

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: December 10, 2024
Subject: November 2024 (11 Mo. YTD) Flash Financial Report

Dear Council Members:

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

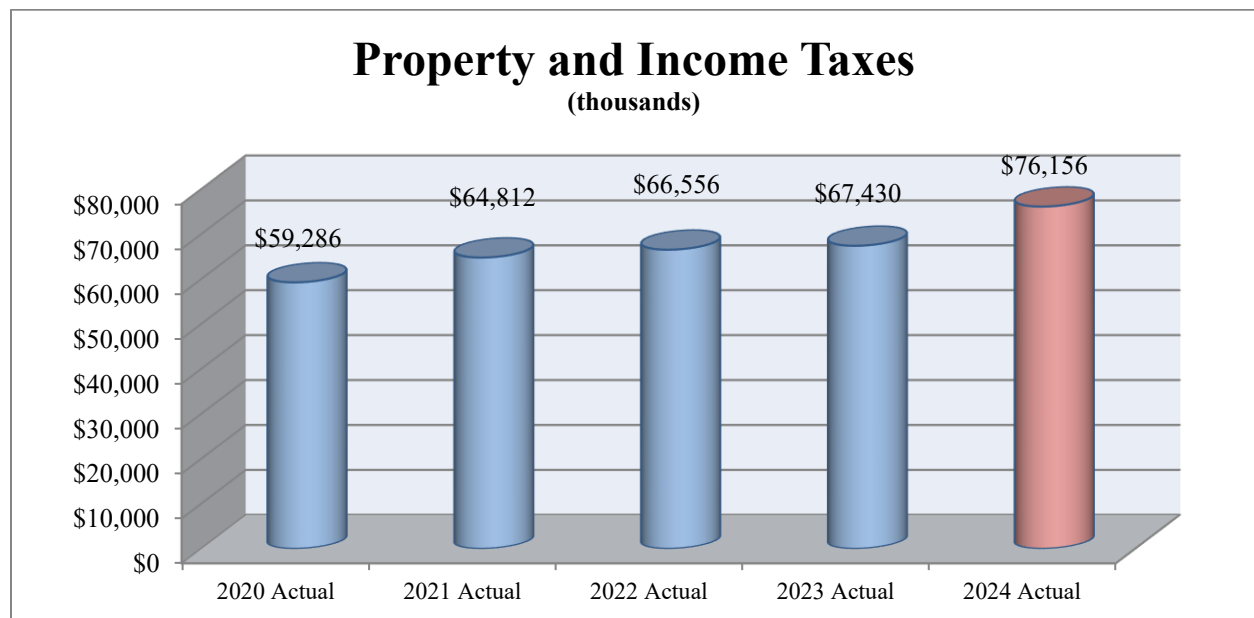
City of Evansville - Cash and Investment Balances – Selected Funds					
11/30/2024	Cash + Investment Balances	Cash + Inv. Balance Current Year	Cash + Inv. Balance Prior Year	Dollar Change Current Year vs. Prior Year	Percent Change Current vs. Prior Year
FUND NO.	FUND	11/30/2024	11/30/2023	11/30/2024	2024 vs 2023
1101	General Fund	\$ 45,601,529	\$ 36,047,301	\$ 9,554,228	26.5%
1176	American Rescue Plan Fund	25,421,827	37,194,037	(11,772,210)	-31.7%
2201	Motor Vehicle Highway Fund	2,071,226	2,478,286	(407,060)	-16.4%
2202	Local Roads & Streets Fund	8,402,778	9,704,036	(1,301,258)	-13.4%
2203	Motor Veh. Hwy. Fd - Restrict	5,720,846	4,570,630	1,150,216	25.2%
2204	Parks and Recreation Fund	4,815,910	3,443,029	1,372,881	39.9%
2236	Rainy Day Fund	3,378,377	3,263,881	114,496	3.5%
2240	Local Income Tax - Public Saf	2,534,282	5,351,179	(2,816,897)	-52.6%
4437	Casino Gaming Capital Fund	25,861,120	19,898,721	5,962,399	30.0%
4445	Jacobsville TIF Fund	3,859,215	3,124,466	734,749	23.5%
4446	Downtown Master TIF	2,956,412	696,784	2,259,628	324.3%
6101	Water Utility Operating Fund	22,422,510	12,104,904	10,317,606	85.2%
6201	Sewer Utility Operating Fund	40,353,679	30,183,250	10,170,429	33.7%
7704	Hospitalization Insurance Fund	489,557	(1,463,224)	1,952,781	133.5%
8801	Fire Pension Fund	4,782,257	4,619,223	163,034	3.5%
8802	Police Pension Fund	5,660,025	5,520,406	139,619	2.5%
	TOTAL SELECTED FUNDS	\$ 204,331,550	\$ 176,736,909	\$ 27,594,641	15.6%

