

Monthly Financial Status Report

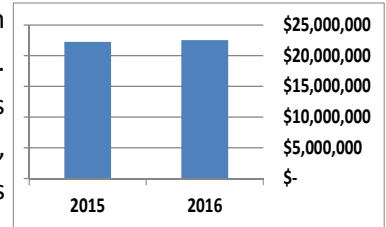
April 30, 2016



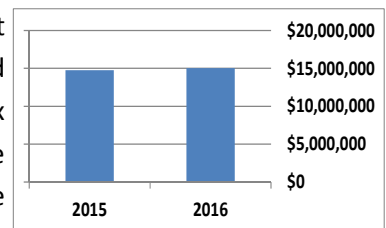
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

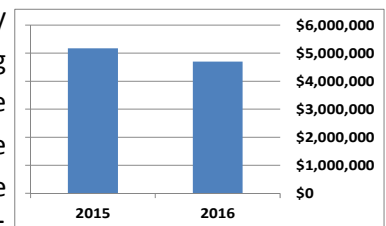
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2016 through April are \$22,524,844, which is a 1.14% increase over the 2015 collections of \$22,270,138. The City receives property tax allocations from the County primarily twice a year in January and June with a smaller allocation in the fall.



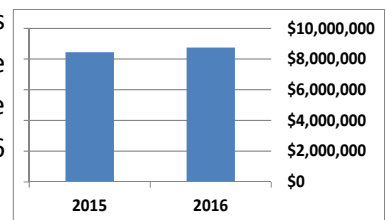
SALES TAX The City of Topeka receives two sales taxes for direct operations: a city wide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Total sales tax collections for 2016 through April are \$15,019,735, which is a 1.81% increase over the 2015 collections of \$14,752,158. 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.



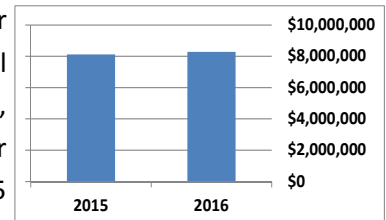
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are down 9.13% in 2016 with collections of \$4,697,737, compared to 2015 collections of \$5,169,926.



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 3.54% in 2016 with billings of \$8,740,420, compared to 2015 billings of \$8,441,249.



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 1.81% in 2016 with billings of \$8,275,538, compared to 2015 billings of \$8,128,390.



POSITIVE

CAUTION

NEGATIVE

Monthly Financial Status Report

April 30, 2016



GENERAL FUND OVERVIEW

General Fund revenues for the month ending April 2016 were \$35,324,992, a decrease of approximately 4% under 2015 revenues which were \$36,826,216. The largest difference monetarily is in charges for taxes and assessments, this is due to a planned reduction in administrative fees. General Fund expenditures for the month ending April 2016 was \$30,290,328, an increase of approximately 15% over 2015 expenditures which were \$26,314,272. The largest increase is in expenditures monetarily is in the police department, this is primarily due to increases in personnel costs and timing of a lease payment.

