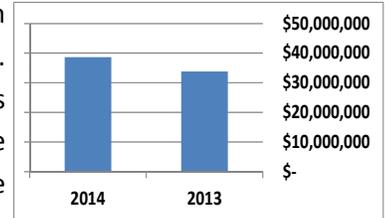




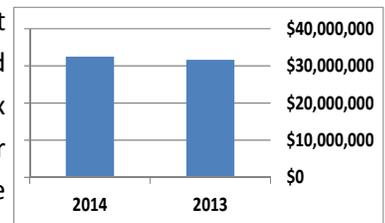
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

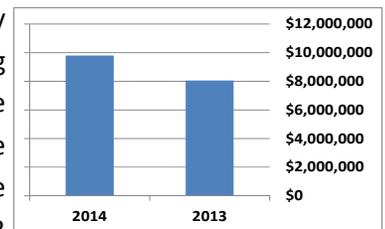
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2014 through September are \$38,602,413, which is a 14.19% increase over the 2013 collections of \$33,806,537. The City receives property tax allocations from the County primarily twice a year in January and June with a smaller allocation in the fall.



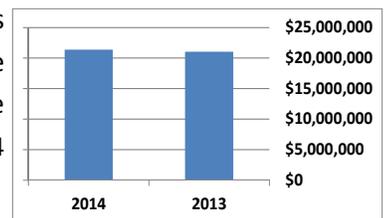
SALES TAX The City of Topeka receives two sales taxes for direct operations: a city wide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Total sales tax collections for 2014 through September are \$32,499,021, which is a 2.73% increase over the 2013 collections of \$31,634,186. 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.



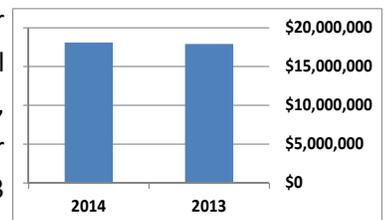
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are up 21.65% in 2014 with collections of \$9,788,110, compared to 2013 collections of \$8,046,283. Westar franchise fees increased from 5% to 6% in late 2013, all others remain at 5%.



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 1.73% in 2014 with collections of \$21,390,750, compared to 2013 collections of \$21,027,469.



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 1.13% in 2014 with collections of \$18,088,618, compared to 2013 collections of \$17,885,949.



POSITIVE

CAUTION

NEGATIVE

Monthly Financial Status Report

September 30, 2014



GENERAL FUND OVERVIEW

General Fund revenues for the month ending September 2014 were \$71,120,186, an increase of approximately 6% over 2013 revenues which were \$66,813,329. The largest difference monetarily is in licenses/permits and franchise fees, this is due to higher franchise fee collections, caused by Westar increasing from 5% to 6%. General Fund expenditures for the month ending September 2014 were \$58,824,765, a increase of approximately .5% over 2013 expenditures which were \$58,544,929. Expenditures vary year to year by department, the largest difference is in the police department due to contractually obligated expenditures and a decrease in parks and rec due to lower contractual payments.

General Fund Operating Overview

As of September 30th, 2014 (75% of budget year)

