

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: June 20, 2025
Subject: May 2025 (Five Months) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for May 31, 2025. This covers the first five 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 May 31, 2025, and May 31, 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
5/31/2025	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	5/31/2025	5/31/2024	5/31/2025	2025 vs 2024
1101	General Fund	\$ 14,802,523	\$ 44,994,066	\$ (30,191,543)	-67.1%
1176	American Rescue Plan Fund	18,388,212	29,935,210	(11,546,998)	-38.6%
2201	Motor Vehicle Highway Fund	2,413,051	2,608,778	(195,727)	-7.5%
2202	Local Roads & Streets Fund	6,137,768	9,075,377	(2,937,609)	-32.4%
2203	Motor Veh. Hwy. Fd - Restricted	6,688,977	4,680,104	2,008,873	42.9%
2204	Parks and Recreation Fund	1,845,265	4,687,013	(2,841,748)	-60.6%
2236	Rainy Day Fund	3,458,624	3,318,842	139,782	4.2%
2240	Local Income Tax - Public Safety	5,060,846	3,207,108	1,853,738	57.8%
4437	Casino Gaming Capital Fund	25,992,943	24,859,226	1,133,717	4.6%
4445	Jacobsville TIF Fund	4,369,373	3,432,661	936,712	27.3%
4446	Downtown Master TIF	3,598,443	318,831	3,279,612	1028.6%
6101	Water Utility Operating Fund	28,053,837	18,381,774	9,672,063	52.6%
6201	Sewer Utility Operating Fund	57,663,407	37,086,025	20,577,382	55.5%
7704	Hospitalization Insurance Fund	2,724,535	(1,099,789)	3,824,324	N/A
8801	Fire Pension Fund	2,506,867	2,519,319	(12,452)	-0.5%
8802	Police Pension Fund	2,759,351	2,681,955	77,396	2.9%
	TOTAL SELECTED FUNDS	\$ 186,464,022	\$ 190,686,500	\$ (4,222,478)	-2.2%

The overall cash and investments for these selected accounts decreased by over \$4.2 million or 2.2% compared to May 2024. However, due to a delay in the bank wire, 2025 does not include

the advance property tax payment from Vanderburgh County that was received in May of the prior year. To provide a better comparison, the table below reflects an additional \$24,058,540 for the General Fund and \$4,136,725 for the Parks Fund.

City of Evansville - Cash and Investment Balances – Selected Funds					
5/31/2025	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	5/31/2025	5/31/2024	5/31/2025	2025 vs 2024
1101	General Fund	\$ 38,861,063	\$ 44,994,066	\$ (6,133,003)	-13.6%
1176	American Rescue Plan Fund	18,388,212	29,935,210	(11,546,998)	-38.6%
2201	Motor Vehicle Highway Fund	2,413,051	2,608,778	(195,727)	-7.5%
2202	Local Roads & Streets Fund	6,137,768	9,075,377	(2,937,609)	-32.4%
2203	Motor Veh. Hwy. Fd - Restricted	6,688,977	4,680,104	2,008,873	42.9%
2204	Parks and Recreation Fund	5,981,990	4,687,013	1,294,977	27.6%
2236	Rainy Day Fund	3,458,624	3,318,842	139,782	4.2%
2240	Local Income Tax - Public Safety	5,060,846	3,207,108	1,853,738	57.8%
4437	Casino Gaming Capital Fund	25,992,943	24,859,226	1,133,717	4.6%
4445	Jacobsville TIF Fund	4,369,373	3,432,661	936,712	27.3%
4446	Downtown Master TIF	3,598,443	318,831	3,279,612	1028.6%
6101	Water Utility Operating Fund	28,053,837	18,381,774	9,672,063	52.6%
6201	Sewer Utility Operating Fund	57,663,407	37,086,025	20,577,382	55.5%
7704	Hospitalization Insurance Fund	2,724,535	(1,099,789)	3,824,324	N/A
8801	Fire Pension Fund	2,506,867	2,519,319	(12,452)	-0.5%
8802	Police Pension Fund	2,759,351	2,681,955	77,396	2.9%
	TOTAL SELECTED FUNDS	\$ 214,659,287	\$ 190,686,500	\$ 23,972,787	12.6%

