

CITY OF TOPEKA

DEPARTMENT OF FINANCIAL SERVICES

2019 **COMPREHENSIVE** **ANNUAL REPORT**

FOR YEAR ENDING DECEMBER 31, 2019



INFRASTRUCTURE



PUBLIC SAFETY



QUALITY OF LIFE



NEIGHBORHOODS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF TOPEKA, KANSAS

For The Year Ending December 31, 2019

Prepared by the Administrative and Financial Services Department

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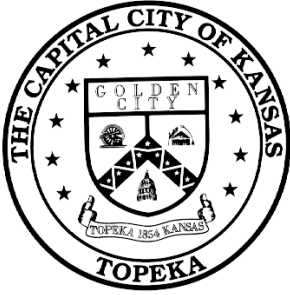
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INTRODUCTORY SECTION



CITY OF TOPEKA

Brent Trout, City Manager

Administrative and Financial Services Department

Central Accounting Division
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Financial Services
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June 10, 2020

Honorable Mayor Michelle De La Isla
Honorable Members of the City Council
and Citizens of Topeka, KS:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Topeka, Kansas (the City) for the fiscal year ended December 31, 2019. The CAFR has been prepared by the Administrative and Financial Services Department in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with an understanding of the City's financial affairs.

RSM US, LLP, an independent firm of licensed certified public accountants, audited the City's financial statements and issued an unmodified opinion on the governmental and business-type activities of the City of Topeka's financial statements for the year ended December 31, 2019.

GASB Statement No. 34 requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of a Management's Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Our CAFR is divided into the following sections:

The Introductory Section includes information about the organizational structure of the City, the City's economy, major initiatives, status of City services, and cash management.

The Financial Section is prepared in accordance with the GASB 34 requirements by including the MD&A, the Basic Financial Statements including notes and the Required Supplementary Information. The Basic Financial Statements include the government-wide financial statements that present an overview of the City's entire financial operations and the fund financial statements that present the financial information of each of the City's major funds, as well as non-major governmental, fiduciary

and other funds. Also included in this section is the Independent Auditors' Report on the basic financial statements.

The Statistical Section includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that are of interest to potential investors in our bonds and to other readers. The data includes ten-year revenue and expenditure information.

PROFILE OF TOPEKA

Topeka is the capital city of Kansas and the seat of Shawnee County. It is situated along the Kansas River in northeast Kansas. As of the 2010 census, the city population was 127,473 and has shown a modest population growth of 2.1 percent since 2000. The Topeka Metropolitan Statistical Area had a 2010 population of 233,870. In addition to Topeka, Shawnee County includes three small incorporated towns and a variety of recreational facilities, lakes, golf courses and both suburban and "rural" housing options. Topeka was chartered as a city in February 1857 and chosen as the capital city of Kansas in 1861.

The City of Topeka operates under a council manager form of government. This system of local government combines the strong political leadership of elected officials with the managerial experience of a professional local government manager. The City is governed by a ten-member Governing Body, including a directly elected Mayor and a nine-member City Council, elected by district. Governing Body members serve 4-year staggered terms. A City Manager, appointed by the Governing Body, is responsible for the implementation of the Governing Body's policy and the day-to-day operations of the City. The City has approximately 1,180 employees responsible for a wide range of services, including public safety, municipal court, construction and maintenance of the City's street and traffic infrastructure network, water utility, wastewater utility, stormwater utility, social services, planning and zoning, the zoo, and many others.

Topeka is located in the center of the United States, approximately equidistant between the east and west coasts and between Mexico and Canada. Topeka's transportation needs are served by a comprehensive transportation network, including Interstate Highway 70 / 470, Interstate Highway 35 (Kansas Turnpike), U.S. Highway 24, U.S. Highway 40, U.S. Highway 75, and Kansas Highway 4. Burlington Northern Santa Fe and Union Pacific serve the region's freight needs, while AMTRAK Passenger Rail Service is available to either Chicago or Los Angeles. Forbes Field Airport provides limited scheduled air service and Kansas City International, a 73 mile Interstate drive east of Topeka, is served by 18 major commercial airlines and their connection partners, offering over 180 daily departures with nonstop jet service to 55 destinations.

MAJOR INITIATIVES AND ACHIEVEMENTS

A number of significant initiatives, outlined below, are underway in Topeka that are expected to have a positive effect on the City's economic health and its ability to provide services to residents and businesses.

Economic Development

The challenge of financing local public infrastructure improvements and operations has been met creatively by both government and citizens in the recent past. Funding in the form of a dedicated citywide sales tax to address existing infrastructure needs has been established. The 10-year citywide ½ cent sales tax was initially approved in 2009 and was recently renewed for another 10 years. It is currently set to expire in October 2029. It is specifically dedicated to improving *existing* citywide infrastructure. To date, over \$127 million of sales tax revenue has been collected for use in improving existing streets, curbs, and sidewalks.

In addition to a specific citywide sales tax, Topeka also receives funds from a county wide ½ cent sales tax. The tax was approved by the voters and speaks to the strong City/County relationship and commitment to community, economic, and infrastructure development. This sales tax generates approximately \$15 million annually – including \$5 million for countywide economic development. It initially was set to expire in December 2017. However, in November of 2017, City voters approved a 15-year extension starting in 2017 and lasting until 2031. The primary use is intended to encourage economic development and quality of life improvements.

The downtown redevelopment project, started in 2014, is a \$5.8 million restoration project spanning four blocks. The project included landscaping and pocket parks, new street, sidewalk and lighting improvements, as well as new water mains and storm sewers. An influx of private capital – over \$3.0 million – makes this project a unique public/private partnership. The private contributions are pledged to enhance aesthetics, including decorative arches and eight new pocket parks. The construction of a Downtown Plaza is anticipated to be completed and opened for public use in 2020.

The first major project announced for downtown was the Cyrus Hotel, a boutique hotel that started construction in November 2017 and opened in January of 2019. This was an investment of approximately \$8 million and added 106 hotel rooms to downtown Topeka.

TOPEKA'S ECONOMY AND OUTLOOK

Topeka is the economic hub of northeast Kansas and a vital retail center. Topeka collects more than 90% of Shawnee County's sales tax. A 2019 Kansas Department of Revenue pull factor report shows Topeka's pull factor as 1.36 (2019)—meaning that Topeka “exports” a significant share of its sales tax burden to non-Topeka residents. Topeka has a diverse business community ranging from federal and state government to distribution centers and manufacturing facilities, complimented by a full range of retail and service businesses. This employer mix presents both opportunities and challenges for Topeka.

Washburn University, located in the center of the city, offers broadly-based liberal arts and professional education through more than 200 certificate, associate, baccalaureate, master's, doctorate and juris doctorate programs through the College of Arts and Sciences and the Schools of Law, Business, Nursing and Applied Studies. Washburn, which serves a student population of approximately 7,000, has new campus living centers and lifestyle amenities that have resulted in more traditional students finding Washburn a perfect fit for their college years. Topeka is also the home of the Washburn Institute of Technology which offers a wide variety of secondary, post-secondary and customized workforce development programs. In addition, the University of Kansas, Kansas State University, and Emporia State University are within an hour's drive bringing the total number of college students in the immediate area to more than 58,000.

Topeka and Shawnee County are served by five public school districts that offer a wide variety of quality educational programs to more than 26,000 students. Additionally, a number of private schools provide educational alternatives to both elementary and secondary students.

Topeka offers a quality of life that includes a zoo, parks, golf courses, community theatre, concerts and shows, festivals, sporting events, and a myriad of social services. Attractions include Heartland Motorsports Park Topeka, the Topeka Zoo and Conservation Center, the Brown vs. Board National Historic Site, the State Capitol complex and Governor's Mansion, the Evel Knievel Museum, the Kansas History Center, the Great Overland Station, the NOTO Arts District, and a variety of museums. The community boasts two outstanding hospitals, five specialized medical facilities, and a wide variety of specialized health services that make it a major regional medical center for the state.

In 2008 and 2009, the United States economy experienced a significant economic downturn, with significant losses in the stock market, rising unemployment, and decreasing consumer confidence. While the softening of some sectors stalled the local economy, some professional services categories that have long been critical to Topeka's economy have displayed stability or growth. Health care, manufacturing, and even the public sector, after experiencing job losses during the economic downturn, have recovered and these industries together now employ more people than during the economic peak in 2000. In recent years, unemployment rates have remained low in Topeka. For example, in 2019 the unemployment rate was 3.4% versus 3.5% in 2018. During 2019, several new developments opened or were under construction including the Wheatfield Village mixed use redevelopment, renovation of the Shawnee County Expocentre, Sherwood Crossing Community Improvement District, and Wanamaker Hills Community Improvement District. In addition, the rejuvenation of Downtown continues with construction and opening of a new public plaza.

The City's property tax revenue, one of the single largest sources of tax revenue for the City's general fund, has grown at a modest pace in recent years, reflecting the growth in property values and prices during the time period. The City's tax base remained relatively stable through the recession and total assessed valuation is trending toward pre-recession levels. Trends in other sources of local tax revenue—sales tax primarily—have also seen modest growth.

Prior to the Public Health Emergency-COVID-19 pandemic that began in the first quarter of 2020, Topeka's economy had experienced improvement. Topeka's economy, as is the case with much of the nation, is expected to experience a slower growth pattern or potentially a possible downturn due to the

effects of COVID-19. As events are still unfolding, it is unclear how long or how severe the impact will be on Topeka's economy.

OTHER FINANCIAL INFORMATION

Internal Controls

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Process

The City's budget is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes: (1) the programs, projects, services, and activities to be carried on during the fiscal year; (2) the estimated revenue available to finance the operating plan; and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Governing Body are made, implemented, and controlled.

The annual budget process begins 15 months before the start of each fiscal year, when the Administrative and Financial Services Department prepares a revised five-year financial forecast. The financial forecast serves as the foundation for planning and control, projecting revenues and expenditures for the next five years and comparing the prior year's projections with actual results. The Administrative and Financial Services Department also reviews and coordinates the annual Capital Improvement Program and Budget. The resulting proposed budget is submitted to the City Manager. The City Manager reviews and, as appropriate, revises the proposed budget and then, six months before the new year, submits a recommended budget to the Governing Body. The Governing Body holds public hearings to receive input from citizens. The budget is adopted approximately four months before the start of the new fiscal year and is submitted to the State of Kansas in compliance with State statutes.

The legal level of budgetary control is at the individual fund level, and City policy provides authority for intra-fund modifications of the budget. The budget is prepared by fund, function, cost center and superior commitment item. Legal appropriated annual budgets are statutorily required for most, but not all, operations. City practice is to adopt budgets for all funds. Budget to actual comparisons are provided in this report for each individual governmental fund for which a legal appropriated annual budget has been adopted.

Cash Management

The City manages a pooled funds investment program for all cash. The City's investment priorities seek the preservation of capital, liquidity and yield. A priority is placed on the soundness of financial institutions holding our assets and the types of investments permitted by the State of Kansas statutes.

Risk Management

It is the policy of the City to purchase commercial insurance against property or liability risks. The City is self-insured for workers' compensation claims. Claims payment history (experience) and payroll costs (exposure) are considered when calculating the claims liabilities and workers' compensation outstanding liabilities for each department. The City's insurance/self-insurance program is reviewed annually in the budget process. The claims liabilities and workers' compensation liabilities reported on the statement of net assets have been actuarially determined and include an estimate of incurred but not reported losses.

INDEPENDENT AUDIT

Topeka Municipal Code Section 3.25.010 requires that all funds established by the director of administrative and financial services be managed in accordance with generally accepted accounting principles in accordance with the National Council on Governmental Accounting. The records, represented in the Comprehensive Annual Financial Report, have been audited by the nationally recognized certified public accounting firm, RSM US, LLP. The Independent Auditors' Report on our current financial statements is presented in the Financial Section. As a recipient of Federal and State financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principal and Audit Requirements for Federal Awards. Single audits are intended to eliminate duplication of audit effort by providing for only one audit entity-wide, specifically designed to meet the needs of all interested parties. Although individual federal grantor agencies may still arrange for additional audit work if they consider it necessary for their purposes, the law requires that any additional work be built upon the single audit.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the City of Topeka for its Comprehensive Annual Financial Report (CAFR) for the period ending December 31, 2018. In addition to this award, the City also received the Distinguished Budget Award for the 2020 budget and the Popular Annual Financial Award (PAFR) for the period ending December 31, 2018.

