

**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 7, 2024  
Subject: September 30, 2024 (9 Mo. YTD) Flash Financial Report

Dear Council Members:

The following is my Flash Financial Report for September 30, 2024. This covers the first nine 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 September 30 for 2024 and 2023.

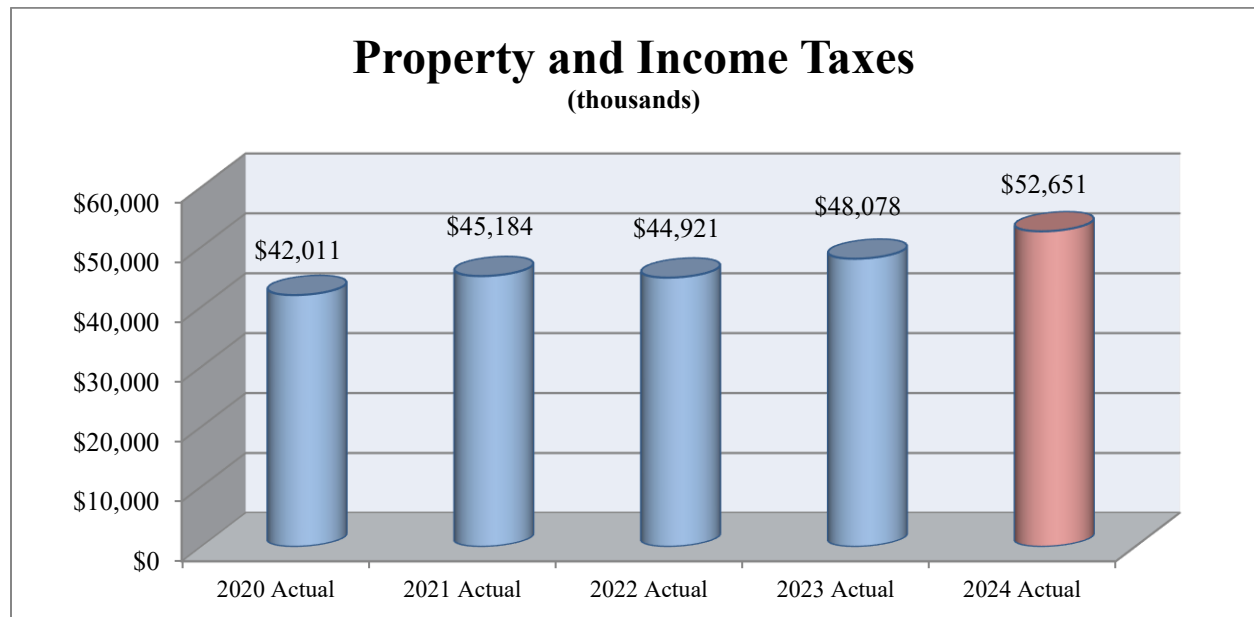
City of Evansville - Cash and Investment Balances – Selected Funds					
9/30/2024	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	9/30/2024	9/30/2023	9/30/2024	2024 vs 2023
1101	General Fund	\$ 39,049,820	\$ 27,671,094	\$ 11,378,726	41.1%
1176	American Rescue Plan Fund	26,756,046	44,384,636	(17,628,590)	-39.7%
2201	Motor Vehicle Highway Fund	1,930,528	2,252,050	(321,522)	-14.3%
2202	Local Roads & Streets Fund	8,743,766	9,796,087	(1,052,321)	-10.7%
2203	Motor Veh. Hwy. Fd - Restrict	5,143,826	4,760,062	383,764	8.1%
2204	Parks and Recreation Fund	3,547,249	2,489,769	1,057,480	42.5%
2236	Rainy Day Fund	3,345,011	3,236,753	108,258	3.3%
2240	Local Income Tax - Public Saf	3,108,528	6,705,979	(3,597,451)	-53.6%
4437	Casino Gaming Capital Fund	25,332,697	19,650,653	5,682,044	28.9%
4445	Jacobsville TIF Fund	3,991,629	3,605,574	386,055	10.7%
4446	Downtown Master TIF	2,942,050	721,288	2,220,762	307.9%
6101	Water Utility Operating Fund	20,820,395	11,394,210	9,426,185	82.7%
6201	Sewer Utility Operating Fund	39,410,508	30,139,459	9,271,049	30.8%
7704	Hospitalization Insurance Fund	(885,434)	(1,125,086)	239,652	21.3%
8801	Fire Pension Fund	5,469,430	5,318,433	150,997	2.8%
8802	Police Pension Fund	6,582,411	6,467,874	114,537	1.8%
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 195,288,460</b>	<b>\$ 177,468,835</b>	<b>\$ 17,819,625</b>	<b>10.0%</b>