As noted above, cash and investments increased nearly \$24 million or 12.6% over 2024. The largest dollar variances were with the Sewer Utility Operating Fund, which was up \$20.6 million or 55.5%, Water Utility Operating Fund which was up \$9.7 million or 52.6%, and the American Rescue Plan (ARPA) with an \$11.5 million/38.6% decrease. The City is required to have the ARPA funds spent by December 31, 2026. So, to meet grant requirements, over the next 19 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 \$5.3 million or 5% over May 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
5/31/2025	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	5/31/2025	5/31/2024	5/31/2025	2025 vs 2024
1101	General Fund	\$ 38,861,063	\$ 44,994,066	\$ (6,133,003)	-13.6%
2201	Motor Vehicle Highway Fund	2,413,051	2,608,778	(195,727)	-7.5%
2202	Local Roads & Streets Fund	6,137,768	9,075,377	(2,937,609)	-32.4%
2203	Motor Veh. Hwy. Fd - Restricted	6,688,977	4,680,104	2,008,873	42.9%
2204	Parks and Recreation Fund	5,981,990	4,687,013	1,294,977	27.6%
2236	Rainy Day Fund	3,458,624	3,318,842	139,782	4.2%
2240	Local Income Tax - Public Safety	5,060,846	3,207,108	1,853,738	57.8%
4437	Casino Gaming Capital Fund	25,992,943	24,859,226	1,133,717	4.6%
4445	Jacobsville TIF Fund	4,369,373	3,432,661	936,712	27.3%
4446	Downtown Master TIF	3,598,443	318,831	3,279,612	1028.6%
7704	Hospitalization Insurance Fund	2,724,535	(1,099,789)	3,824,324	N/A
8801	Fire Pension Fund	2,506,867	2,519,319	(12,452)	-0.5%
8802	Police Pension Fund	2,759,351	2,681,955	77,396	2.9%
	TOTAL SELECTED FUNDS	\$ 110,553,831	\$ 105,283,491	\$ 5,270,340	5.0%

The General Fund's cash/investments decreased \$6.1 million or 13.6% 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 \$1.85 million in health insurance premiums with 98.3% of that increase attributable to the Fire and Police employees. As you will note, Fund 7704: Health Insurance Fund has a balance of over \$2.7 million and an increase of \$3.8 million from this time last year. Having sufficient funds has enabled us to pay the third-party administrator on time. \$1.9 million was paid in additional salaries, with most of the increase due to the cost-of-living increases per the new union contracts. And finally, 2024 included the 2nd quarter payment-in-lieu of taxes from EWSU of \$2.5 million.

The General Fund's adjusted \$38.9 million in cash and investments equates to 3.3 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 May 2024, the cash and investments have increased nearly \$1.1 million or 4.6%.

As mentioned above, the Health Insurance Fund's cash had a \$3.8 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 \$1.8 million or 20%; however, employer contributions increased by over \$3.5 million or 31.1%. Claims have increased \$1.8 million or 22.9% over 2024; however, they are down \$1.7 million from 2023. Expense for teamsters' insurance was up 5.7% or \$148,969 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 \$7.6 million of estimated health insurance costs. Due to the large cash balance, we decreased the non-bargaining rate to \$1,050/pay in February and another decrease to \$900 in June. For the fire/police it was decreased to \$1,600/pay in February and \$1,450 in June. We will continue to monitor the cash balance and adjust the allocations as needed.

The only other selected funds with major 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 \$2.4 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 \$6.1 million in cash and investments with a revised budget of \$8 million. The LRS includes the paving of local streets. The Motor Vehicle Highway Restricted fund had nearly \$6.7 million in cash/investments with a revised budget of \$3 million. This fund receives the remaining 50% of the Indiana gasoline tax.

