

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: January 8, 2025
Subject: December 2024 (Full Year) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for December 31, 2024. This covers the full twelve 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 December 31 for 2024 and 2023.

City of Evansville - Cash and Investment Balances – Selected Funds					
12/31/2024	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year	2024 vs 2023
FUND NO.	FUND	12/31/2024	12/31/2023	12/31/2024	
1101	General Fund	\$ 48,929,317	\$ 43,444,021	\$ 5,485,296	12.6%
1176	American Rescue Plan Fund	22,503,065	35,820,109	(13,317,044)	-37.2%
2201	Motor Vehicle Highway Fund	2,171,242	2,520,919	(349,677)	-13.9%
2202	Local Roads & Streets Fund	8,514,867	9,319,852	(804,985)	-8.6%
2203	Motor Veh. Hwy. Fd - Restrict	5,644,565	4,479,143	1,165,422	26.0%
2204	Parks and Recreation Fund	5,575,508	4,146,729	1,428,779	34.5%
2236	Rainy Day Fund	3,386,405	3,272,426	113,979	3.5%
2240	Local Income Tax - Public Saf	5,702,645	3,808,494	1,894,151	49.7%
4437	Casino Gaming Capital Fund	28,904,167	19,211,389	9,692,778	50.5%
4445	Jacobsville TIF Fund	5,078,822	4,258,731	820,091	19.3%
4446	Downtown Master TIF	6,714,084	4,150,004	2,564,080	61.8%
6101	Water Utility Operating Fund	25,305,904	19,321,406	5,984,498	31.0%
6201	Sewer Utility Operating Fund	42,006,572	38,160,841	3,845,731	10.1%
7704	Hospitalization Insurance Fun	1,199,014	0	1,199,014	N/A
8801	Fire Pension Fund	4,436,127	4,286,166	149,961	3.5%
8802	Police Pension Fund	5,189,293	5,075,092	114,201	2.3%
	TOTAL SELECTED FUNDS	\$ 221,261,597	\$ 201,275,322	\$ 19,986,275	9.9%

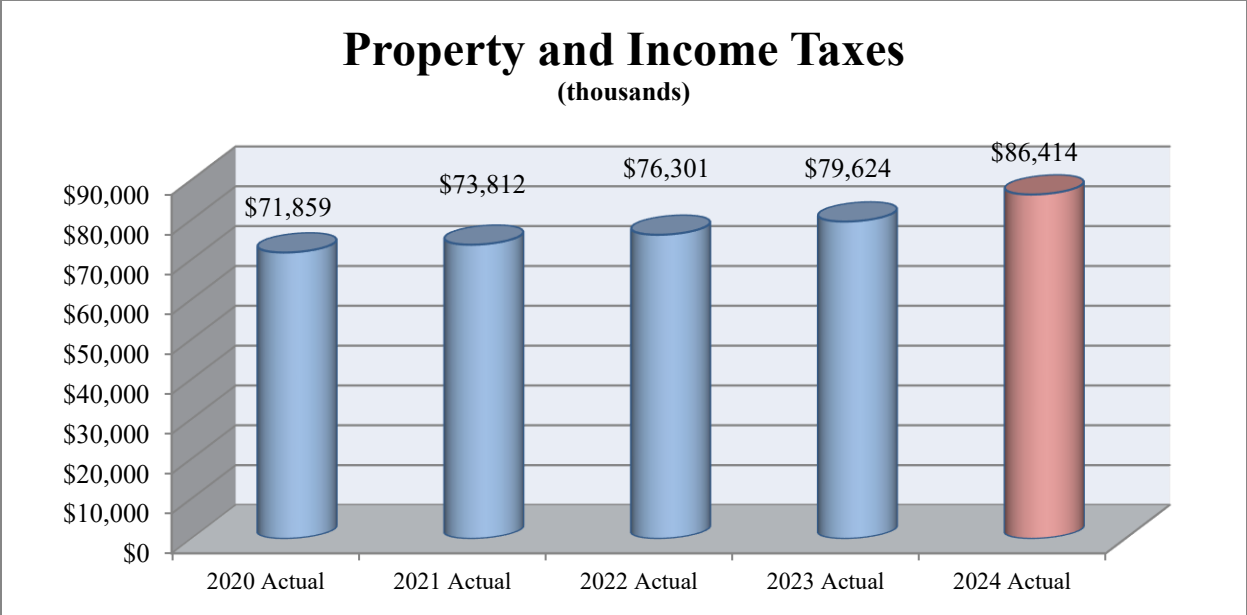
The overall cash and investments for these selected accounts increased nearly \$20 million or 9.9% compared to December 2023. Excluding Water/Sewer, cash/investments increased \$10.1 million or 7.1%. The largest variance was with the American Rescue Plan (ARPA) with an \$13.3 million decrease. As reflected below, if we take it a step further and exclude ARPA, cash and investments increased \$23.5 million or 21.7% over December 2023.

