

**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: November 8, 2024  
Subject: October 31, 2024 (10 Mo. YTD) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for October 31, 2024. This covers the first ten months for Calendar 2024 subject to any changes after the month-end accounting closes. The first chart lists cash and investment balances for selected funds on October 31 for 2024 and 2023.

City of Evansville - Cash and Investment Balances – Selected Funds					
10/31/2024	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	10/31/2024	10/31/2023	10/31/2024	2024 vs 2023
1101	General Fund	\$ 35,949,535	\$ 23,374,802	\$ 12,574,733	53.8%
1176	American Rescue Plan Fund	25,979,410	43,457,743	(17,478,333)	-40.2%
2201	Motor Vehicle Highway Fund	1,997,544	2,396,949	(399,405)	-16.7%
2202	Local Roads & Streets Fund	8,512,553	9,836,163	(1,323,610)	-13.5%
2203	Motor Veh. Hwy. Fd - Restrict	5,581,232	4,781,446	799,786	16.7%
2204	Parks and Recreation Fund	2,809,085	1,993,746	815,339	40.9%
2236	Rainy Day Fund	3,353,479	3,245,220	108,259	3.3%
2240	Local Income Tax - Public Saf	2,044,161	7,006,246	(4,962,085)	-70.8%
4437	Casino Gaming Capital Fund	26,514,890	19,209,181	7,305,709	38.0%
4445	Jacobsville TIF Fund	4,004,508	3,611,466	393,042	10.9%
4446	Downtown Master TIF	2,950,473	695,056	2,255,417	324.5%
6101	Water Utility Operating Fund	20,870,027	12,173,558	8,696,469	71.4%
6201	Sewer Utility Operating Fund	38,838,458	31,384,809	7,453,649	23.7%
7704	Hospitalization Insurance Fund	(1,702,703)	(1,040,348)	(662,355)	-63.7%
8801	Fire Pension Fund	5,123,376	4,962,253	161,123	3.2%
8802	Police Pension Fund	6,116,257	6,003,627	112,630	1.9%
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 188,942,285</b>	<b>\$ 173,091,917</b>	<b>\$ 15,850,368</b>	<b>9.2%</b>

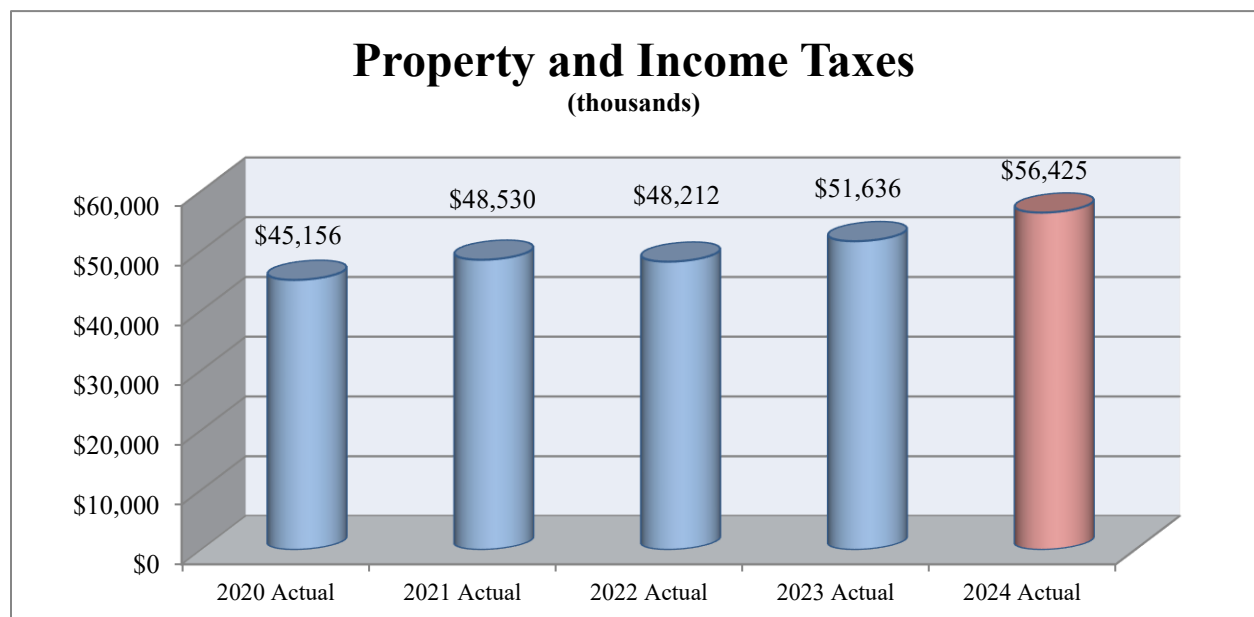
The overall cash and investments for these selected accounts increased nearly \$15.9 million or 9.2% compared to October 2023. Excluding Water/Sewer, cash/investments decreased \$299,750 or 0.23%. The largest variance was with the American Rescue Plan (ARPA) with an \$17.5 million decrease. If we take it a step further and exclude ARPA, cash and investments increased \$17.2 million or 20% over October 2023.