The overall cash and investments for these selected accounts increased nearly \$27.6 million or 15.6% compared to November 2023. Excluding Water/Sewer, cash/investments increased \$7.1 million or 5.3%. The largest variance was with the American Rescue Plan (ARPA) with an \$11.8 million decrease. If we take it a step further and exclude ARPA, cash and investments increased \$18.9 million or 19.4% over November 2023.

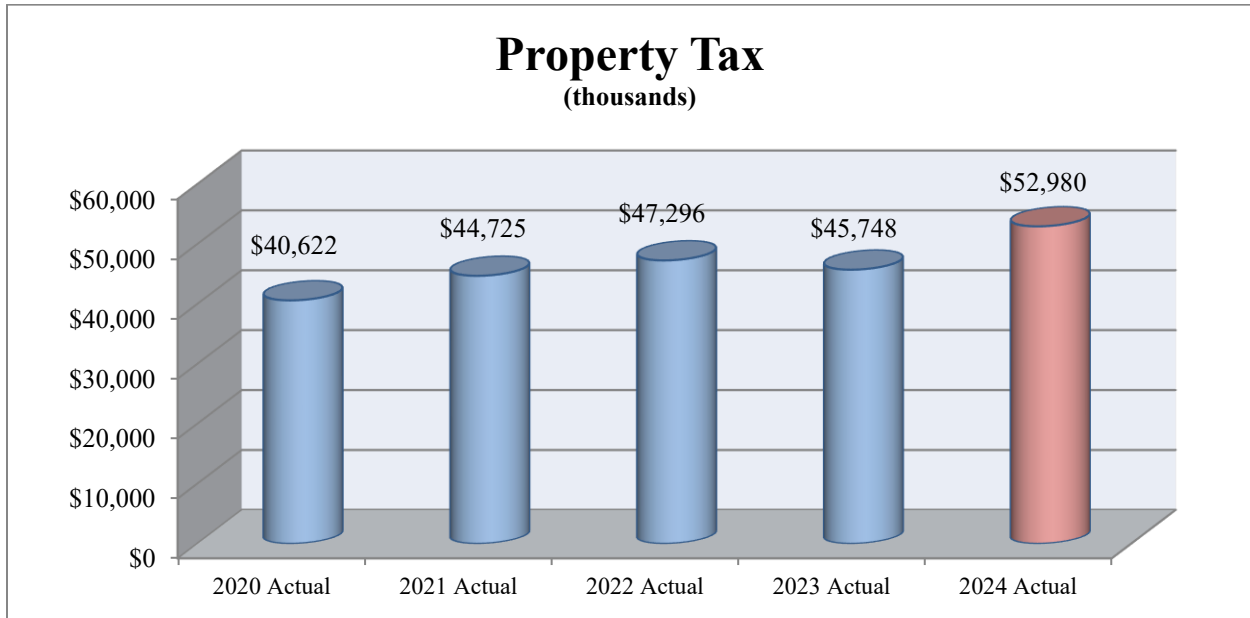
The General Fund's cash/investments increased nearly \$9.6 million from the prior year and down \$3.0 million from the improvement from last month. The General Fund's \$45.6 million in cash and investments on November 30, 2024, equates to 4.6 months of operating funds when compared to the 2024 revised operating budget of \$119.1 million. Our goal is to maintain reserves of at least 3 months' operating expenditures.

