

Monthly Financial Status Report

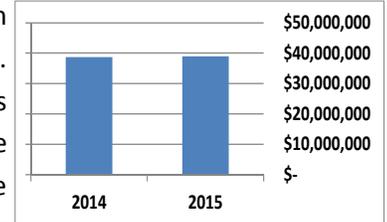
October 31, 2015



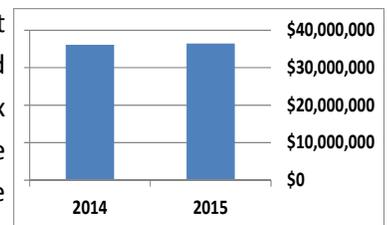
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

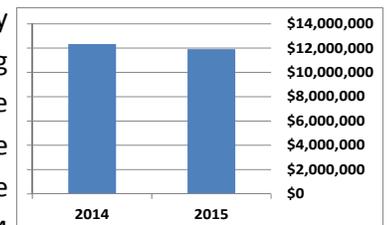
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2015 through October 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.



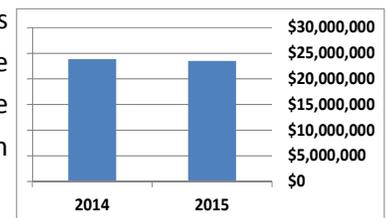
SALES TAX The City of Topeka receives two sales taxes for direct operations: a city wide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Total sales tax collections for 2015 through October are \$36,446,158, which is a .92% increase over the 2014 collections of \$36,115,635. 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.



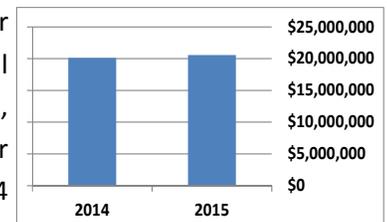
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are down (3.35)% in 2015 with collections of \$11,919,405, compared to 2014 collections of \$12,332,274.



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 down (3.35)% in 2015 with collections of \$23,518,443, compared to 2014 billings of \$23,849,993.



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 2.42% in 2015 with collections of \$20,586,710, compared to 2014 billings of \$20,134,776.



