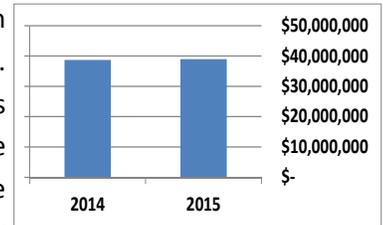




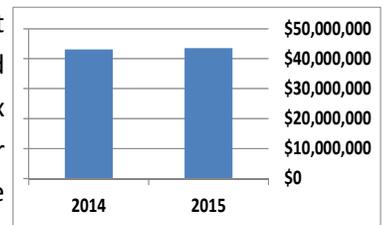
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

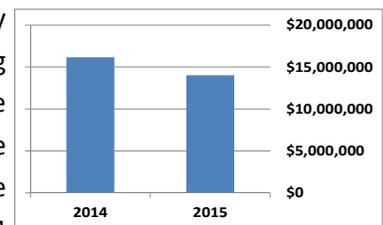
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2015 through December are \$39,010,282, which is a .73% increase over the 2014 collections of \$38,727,790. The City receives property tax allocations from the County primarily twice a year in January and June with a smaller allocation in the fall.



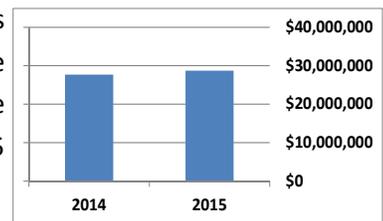
SALES TAX The City of Topeka receives two sales taxes for direct operations: a city wide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Total sales tax collections for 2015 through December are \$43,567,912, which is a 1.12% increase over the 2014 collections of \$43,084,546. The City receives monthly disbursements from the State of Kansas, these allocations have a two month lag compared to when they are collected versus when the City receives them.



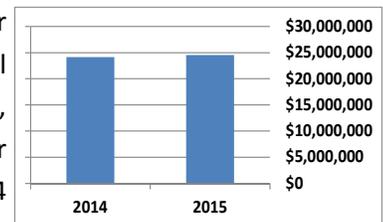
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are down 13.18% in 2015 with collections of \$14,160,599, compared to 2014 collections of \$16,160,599.



WATER FEES Customers in the City are charged a fee for water services, fees are reviewed on an annual basis to ensure adequate future financial planning and the capacity to maintain, preserve and enhance the infrastructure of the City water system. Water fees for service are up 3.84% in 2015 with collections of \$28,728,351, compared to 2014 billings of \$27,665,063.



WASTEWATER FEES Customers in the City are charged a fee for wastewater disposal, fees are reviewed on an annual basis to ensure adequate future financial planning and the capacity to maintain, preserve and enhance the infrastructure of the City wastewater system. Wastewater fees for service are up 1.59% in 2015 with collections of \$24,519,823, compared to 2014 billings of \$24,136,443.



POSITIVE

CAUTION

NEGATIVE

Monthly Financial Status Report

December 31, 2015



GENERAL FUND OVERVIEW

General Fund revenues for the month ending December 2015 were \$90,197,409, an decrease of approximately 1% over 2014 revenues which were \$91,183,310. The largest difference monetarily is in taxes and assessments, this is due to better sales and property tax collections. General Fund expenditures for the month ending December 2015 was \$86,857,539, an increase of approximately 5% over 2014 expenditures which were \$82,985,770. In 2015 the City is converting to accounting based on cash basis for monthly and quarterly reporting, this will cause large fluctuations compared to the prior year.

General Fund Operating Overview

As of December 31, 2015 (100% of budget year)

