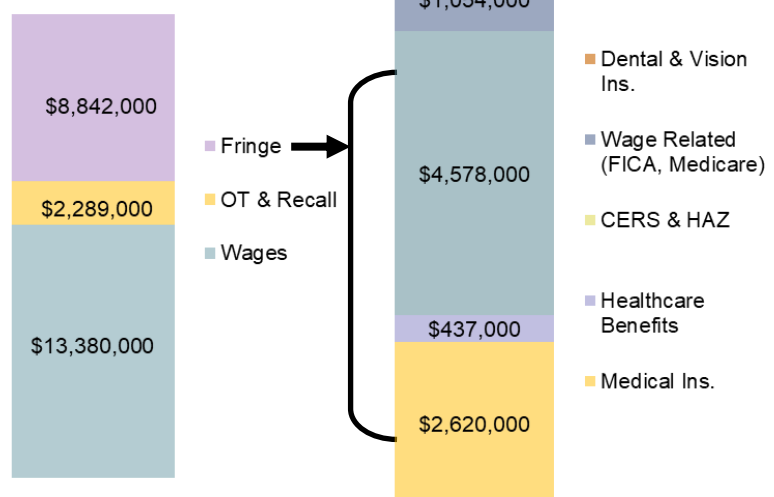
FY2024 YTD		FY2025 YTD		CHANGE (\$)	CHANGE (%)
\$33,391,000		\$37,569,000		+\$4,178,000	+12.5%
Expense Category	FY2025 Amended Budget	FY2025 Actual	% Expended	Change compared to 11/30/2023	Highlights
Personnel	\$65,788,000	\$24,511,000	37.3%	+\$2,694,000 (+12.4%)	Personnel costs for November were \$5,088,000 and are up when compared to last year by \$2,694,000, which is comprised of: wages (+\$1,784,000), overtime & recall (+\$327,000), CERS (-\$20,000), and other fringe benefits (+\$603,000). See the charts below for trending information and a breakdown of personnel expenses.
Contractuals	14,369,000	4,562,000	31.7%	+\$108,000 (+2.4%)	Contractual service costs totaled \$1,226,000 in November and are up compared to last year due to the budgeted increase for fleet maintenance rates.
Supplies	5,280,000	1,636,000	31.0%	+\$356,000 (+27.8%)	Costs for the month totaled \$536,000. The year-to-date increase is due to the purchase of replacement fitness equipment by the Parks and Recreation Department.
Subsidies & Assistance	4,290,000	2,990,000	69.7%	+\$284,000 (+10.5%)	Subsidy payments totaled \$14,000 during November. The increase compared to the prior year is due to the current year TIF distribution.
Property & Assets	466,000	109,000	23.3%	+\$63,000 (137.2%)	Asset costs were \$27,000 this month and are up compared to last year due to the budgeted purchase of resistivity equipment for the Public Works department.
Fund Transfers	21,185,000	3,761,000	17.8%	+\$673,000 (+21.8%)	Fund transfer costs during November were \$1,072,000. The increase over FY2023 is due to the new allocation to the Police Capital Improvement Fund.
Total	\$111,378,000	\$37,569,000	33.2%	+\$4,178,000 (+12.5)	Total expenditures for the month were \$7,963,000 and are up compared to FY2024 due to budgeted cost increases for personnel and fund transfers.

* Remaining Contingency budget as of 11/30/2024 is \$1,797,986.