POSITIVE

CAUTION

NEGATIVE

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GENERAL FUND OVERVIEW

General Fund revenues for the month ending October 2015 were \$80,163,148, an increase of approximately 5% over 2014 revenues which were \$76,601,146. 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 October 2015 was \$69,423,138, an increase of approximately 4% over 2014 expenditures which were \$66,723,321. 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 October 31, 2015 (83% 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	\$ 56,145,818	\$ 58,261,179	\$ 2,115,361	\$ 53,125,506	109.67%	\$ 5,135,673
Intergovernmental	\$ 784,824	\$ 784,841	\$ 17	\$ 883,333.33	88.85%	\$ (98,492)
Licenses/Permits & Franchise Fees	\$ 12,254,461	\$ 13,099,342	\$ 844,881	\$ 12,146,114	107.85%	\$ 953,228
Charges for Services	\$ 4,534,838	\$ 4,269,514	\$ (265,324)	\$ 4,387,892	97.30%	\$ (118,378)
Fines/forfeitures	\$ 2,512,428	\$ 2,743,399	\$ 230,971	\$ 2,500,000	109.74%	\$ 243,399
Rents/Interest	\$ 49,091	\$ 352,298	\$ 303,207	\$ 285,017	123.61%	\$ 67,281
Other	\$ 127,464	\$ 326,670	\$ 199,206	\$ 198,245	164.78%	\$ 128,425
Transfers In	\$ 150,066	\$ 210,934	\$ 60,868	\$ 166,667	126.56%	\$ 44,267
Sale of Assets	\$ 42,156	\$ 114,971	\$ 72,815	\$ 29,167	394.19%	\$ 85,804
TOTAL REVENUES	\$ 76,601,146	\$ 80,163,148	\$ 3,562,002	\$ 73,721,940	108.74%	\$ 6,441,208
Expenditures						
City Council	\$ 218,202	\$ 201,009	\$ (17,193)	\$ 236,175	85.11%	\$ 35,166
City Manager	\$ 965,768	\$ 992,162	\$ 26,394	\$ 1,050,957	94.41%	\$ 58,795
City Attorney	\$ 827,349	\$ 810,863	\$ (16,486)	\$ 961,971	84.29%	\$ 151,108
Financial Services	\$ 1,760,197	\$ 1,644,900	\$ (115,297)	\$ 1,851,283	88.85%	\$ 206,383
Municipal Court	\$ 1,283,143	\$ 1,372,589	\$ 89,446	\$ 1,532,355	89.57%	\$ 159,766
Human Resources	\$ 701,415	\$ 880,311	\$ 178,896	\$ 836,094	105.29%	\$ (44,217)
Mayor's Office	\$ 88,168	\$ 93,683	\$ 5,515	\$ 100,029	93.66%	\$ 6,346
Non Departmental	\$ 660,287	\$ 1,494,711	\$ 834,424	\$ 2,761,123	54.13%	\$ 1,266,412
Prisoner Care	\$ 460,693	\$ 867,241	\$ 406,548	\$ 833,333	104.07%	\$ (33,908)
HND Program Delivery	\$ 159,332	\$ 23,528	\$ (135,804)	\$ 1	2823360.00%	\$ (23,527)
Social Service Grants	\$ 415,301	\$ 569,513	\$ 154,212	\$ 428,414	132.94%	\$ (141,099)
Franchise Fee Program	\$ 79,925	\$ 85,000	\$ 5,075	\$ 83,417	101.90%	\$ (1,583)
Topeka Performance Center	\$ 324,426	\$ 378,285	\$ 53,859	\$ 353,633	106.97%	\$ (24,653)
Cemeteries	\$ 164,070	\$ 165,399	\$ 1,329	\$ 141,667	116.75%	\$ (23,732)
Fire Department	\$ 19,736,531	\$ 20,632,187	\$ 895,656	\$ 22,038,289	93.62%	\$ 1,406,102
Police Department	\$ 28,362,661	\$ 27,859,341	\$ (503,320)	\$ 31,112,508	89.54%	\$ 3,253,167
Public Works	\$ 5,565,391	\$ 4,703,336	\$ (862,055)	\$ 5,291,459	88.89%	\$ 588,123
Park and Recreation	\$ 2,439,450	\$ 1,561,755	\$ (877,695)	\$ 1,268,687	123.10%	\$ (293,068)
Topeka Zoological Park	\$ 1,813,056	\$ 2,008,007	\$ 194,951	\$ 1,958,418	102.53%	\$ (49,589)
Planning Department	\$ 697,956	\$ 682,182	\$ (15,774)	\$ 664,673	102.63%	\$ (17,510)
Neighborhood Relations	\$ -	\$ 2,397,136	\$ 2,397,136	\$ 2,266,248	105.78%	\$ (130,888)
TOTAL EXPENDITURES	\$ 66,723,321	\$ 69,423,138	\$ 2,699,817	\$ 75,770,733	91.62%	\$ 6,347,595
BETTER/(WORSE)	\$ 9,877,825	\$ 10,740,010				
ENDING FUND BALANCE	\$ 19,935,042	\$ 29,010,010	\$ 9,074,968			

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ALL BUDGETED FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2015 YTD Revenue Budget	Difference	% of Total Budget
General	\$ 80,163,148	\$ 73,721,940	\$ 6,441,208	91%
Debt Service	\$ 22,655,729	\$ 17,593,876	\$ 5,061,854	107%
Special Liability	\$ 837,694	\$ 701,758	\$ 135,937	99%
Special Highway	\$ 6,225,922	\$ 4,791,828	\$ 1,434,093	108%
Special Alcohol & Drug	\$ 392,420	\$ 433,371	\$ (40,950)	75%
Alcohol & Drug Safety	\$ 65,834	\$ 62,333	\$ 3,501	88%
Law Enforcement	\$ 571,830	\$ 230,417	\$ 341,414	207%
Transient Guest Tax	\$ 2,597,299	\$ 2,052,798	\$ 544,501	105%
Employee Separation	\$ 5,590	\$ -	\$ 5,590	
Retirement Reserve	\$ 905,391	\$ 943,261	\$ (37,870)	80%
KP&F Rate Equalization	\$ 1,906	\$ -	\$ 1,906	0%
Neighborhood Revitalization	\$ 38,533	\$ 29,167	\$ 9,366	110%
Historical Asset Tourism	\$ 210,622	\$ 124,198	\$ 86,424	141%
Half Cent Sales Tax (JEDO)	\$ 7,211,145	\$ 7,073,298	\$ 137,846	85%
Half Cent Sales Tax (Street)	\$ 12,202,477	\$ 11,866,667	\$ 335,810	86%
Tax Increment Financing	\$ 181,580	\$ 196,246	\$ (14,666)	77%
Court Technology	\$ 48,649	\$ 43,988	\$ 4,661	92%
Downtown Improvement	\$ 157,431	\$ 155,230	\$ 2,201	85%
Community Development	\$ 317,421	\$ 218,508	\$ 98,913	121%
Combined Utilities	\$ 50,918,218	\$ 52,180,333	\$ (1,262,116)	81%
Public Parking	\$ 2,390,253	\$ 2,684,338	\$ (294,085)	74%
Facilities	\$ 1,243,663	\$ 1,244,215	\$ (552)	83%
Fleet	\$ 1,666,725	\$ 1,650,000	\$ 16,725	84%
IT	\$ 3,069,844	\$ 3,047,137	\$ 22,707	84%
Risk Funds	\$ 10,406,251	\$ 11,480,614	\$ (1,074,363)	76%
TOTAL	\$ 204,485,575	\$ 192,525,520	\$ 11,960,055	89%