City of Evansville - Cash and Investment Balances – Selected Funds

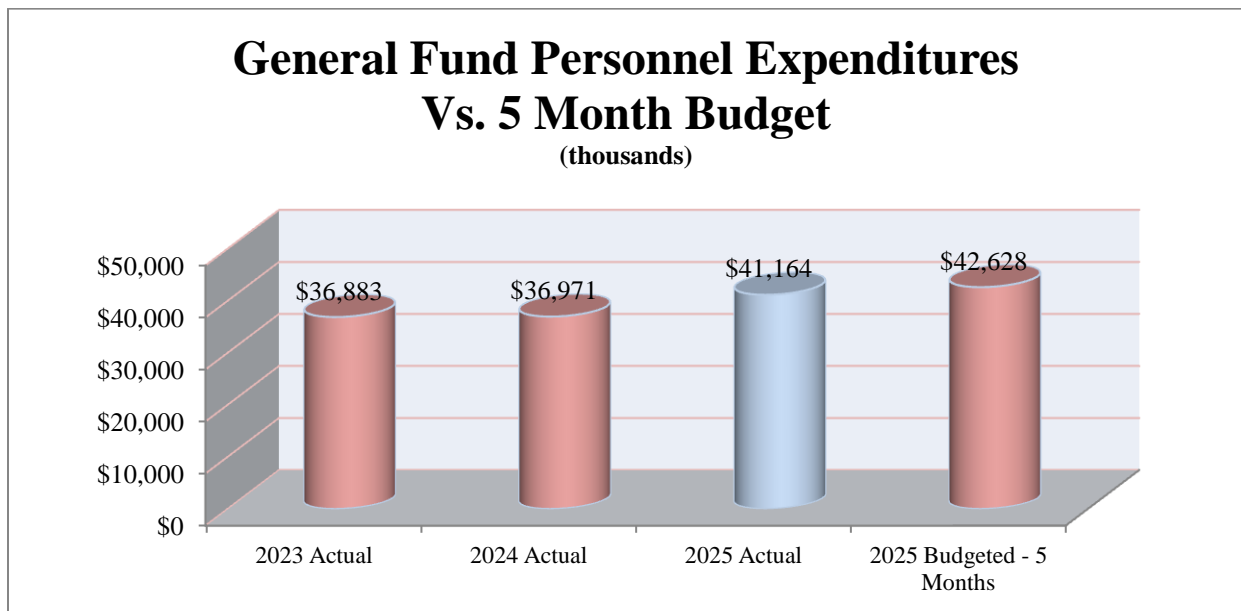
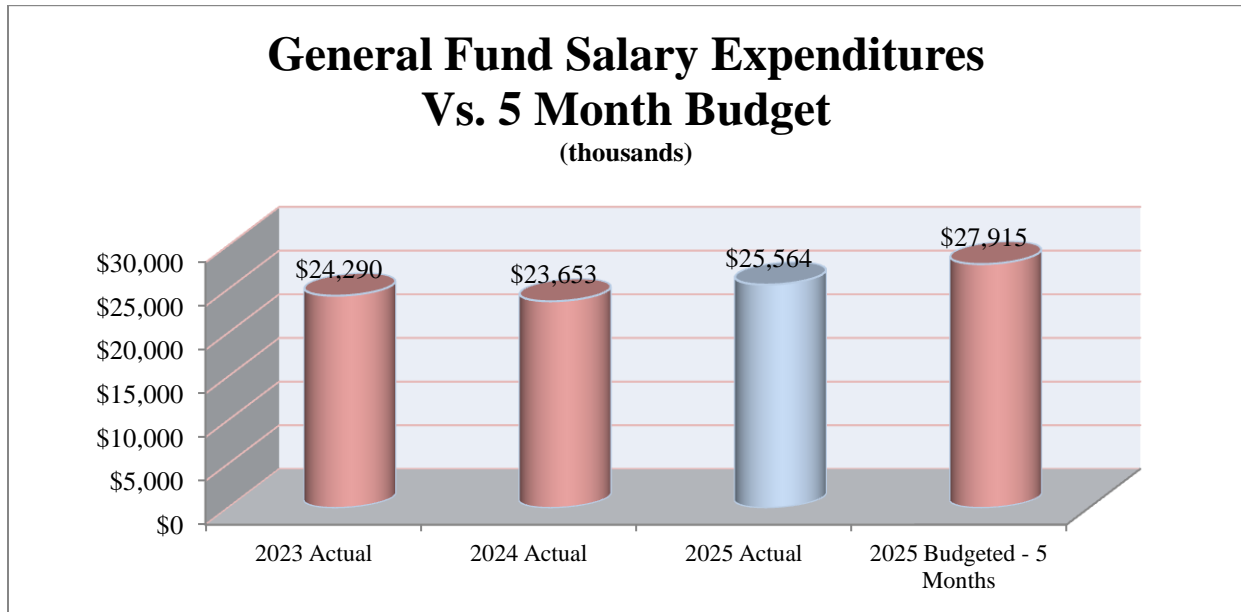
5/31/2025		Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year 2025 vs 2024
Cash + Investment Balances					
FUND NO.	FUND	5/31/2025	5/31/2024	5/31/2025	
2201	Motor Vehicle Highway Fund	2,413,051	2,608,778	(195,727)	-7.5%
2202	Local Roads & Streets Fund	6,137,768	9,075,377	(2,937,609)	-32.4%
2203	Motor Veh. Hwy. Fd - Restricted	6,688,977	4,680,104	2,008,873	42.9%
TOTAL SELECTED FUNDS		\$ 15,239,796	\$ 16,364,259	\$ (1,124,463)	-6.9%