I would like to express my appreciation to the entire staff of the Administrative and Financial Services Department whose professionalism, dedication and efficiency are responsible for the preparation of this

report. Certain individuals worked many extra hours and exhibited extraordinary effort in ensuring the accuracy and timeliness of this report. Finally, I want to thank the Mayor and the City Council for their interest and support in planning and conducting the City's financial operations.

Respectfully submitted,

Brent Trout

Jessica Lamendola



City Manager

Director of Administrative and Financial Services

Simon Martinez

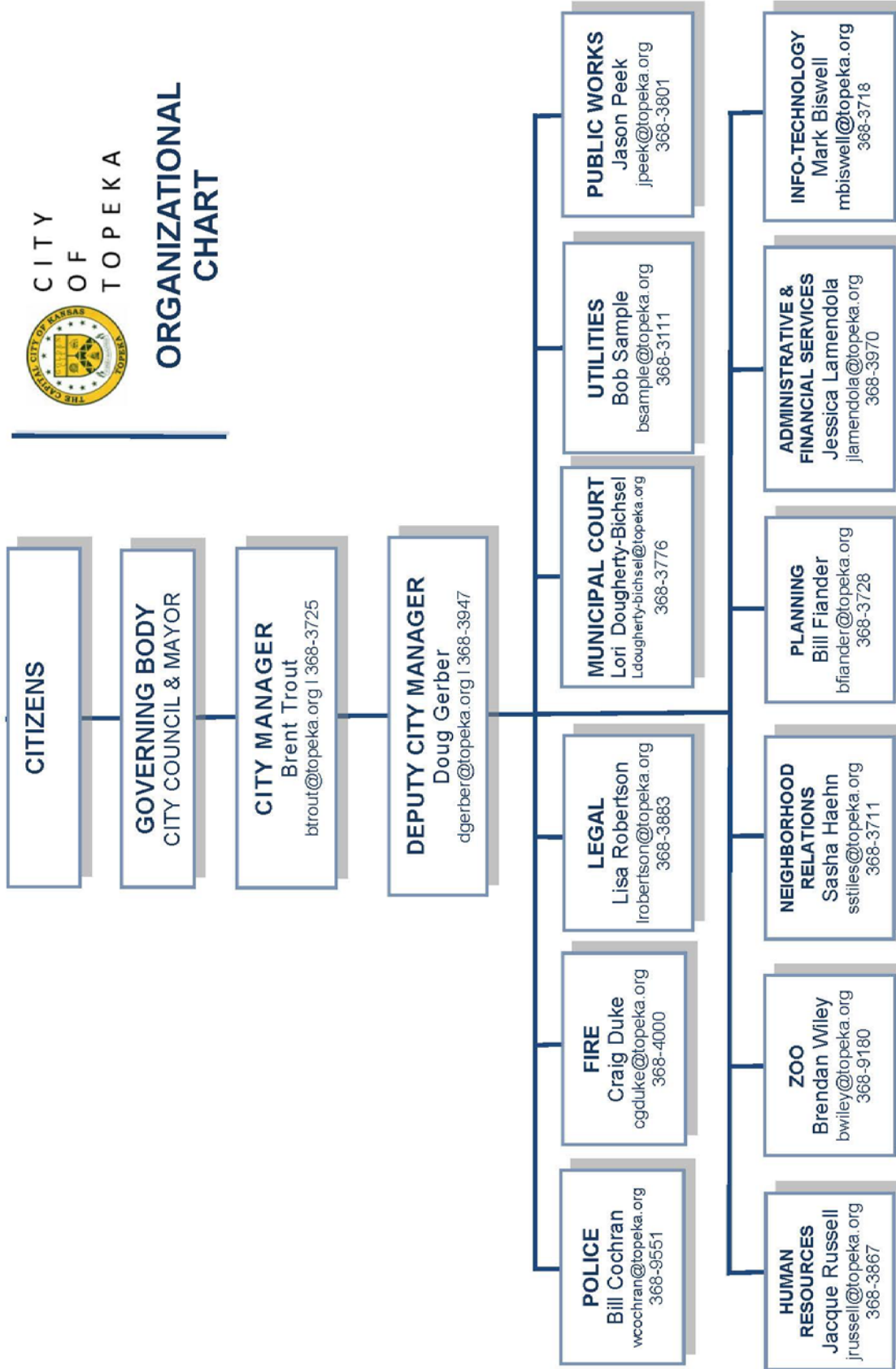


Reporting and Treasury Manager



CITY
OF
TOPEKA

ORGANIZATIONAL CHART



City of Topeka, Kansas
Comprehensive Annual Financial Report
Principal Officials for the Year Ended December 31, 2019

Mayor

Michelle De La Isla, Mayor

City Council Members

<u>Name</u>	<u>District #</u>	<u>Current Term Expires</u>
Karen Hiller	1	November 2020
Sandra Clear	2	November 2019
Sylvia Ortiz	3	November 2020
Tony Emerson	4	November 2020
Michael Padilla	5	November 2020
Brendan Jensen	6	November 2019
Aaron Mays	7	November 2020
Jeff Coen	8	November 2019
Michael Lesser	9	November 2020

City Manager

Brent Trout, City Manager

Department Heads

Deputy City Manager, Doug Gerber
City Attorney, Lisa Robertson
Chief of Fire, Craig Duke
Chief of Police, William Cochran
Director of Administrative and Financial Services, Jessica Lamendola
Director of Human Resources, Jacque M. Russell
Director of Information Technology, Mark M. Biswell
Director of Neighborhood Relations, Sasha Stiles
Director of Planning and Development, William Fiander
Director of Public Works, Jason Peek
Director of Utilities, Bob Sample
Director of Zoo, Brendan M. Wiley
Municipal Court, Administrative Judge Lori Dougherty-Bischsel

Prepared by Administrative and Financial Services Department

Jessica Lamendola, Director of Administrative and Financial Services
Simon Martinez, Reporting and Treasury Manager
Rachelle Mathews, Accounting Operations Manager
Amanda Meyer, Accountant II
Kristin E. Ready, Accountant II
Deidre E. Chinn, Accounts Receivable and Utility Billings Specialist



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Topeka
Kansas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

RSM US LLP

Honorable Mayor and
Members of the City Council of the
City of Topeka, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Topeka, Kansas (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Friends of the Topeka Zoo (the Zoo), the discretely presented component unit of the City, which represents all of the assets, net position and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Zoo, are based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund and the ½% Sales Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As explained in Note 5 to the basic financial statements, the City restated beginning net position of the discretely presented component unit to correct certain revenue transactions from prior years. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and the pension and other postemployment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules, listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical section, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

RSM US LLP

Kansas City, Missouri
June 10, 2020

CITY OF TOPEKA, KANSAS

MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Year Ended December 31, 2019

As management of the City of Topeka, KS, we offer you this discussion and analysis, which is an overview and analysis of the City of Topeka's (the "City") financial statements, a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2019. We present all amounts as whole dollars, except as otherwise indicated. The information contained here, as well as the information contained in the letter of transmittal, are intended to provide the reader of the financial statements with a well-rounded picture of the City's financial condition.

FINANCIAL HIGHLIGHTS

- The City's total net position increased from \$425.0 million in 2018 to \$429.9 million in 2019. Of this amount, \$17.7 million is unrestricted net position. Unrestricted net position, can be defined as resources that can be considered usable for any purpose, though they may not be in a spendable form such as cash.
- At the close of 2019, the City's governmental funds reported combined ending fund balances of \$82.1 million, an increase of \$5.0 million in comparison with the prior year. Unassigned fund balance for the General Fund was \$21.4 million or 22.8% of General Fund revenues, and 22.6% of General Fund expenditures. To see more details on the makeup of the governmental fund balances, see the table in Note 1 of the financial statements.
- For the General Fund, actual resources available for appropriation in 2019 (revenues) were under budget by \$497k, while actual appropriations (expenditures) were \$418k less than budgeted for the year.
- The City reported a net position of \$7.5 million for its component unit (Friends of the Topeka Zoo). The first year that the component unit reached a level of materiality to be included in the City's financial statements per GASB 14 & 39 was 2017.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report consists of four major sections: introductory, financial, statistical and single audit. The financial statements included are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves. Other statements included provide financial information about activities for which the City acts solely as an agent for the benefit of entities outside of the government.

The City presents two kinds of statements, each providing a different perspective of the City's finances. The reporting focus is on both the City as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The fund financial statements focus on the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. Both perspectives allow the user to address relevant questions, broaden the basis of comparison and enhance the City's accountability.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a format similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. So, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. For example, uncollected taxes are reported as assets, despite the fact that the City has not received the actual cash from those levies.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental activities (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The City's governmental activities include general government, public safety, public works, public housing, social services and interest. Property taxes, sales taxes, franchise fees, motor fuel taxes and transient guest taxes finance most of these activities. The City's business-type activities include a combined water, water pollution control, and storm water utility and public parking facilities.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, but not about the City as a whole. Some funds are required to be established by State law or by bond covenants. In addition, the City Council establishes other funds to help control and manage money for particular purposes, or to demonstrate that the City is complying with legal requirements for using certain taxes, grants, and other money. The City has three types of funds—**governmental, proprietary, and fiduciary**—which use different accounting approaches.

Governmental funds—Most of the City's basic services are reported in its governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for future spending. These funds are reported using an accounting method called the *modified accrual* basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. With this method, the governmental fund statements provide a detailed, short-term view of the City's general government operations and the basic services it provides.

Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental *funds* (reported in the fund financial statements) in a reconciliation document following the fund financial statements.

The City categorizes its governmental funds as *special revenue funds* or *capital project funds*, which are aggregated for presentation. The City uses special revenue funds and capital projects funds to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. Individual fund data for each of these *non-major funds* are provided in the form of *combining statements* in the *Other Fund Statements & Schedules* section of this report. The City consolidated Parks and Recreation with Shawnee County in 2012, however still maintains a Parkland Acquisition Fund to track permit revenues collected for Shawnee County.

The City adopts annual, appropriated budgets for its major funds; we present budgetary comparison statements to demonstrate compliance with these budgets. Readers may find the basic governmental fund financial statements in the *Fund Financial Statements* and the *Other Fund Statements & Schedules* section of this report.

Proprietary funds—Proprietary funds provide the same type of information as the government-wide financial statements, in a format similar to a private-sector business. The City maintains two different types of proprietary funds.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City has two enterprise funds: the combined Water, Water Pollution Control, and Stormwater Utility Fund, a major fund; and the Public Parking Facilities Fund, which is a non-major fund shown in the *Proprietary Funds* statements presented in the *Fund Financial Statements* section.

Internal service funds are the second type of proprietary funds maintained by the City. An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service funds include: Information Technology; Fleet Services; Facility Operations, and Risk Management funds, which include employees' health insurance, workers' compensation, vehicle self-insurance, unemployment compensation, and risk management reserve activities. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining and individual fund statements and schedules section of the report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The City's fiduciary activities are reported in the *Statement of Fiduciary Net Assets*, at the end of the *Fund Financial Statements* and after the budget basis schedules in the *Other Fund Statements & Schedules*.

Notes to the financial statements

The notes provide additional information that is essential to a reader's complete understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. Assets of the primary government exceed liabilities by \$429.9 million at the end of 2019.