\$2.5 million in additional transfers from the Public Safety Local Income Tax were received through November compared to last year. As of November 30, 2024, total general fund actual expenditures were \$108.2 million or 90.9% of approved appropriations and an increase of \$12.7 million or 10.5% from the \$95.5 million on October 31, 2024. Including the \$3.05 million in encumbrances for 2024, the \$111.3 million equates to 93.4% of 2024 appropriations.

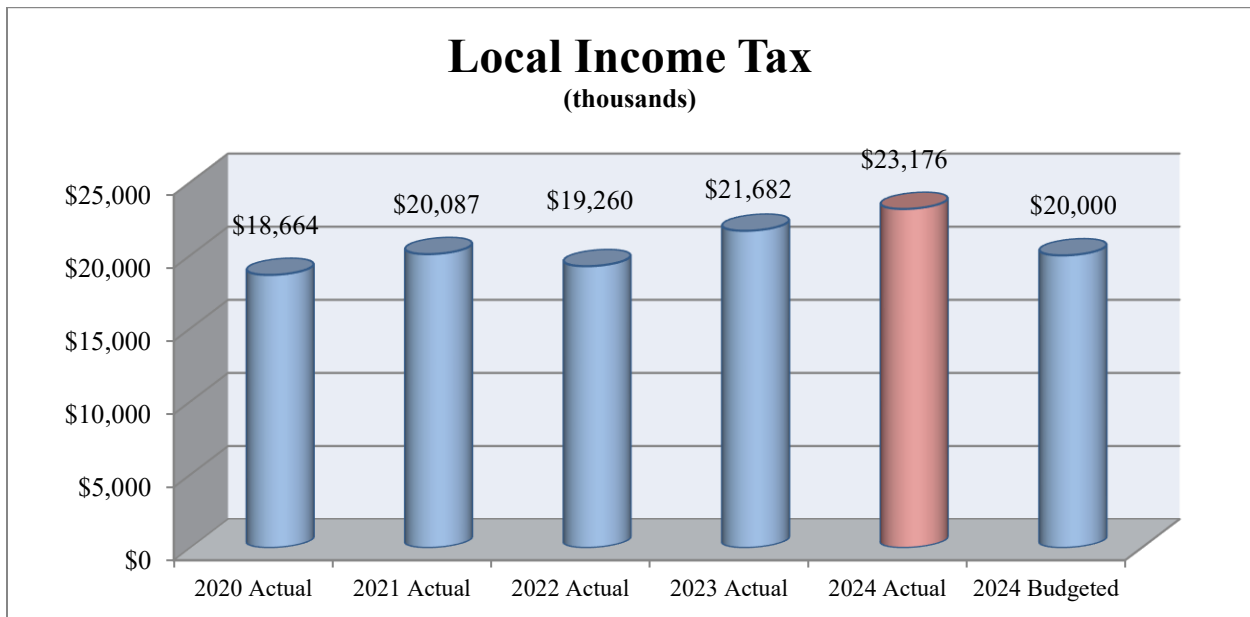
Approximately \$76.2 million in property and local income taxes have been received in 2024 compared to \$67.4 million in 2023. This equates to an increase of \$8.73 million or 12.9%. I need to stress here that the November 2024 property tax payment from the Auditor's office was nearly one week later than 2023. This enabled the County Treasurer to process more payments. I do not expect the final difference between the two years to be that high. Nearly 70% of the General Fund's revenue for the eleven months 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 \$7.25 million or 15.8% over 2023. The City will receive a final payment in December.



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 \$1,494,000 or 6.9% 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 eleven months of the year, the general fund's interest income was \$2.5 million, which was up \$519,085 or 26% over the same period in the prior year. For all funds and agencies, the interest income for the first eleven months was nearly \$14.2 million, which was an increase of over \$1.66 million or 13.1% from the \$14.5 million earned during the previous year for the same period. Excluding the ARPA and EWSU funds, interest was up \$643,871 or 7.4% from the previous year.

