



The City of Owensboro, Kentucky

OBKY Community Report



Popular Annual Financial Report

For the Fiscal Year Ending June 30, 2018



Dear City Residents,

We are pleased to present City of Owensboro's first Popular Annual Financial Report (PAFR) for the year ended June 30, 2018, also referred to as fiscal year (FY) 2018.

This report is designed to provide a summary view of the City's financial position and activities that is more easily understood. The information in this report is based on the City's FY 2018 Comprehensive Annual Financial Report (CAFR) which represents the City's official audited financial statements and conforms to the Generally Accepted Accounting Principles (GAAP). All information in this report can be found in greater detail in the CAFR, which is available on the City's website at www.owensboro.org.

I hope upon reading this report, you will have greater insight into the City. If you have any questions or comments regarding information in this document, or any city financial report, please contact the Finance Department at 270-687-8534.

Respectfully,

Nate Pagan, City Manager

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Elected Officials & Administrative Staff



Mayor Tom Watson



Mayor Pro Tem Bob Glenn



Commissioner Pam Smith-Wright



Commissioner Larry Conder



Commissioner Jay Velotta

Administrative Staff

City Manager - Nate Pagan

Assistant City Manager - Lelan Hancock

City Attorney - Steve Lynn

City Clerk - Beth Cecil

Finance & Support Services Director - Angela Hamric

Police Chief - Art Ealum

Fire Chief - Steve Mitchell

Public Works Director - Wayne Shelton

Parks & Recreation Director - Amanda Rogers

Community Development Director - Abby Shelton

Public Events Director - Tim Ross

City Profile

Owensboro, originally known as Yellow Banks (due to the color of the soil along the Ohio River banks), was first settled in 1797. An 1817 Act of the Kentucky Legislature incorporated the town as “Owensborough,” later shortened to “Owensboro.” Owensboro ranks as Kentucky’s fourth largest city in terms of population and is the industrial and cultural capital of western Kentucky.

Owensboro is the county seat of Daviess County and lies on the southern banks of the Ohio River, one of the nation’s major waterways. Owensboro is located 32 miles southeast of Evansville, Indiana, 123 miles north of Nashville, Tennessee and 109 miles southwest of Louisville, Kentucky.

Owensboro operates under a City Manager form of government. The Board of Commissioners includes our Mayor and four Commissioners. Citizens elect the Commissioners at large on a non-partisan ballot. The Mayor is elected for a four-year term and the Commissioners for a two-year term. The Mayor and Commissioners have equal voting power. The Commission set the policies that govern the City. The City Manager is appointed by the Board of Commissioners and is responsible for the day-to-day operations of the City.

Owensboro Municipal Utilities and Owensboro Riverport Authority are both municipally owned. As such, they are included in the City’s Comprehensive Annual Financial Report (CAFR).



Commission Meetings - Dates and Times

Commission meetings are held the first and third Tuesday of each month at 5pm.

Work session meetings are the second Tuesday of each month at 12noon.

The location for all meetings is at City Hall, 101 E. 4th Street, Owensboro KY in the commission chambers on the fourth floor.

Our commission meetings and work sessions are broadcast live at the following venues:

www.owensboro.org



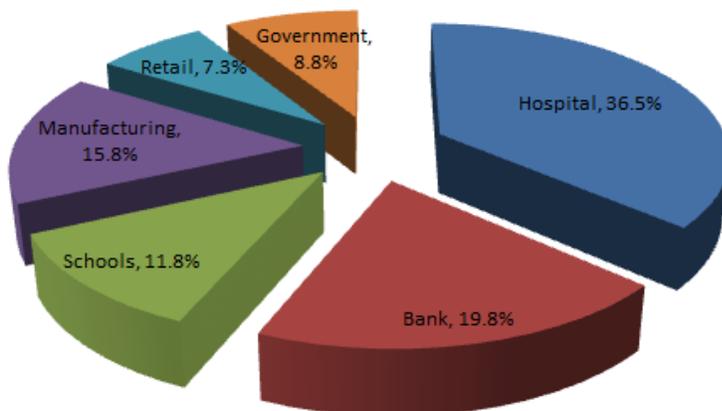
City information can be found at the following social media outlets:



Top 10 Employers

| <u>Employer</u> | <u>2018</u> | | |
|---|------------------|-------------|--|
| | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total City Employment</u> |
| Owensboro Health | 3,606 | 1 | 9.57% |
| US Bank Home Mortgage | 1,950 | 2 | 5.18% |
| Owensboro Public Schools | 767 | 3 | 2.04% |
| Toyotetsu Mid-America | 723 | 4 | 1.92% |
| Wal-Mart/Sam's Club | 718 | 5 | 1.91% |
| Glenmore Distilleries | 444 | 6 | 1.18% |
| Audubon Area Community Svcs | 441 | 7 | 1.17% |
| City of Owensboro | 429 | 8 | 1.14% |
| Owensboro Community & Technical College | 391 | 9 | 1.04% |
| Unifirst | 386 | 10 | 1.02% |
| Total | 9,855 | | 26.16% |

Source: Economic Development Corporation



CITY FACTS

POPULATION: 59,404

PUBLIC SAFETY:

POLICE PROTECTION:

Police Stations 1
 Police Substations 2
 Police Officers 107

FIRE PROTECTION:

Fire Stations 5
 Firefighters 99

PHYSICAL:

Land Area (Square Miles) 20.86
 Miles of Streets 250.30
 Miles of Sidewalks 231.69

CITY PUBLIC SCHOOLS:

Elementary Schools 5
 Middle Schools 1
 High Schools 1
 Preschools 1

PARKS & RECREATION:

Parks 24
 Acres of Parkland 960
 Swimming Pools 2
 Tennis Courts 36
 Golf Courses 3
 Ice Arena 1
 Recreation Center 1
 Softball Complex 1
 Ball Diamonds 14
 Youth Football/Soccer Fields 15
 Basketball Courts 11
 Sports Arena 1

CULTURE:

Convention Center 1
 Performing Arts Center 1
 Senior Center 1
 Museums 3

MUNICIPAL UTILITY:

Water Utility
 Users 24,999
 Annual Consumption (mil) 4,562
Electric Utility
 Street Lights 9,459
 Traffic Signals 123

TRANSIT:

Routes 9
 - 8 serviced by city buses
 - 1 serviced by city trolley

General Fund

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law, ordinance, or contractual agreement to another fund are accounted for in this fund. From this fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

The City has 22 other funds, as follows:

- ◇ Debt Service Fund
- ◇ Community Development Fund
- ◇ Downtown Revitalization Fund
- ◇ Drug and Property Recovery Fund
- ◇ Economic Development Fund
- ◇ 911 Dispatch Fund
- ◇ Capital Improvements Fund
- ◇ Sanitation Fund
- ◇ Transit Fund
- ◇ Geographic Information System Fund (GIS)
- ◇ Convention Center Operations Fund
- ◇ Recreation Fund
- ◇ Sportscenter Operations Fund
- ◇ Facilities Maintenance Fund
- ◇ Insurance Fund
- ◇ Garage Service Fund
- ◇ Fleet and Facilities Fund
- ◇ City Employees' Pension Fund (Closed)
- ◇ Police and Fire Pension Fund (Closed)
- ◇ Investment Trust Fund
- ◇ Agency Fund
- ◇ Your Community Vision Fund