Table 1
City of Topeka
Condensed Statement of Net Position
December 31, 2019

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 204,649,513	\$ 199,448,928	\$ 142,754,843	\$ 148,945,794	\$ 347,404,356	\$ 348,394,722
Capital assets, non-depreciable	49,373,463	59,279,908	108,514,251	90,269,322	157,887,714	149,549,230
Capital assets, net of depreciation	259,413,290	253,774,924	311,292,781	299,215,445	570,706,071	552,990,369
Total assets	513,436,266	512,503,760	562,561,875	538,430,561	1,075,998,141	1,050,934,321
Deferred outflows of resources	20,981,679	24,716,397	2,816,399	3,520,112	23,798,078	28,236,509
Long-term liabilities outstanding	252,914,932	248,038,587	251,253,917	241,387,677	504,168,849	489,426,264
Other liabilities	39,333,010	45,715,092	71,774,398	65,030,879	111,107,408	110,745,971
Total liabilities	292,247,942	293,753,679	323,028,315	306,418,556	615,276,257	600,172,235
Deferred inflows of resources	54,364,410	53,782,840	295,223	238,630	54,659,633	54,021,470
Net position						
Net investments in capital assets	161,262,020	167,266,727	190,469,539	143,837,224	351,731,559	311,103,951
Restricted	60,305,115	34,799,747	99,091	20,393,271	60,404,206	55,193,018
Unrestricted	(33,761,542)	(12,382,836)	51,486,106	71,062,992	17,724,564	58,680,156
Total net position	\$ 187,805,593	\$ 189,683,638	\$ 242,054,736	\$ 235,293,487	\$ 429,860,329	\$ 424,977,125

The total net position of the City saw an increase of \$4.9 million from \$425.0 million in 2018 to \$429.9 million in 2019. The composition of the net position changed primarily due to an increase in total assets and deferred outflows of \$20.6 million and an increase in total liabilities and deferred inflows of \$15.7 million.

The largest portion of the City's total net position, \$351.7 million, was its net investment in capital assets. Net investment in capital assets consists of capital assets, net of accumulated depreciation less any related outstanding debt used to construct or acquire those assets. This component of net position increased in total from 2018 by \$40.6 million. This increase is mainly attributable to the construction of infrastructure assets at both the governmental and business-type activities level. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, readers should note that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Non-depreciable governmental capital assets decreased from \$59.3 million in 2018 to \$49.4 million in 2019, a change of \$9.9 million. The change was primarily due to capitalized infrastructure projects exceeding construction in progress by \$9.9 million.

The value of governmental activities capital assets being depreciated (net of depreciation) increased \$5.6 million from \$253.8 million in 2018 to \$259.4 million in 2019. The principal driver of the change was infrastructure additions exceeding depreciation by \$3.4 million and vehicle additions exceeding depreciation by \$1.8 million.

A second component of the City's total net position, \$60.4 million, is classified as restricted net position. This component represents resources that are subject to external restrictions on how they may be used. These restrictions derive from various sources, such as state statutes or legislation, donor restrictions, and bond covenants.

The final component of the City's total net position, \$17.7 million, is classified as unrestricted. These are resources that can be considered usable for any purpose, although they may not be in a spendable form such as cash. It is not uncommon for the governmental activities column to report an unrestricted net position deficit, this is due to existence of long-term liabilities that are funded on a pay as you go basis. Resources are appropriated each year as payments become due, rather than accumulating assets in advance.

In 2019, governmental activities long-term liabilities saw an increase of \$4.8 million from the prior year. Increases in both general obligation bonds of \$4.8 million and net pension liability of \$2.6 million are partially offset by decreases in both TIF bonds of \$1.3 million and capital leases of \$667,000. Governmental activities other liabilities decreased \$6.4 million from \$45.7 million in 2018 to \$39.3 million in 2019. A reduction in temporary notes payable of \$9.4 million and an increase in accounts payable of \$2.9 million account for the majority of the change. The City's Debt Policy allows for the issuance of up to \$27 million of general obligation bonds over the three years, or an average of \$9 million per year. However, in 2019, the City Council increased the allowed issuance to a total of \$33 million or an average of \$11 million for the years between 2020 – 2022. The City issued governmental long-term debt in 2019, with series 2019A and 2019B. See Note 3 of the financial statements for more details on the City's long term liabilities.

Deferred inflows of resources represent revenues unavailable to the City in the reported period. For the City, total deferred inflows of resources increased by \$638,163 from \$54.0 million in 2018 to \$54.6 million in 2019. Estimated property and motor vehicle taxes to be collected during 2020 account for \$49.6 million of the balance for 2019.

The City's business-type activities total net position increased by \$6.8 million from \$235.3 in 2018 to \$242.1 million in 2019. The increase in net position is made up of an increase in total assets of \$24.1 million, primarily due to an increase in capital assets, and increase in total liabilities, primarily due to an increase of \$15.7 million in revenue bonds outstanding. This increase indicates the city issued more bonds than it retired during 2019.

Deferred inflows for 2019 remained relatively consistent with the prior year, while deferred outflows decreased by \$703,713 from 2018.

Statement of Activities

Figure 1 below depicts the elements of 2019 governmental activities.

Figure 1 - Governmental Activities

Sources of Revenue			Functional Expenses		
Taxes	\$ 130,803,213	76.28%	General Government	\$ 19,803,990	11.42%
Charges for Services	11,415,656	6.66%	Public Safety	73,015,825	42.12%
Grants/Contributions	23,337,722	13.61%	Public Works	57,194,339	32.99%
Investment Income	2,715,139	1.58%	Parks and Recreation	4,557,143	2.63%
Other	3,196,741	1.86%	Other Expenses	18,775,219	10.83%
			Transfers	-	0.00%
Totals	\$ 171,468,471	100.00%	Totals	\$ 173,346,516	100.00%

Table 2
City of Topeka, Kansas
Statement of Activities and Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
<u>Program revenues</u>						
Charges for services	\$ 11,415,656	\$ 10,940,343	\$ 76,780,945	\$ 75,447,138	\$ 88,196,601	\$ 86,387,481
Operating grants and contributions	10,507,013	10,308,145	-	-	10,507,013	10,308,145
Capital grants and contributions	12,830,709	11,121,576	-	-	12,830,709	11,121,576
<u>General revenues</u>						
Property taxes	44,791,299	42,035,684	-	-	44,791,299	42,035,684
Sales taxes	55,250,790	55,648,002	-	-	55,250,790	55,648,002
Franchise taxes	13,992,231	14,400,099	-	-	13,992,231	14,400,099
Motor fuel taxes	4,713,596	4,621,676	-	-	4,713,596	4,621,676
Payment in lieu of taxes	7,480,292	7,471,168	-	-	7,480,292	7,471,168
Service assessments	-	-	-	-	-	-
Alcoholic beverage taxes	1,928,010	1,803,375	-	-	1,928,010	1,803,375
Transient guest taxes	2,646,995	2,742,302	-	-	2,646,995	2,742,302
Miscellaneous	3,003,785	2,022,908	2,866,083	2,565,063	5,869,868	4,587,971
Unrestricted investment earnings	2,715,139	1,977,204	3,058,689	1,847,444	5,773,828	3,824,648
Gain on sale of capital assets	192,956	-	7,153	43,071	200,109	43,071
Total general revenues	171,468,471	165,092,482	82,712,870	79,902,716	254,181,341	244,995,198
Expenses						
General government	19,803,990	13,988,771	-	-	19,803,990	13,988,771
Public safety	73,015,825	66,505,207	-	-	73,015,825	66,505,207
Public works	57,194,339	54,794,256	-	-	57,194,339	54,794,256
Miscellaneous	-	3,395,631	-	-	-	3,395,631
Economic Development	9,616,733	9,607,852	-	-	9,616,733	9,607,852
Parks and Recreation	4,557,143	4,477,801	-	-	4,557,143	4,477,801
Public Housing	4,286,652	4,126,533	-	-	4,286,652	4,126,533
Social Services	562,534	542,965	-	-	562,534	542,965
Interest and fiscal charges	4,309,300	5,838,559	-	-	4,309,300	5,838,559
Water, Water Pollution Control, & Stormwater Utility	-	-	72,919,171	65,503,021	72,919,171	65,503,021
Public Parking	-	-	3,032,450	2,959,169	3,032,450	2,959,169
Total expenses	173,346,516	163,277,575	75,951,621	68,462,190	249,298,137	231,739,765
Increase (decrease) in net position before transfers and special item	(1,878,045)	1,814,907	6,761,249	11,440,526	4,883,204	13,255,433
Transfers in (out)	-	-	-	-	-	-
Prior period adjustment	-	2,042,026	-	(475,048)	-	1,566,978
Change in Net Position	(1,878,045)	3,856,933	6,761,249	10,965,478	4,883,204	14,822,411
Net Position - Beginning	189,683,638	185,826,705	235,293,487	224,328,009	424,977,125	410,154,714
Net Position - Ending	\$187,805,593	\$ 189,683,638	\$ 242,054,736	\$ 235,293,487	\$ 429,860,329	\$ 424,977,125

Table 3 below summarizes the cost of the top three governmental activities—general government, public safety, and public works—as well as each activity’s net cost (total cost to provide the services, less any revenues generated by the activity and excluding the general revenues). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these governmental functions.

Table 3
Net Cost of Governmental Activities (in millions)

	Total Cost of Services	Net Cost of Services
General government	\$ 19.8	\$ 13.1
Public Safety	73.0	72.1
Public works	57.2	40.8
Totals	\$ 150.0	\$ 126.0

The net cost of services for the above governmental activities increased by \$12.7 million from 2018. \$1.3 million of the increase was due to the write off of municipal court’s accounts receivable. The City will no longer record this type of receivable due to the complexities in the nature of these receivables. The total cost of services increased by \$14.7 million, as detailed below:

- The total cost of services for Public Safety increased by \$6.5 million.
- The total cost of services for Public Works increased by \$2.4 million.
- The total cost of services for general government increased by \$5.8 million, with \$3.4 million due to the reclassification of the miscellaneous expenses category to general government in 2019.

Business-type activities

The change in net cost of the City’s business-type activities was a decrease of \$7.9 million. Table 4 presents the net revenue from, or cost of, the City’s two business-type activities—the Combined Utility (Water, Water Pollution Control and Stormwater Systems) and the Public Parking Fund—as well as each activity’s net cost or proceeds (the total cost to provide the services, less any revenues generated by the activity and excluding the general revenues).

Table 4
Net Cost of Business-Type Activities (in millions)

	Total Cost of Services	Net Cost of Services
Water, Water Pollution Control, & Stormwater Utility	\$ 72.9	\$ (1.1)
Public Parking	3.0	0.2
Totals	\$ 75.9	\$ (0.9)

The total cost of services for the Combined Utility increased by \$7.4 million, while the net cost of services decreased by \$8.4 million during 2019. Public Parking's total cost and net cost of services remained unchanged from the prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *expendable* resources. Such information is useful in assessing our financing requirements. In particular, *unassigned fund balance* serves as a useful measure of a government's net resources available for spending at the end of the fiscal year. In 2011 the City implemented GASB 54, which changed the structure of the fund balance from Reserved and Unreserved to presenting fund balances of nonspendable, restricted, committed, assigned, and unassigned. The nonspendable portion of fund balance is what cannot be spent due to the fund's form or the requirement that it be maintained intact. Examples would be inventories or prepaid items. The restricted portion of fund balance includes limitations imposed by creditors, grantors, contributors, or laws. The committed portion of fund balance includes limitations imposed by the City Council. The assigned portion of fund balance includes amounts designated by the City Council and City Manager intended to be used for a designated purpose. Examples of this would be encumbrances or purchase orders to suppliers. Lastly, the unassigned portion of fund balance includes moneys not falling into the other categories.

At December 31, 2019, the City's governmental funds reported combined, ending fund balances of \$82.1 million, an increase of \$5.0 million from the prior year. Sales tax street repairs, special street repairs, and capital projects funds did not meet the definition of a major fund per GASB guidelines for 2019, as such they are shown in other governmental funds, whereas in 2018 they were reported separately as major funds. Of the major funds, the General Fund reported a decrease in fund balance of (\$262,831) to \$21.8 million for the period ending December 31, 2019, Debt Service, and ½% Sales Tax funds, both reported an increase in fund balance of \$2.1 million and \$2.9 million respectively.

Table 5
Change in Governmental Fund Balance

Fund	Beginning Fund Balance	Ending Fund Balance	Change in Fund Balance
General	\$ 22,013,007	\$ 21,750,176	\$ (262,831)
1/2% Sales Tax	8,448,011	10,508,048	2,060,037
Debt Service	8,580,089	11,461,267	2,881,178
Other Governmental Funds	38,052,727	38,362,471	309,744
Total Governmental Funds	\$ 77,093,834	\$ 82,081,962	\$ 4,988,128

The General Fund is the primary operating fund of the City. At the end of 2019, unassigned fund balance of the General Fund totaled \$21.4 million, while total fund balance was \$21.8 million.