11/30/2024	Change In Fund Balances	Receipts (11 MO) YTD Current Year	Disbursements (11 MO) YTD Current Year	11 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	11/30/2024	11/30/2024	11/30/2024	11/30/2024
2201	Motor Vehicle Highway Fund	\$ 4,993,809	\$ 5,372,810	\$ (379,001)	\$ 2,071,226
2202	Local Roads & Streets Fund	5,676,023	5,947,283	(271,260)	8,402,778
2203	Motor Veh. Hwy. Fd - Restrict	2,751,132	979,867	1,771,265	5,720,846
	TOTAL SELECTED FUNDS	\$ 13,420,964	\$ 12,299,960	\$ 1,121,004	\$ 16,194,850

The Motor Vehicle Highway (MVH) fund had nearly \$2.1 million in cash and investments at month-end which is a slight increase over last month but a decrease of over \$407,000 from last year. With an annual budget of \$6.3 million, the fund has approximately 3.9 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 \$15,118 available for the remainder of the year.

The Local Roads and Street (LRS) fund had \$8.4 million in cash and investments with a revised budget of \$7.6 million. The LRS includes the paving of local streets. As of November 30, 2024, \$1.05 million in paving expenses had been spent with \$2.1 million encumbered and another \$2.5 million or 44.3% of the budget available.

The Motor Vehicle Highway Restricted fund had \$5.7 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 November 30th, \$1,476,782 was available for street maintenance with nearly \$260,000 encumbered.

The Parks and Recreation Fund's cash and investments increased \$1,372,881 from November of last year. Property taxes were up \$894,645 or 12%. As with the General Fund, the increase for the full year will not be 12%. The extra week of processing payments by the County Treasurer would have contributed to the increase. Total revenue was up \$1,180,229 or 11.4% over the prior year. On the expense side, 2024 expenses exceeded 2023 by \$518,027 or 5.1%. The largest variance from the prior was a \$485,921 or 10.6% increase in Zoo expenditures, with electric, natural gas, and water expenses up a combined \$471,828. 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 \$881,192 versus \$218,990 in the prior year. The \$4.8 million in cash and investments equate to 4.7 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 \$6 million or 30%. When compared to the prior year, tax revenue tied solely to the casino was up \$127,643 or 2.2%. The gaming tax was up \$165,317 or 4.4% while the admission tax was down \$37,673 or 1.8%. Rent of property was down \$773,286 or 11.9%. Evansville will receive a \$1.2 million payment from the Terre Haute casino within the next two weeks. METS received \$447,679 million more in FTA funding last year when compared to this year. Expenditures have decreased by \$10.1 million from the prior year with \$5.7 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 \$1.95 million when compared to the prior year. The fund has a positive cash balance of \$489,557 and a big turnaround from October. We are current on all our outstanding invoices and should end the year with a surplus. 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 in use of the health insurance benefit. We do anticipate that the increase in allocations will necessitate a final budget amendment next week.

11/30/2024	Change In Fund Balances	Receipts (11 MO) YTD Current Year	Disbursements (11 MO) YTD Current Year	11 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	11/30/2024	11/30/2024	11/30/2024	11/30/2024
7704	Health Insurance	\$29,891,555	\$ 29,374,922	\$ 516,633	\$ 1,952,781

When compared to the eleven months of last year, claims (including payments to the teamster's insurance company) have increased by \$3,621,675 or 14.1% while total revenue increased by \$3,809,032 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 eleven months of the year with an increase in fund balance. Fire Pension had a surplus of \$495,860 compared to a surplus of \$576,657 last year. The Police Pension had a surplus of \$584,769 compared to a surplus of \$733,307 in the prior. Both pension funds have sufficient cash reserves with Fire Pension holding \$4.8 million or 102.1% of a full year's expense and Police Pension holding \$5.7 million or 87.4%. 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 November 30 are reflected on the next page.