Department	Actuals			Budget		
	2014 YTD	2015 YTD	Difference	2015 budget YTD	% of 2015 Budget YTD	\$ Diff Compared to 2015 budget YTD
BEGINNING FUND BALANCE	\$ 10,057,217	\$ 18,270,000	\$ 8,212,783			
Revenues						
Taxes & Assessments	\$ 63,587,746	\$ 63,704,250	\$ 116,504	\$ 63,750,607	99.93%	\$ (46,357)
Intergovernmental	\$ 1,031,414	\$ 1,031,389	\$ (25)	\$ 1,060,000.00	97.30%	\$ (28,611)
Licenses/Permits & Franchise Fees	\$ 16,376,032	\$ 15,537,041	\$ (838,991)	\$ 14,575,337	106.60%	\$ 961,704
Charges for Services	\$ 5,450,472	\$ 5,414,049	\$ (36,423)	\$ 5,265,470	102.82%	\$ 148,579
Fines/forfeitures	\$ 2,982,977	\$ 3,221,880	\$ 238,903	\$ 3,000,000	107.40%	\$ 221,880
Rents/Interest	\$ 80,115	\$ 587,583	\$ 507,468	\$ 342,020	171.80%	\$ 245,563
Other	\$ 1,498,633	\$ 357,232	\$ (1,141,401)	\$ 237,894	150.16%	\$ 119,338
Transfers In	\$ 129,012	\$ 210,934	\$ 81,922	\$ 200,000	105.47%	\$ 10,934
Sale of Assets	\$ 46,909	\$ 133,051	\$ 86,142	\$ 35,000	380.15%	\$ 98,051
TOTAL REVENUES	\$ 91,183,310	\$ 90,197,409	\$ (985,901)	\$ 88,466,328	101.96%	\$ 1,731,081
Expenditures						
City Council	\$ 265,400	\$ 242,321	\$ (23,079)	\$ 283,410	85.50%	\$ 41,089
City Manager	\$ 1,176,906	\$ 1,243,445	\$ 66,539	\$ 1,261,148	98.60%	\$ 17,703
City Attorney	\$ 1,000,149	\$ 1,002,472	\$ 2,323	\$ 1,154,365	86.84%	\$ 151,893
Financial Services	\$ 2,104,011	\$ 1,998,878	\$ (105,133)	\$ 2,221,539	89.98%	\$ 222,661
Municipal Court	\$ 1,555,177	\$ 1,633,798	\$ 78,621	\$ 1,838,826	88.85%	\$ 205,028
Human Resources	\$ 859,944	\$ 1,129,418	\$ 269,474	\$ 1,003,313	112.57%	\$ (126,105)
Mayor's Office	\$ 108,670	\$ 117,250	\$ 8,580	\$ 120,035	97.68%	\$ 2,785
Non Departmental	\$ 799,609	\$ 1,909,331	\$ 1,109,722	\$ 3,313,347	57.63%	\$ 1,404,016
Prisoner Care	\$ 738,645	\$ 867,241	\$ 128,596	\$ 1,000,000	86.72%	\$ 132,759
HND Program Delivery	\$ 190,949	\$ 23,808	\$ (167,141)	\$ 1	2380800.00%	\$ (23,807)
Social Service Grants	\$ 440,801	\$ 569,513	\$ 128,712	\$ 514,097	110.78%	\$ (55,416)
Franchise Fee Program	\$ 79,925	\$ 85,000	\$ 5,075	\$ 100,100	84.92%	\$ 15,100
Topeka Performance Center	\$ 383,682	\$ 443,679	\$ 59,997	\$ 424,359	104.55%	\$ (19,320)
Cemeteries	\$ 168,656	\$ 166,038	\$ (2,618)	\$ 170,000	97.67%	\$ 3,962
Fire Department	\$ 25,016,289	\$ 26,381,064	\$ 1,364,775	\$ 26,445,947	99.75%	\$ 64,883
Police Department	\$ 35,417,416	\$ 34,823,718	\$ (593,698)	\$ 37,335,010	93.27%	\$ 2,511,292
Public Works	\$ 6,975,204	\$ 6,212,642	\$ (762,562)	\$ 6,349,751	97.84%	\$ 137,109
Park and Recreation	\$ 2,559,914	\$ 1,685,832	\$ (874,082)	\$ 1,522,424	110.73%	\$ (163,408)
Topeka Zoological Park	\$ 2,297,439	\$ 2,457,700	\$ 160,261	\$ 2,350,102	104.58%	\$ (107,598)
Planning Department	\$ 846,984	\$ 824,000	\$ (22,984)	\$ 797,607	103.31%	\$ (26,393)
Neighborhood Relations	\$ -	\$ 3,040,391	\$ 3,040,391	\$ 2,719,498	111.80%	\$ (320,893)
TOTAL EXPENDITURES	\$ 82,985,770	\$ 86,857,539	\$ 3,871,769	\$ 90,924,879	95.53%	\$ 4,067,340
BETTER/(WORSE)	\$ 8,197,540	\$ 3,339,870				
ENDING FUND BALANCE	\$ 18,254,757	\$ 21,609,870	\$ 3,355,113			

