



City of Bowling Green, Kentucky MONTHLY FINANCIAL MEMORANDUM

For month ending November 30, 2023

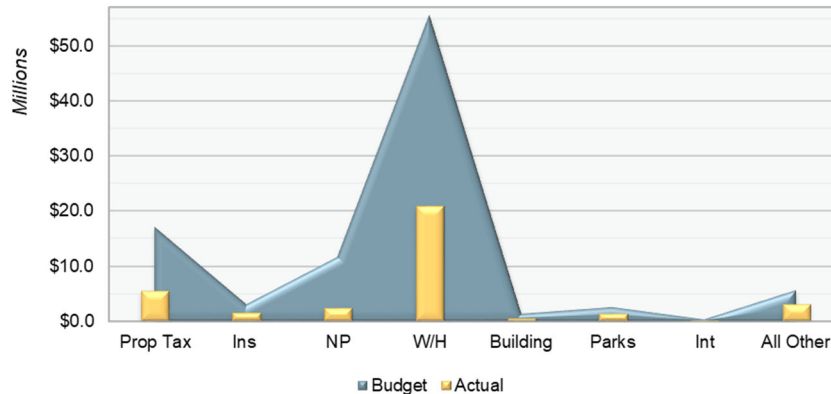
NOTE: The Monthly Financial memorandum is prepared each month and is utilized to analyze and assess the current financial condition of the City's General Fund and a few other funds. The information found in this report is drawn from the City's general ledger as of the last day of each month, and occasional 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 \$97,460,000. Through November, \$35,075,000 has been collected, or 36.0% of the amended revenue budget. The FY2024 adopted revenue budget was increased by +9.8% over the FY2023 adopted budget, aligning with new and expansion business announcements. The most significant components of the revenue budget include withholding fees, net profits, and property taxes. Property taxes, withholding fees, and building fees show a negative or nominal decrease for November FY2024 vs. November FY2023. The other categories reflect increases over the prior year. Please note that approx. 47% of the "all other" category at this point in the year is composed 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, 2023

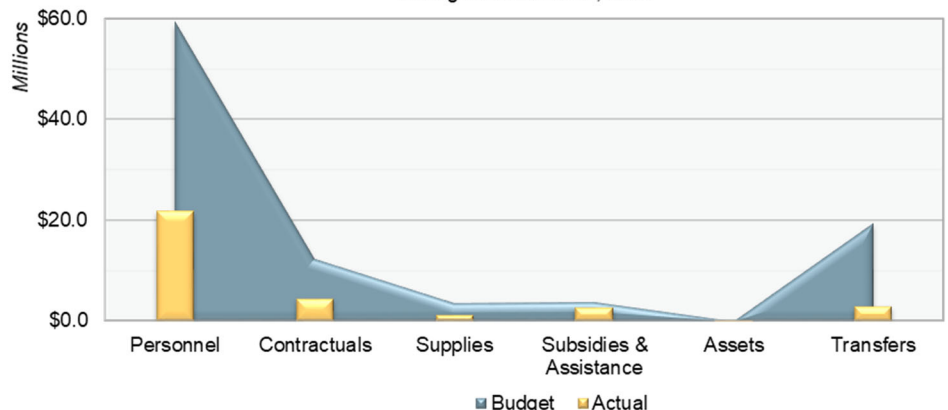


FY2024 YTD	
Compared to November 2023	
Total Revenues: +\$87,000 (+0.2%)	▲
Wage Withholding Fees: -\$1,108,000 (-5.1%)	▼
Total Expenses: -\$760,000 (-2.2%)	▼
Personnel Expenses: +\$1,868,000 (+9.4%)	▲

Expenditure Highlights:

The total amended FY2024 General Fund expenditure budget is \$100,640,000, which includes carryover projects and purchase orders from the prior fiscal year and approved current year budget amendments. The FY2024 amended expenditure budget is +\$6,697,000, or +7.1%, more than the FY2023 amended budget through the fifth month of the fiscal year. The increase in the General Fund amended budget impacts most expenditure categories, including: Personnel +10.2%, Supplies +1.6%, and Transfers +32.9%.