The overall cash and investments for these selected accounts increased \$17.8 million or 10.0% compared to September 2023. Excluding Water/Sewer, cash/investments decreased \$877,609 or 0.7%. The largest variance was with the American Rescue Plan with an \$17.6 million decrease.

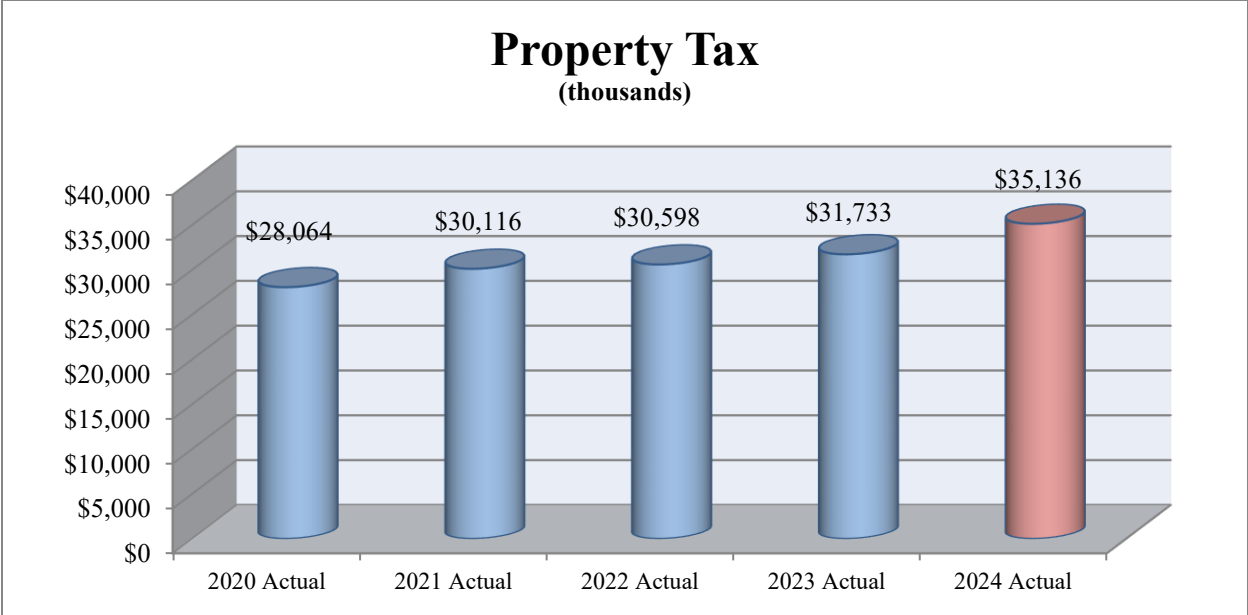
The General Fund’s cash/investments increased \$11.4 million from the prior year and up \$2.8 million from the improvement seen last month. The General Fund’s \$39 million in cash and investments on September 30, 2024, equates to 4 months of operating funds when compared to the 2024 revised operating budget of \$118.4 million. Approximately \$52.7 million in property and local income taxes have been received in 2024 compared to \$48.1 million in 2023. This equates to 9.6% increase.

