

City of Evansville
Controller's Office
Room 300, 1 NW Martin Luther King Jr., Blvd.
Evansville, IN 47708
(812) 436-4919

MEMORANDUM

To: Honorable Members of Common Council - City of Evansville
From: Robert Gunter CPA, Controller
Date: May 7, 2025
Subject: April 2025 (Four Months) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for April 30, 2025. This covers the first four months of Calendar 2025 subject to any changes after the month-end accounting closes. The first table lists cash and investment balances for selected funds on April 30, 2025, and April 30, 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
4/30/2025		Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	4/30/2025	4/30/2024	4/30/2025	2025 vs 2024
1101	General Fund	\$ 18,100,060	\$ 21,205,670	\$ (3,105,610)	-14.6%
1176	American Rescue Plan Fund	19,327,884	30,459,496	(11,131,612)	-36.5%
2201	Motor Vehicle Highway Fund	2,195,930	2,539,478	(343,548)	-13.5%
2202	Local Roads & Streets Fund	6,843,768	8,669,912	(1,826,144)	-21.1%
2203	Motor Veh. Hwy. Fd - Restrict	6,160,482	4,510,219	1,650,263	36.6%
2204	Parks and Recreation Fund	2,745,172	1,474,122	1,271,050	86.2%
2236	Rainy Day Fund	3,427,861	3,306,155	121,706	3.7%
2240	Local Income Tax - Public Saf	4,315,956	2,120,245	2,195,711	103.6%
4437	Casino Gaming Capital Fund	26,766,687	24,877,445	1,889,242	7.6%
4445	Jacobsville TIF Fund	4,398,840	3,414,381	984,459	28.8%
4446	Downtown Master TIF	3,591,271	460,868	3,130,403	679.2%
6101	Water Utility Operating Fund	27,467,436	18,352,212	9,115,224	49.7%
6201	Sewer Utility Operating Fund	57,681,156	35,668,763	22,012,393	61.7%
7704	Hospitalization Insurance Fun	2,351,379	(1,031,014)	3,382,393	N/A
8801	Fire Pension Fund	2,890,091	2,868,387	21,704	0.8%
8802	Police Pension Fund	3,249,562	3,170,346	79,216	2.5%
	TOTAL SELECTED FUNDS	\$ 191,513,535	\$ 162,066,685	\$ 29,446,850	18.2%

The overall cash and investments for these selected accounts increased nearly \$29.5 million or 18.2% compared to April 2024. The largest dollar variances were with the Water Utility

Operating Fund, which was up \$9.1 million or 49.7%, Sewer Utility Operating Fund which was up \$22 million or 61.7%, and the American Rescue Plan (ARPA) with an \$11.1 million/36.5% decrease. The City is required to have the ARPA funds spent by December 31, 2026. So, to meet grant requirements, over the next 20 months, we should see further decreases in the fund. Reflected below are the selected funds without the Water Utility Operating, Sewer Utility Operating, and the ARPA Funds. Net of those three funds, the cash and investments for the selected funds increased nearly \$9.5 million or 12.2% over April 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
4/30/2025	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	4/30/2025	4/30/2024	4/30/2025	2025 vs 2024
1101	General Fund	\$ 18,100,060	\$ 21,205,670	\$ (3,105,610)	-14.6%
2201	Motor Vehicle Highway Fund	2,195,930	2,539,478	(343,548)	-13.5%
2202	Local Roads & Streets Fund	6,843,768	8,669,912	(1,826,144)	-21.1%
2203	Motor Veh. Hwy. Fd - Restrict	6,160,482	4,510,219	1,650,263	36.6%
2204	Parks and Recreation Fund	2,745,172	1,474,122	1,271,050	86.2%
2236	Rainy Day Fund	3,427,861	3,306,155	121,706	3.7%
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4437	Casino Gaming Capital Fund	26,766,687	24,877,445	1,889,242	7.6%
4445	Jacobsville TIF Fund	4,398,840	3,414,381	984,459	28.8%
4446	Downtown Master TIF	3,591,271	460,868	3,130,403	679.2%
7704	Hospitalization Insurance Fund	2,351,379	(1,031,014)	3,382,393	N/A
8801	Fire Pension Fund	2,890,091	2,868,387	21,704	0.8%
8802	Police Pension Fund	3,249,562	3,170,346	79,216	2.5%
	TOTAL SELECTED FUNDS	\$ 87,037,059	\$ 77,586,214	\$ 9,450,845	12.2%