Monthly Financial Status Report

December 31, 2015



ALL BUDGETED FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2015 YTD Revenue Budget	Difference	% of Total Budget	0% 50% 100%		
General	\$ 90,197,409	\$ 88,466,328	\$ 1,731,081	102%			
Debt Service	\$ 22,977,312	\$ 21,112,651	\$ 1,864,661	109%			
Special Liability	\$ 846,851	\$ 842,109	\$ 4,742	101%			
Special Highway	\$ 6,282,559	\$ 5,750,194	\$ 532,365	109%			
Special Alcohol & Drug	\$ 515,694	\$ 520,045	\$ (4,351)	99%			
Alcohol & Drug Safety	\$ 76,434	\$ 77,000	\$ (566)	99%			
Law Enforcement	\$ 612,468	\$ 276,500	\$ 335,968	222%			
Transient Guest Tax	\$ 2,599,643	\$ 2,700,000	\$ (100,357)	96%			
Employee Separation	\$ 14,029	\$ -	\$ 14,029				
Retirement Reserve	\$ 1,086,480	\$ 1,131,913	\$ (45,433)	96%			
KP&F Rate Equalization	\$ 4,862	\$ -	\$ 4,862	0%			
Neighborhood Revitalization	\$ 38,533	\$ 35,000	\$ 3,533	110%			
Historical Asset Tourism	\$ 210,622	\$ 210,000	\$ 622	100%			
Half Cent Sales Tax (JEDO)	\$ 8,630,641	\$ 9,100,000	\$ (469,359)	95%			
Half Cent Sales Tax (Street)	\$ 14,512,243	\$ 14,240,000	\$ 272,243	102%			
Tax Increment Financing	\$ 181,580	\$ 190,000	\$ (8,420)	96%			
Court Technology	\$ 58,263	\$ 52,785	\$ 5,478	110%			
Downtown Improvement	\$ 156,260	\$ 186,276	\$ (30,016)	84%			
Community Development	\$ 377,055	\$ 400,000	\$ (22,945)	94%			
Combined Utilities	\$ 61,368,227	\$ 62,616,400	\$ (1,248,173)	98%			
Public Parking	\$ 5,575,747	\$ 3,221,205	\$ 2,354,542	173%			
Facilities	\$ 1,491,867	\$ 1,682,000	\$ (190,133)	89%			
Fleet	\$ 1,998,053	\$ 1,980,000	\$ 18,053	101%			
IT	\$ 3,680,004	\$ 3,658,580	\$ 21,424	101%			
Risk Funds	\$ 11,871,707	\$ 13,776,737	\$ (1,905,030)	86%			
TOTAL	\$ 235,364,544	\$ 232,225,723	\$ 3,138,821	101%			

Fund	YTD Actual Expenditures	2015 YTD Expen. Budget	Difference	% of Total Budget	0% 50% 100%		
General	\$ 86,857,539	\$ 90,924,879	\$ 4,067,340	98%			
Debt Service	\$ 21,242,204	\$ 24,430,765	\$ 3,188,561	87%			
Special Liability	\$ 499,068	\$ 1,531,241	\$ 1,032,173	33%			
Special Highway	\$ 6,212,256	\$ 6,515,292	\$ 303,036	95%			
Special Alcohol & Drug	\$ 640,387	\$ 640,387	\$ (0)	100%			
Alcohol & Drug Safety	\$ 63,941	\$ 65,300	\$ 1,359	98%			
Law Enforcement	\$ 395,541	\$ 638,878	\$ 243,337	62%			
Transient Guest Tax	\$ 2,789,754	\$ 2,700,000	\$ (89,754)	103%			
Employee Separation	\$ 1,987,688	\$ 2,200,000	\$ 212,312	90%			
Retirement Reserve	\$ 822,892	\$ 900,000	\$ 77,108	91%			
KP&F Rate Equalization	\$ 124,296	\$ 300,000	\$ 175,704	41%			
Neighborhood Revitalization	\$ -	\$ 150,000	\$ 150,000	0%			
Historical Asset Tourism	\$ 235,834	\$ 240,000	\$ 4,166	98%			
Half Cent Sales Tax (JEDO)	\$ 8,630,641	\$ 9,100,000	\$ 469,359	95%			
Half Cent Sales Tax (Street)	\$ 18,434,431	\$ 16,370,047	\$ (2,064,384)	113%			
Tax Increment Financing	\$ 386,660	\$ 395,080	\$ 8,420	98%			
Court Technology	\$ 9,925	\$ 45,000	\$ 35,075	22%			
Downtown Improvement	\$ 179,239	\$ 186,276	\$ 7,037	96%			
Community Development	\$ 404,878	\$ 437,695	\$ 32,817	93%			
Combined Utilities	\$ 68,114,945	\$ 78,889,271	\$ 10,774,326	86%			
Public Parking	\$ 2,832,576	\$ 3,106,817	\$ 274,241	91%			
Facilities	\$ 1,444,001	\$ 1,603,000	\$ 158,999	90%			
Fleet	\$ 1,746,516	\$ 1,907,545	\$ 161,029	92%			
IT	\$ 3,657,791	\$ 3,610,000	\$ (47,791)	101%			
Risk Funds	\$ 13,361,168	\$ 12,697,065	\$ (664,103)	105%			
TOTAL	\$ 241,074,171	\$ 259,584,538	\$ 19,174,470	94%			



