



# City of Bowling Green, Kentucky MONTHLY FINANCIAL MEMORANDUM

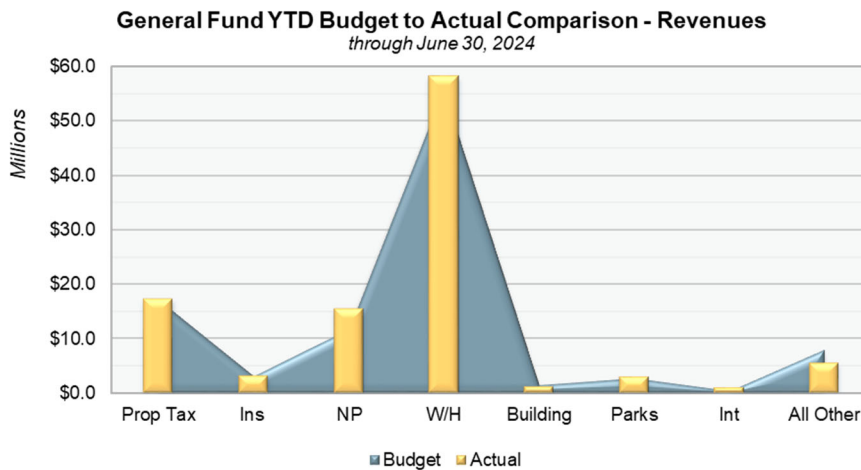
For month ending June 30, 2024 (UNAUDITED)

**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 FY2024 amended General Fund revenue budget is \$99,882,000. Through June, \$105,463,000 has been collected, or 105.6% of the amended revenue budget. The FY2024 adopted revenue budget was increased by +9.8% over the FY2023 adopted budget, aligning with new and expanded business announcements. The most significant components of the revenue budget include withholding fees, net profits, and property taxes. Insurance premiums and building fees show a negative or nominal decrease for June FY2024 vs. June FY2023. The other categories reflect increases over the prior year. Please note that approx. 3.5% of the "all other" category is composed of a net fair market value adjustment on investments. It is an "on paper" only revenue that does not constitute cash collections.



### Expenditure Highlights:

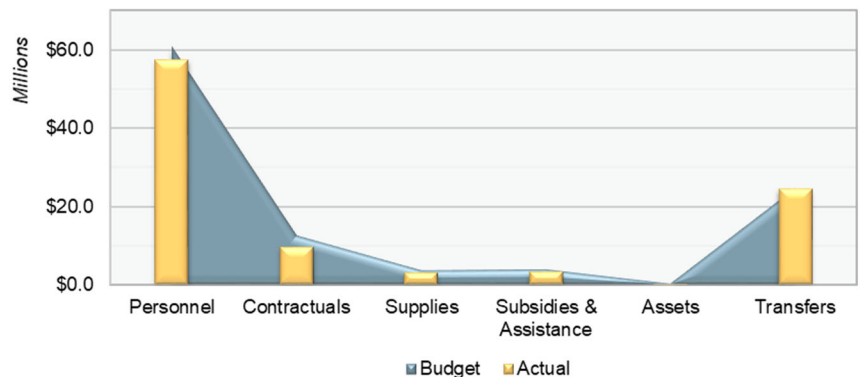
The total amended FY2024 General Fund expenditure budget is \$106,528,000, which includes carryover projects and purchase orders from the prior fiscal year and approved current year budget amendments. The FY2024 amended expenditure budget is \$3,533,000, or 3.4%, more than the FY2023 amended budget through the current month of the fiscal year. The increase in the General Fund amended budget impacts the Personnel (+14.0%), and Contractual (+0.5%) expenditure categories.

The Employee Health Care Trust Fund as a whole includes a budgetary increase of \$1,885,000, or +22.7%, 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 \$1,885,000, or 22.7%, 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

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



## FY2024 YTD

Compared to June 2023

### Total Revenues:

+ \$9,951,000  
(+10.4%)



### Wage Withholding Fees:

+ \$4,926,000  
(+9.2%)



### Total Expenses:

+ \$4,807,000  
(+5.1%)



### Personnel Expenses:

+ \$5,652,000  
(+10.9%)



COMMUNITY.  
SERVICE.  
GROWTH.