General Fund YTD Budget to Actual Comparison - Expenditures
through November 30, 2023



The Employee Health Care Trust Fund as a whole includes a budgetary increase of \$124,000, or +1.5%, 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 narrowly increase by \$41,000 or +0.6% 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

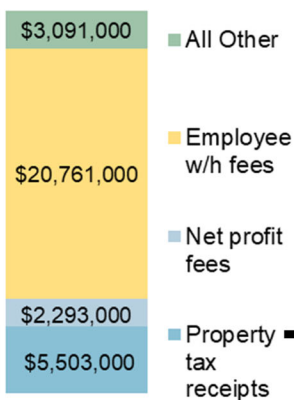
Assistant City Manager/Chief Financial Officer

GENERAL FUND REVENUE ANALYSIS

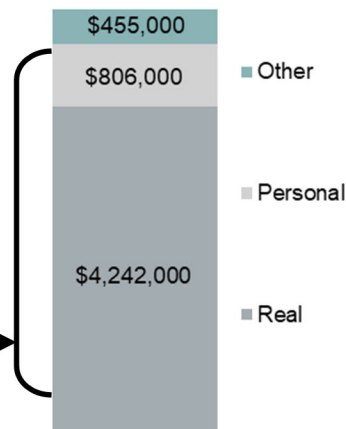
For month ending November 30, 2023

FY2023 YTD		FY2024 YTD		CHANGE (\$)	CHANGE (%)
\$34,988,000		\$35,075,000		+\$87,000	+0.2%
Revenue Category	FY2024 Amended Budget	FY2024 Actual	% Collected	Change compared to 11/30/2022	Highlights
Property Taxes	\$17,187,000	\$5,503,000	32.0%	-\$458,000 (-7.7%)	The property tax revenue source includes real and personal property, motor vehicle & boat, franchise and payments in-lieu-of taxes. The large deficit compared to FY2023 relates to the delay in Warren County property tax bills being sent out the 1st week of November, with customers waiting until they could pay both bills.
Insurance Premium Taxes	3,060,000	1,438,000	47.0%	+\$68,000 (+5.0%)	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	2,293,000	19.6%	+\$996,000 (+76.8%)	The FY2024 budget was increased 14.2% from FY2023 to match the streamlined business practices tied to the current environment. Collections through November reflect a \$309,000 increase for FY2024 vs. November FY2023. CY2022 refunds due to extensions are still being processed.
Employee WH Fees	55,571,000	20,761,000	37.4%	-\$1,108,000 (-5.1%)	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. November returns showing October wages posted a decrease of -44.7% vs. last October. October 2022 and 2023 had four Fridays reported in November, resulting in an even overall comparison. The large month over month decrease is due to timing of collections.
Building Fees	1,400,000	490,000	35.0%	-\$5,000 (-1.0%)	The FY2024 budget increased +26.7% vs. FY2023 budget due to a number of large revenue generating project announcements. Two out of three revenue accounts show increases through November.
Parks & Rec Receipts	2,614,000	1,337,000	51.1%	+\$73,000 (+5.8%)	Hobson Golf Course & Driving Range produced +\$2,000 in collections this November vs. FY2023. Overall, Golf operating receipts are up +\$64,000 and Aquatics receipts are up +\$16,000 compared to last fiscal year. Cemetery collections are down -\$33,000.
Interest Earnings	365,000	162,000	44.4%	+\$55,000 (+51.4%)	Interest earnings include both bank balance earnings and investments.
All Other	5,553,000	3,091,000	55.7%	+\$466,000 (+17.8%)	This category contains multiple General Fund grants including COPS for Police personnel, Assistance to Firefighters, Jennings Creek United Way grant, Homeland Security grant for a Cybersecurity position, Parks Development distributions to Golf and other taxes and fees. \$1.45M of the current collections relate to a FMV account reversal adjustment that does not constitute actual cash collections.
Total	\$97,460,000	\$35,075,000	36.0%	+\$87,000 (+0.2%)	The positive change for FY2024 thru November is attributable to growth with net profits representing one of the top three largest revenue sources along with the all other category representing a FMV adjustment.

