

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: August 10, 2024
Subject: July 31, 2024 (7 Mo. YTD) Flash Financial Report

Dear Council Members:

I've attached the Flash Financial Report for July 31, 2024. This covers the first seven 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 for 07/31/2024 and 7/31/2023.

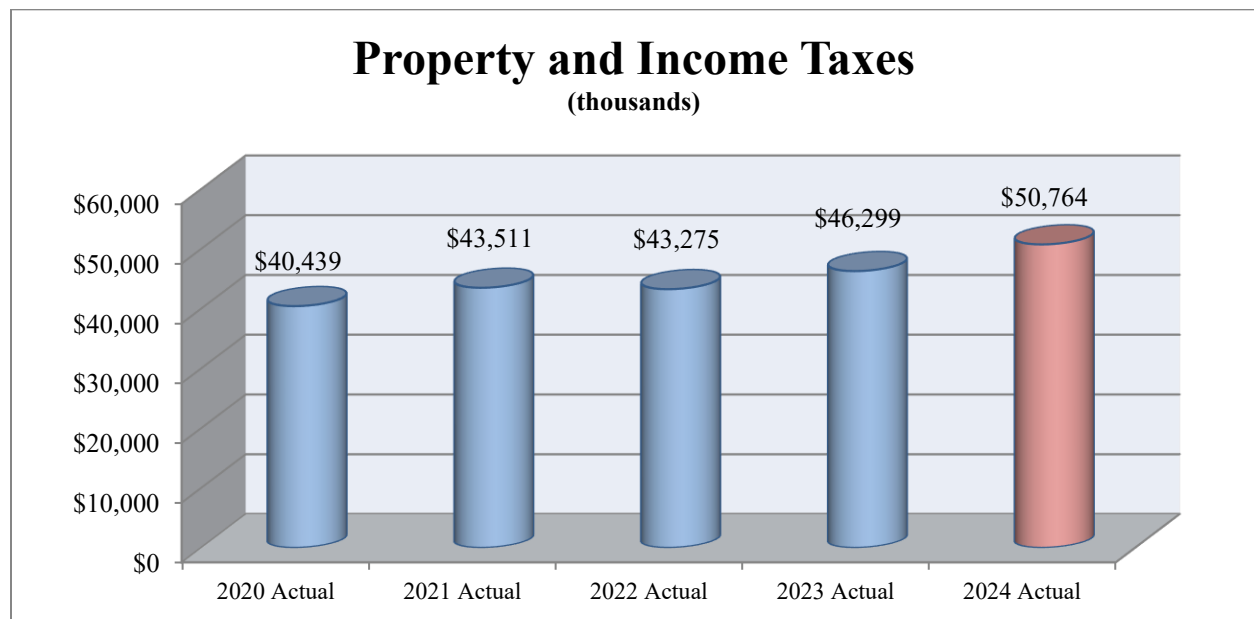
City of Evansville - Cash and Investment Balances – Selected Funds					8/4/2024
7/31/2024	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	7/31/2024	7/31/2023	7/31/2024	2024 vs 2023
1101	General Fund	\$ 49,293,220	\$ 36,081,507	\$ 13,211,713	36.6%
1176	American Rescue Plan Fund	27,373,944	46,224,800	(18,850,856)	-40.8%
2201	Motor Vehicle Highway Fund	1,823,545	2,149,919	(326,374)	-15.2%
2202	Local Roads & Streets Fund	9,084,614	10,265,082	(1,180,468)	-11.5%
2203	Motor Veh. Hwy. Fd - Restrict	4,982,201	4,718,130	264,071	5.6%
2204	Parks and Recreation Fund	4,901,068	3,856,429	1,044,639	27.1%
2236	Rainy Day Fund	3,327,335	3,206,248	121,087	3.8%
2240	Local Income Tax - Public Saf	3,846,707	5,736,007	(1,889,300)	-32.9%
4437	Casino Gaming Capital Fund	24,588,564	18,687,578	5,900,986	31.6%
4445	Jacobsville TIF Fund	3,998,943	3,592,175	406,768	11.3%
4446	Downtown Master TIF	3,627,083	2,586,405	1,040,678	40.2%
6101	Water Utility Operating Fund	18,970,621	10,596,893	8,373,728	79.0%
6201	Sewer Utility Operating Fund	37,235,485	28,769,333	8,466,152	29.4%
7704	Hospitalization Insurance Fund	943,584	(576,168)	1,519,752	263.8%
8801	Fire Pension Fund	3,970,244	3,747,176	223,068	6.0%
8802	Police Pension Fund	4,607,437	4,431,682	175,755	4.0%
	TOTAL SELECTED FUNDS	\$ 202,574,595	\$ 184,073,196	\$ 18,501,399	10.1%

