

City of Evansville
Controller's Office
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Evansville, IN 47708
(812) 436-4919

MEMORANDUM

To: Honorable Members of Common Council - City of Evansville
From: Robert Gunter CPA, Controller
Date: September 19, 2025
Subject: August 2025 (Eight Months) Flash Financial Report

Dear Council Members:

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

City of Evansville - Cash and Investment Balances – Selected Funds					
8/31/2025		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	8/31/2025	8/31/2024	8/31/2025	2025 vs 2024
1101	General Fund	\$ 36,818,456	\$ 43,865,503	\$ (7,047,047)	-16.1%
1176	American Rescue Plan Fund	16,754,489	26,901,926	(10,147,437)	-37.7%
2201	Motor Vehicle Highway Fund	2,391,815	1,899,636	492,179	25.9%
2202	Local Roads & Streets Fund	6,081,732	9,058,164	(2,976,432)	-32.9%
2203	Motor Veh. Hwy. Fd - Restrict	8,069,333	5,046,712	3,022,621	59.9%
2204	Parks and Recreation Fund	5,354,884	4,186,671	1,168,213	27.9%
2236	Rainy Day Fund	3,526,261	3,345,011	181,250	5.4%
2240	Local Income Tax - Public Saf	3,164,665	2,845,804	318,861	11.2%
4437	Casino Gaming Capital Fund	25,978,732	24,678,532	1,300,200	5.3%
4445	Jacobsville TIF Fund	4,901,186	3,998,728	902,458	22.6%
4446	Downtown Master TIF	6,463,215	2,942,050	3,521,165	119.7%
6101	Water Utility Operating Fund	27,504,968	20,679,157	6,825,811	33.0%
6201	Sewer Utility Operating Fund	56,167,377	38,649,061	17,518,316	45.3%
7704	Hospitalization Insurance Fund	3,442,074	411,761	3,030,313	735.9%
8801	Fire Pension Fund	3,597,361	3,622,733	(25,372)	-0.7%
8802	Police Pension Fund	4,243,073	4,139,449	103,624	2.5%
	TOTAL SELECTED FUNDS	\$ 214,459,621	\$ 196,270,898	\$ 18,188,723	9.3%

The overall cash and investments for these selected accounts increased by \$18.2 million or 9.3% compared to August 2024.

The largest dollar variances were with the Sewer Utility Operating Fund, which was up \$17.5 million or 45.3%, General Fund which was down \$7.1 million or 16.1%, Water Utility Operating Fund which was up \$6.8 million or 33%, and the American Rescue Plan (ARPA) with a \$10.2 million/37.7% decrease. The City is required to have the ARPA funds spent by December 31, 2026. So, to meet grant requirements over the next 16 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 \$4 million or 3.6% over August 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
8/31/2025	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	8/31/2025	8/31/2024	8/31/2025	2025 vs 2024
1101	General Fund	\$ 36,818,456	\$ 43,865,503	\$ (7,047,047)	-16.1%
2201	Motor Vehicle Highway Fund	2,391,815	1,899,636	492,179	25.9%
2202	Local Roads & Streets Fund	6,081,732	9,058,164	(2,976,432)	-32.9%
2203	Motor Veh. Hwy. Fd - Restrict	8,069,333	5,046,712	3,022,621	59.9%
2204	Parks and Recreation Fund	5,354,884	4,186,671	1,168,213	27.9%
2236	Rainy Day Fund	3,526,261	3,345,011	181,250	5.4%
2240	Local Income Tax - Public Saf	3,164,665	2,845,804	318,861	11.2%
4437	Casino Gaming Capital Fund	25,978,732	24,678,532	1,300,200	5.3%
4445	Jacobsville TIF Fund	4,901,186	3,998,728	902,458	22.6%
4446	Downtown Master TIF	6,463,215	2,942,050	3,521,165	119.7%
7704	Hospitalization Insurance Fund	3,442,074	411,761	3,030,313	735.9%
8801	Fire Pension Fund	3,597,361	3,622,733	(25,372)	-0.7%
8802	Police Pension Fund	4,243,073	4,139,449	103,624	2.5%
	TOTAL SELECTED FUNDS	\$ 114,032,787	\$ 110,040,754	\$ 3,992,033	3.6%