City of Evansville - Cash and Investment Balances – Selected Funds					
12/31/2024	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	12/31/2024	12/31/2023	12/31/2024	2024 vs 2023
1101	General Fund	\$ 48,929,317	\$ 43,444,021	\$ 5,485,296	12.6%
2201	Motor Vehicle Highway Fund	2,171,242	2,520,919	(349,677)	-13.9%
2202	Local Roads & Streets Fund	8,514,867	9,319,852	(804,985)	-8.6%
2203	Motor Veh. Hwy. Fd - Restrict	5,644,565	4,479,143	1,165,422	26.0%
2204	Parks and Recreation Fund	5,575,508	4,146,729	1,428,779	34.5%
2236	Rainy Day Fund	3,386,405	3,272,426	113,979	3.5%
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4446	Downtown Master TIF	6,714,084	4,150,004	2,564,080	61.8%
7704	Hospitalization Insurance Fun	1,199,014	0	1,199,014	N/A
8801	Fire Pension Fund	4,436,127	4,286,166	149,961	3.5%
8802	Police Pension Fund	5,189,293	5,075,092	114,201	2.3%
	TOTAL SELECTED FUNDS	\$ 131,446,056	\$ 107,972,966	\$ 23,473,090	21.7%

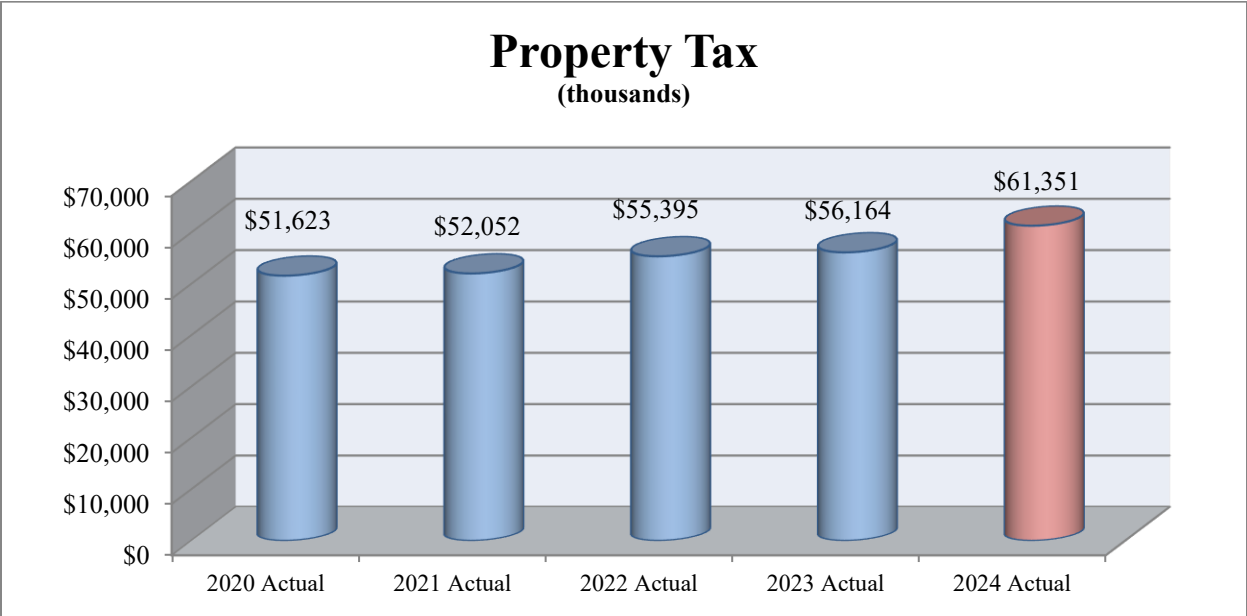
The General Fund’s cash/investments increased nearly \$5.5 million/12.6% from the prior. The General Fund’s \$48.9 million in cash and investments on December 31, 2024, equates to 4.3 months of operating funds when compared to the 2025 operating budget of \$135.7 million. Our goal is to maintain reserves of at least 3 months’ operating expenditures.