The General Fund’s cash/investments increased \$12.6 million from the prior year and went up \$1.2 million over the improvement from last month. The General Fund’s \$36 million in cash and investments on October 31, 2024, equates to 3.6 months of operating funds when compared to the 2024 revised operating budget of \$118.7 million.

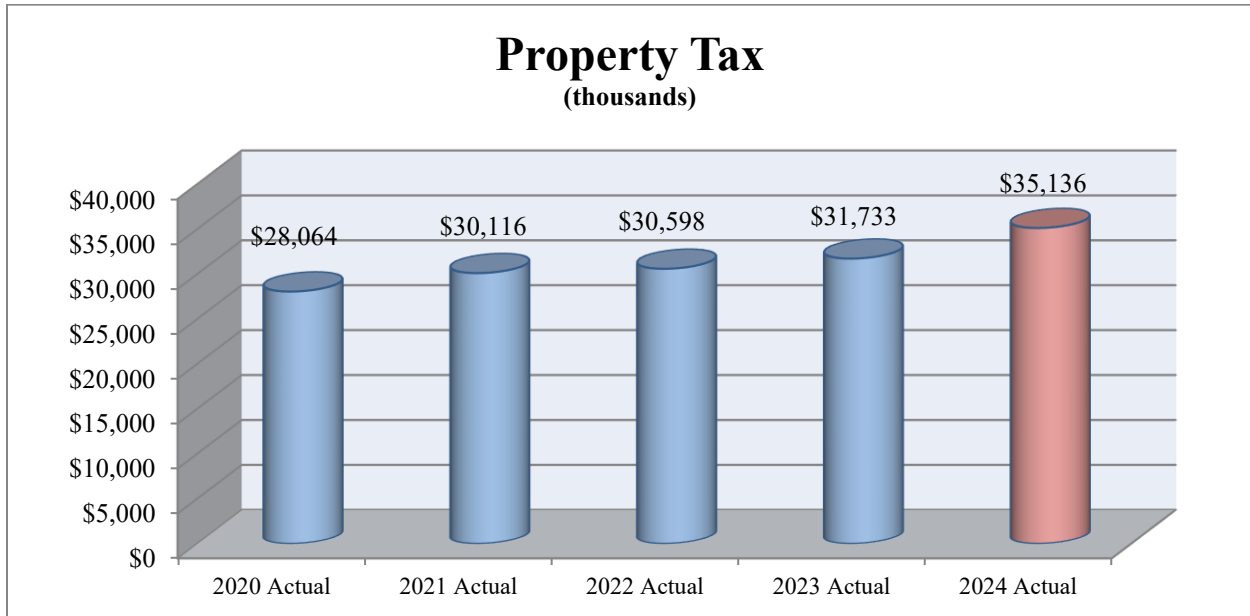
To help with cash flow and to avoid redeeming investments, we invoiced and received the fourth quarter PILOT from EWSU in October. This would account for \$3.2 million of the cash/investment improvement. \$4.6 million in additional transfers from the Public Safety Local Income Tax were received in October compared to last year. The last two months of 2023 included \$2.15 million in November 2023 and \$2 million in December 2023. Net of these two items, General Fund cash and investments increased \$4.8 million or 20.4%. We expect late October and early November to be the low-water mark as far as cash and investments for the year.

As of October 31, 2024, total general fund actual expenditures were \$95.5 million or 80.4% of approved appropriations and an increase of \$9.5 million or 11% from the \$86 million on September 30, 2024. Including the \$3.4 million in encumbrances for 2024, the \$98.9 million equates to 83.3% of 2024 appropriations.

