

# City of Bowling Green, Kentucky

## MONTHLY FINANCIAL MEMORANDUM

For month ending October 31, 2025

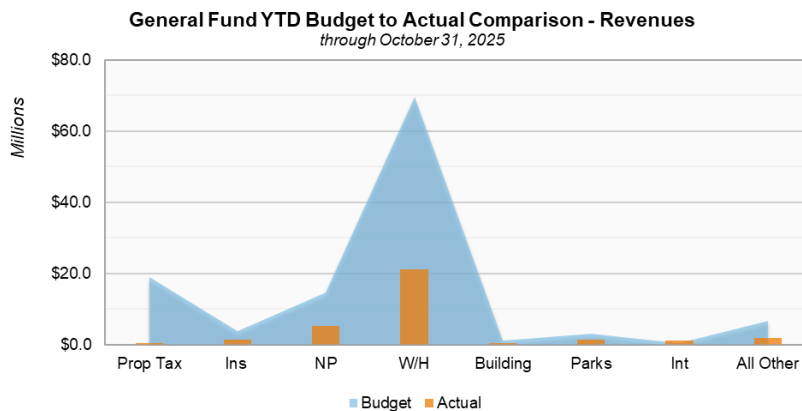
*NOTE: The Monthly Financial memorandum is prepared each month and is utilized to analyze and assess the current financial condition of the City's General Fund and other select funds. The information found in this report is drawn from the City's general ledger as of the last day of each month, and occasional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

### Chief Financial Officer Commentary

#### Revenue Highlights:

The total FY2026 amended General Fund revenue budget is \$118,363,000. Through October, \$33,127,000 has been collected, or 28.0% of the amended revenue budget. The FY2026 adopted revenue budget was increased by +8.9% over the FY2025 adopted budget, building on the business growth and expansion the City has experienced. As businesses work to fill open positions and retain employees, increased wages fuel growth. The most significant components of the revenue budget include withholding fees, net profits, and property taxes. Employee withholdings are the only category to report negative or nominal decreases for October FY2026 compared to FY2025, while the remaining categories are reporting gains.

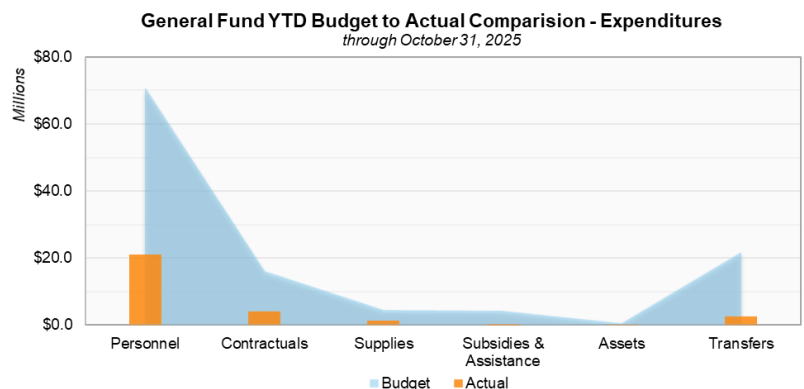
**Please note that approximately 52% of the all other category is comprised of reversal of prior year fair market investment adjustment; this is "book" only and does not constitute actual cash collections. Additionally, net profit collections include \$3,195,000 of deferred revenue for collections of estimated payments and extensions that will be netted to revenue when filings occur, typically in October and November. The impact of this decreases net profit collections to \$2,067,000 and total revenue through October to \$29.932M.**



#### Expenditure Highlights:

The total amended FY2026 General Fund expenditure budget is \$120,861,000, which includes carryover projects and purchase orders from the prior fiscal year and approved current year budget amendments. The FY2026 amended expenditure budget is \$7,684,000, or 6.8%, more than the FY2025 amended budget through the first four months of the fiscal year. The increase in the General Fund amended budget impacts the personnel (+8.1%), contractual (+14.8%), subsidy (+5.2%), asset (+67.9%), and transfer-out (+3.8%) expenditure categories.

The Employee Health Care Trust Fund as a whole includes a budgetary increase of \$2,508,000, or 26.5%, 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 \$1,935,000, or 26.2%, to fully cover rising costs to operate the on-site health clinic and the City's self-funded employee health insurance program.