General Fund Operating Overview

Department	Actuals			As of April 30, 2016 (33% of budget year)		
	2015 YTD	2016 YTD	Difference	Budget		\$ Diff Compared to 2016 budget YTD
				2016 budget YTD	% of 2016 Budget YTD	
BEGINNING FUND BALANCE	\$ 18,270,000	\$ 19,117,978	\$ 847,978			
Revenues						
Taxes & Assessments	\$ 27,654,316	\$ 27,034,512	\$ (619,804)	\$ 21,791,365	124.06%	\$ 5,243,147
Intergovernmental	\$ 252,658	\$ 247,705	\$ (4,953)	\$ 350,841.00	70.60%	\$ (103,136)
Licenses/Permits & Franchise Fees	\$ 5,627,153	\$ 5,297,273	\$ (329,880)	\$ 5,363,001	98.77%	\$ (65,728)
Charges for Services	\$ 1,714,066	\$ 1,163,049	\$ (551,017)	\$ 1,360,353	85.50%	\$ (197,304)
Fines/forfeitures	\$ 1,346,928	\$ 1,221,317	\$ (125,611)	\$ 1,000,000	122.13%	\$ 221,317
Rents/Interest	\$ 77,254	\$ 270,088	\$ 192,834	\$ 154,231	175.12%	\$ 115,857
Other	\$ 54,257	\$ 84,468	\$ 30,211	\$ 80,428	105.02%	\$ 4,040
Transfers In	\$ 52,484	\$ -	\$ (52,484)	\$ 63,982	0.00%	\$ (63,982)
Sale of Assets	\$ 47,100	\$ 6,580	\$ (40,520)	\$ 11,667	56.40%	\$ (5,087)
TOTAL REVENUES	\$ 36,826,216	\$ 35,324,992	\$ (1,501,224)	\$ 30,175,867	117.06%	\$ 5,149,125
Expenditures						
City Council	\$ 86,530	\$ 84,021	\$ (2,509)	\$ 92,923	90.42%	\$ 8,902
City Manager	\$ 385,329	\$ 476,882	\$ 91,553	\$ 435,185	109.58%	\$ (41,697)
City Attorney	\$ 302,799	\$ 381,536	\$ 78,737	\$ 390,671	97.66%	\$ 9,135
Financial Services	\$ 604,891	\$ 802,037	\$ 197,146	\$ 825,333	97.18%	\$ 23,296
Municipal Court	\$ 634,987	\$ 653,499	\$ 18,512	\$ 606,109	107.82%	\$ (47,390)
Human Resources	\$ 262,394	\$ 390,441	\$ 128,047	\$ 383,988	101.68%	\$ (6,453)
Mayor's Office	\$ 38,385	\$ 43,879	\$ 5,494	\$ 43,370	101.17%	\$ (509)
Non Departmental	\$ 414,444	\$ 1,084,040	\$ 669,596	\$ 4,095,146	26.47%	\$ 3,011,106
Prisoner Care	\$ 183,410	\$ 161,702	\$ (21,708)	\$ 280,869	57.57%	\$ 119,167
HND Program Delivery	\$ 22,989	\$ -	\$ (22,989)	\$ -	0.00%	\$ -
Social Service Grants	\$ 120,281	\$ 65,964	\$ (54,317)	\$ 232,860	28.33%	\$ 166,896
Franchise Fee Program	\$ 85,000	\$ 85,000	\$ -	\$ 33,367	254.75%	\$ (51,633)
Topeka Performance Center	\$ 204,116	\$ 194,321	\$ (9,795)	\$ 138,941	139.86%	\$ (55,380)
Cemeteries	\$ 161,990	\$ 213,644	\$ 51,654	\$ 73,333	291.33%	\$ (140,311)
Fire Department	\$ 7,964,175	\$ 8,886,214	\$ 922,039	\$ 8,815,316	100.80%	\$ (70,898)
Police Department	\$ 10,562,479	\$ 12,392,415	\$ 1,829,936	\$ 12,549,124	98.75%	\$ 156,709
Public Works	\$ 1,671,497	\$ 1,894,067	\$ 222,570	\$ 2,219,064	85.35%	\$ 324,997
Park and Recreation	\$ 790,712	\$ 125,206	\$ (665,506)	\$ 173,348	72.23%	\$ 48,142
Topeka Zoological Park	\$ 672,652	\$ 833,334	\$ 160,682	\$ 788,266	105.72%	\$ (45,068)
Planning Department	\$ 254,468	\$ 279,141	\$ 24,673	\$ 283,743	98.38%	\$ 4,602
Neighborhood Relations	\$ 890,744	\$ 1,242,985	\$ 352,241	\$ 1,273,034	97.64%	\$ 30,049
TOTAL EXPENDITURES	\$ 26,314,272	\$ 30,290,328	\$ 3,976,056	\$ 33,733,990	89.79%	\$ 3,443,662
BETTER/(WORSE)	\$ 10,511,944	\$ 5,034,664				
ENDING FUND BALANCE	\$ 28,781,944	\$ 24,152,642	\$ (4,629,302)			