The General Fund's cash/investments decreased \$7.1 million or 16.1% from the prior. There are a few items that have caused the decrease. 2025 includes the new \$1.15 million payment on the 2024B bonds for the 5th and Main parking garage. The General Fund paid an additional \$3.8 million in health insurance premiums with 96.1% of that increase attributable to the Fire and Police employees. As you will note, Fund 7704: Health Insurance Fund has a balance of nearly \$3.4 million and an increase of \$3 million from this time last year. \$3.4 million was paid in additional salaries, with most of the increase due to the cost-of-living increases per the new union contracts and the addition of new positions.

On a positive note, 2025 does include a \$1 million equity payment from Venuworks that was not received in the prior year.

The General Fund's \$36.8 million in cash and investments equates to 3.1 months of operating funds when compared to the revised 2025 operating budget of \$144 million. Our goal is to maintain reserves of at least 3 months' operating expenditures. The Casino Fund continues to see monthly increases. Compared to August 2024, the cash and investments have increased nearly \$1.3 million or 5.3%.

The table below compares the cash and investments on August 31, 2025 to August 31, **2023**. As noted, the cash and investments for these selected funds have increased by a combined \$22.5 million or 24.6% over the past two years. The largest dollar variances were in the Casino fund which is up \$6.3 million or 32.2% and the General Fund with a \$9.2 million/33.1% increase.

City of Evansville - Cash and Investment Balances – Selected Funds					
8/31/2025	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change	Percent Change
FUND NO.	FUND	8/31/2025	8/31/2023	2025 vs 2023	2025 vs 2023
1101	General Fund	\$ 36,818,456	\$ 27,671,094	\$ 9,147,362	33.1%
2201	Motor Vehicle Highway Fund	2,391,815	2,252,050	139,765	6.2%
2202	Local Roads & Streets Fund	6,081,732	9,796,087	(3,714,355)	-37.9%
2203	Motor Veh. Hwy. Fd - Restrict	8,069,333	4,760,062	3,309,271	69.5%
2204	Parks and Recreation Fund	5,354,884	2,489,769	2,865,115	115.1%
2236	Rainy Day Fund	3,526,261	3,236,753	289,508	8.9%
2240	Local Income Tax - Public Saf	3,164,665	6,705,979	(3,541,314)	-52.8%
4437	Casino Gaming Capital Fund	25,978,732	19,650,653	6,328,079	32.2%
4445	Jacobsville TIF Fund	4,901,186	3,605,574	1,295,612	35.9%
4446	Downtown Master TIF	6,463,215	721,288	5,741,927	796.1%
7704	Hospitalization Insurance Fund	3,442,074	(1,125,086)	4,567,160	-405.9%
8801	Fire Pension Fund	3,597,361	5,318,433	(1,721,072)	-32.4%
8802	Police Pension Fund	4,243,073	6,467,874	(2,224,801)	-34.4%
	TOTAL SELECTED FUNDS	\$ 114,032,787	\$ 91,550,530	\$ 22,482,257	24.6%

The 2025 Health Insurance Fund's cash had a \$3 million increase compared to the year 2024. 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 \$3 million or 19.2% while employer contributions from all funds increased by over \$4 million or 19.8%. The expense for teamsters' insurance was up 5% or \$233,277 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. Due to the sufficient cash balance in the Health Insurance Fund, we have now decreased the non-bargaining rate to \$600/pay and the fire/police to \$900/pay. We will continue to monitor the cash balance and adjust the allocations as needed.