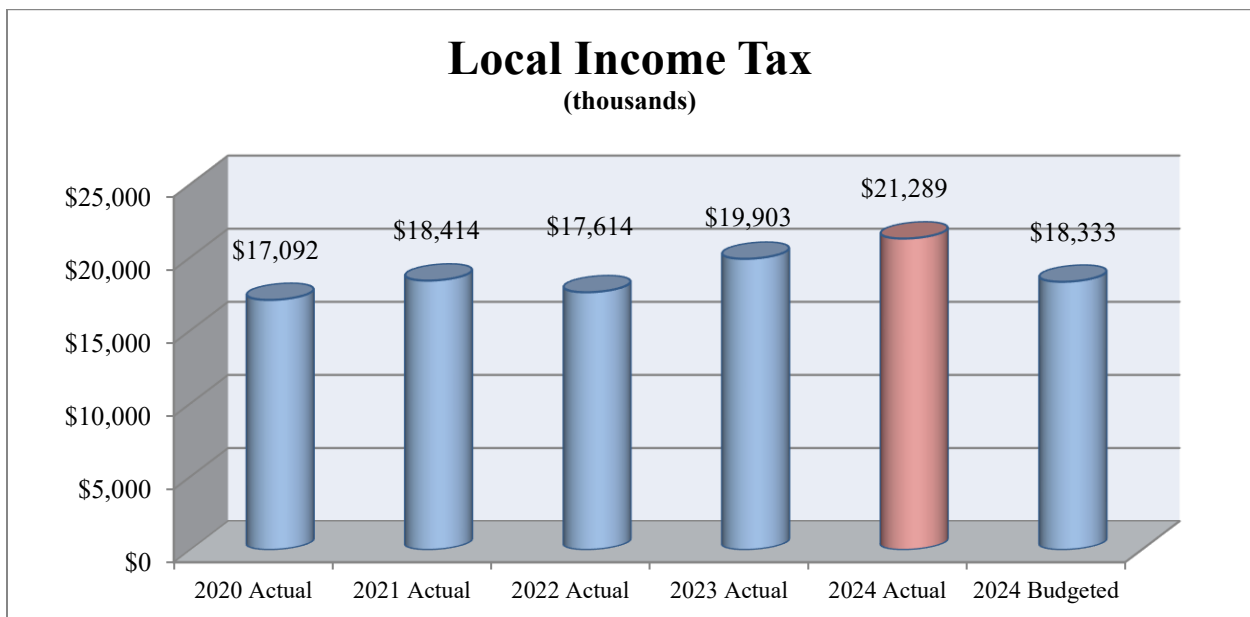
Approximately \$56.4 million in property and local income taxes have been received in 2024 compared to \$51.6 million in 2023. This equates to an increase of \$4.8 million or 9.3%. Nearly 63.5% of the General Fund’s revenue for the ten months came from property and local income taxes. As noted on the chart below, through the first ten months of 2024, these taxes are tracking ahead of last year by \$4.8 million and an increase of \$108,000 from the improvement seen last month.



The chart below reflects only the property taxes over the past five years. The 2020 year was at the peak of COVID, and tax collections were delayed a bit. As you will notice, property tax payments were up approximately \$3.4 million or 10.7% over 2023. The City should receive another payment in November with a final payment in December.



The next chart shows only the local income taxes (LIT) over the past five years, and it does include what was budgeted for 2024. Again, the 2020 year was at the peak of COVID, and tax collections were delayed. Local income tax payments were up approximately \$1,386,000 or 7% over 2023. The future payments and what has been received so far will total nearly \$25.1 million and will exceed by \$3.4 million the 2024 budget amount of \$21.7 million. If the City receives the same supplemental payment in 2025 as in 2024, the estimated payments for LIT taxes in 2025 could exceed \$26.8 million.



For the first ten months of the year, the general fund's interest income was \$2.3 million, which was up \$521,063 or 29.3% over the same period in the prior year. For all funds and agencies, the interest income for the first ten months was \$12.6 million, which was an increase of over \$1.5 million or 13.5% from the \$11.1 million earned during the previous year for the same period. Excluding the ARPA and EWSU funds, interest was up \$1,466,124 or 38.9% from the previous year.

10/31/2024		Receipts (10 MO) YTD Current Year	Disbursements (10 MO) YTD Current Year	10 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	10/31/2024	10/31/2024	10/31/2024	10/31/2024
2201	Motor Vehicle Highway Fund	\$ 4,587,797	\$ 5,130,741	\$ (542,944)	\$ 1,997,544
2202	Local Roads & Streets Fund	5,368,125	6,286,081	(917,956)	8,512,553
2203	Motor Veh. Hwy. Fd - Restrict	2,528,336	1,429,780	1,098,556	5,581,232
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 12,484,258</b>	<b>\$ 12,846,602</b>	<b>\$ (362,344)</b>	<b>\$ 16,091,329</b>

The Motor Vehicle Highway (MVH) fund had nearly \$2 million in cash and investments at month-end which is a slight increase over last month but a decrease of nearly \$400,000 from last year. With an annual budget of \$6.3 million, the fund has approximately 3.8 months' worth of reserves. Revenue for this fund comes from 50% of the Indiana gasoline tax, vehicle registration/license fees, and the Vanderburgh County wheel tax. Nearly \$218,000 has been spent on salt and calcium supplies for snow and ice events. There is another \$21,238 available for the remainder of the year.