The overall cash and investments increased \$18.5 million or 10.1% compared to July 2023. Excluding Water/Sewer, cash/investments still had a net increase of nearly \$1.7 million. The largest variance was with the American Rescue Plan with a \$18.9 million decrease.

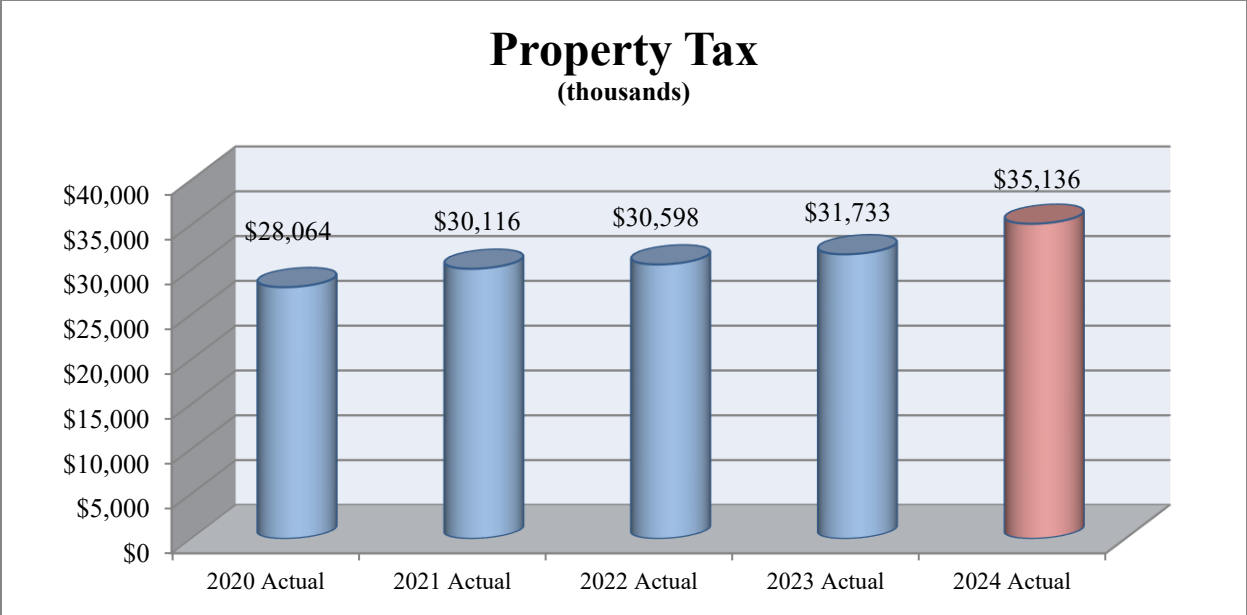
The General Fund's cash/investments increased \$13.2 million from the prior year, which was up \$1.46 million from the improvement seen last month. The General Fund's \$49.3 million in cash and investments on July 31, 2024, equates to 4.9 months of operating funds when compared to the 2024 revised operating budget of \$120.1 million. Approximately \$35.1 million in property taxes was received by June 30th compared to \$31.7 million in June of last year.