City of Evansville - Cash and Investment Balances – Selected Funds

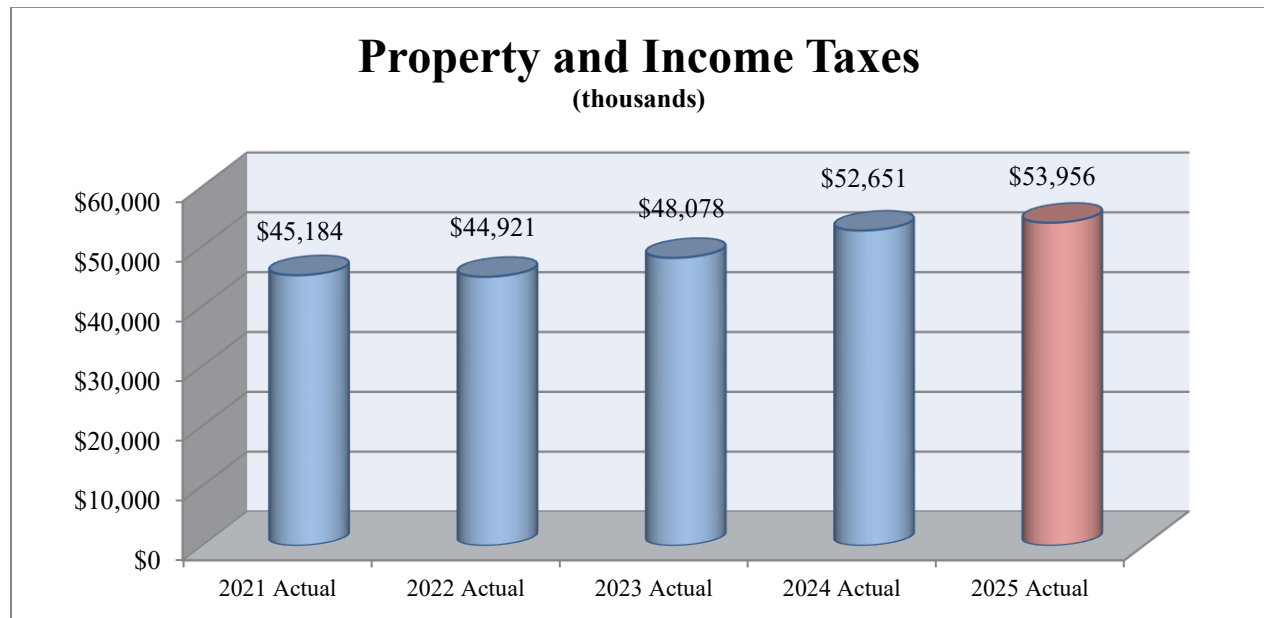
8/31/2025		Cash + Inv.	Cash + Inv.	Dollar Change	Percent
Cash + Investment Balances		Balance Current	Balance Prior	Current Year	Change
		Year	Year	vs. Prior Year	Current vs.
FUND NO.	FUND	8/31/2025	8/31/2024	8/31/2025	Prior Year
					2025 vs
					2024
2201	Motor Vehicle Highway Fund	\$ 2,391,815	\$ 1,899,636	\$ 492,179	25.9%
2202	Local Roads & Streets Fund	6,081,732	9,058,164	(2,976,432)	-32.9%
2203	Motor Veh. Hwy. Fd - Restrictec	8,069,333	5,046,712	3,022,621	59.9%
TOTAL SELECTED FUNDS		\$ 16,542,880	\$ 16,004,512	\$ 538,368	3.4%

The only other selected fund with a major decrease was the Local Roads/Streets Fund. 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 \$5.4 million which should cover 5.3 months' worth of expenditures. 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 nearly \$6.1 million in cash and investments with a revised budget of \$4.2 million covering 17.4 months' worth of expenditures. The LRS includes the paving of local streets. The Motor Vehicle Highway Restricted (MVHR) Fund had \$8.1 million in cash/investments with a revised budget of \$4.4 million. This fund receives the remaining 50% of the Indiana gasoline tax. The MVHR received \$1.32 million in Community Crossing Matching Grants funds in July. Combined, cash was up \$538,368 for the year or 3.4%.