As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represented 22.6% of total general fund expenditures, and total fund balance represented 23.0% of expenditures. For the General Fund, the City has adopted a fund policy that requires the city to maintain a minimum unassigned fund balance that is equal to 15% of General Fund revenues but with a target of 20% of General Fund revenues. For 2019, the General Fund's unassigned fund balance of \$21.4 million exceeded the minimum fund balance level of 15% or \$14.1 million.

The ½% Sales Tax fund provides funding for economic development and countrywide infrastructure development. In 2019, fund balance increased by \$2.1 million from prior year. The increase in fund balance, was due to an increase in one-time reimbursement revenue of \$1.3 million from Friend of the Topeka Zoo for the Camp Cowabunga capital project, combined with a decrease in expenditures from the previous year.

The Debt Service Fund had a total fund balance of \$11.5 million at December 31, 2019, all of which is restricted for the payment of debt service. The fund balance increased by \$2.9 million from 2018. The increase in fund balance is mainly due to one-time revenues of \$870,104 for the early payoff of a special assessment, and \$2.1 million in transfers in from closing out balances on completed capital projects.

Proprietary funds

The proprietary funds statements provide the same type of information found in the government-wide financial statements, and provides detail on the functions of the City's business-type activities. The total net position of the Combined Utility Fund at December 31, 2019, was \$235.3 million, an increase from 2018 of \$6.2 million. The total net position of the Parking Fund at December 31, 2019, was \$5.8 million, and remained flat in comparison with the prior year. See the *Basic Financial Statements* section for more information.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following discussion highlights the outcome of the General Fund budget.

General Fund revenues for 2019 were \$94.0 million, which was \$497,389 lower than budgeted. General Fund expenditures for 2019 were \$94.5 million, which also was lower by \$418,350 than the adopted operating budget. These changes, combined with the change of \$316,610 in other financing sources, resulted in a decrease in fund balance on a budgetary basis of \$189,161.

Key factors of the differences in budget-to-actual included:

- Revenues came in under budget primarily due to lower than expected property tax and franchise fee collections. The decline in fines and fees of \$1.9 million was primarily due to the write off of municipal court's accounts receivable. The City had routinely recorded this receivable over the past several years, however in further review of this receivable, the City has concluded it will no longer record this type of receivable due to the complexities in measuring its collection rate and related deferred inflows and revenue recognition. Increases in investment income, miscellaneous income, and licenses and permits helped to offset the decline in budgeted revenue.
- Expenditures were less than budgeted by \$418,350 primarily due to vacancies in budgeted positions throughout the year. The budget assumes the City is fully staffed for the entire year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2019, the City had \$728.6 million, (net of accumulated depreciation) invested in a broad range of capital assets, including police and fire equipment, buildings, improvements, land, zoo facilities, water and wastewater treatment facilities, and roads and bridges (see Table 6 below). To find more information on capital assets, refer to *Note III, Section D* of this report.

Capital asset transactions during the current fiscal year included:

- Capitalization of \$27.0 million in governmental construction projects. This included street upgrades, infrastructure improvements, new bridge, in fill sidewalks and renovations to a fire station.
- The Combined Utility was able to complete and capitalize existing projects totaling \$28.3 million. This included replacement and installation of new water lines, sanitary sewers and drain improvements.

Table 6
City of Topeka's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 867,682	\$ 867,682	\$ 1,675,360	\$ 1,675,360	\$ 2,543,042	\$ 2,543,042
Construction in Progress	45,495,869	55,536,702	93,555,769	76,708,636	139,051,638	132,245,338
Easements	3,009,912	2,875,524	13,283,122	11,885,326	16,293,034	14,760,850
Buildings, Improvements, Infrastructure	250,825,076	247,402,385	307,941,342	295,794,448	558,766,418	543,196,833
Furniture and Fixtures	46,627	63,980	6,105	7,627	52,732	71,607
Vehicles	7,169,092	5,352,694	2,756,931	2,869,524	9,926,023	8,222,218
Software	-	-	-	-	-	-
Tools and Equipment	1,372,495	955,865	588,403	543,846	1,960,898	1,499,711
Total Capital Assets	\$ 308,786,753	\$ 313,054,832	\$ 419,807,032	\$ 389,484,767	\$ 728,593,785	\$ 702,539,599

The City's adopted 2019 five-year Capital Improvement Plan reflects appropriations for construction, improvements to, and acquisition of \$425.3 million worth of capital assets for fiscal 2019 through 2023. Funding is budgeted to come from utility revenue bonds and enterprise fund revenues (\$217.5 million), other sources (\$147.1 million), and general obligation bonds (\$60.7 million) over the next five years. The most significant projects include water main replacements, continued upgrades to interceptor and distribution control systems, improvements to the storm sewer system, repairs to the river levees, construction of elevated water tanks, construction of various streets and trafficways, traffic signal replacements, fleet replacements for fire, and neighborhood improvements.

Debt

At December 31, 2019, the City's total outstanding bonded indebtedness was \$410,487,637. Of this amount, \$158,260,002 was general obligation debt, backed by the full faith and credit of the government. Revenue bonds outstanding totaled \$215,420,000 secured by a pledge of the revenues derived from user fees for the

specific enterprise fund or funds that benefited from the bond issue. The remainder of the bonded indebtedness consisted of tax increment and sales tax revenue bonds in the amount of \$8,110,000. In addition, the City is obligated for \$28,697,635 of Kansas State Revolving Loan Program loans, which are secured solely by specified revenue sources from the Combined Water, Water Pollution Control and Stormwater Utility fund.

The City is also responsible for \$43,118,565 in general obligation temporary notes, issued to fund construction in progress for business-type capital projects. The City anticipates refunding these temporary notes with revenue bonds or other resources in 2020. See the *Notes to the Financial Statements*, for a more complete description of debt activity.

The City continues to be assigned the Standard and Poor's rating of 'AA' with a stable outlook—its third highest—to the City's general obligation bonds.

Moody's has also assigned the rating of 'Aa3' with a stable outlook to the City's Combined Utility revenue bonds. Moody's cites the City's stable service area, satisfactory compliance with legal covenants of outstanding debt issues, and satisfactory debt service coverage levels as key factors in its rating. The City's combined utility revenue bonds are subordinate to the lien of the Kansas State Revolving Loan Program loans.

Additional information on the City of Topeka's long-term debt can be found in *Note III, Section H* of this report.

CONCLUSION

The City experienced an increase in total fund balance during 2019 for governmental activities, the majority of the change was due to one-time or non-recurring revenues that cannot to be relied on in the future.

The City, as with most local municipalities in the State and Country, is closely monitoring the current public health emergency-COVID19. The City is assessing what potential financial impact that COVID19 will have on the City's finances. Economically sensitive tax revenues, such as sales tax, may experience negative to budget performance. Sales tax is a major source of general fund revenues accounting for 32.6% of general fund revenue in 2019. Other governmental funds such as ½% Sales tax fund and Sales Tax Street Repair fund rely exclusively on this revenue source. The City is actively examining various scenarios and potential budget adjustments in 2020 to help offset potential revenue under performance.

CONTACTING CITY FINANCIAL MANAGEMENT

The City designed this financial report to provide a general overview of the City of Topeka's finances for all those with an interest in the government's finances. Readers may contact the City's Administrative and Financial Services Department, City of Topeka, 215 SE 7th Street, Room 358, Topeka, Kansas 66603-3914, with any questions regarding the information presented herein.

City of Topeka, Kansas

Statement of Net Position
December 31, 2019

	Primary Government			Component Unit
	Total Governmental Activities	Total Business-type Activities	Total Primary Government	Friends of the Topeka Zoo
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and investments in Treasurer's Fund	\$ 102,204,198	\$ 106,522,022	\$ 208,726,220	\$ 1,190,540
Beneficial interest in trust	-	-	-	6,013,948
Receivables (net of allowance for uncollectibles)	99,825,912	8,044,107	107,870,019	4,104
Campaign promises to give	-	-	-	123,108
Internal balances	(829,367)	829,367	-	-
Due from other governments	2,941,139	-	2,941,139	-
Inventory	190,741	3,019,678	3,210,419	84,965
Prepaid costs	109,356	5,445	114,801	21,214
Restricted cash and investments in Treasurer's Fund	207,534	4,280,893	4,488,427	-
Total current assets	204,649,513	122,701,512	327,351,025	7,437,879
Noncurrent assets:				
Restricted cash and investments in Treasurer's Fund	-	13,353,034	13,353,034	-
Restricted investments with fiscal agency	-	6,700,297	6,700,297	-
Campaign promises to give	-	-	-	33,652
Capital assets, nondepreciable:				
Not being depreciated	49,373,463	108,514,251	157,887,714	-
Being depreciated, net of depreciation	259,413,290	311,292,781	570,706,071	54,469
Total noncurrent assets	308,786,753	439,860,363	748,647,116	88,121
Total assets	513,436,266	562,561,875	1,075,998,141	7,526,000
Deferred outflows of resources:				
Deferred amount on refunding	4,593,732	1,848,982	6,442,714	-
Deferred pension amounts	15,423,426	736,043	16,159,469	-
Deferred KPERS OPEB amounts	255,392	63,284	318,676	-
Deferred OPEB amounts	709,129	168,090	877,219	-
Total deferred outflows of resources	20,981,679	2,816,399	23,798,078	-
Total assets and deferred outflows of resources	\$ 534,417,945	\$ 565,378,274	\$ 1,099,796,219	\$ 7,526,000
Liabilities:				
Current liabilities:				
Accounts payable and other current liabilities	\$ 8,735,344	\$ 7,908,277	\$ 16,643,621	16,987
Salaries and wages payable	3,853,341	739,280	4,592,621	6,551
Retainage payable	-	350,440	350,440	-
Accrued interest payable	1,657,368	655,557	2,312,925	-
Due to other government	7,623	22,617	30,240	-
Due to others	2,461,642	-	2,461,642	-
Temporary notes payable	-	43,118,565	43,118,565	-
Liabilities payable from restricted assets	-	4,280,893	4,280,893	-
Estimated insurance claims	2,867,197	-	2,867,197	-
Unearned revenue	-	406,807	406,807	25,089
Due within one year	19,750,495	14,291,962	34,042,457	-
Total current liabilities	39,333,010	71,774,398	111,107,408	48,627
Noncurrent liabilities, due in more than one year	252,914,932	251,253,917	504,168,849	-
Total liabilities	292,247,942	323,028,315	615,276,257	48,627
Deferred inflows of resources:				
Property taxes levied for a subsequent period	49,583,961	-	49,583,961	-
Deferred amounts on refunding	-	7,551	7,551	-
Deferred pension amounts	4,222,512	153,538	4,376,050	-
Deferred KPERS OPEB amounts	175,212	43,416	218,628	-
Deferred OPEB amounts	382,725	90,718	473,443	-
Total deferred inflows of resources	54,364,410	295,223	54,659,633	-
Total liabilities and deferred inflows of resources	346,612,352	323,323,538	669,935,890	48,627
Net Position:				
Net investment in capital assets	\$ 161,262,020	\$ 190,469,539	\$ 351,731,559	54,469
Restricted for debt service	11,461,268	-	11,461,268	-
Restricted for sinking funds	-	99,091	99,091	-
Restricted for public safety	1,741,419	-	1,741,419	-
Restricted for public works	15,604,159	-	15,604,159	-
Restricted for other purposes	31,498,269	-	31,498,269	6,898,430
Unrestricted	(33,761,542)	51,486,106	17,724,564	524,474
Total net position	\$ 187,805,593	\$ 242,054,736	\$ 429,860,329	\$ 7,477,373

See notes to the basic financial statements.

