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: October 10, 2025
Subject: September 2025 (Nine Months) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for September 30, 2025. This covers the first nine 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 September 30, 2025 and September 30, 2024.

City of Evansville - Cash and Investment Balances – Selected Funds					
9/30/2025	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	9/30/2025	9/30/2024	9/30/2025	2025 vs 2024
1101	General Fund	$ 30,541,321	$ 39,126,399	$ (8,585,078)	-21.9%
1176	American Rescue Plan Fund	15,482,505	26,865,675	(11,383,170)	-42.4%
2201	Motor Vehicle Highway Fund	2,573,945	1,935,784	638,161	33.0%
2202	Local Roads & Streets Fund	5,309,442	8,756,921	(3,447,479)	-39.4%
2203	Motor Veh. Hwy. Fd - Restrict	8,161,535	5,154,438	3,007,097	58.3%
2204	Parks and Recreation Fund	5,267,165	3,552,861	1,714,304	48.3%
2236	Rainy Day Fund	3,533,826	3,353,479	180,347	5.4%
2240	Local Income Tax - Public Saf	4,820,080	3,116,669	1,703,411	54.7%
4437	Casino Gaming Capital Fund	25,925,283	25,374,619	550,664	2.2%
4445	Jacobsville TIF Fund	4,892,943	4,004,508	888,435	22.2%
4446	Downtown Master TIF	6,432,561	2,950,473	3,482,088	118.0%
6101	Water Utility Operating Fund	28,903,249	21,066,850	7,836,399	37.2%
6201	Sewer Utility Operating Fund	57,864,351	39,879,021	17,985,330	45.1%
7704	Hospitalization Insurance Fun	3,363,649	(885,434)	4,249,083	-479.9%
8801	Fire Pension Fund	5,385,304	5,481,121	(95,817)	-1.7%
8802	Police Pension Fund	6,747,003	6,594,453	152,550	2.3%
	TOTAL SELECTED FUNDS	$ 215,204,162	$ 196,327,837	$ 18,876,325	9.6%

The overall cash and investments for these selected accounts increased by $18.9 million or 9.6% compared to September 2024.

The largest dollar variances were with the Sewer Utility Operating Fund, which was up $18 million or 45.1%, General Fund which was down $8.6 million or 21.9%, Water Utility Operating Fund which was up $7.8 million or 37.2%, and the American Rescue Plan (ARPA) with a $11.4 million/42.4% decrease. The City is required to have the ARPA funds spent by December 31, 2026. So, to meet grant requirements over the next 15 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 $4.4 million or 4.1% over September 2024.

9/30/2025	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	9/30/2025	9/30/2024	9/30/2025	2025 vs 2024
1101	General Fund	$ 30,541,321	$ 39,126,399	$ (8,585,078)	-21.9%
2201	Motor Vehicle Highway Fund	2,573,945	1,935,784	638,161	33.0%
2202	Local Roads & Streets Fund	5,309,442	8,756,921	(3,447,479)	-39.4%
2203	Motor Veh. Hwy. Fd - Restrict	8,161,535	5,154,438	3,007,097	58.3%
2204	Parks and Recreation Fund	5,267,165	3,552,861	1,714,304	48.3%
2236	Rainy Day Fund	3,533,826	3,353,479	180,347	5.4%
2240	Local Income Tax - Public Sat	4,820,080	3,116,669	1,703,411	54.7%
4437	Casino Gaming Capital Fund	25,925,283	25,374,619	550,664	2.2%
4445	Jacobsville TIF Fund	4,892,943	4,004,508	888,435	22.2%
4446	Downtown Master TIF	6,432,561	2,950,473	3,482,088	118.0%
7704	Hospitalization Insurance Fun	3,363,649	(885,434)	4,249,083	-479.9%
8801	Fire Pension Fund	5,385,304	5,481,121	(95,817)	-1.7%
8802	Police Pension Fund	6,747,003	6,594,453	152,550	2.3%
	TOTAL SELECTED FUNDS	$ 112,954,057	$ 108,516,291	$ 4,437,766	4.1%

The General Fund's cash/investments decreased $8.6 million or 21.9% 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 $3.4 million in health insurance premiums with 98.1% of that increase attributable to the Fire and Police employees. As you will note, Fund 7704: Health Insurance Fund has a balance of nearly $3.36 million and an increase of $4.25 million from this time last year. $5.1 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 and $3.8 million was directly related to fire and police.

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 $30.5 million in cash and investments equates to 2.5 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 September 2024, the cash and investments have increased $550,664 or 2.2%.