Fund	YTD Actual Expenditures	2015 YTD Expen. Budget	Difference	% of Total Budget
General	\$ 69,423,138	\$ 75,770,733	\$ 6,347,595	78%
Debt Service	\$ 18,093,057	\$ 20,358,971	\$ 2,265,914	74%
Special Liability	\$ 431,719	\$ 1,276,034	\$ 844,315	28%
Special Highway	\$ 5,345,086	\$ 5,429,410	\$ 84,324	82%
Special Alcohol & Drug	\$ 498,830	\$ 500,000	\$ 1,170	83%
Alcohol & Drug Safety	\$ 51,474	\$ 48,668	\$ (2,806)	88%
Law Enforcement	\$ 840,802	\$ 532,398	\$ (308,403)	132%
Transient Guest Tax	\$ 1,893,193	\$ 2,052,798	\$ 159,605	77%
Employee Separation	\$ 1,513,470	\$ 833,333	\$ (680,136)	151%
Retirement Reserve	\$ 263,588	\$ 750,000	\$ 486,412	29%
KP&F Rate Equalization	\$ 124,296	\$ 250,000	\$ 125,704	41%
Neighborhood Revitalization	\$ -	\$ 125,000	\$ 125,000	0%
Historical Asset Tourism	\$ 235,234	\$ 124,198	\$ (111,036)	158%
Half Cent Sales Tax (JEDO)	\$ 6,511,727	\$ 7,073,298	\$ 561,571	77%
Half Cent Sales Tax (Street)	\$ 14,026,147	\$ 13,641,706	\$ (384,441)	86%
Tax Increment Financing	\$ 377,660	\$ 160,375	\$ (217,285)	196%
Court Technology	\$ 9,810	\$ 37,500	\$ 27,690	22%
Downtown Improvement	\$ 155,099	\$ 155,230	\$ 131	83%
Community Development	\$ 314,628	\$ 218,508	\$ (96,119)	120%
Combined Utilities	\$ 57,376,278	\$ 65,741,059	\$ 8,364,781	73%
Public Parking	\$ 2,102,555	\$ 2,589,014	\$ 486,459	68%
Facilities	\$ 1,167,819	\$ 1,222,210	\$ 54,391	80%
Fleet	\$ 1,364,325	\$ 1,589,621	\$ 225,296	72%
IT	\$ 3,181,902	\$ 2,883,943	\$ (297,959)	92%
Risk Funds	\$ 9,810,517	\$ 10,580,888	\$ 770,370	77%
TOTAL	\$ 195,112,353	\$ 213,944,896	\$ 18,062,173	77%



CASH MANAGEMENT

Pooled Cash & Investments

Guidelines

Type of Investment	Minimum	Maximum	Actual %	Invested Value	Yield to Maturity
Bank Certificates of Deposit	0%	100%	27%	\$ 43,673,482	0.49
US Treasuries	0%	100%	0%	\$ -	-
US Agencies	0%	100%	36%	\$ 57,338,806	0.32
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%	14%	\$ 22,033,594	0.86
General Checking	0%	100%	23%	\$ 35,941,480	-
Subtotal of Investments				\$159,087,361	0.56