City of Topeka, Kansas

Statement of Activities
For the Year Ended December 31, 2019

	Program Revenues				Net [Expenses] Revenue and Changes in Net Position			Component Unit Friends of the Topeka Zoo
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Total Governmental Activities	Total Business-type Activities	Total Primary Government	
Governmental activities:								
General government	\$ 19,803,990	\$ 6,527,035	\$ 179,564	\$ -	\$ (13,097,391)	\$ -	\$ (13,097,391)	\$ -
Public safety	73,015,825	628,323	267,919	-	(72,119,583)	-	(72,119,583)	-
Public works	57,194,339	3,539,592	-	12,830,709	(40,824,038)	-	(40,824,038)	-
Economic development	9,616,733	-	5,714,177	-	(3,902,556)	-	(3,902,556)	-
Parks and recreation	4,557,143	720,706	-	-	(3,836,437)	-	(3,836,437)	-
Housing & neighborhood development	4,286,652	-	4,345,353	-	58,701	-	58,701	-
Social services	562,534	-	-	-	(562,534)	-	(562,534)	-
Interest and fiscal charges	4,309,300	-	-	-	(4,309,300)	-	(4,309,300)	-
Total governmental activities	173,346,516	11,415,656	10,507,013	12,830,709	(138,593,138)	-	(138,593,138)	-
Business-type activities:								
Water, Water Pollution Control, & Stormwater Utility	72,919,171	73,974,371	-	-	-	1,055,200	1,055,200	-
Public Parking	3,032,450	2,806,574	-	-	-	(225,876)	(225,876)	-
Total business-type activities	75,951,621	76,780,945	-	-	-	829,324	829,324	-
Total primary government	\$ 249,298,137	\$ 88,196,601	\$ 10,507,013	\$ 12,830,709	(138,593,138)	829,324	(137,763,814)	-
Component Unit, friends of the Zoo	\$ 3,890,831	\$ 2,744,240	\$ 864,279	\$ 703,518	-	-	-	421,206
General Revenues:								
Property taxes					44,791,299	-	44,791,299	-
Sales taxes					55,250,790	-	55,250,790	-
Franchise taxes					13,992,231	-	13,992,231	-
Motor fuel taxes					4,713,596	-	4,713,596	-
Payment in lieu of taxes					7,480,292	-	7,480,292	-
Alcoholic beverage taxes					1,928,010	-	1,928,010	-
Transient guest taxes					2,646,995	-	2,646,995	-
Miscellaneous					3,003,785	2,866,083	5,869,868	6,574
Unrestricted investment earnings					2,715,139	3,058,689	5,773,828	3,798
Gain on sales of capital assets					192,956	7,153	200,109	-
Subtotal general revenues					136,715,093	5,931,925	142,647,018	10,372
Change in net position					(1,878,045)	6,761,249	4,883,204	431,578
Net position, beginning - as restated					189,683,638	235,293,487	424,977,125	7,045,795
Net position, ending					\$ 187,805,593	\$ 242,054,736	\$ 429,860,329	\$ 7,477,373

See notes to the basic financial statements.

City of Topeka, Kansas

**Balance Sheet
Governmental Funds
December 31, 2019**

	General	1/2% Sales Tax	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments in Treasurer's Fund	\$ 16,523,431	\$ 11,099,722	\$ 10,929,887	\$ 41,868,252	\$ 80,421,292
Restricted cash	-	-	207,534	-	207,534
Receivables (net of allowance for uncollectibles):					
Accounts receivable	133,736	376,250	-	1,031,246	1,541,232
Taxes receivable	39,275,356	1,685,518	17,966,525	3,615,133	62,542,532
Special assessments	-	-	34,084,059	-	34,084,059
Interest receivable	949,667	-	320,737	78,024	1,348,428
Due from other funds	1,543,698	-	-	74,540	1,618,238
Due from other governments	-	488,257	-	2,452,882	2,941,139
Prepaid costs	109,356	-	-	-	109,356
Total assets	\$ 58,535,244	\$ 13,649,747	\$ 63,508,742	\$ 49,120,077	\$ 184,813,810
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts and contracts payable	\$ 701,675	\$ 307,758	\$ 3,400	\$ 6,581,467	\$ 7,594,300
Salaries and wages payable	3,482,657	-	-	182,282	3,664,939
Due to other funds	429,340	-	-	1,570,212	1,999,552
Due to other governments	7,623	-	-	-	7,623
Due to others	3,951	2,457,691	-	-	2,461,642
Total liabilities	4,625,246	2,765,449	3,400	8,333,961	15,728,056
Deferred inflows of resources					
Unavailable revenues - property taxes	32,159,822	-	17,952,531	765,510	50,877,863
Unavailable revenues - special assessments	-	-	34,084,059	-	34,084,059
Unavailable revenues - other	-	376,250	7,485	1,658,135	2,041,870
Total deferred inflows of resources	32,159,822	376,250	52,044,075	2,423,645	87,003,792
Fund balance:					
Nonspendable	109,356	-	-	-	109,356
Restricted	-	10,508,048	11,461,267	38,702,732	60,672,047
Committed	-	-	-	1,222,727	1,222,727
Assigned	210,772	-	-	-	210,772
Unassigned	21,430,048	-	-	(1,562,988)	19,867,060
Total fund balances	21,750,176	10,508,048	11,461,267	38,362,471	82,081,962
Total liabilities, deferred inflows of resources and fund balances	\$ 58,535,244	\$ 13,649,747	\$ 63,508,742	\$ 49,120,077	\$ 184,813,810

See notes to the basic financial statements.

City of Topeka, Kansas

**Reconciliation of the Total Governmental Fund Balance to Net Position of Governmental Funds
December 31, 2019**

Total governmental fund balances	\$ 82,081,962
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The assets of the internal service funds in the amount of \$253,350 are excluded from this amount and included in the internal service fund amount below.	308,533,403
Pension and OPEB contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position. The deferred outflow of resources of the internal service funds in the amount of \$987,390 are excluded from this amount and included in the internal service fund amount below.	
Deferred pension amounts	14,492,079
Deferred KPERS OPEB amounts	239,970
Deferred OPEB amounts	668,508
Pension and OPEB fundings are reported as revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position. The deferred inflow of resources of the internal service funds in the amount of \$287,482 are excluded from this amount and included in the internal service fund amount below.	
Deferred pension amounts	(3,967,534)
Deferred KPERS OPEB amounts	(164,632)
Deferred OPEB amounts	(360,801)
The following liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (These amounts exclude \$2,867,197 in self insurance claims, \$5,545,639 in net pension liability, \$261,227 in accrued compensated absences, and \$300,326 of OPEB which are included in the internal service fund amount below.) These liabilities at year end consist of:	
Compensated absences	(8,342,565)
Net pension liability	(86,292,012)
Total KPERS OPEB liability	(1,920,314)
Total OPEB liability	(2,911,460)
General obligation bonds payable, net of premiums and discounts	(156,907,205)
Tax increment bonds payable	(8,110,000)
Capital lease payable	(2,074,679)
Accrued interest on bonds	(1,657,368)
Certain revenues are not available to pay for current period expenditures and therefore are reported as unavailable in the governmental funds.	37,419,831
Deferred amounts on refunding are reported as deferred outflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.	4,593,732
An internal service fund is used by the City's management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities column in the statement of net position. A portion of the internal service fund activities are allocated to business type activities in the amount of \$940,386.	
Net position of governmental activities	<u>12,484,678</u>
	<u>\$ 187,805,593</u>

See notes to the basic financial statements.

City of Topeka, Kansas

Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 For the Year Ended December 31, 2019

	General	1/2% Sales Tax	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes and service assessments	\$ 60,683,709	\$ 9,188,923	\$ 17,413,981	\$ 19,781,642	\$ 107,068,255
Special assessments with debt commitments	-	-	3,955,222	-	3,955,222
Payment in lieu of taxes - interfund	7,474,791	-	-	-	7,474,791
Licenses and permits	2,195,526	-	-	38,330	2,233,856
Franchise fees	13,992,231	-	-	-	13,992,231
Intergovernmental	1,350,448	5,714,177	174,564	12,459,122	19,698,311
Fees for services	1,812,278	-	-	2,171,457	3,983,735
Administrative fees - interfund	2,890,274	-	-	-	2,890,274
Fines and forfeitures	1,038,931	-	-	262,019	1,300,950
Interest from investments	1,643,401	-	644,702	425,379	2,713,482
Contributions	-	-	195,000	-	195,000
Miscellaneous	632,096	1,298,328	-	523,674	2,454,098
Total revenues	93,713,685	16,201,428	22,383,469	35,661,623	167,960,205
Expenditures:					
Current:					
General government	12,771,172	-	-	5,382,852	18,154,024
Public safety	68,204,861	-	-	1,404,878	69,609,739
Public works	8,961,892	4,952,468	-	24,828,373	38,742,733
Parks and recreation	4,417,402	-	-	64,624	4,482,026
Economic development	-	9,188,923	-	427,810	9,616,733
Housing & neighborhood development	-	-	-	4,324,259	4,324,259
Social services	-	-	-	562,534	562,534
Capital outlay - construction	-	-	-	12,722,682	12,722,682
Capital outlay - engineering and others	-	-	-	3,282,167	3,282,167
Debt Service:					
Principal retirement	181,419	-	36,589,701	-	36,771,120
Interest and fiscal costs	-	-	4,953,299	52,333	5,005,632
Issuance costs	16,891	-	247,550	223,489	487,930
Total expenditures	94,553,637	14,141,391	41,790,550	53,276,001	203,761,579
Excess (deficiency) of revenue over (under) expenditures	(839,952)	2,060,037	(19,407,081)	(17,614,378)	(35,801,374)
Other Financing Sources (Uses):					
Issuance of debt	267,356	-	-	19,732,644	20,000,000
Issuance of refunding debt	-	-	19,560,161	-	19,560,161
Issuance of debt premium	-	-	611,916	424,469	1,036,385
Transfers in	184,656	-	2,116,182	-	2,300,838
Transfers (out)	-	-	-	(2,300,838)	(2,300,838)
Sale of property - proceeds received	125,109	-	-	67,847	192,956
Total other financing sources (uses)	577,121	-	22,288,259	17,924,122	40,789,502
Net change in fund balance	(262,831)	2,060,037	2,881,178	309,744	4,988,128
Fund balance, beginning of year	22,013,007	8,448,011	8,580,089	38,052,727	77,093,834
Fund balance, end of year	\$ 21,750,176	\$ 10,508,048	\$ 11,461,267	\$ 38,362,471	\$ 82,081,962

See notes to the basic financial statements.

City of Topeka, Kansas

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2019**

Total Net Change In Fund Balances - Governmental Funds	\$	4,988,128
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Amounts reported for governmental activities in the statement of activities are different because

Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.

Net book value of assets disposed	(19,714)	
Capital outlays	18,963,201	
Depreciation expense	<u>(23,257,665)</u>	(4,314,178)

Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenue in the governmental funds		3,315,310
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An internal service fund is used by the city's management to charge the costs of certain activities to the individual funds. The revenues and expenses of certain internal service funds are reported with governmental activities. A portion of the internal service fund activities are allocated to business-type activities in the amount of \$470,828.

		2,020,727
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Some expenses reported in the statement of activities, such as compensated absences, pension and OPEB, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Changes in compensated absences		54,473
Change in accrued interest		191,308
OPEB expense		(5,197)
Pension expense		(5,315,858)

Bond and temporary note proceeds are other financing sources in the governmental funds, but they increase long-term liabilities in the statement of net position and do not affect the statement of activities. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds on issuance of bonds, net of premiums	(40,596,546)	
GO and TIF bond payments	36,104,351	
Capital lease principal payments	666,769	
Amortization of premiums/discounts	1,482,660	
Change in deferred amounts of refunding	<u>(469,992)</u>	(2,812,758)

Changes in net position of governmental activities	\$	<u><u>(1,878,045)</u></u>
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See notes to the basic financial statements.

City of Topeka, Kansas

**Statement of Revenues, Expenditures and Changes in Fund Balance—
Budget and Actual (Budgetary Basis)
General Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues				
Taxes and service assessments	\$ 60,668,449	\$ 61,595,902	\$ 61,595,902	\$ (927,453)
Licenses and permits	2,195,526	1,693,235	1,693,235	502,291
Franchise fees	13,992,229	14,287,491	14,287,491	(295,262)
Payment in lieu of taxes - interfund	7,474,791	7,284,153	7,284,153	190,638
Intergovernmental	1,350,447	1,330,539	1,330,539	19,908
Fees for services	1,684,542	1,619,710	1,619,710	64,832
Administrative fees - interfund	3,018,011	2,872,293	2,872,293	145,718
Fines and forfeitures	1,071,762	3,000,000	3,000,000	(1,928,238)
Interest from investments	1,655,438	450,040	450,040	1,205,398
Miscellaneous	899,984	375,205	375,205	524,779
Total revenues	94,011,179	94,508,568	94,508,568	(497,389)
Expenditures				
General government	12,780,143	12,750,562	12,817,372	(37,229)
Public safety	68,352,553	68,259,191	68,372,115	(19,562)
Public works	8,960,852	9,201,325	9,201,325	(240,473)
Parks and recreation	4,417,402	4,508,347	4,538,488	(121,086)
Total expenditures	94,510,950	94,719,425	94,929,300	(418,350)
Excess (deficiency) of revenues over (under) expenditures	(499,771)	(210,857)	(420,732)	(79,039)
Other financing sources (uses):				
Transfer in	184,656	193,757	193,757	(9,101)
Sale of property	125,954	17,000	17,000	108,954
Total other financing sources (uses)	310,610	210,757	210,757	99,853
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	(189,161)	\$ (100)	\$ (209,975)	\$ 20,814
Budgetary fund balance, January 1	<u>21,728,565</u>			
Budgetary fund balance, December 31	21,539,404			
Reconciliation to GAAP				
Current year encumbrances	<u>210,772</u>			
GAAP Fund Balance, December 31	<u>\$ 21,750,176</u>			

See notes to the basic financial statements.