11/30/2024		Pension Benefits	Pension Benefits	Pension Benefits
FUND NO.	FUND	11/30/2022	11/30/2023	11/30/2024
8801	Fire Pension Fund	5,628,711	5,485,134	5,432,249
8802	Police Pension Fund	4,312,074	4,150,796	4,065,039
	TOTAL SELECTED FUNDS	\$ 9,940,785	\$ 9,635,930	\$ 9,497,288

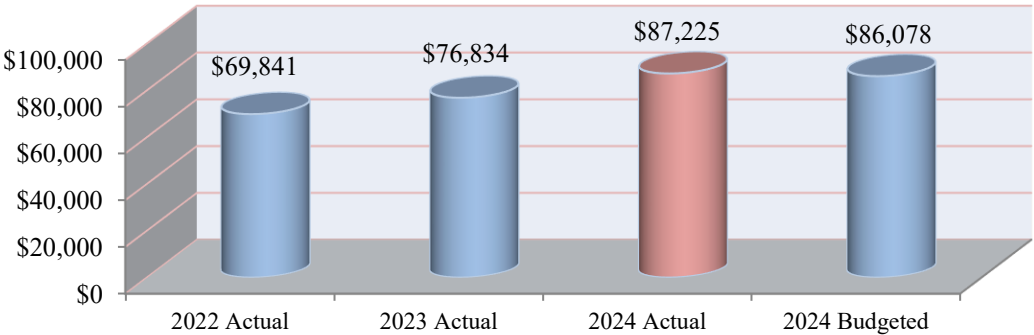
The chart below reflects receipts and expenditures for the eleven months of the calendar year with the cash and investments as of November 30, 2024, for a few selected funds. The American Rescue Fund had a net loss of \$9.6 million and is required to expend the remaining \$25.4 million before December 31, 2026. The Local Income Tax – Public Safety had a loss of \$1.27 million due to transfers to the General Fund to cover police/fire pension and health insurance costs. The other two funds with losses are TIFs and will receive tax proceeds in December.

As of 12/9/2024	Change In Fund Balances	Receipts (11 MO) YTD Current Year	Disbursements (11 MO) YTD Current Year	11 MO Change in Fund Balance Current Year	Cash + Inv. Balance Current Year
FUND NO.	FUND	11/30/2024	11/30/2024	11/30/2024	11/30/2024
1101	General Fund	\$ 109,510,353	\$ 108,256,764	\$ 1,253,589	\$ 45,601,529
1176	American Rescue Plan Fund	1,439,898	11,058,952	(9,619,054)	25,421,827
2236	Rainy Day Fund	105,951	-	105,951	3,378,377
2240	Local Income Tax - Public Safety	6,200,969	7,475,243	(1,274,274)	2,534,282
4437	Casino Gaming Capital Fund	15,175,379	9,019,727	6,155,652	25,861,120
4445	Jacobsville TIF Fund	1,365,443	1,624,746	(259,303)	3,859,215
4446	Downtown Master TIF	5,726,922	6,916,659	(1,189,737)	2,956,412
6101	Water Utility Operating Fund	68,656,687	65,348,248	3,308,439	22,422,510
6201	Sewer Utility Operating Fund	83,260,661	80,997,243	2,263,418	40,353,679
7704	Hospitalization Insurance Fund	29,891,555	29,376,527	515,028	489,557
	TOTAL SELECTED FUNDS	\$ 321,333,818	\$ 320,074,109	\$ 1,259,709	\$ 172,878,508

Personnel expenses account for 78.4% or \$93.9 million of the General Fund's \$119.1 million amended budget. This includes salary, payroll taxes, pension, health insurance, etc. The chart on the next page reflects the personnel expenditures for the General Fund through November 30th. 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 eleven months. We are \$1,147,000 over the prorated budget for 2024 with the health insurance expenditures \$1.7 million over budget. We will be asking for a budget amendment to cover those expenses. We are \$10,391,000 or 13.5% higher than actual expenditures from November 2023 and \$17,384,000 or 24.9% higher than November 2022.

General Fund Personnel Expenditures

(thousands)



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 like to know more details.