Department	Actuals			Budget		
	2014 YTD	2013 YTD	Difference	2014 budget YTD	% of 2014 Budget YTD	\$ Diff Compared to 2014 budget YTD
BEGINNING FUND BALANCE	\$ 9,554,430	\$ 5,489,436	\$ 4,064,994			
Revenues						
Taxes & Assessments	\$ 52,768,326	\$ 50,851,292	\$ 1,917,034	\$ 40,795,403	129.35%	\$ 11,972,923
Intergovernmental	\$ 784,824	\$ 799,131	\$ (14,307)	\$ 397,500.00	197.44%	\$ 387,324
Licenses/Permits & Franchise Fees	\$ 11,050,101	\$ 8,852,701	\$ 2,197,400	\$ 11,235,934	98.35%	\$ (185,833)
Charges for Services	\$ 3,969,676	\$ 3,460,946	\$ 508,730	\$ 4,132,385	96.06%	\$ (162,709)
Fines/forfeitures	\$ 2,245,012	\$ 2,207,031	\$ 37,981	\$ 2,250,000	99.78%	\$ (4,988)
Rents/Interest	\$ 38,638	\$ 363,816	\$ (325,178)	\$ 256,515	15.06%	\$ (217,877)
Other	\$ 117,888	\$ 155,663	\$ (37,775)	\$ 203,550	57.92%	\$ (85,662)
Transfers In	\$ 103,565	\$ 100,000	\$ 3,565	\$ 150,000	69.04%	\$ (46,435)
Sale of Assets	\$ 42,156	\$ 22,749	\$ 19,407	\$ 48,750	86.47%	\$ (6,594)
TOTAL REVENUES	\$ 71,120,186	\$ 66,813,329	\$ 4,306,857	\$ 59,470,037	119.59%	\$ 11,650,150
Expenditures						
City Council	\$ 189,113	\$ 213,666	\$ (24,553)	\$ 233,665	80.93%	\$ 44,552
City Manager	\$ 873,576	\$ 619,943	\$ 253,633	\$ 972,725	89.81%	\$ 99,149
City Attorney	\$ 722,298	\$ 858,770	\$ (136,472)	\$ 855,700	84.41%	\$ 133,402
Financial Services	\$ 1,550,335	\$ 1,596,863	\$ (46,528)	\$ 1,640,911	94.48%	\$ 90,576
Municipal Court	\$ 1,122,729	\$ 1,183,474	\$ (60,745)	\$ 1,366,960	82.13%	\$ 244,231
Human Resources	\$ 617,368	\$ 652,441	\$ (35,073)	\$ 751,787	82.12%	\$ 134,419
Mayor's Office	\$ 76,372	\$ 84,824	\$ (8,452)	\$ 100,640	75.89%	\$ 24,268
Non Departmental	\$ 623,502	\$ 766,289	\$ (142,787)	\$ 3,872,483	16.10%	\$ 3,248,981
Prisoner Care	\$ 370,858	\$ 513,016	\$ (142,158)	\$ 791,790	46.84%	\$ 420,932
HND Program Delivery	\$ 147,377	\$ 64,077	\$ 83,300	\$ 170,916	86.23%	\$ 23,539
Social Service Grants	\$ 448,256	\$ 430,353	\$ 17,903	\$ 303,057	147.91%	\$ (145,199)
Franchise Fee Program	\$ 99,925	\$ 75,897	\$ 24,028	\$ 75,075	133.10%	\$ (24,850)
Topeka Performance Center	\$ 299,491	\$ 299,475	\$ 16	\$ 256,462	116.78%	\$ (43,029)
Cemeteries	\$ 163,452	\$ 163,452	\$ -	\$ 127,500	128.20%	\$ (35,952)
Fire Department	\$ 17,157,503	\$ 17,036,427	\$ 121,076	\$ 19,430,380	88.30%	\$ 2,272,877
Police Department	\$ 24,788,008	\$ 23,504,997	\$ 1,283,011	\$ 28,518,003	86.92%	\$ 3,729,995
Public Works	\$ 4,866,954	\$ 4,763,886	\$ 103,068	\$ 5,829,338	83.49%	\$ 962,384
Park and Recreation	\$ 2,439,073	\$ 3,430,995	\$ (991,922)	\$ 1,550,058	157.35%	\$ (889,015)
Topeka Zoological Park	\$ 1,655,175	\$ 1,740,022	\$ (84,847)	\$ 1,711,861	96.69%	\$ 56,686
Planning Department	\$ 613,400	\$ 546,062	\$ 67,338	\$ 631,346	97.16%	\$ 17,946
TOTAL EXPENDITURES	\$ 58,824,765	\$ 58,544,929	\$ 279,836	\$ 69,490,653	85.02%	\$ 10,365,888
BETTER/(WORSE)	\$ 12,295,421	\$ 8,268,400				
ENDING FUND BALANCE	\$ 21,849,851	\$ 13,757,836	\$ 8,092,015			

Monthly Financial Status Report

September 30, 2014



ALL BUDGETED FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2014 YTD Revenue Budget	Difference	% of Total Budget
General	\$ 71,120,186	\$ 59,470,037	\$ 11,650,150	82%
Debt Service	\$ 20,780,056	\$ 15,844,716	\$ 4,935,340	98%
Special Liability	\$ 824,324	\$ 635,781	\$ 188,543	97%
Special Highway	\$ 3,907,293	\$ 4,382,369	\$ (475,076)	67%
Special Alcohol & Drug	\$ 392,412	\$ 393,750	\$ (1,338)	75%
Alcohol & Drug Safety	\$ 63,695	\$ 56,625	\$ 7,070	84%
Law Enforcement	\$ 241,996	\$ 241,125	\$ 871	75%
Transient Guest Tax	\$ 1,187,321	\$ 1,837,500	\$ (650,179)	48%
Retirement Reserve	\$ 770,444	\$ 500,025	\$ 270,419	116%
KP&F Rate Equalization	\$ 2,183	\$ -	\$ 2,183	0%
Neighborhood Revitalization	\$ 39,962	\$ 26,250	\$ 13,712	114%
Historical Asset Tourism	\$ 17,044	\$ 86,250	\$ (69,206)	15%
Half Cent Sales Tax (JEDO)	\$ 6,477,021	\$ 6,000,000	\$ 477,021	81%
Half Cent Sales Tax (Street)	\$ 10,833,007	\$ 10,372,500	\$ 460,507	78%
Tax Increment Financing	\$ 262,195	\$ 150,000	\$ 112,195	131%
Court Technology	\$ 42,090	\$ 33,750	\$ 8,340	94%
Downtown Improvement	\$ 168,846	\$ 139,907	\$ 28,940	91%
Community Development	\$ 64,462	\$ 90,750	\$ (26,288)	53%
Combined Utilites	\$ 46,156,342	\$ 46,962,300	\$ (805,958)	74%
Public Parking	\$ 2,385,577	\$ 2,371,976	\$ 13,601	75%
Facilities	\$ 951,375	\$ 1,368,806	\$ (417,431)	52%
Fleet	\$ 1,419,269	\$ 1,390,879	\$ 28,390	77%
IT	\$ 2,803,779	\$ 2,828,087	\$ (24,308)	74%
Risk Funds	\$ 9,581,912	\$ 9,468,750	\$ 113,162	76%
TOTAL	\$ 180,492,791	\$ 164,652,131	\$ 15,840,661	80%