As of July 31, 2024, total general fund actual expenditures were \$68.1 million or 56.7% of approved appropriations and an increase of \$4.8 million or 7.6% from the \$63.3 million on July 31, 2023. Including the \$4.8 million in encumbrances for 2024, the \$72.9 million equates to 60.7% of appropriations.

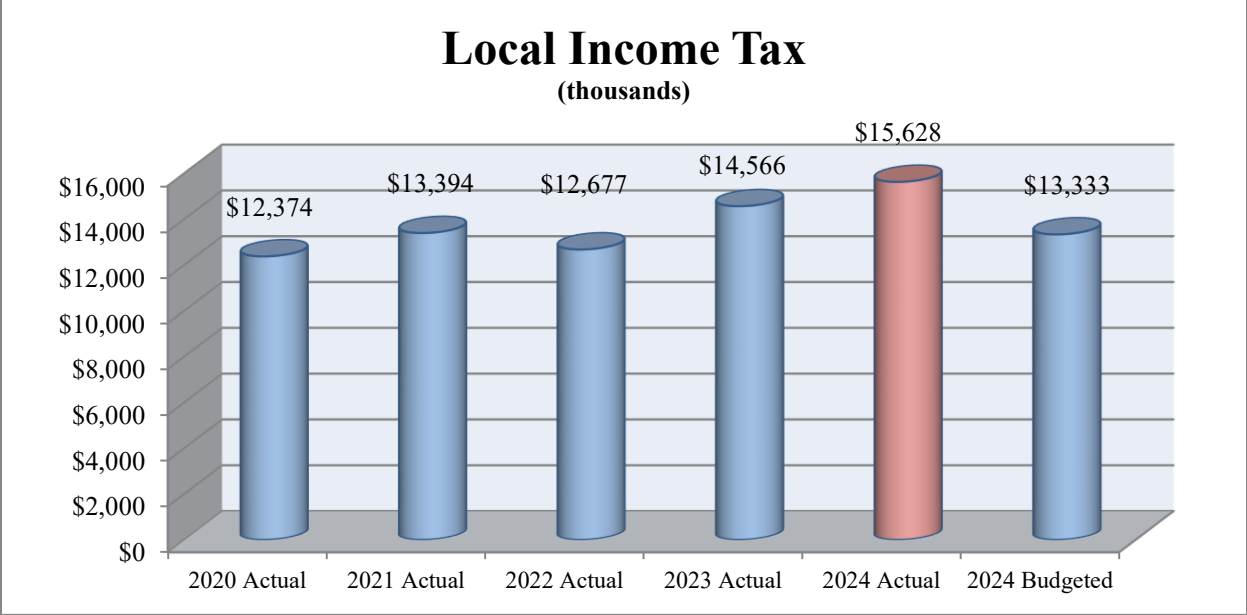
Approximately 69.8% of the General Fund's revenue for the seven months came from property and local income taxes. As noted on the chart below, through the first seven months of 2024, these taxes are tracking ahead of last year by \$4.5 million and an increase of \$109,000 from the improvement seen last month.



The chart on the next page 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 next chart shows only the local income taxes 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 a bit. Local income tax payments were up approximately \$1,062,000 or 7.3% 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.



For the first seven months of the year, the general fund's interest income was \$1.4 million, which was up \$265,000 or 23.1% over the same period in the prior year. For all funds and agencies, the interest income for the first seven months was \$8.2 million which was an increase of nearly \$1.24 million or 17.9% from the previous year for the same period. Excluding the ARPA and EWSU funds, interest was up \$818,828 or 35.1% from the previous year.