The Local Roads and Street (LRS) fund had \$8.5 million in cash and investments with a revised budget of \$7.4 million. The LRS includes the paving of local streets. As of October 31, 2024, \$3.5 million in paving expenses had been expensed with \$2.1 million of that encumbered and another \$1.8 million or 33.7% of the budget available.

The Motor Vehicle Highway Restricted fund had \$5.6 million in cash/investments and with a revised budget of \$2.6 million the fund has 2.2 years' worth of reserves. This fund receives the remaining 50% of the Indiana gasoline tax. As of October 31<sup>st</sup>, \$1,060,880 was available for street maintenance with \$381,344 encumbered.

The Parks and Recreation Fund's cash and investments increased \$815,339 from October of last year. Property taxes were up \$255,947 or 5% and total revenue was up \$570,523 or 7.3% over the prior year. On the expense side, 2024 expenses exceeded 2023 by \$839,847 or 9.3%. The largest variance from the prior was a \$492,716 or 11.7% increase in Zoo expenditures, with electric and natural gas expenses up \$419,179. ARPA funds were used to pay utility bills in the prior year. The net for the entire Parks Fund for 2024 was a loss of \$1,481,630 versus a loss of \$1,212,306 in the prior year. The \$2.8 million in cash and investments equate to 2.7 months of the Park and Recreation Fund's revised budget of \$12.3 million.

The Casino Gaming Capital Fund had an increase in cash and investments of nearly \$7.3 million or 38%. When compared to the prior year, revenue tied solely to the casino was down \$204,603 or 2.2%. I wonder if this could be related to the new casino in Terre Haute. Evansville should receive a \$1.2 million payment from that casino before the end of the year.

The gaming tax was up \$90,515 or 2.8% while the admission tax was down \$37,673 or 1.8%. Rent of property was down \$257,444 or 4.3%. METS received \$447,679 million more in FTA funding last year when compared to this year. Expenditures have decreased by \$10.4 million from the prior year with \$5.6 million of the net decrease related to the Welborn/Walnut St. project. Only \$10.4 million of a revised Casino expenditure budget of \$16.2 million had been spent or encumbered as of October 31<sup>st</sup>. City Engineer had \$3.3 million available to spend while Swonder Arena had \$807,965 available.

The Health Insurance Fund had a decrease in cash of \$662,355 when compared to the prior year. The fund has a negative \$1,702,703 in cash. The gains that we made in the prior 9 months have evaporated. However, as of the date of this memorandum, the fund has a negative balance of \$815,121 and we are current on all of our outstanding invoices. The City contributed \$1,035 per period per employee for the benefit to start the year. However, in April we increased the contribution to \$1,227 to try to pull us out of the negative territory. Starting in late October we increased the allocation for the police and fire departments to \$1,575. We hope this will fund the retiree’s net \$7.2 million use of the health insurance benefit. We do anticipate that the increase in allocations will necessitate budget amendments at year end.

When compared to the ten months of last year, claims (including payments to the teamster’s insurance company) have increased by \$3,928,797 or 18.6% while total revenue increased by only \$1,355,491 over the same period. October 2024 was a particularly difficult month with claims/premiums up \$1,536,659 or 84.4% over October 2023. Over \$4.65 million in ARPA funds were contributed during 2023 and is not available for 2024.