As of September 30, 2024, total general fund actual expenditures were \$86 million or 72.6% of approved appropriations and an increase of \$6.6 million or 8.3% from the \$79.4 million on September 30, 2024. Including the \$3.7 million in encumbrances for 2024, the \$83.1 million equates to 75.7% of 2024 appropriations.

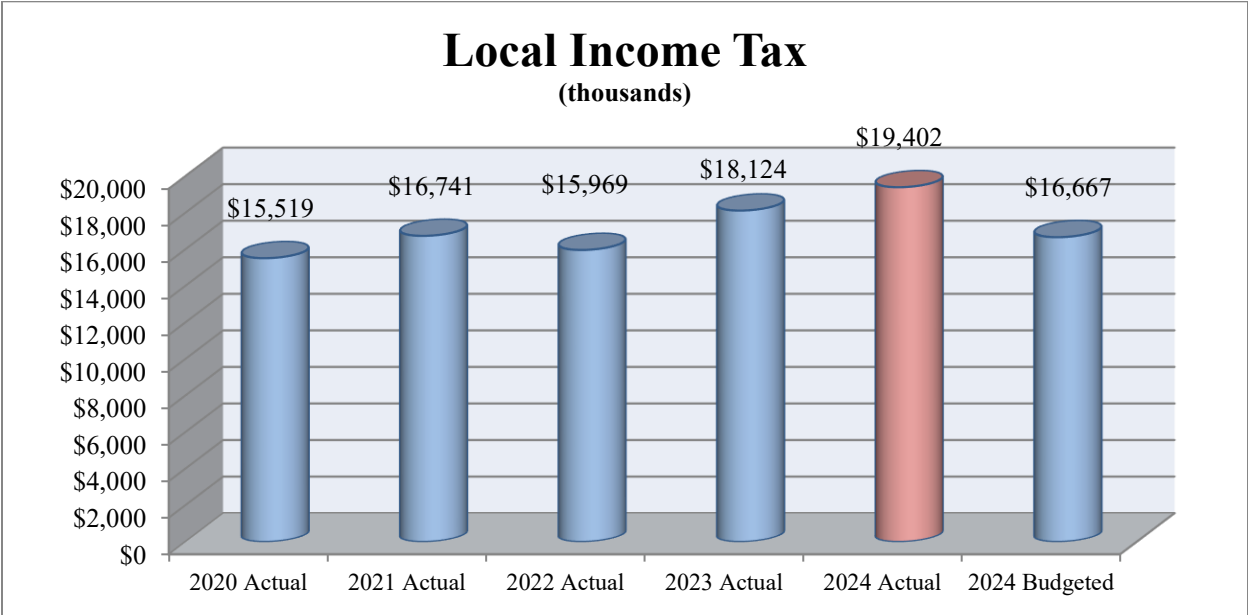
Approximately 69.8% of the General Fund’s revenue for the nine months came from property and local income taxes. As noted on the chart below, through the first nine months of 2024, these taxes are tracking ahead of last year by \$4.6 million and an increase of \$108,000 from the improvement seen last 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 City should receive another payment in October with a final payment in November.



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 \$1,278,000 or 7.1% 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 nine months of the year, the general fund's interest income was \$2.08 million, which was up \$483,627 or 30.3% over the same period in the prior year.

For all funds and agencies, the interest income for the first nine months was \$10.5 million which was an increase of over \$668,000 or 6.8% from the \$9.8 million earned during previous year for the same period. Excluding the ARPA and EWSU funds, interest was up \$1,399,375 or 42.4% from the previous year.