### FY2026 YTD

Compared to October 2025

#### Total Revenues:

-\$1,928,000  
(-5.5%)



#### Wage Withholding Fees:

-\$886,000  
(-4.0%)



#### Total Expenses:

+\$393,000  
(+1.3%)



#### Personnel Expenses:

+\$1,493,000  
(+7.7%)



*Erin Ballou*

Chief Financial Officer



COMMUNITY.  
SERVICE.  
GROWTH.

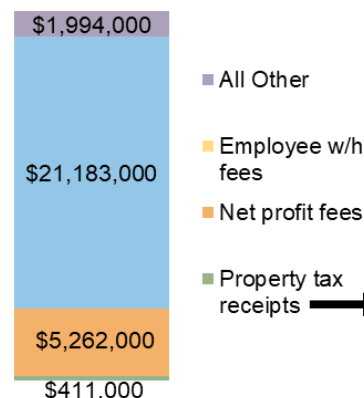
This financial report is designed to provide a general overview of the City of Bowling Green's finances. Questions or requests for information should be addressed to the Chief Financial Officer at City Hall Annex, Department of Finance, 1017 College Street, Bowling Green, KY 42101; or (270)393-3000; or [accounting@bqky.org](mailto:accounting@bqky.org).

# GENERAL FUND REVENUE ANALYSIS

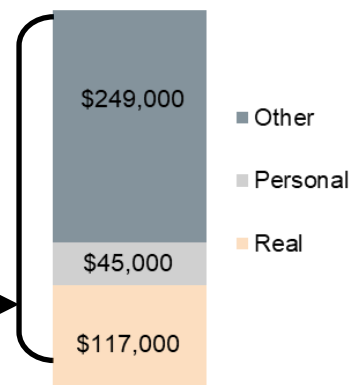
For month ending October 31, 2025

FY2025 YTD		FY2026 YTD		CHANGE (\$)		CHANGE (%)
\$35,055,000		\$33,127,000		-\$1,928,000		-5.5%
Revenue Category	FY2026 Amended Budget	FY2026 Actual	% Collected	Change compared to 10/31/2024	Highlights	
Property Taxes	\$18,926,500	\$411,000	2.2%	+\$7,000 (+1.7%)	Property tax revenue includes real and personal property, motor vehicle and boat, franchise, and payments in-lieu-of taxes. Invoices for the new tax year were mailed on November 7, 2025, due to the City's adopted rate election, which required a 45 day recall period.	
Insurance Premium Taxes	3,724,000	1,314,000	35.3%	+\$89,000 (+7.3%)	This self-reported tax is collected in the General Fund and Fire Improvement Fund; five year totals are presented on page four.	
Net Profit Fees	14,708,000	5,262,000	35.8%	-\$1,170,000 (-18.2%)	The FY2026 budget was increased 15.3% over FY2025. CY2025 filings continue to be filed as a result of the IRS extended deadline of November 3. A total of -\$3,195,000 related to estimated payments and extensions is considered deferred and the balance will net to total revenue at fiscal year-end.	
Employee WH Fees	69,524,500	21,183,000	30.5%	-\$886,000 (-4.0%)	The FY2026 budget for this revenue source was increased by 9.8% compared to FY2025 adopted budget and 8.2% compared to actual FY2025 collections. October returns report September wages with a decrease of 9.3% vs. the same period last year. September 2024 and 2025 both had four Fridays reported in October resulting in an even comparison through four months.	
Building Fees	1,065,000	425,000	39.9%	+\$37,000 (+9.5%)	The FY2026 budget decreased 22.3% vs. FY2025 adopted budget, but increased 1.1% compared to FY2025 actual collections due to planned expansions for large projects. Two of the three revenue accounts report increases through this month.	
Parks & Rec Receipts	3,082,000	1,481,000	48.1%	+\$130,000 (+9.6%)	Golf receipts are up \$75,000 and Aquatics receipts are up \$43,000 compared to last year. Cemetery collections are down \$22,000.	
Interest Earnings	542,000	1,057,000	195.0%	+\$22,000 (+2.1%)	Interest earnings include both bank balance earnings and investments and are up slightly this fiscal year.	
All Other	6,791,000	1,994,000	29.4%	-\$157,000 (-7.3%)	This category contains multiple grants including two COPS grants, two Homeland Security grants, and an EPA grant. Parks Development Fund distributions to Golf Fund and a repayment by the Fire Improvement Fund to the General Fund are also included.	
<b>Total</b>	<b>\$118,363,000</b>	<b>\$33,127,000</b>	<b>28.0%</b>	<b>-\$1,928,000 (-5.5%)</b>	Revenue collections to-date this fiscal year are less than the prior year due to slower net profit collections resulting from the IRS deadline extension and usage of prior year credits coupled with a sluggish slow start to withholding collections.	