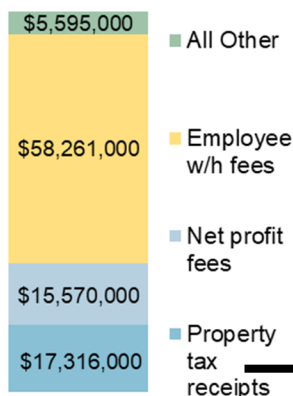
This financial report is designed to provide a general overview of the City of Bowling Green's finances. Questions or requests for information should be addressed to the Assistant City Manager/CFO at City Hall Annex, Department of Finance, 1017 College Street, Bowling Green, KY 42101; or (270)393-3000;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

# GENERAL FUND REVENUE ANALYSIS

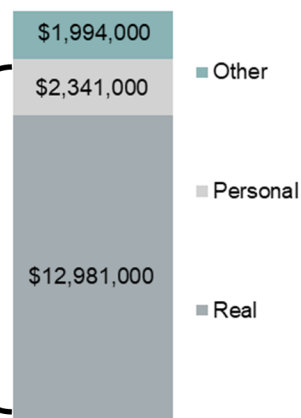
For month ending June 30, 2024 (UNAUDITED)

FY2023 YTD		FY2024 YTD		CHANGE (\$)	CHANGE (%)
\$95,512,000		\$105,463,000		+\$9,951,000	+10.4%
Revenue Category	FY2024 Amended Budget	FY2024 Actual	% Collected	Change compared to 6/30/2023	Highlights
Property Taxes	\$17,187,000	\$17,316,000	100.8%	+\$848,000 (+5.1%)	The property tax revenue source includes real and personal property, motor vehicle & boat, franchise and payments in-lieu-of taxes. 661 invoices remain unpaid from the 23k that were mailed in October. 0.5% interest will continue to be added each month until paid.
Insurance Premium Taxes	3,060,000	3,223,000	105.3%	+\$253,000 (+8.5%)	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	11,710,000	15,570,000	133.0%	+\$2,883,000 (+22.7%)	The FY2024 budget was increased 14.2% from FY2023 to match the streamlined business practices tied to the current environment. <b>With the new software, \$7.3M has been collected representing estimated payments for extensions not yet considered as true revenues. The final actual total includes these re-categorized Net Profit revenues.</b>
Employee WH Fees	55,571,000	58,261,000	104.8%	+\$4,926,000 (+9.2%)	The FY2024 budget for this revenue source was increased by +12.5% compared to FY2023 to reflect the job growth related to new and expanded business announcements. June returns showing May wages posted an increase of +20.7% vs. last June. May 2023 had four Fridays and 2024 had five Fridays reported in June, resulting in an uneven overall comparison.
Building Fees	1,400,000	1,302,000	93.0%	-\$637,000 (-32.9%)	The FY2024 budget increased +26.7% vs. FY2023 budget due to a number of large revenue generating project announcements. All three revenue accounts show decreases through June. June FY23 included a large outlier electrical permit collection.
Parks & Rec Receipts	2,631,000	3,080,000	117.1%	+\$219,000 (+7.7%)	Hobson Golf Course & Driving Range produced +\$2,000 more in collections this June vs. FY2023. Overall, Golf operating receipts are up +\$107,000 and Aquatics receipts are up +\$88,000 compared to last fiscal year. Cemetery collections are down - \$20,000.
Interest Earnings	365,000	1,116,000	305.8%	+\$780,000 (+232.1%)	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	7,958,000	5,595,000	70.3%	+\$679,000 (+13.8%)	This category contains multiple General Fund grants including two COPS grants for Police personnel, Assistance to Firefighters, Jennings Creek United Way grant, Homeland Security grant for a Cybersecurity position, an EPA grant, and Parks Development distributions to Golf and other taxes and fees. \$194K of the current collections relate to a net FMV account adjustment that does not constitute actual cash collections.
<b>Total</b>	<b>\$99,882,000</b>	<b>\$105,463,000</b>	<b>105.6%</b>	<b>+\$9,951,000 (+10.4%)</b>	The positive change for FY2024 thru June is attributable to growth with property taxes, employee withholdings, net profit fees and interest earnings representing all three largest revenue sources.