9/30/2024	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	9/30/2024	9/30/2024	9/30/2024	9/30/2024
2201	Motor Vehicle Highway Fund	\$ 4,189,419	\$ 4,805,122	\$ (615,703)	\$ 1,930,528
2202	Local Roads & Streets Fund	5,082,284	5,697,848	(615,564)	8,743,766
2203	Motor Veh. Hwy. Fd - Restrict	1,973,701	1,359,087	614,614	5,143,826
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 11,245,404</b>	<b>\$ 11,862,057</b>	<b>\$ (616,653)</b>	<b>\$ 15,818,120</b>

The Motor Vehicle Highway (MVH) fund had over \$1.9 million in cash and investments at month-end which is the same as last month. With an annual budget of \$6.3 million, the fund has approximately 3.67 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 City will make future payments from the Casino Fund so that more highway funds are available for road projects. Nearly \$218,000 has been spent on salt and calcium supplies for snow and ice events. There is another \$36,238 available for the remainder of the year.

The Local Roads and Street (LRS) fund had \$8.7 million in cash and investments with a revised budget of \$7.4 million. The LRS includes the paving of local streets. As of September 30, 2024, \$3.5 million in paving expenses had been expensed with \$2.1 million of that encumbered and another \$1.9 available.

The Motor Vehicle Highway Restricted fund had \$5.1 million in cash/investments and with a revised budget of \$2.6 million the fund has nearly 2 years' worth of reserves. This fund receives the remaining 50% of the Indiana gasoline tax. As of September 30<sup>th</sup>, \$1,060,880 was available for street maintenance with \$381,344 encumbered.

The Parks and Recreation Fund's cash and investments increased over \$1,057,000 from September of last year. Property taxes were up \$255,947 and total revenue was up \$297,123 over the prior year. On the expense side, 2024 expenses exceeded 2023 by \$853,560 or 10.7%. The largest variance from the prior was a \$387,499 or 10.2% increase in Zoo expenditures with electric expenses up \$274,392. ARPA funds were used to pay electric bills in the prior year. The net for the entire Parks Fund for 2024 was a loss of \$920,358 versus a loss of \$363,921 in the prior year. The \$3.5 million in cash and investments equate to 3.5 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 \$5.7 million or 28.9%. When compared to the prior year, revenue tied solely to the casino was down \$395,638 or 3.7%. The gaming tax was down \$476,672 or 14.9%. METS received \$447,679 million more in FTA funding last year when compared to this year. Only \$7.4 million of a revised

Casino expenditure budget of \$16.2 million had been spent as of September 30<sup>th</sup> with \$2.2 million of that encumbered. City Engineer had \$3.7 million available to spend. The Mesker Park Zoo had spent \$982,955 in total expenditures with another \$191,637 available.

The Health Insurance Fund had an increase in cash of \$239,652 when compared to the prior year; however, the fund does have a negative \$885,434 in cash. The City was contributing \$1,035 per period, per employee for the benefit to start the year. However, we increased the contribution to \$1,227 to try to pull us out of the negative territory. Starting with the fire and police payroll for this week, we will increase the allocation for those two 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 until the end of the year. We will continue to monitor the cash situation and continue to make additional adjustments as needed.

When compared to the first nine months of last year, claims (including payments to the teamster’s insurance company) have increased by \$2,392,139 or 12.4% while total revenue increased by only \$591,904 over the same period. Over \$4.65 million in ARPA funds were contributed during 2023 and is not available for 2024.