YTD General Fund Expenditure History
through November 30, 2024



Overall Personnel Detail - Actual

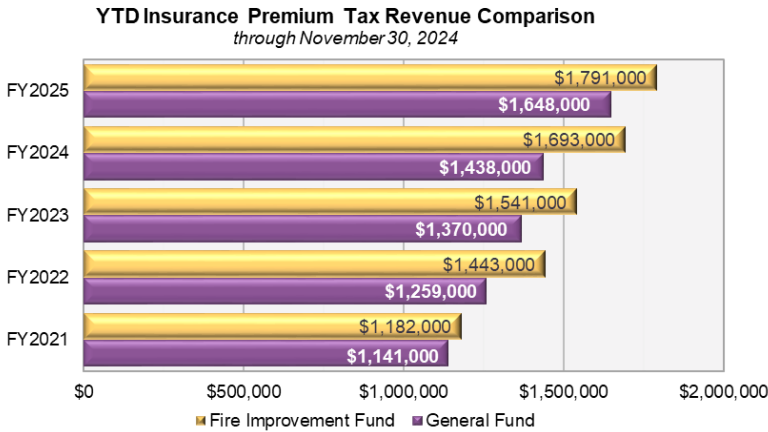


A CLOSER LOOK

Additional detail on the City's Capital Improvement Program and the financial status of the Fire Improvement and Employee Health Care Funds

INSURANCE PREMIUM TAXES

The below five year chart compares insurance premium tax receipts for the General Fund vs. Fire Improvement Fund through November. Through five months, FY2025 figures show an increase of +5.8% vs. FY2024 over the same period.



EMPLOYEE HEALTH CARE FUND

A summary of paid claims through November 2024 and the comparison to the prior fiscal year is below:

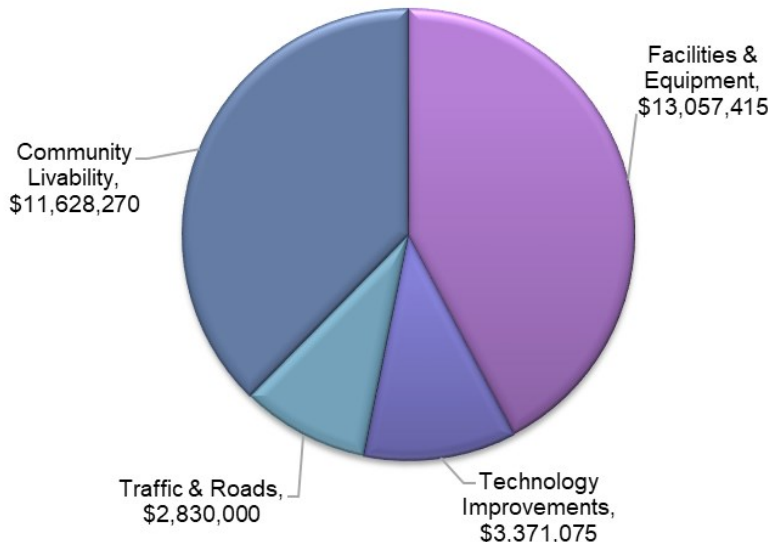
	FY2025 YTD Expenses	Change vs. FY2024
Medical claims	\$3,245,000	-\$86,000
Prescription claims	\$408,000	+\$14,000
Dental claims	\$213,000	+\$24,000
Vision claims	\$46,000	+\$7,000
Total claims	\$3,912,000	-\$41,000

Total claims are down \$41,000 or -1.0%, compared to last November. Total Health Care Fund expenditures are \$4,579,000, which is up \$148,000, or +3.3%, compared to this point in FY2024. The Employee Health Care Fund budget through November is 48.5% spent.

CAPITAL IMPROVEMENT PROGRAM

The FY2025 Adopted Capital Improvement Program (CIP) totals nearly \$30,887,000, excluding debt, for all City departments with over 53% of that amount represented by General Fund supported projects. CIP costs are defined as those costing over \$25,000 with an expected useful life of at least five years. The CIP is also categorized by the impact to the City, including: Community Livability, Facilities & Equipment, Technology Improvements, and Traffic & Roads. Multiple funding sources are utilized to provide the budget for CIPs, including from the General Fund, Special Revenue funds, Capital Project funds, and grants.

Approved FY2025 CIP



Featured Capital Project



In FY2024, the Neighborhood and Community Services Department was allocated \$100,000 to purchase a vehicle for a new Animal Control Officer position, which was approved in the Annual Operating Budget. The budget included the cost of outfitting the vehicle with all necessary equipment.