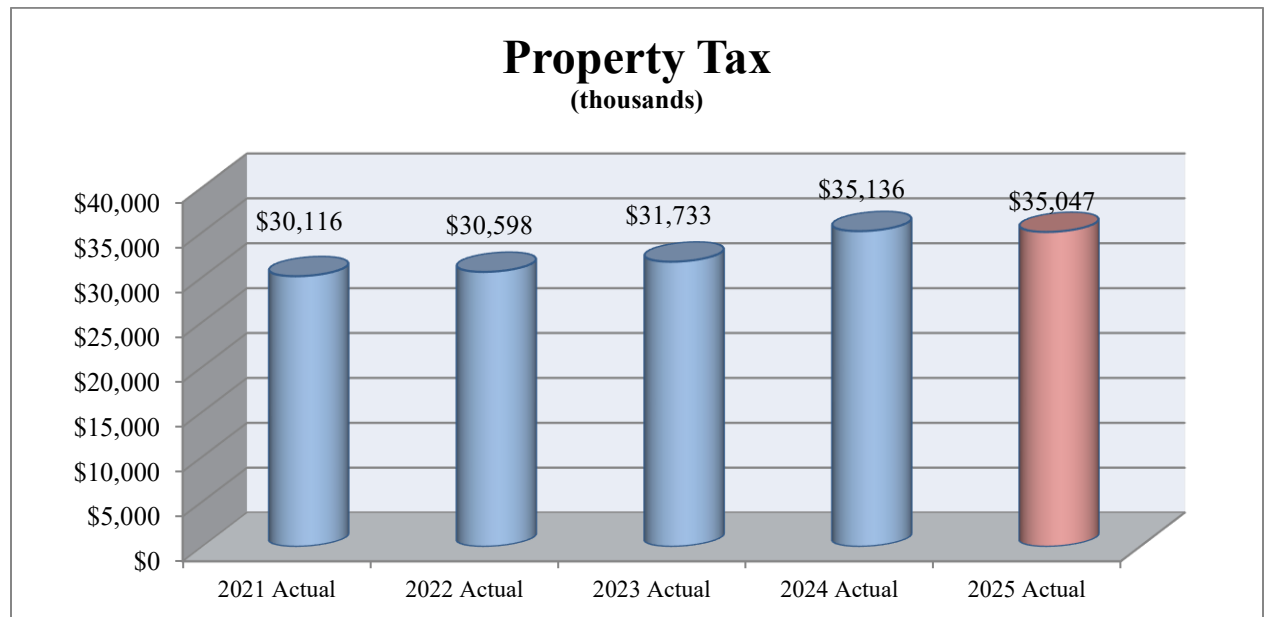
As of August 31, 2025, \$3.6 million in street-paving expenses (436030) had been paid. That is an increase of \$759,204 (26.9%) over 2024 and \$2,761,862 (337.3%) over 2023. Below is a summary of all revenue and expenses for the three road funds.

8/31/2025		Receipts (8 MO)	Disbursements (8	7 MO Change in	Cash + Inv.
Change In Fund Balances		YTD Current	MO) YTD Current	Fund Balance	Balance Current
		Year	Year	Current Year	Year
FUND NO.	FUND	8/31/2025	8/31/2025	8/31/2025	8/31/2025
2201	Motor Vehicle Highway Fund	\$ 3,325,200	\$ 3,078,058	\$ 247,142	\$ 2,391,815
2202	Local Roads & Streets Fund	1,601,463	3,788,537	(2,187,074)	6,081,732
2203	Motor Veh. Hwy. Fd - Restricted	4,010,644	1,609,426	2,401,218	8,069,333
TOTAL SELECTED FUNDS		\$ 8,937,307	\$ 8,476,021	\$ 461,286	\$ 16,542,880

Approximately 66.6% of the General Fund's revenue for the eight months came from property and local income taxes. As noted on the chart below, through the first eight months of 2025, these taxes are tracking ahead of last year by \$1.3 million.