As of May 31st, \$2.6 million in street-paving expenses had been paid.

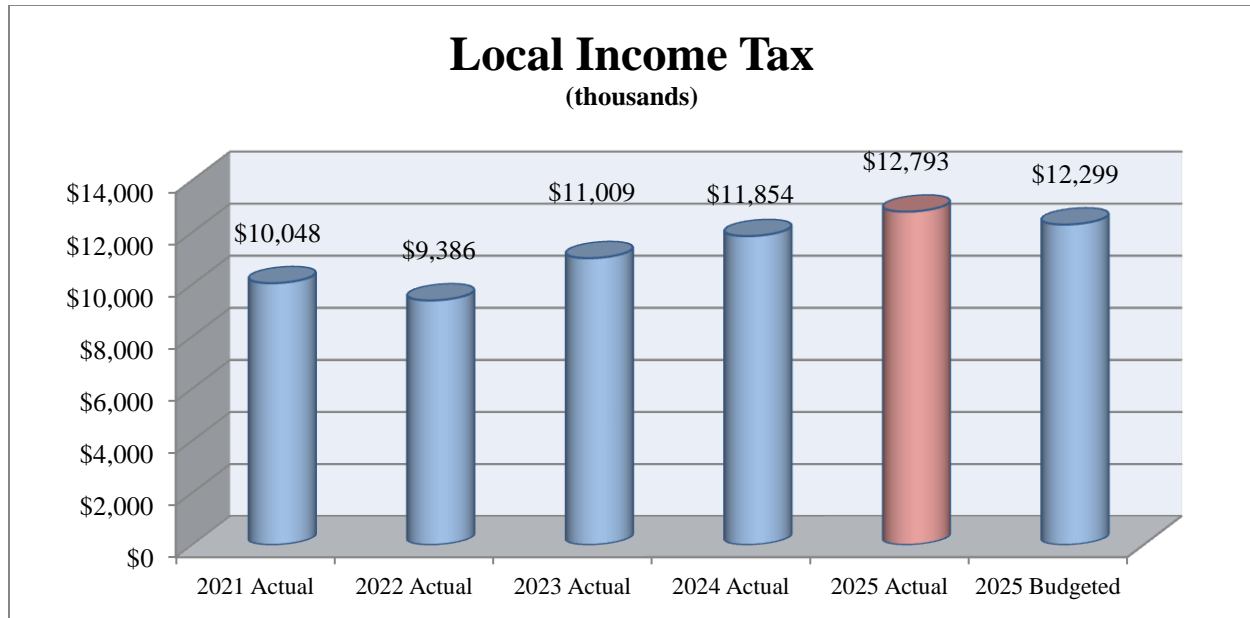
5/31/2025		Receipts (5 MO) YTD Current Year	Disbursements (5 MO) YTD Current Year	5 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
Change In Fund Balances					
FUND NO.	FUND	5/31/2025	5/31/2025	5/31/2025	5/31/2025
2201	Motor Vehicle Highway Fund	2,286,949	1,944,050	342,899	2,413,051
2202	Local Roads & Streets Fund	972,606	2,658,630	(1,686,024)	6,137,768
2203	Motor Veh. Hwy. Fd - Restricted	1,871,031	1,036,746	834,285	6,688,977
TOTAL SELECTED FUNDS		\$ 5,130,586	\$ 5,639,426	\$ (508,840)	\$ 15,239,796