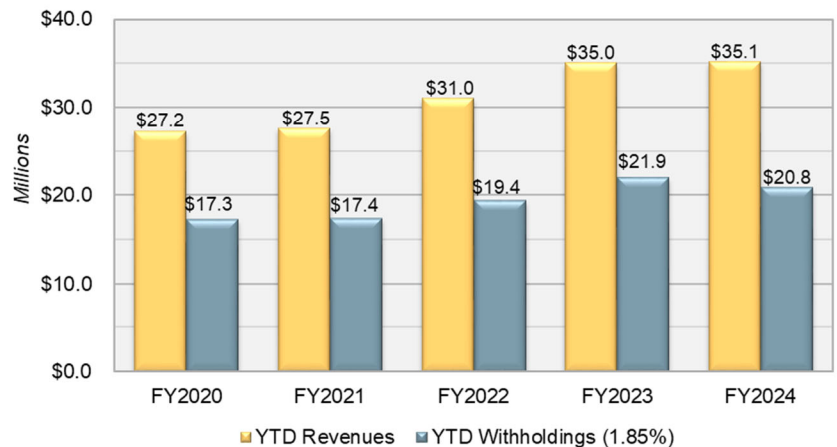
Top 4 Revenue Drivers - Actual



Property Tax Breakdown - Actual



YTD General Fund Revenue Comparison through November 30, 2023



GENERAL FUND EXPENDITURE ANALYSIS

For month ending November 30, 2023

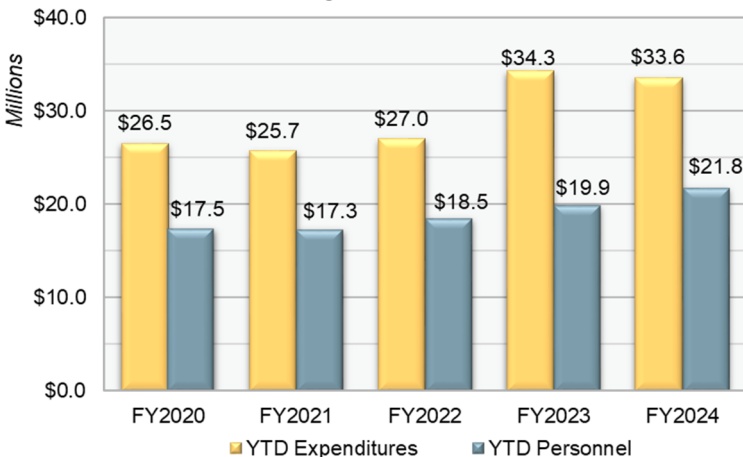


FY2023 YTD	FY2024 YTD	CHANGE (\$)	CHANGE (%)
\$34,312,000	\$33,552,000	-\$760,000	-2.2%

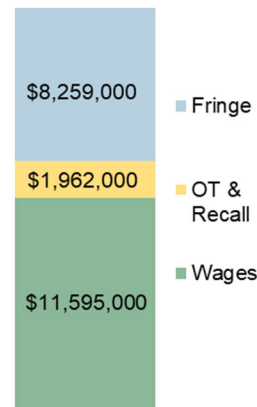
Expense Category	FY2024 Amended Budget	FY2024 Actual	% Expended	Change compared to 11/30/2022	Highlights
Personnel	\$59,526,000	\$21,816,000	36.6%	+\$1,868,000 (+9.4%)	Personnel costs for November were \$4,514,000 and are up when compared to last year by \$1,868,000, which is comprised of: wages (+\$1,381,000), overtime & recall (+\$218,000), CERS (+\$69,000), and other fringe benefits (+\$200,000). See the charts below for trending information and a breakdown of personnel expenses.
Contractuals	12,462,000	4,451,000	35.7%	+\$243,000 (+5.8%)	Contractual service costs totaled \$1,183,000 in November and are up compared to last year at this point due to increased fleet costs, pool bottom repair costs at Russell Sims Aquatic Center, and energy efficiency improvements at various city facilities.
Supplies	3,647,000	1,281,000	35.1%	-\$172,000 (-11.8%)	Costs for the month totaled \$154,000. 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	3,849,000	2,870,000	74.6%	-\$2,905,000 (-50.3%)	Subsidy payments totaled \$232,000 during November. The decrease is due to the one-time payment last October to the ITA for property acquisition costs to expand the Kentucky Transpark.
Property & Assets	148,000	46,000	31.0%	-\$236,000 (-83.7%)	Asset costs were \$0 this month and reflect a decrease due to property acquisitions last October. Purchases this fiscal year include a personal protective equipment machine and a water quality monitoring station.
Fund Transfers	19,631,000	3,088,000	15.7%	+\$442,000 (+16.7%)	Fund transfer costs during November were \$0 and are up compared to the prior year due to funding for the newly created Facilities Maintenance Internal Service Fund.
Total	\$99,263,000	\$33,552,000	33.3%	-\$760,000 (-2.2%)	Total expenditures for the month were \$6,083,000 and are down compared to FY2023 due to one-time expenses posted last October for the Kentucky Transpark and City property acquisitions.

