City of Evansville
Controller's Office
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Evansville, IN 47708
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MEMORANDUM

To: Honorable Members of Common Council - City of Evansville
From: Robert Gunter CPA, Controller
Date: March 12, 2026
Subject: February 2026 (Two months) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for February 2026. This covers the first two months of Calendar 2026 subject to any accounting changes made before the year-end closes. The first table lists cash and investment balances for selected funds on February 28, 2026 and February 28, 2025.

City of Evansville - Cash and Investment Balances – Selected Funds

2/28/2026	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	2/28/2026	2/28/2025	2/28/2026	2026 vs 2025
1101	General Fund	$ 32,320,215	$ 31,898,582	$ 421,633	1.3%
1176	American Rescue Plan Fund	10,764,247	20,961,740	(10,197,493)	-48.6%
2201	Motor Vehicle Highway Fund	2,737,501	2,163,536	573,965	26.5%
2202	Local Roads & Streets Fund	5,395,841	6,885,258	(1,489,417)	-21.6%
2203	Motor Veh. Hwy. Fd - Restrict	6,738,627	5,903,036	835,591	14.2%
2204	Parks and Recreation Fund	6,220,095	4,229,175	1,990,920	47.1%
2236	Rainy Day Fund	3,606,426	3,420,385	186,041	5.4%
2240	Local Income Tax - Public Saf	1,965,514	4,408,809	(2,443,295)	-55.4%
2250	Local Wheel and Surtax	309,821	-	309,821	N/A
4437	Casino Gaming Capital Fund	18,724,257	29,967,439	(11,243,182)	-37.5%
4445	Jacobsville TIF Fund	5,486,144	4,447,143	1,039,001	23.4%
4446	Downtown Master TIF	4,073,229	3,582,593	490,636	13.7%
6101	Water Utility Operating Fund	32,095,217	28,346,642	3,748,575	13.2%
6201	Sewer Utility Operating Fund	57,333,975	58,421,316	(1,087,341)	-1.9%
7704	Hospitalization Insurance Fun	(292,480)	869,597	(1,162,077)	-133.6%
8801	Fire Pension Fund	3,582,271	3,665,324	(83,053)	-2.3%
8802	Police Pension Fund	4,297,797	4,240,571	57,226	1.3%
	TOTAL SELECTED FUNDS	$ 195,358,697	$ 213,411,146	$(18,052,449)	-8.5%

The overall cash and investments for these selected accounts decreased by $18.1 million or 8.5% compared to February 2025.

The largest dollar variances were with the American Rescue Plan (ARPA) with a $10.2 million or 48.6% decrease. Local Roads and Streets which was down $1.5 million or 21.6%. Casino Fund with an $11.2 million or 37.5% decrease, Water Utility Operating Fund which was up $3.8 million or 13.2%. The City is required to have the ARPA funds spent by December 31, 2026. So, to meet grant requirements over the next 10 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 decreased $10.5 million or 10.0% from January 2025.

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2/28/2026	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	2/28/2026	2/28/2025	2/28/2026	2026 vs 2025
1101	General Fund	$ 32,320,215	$ 31,898,582	$ 421,633	1.3%
2201	Motor Vehicle Highway Fund	2,737,501	2,163,536	573,965	26.5%
2202	Local Roads & Streets Fund	5,395,841	6,885,258	(1,489,417)	-21.6%
2203	Motor Veh. Hwy. Fd - Restrict	6,738,627	5,903,036	835,591	14.2%
2204	Parks and Recreation Fund	6,220,095	4,229,175	1,990,920	47.1%
2236	Rainy Day Fund	3,606,426	3,420,385	186,041	5.4%
2240	Local Income Tax - Public Saf	1,965,514	4,408,809	(2,443,295)	-55.4%
2250	Local Wheel and Surtax	309,821	-	309,821	N/A
4437	Casino Gaming Capital Fund	18,724,257	29,967,439	(11,243,182)	-37.5%
4445	Jacobsville TIF Fund	5,486,144	4,447,143	1,039,001	23.4%
4446	Downtown Master TIF	4,073,229	3,582,593	490,636	13.7%
7704	Hospitalization Insurance Fun	(292,480)	869,597	(1,162,077)	-133.6%
8801	Fire Pension Fund	3,582,271	3,665,324	(83,053)	-2.3%
8802	Police Pension Fund	4,297,797	4,240,571	57,226	1.3%
	TOTAL SELECTED FUNDS	$ 95,165,258	$ 105,681,448	$(10,516,190)	-10.0%