The General Fund's cash/investments decreased \$3.1 million or 14.6% from the prior. There are a few items to note. 2025 includes the new \$1.15 million payment on the 2024B bonds for the 5th and Main parking garage. We have paid an additional \$1.4 million in health insurance premiums on behalf of the Fire and Police employees. As you will note, Fund 7704: Health Insurance Fund has a balance of nearly \$2.4 million and an increase of nearly \$3.4 million from this time last year. Having sufficient funds has enabled us to pay the third-party administrator on time. Finally, \$1.4 million was paid in additional salaries, with most of the increase due to the cost-of-living increases per the new union contracts. As in prior years, until the General Fund receives its May and December property tax distributions, the fund will see decreases in cash and investments.

The General Fund's \$18.1 million in cash and investments as of March 31, 2025, equates to 1.6 months of operating funds when compared to the revised 2025 operating budget of \$140.2 million. Our goal is to maintain reserves of at least 3 months' operating expenditures. The Casino Fund continues to see monthly increases. Compared to April 2024, the cash and investments have increased nearly \$1.9 million or 7.6%.

As mentioned above, the Health Insurance Fund's cash had a \$3.4 million increase compared to the prior year. We continue to be current on all our outstanding invoices to Central States insurance for teamsters and KBA for everyone else. Total health care expenses increased by over \$1.5 million or 24.8%; however, employer contributions increased by over \$3 million or 34.4%. Claims have increased \$1.5 million or 43.2% over 2024; however, they are down \$4.9 million from 2023. Expense for teamsters' insurance was up 5.6% or \$113,533 over the prior year.

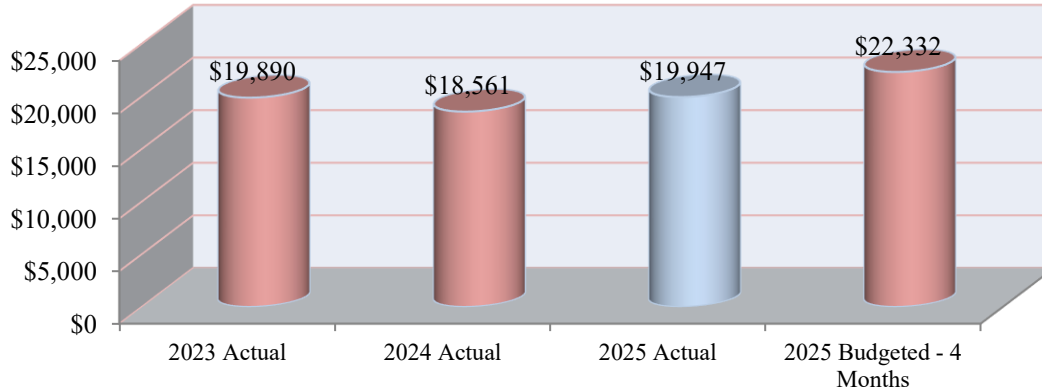
To start the year, we set the contribution rate for non-bargaining at \$1,227 per pay period and set the allocation for the police and fire departments at \$1,775/pay. We will use the difference between the two to fund the fire/police retiree's net \$7.2 million of estimated health insurance costs. Due to the large cash balance, we have decreased the non-bargaining rate to \$1,050/pay and the fire/police to \$1,600/pay. We will continue to monitor the cash balance and adjust the allocations as needed; however, with the large cash balance in the Insurance Fund, I expect that we will decrease the allocations in June or July.

The only other selected funds with decreases were the Local Roads/Streets and Motor Vehicle Highway funds. Our goal for 2025 is to put as much cash as possible into roads and streets repairs and improvements. The Motor Vehicle Highway (MVH) fund had nearly \$2.2 million in cash and investments at the month-end with a revised annual budget of \$5.5 million. Revenue for this fund comes from 50% of the Indiana gasoline tax, vehicle registration/license fees, and the Vanderburgh County wheel tax. The Local Roads and Street (LRS) fund had over \$6.8 million in cash and investments with a revised budget of \$8 million. The LRS includes the paving of local streets. As of April 30th, \$1.8 million in street-paving expenses had been paid with an additional \$2.9 million encumbered. The Motor Vehicle Highway Restricted fund had nearly \$6.2 million in cash/investments with a revised budget of \$3 million. This fund receives the remaining 50% of the Indiana gasoline tax. As of April 30th, \$430,324 had been spent on milling and paving with another \$1.7 million encumbered for the Spring work.