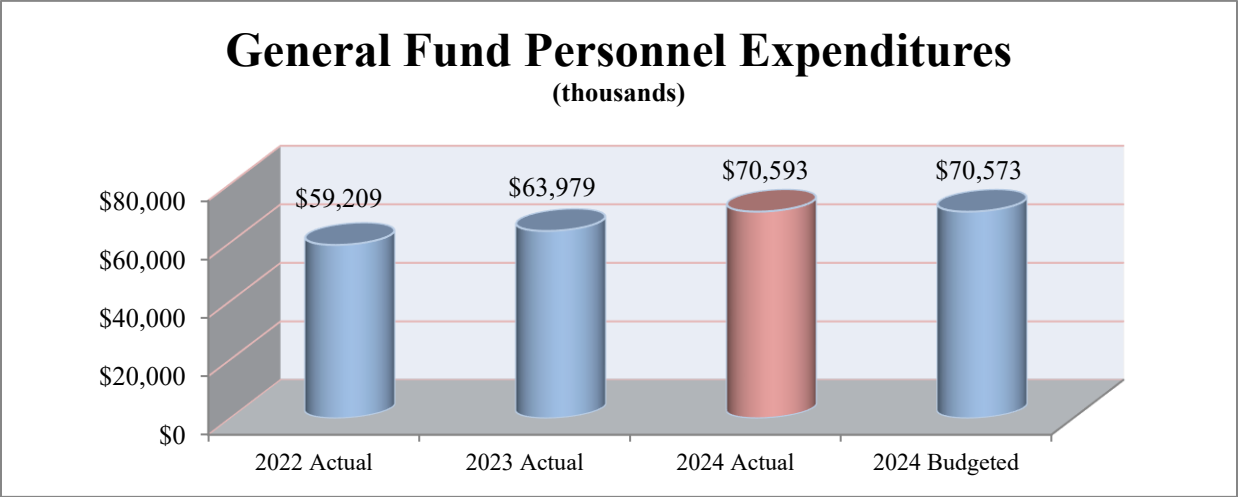
The Fire and Police Pension Funds each ended the first nine months of the year with an increase in fund balance. Fire Pension had a surplus of \$1,183,265 compared to a surplus of \$1,275,607 last year. The Police Pension had a surplus of \$1,507,320 compared to a surplus of \$1,680,628 in the prior. Both pension funds have sufficient cash reserves with Fire Pension holding \$5.5 million or 116.8% of a full year’s expense and Police Pension holding \$6.6 million or 101.6%. 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 September 30 are reflected below:

8/31/2024		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	8/31/2022	8/31/2023	8/31/2024
8801	Fire Pension Fund	\$ 3,532,205	\$ 3,415,435	\$ 3,335,688
8802	Police Pension Fund	4,613,765	4,499,493	4,463,400
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 8,145,970</b>	<b>\$ 7,914,928</b>	<b>\$ 7,799,088</b>

The chart below reflects receipts and expenditures for the nine months of the calendar year with the cash and investments as of September 30, 2024, for a few selected funds.

As of 10/4/2023	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	9/30/2024	9/30/2024	9/30/2024	9/30/2024
1101	General Fund	\$ 81,857,607	\$ 87,578,373	\$ (5,720,766)	\$ 39,049,820
1176	American Rescue Plan Fund	1,197,384	10,374,993	(9,177,609)	26,756,046
2236	Rainy Day Fund	72,585	-	72,585	3,345,011
2240	Local Income Tax - Public Saf	5,192,864	5,944,885	(752,021)	3,108,528
4437	Casino Gaming Capital Fund	12,793,379	7,597,012	5,196,367	25,332,697
4445	Jacobsville TIF Fund	1,346,034	1,613,136	(267,102)	3,991,629
4446	Downtown Master TIF	5,708,760	6,916,715	(1,207,955)	2,942,050
6101	Water Utility Operating Fund	54,070,347	52,320,341	1,750,006	20,820,395
6201	Sewer Utility Operating Fund	67,574,227	66,296,735	1,277,492	39,410,508
7704	Hospitalization Insurance Func	22,804,561	23,691,338	(886,777)	(885,434)
	<b>TOTAL SELECTED FUNDS</b>	<b>\$ 252,617,748</b>	<b>\$ 262,333,528</b>	<b>\$ (9,715,780)</b>	<b>\$ 163,871,250</b>

Personnel expenses account for 79.8% or \$94.1 million of the General Fund's \$118.4 million budget. This includes salary, payroll taxes, pension, health insurance, etc. The chart below reflects the personnel expenditures for the General Fund through September 30<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 nine months. We are \$20,000 under the prorated budget for 2024 and \$6,614,000 or 10.3% higher than actual expenditures from September of 2023 and \$11,384,000 or 19.2% higher than September of 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.