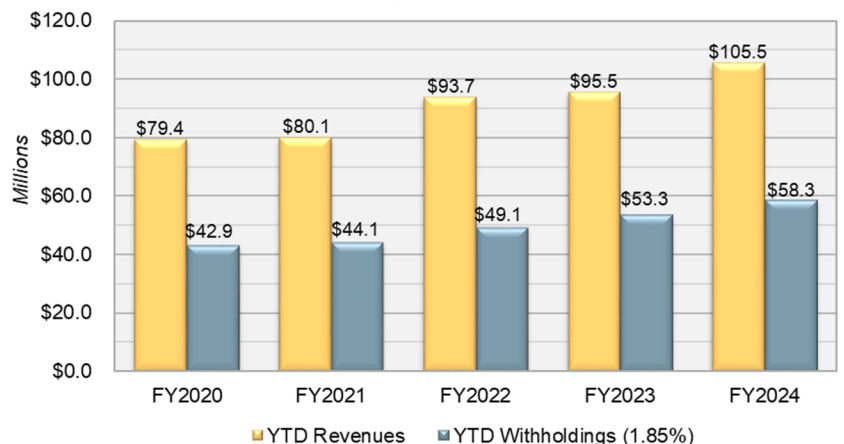
Top 4 Revenue Drivers - Actual



Property Tax Breakdown - Actual



YTD General Fund Revenue Comparison through June 30, 2024



# GENERAL FUND EXPENDITURE ANALYSIS

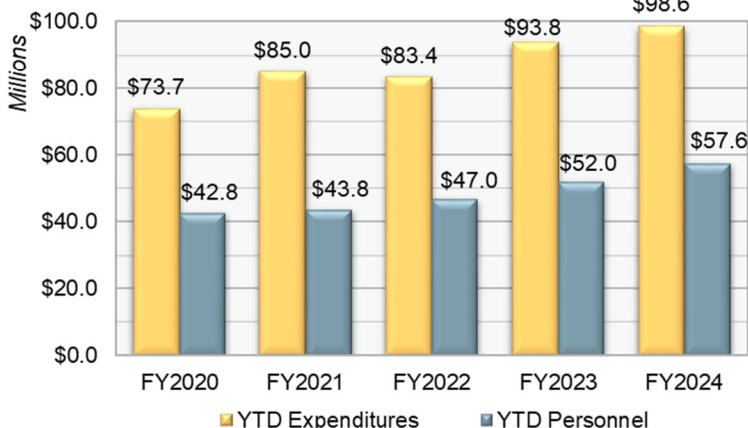
For month ending June 30, 2024 (UNAUDITED)



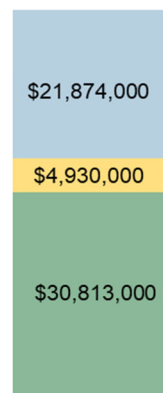
FY2023 YTD		FY2024 YTD		CHANGE (\$)	CHANGE (%)
\$93,841,000		\$98,647,000		+\$4,807,000	+5.1%
Expense Category	FY2024 Amended Budget	FY2024 Actual	% Expended	Change compared to 6/30/2023	Highlights
Personnel	\$60,724,000	\$57,617,000	94.9%	+\$5,652,000 (+10.9%)	Personnel costs for June were \$7,045,000 and are up when compared to last year by \$5,652,000, which is comprised of: wages (+\$4,005,000), overtime & recall (+\$688,000), CERS (+\$308,000), and other fringe benefits (+\$651,000). See the charts below for trending information and a breakdown of personnel expenses.
Contractuals	12,457,000	9,598,000	77.1%	-\$306,000 (-3.1%)	Contractual service costs totaled \$623,000 in June and are down slightly compared to last year due to the implementation of a new internal service fund for facilities maintenance where the majority of utility and building maintenance costs are now tracked rather than the General Fund.
Supplies	3,657,000	3,103,000	84.8%	-\$335,000 (-9.7%)	Costs for the month totaled \$411,000. The year-to-date decrease is due to savings realized in the second year of the Police Department in-car and body cameras replacement contract.
Subsidies & Assistance	3,877,000	3,505,000	90.4%	+\$355,000 (+11.2%)	Subsidy payments totaled \$95,000 during June. The increase compared to the prior year is due to the Neighborhood Reinvestment Program for exterior property improvements.
Property & Assets	259,000	151,000	58.1%	-\$202,000 (-57.2%)	Asset costs were \$15,000 this month and reflect a decrease due to property acquisitions in October 2022. Purchases this fiscal year include a personal protective equipment machine and a water quality monitoring station.
Fund Transfers	24,676,000	24,673,000	100.0%	-\$357,000 (-1.4%)	Fund transfer costs during June were \$9,379,000 and are down slightly compared to the prior year due to decreased transfers allocated during the final budget amendment.
<b>Total</b>	<b>\$105,650,000</b>	<b>\$98,647,000</b>	<b>92.6%</b>	<b>+\$4,807,000 (+5.1%)</b>	Total expenditures for the month were \$17,568,000 and are up compared to FY2023 due to budgeted increases in personnel costs and fund transfers.