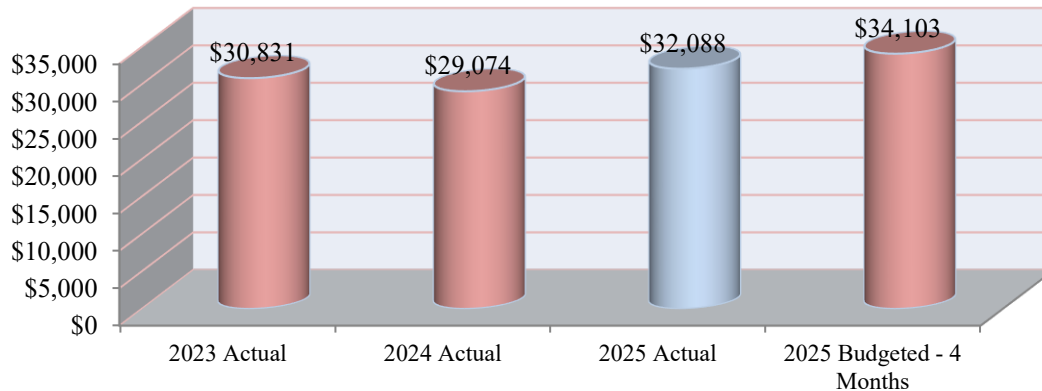
4/30/2025	Change In Fund Balances	Receipts (4 MO) YTD Current Year	Disbursements (4 MO) YTD Current Year	4 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	4/30/2025	4/30/2025	4/30/2025	4/30/2025
2201	Motor Vehicle Highway Fund	1,607,245	1,532,855	74,390	2,195,930
2202	Local Roads & Streets Fund	949,511	2,319,554	(1,370,043)	6,843,768
2203	Motor Veh. Hwy. Fd - Restricted	900,186	699,727	200,459	6,160,482
	TOTAL SELECTED FUNDS	\$ 3,456,942	\$ 4,552,136	\$ (1,095,194)	\$ 15,200,180

The next two charts reflect the personnel expenditures for the General Fund with the first showing only salaries and the second all personnel expenditures. Although it will be difficult to make a year-to-year comparison for 2023 due to the COVID incentive pay, extra health insurance payments, etc., this chart does reflect how we are tracking with the 2025 actual versus the 2025 budget for the first four months. As of April 30, 2025, and based on modified accrual basis, we have spent 29.8% of the budgeted funds for salary and 31.4% of all personnel expenses that include salary, payroll taxes, pension, and health insurance.