The General Fund's cash/investments increased $421,633 million or 1.3% from the prior. The General Fund's $32.3 million in cash and investments as of February 28, 2026, equates to 2.8 months of operating funds when compared to the 2026 operating budget of $140.2 million. Our goal is to maintain reserves of at least 3 months' operating expenditures. Part of the decrease in cash/investments in the Casino Fund is attributable to the $5.74 loan to the General Fund for the purchase of ambulances and equipment.

The Jacobsville TIF and Downtown TIF went up 80.1% and 113.3%, respectively. The February bonds were paid and the combined $9.6 million in TIF is available for new projects or additional bonds.

The 2026 Hospitalization Insurance Fund's cash had a $1.2 million decrease compared to the year 2025. To meet the stop-loss coverage, the City paid $2.3 million for one invoice on January 9th that covered several large prior claims. We continue to be current on all our outstanding invoices to Central States insurance for teamsters and KBA for everyone else. The expense for teamsters' insurance was 19.5% or $247,324 higher than the prior year.

To start the year, we set the contribution rate for non-bargaining at $1,050 per pay period and set the allocation for the police and fire departments at $1,600/pay. We will monitor the account as the year progresses and adjust the allocation as needed. When we started 2025, 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.

The table below compares the cash and investments on February 28, 2026 and February 28, **2023**. As noted, the cash and investments for these selected funds have increased by a combined $12.3 million or 14.9% over the past three years.

The largest percentage increases were in the Parks & Recreation cash and investments, which are up 286.3% or $4.6 million. The largest dollar increase was in the General Fund, which was up $11.2 million. Parks & Recreation was up $4.6 million.

The Hospitalization Insurance Fund had a 358.2% decrease. The largest dollar decrease was in the Casino Fund – down $6.5 million and is related to the $5.74 million loan to the General Fund.

City of Evansville - Cash and Investment Balances – Selected Funds

2/28/2026	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	2/28/2026	2/28/2023	2/28/2026	2026 vs 2023
1101	General Fund	$ 32,320,215	$ 21,076,471	$ 11,243,744	53.3%
2201	Motor Vehicle Highway Fund	2,737,501	1,940,073	797,428	41.1%
2202	Local Roads & Streets Fund	5,395,841	8,752,346	(3,356,505)	-38.3%
2203	Motor Veh. Hwy. Fd - Restrict	6,738,627	4,440,549	2,298,078	51.8%
2204	Parks and Recreation Fund	6,220,095	1,610,130	4,609,965	286.3%
2236	Rainy Day Fund	3,606,426	3,166,030	440,396	13.9%
2240	Local Income Tax - Public Saf	1,965,514	4,453,997	(2,488,483)	-55.9%
2250	Local Wheel and Surtax	309,821	-	309,821	N/A
4437	Casino Gaming Capital Fund	18,724,257	25,234,645	(6,510,388)	-25.8%
4445	Jacobsville TIF Fund	5,486,144	3,045,371	2,440,773	80.1%
4446	Downtown Master TIF	4,073,229	1,909,863	2,163,366	113.3%
7704	Hospitalization Insurance Fun	(292,480)	113,283	(405,763)	-358.2%
8801	Fire Pension Fund	3,582,271	3,301,992	280,279	8.5%
8802	Police Pension Fund	4,297,797	3,812,721	485,076	12.7%
	TOTAL SELECTED FUNDS	$ 95,165,258	$ 82,857,471	$ 12,307,787	14.9%