For more information on these funds, see the City's CAFR at owensboro.org

GENERAL FUND

Statement of Revenues, Expenditures & Changes in Fund Balance

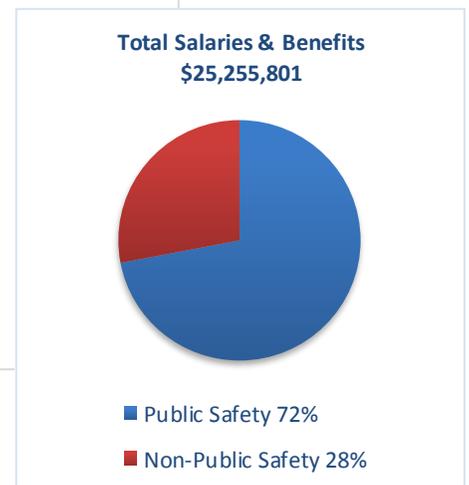
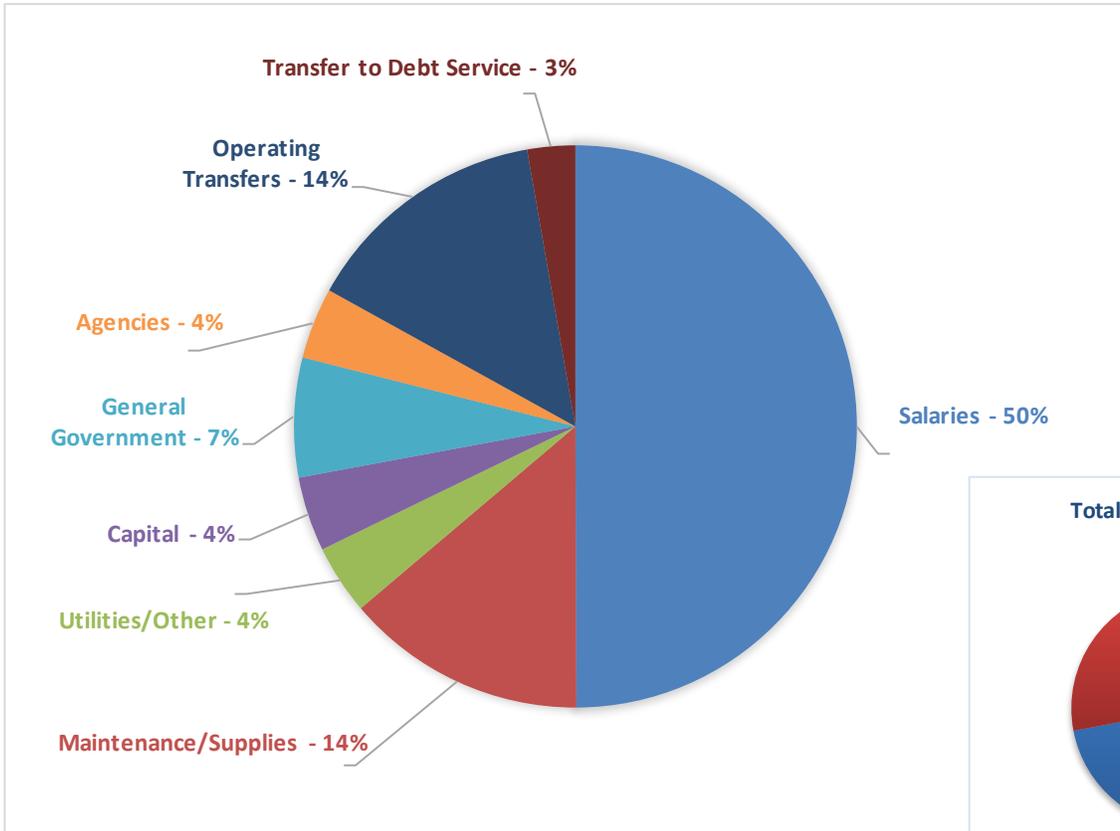
(page 26 in FY2017 and FY2018 CAFR)

| REVENUES | FY 2017 | FY 2018 |
|--|---------------------|----------------------|
| Property Taxes | \$ 10,473,857 | \$ 10,745,254 |
| Payroll Withholding Taxes | 12,905,428 | 17,910,674 |
| Net Profit Taxes | 2,891,070 | 3,364,726 |
| Insurance Premium Taxes | 4,176,873 | 4,416,879 |
| Charges for Services | 868,669 | 893,439 |
| Dividends from OMU/Owensboro Riverport Authority | 7,277,149 | 7,647,203 |
| Payments in Lieu Of Taxes (PILOT) | 2,670,618 | 2,596,009 |
| Regulatory Taxes (Atmos, Kenergy, Spectrum) | 997,599 | 1,056,778 |
| Intergovernmental Revenues | 2,251,415 | 2,264,413 |
| Investment Earnings | 152,314 | 228,750 |
| Fees, Licenses and Permits | 463,732 | 519,826 |
| Miscellaneous | 1,392,520 | 1,240,708 |
| Total Revenues | 46,521,244 | 52,884,659 |
| EXPENDITURES | | |
| General Government | 11,116,289 | 9,883,192 |
| Public Safety | 19,934,856 | 21,799,307 |
| Public Works | 4,306,598 | 5,240,255 |
| Community and Cultural | 5,294,753 | 5,532,297 |
| Community/Economic Development | 174,541 | 184,063 |
| Capital Outlay | 12,935 | 204,293 |
| Total Expenditures | 40,839,972 | 42,843,407 |
| Excess of Revenues Over Expenditures | 5,681,272 | 10,041,252 |
| OTHER FINANCING SOURCES (USES) | | |
| Sale of Capital Assets | 212,083 | 13,507 |
| Transfers In | 360,681 | 30,000 |
| Transfers Out | (6,680,781) | (7,724,805) |
| Net Change in Fund Balance | (426,745) | 2,359,954 |
| FUND BALANCE - BEGINNING | 9,331,694 | 8,904,949 |
| FUND BALANCE - ENDING | \$ 8,904,949 | \$ 11,264,903 |

GENERAL FUND

General Fund Expenditures by Expense Type \$50,568,212

FY2018



For more detail on operating transfers and agencies see page 7.