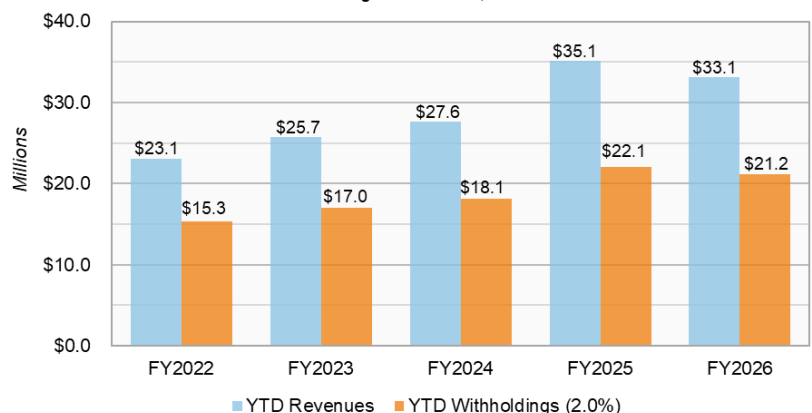
Top 4 Revenue Drivers - Actual



Property Tax Breakdown - Actual



YTD General Fund Revenue Comparison through October 31, 2025



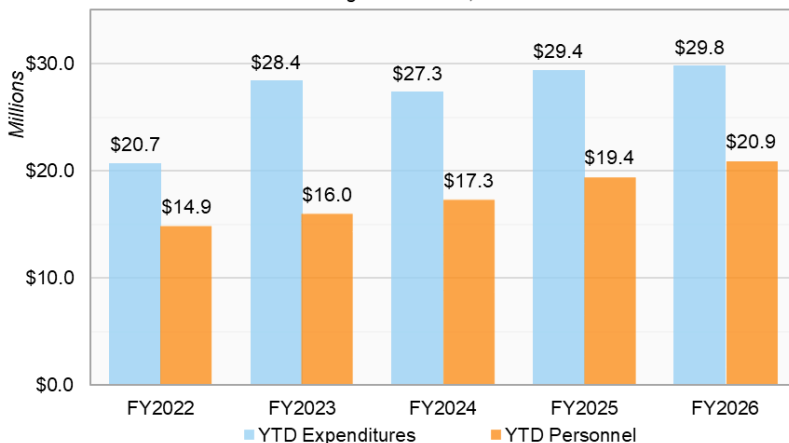
# GENERAL FUND EXPENDITURE ANALYSIS

For month ending October 31, 2025

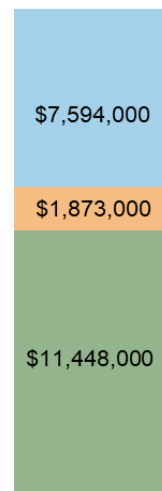
FY2025 YTD		FY2026 YTD		CHANGE (\$)	CHANGE (%)
\$29,359,000		\$29,752,000		+\$393,000	+1.3%
Expense Category	FY2026 Amended Budget	FY2026 Actual	% Expended	Change compared to 10/31/2024	Highlights
Personnel	\$71,091,000	\$20,915,000	29.4%	+\$1,493,000 (+7.7%)	Personnel costs for October were \$5,258,000 and are up when compared to last year by \$1,493,000, which is comprised of: wages (+\$808,000), overtime & recall (+\$97,000), CERS (+\$41,000), and other fringe benefits (+\$547,000). See the charts below for trending information and a breakdown of personnel expenses.
Contractuals	16,443,000	4,278,000	26.0%	+\$937,000 (+14.8%)	Contractual service costs totaled \$891,000 in October and are up compared to last year due to sinkhole repairs and Reservoir Hill Park improvements.
Supplies	4,788,000	1,471,000	30.7%	+\$370,000 (+33.7%)	Costs for the month totaled \$349,000. The year-to-date increase is due to the annual subscription and maintenance contract costs for public safety in-car and body-worn camera replacements.
Subsidies & Assistance	4,513,000	314,000	7.0%	-\$2,410,000 (-88.5%)	Subsidy payments totaled \$25,000 during October. The decrease compared to the prior year is due to TIF distribution timing of payment.
Property & Assets	764,000	109,000	14.2%	+\$27,000 (+32.4%)	Asset costs were \$11,000 this month and include the purchase and installation of six fuel tanks.
Fund Transfers	21,986,000	2,665,000	12.1%	-\$24,000 (-0.9%)	Fund transfer costs during October were \$1,190,000 and fiscal year-to-date costs are slightly lower than the prior year.
<b>Total</b>	<b>\$119,585,000</b>	<b>\$29,752,000</b>	<b>24.6%</b>	<b>+\$393,000 (+1.3%)</b>	Total expenditures for the month were \$7,724,000 and are up compared to FY2025 due to budgeted personnel expenses, sinkhole expenses, and public safety equipment costs.