CASH MANAGEMENT

Pooled Cash & Investments

Guidelines

Type of Investment	Minimum	Maximum	Actual %	Invested Value	Yield to Maturity
Bank Certificates of Deposit	0%	100%	28%	\$ 41,424,737	0.43
US Treasuries	0%	100%	0%	\$ -	-
US Agencies	0%	100%	37%	\$ 55,028,415	0.42
Repurchase Agreements	0%	50%	-	-	-
Municipal Investment Pool	0%	30%	0%	\$ 100,000	-
Municipal Refunding Bonds	0%	100%	-	\$ -	-
Kansas General Obligation Bonds with credit below A3 or A-	0%	5%	-	-	-
Kansas General Obligation Bonds with credit of A3 or A- higher	0%	30%	13%	\$ 18,950,098	0.97
General Checking	0%	100%	21%	\$ 31,377,299	-
Subtotal of Investments				\$146,880,549	0.61

Total Portfolio Balance \$146,880,549

Duration of investments (expressed in years) 0.71

The City recognizes that effective cash management is an integral part of good financial management. The City seeks out investments that achieve the highest rates within allowable securities that preserve the safety, liquidity, return on investment and diversification of funds. The chart to the left describes the invested value of City investments compared to the guidelines of the investment policy. It also

shows the total cash balance of the City as of the month end in the total cash balance line, and shows the average duration of investments, which are limited to under 2 years for municipalities that do not have expanded investment powers as granted by the State of Kansas except for funds designated as multi-year capital improvement or investment of proceeds on bonds issued under Kansas law.

DEBT MANAGEMENT

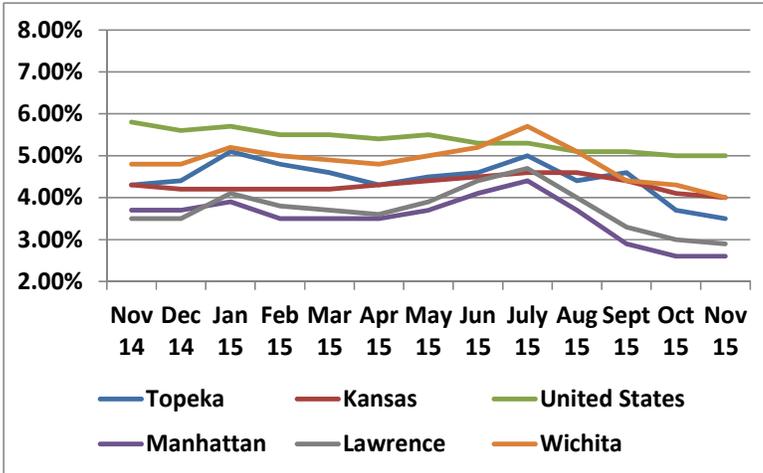
Finance staff oversee all debt issued by the City, which includes General Obligation (GO), revenue backed, revolving loan funds, temporary notes and special assessment debt. As of December 2015 the City had \$391,275,634 in permanent and temporary debt, compared to \$375,419,808 in 2014 or a 4.22% increase. When backing out the temporary notes and comparing current permanent debt to the prior year, permanent debt decreased by -.11%.