City of Evansville - Cash and Investment Balances – Selected Funds					
2/28/2026	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	2/28/2026	2/28/2025	2/28/2026	2026 vs 2025
2201	Motor Vehicle Highway Fund	$ 2,737,501	$ 2,163,536	$ 573,965	26.5%
2202	Local Roads & Streets Fund	5,395,841	6,885,258	(1,489,417)	-21.6%
2203	Motor Veh. Hwy. Fd - Restrict	6,738,627	5,903,036	835,591	14.2%
2250	Local Wheel and Surtax	309,821	-	309,821	N/A
	TOTAL SELECTED FUNDS	$ 15,181,790	$ 14,951,830	$ 229,960	1.5%

The table above reflects road funds. Evansville received its first distribution from the state on the newly enacted local option vehicle tax in January. For the first two months, nearly $310,000 was received and is on pace to exceed $1.8 million for the 2026 calendar year and the $1 million that was budgeted for the fund.

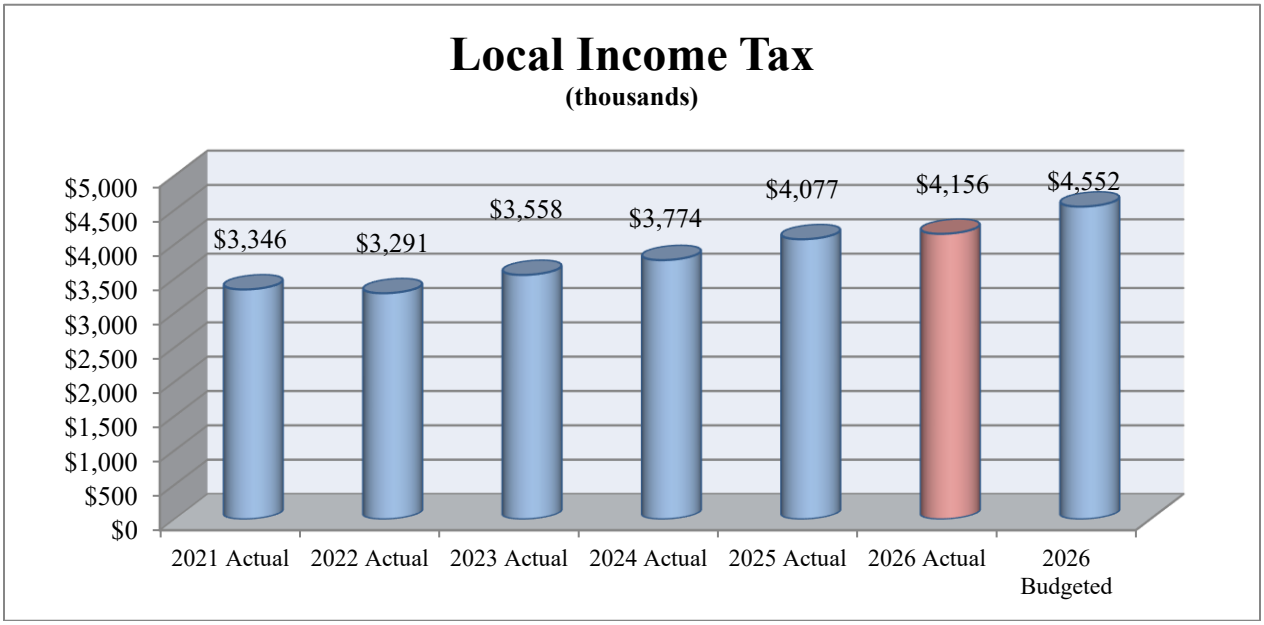
The Motor Vehicle Highway (MVH) fund had $2.7 million in cash and investments at the month-end. With a 2026 annual budget of $3.9 million, available cash/investments should cover nearly 8.4 months' worth of expenditures. Revenue for this fund comes from 50% of the Indiana gasoline tax, vehicle registration/license fees, and the Vanderburgh County wheel tax.

