

Monthly Financial Status Report

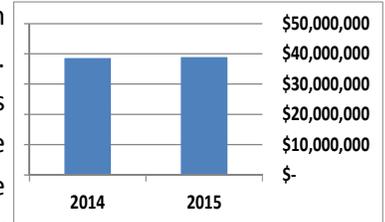
September 30, 2015



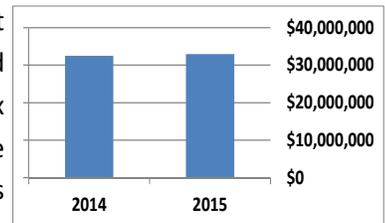
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

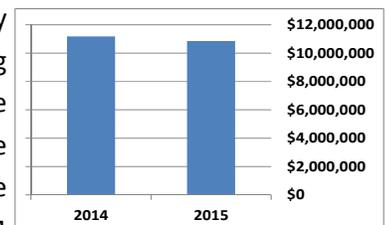
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2015 through September are \$38,888,128, which is a .74% increase over the 2014 collections of \$38,602,413. The City receives property tax allocations from the County primarily twice a year in January and June with a smaller allocation in the fall.



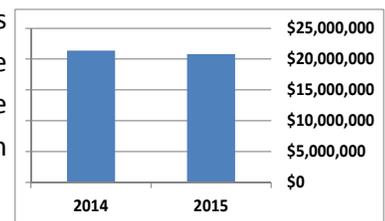
SALES TAX The City of Topeka receives two sales taxes for direct operations: a city wide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Total sales tax collections for 2015 through September are \$32,925,019, which is a 1.31% increase over the 2014 collections of \$32,499,021. 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.



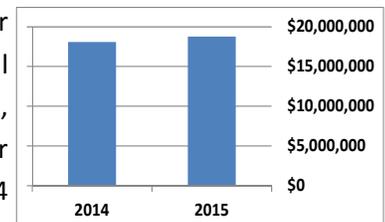
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are down (2.92)% in 2015 with collections of \$10,850,264, compared to 2014 collections of \$11,176,059.



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 (2.66)% in 2015 with collections of \$20,822,263, compared to 2014 billings of \$21,390,750.



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 3.77% in 2015 with collections of \$18,770,622, compared to 2014 billings of \$18,088,618.