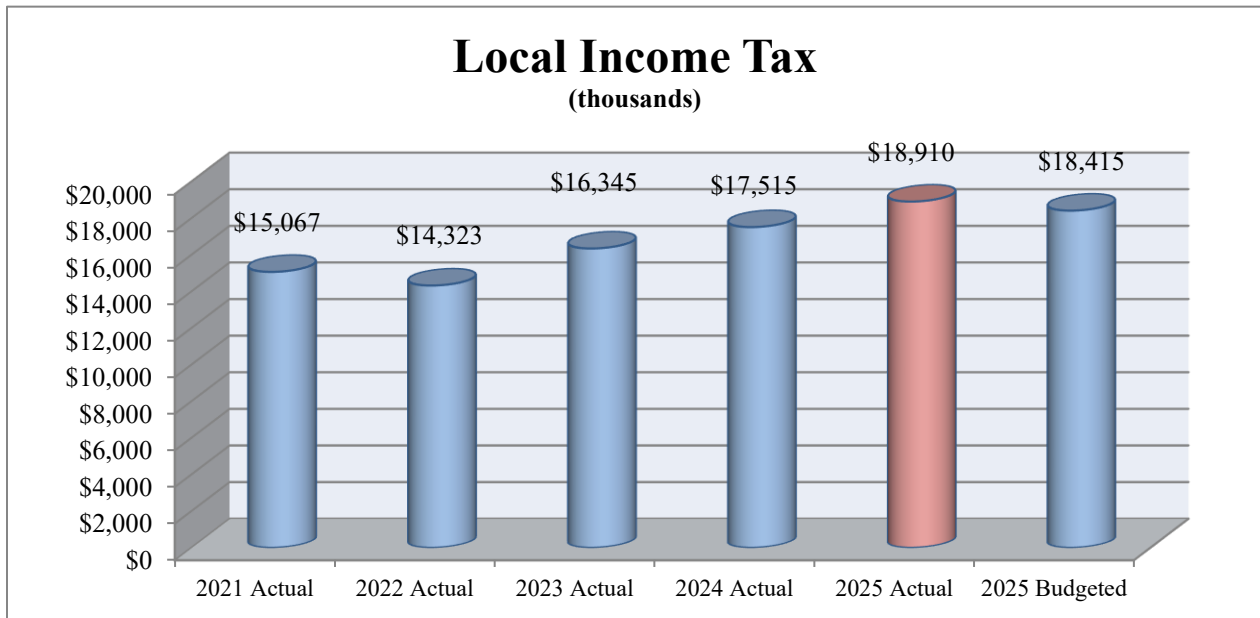


The property tax settlements for May/June were rather disappointing with a \$89,000 decrease from the prior year.