\* Remaining Contingency budget as of 6/30/2024 is \$877,900.

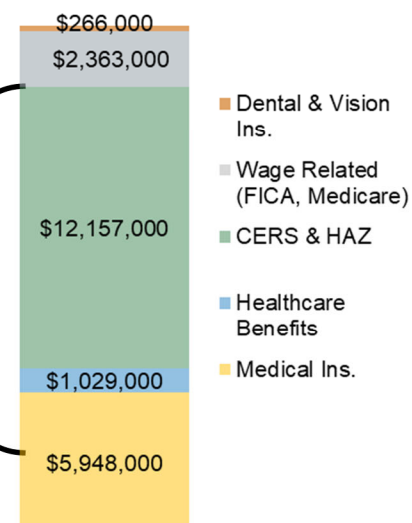
**YTD General Fund Expenditure History**  
through June 30, 2024



**Overall Personnel Detail - Actual**



**Fringe Benefits Detail - Actual**



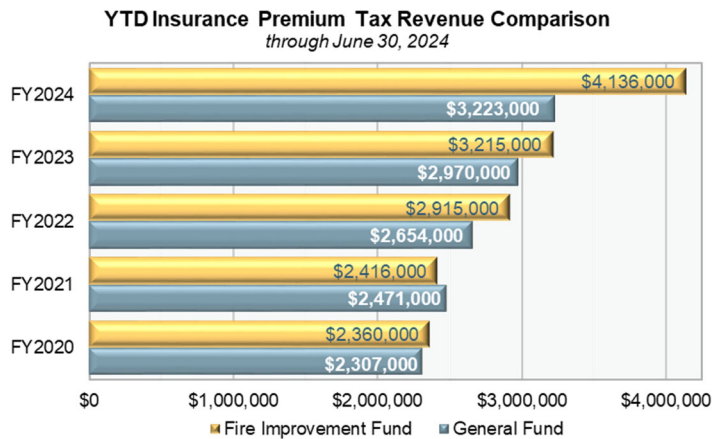


# A CLOSER LOOK

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 June. Through twelve months, FY2024 figures show an increase of +28.6% vs. FY2023 over the same period.



## EMPLOYEE HEALTH CARE FUND

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

	FY2024 YTD Expenses	Change vs. FY2023
Medical claims	\$5,521,000	+\$756,000
Prescription claims	\$938,000	+\$289,000
Dental claims	\$483,000	+\$65,000
Vision claims	\$103,000	+\$6,000
Total claims	\$7,045,000	+\$1,116,000

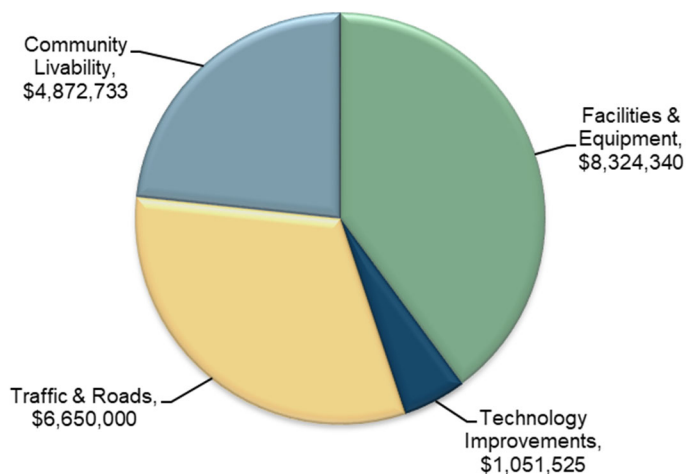
Total claims are up **\$1,116,000** or +18.8%, compared to last June. Total Health Care Fund expenditures are \$8,747,000, which is up \$1,104,000, or +14.4%, compared to this point in FY2023. The Employee Health Care Fund budget through June is 85.9% spent.

## CAPITAL IMPROVEMENT PROGRAM

The FY2024 Adopted Capital Improvement Program (CIP) totals nearly \$20,899,000, excluding debt, for all City departments with over 48% 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.

### Featured Capital Project

#### Approved FY2024 CIP



The FY2024 budget provided the final year of funding for the new fire station located in the Kentucky Transpark, which opened in April 2024. Furnishings, small equipment, and technology equipment were purchased with the additional budget.