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April 30, 2016



ALL BUDGETED FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2016 YTD Revenue Budget	Difference	% of Total Budget
General	\$ 35,324,992	\$ 30,175,867	\$ 5,149,125	39%
Debt Service	\$ 9,991,566	\$ 7,244,673	\$ 2,746,893	46%
Special Liability	\$ 454,956	\$ 261,746	\$ 193,210	58%
Special Highway	\$ 2,487,707	\$ 1,870,863	\$ 616,844	44%
Special Alcohol & Drug	\$ 123,852	\$ 175,420	\$ (51,568)	24%
Alcohol & Drug Safety	\$ 23,203	\$ 24,933	\$ (1,730)	31%
Law Enforcement	\$ 182,827	\$ 93,167	\$ 89,660	65%
Transient Guest Tax	\$ 1,103,013	\$ 895,744	\$ 207,269	41%
Employee Separation	\$ 7,428	\$ -	\$ 7,428	
Retirement Reserve	\$ 395,244	\$ 375,897	\$ 19,347	35%
KP&F Rate Equalization	\$ 5,250	\$ -	\$ 5,250	0%
Neighborhood Revitalization	\$ 16,350	\$ 1,167	\$ 15,183	467%
Historical Asset Tourism	\$ -	\$ -	\$ -	
Half Cent Sales Tax (JEDO)	\$ 2,947,986	\$ 5,646,190	\$ (2,698,204)	17%
Half Cent Sales Tax (Street)	\$ 5,156,639	\$ 4,900,569	\$ 256,070	35%
Tax Increment Financing	\$ 89,057	\$ 82,495	\$ 6,562	36%
Court Technology	\$ 22,599	\$ 17,595	\$ 5,004	43%
Downtown Improvement	\$ 181,090	\$ 73,450	\$ 107,640	82%
Community Development	\$ 131,561	\$ 140,493	\$ (8,932)	31%
Combined Utilities	\$ 19,860,444	\$ 22,374,000	\$ (2,513,556)	30%
Public Parking	\$ 952,076	\$ 957,084	\$ (5,008)	33%
Facilities	\$ 499,781	\$ 499,482	\$ 299	33%
Fleet	\$ 664,001	\$ 660,000	\$ 4,001	34%
IT	\$ 1,226,600	\$ 1,218,855	\$ 7,745	34%
Risk Funds	\$ 4,614,601	\$ 4,666,721	\$ (52,120)	33%
TOTAL	\$ 86,462,823	\$ 82,356,411	\$ 4,106,412	35%

Fund	YTD Actual Expenditures	2016 YTD Expen. Budget	Difference	% of Total Budget
General	\$ 30,290,328	\$ 33,733,990	\$ 3,443,662	30%
Debt Service	\$ 2,307,830	\$ 8,197,491	\$ 5,889,661	9%
Special Liability	\$ 107,464	\$ 448,647	\$ 341,183	8%
Special Highway	\$ 2,127,738	\$ 2,126,067	\$ (1,671)	33%
Special Alcohol & Drug	\$ 16,036	\$ 200,000	\$ 183,964	3%
Alcohol & Drug Safety	\$ 21,551	\$ 22,683	\$ 1,132	32%
Law Enforcement	\$ 64,564	\$ 183,333	\$ 118,769	12%
Transient Guest Tax	\$ 414,007	\$ 913,574	\$ 499,567	15%
Employee Separation	\$ 298,106	\$ 666,667	\$ 368,561	15%
Retirement Reserve	\$ 6,670	\$ 390,003	\$ 383,333	1%
KP&F Rate Equalization	\$ 90,276	\$ 100,000	\$ 9,724	30%
Neighborhood Revitalization	\$ -	\$ 50,000	\$ 50,000	0%
Historical Asset Tourism	\$ 8,650	\$ 40,034	\$ 31,384	7%
Half Cent Sales Tax (JEDO)	\$ 2,947,986	\$ 2,912,856	\$ (35,130)	34%
Half Cent Sales Tax (Street)	\$ 725,511	\$ 9,458,534	\$ 8,733,023	3%
Tax Increment Financing	\$ 89,057	\$ 172,255	\$ 83,198	17%
Court Technology	\$ 28,752	\$ 15,000	\$ (13,752)	64%
Downtown Improvement	\$ 113,969	\$ 84,884	\$ (29,085)	45%
Community Development	\$ 131,561	\$ 140,493	\$ 8,932	31%
Combined Utilities	\$ 22,450,371	\$ 22,320,518	\$ (129,853)	34%
Public Parking	\$ 1,072,580	\$ 1,230,372	\$ 157,792	29%
Facilities	\$ 431,646	\$ 499,482	\$ 67,836	29%
Fleet	\$ 654,676	\$ 660,000	\$ 5,324	33%
IT	\$ 1,047,212	\$ 1,215,522	\$ 168,310	29%
Risk Funds	\$ 5,225,287	\$ 4,311,711	\$ (913,576)	40%
TOTAL	\$ 70,671,828	\$ 90,094,116	\$ 20,335,864	26%



CASH MANAGEMENT

Pooled Cash & Investments

Guidelines

Type of Investment	Minimum	Maximum	Actual %	Invested Value	Yield to Maturity
Bank Certificates of Deposit	0%	100%	34%	\$ 52,927,250	0.51
US Treasuries	0%	100%	0%	\$ -	
US Agencies	0%	100%	29%	\$ 44,548,151	0.46
Repurchase Agreements	0%	50%	-	-	
Municipal Investment Pool	0%	30%	0%	\$ 100,026	
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%	12%	\$ 18,250,019	0.90
General Checking	0%	100%	26%	\$ 39,655,938	
Subtotal of Investments				\$155,481,383	0.62

Total Portfolio Balance \$155,481,383

Duration of investments (expressed in years) 0.44

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 April 2016 the City had \$390,865,410 in permanent and temporary debt, compared to \$387,208,937 in 2015 or a .94% increase. When backing out the temporary notes