City of Topeka, Kansas

**Statement of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
1/2% Sales Tax Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues				
Taxes and assessments	\$ 9,188,923	\$ 12,087,680	\$ 12,087,680	\$ (2,898,757)
Intergovernmental	5,714,177	5,813,473	5,813,473	(99,296)
Miscellaneous	1,298,328	895,058	895,058	403,270
Total revenues	<u>16,201,428</u>	<u>18,796,211</u>	<u>18,796,211</u>	<u>(2,594,783)</u>
Expenditures				
Public works	4,919,832	16,104,147	16,104,147	(11,184,315)
Economic development	9,188,923	12,692,064	12,692,064	(3,503,141)
Total expenditures	<u>14,108,755</u>	<u>28,796,211</u>	<u>28,796,211</u>	<u>(14,687,456)</u>
Excess (deficiency) of revenues over (under) expenditures	2,092,673	<u>\$ (10,000,000)</u>	<u>\$ (10,000,000)</u>	<u>\$ 12,092,673</u>
Budgetary fund balance, January 1	<u>8,448,011</u>			
Budgetary fund balance, December 31	10,540,684			
Reconciliation to GAAP				
Encumbrances	<u>(32,636)</u>			
GAAP Fund Balance, December 31	<u>\$ 10,508,048</u>			

See notes to the basic financial statements.

City of Topeka, Kansas

Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities:			
	Enterprise Funds			Internal Service Funds
	Water, Stormwater & Water Pollution Control Utility	Nonmajor Enterprise Fund - Parking	Total Enterprise Funds	
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and investments in Treasurer's Fund	\$ 104,277,318	\$ 2,244,704	\$ 106,522,022	\$ 21,782,906
Accounts receivables (net of allowance for uncollectibles)	7,917,869	126,238	8,044,107	24,053
Accrued interest	-	-	-	285,608
Inventory	3,019,678	-	3,019,678	190,741
Prepaid costs	3,510	1,935	5,445	-
Due from other funds	-	-	-	517,139
Restricted cash and investments in Treasurer's Fund	4,280,893	-	4,280,893	-
Total current assets	119,499,268	2,372,877	121,872,145	22,800,447
Noncurrent assets:				
Restricted cash and investments in Treasurer's Fund	13,253,943	99,091	13,353,034	-
Restricted investments with fiscal agency	6,700,297	-	6,700,297	-
Capital assets:				
Capital assets not being depreciated	107,455,920	1,058,331	108,514,251	-
Depreciable capital assets being depreciated, net	300,127,312	11,165,469	311,292,781	253,350
Total capital assets	407,583,232	12,223,800	419,807,032	253,350
Total noncurrent assets	427,537,472	12,322,891	439,860,363	253,350
Total assets	547,036,740	14,695,768	561,732,508	23,053,797
Deferred outflows of resources:				
Deferred amounts on refunding	1,848,982	-	1,848,982	-
Deferred pension amounts	692,747	43,296	736,043	931,347
Deferred KPERS OPEB amounts	59,561	3,723	63,284	15,422
Deferred OPEB amounts	158,284	9,806	168,090	40,621
Total deferred outflows of resources	2,759,574	56,825	2,816,399	987,390
Total assets and deferred outflows of resources	\$ 549,796,314	\$ 14,752,593	\$ 564,548,907	\$ 24,041,187
Liabilities and Deferred Inflows of Resources				
Current liabilities:				
Accounts payable	\$ 7,879,615	\$ 28,662	\$ 7,908,277	\$ 1,141,044
Accrued payroll and benefits	710,564	28,716	739,280	188,402
Retainage payable	350,440	-	350,440	-
Accrued interest	570,072	85,485	655,557	-
Due to other funds	106,399	4,620	111,019	24,806
Due to other governments	22,617	-	22,617	-
Temporary notes payable	43,118,565	-	43,118,565	-
Self insurance claims	-	-	-	2,867,197
General obligation bonds payable	-	490,232	490,232	-
Revenue bonds payable	8,010,000	-	8,010,000	-
State revolving loan payable	5,222,781	-	5,222,781	-
Current liabilities (payable from restricted assets):				
Accrued interest	2,951,279	-	2,951,279	-
Deposits	1,329,614	-	1,329,614	-
Compensated absences and other benefits	537,448	31,501	568,949	174,763
Unearned revenue	406,807	-	406,807	-
Total current liabilities	71,216,201	669,216	71,885,417	4,396,212
Noncurrent liabilities:				
General obligation bonds payable	-	7,899,788	7,899,788	-
Revenue bonds payable	213,531,720	-	213,531,720	-
State revolving loan payable	23,474,854	-	23,474,854	-
Compensated absences and other benefits	286,829	16,652	303,481	86,464
Net pension liability	4,522,921	282,683	4,805,604	5,545,639
Total OPEB liability - KPERS	476,620	29,789	506,409	123,411
Total OPEB liability	689,358	42,703	732,061	176,915
Total noncurrent liabilities	242,982,302	8,271,615	251,253,917	5,932,429
Total liabilities	314,198,503	8,940,831	323,139,334	10,328,641
Deferred Inflows of Resources:				
Deferred amounts on refunding	-	7,551	7,551	-
Deferred pension amounts	144,506	9,032	153,538	254,978
Deferred KPERS OPEB amounts	40,862	2,554	43,416	10,580
Deferred OPEB amounts	85,426	5,292	90,718	21,924
Total deferred inflows of resources	270,794	24,429	295,223	287,482
Total liabilities and deferred inflows of resources	314,469,297	8,965,260	323,434,557	10,616,123
Net Position				
Net investment in capital assets	\$ 186,635,759	\$ 3,833,780	\$ 190,469,539	\$ 253,350
Restricted for sinking funds	-	99,091	99,091	-
Unrestricted	48,691,258	1,854,462	50,545,720	13,171,714
Total net position	\$ 235,327,017	\$ 5,787,333	241,114,350	\$ 13,425,064
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:			940,386	
Total net position			<u>\$ 242,054,736</u>	

See notes to the basic financial statements.

City of Topeka, Kansas

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Year Ended December 31, 2019

	Business-Type Activities:			
	Enterprise Funds			
	Water, Stormwater & Water Pollution Control Utility	Nonmajor Enterprise Fund - Parking	Total Enterprise Funds	Internal Service Funds
Operating revenues				
Charges for services	\$ 73,974,371	\$ 2,806,574	\$ 76,780,945	\$ 23,170,248
Other	2,671,494	194,589	2,866,083	132,261
Total operating revenues	76,645,865	3,001,163	79,647,028	23,302,509
Operating expenses				
Personnel services	15,464,442	639,721	16,104,163	4,366,135
Contractual services	23,735,592	1,131,169	24,866,761	6,950,028
Supplies	9,075,619	320,112	9,395,731	862,377
Depreciation	16,205,918	741,345	16,947,263	58,544
Insurance claims	-	-	-	8,940,878
Total operating expenses	64,481,571	2,832,347	67,313,918	21,177,962
Operating income	12,164,294	168,816	12,333,110	2,124,547
Nonoperating revenues (expenses):				
Interest income	2,999,441	59,248	3,058,689	365,808
Interest and amortization (expense)	(8,769,388)	(208,812)	(8,978,200)	-
Debt issuance costs	(54,945)	(7,663)	(62,608)	-
Gain/(loss) on sale of capital assets	(67,723)	7,153	(60,570)	1,200
Total nonoperating revenues (expenses)	(5,892,615)	(150,074)	(6,042,689)	367,008
Change in net position	6,271,679	18,742	6,290,421	2,491,555
Net position, beginning of year	229,055,338	5,768,591		10,933,509
Net position, end of year	<u>\$ 235,327,017</u>	<u>\$ 5,787,333</u>		<u>\$ 13,425,064</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.			470,828	
Changes in net position of business-type activities			<u>\$ 6,761,249</u>	

See notes to the basic financial statements.

City of Topeka, Kansas

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Business-Type Activities: Enterprise Funds			
	Water, Stormwater & Water Pollution Control Utility	Nonmajor Enterprise Fund - Parking	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers	\$ 75,206,122	\$ 2,802,481	\$ 78,008,603	\$ 23,157,430
Payments to suppliers	(36,956,752)	(1,855,653)	(38,812,405)	(17,199,991)
Payments to employees	(11,495,539)	(444,763)	(11,940,302)	(3,122,406)
Other receipts	2,671,494	196,418	2,867,912	132,261
Net cash provided by operating activities	29,425,325	698,483	30,123,808	2,967,294
Cash flows from capital and related financing activities:				
Proceeds from general obligation bonds	-	594,839	594,839	-
Proceeds from revenue bonds	33,270,000	-	33,270,000	-
Proceeds on temporary notes	41,955,000	-	41,955,000	-
Premium on issuance of general obligation bonds	-	24,728	24,728	-
Premium on issuance of revenue bonds	1,216,658	-	1,216,658	-
Debt issuance costs	(54,945)	(7,663)	(62,608)	-
Principal paid on general obligation bonds	-	(1,140,647)	(1,140,647)	-
Principal paid on revenue bonds	(17,570,000)	-	(17,570,000)	-
Principal paid on state revolving loans	(5,478,691)	-	(5,478,691)	-
Principal paid on temporary notes	(38,551,251)	-	(38,551,251)	-
Interest paid on capital debt	(8,275,248)	(308,401)	(8,583,649)	-
Purchases of capital assets	(44,625,976)	(52,813)	(44,678,789)	(103,441)
Proceeds from sale of capital assets	16,238	59,964	76,202	-
Net cash provided by (used in) capital and related financing activities	(38,098,215)	(829,993)	(38,928,208)	(103,441)
Cash flows from investing activities:				
Sale of investments	292,136	-	292,136	-
Interest received	2,999,441	59,248	3,058,689	241,836
Net cash provided by investing activities	3,291,577	59,248	3,350,825	241,836
Cash flows from noncapital financing activities, interfund activity				
	9,629	286	9,915	(58,176)
Net increase (decrease) in cash and cash equivalents	(5,371,684)	(71,976)	(5,443,660)	3,047,513
Cash and cash equivalents, January 1	127,183,838	2,415,771	129,599,609	18,735,393
Cash and cash equivalents, December 31	\$ 121,812,154	\$ 2,343,795	\$ 124,155,949	\$ 21,782,906
Cash and equivalents reported on the Statement of Net Position				
Cash and investments in Treasurer's Fund	\$ 104,277,318	\$ 2,244,704	\$ 106,522,022	\$ 21,782,906
Restricted cash and investments in Treasurer's Fund - current	4,280,893	-	4,280,893	-
Restricted cash and investments in Treasurer's Fund - noncurrent	13,253,943	99,091	13,353,034	-
Total	\$ 121,812,154	\$ 2,343,795	\$ 124,155,949	\$ 21,782,906

(Continued)

City of Topeka, Kansas

Statement of Cash Flows (Continued)
 Proprietary Funds
 For the Year Ended December 31, 2019

	Business-Type Activities: Enterprise Funds			
	Water, Stormwater & Water Pollution Control Utility	Nonmajor Enterprise Fund - Parking	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 12,164,294	\$ 168,816	\$ 12,333,110	\$ 2,124,547
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	16,205,918	741,345	16,947,263	58,544
Amortization	-	1,829	1,829	-
(Increase) decrease in accounts receivable	1,127,811	(4,093)	1,123,718	(12,818)
(Increase) decrease in inventory	(209,815)	-	(209,815)	(28,892)
(Increase) decrease in prepaids	-	2,164	2,164	-
Increase (decrease) in accounts payable	(334,264)	(224,834)	(559,098)	1,571,419
Increase (decrease) in accrued payroll and benefits	94,226	1,630	95,856	14,050
Increase (decrease) in retainage payable	106,580	-	106,580	-
Increase (decrease) in due to other governments	(96,577)	-	(96,577)	-
Increase (decrease) in self-insurance claims	-	-	-	(901,993)
Increase (decrease) in deposits	81,665	-	81,665	-
Increase (decrease) in compensated absences	(58)	(2,133)	(2,191)	(7,577)
Increase (decrease) in unearned revenue	22,275	-	22,275	-
Increase (decrease) in net pension liability	57,761	1,096	58,857	(51,255)
Increase (decrease) in total OPEB liability	25,229	904	26,133	(6,480)
(Increase) decrease deferred outflows	128,576	8,698	137,274	244,932
Increase (decrease) deferred inflows	51,704	3,061	54,765	(37,183)
Net cash provided by operating activities	\$ 29,425,325	\$ 698,483	\$ 30,123,808	\$ 2,967,294
Noncash capital and investing activities				
Capital assets in accounts payable	\$ 2,727,513	\$ -	\$ 2,727,513	\$ -
Fair market value adjustments on investments	\$ 1,037,251	\$ -	\$ 1,037,251	\$ -

See notes to the basic financial statements.