POSITIVE

CAUTION

NEGATIVE

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GENERAL FUND OVERVIEW

General Fund revenues for the month ending September 2015 were \$74,806,201, an increase of approximately 5% over 2014 revenues which were \$71,120,186. 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 September 2015 was \$60,599,161, an increase of approximately 4% over 2014 expenditures which were \$58,221,150. 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 September 30, 2015 (75% 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	\$ 52,768,326	\$ 54,854,231	\$ 2,085,905	\$ 47,812,955	114.73%	\$ 7,041,276
Intergovernmental	\$ 784,824	\$ 784,841	\$ 17	\$ 795,000.00	98.72%	\$ (10,159)
Licenses/Permits & Franchise Fees	\$ 11,050,101	\$ 11,856,287	\$ 806,186	\$ 10,931,503	108.46%	\$ 924,784
Charges for Services	\$ 3,969,676	\$ 3,907,361	\$ (62,315)	\$ 3,949,103	98.94%	\$ (41,742)
Fines/forfeitures	\$ 2,245,012	\$ 2,490,701	\$ 245,689	\$ 2,250,000	110.70%	\$ 240,701
Rents/Interest	\$ 38,638	\$ 342,323	\$ 303,685	\$ 256,515	133.45%	\$ 85,808
Other	\$ 117,888	\$ 309,892	\$ 192,004	\$ 178,421	173.69%	\$ 131,472
Transfers In	\$ 103,565	\$ 150,019	\$ 46,454	\$ 150,000	100.01%	\$ 19
Sale of Assets	\$ 42,156	\$ 110,549	\$ 68,393	\$ 26,250	421.14%	\$ 84,299
TOTAL REVENUES	\$ 71,120,186	\$ 74,806,204	\$ 3,686,018	\$ 66,349,746	112.75%	\$ 8,456,458
Expenditures						
City Council	\$ 189,082	\$ 175,938	\$ (13,144)	\$ 212,558	82.77%	\$ 36,620
City Manager	\$ 857,657	\$ 876,785	\$ 19,128	\$ 945,861	92.70%	\$ 69,076
City Attorney	\$ 722,298	\$ 702,970	\$ (19,328)	\$ 865,774	81.20%	\$ 162,804
Financial Services	\$ 1,545,185	\$ 1,432,795	\$ (112,390)	\$ 1,666,154	85.99%	\$ 233,359
Municipal Court	\$ 1,122,728	\$ 1,217,804	\$ 95,076	\$ 1,379,120	88.30%	\$ 161,316
Human Resources	\$ 606,231	\$ 828,690	\$ 222,459	\$ 752,485	110.13%	\$ (76,205)
Mayor's Office	\$ 75,772	\$ 81,802	\$ 6,030	\$ 90,026	90.86%	\$ 8,224
Non Departmental	\$ 623,502	\$ 1,652,520	\$ 1,029,018	\$ 2,485,010	66.50%	\$ 832,490
Prisoner Care	\$ 370,858	\$ 491,061	\$ 120,203	\$ 750,000	65.47%	\$ 258,939
HND Program Delivery	\$ 147,377	\$ 23,528	\$ (123,849)	\$ 1	3137066.67%	\$ (23,527)
Social Service Grants	\$ 386,323	\$ 524,513	\$ 138,190	\$ 385,573	136.03%	\$ (138,940)
Franchise Fee Program	\$ 79,925	\$ 85,000	\$ 5,075	\$ 75,075	113.22%	\$ (9,925)
Topeka Performance Center	\$ 299,491	\$ 349,442	\$ 49,951	\$ 318,269	109.79%	\$ (31,173)
Cemeteries	\$ 163,452	\$ 164,781	\$ 1,329	\$ 127,500	129.24%	\$ (37,281)
Fire Department	\$ 17,075,439	\$ 17,861,658	\$ 786,219	\$ 19,834,460	90.05%	\$ 1,972,802
Police Department	\$ 24,542,549	\$ 24,206,481	\$ (336,068)	\$ 28,001,258	86.45%	\$ 3,794,777
Public Works	\$ 4,748,704	\$ 4,002,842	\$ (745,862)	\$ 4,762,313	84.05%	\$ 759,471
Park and Recreation	\$ 2,439,073	\$ 1,561,171	\$ (877,902)	\$ 1,141,818	136.73%	\$ (419,353)
Topeka Zoological Park	\$ 1,612,104	\$ 1,646,514	\$ 34,410	\$ 1,762,577	93.42%	\$ 116,063
Planning Department	\$ 613,400	\$ 600,169	\$ (13,231)	\$ 598,205	100.33%	\$ (1,964)
Neighborhood Relations	\$ -	\$ 2,112,697	\$ 2,112,697	\$ 2,039,624	103.58%	\$ (73,074)
TOTAL EXPENDITURES	\$ 58,221,150	\$ 60,599,161	\$ 2,378,011	\$ 68,193,659	88.86%	\$ 7,594,498
BETTER/(WORSE)	\$ 12,899,036	\$ 14,207,043				
ENDING FUND BALANCE	\$ 22,956,253	\$ 32,477,043	\$ 9,520,790			

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ALL BUDGETED FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2015 YTD Revenue Budget	Difference	% of Total Budget
General	\$ 74,806,204	\$ 66,349,746	\$ 8,456,458	85%
Debt Service	\$ 21,101,137	\$ 15,834,488	\$ 5,266,649	100%
Special Liability	\$ 824,286	\$ 631,582	\$ 192,704	98%
Special Highway	\$ 4,172,845	\$ 4,312,646	\$ (139,801)	73%
Special Alcohol & Drug	\$ 392,420	\$ 390,034	\$ 2,387	75%
Alcohol & Drug Safety	\$ 59,030	\$ 56,100	\$ 2,930	79%
Law Enforcement	\$ 462,902	\$ 207,375	\$ 255,527	167%
Transient Guest Tax	\$ 1,863,246	\$ 1,847,519	\$ 15,727	76%
Employee Separation	\$ 5,590	\$ -	\$ 5,590	
Retirement Reserve	\$ 777,519	\$ 848,935	\$ (71,416)	69%
KP&F Rate Equalization	\$ 1,906	\$ -	\$ 1,906	0%
Neighborhood Revitalization	\$ 38,533	\$ 26,250	\$ 12,283	110%
Historical Asset Tourism	\$ 107,854	\$ 111,779	\$ (3,924)	72%
Half Cent Sales Tax (JEDO)	\$ 6,511,727	\$ 6,365,969	\$ 145,759	77%
Half Cent Sales Tax (Street)	\$ 11,024,388	\$ 10,680,000	\$ 344,388	77%
Tax Increment Financing	\$ 181,580	\$ 176,621	\$ 4,959	77%
Court Technology	\$ 43,051	\$ 39,589	\$ 3,462	82%
Downtown Improvement	\$ 157,431	\$ 139,707	\$ 17,724	85%
Community Development	\$ 286,986	\$ 196,658	\$ 90,329	109%
Combined Utilities	\$ 45,855,545	\$ 46,962,300	\$ (1,106,755)	73%
Public Parking	\$ 2,159,366	\$ 2,415,904	\$ (256,537)	67%
Facilities	\$ 1,119,468	\$ 1,119,794	\$ (325)	75%
Fleet	\$ 1,498,763	\$ 1,485,000	\$ 13,763	76%
IT	\$ 2,751,338	\$ 2,742,423	\$ 8,915	75%
Risk Funds	\$ 9,354,739	\$ 10,332,553	\$ (977,814)	68%
TOTAL	\$ 185,557,856	\$ 173,272,968	\$ 12,284,888	80%