As of December 31, 2024, total general fund actual expenditures were \$114.8 million or 96.1% of approved appropriations. Including the \$3.07 million in encumbrances for 2024, the \$117.87 million equates to 98.6% of 2024 appropriations. We still have outstanding invoices for the year and need to accrue some payroll before the books are closed.

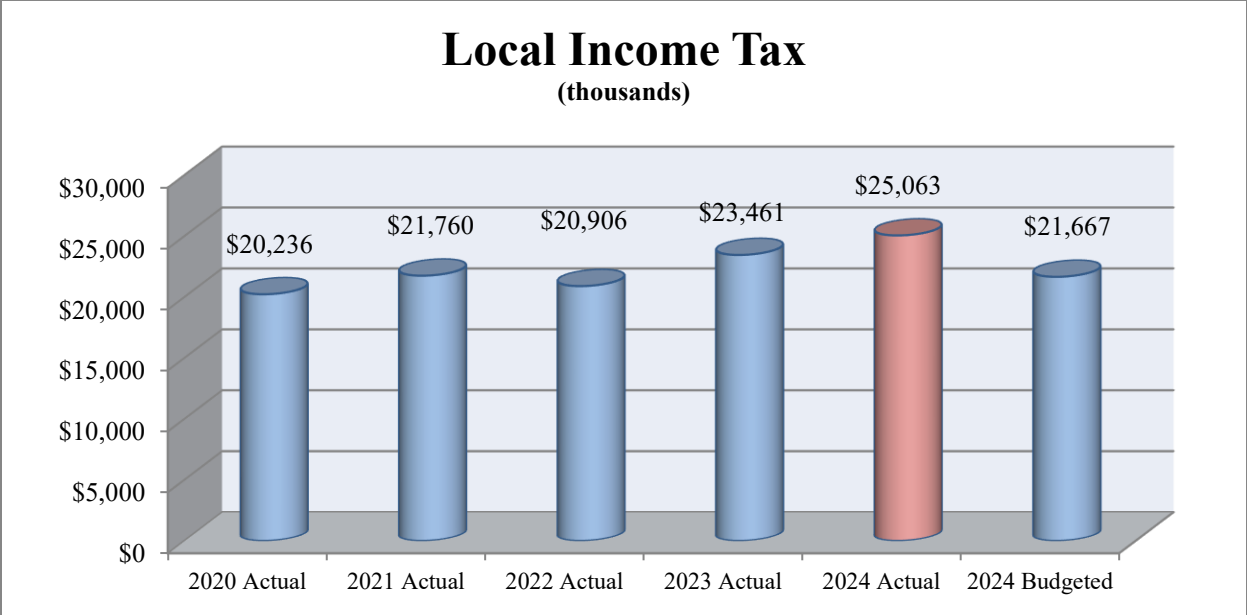
Approximately \$86.4 million in property and local income taxes were received in 2024 compared to \$79.6 million in 2023. This equates with an increase of \$6.8 million or 8.5%. Nearly 70.4% of the General Fund’s revenue for the year came from property and local income taxes.



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 \$5.2 million or 9.3% over 2023.



The next chart reflects 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 \$1,602,000 or 6.8% over 2023. The \$25.1 million received in 2024 exceeded 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.