Fund	YTD Actual Expenditures	2014 YTD Expen. Budget	Difference	% of Total Budget
General	\$ 58,824,765	\$ 69,190,653	\$ 10,365,888	68%
Debt Service	\$ 18,555,300	\$ 16,940,987	\$ (1,614,313)	82%
Special Liability	\$ 337,109	\$ 747,368	\$ 410,259	34%
Special Highway	\$ 4,872,316	\$ 4,750,537	\$ (121,779)	77%
Special Alcohol & Drug	\$ 527,667	\$ 450,000	\$ (77,667)	88%
Alcohol & Drug Safety	\$ 37,553	\$ 46,637	\$ 9,084	60%
Law Enforcement	\$ 459,931	\$ 412,500	\$ (47,431)	84%
Transient Guest Tax	\$ 1,974,401	\$ 1,875,000	\$ (99,401)	79%
Retirement Reserve	\$ -	\$ 675,000	\$ 675,000	0%
KP&F Rate Equalization	\$ 109,963	\$ 225,000	\$ 115,037	37%
Neighborhood Revitalization	\$ -	\$ 112,500	\$ 112,500	0%
Historical Asset Tourism	\$ 231,900	\$ 86,250	\$ (145,650)	202%
Half Cent Sales Tax (JEDO)	\$ 6,477,021	\$ 2,626,875	\$ (3,850,146)	185%
Half Cent Sales Tax (Street)	\$ 4,996,028	\$ 11,756,627	\$ 6,760,599	32%
Tax Increment Financing	\$ 235,704	\$ 129,469	\$ (106,235)	137%
Court Technology	\$ 34,235	\$ 37,500	\$ 3,265	68%
Downtown Improvement	\$ 133,955	\$ 139,907	\$ 5,952	72%
Community Development	\$ 63,970	\$ 89,400	\$ 25,430	54%
Combined Utilites	\$ 49,320,656	\$ 49,054,662	\$ (265,994)	75%
Public Parking	\$ 2,348,674	\$ 2,818,411	\$ 469,737	62%
Facilities	\$ 1,013,450	\$ 1,343,894	\$ 330,444	57%
Fleet	\$ 1,822,043	\$ 1,381,949	\$ (440,095)	99%
IT	\$ 2,693,716	\$ 2,564,275	\$ (129,441)	79%
Risk Funds	\$ 7,618,660	\$ 9,468,750	\$ 1,850,090	60%
TOTAL	\$ 162,689,017	\$ 176,924,147	\$ 12,385,040	71%



CASH MANAGEMENT

Pooled Cash & Investments

Guidelines

Type of Investment	Minimum	Maximum	Actual %	Invested Value	Yield to Maturity
Bank Certificates of Deposit	0%	100%	29%	\$ 35,400,000	0.33
US Treasuries	0%	100%	8%	\$ 9,757,485	0.14
US Agencies	0%	100%	18%	\$ 22,243,216	0.68
Repurchase Agreements	0%	50%	-	-	-
Municipal Investment Pool	0%	30%	22%	\$ 26,579,874	-
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%	23%	\$ 27,695,297	0.68
Subtotal of Investments				\$121,675,872	0.46

General Checking \$ 9,210,978

Total Cash Balance \$130,886,850

Duration of investments (expressed in years) 1.23

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 September 2014 the City had \$348,580,086 in permanent debt, compared to \$369,937,778 in 2013 or a -5.77% decrease.