Fund	YTD Actual Expenditures	2015 YTD Expen. Budget	Difference	% of Total Budget
General	\$ 60,599,161	\$ 68,193,659	\$ 7,594,498	68%
Debt Service	\$ 17,978,857	\$ 18,323,074	\$ 344,216	74%
Special Liability	\$ 395,389	\$ 1,148,431	\$ 753,041	26%
Special Highway	\$ 4,803,998	\$ 4,886,469	\$ 82,471	74%
Special Alcohol & Drug	\$ 640,387	\$ 450,000	\$ (190,387)	107%
Alcohol & Drug Safety	\$ 44,280	\$ 43,801	\$ (479)	76%
Law Enforcement	\$ 300,274	\$ 479,159	\$ 178,885	47%
Transient Guest Tax	\$ 2,476,683	\$ 1,847,519	\$ (629,164)	101%
Employee Separation	\$ 1,366,765	\$ 750,000	\$ (616,765)	137%
Retirement Reserve	\$ 263,588	\$ 675,000	\$ 411,412	29%
KP&F Rate Equalization	\$ 124,296	\$ 225,000	\$ 100,704	41%
Neighborhood Revitalization	\$ -	\$ 112,500	\$ 112,500	0%
Historical Asset Tourism	\$ 227,184	\$ 111,779	\$ (115,406)	152%
Half Cent Sales Tax (JEDO)	\$ 6,511,727	\$ 6,365,969	\$ (145,759)	77%
Half Cent Sales Tax (Street)	\$ 14,026,544	\$ 12,277,535	\$ (1,749,009)	86%
Tax Increment Financing	\$ 386,660	\$ 144,338	\$ (242,322)	201%
Court Technology	\$ 9,810	\$ 33,750	\$ 23,940	22%
Downtown Improvement	\$ 133,357	\$ 139,707	\$ 6,350	72%
Community Development	\$ 314,810	\$ 196,658	\$ (118,152)	120%
Combined Utilities	\$ 44,884,814	\$ 59,166,953	\$ 14,282,139	57%
Public Parking	\$ 1,823,372	\$ 2,330,113	\$ 506,740	59%
Facilities	\$ 1,119,384	\$ 1,099,989	\$ (19,395)	76%
Fleet	\$ 1,138,619	\$ 1,430,659	\$ 292,040	60%
IT	\$ 2,954,396	\$ 2,595,549	\$ (358,847)	85%
Risk Funds	\$ 9,014,200	\$ 9,522,799	\$ 508,599	71%
TOTAL	\$ 171,538,556	\$ 192,550,406	\$ 20,503,251	67%



CASH MANAGEMENT

Pooled Cash & Investments

Guidelines

Type of Investment	Minimum	Maximum	Actual %	Invested Value	Yield to Maturity
Bank Certificates of Deposit	0%	100%	18%	\$ 41,172,865	0.50
US Treasuries	0%	100%	0%	\$ -	-
US Agencies	0%	100%	26%	\$ 59,135,647	0.33
Repurchase Agreements	0%	50%	-	-	-
Municipal Investment Pool	0%	30%	29%	\$ 65,952,316	-
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%	11%	\$ 24,533,134	0.98
General Checking	0%	100%	15%	\$ 34,881,292	-
Subtotal of Investments				\$225,675,254	0.60