Total Portfolio Balance \$159,087,361

Duration of investments (expressed in years) 0.78

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 October 2015 the City had \$396,789,680 in permanent and temporary debt, compared to \$381,970,086 in 2014 or a 3.88% increase. When backing out the temporary notes

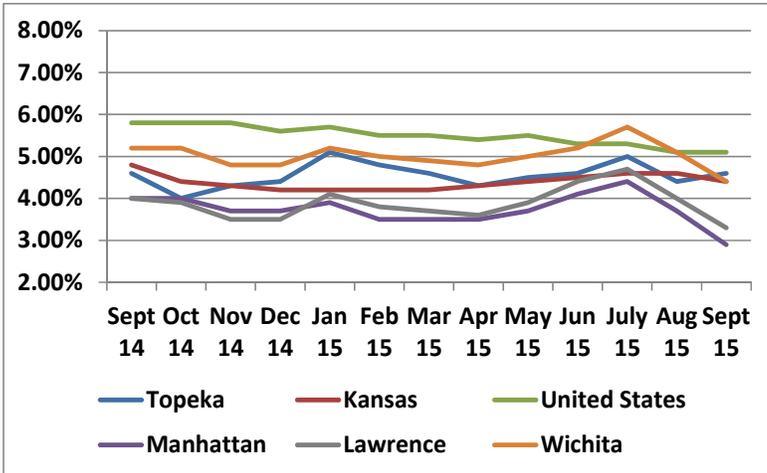
Debt Management

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	\$ 9,010,000	\$ 6,070,000
KDHE Revolving Loans	\$ 62,140,086	\$ 55,289,680
Temporary Notes	\$ 33,390,000	\$ 49,620,000
Total	\$ 381,970,086	\$ 396,789,680

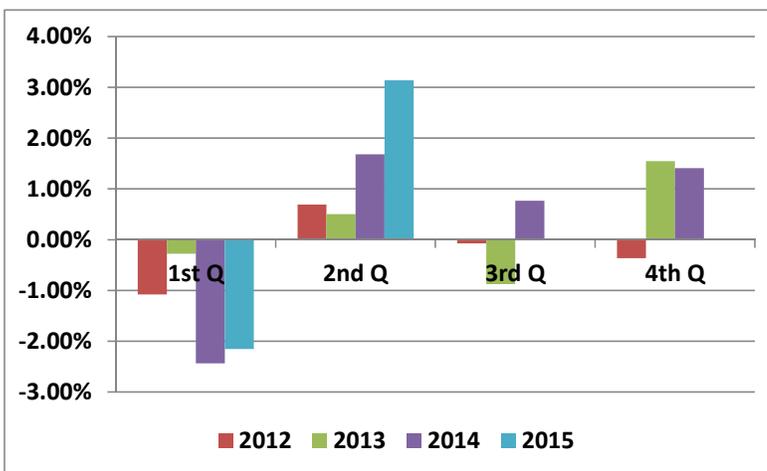
and comparing current permanent debt to the prior year, permanent debt decreased by -.40%.



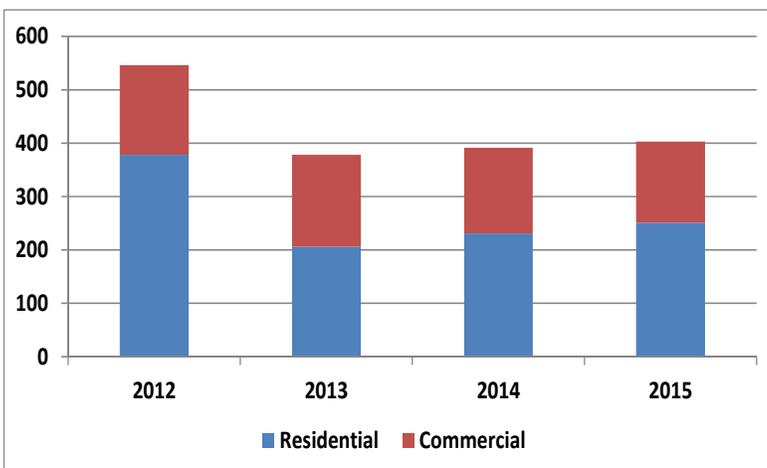
COMMUNITY STATISTICS



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 September 2015 was 4.60%, 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 October for each year. 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.