Debt Management

Instrument	2014	2013
Governmental General Obligation Bonds	\$ 131,938,017	\$ 139,190,631
Business Type General Obligation Bonds	\$ 11,121,983	\$ 12,314,369
Other General Obligation Bonds	\$ 14,135,000	\$ 14,295,000
Utility Revenue Bonds	\$ 120,235,000	\$ 123,790,000
Sales Tax Revenue Bonds	\$ 9,010,000	\$ 11,865,000
KDHE Revolving Loans	\$ 62,140,086	\$ 68,482,778
Total	\$ 348,580,086	\$ 369,937,778

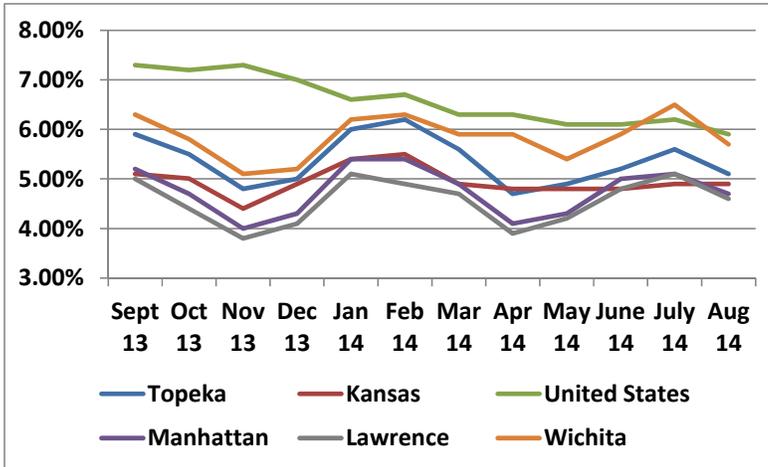
According to K.S.A. 10-308, the City is limited to debt that cannot be greater than 30% of the assessed tangible valuation of the City. Certain debt is then not subject to the debt limitation and is subsequently backed out of the calculation. As of September 2014, the

Debt Capacity	2014	2013
Assessed Valuation	\$ 1,135,205,618	\$ 1,103,303,854
Debt Limit Ratio	30.00%	30.00%
Debt Limit	\$ 340,561,685	\$ 330,991,156
Total Outstanding GO Debt	\$ 190,790,000	\$ 194,205,000
Debt Subject to Limitation	\$ 43,748,058	\$ 39,290,000
Debt Authority Remaining	\$ 296,813,627	\$ 291,701,156

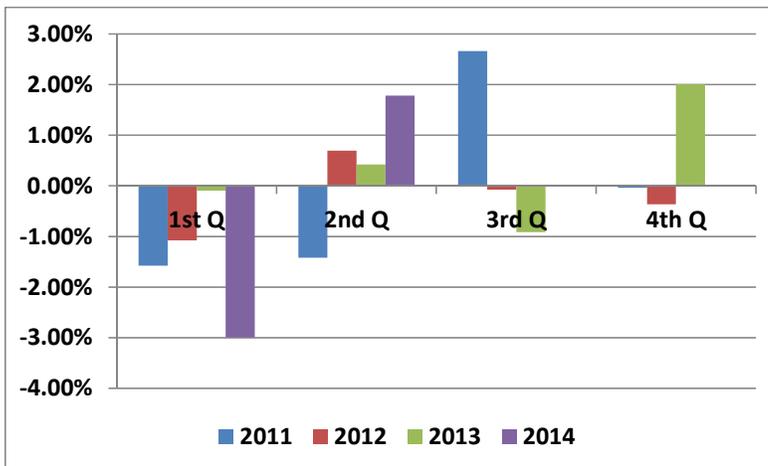
City had \$296,813,627 of bonding authority available, a increase of approximately 1.75% over the September 2013 amount of \$291,701,156. The City is currently utilizing 13% of the debt authority as authorized by state statute.



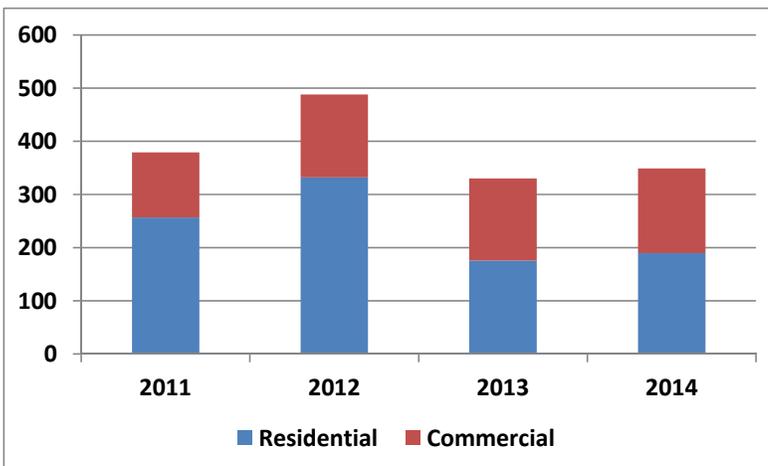
COMMUNITY STATISTICS



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 August of 2014 was 5.10%, 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 purchase 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 September 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 an 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.