

Monthly Financial Status Report

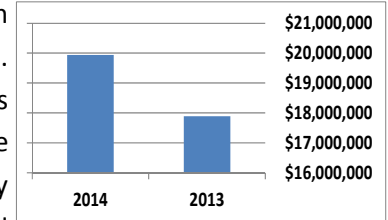
January 31, 2014



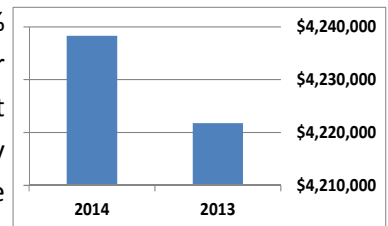
Prepared by the Financial Services Department

KEY REVENUE INDICATORS OVERVIEW

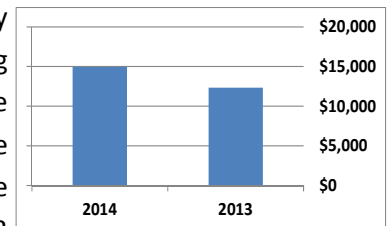
PROPERTY TAX The ad valorem tax revenues are derived from taxes levied on real property, personal property and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for 3 City funds. Property tax collections for 2014 through January are \$19,939,096, which is a 11% increase over the 2013 collections of \$17,886,972. The City receives property tax allocations from the County primarily twice a year in January and May with a smaller allocation in the fall.



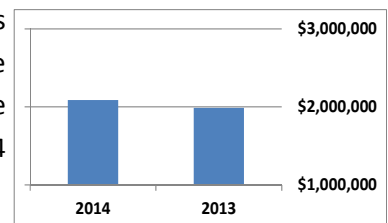
SALES TAX The City of Topeka receives three sales taxes: a city wide 1% sales tax for general purposes, a 1/2% sales tax set aside for street improvements and a countywide 1/2% sales tax that is set aside for joint economic development purposes. Total sales tax collections for 2014 through January are \$4,238,310, which is a .39% increase over the 2013 collections of \$4,221,767. 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.



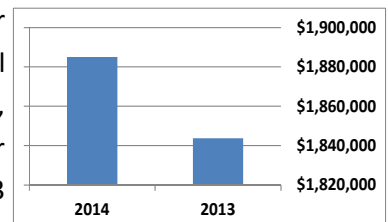
FRANCHISE FEES These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenues are credited to the General Fund. Sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. Franchise fee collections are up 21% in 2014 with collections of \$14,963, compared to 2013 collections of \$12,343. Westar franchise fees increase from 5% to 6% in 2014.



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 5.09% in 2014 with collections of \$2,086,996, compared to 2013 collections of \$1,985,983.



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% in 2014 with collections of \$1,884,969, compared to 2013 collections of \$1,843,709.



POSITIVE

CAUTION

NEGATIVE

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GENERAL FUND OVERVIEW

General Fund revenues for the month ending January 2014 were \$15,344,803, an increase of approximately 1% over 2013 revenues which were \$15,126,758. The largest difference monetarily is in property tax collections, this is primarily due to property taxes levied being set higher in 2014 than in 2013.

General Fund expenditures for the month ending January 2014 were \$5,752,505, an increase of approximately 42% over 2013 expenditures which were \$4,046,442. Expenditures vary year to year by department, the largest difference is in the park and recreation department, the City had not made a payment yet to the County in January of 2013.