Tax Rates

| | | |
|-----------------------|----------|-------|
| Payroll Withholding | | 1.78% |
| Net Profit Tax | | 1.78% |
| Insurance Premium Tax | | 8.00% |
| Property Tax: | Real | .2620 |
| | Personal | .2530 |

The property tax rates reflected above are applied to each \$100 of assessed value that is determined by a combination of the State and County Property Valuation Administrator (PVA). By example, a house that is assessed at \$100,000 would have a city property tax of \$262.

Agency Funding

| ARTS | | FY2018 |
|---------------------------------------|----|---------------|
| Black Expo | \$ | 2,571 |
| Bluegrass Music Hall of Fame & Museum | | 92,303 |
| Friday after Five | | 22,458 |
| Museum of Fine Arts | | 144,040 |
| Museum of Science and History | | 154,911 |
| Owensboro Dance Theatre | | 10,248 |
| Owensboro Symphony Orchestra | | 114,823 |
| RiverPark Center | | 164,285 |
| Theatre Workshop | | 33,042 |
| Western Kentucky Botanical Gardens | \$ | 22,500 |

| SOCIAL SERVICES | | |
|-------------------------|----|---------|
| Elizabeth Munday Center | \$ | 89,236 |
| Hager Foundation | | 4,486 |
| United Way | \$ | 312,318 |

| GOVERNMENT SERVICES | | |
|----------------------------|----|---------|
| Airport | \$ | 192,458 |
| GRADD | | 88,140 |
| Human Relations | | 71,393 |
| ODC Veterans Affairs | | 5,000 |
| Planning & Zoning (OMPC) | | 236,411 |
| Sister Cities | \$ | 8,164 |

Agencies partially funded by the City's General Fund submit annual applications for their funding requests.

Operating Transfers

| | | FY2018 |
|-------------------------------------|----|---------------|
| 911 Dispatch Fund | \$ | 2,243,466 |
| Convention Center Operations Fund | | 834,614 |
| Sportscenter Operations Fund | | 333,549 |
| Capital Improvements Fund | | 65,000 |
| Your Community Vision Fund | | 745,000 |
| Transit Fund | | 903,240 |
| Recreational Fund | | 1,080,217 |
| GIS Fund | | 106,994 |
| Police & Fire Pension Fund (Closed) | \$ | 850,000 |

The above Operating Transfers from the General Fund to the listed funds are made to assist in the operations of each fund, either by ordinance, agreement or by need.



Staffing by Department

| <u>Department</u> | <u>Full Time</u> | <u>Non-Full Time</u> |
|------------------------|------------------|----------------------|
| Administration | 9.0 | 10.0 |
| Community Development | 1.0 | 0.0 |
| Information Technology | 15.0 | 2.0 |
| Finance | 17.0 | 5.0 |
| Human Resources | 5.0 | 2.0 |
| Parks/Recreation | 14.0 | 161.0 |
| Police | 121.0 | 14.0 |
| 911 Dispatch | 30.0 | 8.0 |
| Fire | 100.0 | 2.0 |
| Property Maintenance | 1.7 | 0.8 |
| Engineering | 10.3 | 5.0 |
| Street | 17.6 | 0.0 |
| Facilities Maintenance | 24.6 | 0.0 |
| Garage | 8.1 | 0.0 |
| Sanitation | 28.8 | 1.2 |
| Stormwater | 3.0 | 0.0 |
| Transit | 23.0 | 19.0 |
| Total City | 429.1 | 230.0 |





Accolades

Great River Cup (2018) – Presented by Site Selection Magazine, this award is based on analysis of per-capita metro-area corporate facility location and expansion activity along the entire Ohio River Corridor. Although they have performed this analysis of the corridor for many years, this is only the second time a trophy has been presented.

Best Places to Work in Manufacturing (2017) – Based on manufacturing as a percent of workforce, job growth, income growth, and income after housing, in 2017 Owensboro ranked 17th in the best places to work in manufacturing by SmartAsset.

11 City of Millennial Home Buyers (2017) – According to Ellie Mae, a mortgage data firm, Millennials make up 48% of home buyers in Owensboro, as reported by USA Today.