The general fund's interest income was \$2.7 million, which was up \$327,496 or 13.8% over the prior year. We still must accrue December interest for most of the investment accounts, so the final number should be higher. For all funds and agencies, the interest income for the year was nearly \$15.6 million, which was an increase of over \$1.4 million or 9.6% from the \$14.2 million earned during the previous year. Excluding the ARPA and EWSU funds, interest was up \$1.2 or 23.1% from the previous year.

12/31/2024	Change In Fund Balances	Receipts (12 MO) YTD Current Year	Disbursements (12 MO) YTD Current Year	12 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	12/31/2024	12/31/2024	12/31/2024	12/31/2024
2201	Motor Vehicle Highway Fund	\$ 5,416,325	\$ 5,650,342	\$ (234,017)	\$ 2,171,242
2202	Local Roads & Streets Fund	6,074,742	6,410,990	(336,248)	8,514,867
2203	Motor Veh. Hwy. Fd - Restrict	2,995,474	1,327,781	1,667,693	5,644,565
TOTAL SELECTED FUNDS		\$ 14,486,541	\$ 13,389,113	\$ 1,097,428	\$ 16,330,674

The Motor Vehicle Highway (MVH) fund had nearly \$2.2 million in cash and investments at year-end, which is a slight increase over last month but a decrease of over \$349,677 from last year. With a 2025 budget of \$5.4 million, the fund has approximately 4.8 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.

The Local Roads and Street (LRS) fund had \$8.5 million in cash and investments with a 2025 budget of \$3.8 million. This fund includes the paving of local streets. There are \$4.6 million in outstanding purchase orders from the prior year yet to be completed with \$4.1 million of those related to street and alley repairs and overlay as detailed below.

22024501 436030 MAINT-STREETS/ALLEY CONTRACT					
79	DEIG BROS. LUMBER & CONSTRUCTION, I	20235625	2023/10	72,481.38	DIVISION STREET CONNECTOR ROAD
79	DEIG BROS. LUMBER & CONSTRUCTION, I	20243091	2024/ 5	13,887.00	CHANGE ORDER #1 -DIVISION STRE
	VENDOR TOTAL			86,368.38	
83	J. H. RUDOLPH & CO., INC.	20244012	2024/ 7	1,540,381.43	2024 MILL AND OVERLAY PHASE II
159	DAVID ENTERPRISES INC	20245373	2024/11	82,686.25	PROJECT #24-018 - NEIGHBORHOOD
304	UNITED CONSULTING ENGINEERS, INC	20236399	2023/12	32,423.26	PROFESSIONAL SERVICES - PROJEC
378	VANDEBURGH COUNTY	20242593	2024/ 3	35,412.49	INTER LOCAL AGREEMENT BTW VAND
857	E & B PAVING INC.	20245663	2024/12	787,851.74	2024 MILL AND OVERLAY - PROJEC
2507	RIVER TOWN CONSTRUCTION LLC	20236351	2023/12	85,009.63	BOB JONES WAY BRICK PAVER FAIL
3016	EVANSVILLE WATER & SEWER UTILITY	20236706	2023/12	50,078.50	INTERLOCAL AGREEMENT BETWEEN C
3016	EVANSVILLE WATER & SEWER UTILITY	20243259	2024/ 5	42,758.10	INTERLOCAL AGREEMENT- LINCOLN
	VENDOR TOTAL			92,836.60	
3929	RAGLE, INC	20236353	2023/12	146,310.60	LYNCH ROAD AND CAREER AVENUE T
5343	INDIANA DEPARTMENT OF TRANSPORTATIO	20235909	2023/11	167,383.53	DES-41598 - WALNUT STREET WATE
8674	REJUVTEC INC	20235966	2023/11	7,912.86	2023 PAVEMENT PRESERVATION PRO
8674	REJUVTEC INC	20245665	2024/12	702,620.88	PAVEMENT PRESERVATION PROJECT#
	VENDOR TOTAL			710,533.74	
8675	EVANSVILLE PAVING LLC	20245666	2024/12	299,969.00	2024 PAVEMENT CRACK SEALING -
	ACCOUNT TOTAL			4,067,166.65	
	22024501 ORG TOTAL			4,067,166.65	

The Motor Vehicle Highway Restricted fund had \$5.6 million in cash/investments and with a 2025 budget of \$2.3 million and outstanding purchases orders of \$904,000, the fund has nearly 21 months' worth of reserves. This fund receives the remaining 50% of the Indiana gasoline tax.