City of Topeka, Kansas

**Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2019**

	Agency Funds
<hr/>	
Assets	
Cash and investments in Treasurer's Fund	\$ 3,231,314
Accounts receivable	<u>1,285,582</u>
Total assets	<u><u>\$ 4,516,896</u></u>
Liabilities	
Accounts and contracts payable	\$ 3,070,603
Due to other governments	38,909
Due to others	<u>1,407,384</u>
Total liabilities	<u><u>\$ 4,516,896</u></u>

See notes to the basic financial statements.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

A. Reporting entity:

The City of Topeka is a municipal corporation governed by a Mayor and nine Council members all elected on a non-partisan basis. The City at large elects the Mayor, and the nine Council members are elected by district. The accompanying financial statements present the financial position of the City (the primary government) and its component unit.

The Friends of the Topeka Zoo, Inc. (FOTZ) is organized as a not-for-profit under Section 501(c)(3) of the Internal Revenue Code. The purpose of the organization is to carry on general charitable, benevolent, social service, educational and public benefit work in the community, particularly for developing and improving zoos and zoo facilities in Topeka and Shawnee County, Kansas, and improving the educational influence of zoos with children and adults. The City is considered to be financially accountable for FOTZ, and therefore is classified as a discretely presented component unit.

FOTZ is a private nonprofit organization that reports under the Financial Accounting Standards Board (FASB), including Topic 958. As such, certain revenue recognition criteria and presentation features are different from Governmental Accounting Standards Board (GASB) revenue recognition criteria and presentation features. No modifications have been made to FOTZ's financial information in the City's financial statements for these differences.

The accounting and reporting policies of the City of Topeka, Kansas, relating to the funds included in the accompanying financial statements, conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the GASB. Certain significant accounting policies of the City are described below.

B. Government-wide and fund financial statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City of Topeka (primary government and its component unit). As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. While agency funds do not have a measurement focus and will only report assets and liabilities, agency funds do use the accrual basis of accounting. The operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the modified *accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments, are recorded only when the obligations are due and are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are sales taxes, franchise taxes, special assessments, investment earnings, and certain Federal and State grants and entitlements. Licenses, permits, fees for services, fines, and parking meter revenues are not susceptible to accrual, because generally they are not measurable until received in cash. Property taxes and special assessments, though measurable, are not available to finance current period obligations. Therefore, property taxes and special assessment receivables are recorded and a deferred inflow of resources is recorded in the fund statements until they become available.

The City of Topeka reports the following major governmental funds:

The *general fund* is the main operating fund of the City. This fund is used to account for all financial resources of the City, except those accounted for and reported in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the general fund. This fund accounts for activities of general government, public safety, public works, parks and recreation, zoo and planning.

The $\frac{1}{2}\%$ *sales tax fund* provides funding for economic development and countywide infrastructure development.

The *debt service fund* is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The City of Topeka reports the following major proprietary fund:

The combined *water, storm water, and water pollution control utility fund* provides accountability for all phases of operation and maintenance of the City's public water supply, water pollution control functions (*i.e.*, wastewater treatment), and storm water utility systems.

The City reports the following types of nonmajor governmental funds:

Special revenue funds are used to account for the proceeds of specific revenue resources that are legally restricted or committed to expenditure for specified purposes.

Capital project funds are used to account for capital project related resources and project costs.

The City of Topeka reports the following types of nonmajor proprietary funds:

Enterprise funds are used for activities which are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the City, or to other governments, on a cost-reimbursement basis. The City's internal service funds include *information technology, fleet services, facility operations and risk management (which consists of funds for property insurance, workman's compensation insurance, group health insurance, a risk reserve fund, and unemployment insurance fund)*. The schedules for the internal service funds can be found in the *Other Fund Statements and Schedules* section.

Additionally, the City reports the following fund type:

Fiduciary funds are used to account for resources that are held by the government as a trustee or as an agent for parties outside the government and that cannot be used to support the City's own programs. The City of Topeka has no fiduciary trust funds, but maintains 15 fiduciary agency funds. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations. The City's agency funds consist of state mandated collections through the Municipal Court and payroll taxes and deductions. A more detailed list of these funds and their purposes can be found in the *Other Fund Financial Statements and Schedules* section.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the City's water and wastewater function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance, and Net Position:

1. Deposits and investments

The City of Topeka considers *cash and cash equivalents* to be cash on hand, demand deposits, and short-term investments with maturities of three months or less from the date of acquisition.

The City's Financial Services Department maintains and administers a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is included on the combined balance sheet or statement of net position as *Cash and investments in treasurer's fund*.

Kansas statutes authorize the City, with certain restrictions, to deposit or invest directly in temporary notes, no-fund warrants, open accounts, time deposits, certificates of deposit, repurchase agreements, U.S. Treasury bills and notes, and the State's Municipal Investment Pool (MIP). The MIP is not registered with the Securities Exchange Commission and is governed by the State of Kansas Pooled Money Investment Board. The MIP operates in accordance with applicable State laws and regulations. The reported value of the City's investment in the MIP is the same as the fair value of its pool shares. MIP does not include any involuntary participants. Other investments of the City are also reported at fair value.

Statutes require that collateral, which has a fair value equal to 100% of the investment (less Federally insured amounts), be assigned for the benefit of the City to secure an investment of City funds. The statutes provide for an exception for peak deposit periods during taxpaying time where, for a period of 60 days, the amount of required collateral may be reduced by one-half.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Property taxes are levied November 1 on property values assessed at the previous January 1, as certified by the County Appraiser on June 15 of each year. The tax levy can be paid by property owners in two installment payments. The first half is due on December 20 of the year levied, and the second half is due on the following May 10. The payment is considered past due on the day after the due date, at which time the applicable property is subject to lien.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Special assessments receivable reflects the property taxes collectable by the City for the purpose of repaying the Special Assessment debt held by the City. The amount collectable by the City is reduced each year as the taxes are levied against the property and, subsequently, collected by the City. Special assessments receivable is expressed net of allowances for doubtful accounts, based on foreclosed properties. At December 31, 2019, the City had \$34,084,059 in special assessments receivable in the Debt Service Fund. In the governmental funds, this receivable is reported as unavailable revenue, and recognized as revenue in the period the amounts become available.

3. Inventories and prepaid items

Inventories are valued at cost using the first in, first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

In both government-wide and fund financial statements, payments made to vendors for goods or services that will benefit periods beyond the current fiscal year, are recorded as prepaid items when they are deemed material, and it is considered appropriate.

4. Restricted assets

Certain proceeds of governmental and business-type bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the *statement of net position*, because their use is limited by applicable bond covenants. An amount is placed under restricted assets if resources need to be set aside to subsidize potential deficiencies from the enterprise fund's operation that could affect debt service payments. These amounts will be shown in the *Restricted assets: Cash and investments in treasurer's fund* account on the Combined Water, Stormwater & Water Pollution Control Utility Fund *statement of net position*.

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports a deferred amount on refunding reported in the government-wide and proprietary fund statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City reports changes in the pension and OPEB plans' liability proportion and assumptions, net difference between projected and actual earnings on pension plan and OPEB plan investments and differences between expected and actual experience are reported as deferred outflows of resources in the government activities.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has multiple types of items, which arise under the accrual and modified accrual basis of accounting that qualify for reporting in this category. The governmental funds report unavailable revenues from special assessments and other and property taxes levied for a subsequent period. The City reports a deferred amount on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price, in the government wide and proprietary fund statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Differences between expected and actual experience, changes in assumptions and changes in the pension and OPEB plans' liability proportion are reported as deferred inflows. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Unearned revenue

Unearned revenue arises when resources are received by the City but not yet recognized as revenue since it has not been earned. In subsequent periods when all applicable eligibility requirements are met, revenue is recognized.

7. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines most capital assets, as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Land improvements, building improvements, and infrastructure, have a minimum value of \$25,000, to meet the capitalization threshold. All such capital assets that are purchased or constructed are valued at historical cost where records are available and at an estimated historical cost where no such records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value. Grant funded capital assets follow the capitalization threshold specified in the grant, if nothing is specified in the grant, then the City follows its capitalization policy. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirement and any resulting gain or loss is reflected in the basic financial statements.

Depreciation of the City's capital assets is computed using the straight-line method and the following useful life ranges:

Buildings and improvements	20 Years
Furniture and office equipment	5-10 Years
Motor vehicles	5 Years
Tools and equipment	5-10 Years
Infrastructure	10-50 Years
Software	10 Years

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

As a result of the adoption of GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of the Construction Period*, no interest costs were capitalized in the current year and none will be capitalized going forward.

Prior to fiscal year 2019, interest costs incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed when those projects are debt financed. A portion of the temporary notes issued were used to finance specific water improvement projects. Accordingly, the interest capitalized was calculated by netting any investment earnings from unexpended debt proceeds against the related interest expense incurred from the date of debt issuance until completion of the project.

8. Compensated absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and sick leave balances. Under the terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. After completing a probationary period, vacation is earned at a rate of .0462 to .1154 per hour for a forty hour employee, depending on the length of service. A forty hour per week employee can accumulate up to 240 hours in a year. A twenty-four hour employee earns at a rate of .0462 to .1296 per hour and is allowed to carry over 360 hours per year. All accrued vacation will be paid out upon termination of services from the City at the regular rate. The City's compensated absence liability is normally liquidated in the General Fund and the Water, Stormwater & Water Pollution Control Utility Fund. Sick leave for a forty hour employee is earned at a rate of .0462 per hour and has a maximum accrual of 1,040 hours. Sick leave for a twenty-four hour employee is earned at the same rate, but employees are allowed to carry up to 1,388 hours. Accrued sick leave will only be paid out upon an employee retiring and paid at 35% of their sick leave balance, with a maximum of 400 hours for a forty hour employee and a maximum of 520 hours for a twenty-four hour employee.

9. Long-term obligations

In the government-wide financial statements and in the fund financial statements for proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the term of the related bonds using the bonds outstanding method, which approximates the effective interest method. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuances are also reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as an expenditure in the period incurred.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERs) and additions to/deductions from KPERs fiduciary net position have been determined on the same basis as they are reported by KPERs. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

10. Equity classifications

In the government-wide financial statements, equity is shown as net position and classified into three components:

Net investment in capital assets: Capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position: Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; (2) law through constitutional provisions or enabling legislation. *When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources, as they are needed.*

Unrestricted net position: All other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

The City reports governmental fund balances by the five following classifications:

Nonspendable: Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Amounts with restrictions that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts that can only be used for specific purposes and imposed by formal action of the government's highest level of decision making authority. In the case of the City it is the City Council and the formal action would be an ordinance to modify or rescind the commitment.

Assigned: Amounts constrained by the City's departmental director's intent, through contract and procurement policies, to be used for specific purposes but are not formally restricted by external resources or committed by City Council.