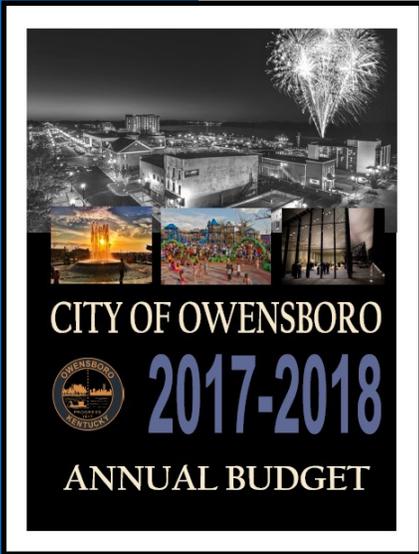
2016 Best-Performing Cities – The 2016 Milken Institute Best-Performing Cities index ranks U.S. metropolitan areas by how well they are creating and sustaining jobs and economic growth. The components include job, wage and salary, and technology growth. In most years, these give good indication of the underlying structural performance of regional economics.

Top 100 Best Small Cities in the Nation (2015) – NerdWallet crunched the numbers to find the best small cities in America – places that hit the mark in three key areas: economic health, affordability and quality of life.

#1 Playground in the World (2015) – Smothers Park Lazy Dayz was ranked No. 1 in the world by Landscape Architects Network, an international website that specializes in landscape architecture.

2013 All-America City Award – The City of Owensboro was named as one of ten winners of the 2013 All-America City Awards, an honor given each year to towns, cities, counties, neighborhoods and metropolitan regions for outstanding civic achievement.

Awards



Distinguished Budget Presentation Award

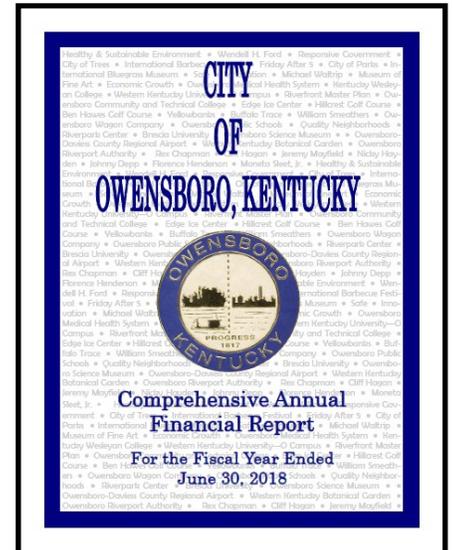
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Owensboro, Kentucky, for its annual budget for the fiscal year beginning July 1, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. The City of Owensboro has received this award 18 times.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Certificate of Achievement for Excellence in Financial Reporting Award to the City of Owensboro, Kentucky, for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. The City of Owensboro has received this award 37 times.



**Lazy Dayz
Ranked #1
Playground
in the
World.**



City Contact Information

City Hall

101 E 4th Street

Owensboro, KY 42303

CityAction - 270-687-4444

Community Development - 270-687-8658

Engineering Department - 270-687-8641

Finance - 270-687-8523

Tax Department - 270-687-5600

Fire Department - 270-687-8408

Human Resources - 270-687-8540

Parks & Recreation - 270-687-8700

Police Department

Emergency dial - 911

Non-Emergency - 270-687-8888

Purchasing Department - 270-687-8431

Sanitation Department - 270-687-8760

Special Events/PR - 270-687-8702

Street & Stormwater - 270-687-8680

Transit Department - 270-687-8570



Other Key Information:

Owensboro - Daviess County Regional Airport

2200 Airport Road

Owensboro, KY 42301

270-685-4179

Owensboro Health Regional Hospital

1201 Pleasant Valley Road

Owensboro, KY 42303

270-417-2000

Owensboro Municipal Utilities

2070 Tamarack Road

Owensboro, KY 42301

270-926-3200

Owensboro Riverport Authority

2300 Harbor Road

Owensboro, KY 42301

2720-926-4238

PVA– Property Valuation Office

212 St. Ann Street

Owensboro, KY 42303

270-685-8474

Cultural Services

Riverpark Center – 270-687-2770

Convention Center – 270-687-8800

Bluegrass Music Museum & Hall of Fame – 270-926-7891

Museum of Science & History – 270-687-2732

Museum of Fine Arts – 270-685-3181

City Website - www.owensboro.org



Smothers Park



Edge Ice Arena



Jack C. Fisher Softball Complex



Friday After 5 at the Riverpark Center



Legion Park Spraypark

For a complete copy of the [City Budget](#) or [CAFR](#)
go to www.owensboro.org



101 East 4th Street
Owensboro, KY 42303
Phone: 270-687-4444
www.owensboro.org

City of Owensboro Mission Statement

The goals of the City Owensboro are:

To provide first-class public safety;

To improve the efficiency and effectiveness of government services;

To promote economic development;

To enhance neighborhood quality and values; and

To provide appropriate community facilities.