Debt Management

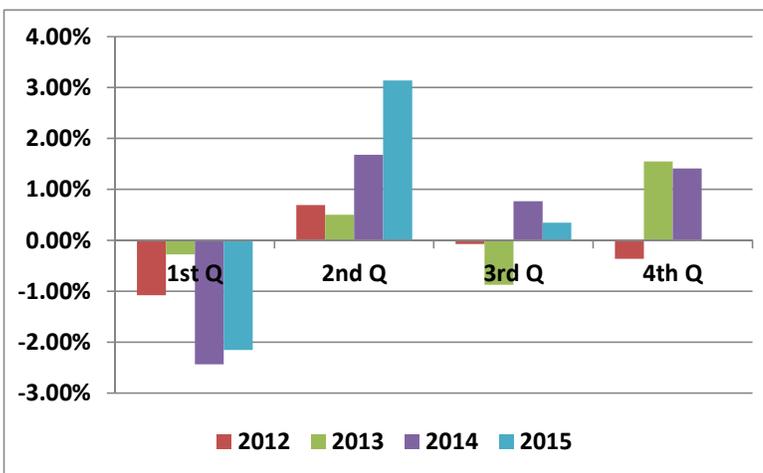
Instrument	2014	2015
Governmental General Obligation Bonds	\$ 131,938,017	\$ 134,756,536
Business Type General Obligation Bonds	\$ 11,121,983	\$ 10,513,464
Other General Obligation Bonds	\$ 14,135,000	\$ 13,115,000
Utility Revenue Bonds	\$ 120,235,000	\$ 127,425,000
Sales Tax Revenue Bonds	\$ 6,070,000	\$ 3,035,000
KDHE Revolving Loans	\$ 58,529,808	\$ 52,810,634
Temporary Notes	\$ 33,390,000	\$ 49,620,000
Total	\$ 375,419,808	\$ 391,275,634



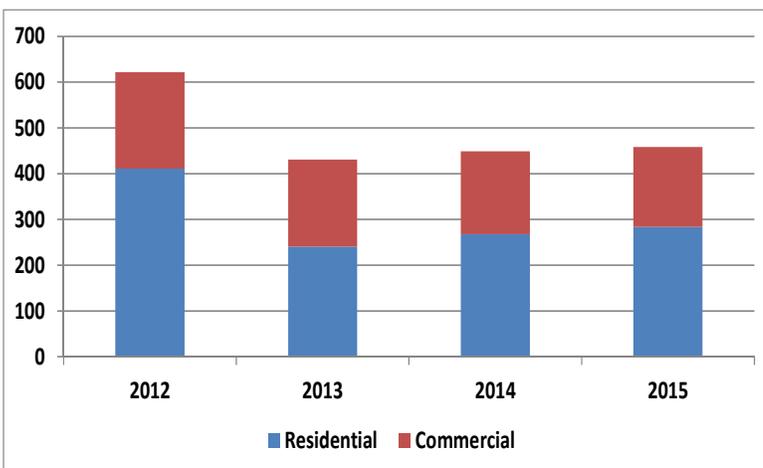
COMMUNITY STATISTICS



Unemployment Rates: Unemployment rates listed for Topeka, Lawrence, Manhattan and the Wichita area, measure the entire Metropolitan Statistical Area. The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the labor force or those actively seeking employment and willing to work. The unemployment rate for November 2015 was 3.50%, data lags by one month.



Federal Housing Finance Agency House Price Index: The Housing Price Index is a broad measure of the movement of single-family housing prices. It serves as a timely, accurate indicator of house price trends. This information is specific for the City of Topeka and is obtained by reviewing repeat mortgage transactions on single-family properties whose mortgages have been purchased or securitized by Fannie Mae and Freddie Mac since January 1975. It is updated on a quarterly basis. The higher percent increase means higher sales data for housing.



Building Permits: These are the total number of building permits issued in the City of Topeka through December. Building permits are issued for new residential, 3 or more family units, duplexes, new commercial, residential addition, commercial additional and 5 or more family. They are important to measure the amount of new construction in the community, which in turn increases value to the assessed valuation of the City. Blue represents residential permits and red represents commercial permits. Building permits increased in 2015 by 2% over 2014.