7/31/2024	Change In Fund Balances	Receipts (7 MO) YTD Current Year	Disbursements (7 MO) YTD Current Year	7 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	7/31/2024	7/31/2024	7/31/2024	7/31/2024
2201	Motor Vehicle Highway Fund	\$ 3,243,295	\$ 3,959,653	\$ (716,358)	\$ 1,823,545
2202	Local Roads & Streets Fund	3,793,484	4,116,494	(323,010)	9,084,614
2203	Motor Veh. Hwy. Fd - Restrict	1,585,243	1,083,713	501,530	4,982,201
	TOTAL SELECTED FUNDS	\$ 8,622,022	\$ 9,159,860	\$ (537,838)	\$ 15,890,360

The Motor Vehicle Highway (MVH) fund had over \$1.8 million in cash and investments at month-end which is down from the \$2.7 million last month. With an annual budget of \$6.4 million, the fund has approximately 3.4 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 two payments in the amount of \$1,342,000 were made for the lease rental on the new garage. The Local Roads and Street (LRS) fund had \$9.1 million in cash and investments with a revised budget of \$10.5 million. The LRS includes the paving of local streets. As of July 31st, \$2.5 million in paving expenses had been paid with an additional \$2.3 million encumbered. The Motor Vehicle Highway Restricted fund had \$5.0 million in cash/investments and with a revised budget of \$3.1 million the fund has over 1.6 years' worth of reserves. This fund receives the remaining 50% of the Indiana gasoline tax. As of July 31st, \$513,759 had been spent on milling and paving with another \$464,951 encumbered.

The Parks and Recreation Fund's cash increased over \$1 million over July of last year. The Parks and Recreation Fund's cash and investments were higher aided by an increase in property taxes of \$255,947 over June of last year. With total revenues of \$7.5 and expenditures of \$6.8, the fund ended with a surplus of \$700,000 in July. The \$4.9 million in cash and investments equate to 4.6 months of the Park and Recreation Fund's revised budget of \$12.7 million.

The Casino Gaming Capital Fund had an increase in cash and investments of nearly \$5.9 million or 31.6%. When compared to the prior year, revenue tied solely to the casino revenue was up \$31,920. METS received \$1.63 million more in FTA funding this year than last. Only \$5.9 million of a revised Casino expenditure budget of \$21.8 million had been spent as of July 31st. City Engineer accounted for \$1.8 million and Mesker Park Zoo had \$680,000 of total expenditures. There was \$5.8 million encumbered at month-end. The \$24.6 million in cash and investments at month-end equates to 113% of the revised 2024 budget.

The Health Insurance Fund had an increase in cash of \$969,648 from December 2023. The City was contributing \$1,035 per period, per employee for the benefit to start the year. However, we have increased the contribution to \$1,227 to try to pull us out of the negative territory. We do anticipate that the increase in allocation will necessitate budget amendments, and we plan to propose our first health insurance amendment later this month. We will continue to monitor the cash situation and make additional adjustments when needed.

When compared to the first seven months of last year, claims decreased by \$78,000 while total revenue decreased by \$741,000 over the same period. It should be noted that the third-party administrator is still a week or two behind processing payments. Over \$4.65 million in ARPA funds were contributed during 2023 and is not available for 2024.