The table below compares the cash and investments on September 30, 2025 to September 30, **2023**. As noted, the cash and investments for these selected funds have increased by a combined $21.4 million or 23.4% over the past two years. The largest dollar variance increase was in the Casino fund, which is up $6.3 million or 31.9%. The largest dollar decrease was in the Local Roads and Street Fund which was down $4.5 million/45.8%. The Geneal Fund's cash/investments have increased $2.9 million/10.4%.

9/30/2025	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance 2023	Dollar Change Current Year vs. 2023	Percent Change Current vs. 2023
FUND NO.	FUND	9/30/2025	9/30/2023	9/30/2025	2025 vs 2023
1101	General Fund	$ 30,541,321	$ 27,671,094	$ 2,870,227	10.4%
2201	Motor Vehicle Highway Fund	2,573,945	2,252,050	321,895	14.3%
2202	Local Roads & Streets Fund	5,309,442	9,796,087	(4,486,645)	-45.8%
2203	Motor Veh. Hwy. Fd - Restrict	8,161,535	4,760,062	3,401,473	71.5%
2204	Parks and Recreation Fund	5,267,165	2,489,769	2,777,396	111.6%
2236	Rainy Day Fund	3,533,826	3,236,753	297,073	9.2%
2240	Local Income Tax - Public Saf	4,820,080	6,705,979	(1,885,899)	-28.1%
4437	Casino Gaming Capital Fund	25,925,283	19,650,653	6,274,630	31.9%
4445	Jacobsville TIF Fund	4,892,943	3,605,574	1,287,369	35.7%
4446	Downtown Master TIF	6,432,561	721,288	5,711,273	791.8%
7704	Hospitalization Insurance Fun	3,363,649	(1,125,086)	4,488,735	-399.0%
8801	Fire Pension Fund	5,385,304	5,318,433	66,871	1.3%
8802	Police Pension Fund	6,747,003	6,467,874	279,129	4.3%
	TOTAL SELECTED FUNDS	$ 112,954,057	$ 91,550,530	$ 21,403,527	23.4%

The 2025 Health Insurance Fund's cash had a $4.25 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 $1.2 million or 6.1% while employer contributions from all funds increased by over $3.5 million or 16.7%. The expense for teamsters' insurance was up 5.1% or $273,582 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.

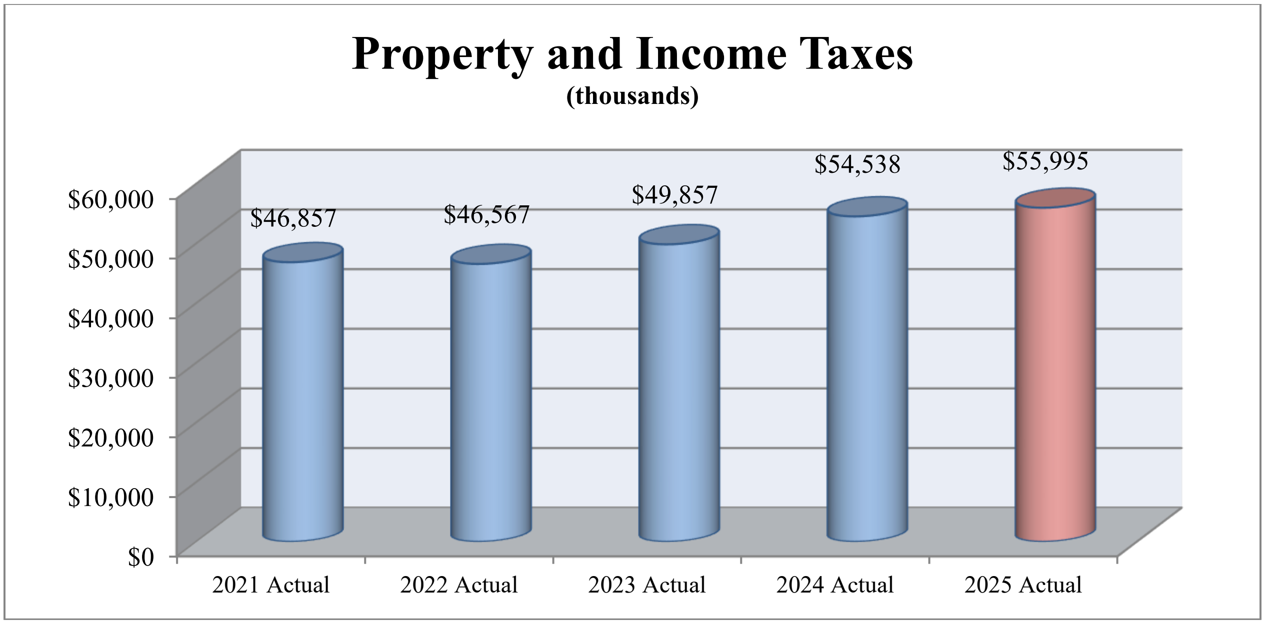
9/30/2025	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	9/30/2025	9/30/2024	9/30/2025	2025 vs 2024
2201	Motor Vehicle Highway Fund	$ 2,573,945	$ 1,935,784	$ 638,161	33.0%
2202	Local Roads & Streets Fund	5,309,442	8,756,921	(3,447,479)	-39.4%
2203	Motor Veh. Hwy. Fd - Restrict	8,161,535	5,154,438	3,007,097	58.3%
	TOTAL SELECTED FUNDS	$ 16,044,922	$ 15,847,143	$ 197,779	1.2%