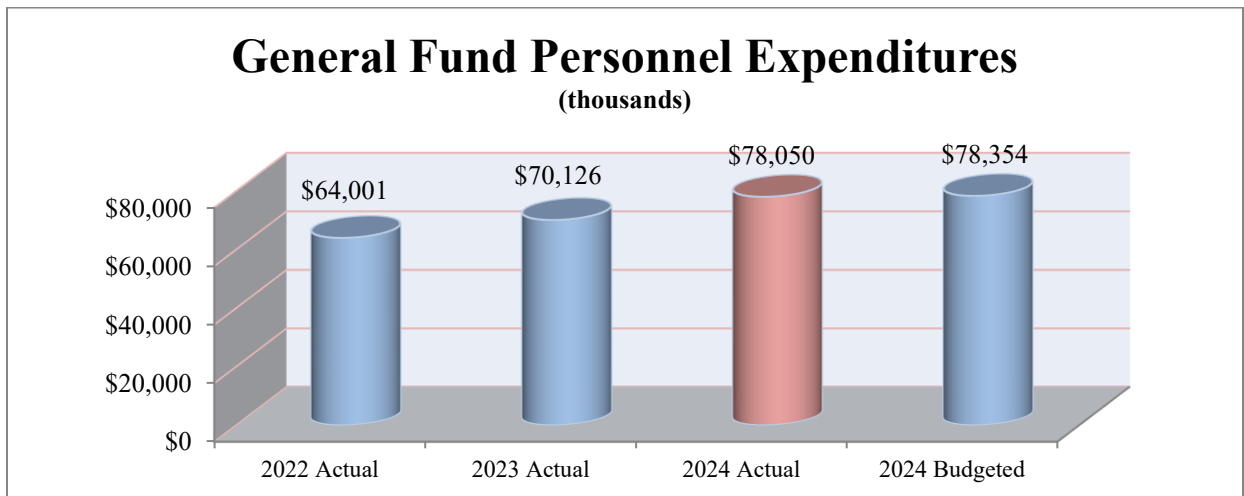
The Fire and Police Pension Funds each ended the first ten months of the year with an increase in fund balance. Fire Pension had a surplus of \$837,210 compared to a surplus of \$919,687 last year. The Police Pension had a surplus of \$1,041,166 compared to a surplus of \$1,216,529 in the prior. Both pension funds have sufficient cash reserves with Fire Pension holding \$5.1 million or 108.5% of a full year’s expense and Police Pension holding \$6.1 million or 93.9%. The state subsidy for the Police Pension decreased \$133,063 or 4.4% while the subsidy for the Fire Pension decreased \$172,090 or 3.7%. These two plans were closed to new participants in 1977. Pension benefits for the past three years as of October31 are reflected below:

10/31/2024		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	10/31/2022	10/31/2023	10/31/2024
8801	Fire Pension Fund	\$ 3,924,003	\$ 3,789,316	\$ 3,700,243
8802	Police Pension Fund	5,133,662	4,982,507	4,948,525
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 9,057,665</b>	<b>\$ 8,771,823</b>	<b>\$ 8,648,768</b>

The chart below reflects receipts and expenditures for the ten months of the calendar year with the cash and investments as of October 31, 2024, for a few selected funds.

As of 11/7/2024	Change In Fund Balances	Receipts (10 MO) YTD Current Year	Disbursements (10 MO) YTD Current Year	10 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	10/31/2024	10/31/2024	10/31/2024	10/31/2024
1101	General Fund	\$ 88,858,017	\$ 95,475,721	\$ (6,617,704)	\$ 35,949,535
1176	American Rescue Plan Fund	1,320,601	5,319,376	(3,998,775)	25,979,410
2236	Rainy Day Fund	81,053	-	81,053	3,353,479
2240	Local Income Tax - Public Saf	5,696,997	7,466,590	(1,769,593)	2,044,161
4437	Casino Gaming Capital Fund	14,397,438	5,546,827	8,850,611	26,514,890
4445	Jacobsville TIF Fund	1,358,913	1,418,184	(59,271)	4,004,508
4446	Downtown Master TIF	5,717,184	6,914,858	(1,197,674)	2,950,473
6101	Water Utility Operating Fund	62,301,889	60,045,733	2,256,156	20,870,027
6201	Sewer Utility Operating Fund	76,029,010	75,054,027	974,983	38,838,458
7704	Hospitalization Insurance Func	25,509,112	24,472,688	1,036,424	(1,702,703)
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 281,270,214</b>	<b>\$ 281,714,004</b>	<b>\$ (443,790)</b>	<b>\$ 158,802,238</b>

Personnel expenses account for 79.2% or \$94 million of the General Fund's \$118.7 million budget. This includes salary, payroll taxes, pension, health insurance, etc. The chart below reflects the personnel expenditures for the General Fund through October 31<sup>st</sup>. Although it will be difficult to make a year-to-year comparison due to the COVID incentive pay, extra health insurance payments, etc., this chart does reflect how we are tracking versus the 2024 budget for the first ten months. We are \$304,000 under the prorated budget for 2024 and \$8,288,000 or 11.8% higher than actual expenditures from October 2023 and \$14,049,000 or 22% higher than October 2022.



As always, this information is preliminary subject to final month end closing. Contact me if you have any questions or if there is an area that you would more detail.