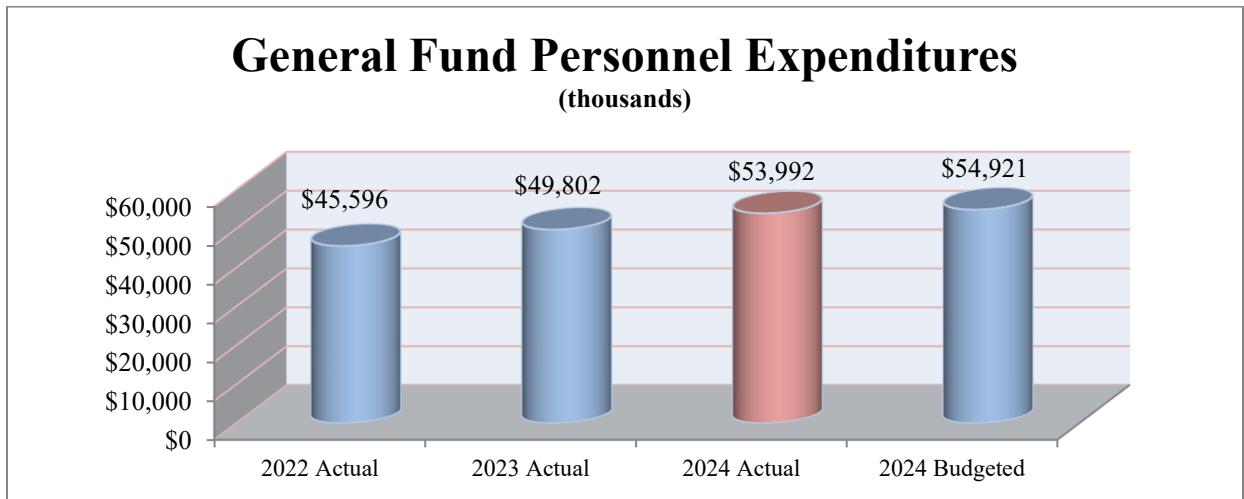
The Fire and Police Pension Funds each ended the first seven months of the year with a slight decrease in fund balance. Fire Pension had a deficit of \$315,922 and Police Pension had a deficit of \$467,654. Both pension funds have sufficient cash reserves with Fire Pension holding \$3.7 million or 89.3% of a full year's expense and Police Pension holding \$4.6 million or 77.3%. The state subsidy for the Police Pension decreased \$133,063 or 4.4% while the subsidy for the Fire Pension decreased \$105,755 or 4.7%. These two plans were closed to new participants in 1977. Pension benefits for the past three years as of July 31 are reflected below:

7/31/2024		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	7/31/2022	7/31/2023	7/31/2024
8801	Fire Pension Fund	\$ 2,760,012	\$ 2,671,796	\$ 2,593,801
8802	Police Pension Fund	3,601,370	3,481,692	3,478,131
	TOTAL SELECTED FUNDS	\$ 6,361,382	\$ 6,153,488	\$ 6,071,932

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

7/31/2024		Receipts (7 MO) YTD	Disbursements (7 MO) YTD	7 MO Change in Fund Balance	Cash + Inv. Balance Current Year
FUND NO.	FUND	7/31/2024	7/31/2024	7/31/2024	7/31/2024
1101	General Fund	\$ 72,709,338	\$ 68,067,674	\$ 4,641,664	\$ 49,293,220
1176	American Rescue Plan Fund	949,454	9,515,124	(8,565,670)	27,373,944
2236	Rainy Day Fund	54,909	-	54,909	3,327,335
2240	Local Income Tax - Public Safety	4,182,443	5,596,498	(1,414,055)	3,846,707
4437	Casino Gaming Capital Fund	10,281,948	5,891,435	4,390,513	24,588,564
4445	Jacobsville TIF Fund	1,315,717	1,584,988	(269,271)	3,998,943
4446	Downtown Master TIF	5,705,892	6,228,813	(522,921)	3,627,083
6101	Water Utility Operating Fund	41,202,787	41,298,232	(95,445)	18,920,621
6201	Sewer Utility Operating Fund	52,449,655	53,347,185	(897,530)	37,235,485
7704	Hospitalization Insurance Fund	17,447,164	16,605,413	841,751	943,584
	TOTAL SELECTED FUNDS	\$ 206,299,307	\$ 208,135,362	\$ (1,836,055)	\$ 173,155,486

Personnel expenses account for 78.4% of the General Fund's \$120.1 million budget. This includes salary, payroll taxes, pension, health insurance, etc. The chart below reflects the personnel expenditures for the General Fund through July 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 first seven months. We are \$929,000 under the prorated budget for 2024 and \$4,190,000 or 8.4% higher than actual expenditures from July of 2023.



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.