* Remaining Contingency budget as of 11/30/2023 is \$1,376,908.

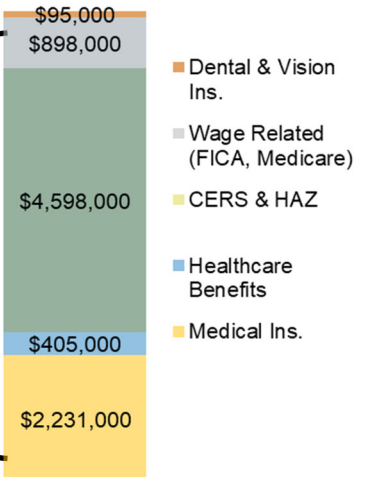
YTD General Fund Expenditure History
through November 30, 2023



Overall Personnel Detail - Actual



Fringe Benefits Detail - Actual





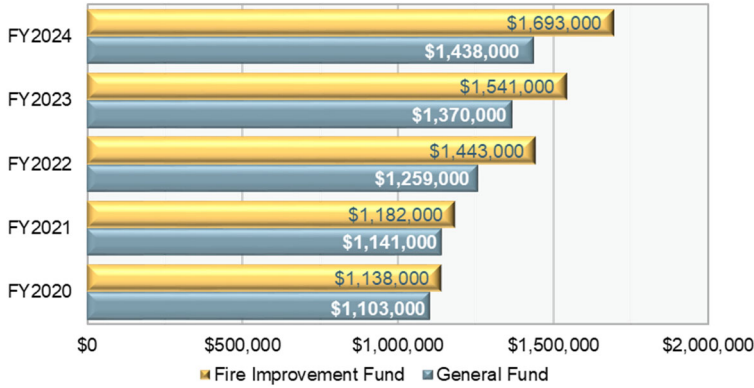
A CLOSER LOOK

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 November. Through five months, FY2024 figures show an increase of +9.9% vs. FY2023 over the same period.

YTD Insurance Premium Tax Revenue Comparison
through November 30, 2023



EMPLOYEE HEALTH CARE FUND

A summary of FY2024 paid claims through November 30, 2023, and the comparison to the prior fiscal year is below:

	FY2024 YTD Expenses	Change vs. FY2023
Medical claims	\$3,336,000	+\$1,907,000
Prescription claims	\$388,000	+\$206,000
Dental claims	\$189,000	+\$22,000
Vision claims	\$39,000	+\$7,000
Total claims	\$3,952,000	+\$2,142,000

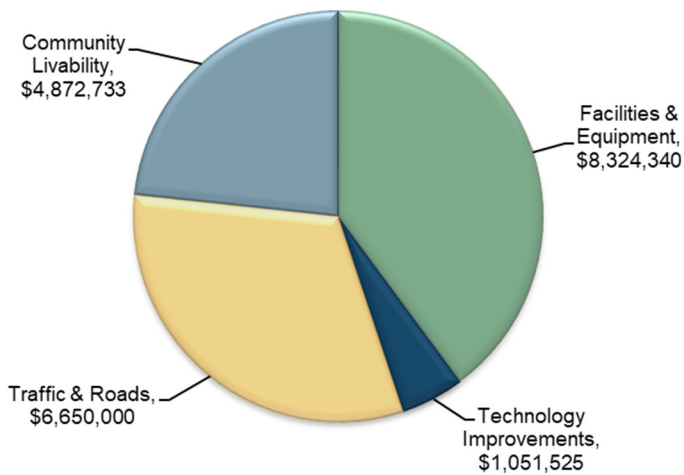
Total claims are up **\$2,142,000** or +118.3%, compared to last November. Total Health Care Fund expenditures are \$4,431,000, which is up \$2,026,000, or +84.2%, compared to this point in FY2023. The Employee Health Care Fund budget through November is 52.2% spent.

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 Parks and Recreation Department has identified several public parking lots located within parks that are in need of repair. The Department is committed to improving at least one each budget year and in FY2023 funding totaling \$149,600 was provided for the Lampkin Park and Bowling Green Community Center lots.