General Fund Operating Overview

As of January 31, 2014 (8% 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	\$ 9,008,338	\$ 6,108,338	\$ 2,900,000			
Revenues						
Taxes & Assessments	\$ 14,877,928	\$ 14,441,475	\$ 436,453	\$ 377,735	3938.72%	\$ 14,500,193
Intergovernmental	\$ -	\$ -	\$ -	\$ 3,681	0.00%	\$ (3,681)
Licenses/Permits & Franchise Fees	\$ 238,826	\$ 78,854	\$ 159,972	\$ 104,036	229.56%	\$ 134,789
Charges for Services	\$ 16,913	\$ 312,938	\$ (296,025)	\$ 38,263	44.20%	\$ (21,350)
Fines/forfeitures	\$ 197,688	\$ 214,589	\$ (16,901)	\$ 20,833	948.90%	\$ 176,855
Rents/Interest	\$ 5,125	\$ 57,489	\$ (52,364)	\$ 2,375	215.78%	\$ 2,750
Other	\$ 8,323	\$ 12,609	\$ (4,286)	\$ 1,885	441.60%	\$ 6,438
Transfers In	\$ -	\$ -	\$ -	\$ 1,389	0.00%	\$ (1,389)
Sale of Assets	\$ -	\$ 8,803	\$ (8,803)	\$ 451	0.00%	\$ (451)
TOTAL REVENUES	\$ 15,344,803	\$ 15,126,758	\$ 218,045	\$ 550,648	2787%	\$ 14,794,155
Expenditures						
City Council	\$ 13,001	\$ 17,423	\$ (4,422)	\$ 25,963	4.17%	\$ 12,962
City Manager	\$ 43,128	\$ 51,432	\$ (8,304)	\$ 108,081	3.33%	\$ 64,953
City Attorney	\$ 48,627	\$ 75,089	\$ (26,462)	\$ 94,883	4.27%	\$ 46,256
Financial Services	\$ 104,897	\$ 100,146	\$ 4,750	\$ 182,012	4.80%	\$ 77,116
Municipal Court	\$ 164,521	\$ 87,316	\$ 77,205	\$ 151,402	9.06%	\$ (13,119)
Human Resources	\$ 57,019	\$ 50,892	\$ 6,127	\$ 83,040	5.72%	\$ 26,022
Mayor's Office	\$ 3,947	\$ 6,306	\$ (2,358)	\$ 11,182	2.94%	\$ 7,235
Non Departmental	\$ 44,702	\$ 108,316	\$ (63,614)	\$ 429,526	0.87%	\$ 384,825
Prisoner Care	\$ 50,793	\$ (62,721)	\$ 113,514	\$ 83,333	5.08%	\$ 32,540
HND Program Delivery	\$ 7,664	\$ (1,932)	\$ 9,596	\$ 15,117	4.23%	\$ 7,452
Social Service Grants	\$ 266,883	\$ -	\$ 266,883	\$ 33,673	66.05%	\$ (233,210)
Inmate Cleanup Program	\$ -	\$ (13)	\$ 13	\$ -		\$ -
Franchise Fee Program	\$ 80,000	\$ -	\$ 80,000	\$ 8,342	79.92%	\$ (71,658)
Topeka Performance Center	\$ 94,500	\$ 16,239	\$ 78,261	\$ 28,496	27.64%	\$ (66,004)
Cemeteries	\$ 160,000	\$ 100,000	\$ 60,000	\$ 14,167	94.12%	\$ (145,833)
Fire Department	\$ 807,154	\$ 1,254,302	\$ (447,148)	\$ 2,155,692	3.12%	\$ 1,348,537
Police Department	\$ 2,238,656	\$ 1,913,388	\$ 325,268	\$ 3,150,276	5.92%	\$ 911,620
Public Works	\$ 315,343	\$ 264,212	\$ 51,131	\$ 638,419	4.12%	\$ 323,077
Park and Recreation	\$ 1,041,586	\$ (75,511)	\$ 1,117,097	\$ 172,229	50.40%	\$ (869,358)
Topeka Zoological Park	\$ 175,752	\$ 102,112	\$ 73,640	\$ 189,967	7.71%	\$ 14,215
Planning Department	\$ 34,333	\$ 39,447	\$ (5,113)	\$ 70,150	4.08%	\$ 35,816
TOTAL EXPENDITURES	\$ 5,752,505	\$ 4,046,442	\$ 1,706,063	\$ 7,645,948	\$ 0.06	\$ 1,893,443
BETTER/(WORSE)	\$ 9,592,298	\$ 11,080,316				
ENDING FUND BALANCE	\$ 18,600,636	\$ 17,188,654	\$ 1,411,982			

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ALL FUNDS ACTUAL COMPARED TO BUDGET

Fund	YTD Actual Revenues	2014 YTD Revenue Budget	Difference
General	\$ 15,344,803	\$ 7,187,615	\$ 8,157,189
Debt Service	\$ 8,085,604	\$ 1,760,524	\$ 6,325,080
Special Liability	\$ 390,967	\$ 70,642	\$ 320,324
Special Highway	\$ 5,710	\$ 486,930	\$ (481,220)
Special Alcohol & Drug	\$ -	\$ 43,750	\$ (43,750)
Alcohol & Drug Safety	\$ 6,843	\$ 6,292	\$ 551
Law Enforcement	\$ 19,221	\$ 26,792	\$ (7,571)
Transient Guest Tax	\$ -	\$ 204,167	\$ (204,167)
Retirement Reserve	\$ 617	\$ 55,558	\$ (54,941)
KP&F Rate Equalization	\$ 52,877	\$ -	\$ 52,877
Neighborhood Revitalization	\$ 23,104	\$ 2,917	\$ 20,188
Historical Asset Tourism	\$ -	\$ 9,583	\$ (9,583)
Half Cent Sales Tax (JEDO)	\$ 696,060	\$ 666,667	\$ 29,394
Half Cent Sales Tax (Street)	\$ 1,180,750	\$ 1,152,500	\$ 28,250
Tax Increment Financing	\$ 47,057	\$ 16,667	\$ 30,390
Court Technology	\$ 4,250	\$ 3,750	\$ 500
Downtown Improvement	\$ -	\$ 15,545	\$ (15,545)
Community Development	\$ 5,161	\$ 10,083	\$ (4,922)
Combined Utilites	\$ 3,953,583	\$ 5,218,033	\$ (1,264,450)
Public Parking	\$ 286,529	\$ 263,553	\$ 22,976
Facilities	\$ -	\$ 152,090	\$ (152,090)
Fleet	\$ 155,074	\$ 154,542	\$ 532
IT	\$ -	\$ 314,232	\$ (314,232)
Risk Funds	\$ 826,311	\$ 1,052,083	\$ (225,772)
TOTAL	\$ 31,084,521	\$ 18,874,514	\$ 12,210,007