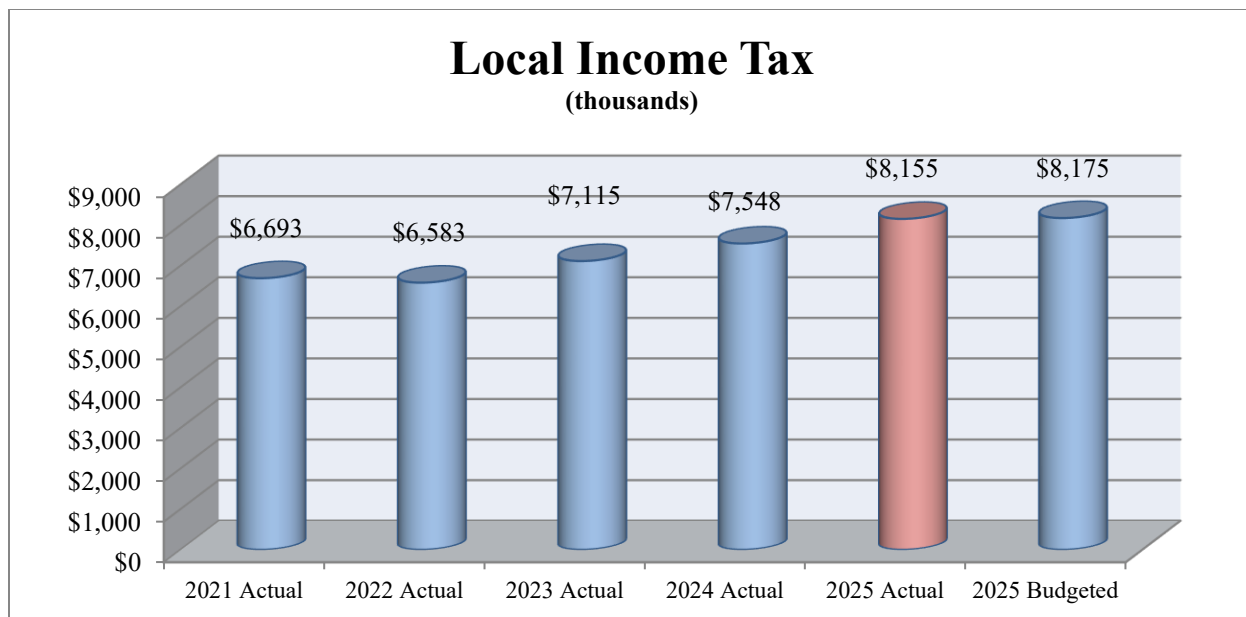
General Fund Salary Expenditures Vs. 4 Month Budget (thousands)



General Fund Personnel Expenditures Vs. 4 Month Budget (thousands)



The next chart reflects the local income taxes (LIT) received through April over the past five years, plus it includes what was budgeted for 2025. LIT revenue makes up approximately 20% of the 2025 General Fund revenue. Local income tax payments were up approximately \$607,000 or 8% over 2024. If the City receives the same supplemental payment in 2025 as in 2024, the actual payments for LIT taxes in 2025 could exceed \$26.80 million and the 2025 budget of \$26.57 million.



Water Operating revenue was nearly \$2 million or 8.1% higher over 2024 while expenses were down \$2.8 million or 11.1%. Sewer Operating revenue was down \$1.6 million/5.5% while expenses were down \$3.9 million/12.3%. As mentioned in prior reports, EWSU's management team has implemented some improvements whereas fewer projects are completed by outside contractors and more work is done in-house by EWSU's employees. The team has saved \$1 million in Water and \$85,913 in Sewer by reducing contractual costs. A recap of both the Water and Sewer operations are included below. As you will notice both the Water and Sewer Funds expenses are trailing both 2023 and 2024 as of April.

4/30/2025	Change In Fund Balances	Receipts (4 MO) YTD Current Year	Disbursements (4 MO) YTD Current Year	4 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	4/30/2025	4/30/2025	4/30/2025	4/30/2025
6101	Water Operating	26,070,480	22,068,367	4,002,113	27,467,436
6201	Sewer Operating	27,625,514	27,793,628	(168,114)	57,681,156
	TOTAL SELECTED FUNDS	\$53,695,994	\$ 49,861,995	\$ 3,833,999	\$ 85,148,592

4/30/2025		Expenses	Expenses	Expenses
FUND NO.	FUND	4/30/2023	4/30/2024	4/30/2025
6101	Water Operating	22,247,450	24,824,305	22,068,367
6201	Sewer Operating	28,212,455	31,694,336	27,793,628
	TOTAL SELECTED FUNDS	\$ 50,459,905	\$ 56,518,641	\$ 49,861,995

The Fire and Police Pension Funds will reflect a decrease in fund balance until they receive their state subsidies in June and September. These two plans were closed to new participants in 1977. Pension benefits for the past three years as of April 30 are reflected below:

4/30/2025		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	4/30/2023	4/30/2024	4/30/2025
8801	Fire Pension Fund	1,518,096	1,482,353	1,607,501
8802	Police Pension Fund	1,975,334	1,982,669	2,014,052
	TOTAL SELECTED FUNDS	\$ 3,493,430	\$ 3,465,022	\$ 3,621,553

This information is a preliminary snapshot as of today and subject to final month-end closing. Contact me if you have any questions or if there is an area that you would like to know more details.