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 $2.6 million in cash and investments at the month-end with a revised annual budget of $5.4 million which should cover 5.7 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 over $5.3 million in cash and investments with a revised budget of $4.2 million covering 15.3 months' worth of expenditures. The LRS includes the paving of local streets. The Motor Vehicle Highway Restricted (MVHR) Fund had nearly $8.2 million in cash/investments with a revised budget of $4.4 million covering 22.4 months' worth of expenditures. 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 $197,779 for the year or 1.2%.

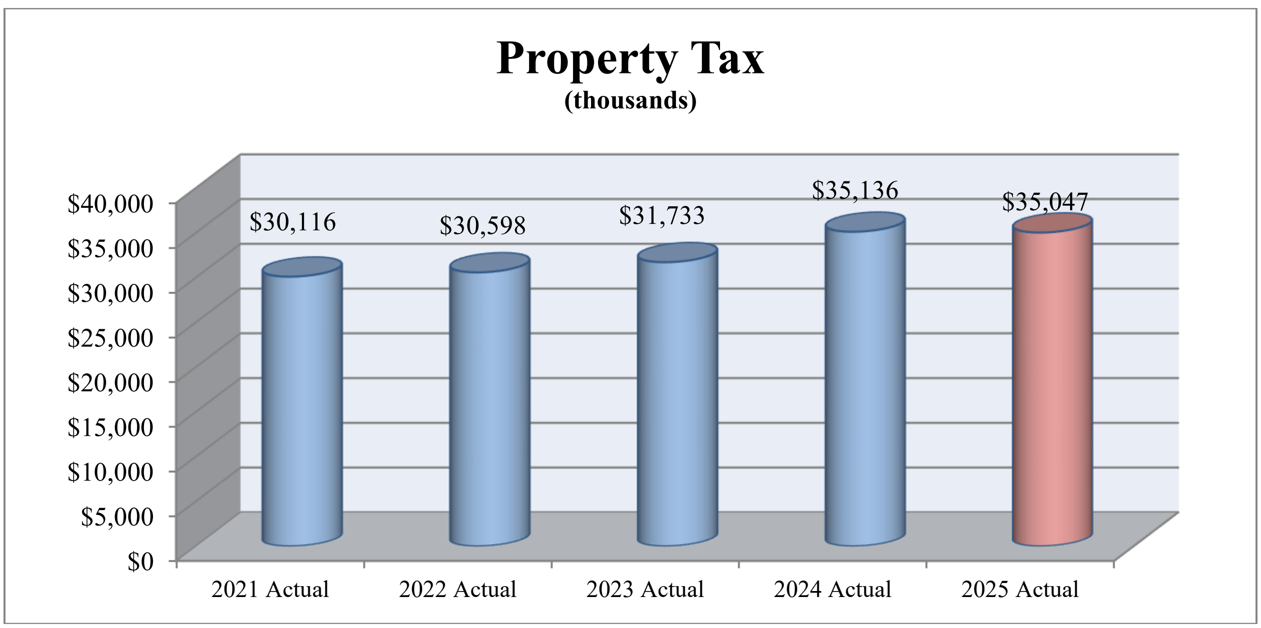
As of September, 2025, $4.02 million in street-paving expenses (436030) had been paid. That is an increase of $759,639 (23.6%) over 2024 and $2,025,620 (101.8%) over 2023. Below is a summary of all revenue and expenses for the three road funds.