Fund	YTD Actual Expenditures	2014 YTD Expen. Budget	Difference
General	\$ 5,752,505	\$ 7,187,615	\$ 1,435,109
Debt Service	\$ 27,656	\$ 1,882,332	\$ 1,854,675
Special Liability	\$ 8,863	\$ 83,041	\$ 74,177
Special Highway	\$ 579,911	\$ 527,837	\$ (52,074)
Special Alcohol & Drug	\$ -	\$ 50,000	\$ 50,000
Alcohol & Drug Safety	\$ 2,421	\$ 5,182	\$ 2,761
Law Enforcement	\$ (11,222)	\$ 45,833	\$ 57,055
Transient Guest Tax	\$ 335,830	\$ 208,333	\$ (127,497)
Retirement Reserve	\$ -	\$ 75,000	\$ 75,000
KP&F Rate Equalization	\$ -	\$ 25,000	\$ 25,000
Neighborhood Revitalization	\$ -	\$ 12,500	\$ 12,500
Historical Asset Tourism	\$ -	\$ 9,583	\$ 9,583
Half Cent Sales Tax (JEDO)	\$ -	\$ 291,875	\$ 291,875
Half Cent Sales Tax (Street)	\$ (234,477)	\$ 1,306,292	\$ 1,540,769
Tax Increment Financing	\$ 1,000	\$ 14,385	\$ 13,385
Court Technology	\$ -	\$ 4,167	\$ 4,167
Downtown Improvement	\$ 181,076	\$ 15,545	\$ (165,531)
Community Development	\$ 6,455	\$ 9,933	\$ 3,478
Combined Utilites	\$ 6,364,026	\$ 5,450,518	\$ (913,508)
Public Parking	\$ 104,668	\$ 313,157	\$ 208,488
Facilities	\$ 92,477	\$ 149,322	\$ 56,845
Fleet	\$ 439,894	\$ 153,550	\$ (286,344)
IT	\$ 262,868	\$ 284,919	\$ 22,051
Risk Funds	\$ 1,069,648	\$ 1,052,083	\$ (17,565)
TOTAL	\$ 14,983,601	\$ 19,158,003	\$ 4,191,966



CASH MANAGEMENT

Pooled Cash & Investments

Type of Investment	Guidelines			Invested Value	Yield to Maturity
	Minimum	Maximum	Actual %		
Bank Certificates of Deposit	0%	100%	17%	\$ 20,000,000	0.25
US Treasuries	0%	100%	20%	\$ 24,401,221	0.10
US Agencies	0%	100%	14%	\$ 16,957,054	0.44
Repurchase Agreements	0%	50%	-	-	-
Municipal Investment Pool	0%	30%	27%	\$ 32,215,471	-
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%	22%	\$ 26,128,187	1.07
Subtotal of Investments				\$119,701,934	0.47
General Checking				\$ 10,544,045	
Total Cash Balance				\$130,245,979	
Duration of investments (expressed in years)					1.7

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 Jan 31 in the total cash balance line and 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 January 2014 the City had \$363,878,077 in total debt, compared to \$370,493,938 in 2013 or a -1.79% decrease.

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 January 31, 2014, the City had \$255,220,104 of its remaining

bonding authority available, an decrease of approximately -6% over the January 31, 2013 amount of \$271,601,155. The City is currently utilizing 25% of the debt authority as authorized by state statute.