The Parks and Recreation Fund's cash and investments increased \$1.4 million or 34% from last year. Property taxes were up \$355,540 or 3.9%. Total revenue increased \$527,692 or 4.2% over the prior year. On the expense side, 2024 expenses were \$205,301 or 1.8% under 2023 and like the General Fund we have outstanding invoices and payroll to accrue. The largest variance from the prior was a \$231,760 or 4.5% increase in Zoo expenditures, with electric, natural gas, and water expenses up a combined \$434,690. ARPA funds were used to pay utility bills in the prior year. The net for the entire Parks Fund for 2024 was a gain of \$1,765,358 versus \$1,032,366 in the prior year. The \$5.6 million in cash and investments equate to 5.2 months of the Park and Recreation Fund's 2025 budget of \$12.8 million.

The Casino Gaming Capital Fund had an increase in cash and investments of nearly \$9.7 million or 50.5%. When compared to the prior year, tax revenue tied solely to the casino was down \$331,500. The gaming tax was up \$171,009 or 3.4% while the admission tax was down \$733,463 or 1.8%. The rent of property was down \$1,341,132. Before the books are closed, we will accrue the outstanding tax and rent due to the Casino Fund. Evansville received a \$1.2 million payment from the Terre Haute casino in December. METS received \$320,076 more in FTA funding last year when compared to 2024. Expenditures have decreased by \$10.3 million or 87.8% from the prior year with \$5.8 million of the net decrease related to the Welborn/Walnut St. project and another \$4.5 million in METS vehicles.

The Health Insurance Fund had an increase in cash of \$1.2 million when compared to the prior year. We are up to date on all 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 \$1,775. We hope this will fund the retiree's net \$7.2 million in estimated health insurance costs. The General Fund contributed \$22.1 million to the Health Insurance fund in 2024 compared to \$13.5 million in 2023. Over \$4.65 million in ARPA funds were contributed during 2023 and was not available for 2024.

12/31/2024	Change In Fund Balances	Receipts (12 MO) YTD Current Year	Disbursements (12 MO) YTD Current Year	12 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	12/31/2024	12/31/2024	12/31/2024	12/31/2024
7704	Health Insurance	\$ 33,174,018	\$ 28,453,670	\$ 4,720,348	\$ 1,199,014

When compared to last year, claims (including payments to the teamster’s insurance company) have decreased by \$3.3 million or 10.4% while total revenue increased by \$3.6 million over the same period. We will accrue the “incurred but not received” claims before the books are closed. The \$1.2 million in cash at year-end does provide 2-3 weeks of cash flow.