9/30/2025	Change In Fund Balances	Receipts (9 MO) YTD Current Year	Disbursements (9 MO) YTD Current Year	9 MO Change in Fund Balance Current Year		Cash + Inv. Balance Current Year
FUND NO.	FUND	9/30/2025	9/30/2025	9/30/2025		9/30/2025
2201	Motor Vehicle Highway Fund	$ 3,936,700	$ 3,454,764	481,936		$ 2,573,945
2202	Local Roads & Streets Fund	1,832,895	4,324,899	(2,492,004)		5,309,442
2203	Motor Veh. Hwy. Fd - Restricted	4,232,431	1,730,818	2,501,613		8,161,535
	TOTAL SELECTED FUNDS	$ 10,002,026	$ 9,510,481	$ 491,545		$ 16,044,922

Approximately 65.9% of the General Fund's revenue for the nine months came from property and local income taxes. As noted on the chart below, through the first nine months of 2025, these taxes are tracking ahead of last year by $1.46 million.

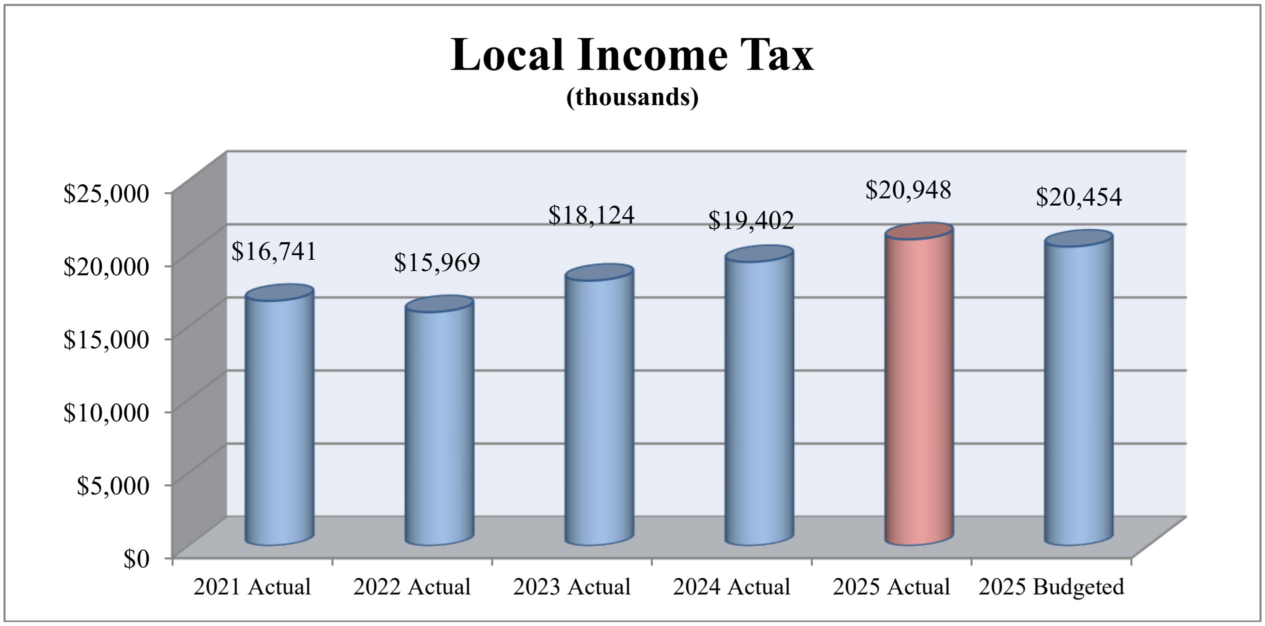


The property tax settlements for May/June were rather disappointing with a $89,000 decrease from the prior year.