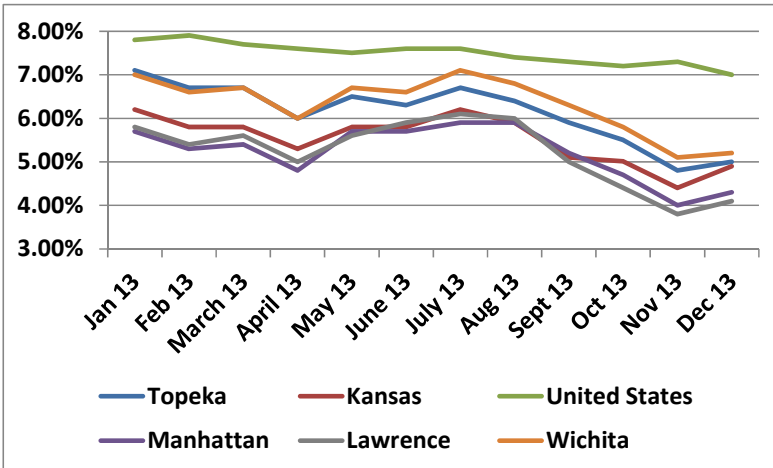
Debt Management

Instrument	2014	2013
Governmental General Obligation Bonds	\$ 140,270,111	\$ 136,542,385
Business Type General Obligation Bonds	\$ 10,189,889	\$ 10,892,616
Other General Obligation Bonds	\$ 15,340,000	\$ 16,520,000
Utility Revenue Bonds	\$ 123,790,000	\$ 122,550,000
Sales Tax Revenue Bonds	\$ 9,010,000	\$ 11,865,000
KDHE Revolving Loans	\$ 65,278,077	\$ 72,123,938
Total	\$ 363,878,077	\$ 370,493,939

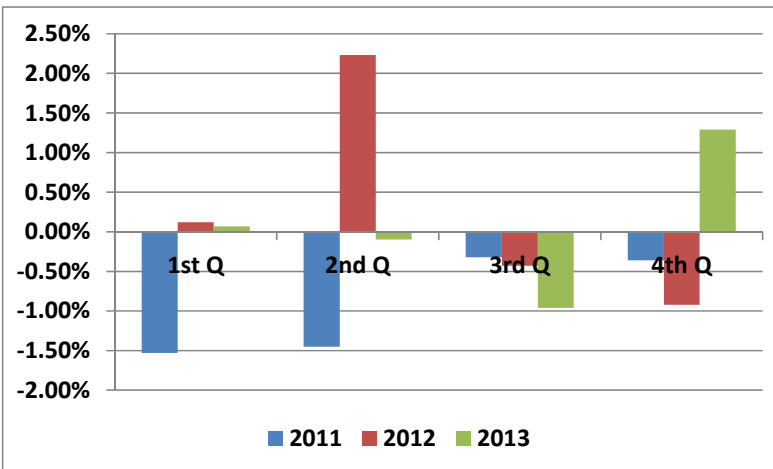
Debt Capacity	2014	2013
Assessed Valuation	\$ 1,132,135,180	\$ 1,103,303,854
Debt Limit Ratio	30.00%	30.00%
Debt Limit	\$ 339,640,554	\$ 330,991,156
Total Outstanding GO Debt	\$ 223,980,000	\$ 208,900,001
Debt Subject to Limitation	\$ 84,420,450	\$ 59,390,001
Debt Authority Remaining	\$ 255,220,104	\$ 271,601,155



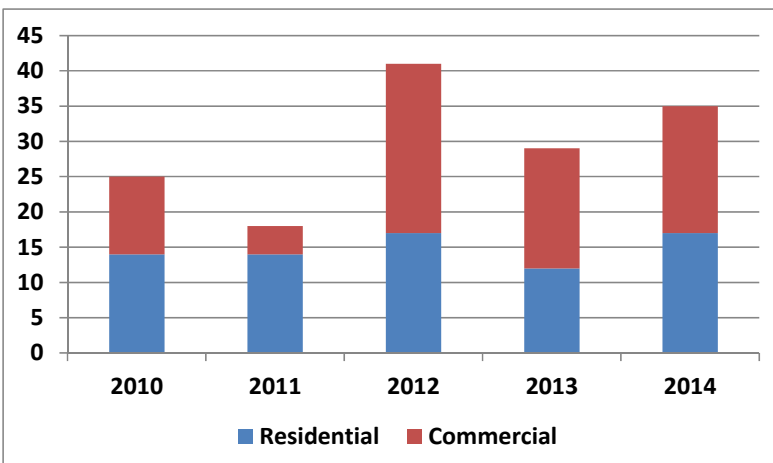
COMMUNITY STATISTICS



Unemployment Rates: Unemployment rates listed for Topeka, Lawrence, Manhattan and 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.



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 (through January): These are the total number of building permits issued in the City of Topeka through January 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.