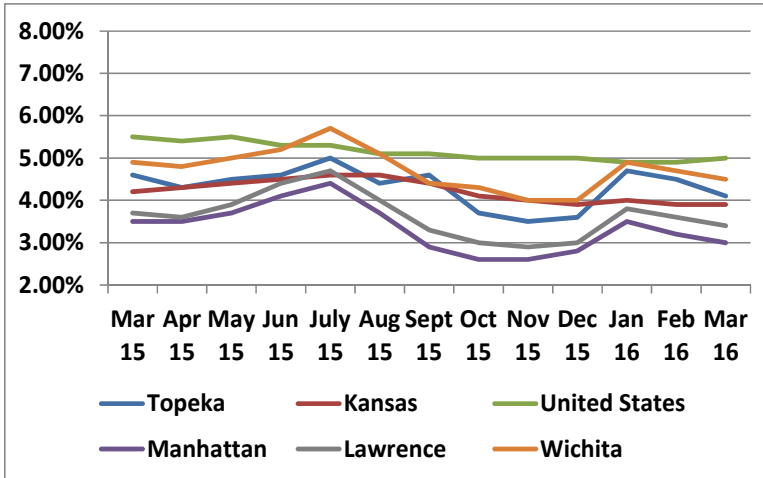
Debt Management

and comparing current permanent debt to the prior year, permanent debt decreased by 3.55%.

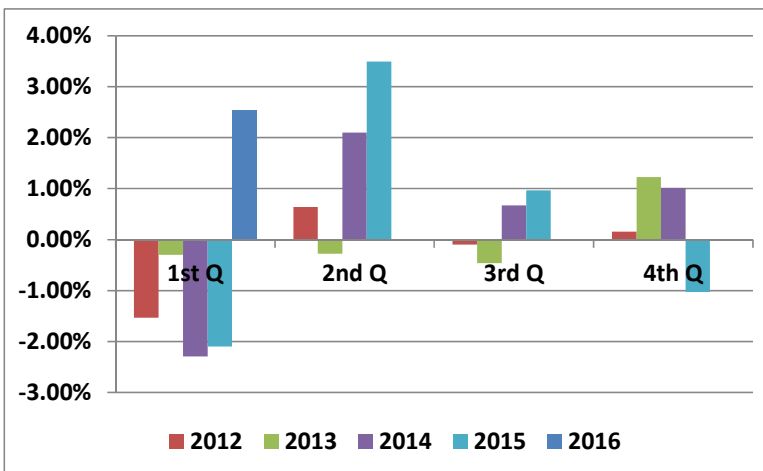
Instrument	2015	2016
Governmental General Obligation Bonds	\$ 131,938,017	\$ 134,756,536
Business Type General Obligation Bonds	\$ 11,121,983	\$ 10,513,464
Other General Obligation Bonds	\$ 14,135,000	\$ 13,115,000
Utility Revenue Bonds	\$ 132,420,000	\$ 127,425,000
Sales Tax Revenue Bonds	\$ 6,070,000	\$ 3,035,000
KDHE Revolving Loans	\$ 58,133,937	\$ 52,400,410
Temporary Notes	\$ 33,390,000	\$ 49,620,000
Total	\$ 387,208,937	\$ 390,865,410



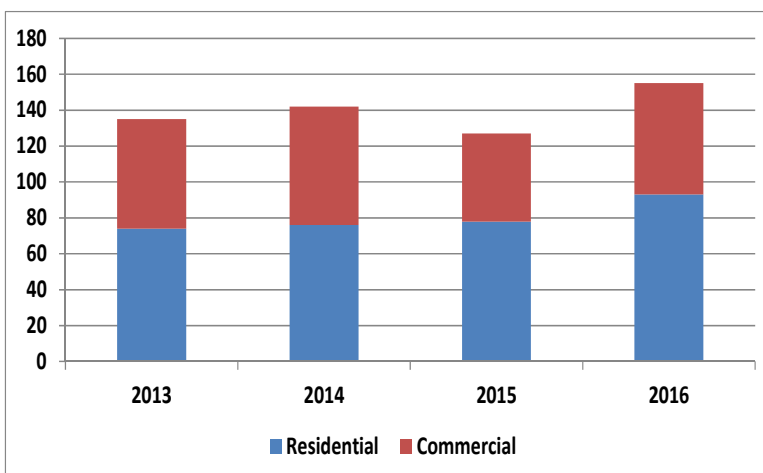
COMMUNITY STATISTICS



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 March 2016 was 4.10%, 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 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 April. 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 2016 by 35% over 2015.