As noted above, the Roads/Streets Fund had a $1.5 million decrease from the prior year but finished February 2026 with $5.4 million. With a 2026 budget of $3.3 million, the fund has nearly 19.6 months' worth of cash/investments. The LRS includes the paving of local streets.

The Motor Vehicle Highway Restricted (MVHR) Fund had over $6.7 million in cash/investments with a revised budget of $3.6 million covering 22.3 months' worth of expenditures. This fund receives the remaining 50% of the Indiana gasoline tax. Combined, cash for these funds was up nearly $230,000 and ended the month with nearly $15.2 million in cash and investments.

The next chart reflects the local income taxes (LIT) received through February over the past six years, plus it includes what was budgeted for 2026. LIT revenue makes up approximately 19.5% of the 2026 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.

The City received nearly $4.2 million in local income taxes through February compared to $4.1 in 2025. Evansville received $2.6 million via a supplemental payment in May of 2025, and we have budgeted $2.4 million for May of 2026 for the supplemental payment.



Through February 2026, Water Operating's net gain was $1,076,392 with an ending cash/investment balance of $32.1 million and was nearly $3.7 million or 13.2% higher than in 2025. Sewer Operating's net gain was nearly $3 million with an ending cash/investment balance of $57.3. million and was $1.1 million or 1.9% lower than in February 2025. Combined the net gain for water and sewer was $4 million. EWSU ended February with over $89.4 million in cash and investments.

2/28/2026	Change In Fund Balances	Receipts (1 MO) YTD Current Year	Disbursements (1 MO) YTD Current Year	1 MO Change in Fund Balance Current Year		Cash + Inv. Balance Current Year
FUND NO.	FUND	2/28/2026	2/28/2026	2/28/2026		2/28/2026
6101	Water Operating	$ 13,562,903	$ 12,486,511	$ 1,076,392		$ 32,095,217
6201	Sewer Operating	17,673,424	14,725,575	2,947,849		57,333,975
	TOTAL SELECTED FUNDS	$ 31,236,327	$ 27,212,086	$ 4,024,241		$ 89,429,192

A recap of both the Water and Sewer operations are included on the next page. The information reflects the expenses for both water and sewer for the past three calendar years.

2/28/2026		Expenses	Expenses	Expenses
FUND NO.	FUND	2/28/2024	2/28/2025	2/28/2026
6101	Water Operating	$ 11,148,954	$ 9,988,279	$ 12,486,511
6201	Sewer Operating	13,253,512	13,369,113	14,725,575
	TOTAL SELECTED FUNDS	$ 24,402,466	$ 23,357,392	$ 27,212,086

The information below reflects the cash balances for the Fire and Police Pension Funds as of February 28th. These two plans were closed to new participants in 1977. Pension benefits for the past three years, as of January 31st, are reflected in the second schedule. The state of Indiana does provide full funding for these two pension funds.

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FUND NO.	FUND	2/28/2026	2/28/2025	2/28/2026	2026 vs 2025
8801	Fire Pension Fund	$ 3,582,271	$ 3,665,324	$ (83,053)	-2.3%
8802	Police Pension Fund	4,297,797	4,240,571	57,226	1.3%
	TOTAL SELECTED FUNDS	$ 7,880,068	$ 7,905,895	$ (25,827)	-0.3%

2/28/2026		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	2/28/2024	2/28/2025	2/28/2026
8801	Fire Pension Fund	$ 734,489	$ 817,179	$ 750,593
8802	Police Pension Fund	968,405	1,005,718	1,007,464
	TOTAL SELECTED FUNDS	$ 1,702,894	$ 1,822,897	$ 1,758,057

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.