\* Remaining Contingency budget as of 10/31/2025 is \$1,276,569.

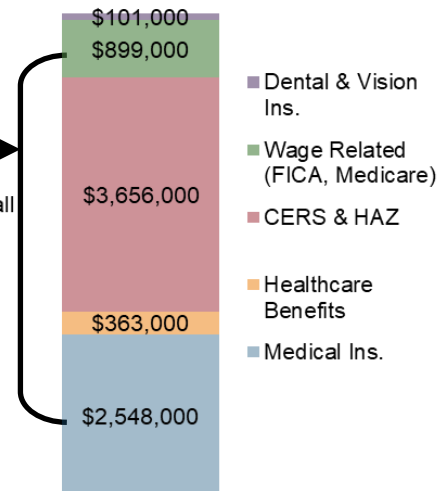
YTD General Fund Expenditure History  
through October 31, 2025



Overall Personnel Detail - Actual



Fringe Benefits Detail - Actual



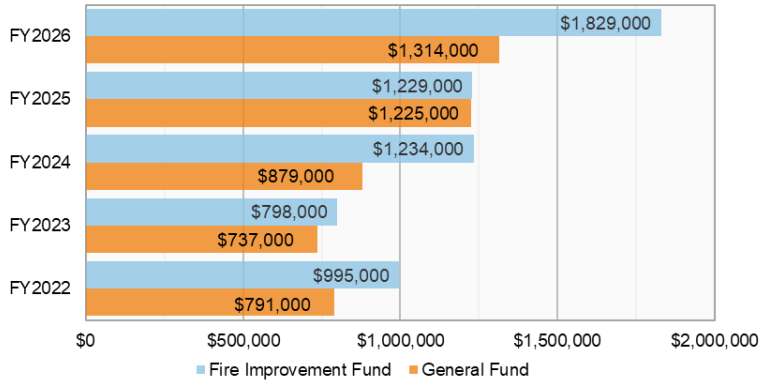
# A CLOSER LOOK

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 October. Through four months, FY2026 figures show an increase of +40.8% vs. FY2025 over the same period.

YTD Insurance Premium Tax Revenue Comparison  
through October 31, 2025



## EMPLOYEE HEALTH CARE FUND

A summary of paid claims through October 2025 and the comparison to the prior fiscal year is below:

	FY2026 YTD Expenses	Change vs. FY2025
Medical claims	\$1,905,000	-\$429,000
Prescription claims	\$328,000	-\$29,000
Dental claims	\$204,000	+\$35,000
Vision claims	\$37,000	+\$5,000
<b>Total claims</b>	<b>\$2,474,000</b>	<b>-\$418,000</b>

Total claims are down \$418,000, or -14.5%, compared to last October. Total Health Care Fund expenditures are \$3,060,000, which is down \$344,000, or -10.1%, compared to this point in FY2025. The Employee Health Care Fund budget through October is 25.6% spent.

## CAPITAL IMPROVEMENT PROGRAM

The FY2026 adopted Capital Improvement Program (CIP) totals nearly \$31,941,000, excluding debt, for all City departments with 43.6% of that amount represented by General Fund supported projects. CIP costs were redefined during the FY2026 budget process as capital related projects costing over \$40,000 with an expected useful life of at least ten years. The below chart summarizes the City's active CIP projects from both current and prior fiscal year budgets as of October 31, 2025. The FY2026 total CIP budget, remaining budget available to spend, and the percent spent by department is shown.

CIP by Department