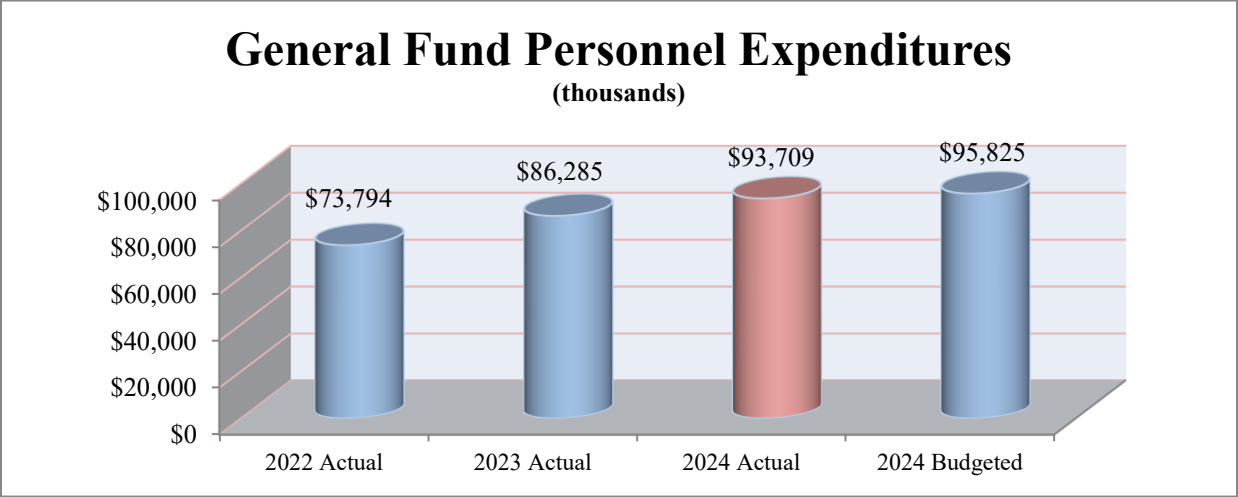
The Fire and Police Pension Funds each ended the year with an increase in fund balance. Fire Pension had a surplus of \$149,829 compared to a surplus of \$243,599 last year. The Police Pension had a surplus of \$102,201 compared to a surplus of \$287,993 in the prior. Both pension funds have sufficient cash reserves with Fire Pension holding \$4.4 million or 95% of a full year’s expense and Police Pension holding \$5.2 million or 75.6%. The state subsidy for the Fire Pension decreased \$217,510 or 4.7% while the subsidy for the Police Pension decreased \$212,106 or 3.4%. These two plans were closed to new participants in 1977. Pension benefits for the past three years are reflected below.

12/31/2024		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	12/31/2022	12/31/2023	12/31/2024
8801	Fire Pension Fund	4,685,773	4,511,186	4,429,714
8802	Police Pension Fund	6,122,914	5,964,310	5,937,996
	TOTAL SELECTED FUNDS	\$ 10,808,687	\$ 10,475,496	\$ 10,367,710

The chart below reflects receipts and expenditures for the calendar year with the cash and investments as of December 31, 2024, for a few selected funds. The American Rescue Fund had a net loss of \$12.3 million and is required to expend the remaining \$22.5 million before December 31, 2026. The Local Income Tax – Public Safety had a gain of \$1.9 million due to a transfer from the Evansville Improvement Bond Bank to be used for the purchase of police vehicles and equipment. The Local Income Tax – Public Safety Fund did transfer \$5.6 million to the General Fund to cover police/fire pension and health insurance costs.

As of 12/31/2024	Change In Fund Balances	Receipts (12 MO) YTD Current Year	Disbursements (12 MO) YTD Current Year	12 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	12/31/2024	12/31/2024	12/31/2024	12/31/2024
1101	General Fund	\$ 123,733,454	\$ 114,774,463	\$ 8,958,991	\$ 48,929,317
1176	American Rescue Plan Fund	1,553,912	13,838,156	(12,284,244)	22,503,065
2236	Rainy Day Fund	113,979	-	113,979	3,386,405
2240	Local Income Tax - Public Saf	9,376,293	7,489,056	1,887,237	5,702,645
4437	Casino Gaming Capital Fund	18,501,898	9,893,180	8,608,718	28,904,167
4445	Jacobsville TIF Fund	2,585,050	1,624,746	960,304	5,078,822
4446	Downtown Master TIF	9,484,594	6,916,659	2,567,935	6,714,084
6101	Water Utility Operating Fund	76,257,980	70,025,267	6,232,713	25,305,904
6201	Sewer Utility Operating Fund	90,874,291	87,000,735	3,873,556	42,006,572
7704	Hospitalization Insurance Func	33,174,018	28,453,670	4,720,348	1,199,014
	TOTAL SELECTED FUNDS	\$ 365,655,469	\$ 340,015,932	\$ 25,639,537	\$ 189,729,995

Personnel expenses account for 80.3% or \$95.8 million of the General Fund’s \$119.3 million amended budget. This includes salary, payroll taxes, pension, health insurance, etc. The chart below reflects the personnel expenditures for the General Fund through December 31st. 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 year. We did end the year \$333,137 over budget on the 2024 the health insurance expenditures. We are \$7,424,000 or 8.6% higher than actual expenditures from 2023 and \$19,915,000 or 27% higher than 2022.



As always, this information is a preliminary snapshot of information 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.