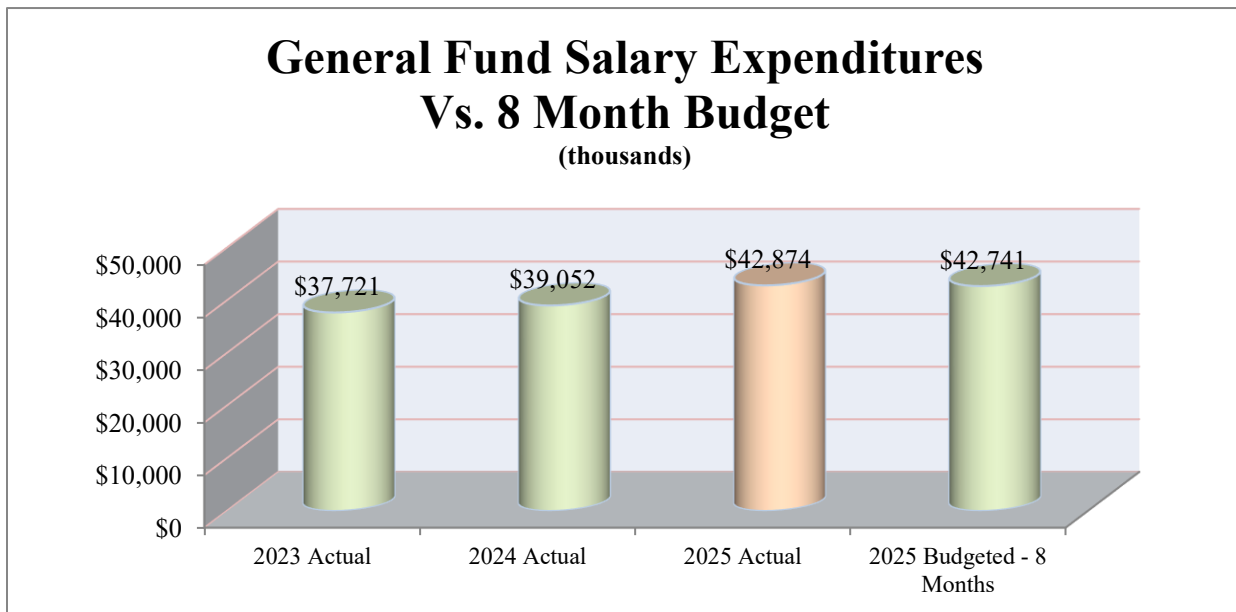


The next chart reflects the local income taxes (LIT) received through August over the past five years, plus it includes what was budgeted for 2025. LIT revenue makes up approximately 23.3% of the 2025 General Fund revenue received. Payments come from the state via the county auditor. The monthly payments are the same amount plus a supplemental payment or 13th payment used as essentially a true-up. At the end of August, local income tax payments were up approximately \$1.4 million or 8% over August 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.



The next chart reflects the salary expenditures for the General Fund. Although it will be difficult to make a year-to-year comparison for 2023 due to the COVID incentive pay this chart does reflect how we are tracking with the 2025 actual versus the 2025 budget for the first eight months.



Water Operating's 2025 revenues were \$1.4 million or 2.9% higher than in 2024, while expenses were down \$1 million or 2.2% which equates to a \$2.4 million improvement. Sewer Operating revenues were down \$6.7 million or 11.1% while expenses were down \$4.5 million/7.6%, which equates to a decline of \$2.2 million. 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 a combined \$1,553,982 in contractual (431050) costs.

A recap of both the Water and Sewer operations are included below. As noted, the Sewer Funds expenses are trailing both 2023 and 2024 as of August 31st.

8/31/2025		Receipts (8 MO)	Disbursements (8	8 MO Change in	Cash + Inv.
	Change In Fund Balances	YTD Current	MO) YTD Current	Fund Balance	Balance Current
FUND NO.	FUND	Year	Year	Current Year	Year
		8/31/2025	8/31/2025	8/31/2025	8/31/2025
6101	Water Operating	\$ 49,507,689	\$ 45,472,440	\$ 4,035,249	\$ 27,504,968
6201	Sewer Operating	53,670,744	55,351,973	(1,681,229)	56,167,377
TOTAL SELECTED FUNDS		<u>\$ 103,178,433</u>	<u>\$ 100,824,413</u>	<u>\$ 2,354,020</u>	<u>\$ 83,672,345</u>

8/31/2025		Expenses	Expenses	Expenses
FUND NO.	FUND	8/31/2023	8/31/2024	8/31/2025
6101	Water Operating	\$ 44,897,506	\$ 46,493,350	\$ 45,472,440
6201	Sewer Operating	58,647,819	59,881,638	55,351,973
TOTAL SELECTED FUNDS		<u>\$ 103,545,325</u>	<u>\$ 106,374,988</u>	<u>\$ 100,824,413</u>

The information below reflects the cash balances for the Fire and Police Pension Funds as of August 31st. These two plans were closed to new participants in 1977. Pension benefits for the past three years, as of August 31st, are reflected in the second schedule.

City of Evansville - Cash and Investment Balances – Selected Funds

8/31/2025 Cash + Investment Balances		Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change	Percent Change 2025 vs 2024
FUND NO.	FUND	8/31/2025	8/31/2024	2025 vs 2024	
8801	Fire Pension Fund	\$ 3,597,361	\$ 3,622,733	\$ (25,372)	-0.7%
8802	Police Pension Fund	4,243,073	4,139,449	103,624	2.5%
TOTAL SELECTED FUNDS		\$ 7,840,434	\$ 7,762,182	\$ 78,252	1.0%

8/31/2025		Pension Benefits 8/31/2023	Pension Benefits 8/31/2024	Pension Benefits 8/31/2025
FUND NO.	FUND			
8801	Fire Pension Fund	\$ 3,044,420	\$ 2,971,145	\$ 3,146,414
8802	Police Pension Fund	4,016,633	3,976,821	4,052,297
TOTAL SELECTED FUNDS		\$ 7,061,053	\$ 6,947,966	\$ 7,198,711

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.