Total Portfolio Balance \$225,675,254

Duration of investments (expressed in years) 0.80

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

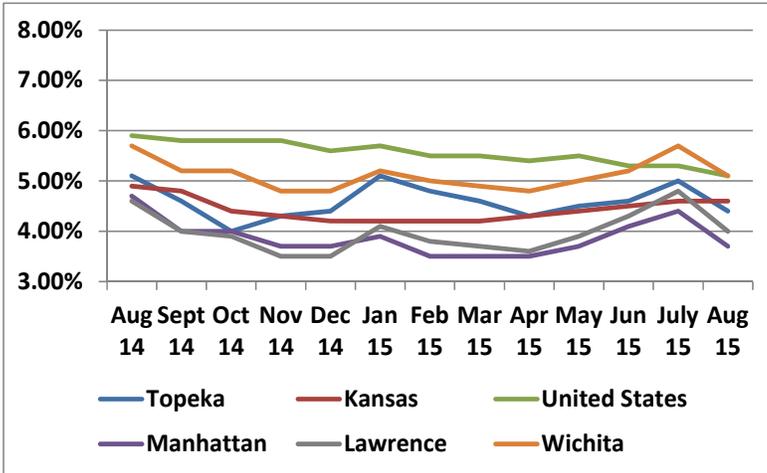
Finance staff oversee all debt issued by the City, which includes General Obligation (GO), revenue backed, revolving loan funds, temporary notes and special assessment debt. As of September 2015 the City had \$396,789,680 in permanent and temporary debt, compared to \$381,970,086 in 2014 or a 3.88% increase. When backing out the temporary notes and comparing current permanent debt to the prior year, permanent debt decreased by -.40%.

Debt Management

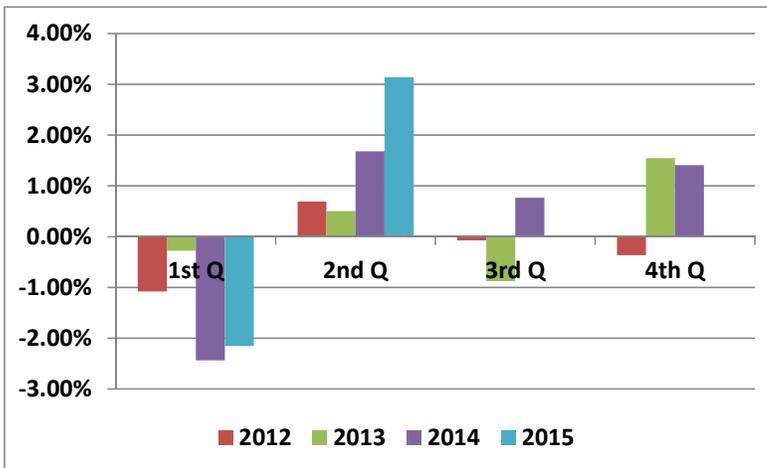
Instrument	2014	2015
Governmental General Obligation Bonds	\$ 131,938,017	\$ 134,756,536
Business Type General Obligation Bonds	\$ 11,121,983	\$ 10,513,464
Other General Obligation Bonds	\$ 14,135,000	\$ 13,115,000
Utility Revenue Bonds	\$ 120,235,000	\$ 127,425,000
Sales Tax Revenue Bonds	\$ 9,010,000	\$ 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



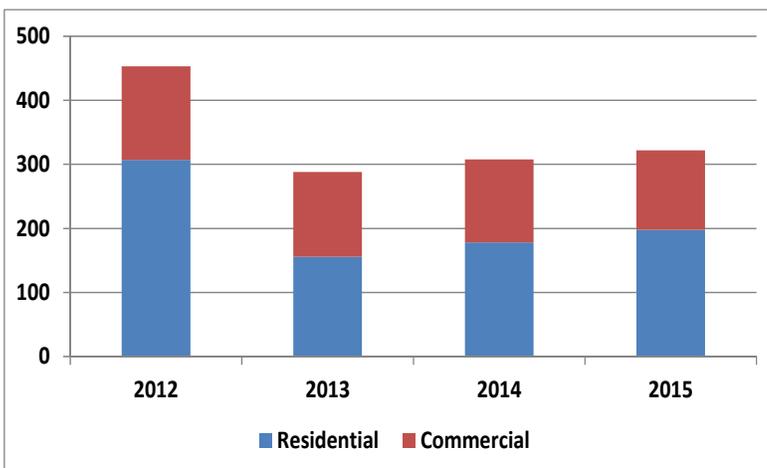
COMMUNITY STATISTICS



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 2015 was 4.40%, 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 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 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.