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 five months. As of May 31, 2025, and based on modified

accrual basis, we have spent 38.16% of the budgeted funds for salary and 40.24% of all personnel expenses that include salary, payroll taxes, pension, and health insurance.



The next chart reflects the local income taxes (LIT) received through May 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. Payments come from the state via the county auditor. The monthly payments are the same amount plus a supplemental payment or 13th payment used as essentially a true-up. At the end of May, local income tax payments were up approximately \$939,000 or 7.9% over May 2024. The City received \$2.6 million in its supplemental payment in May and based on the remaining 2025 payments will exceed the 2025 budget of \$26.57 million by \$494,000 for a total of \$27.06 million.



Water Operating revenue was over \$2.5 million or 8.6% higher over 2024 while expenses were down \$2.2 million or 7.3% which equates to a \$4.7 million improvement. Sewer Operating revenue was down \$2.8 million/7.7% while expenses were down \$3.7 million/9.7% which equates to an \$861,794 improvement. 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 \$690,164/36.3% in Water and \$84,937/93.4% 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 May.

5/31/2025		Receipts (5 MO) YTD	Disbursements (5 MO) YTD	5 MO Change in Fund Balance	Cash + Inv.
	Change In Fund Balances	Current Year	Current Year	Current Year	Balance Current Year
FUND NO.	FUND	5/31/2025	5/31/2025	5/31/2025	5/31/2025
6101	Water Operating	31,718,002	27,701,645	4,016,357	28,053,837
6201	Sewer Operating	34,179,698	34,364,896	(185,198)	57,663,407
TOTAL SELECTED FUNDS		\$ 65,897,700	\$ 62,066,541	\$ 3,831,159	\$ 85,717,244

5/31/2025		Expenses	Expenses	Expenses
FUND NO.	FUND	5/31/2023	5/31/2024	5/31/2025
6101	Water Operating	28,125,690	29,877,771	27,701,645
6201	Sewer Operating	36,801,977	38,074,594	34,364,896
TOTAL SELECTED FUNDS		\$ 64,927,667	\$ 67,952,365	\$ 62,066,541

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 May 31 are reflected below:

5/31/2025		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	5/31/2023	5/31/2024	5/31/2025
8801	Fire Pension Fund	1,903,542	1,847,854	2,012,384
8802	Police Pension Fund	2,467,703	2,486,586	2,526,014
TOTAL SELECTED FUNDS		\$ 4,371,245	\$ 4,334,440	\$ 4,538,398

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.