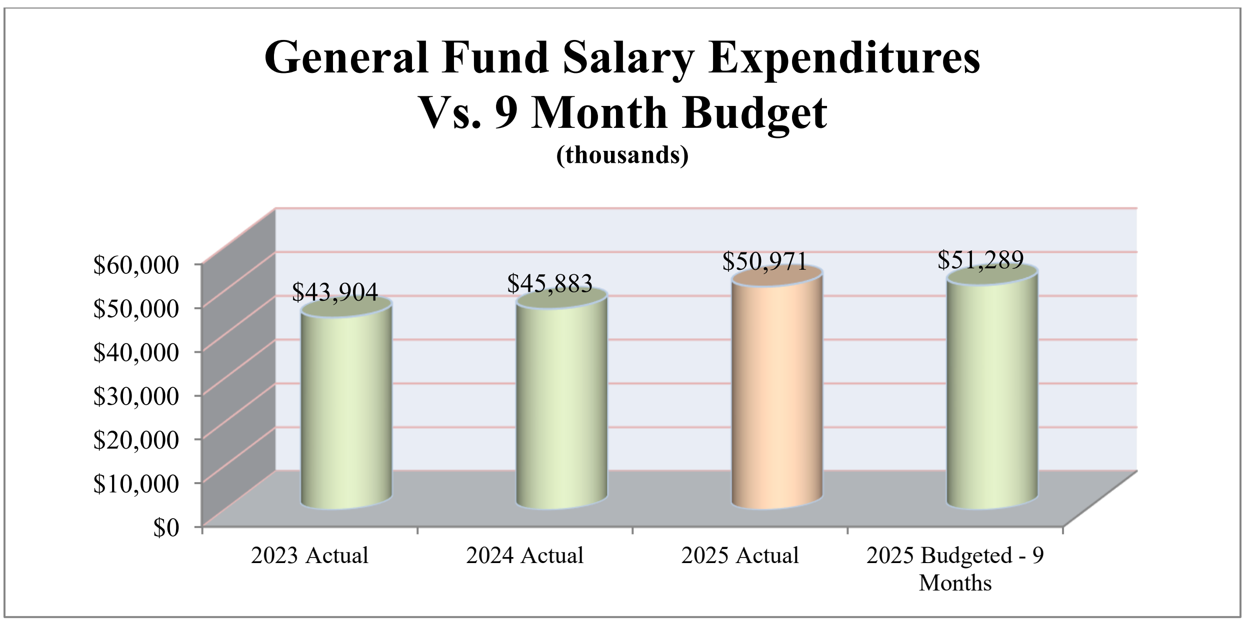


The next chart reflects the local income taxes (LIT) received through September over the past five years, plus it includes what was budgeted for 2025. LIT revenue makes up approximately 24.7% of the 2025 General Fund revenue received. Payments come from the state via the county auditor. The monthly payments are the same amount plus a supplemental payment or 13th payment used as essentially a true-up. At the end of September, local income tax payments were up approximately $1.55 million or 8% over September 2024.

The City received $2.6 million in its supplemental payment in May and based on the remaining 2025 payments, we 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 nine months.



Water Operating's 2025 revenues were $1.7 million or 3.1% higher than in 2024, while expenses were down $ 966,590 or 1.8% which equates to a $4.6 million improvement. Sewer Operating revenues were down $6 million or 8.9% while expenses were down $3.6 million/5.5%, which resulted in a net loss of $639,948. 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 $1,410,387 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 September 30th.

9/30/2025	Change In Fund Balances	Receipts (9 MO) YTD Current Year	Disbursements (9 MO) YTD Current Year	9 MO Change in Fund Balance Current Year		Cash + Inv. Balance Current Year
FUND NO.	FUND	9/30/2025	9/30/2025	9/30/2025		9/30/2025
6101	Water Operating	$ 56,358,023	$ 51,703,890	$ 4,654,133		$ 28,903,249
6201	Sewer Operating	62,012,026	62,651,974	(639,948)		57,864,351
	TOTAL SELECTED FUNDS	$ 118,370,049	$ 114,355,864	$ 4,014,185		$ 86,767,600

9/30/2025		Expenses	Expenses	Expenses
FUND NO.	FUND	9/30/2023	9/30/2024	9/30/2025
6101	Water Operating	$ 50,286,424	$ 52,670,480	$ 51,703,890
6201	Sewer Operating	65,359,956	66,296,735	62,651,974
	TOTAL SELECTED FUNDS	$ 115,646,380	$ 118,967,215	$ 114,355,864

The information below reflects the cash balances for the Fire and Police Pension Funds as of September 30th. These two plans were closed to new participants in 1977. Pension benefits for the past three years, as of September 30th, are reflected in the second schedule.

9/30/2025	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	9/30/2025	9/30/2024	9/30/2025	2025 vs 2024
8801	Fire Pension Fund	$ 5,385,304	$ 5,481,121	$ (95,817)	-1.7%
8802	Police Pension Fund	6,747,003	6,594,453	152,550	2.3%
	TOTAL SELECTED FUNDS	$ 12,132,307	$ 12,075,574	$ 56,733	0.5%

8/31/2025		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	8/31/2023	8/31/2024	8/31/2025
8801	Fire Pension Fund	$ 3,415,435	$ 3,335,688	$ 3,537,211
8802	Police Pension Fund	4,499,493	4,463,400	4,545,676
	TOTAL SELECTED FUNDS	$ 7,914,928	$ 7,799,088	$ 8,082,887

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.