Unassigned: Amount of the remaining fund balance not in any of the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount.

For the classification of fund balances, the City considers restricted amounts to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Expenditures are to be spent from restricted fund balance first, followed by committed, assigned, and lastly unassigned fund balance.

The City has an adopted fund balance policy with Resolution No. 8824 for the General Fund, Debt Service Fund, Motor Fuel Tax Fund (Special Street Repairs), and Special Liabilities Fund. For the General Fund, the policy states the City shall maintain a minimum unassigned fund balance equal to 15% of the General Fund revenues and a target unassigned fund balance of 20% of the General Fund revenues. For the Debt Service Fund, the policy states the City shall maintain a minimum restricted fund balance equal to 10% of the Debt Service Fund revenues. For the Motor Fuel Tax Fund (Special Street Repairs), the policy states the City shall maintain a minimum restricted fund balance equal to 10% of the Motor Fuel Tax Fund (Special Street Repairs) revenues.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

For the Special Liability Fund, the policy states the City shall maintain a minimum restricted fund balance equal to 10% of the Special Liability Fund revenues. In the event that reserves are used resulting in a balance below the minimum balance, for the funds with an adopted fund balance policy, a plan will be developed by the City Manager and such plan will be included in the formulation of the five-year forecast presented during the annual budget process to replenish reserve levels.

The governmental fund balance classifications as of December 31, 2019 are as follows:

	General	1/2% Sales Tax	Debt Service	Other Governmental Funds	Total Governmental Funds
Fund balances:					
Nonspendable, prepaid items	\$ 109,356	\$ -	\$ -	\$ -	\$ 109,356
Restricted for:					
Crime prevention and public safety	-	-	-	1,741,420	1,741,420
Infrastructure repairs and projects	-	-	-	30,579,032	30,579,032
Economic development	-	10,508,048	-	-	10,508,048
Alcohol and drug programs	-	-	-	555,026	555,026
Debt service	-	-	11,461,267	-	11,461,267
Claims and judgements	-	-	-	2,543,960	2,543,960
Tourism	-	-	-	181,218	181,218
Other purposes	-	-	-	3,102,076	3,102,076
Total restricted for	-	10,508,048	11,461,267	38,702,732	60,672,047
Committed to:					
Crime prevention and public safety	-	-	-	701,703	701,703
Housing and community improvements	-	-	-	491,313	491,313
Other purposes	-	-	-	29,711	29,711
Total committed to	-	-	-	1,222,727	1,222,727
Assigned to, contractual services and commodities	210,772	-	-	-	210,772
Unassigned	21,430,048	-	-	(1,562,988)	19,867,060
Total fund balances	\$ 21,750,176	\$ 10,508,048	\$ 11,461,267	\$ 38,362,471	\$ 82,081,962

11. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results could differ from those estimates.

12. Pending Governmental Accounting Standards Board Statements

At December 31, 2019, the GASB had issued several statements that are not yet effective and have not yet been implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities, with the focus of the criteria on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund. The requirements of this statement are effective for periods beginning after December 15, 2019.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

GASB Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for periods beginning after June 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the City beginning with its year ending December 31, 2022. This Statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91 a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

GASB Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB statements. In particular, this Statement addresses the effective date of GASB Statement No. 87, *Leases* and Implementation Guide No. 2019-3, *Leases*, which is effective upon issuance. It also addresses 1.) Reporting of intra-entity transfers of assets between the primary government employer and component unit defined benefit retirement plans; 2.) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits; 3.) The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; 4.) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; 5.) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; 6.) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and 7.) Terminology used to refer to derivative instruments, all of which are effective for the City with its year ending December 31, 2022.

GASB No. 93, *Replacement of Interbank Offered Rates* establishes how the City will report the change of any of its variable payment debt that are tied to the London Interbank Offered Rate (LIBOR) when the LIBOR standard is no longer used after December 31, 2021. This statement will be effective for the City with its year ending December 31, 2021 except for provision relating to the removal of the LIBOR rate, which will be effective for the fiscal year ending December 31, 2022.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* will improve financial reporting by addressing issues related to public-private and public-public partnerships and provides guidance for accounting and reporting for availability payment arrangements. This statement will be effective for the City with its year ending December 31, 2023.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 2. Stewardship, Compliance and Accountability

A. Budgetary information

Kansas state statutes require that an annual operating budget be legally adopted for all governmental fund types, unless specifically exempted by statute. The statutes provide for the following sequence and timetable in the adoption of the City's legal annual operating budget:

- Preparation of the budget for the succeeding year on or before August 1.
- Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
- Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
- Adoption of the final budget on or before August 25.

The statutes allow the governing body to increase the originally adopted budget only for previously unanticipated increases in revenue, other than those attributed to *ad valorem* property taxes. To do this, a notice of public hearing to amend the budget must be published in the official, local newspaper. No sooner than ten days after publication, the hearing may be held, and the governing body may amend the budget at that time.

Under Kansas statutes, management cannot amend the budget without approval of the governing body. The statutes establish the legal level of budgetary control at the fund level by prohibiting expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management is not allowed to amend a fund's total budgeted expenditures without the City Council's approval.

Management is permitted to transfer budgeted amounts between divisions within City departments or line items within an individual fund. Within each department, division are given the latitude to exceed specific line items, but total expenditures may not exceed the total budgeted expenditures for the division without proper justification.

Budget comparison statements and schedules are presented for each budgeted governmental fund, showing actual revenues and expenditures compared to legally budgeted revenues and expenditures. The Capital Projects Fund, Park Land Acquisition Fund, Donations & Gifts Fund, Governmental & Miscellaneous Grants Fund and Developer Projects Fund are not legally required to have an annual operating budget.

The City's legal, annual, operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Normally, revenues are recognized when cash is received, if not susceptible to accruals. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments, which are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

The funds with legally adopted, annual budgets consist of the General Fund, Debt Service Fund and the following Special Revenue Funds: 1/2 % Sales Tax Fund, Special Street Repairs Fund, Sales Tax – Street Repairs Fund, Special Liability Expense Fund, Special Alcohol Program Fund, Alcohol and Drug Safety Fund, Transient Guest Tax Fund, Retirement Reserve Fund, KP & F Equalization Fund, Neighborhood Revitalization Fund, Historic Asset Tourism Fund, Law Enforcement Fund, Downtown Improvement District Fund, and Court Technology Fund. A legal annual operating budget is not required for capital projects funds (such as bridges, streets and traffic ways), but each project is taken before the City Council for approval, as well as trust (agency) funds, proprietary funds, and certain other special revenue funds. Spending in funds that are not subject to legal, annual, operating budget requirements are controlled by Federal regulations, other statutes, Council approved budgets, by the use of external spending limits or by the external organization contributing the funds.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds

A. Deposits and investments

At December 31, 2019, the City's carrying values of cash and investments are summarized as follows:

Cash and cash equivalents:	
Deposits	\$ 33,744,254
Certificates of deposits	75,000,000
Total cash and cash equivalents	<u>108,744,254</u>
Investments:	
State Treasurer Municipal Investment Pool	4,968,572
U.S. Treasury notes	37,994,032
U.S. Government Agency securities	84,792,434
Total investments	<u>127,755,038</u>
Total cash and investments	<u>\$ 236,499,292</u>

Deposits and investments of the City are reflected in the government-wide financial statements and fiduciary financial statements as follows:

	Government-Wide Statement of Position	Fiduciary Statement of Net Position
Cash and investments in Treasurer's Fund	\$ 208,726,220	\$ 3,231,314
Restricted assets:		
Cash and investments in Treasurer's Fund - current	4,488,427	-
Cash and investments in Treasurer's Fund - noncurrent	13,353,034	-
Restricted investments with fiscal agency	6,700,297	-
	<u>\$ 233,267,978</u>	<u>\$ 3,231,314</u>

At December 31, 2019, the City had the following investments:

City Investments by fair value level	December 31, 2019	Fair Value Measurement Using Quoted Prices in Active Markets for Identical Assets Level 1	Fair Value Measurement Using Significant Other Observable Inputs Level 2	Fair Value Measurement Using Unobservable Inputs Level 3	Rating	Weighted Average Maturity (In Years)
U.S. Agencies	\$ 84,792,434	\$ -	\$ 84,792,434	\$ -	Moody's Aaa	0.78
U.S. Treasury Notes	37,994,032	-	37,994,032	-	Moody's Aaa	1.38
State Treasurer's Municipal Investment Pool	4,968,572	-	4,968,572	-	AAA+/S1+	N/A
Total investments by fair value level	<u>\$ 127,755,038</u>	<u>\$ -</u>	<u>\$ 127,755,038</u>	<u>\$ -</u>		

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices for identical assets in an active market that an entity has the ability to access; Level 2 inputs quoted prices for similar assets in active markets and inputs that are observable for the asset, either directly or indirectly, for substantially the full term of the asset; and Level 3 inputs are inputs that are unobservable for the asset which are typically based upon the City's own assumptions as there is little, if any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the following fair value techniques were utilized in measuring the fair value of its investments.

U.S. Treasury securities: These investments are reported at fair value using other observable significant inputs including but not limited to quoted prices for similar securities, interest rates and fixed-income pricing models.

Government-sponsored enterprises: U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out to 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium-term notes.

The City has no assets reported at fair value on a nonrecurring basis and no other investments meeting the fair value disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 72.

Interest rate risk: The City manages interest rate risk by dividing its pooled cash into four sub-portfolios. Its day-to-day and secondary liquidity portfolios are invested in securities maturing in not more than 30-days and not more than one-year, respectively. Its income portfolio (moneys not expected to be needed for cash flow purposes during the course of the year) is invested in securities with maturities of two years or less in accordance with state law. Investments held in accordance with bond programs are invested to match the expected cash flow needs of each bond program.

Credit risk: Kansas state law (K.S.A. 10-301 and K.S.A. 12-1675) specifies the types of investments in which a municipality may invest. Generally, these are limited to bank deposits and high-quality Federal and local securities. State law also provides for investment of City funds in the Municipal Investment Pool (MIP) within the State Treasury. At December 31, 2019 the City's investment in the MIP was rated AAf/S1+ and the investments in both U.S. Agencies and U.S. Treasury Notes were rated Aaa.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

Concentration of credit risk: The City's Investment Policy limits concentration of risk by imposing portfolio limits on most types of investments, except in bank deposits (which are either FDIC insured or fully collateralized) and US Treasury securities. Investments are made in consideration of safety, liquidity, rate of return, and diversification.

As of December 31, 2019, the City's investments include FHLMC, FHLB, FNMA and FFCB, which represent 18%, 33%, 11% and 7%, respectively, of total investments.

Custodial credit risk on deposits: In the case of deposits of cash and cash equivalents, custodial credit risk is the risk that in the event of failure of a financial institution, the City's deposits may not be returned. State law (K.S.A. 9-1402) mandates that a bank must pledge collateral equal to 100% of the market value of the City's deposits, using those types of collateral allowed by the law. At December 31, 2019, the City had deposits totaling \$88,548,477 in financial institutions, with FDIC coverage of \$1,250,000 and with collateral assets pledged to the City by the institutions having a fair market value of \$136,483,192. FOTZ had deposits totaling \$1,219,172 of which \$500,000 was covered by FDIC insurance. The remaining \$719,172 was unsecured and exposed to credit risk at December 31, 2019.

Custodial credit risk on investments: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction the City will not be able to recover the value of investment. The City's investments in government securities are registered in the name of the City and therefore not exposed to custodial credit risk.

State law (K.S.A. 12-1675) allows monies not associated with a bond program or a multi-year capital investment fund, to be invested in the following types of securities:

- Temporary notes or no-fund warrants of the City;
- Savings deposits, time deposits, open accounts, certificates of deposit or time certificates of deposit with maturities of not more than two years in banks, savings and loan associations and savings banks which have main or branch offices located within the corporate boundaries of the City ("Bank Deposits"); or

Repurchase agreements with banks, savings and loan associations and savings banks, which have main or branch offices located within the corporate boundaries of the City, for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. The City may enter into such investments with banks, savings and loan associations and savings banks with main or branch offices in Shawnee County, Kansas, if no such institutions within the corporate boundaries of the City are willing to enter into such agreements or if the agreements bid by in-city institutions do not provide an interest rate equal to or greater than that rate defined in K.S.A. 12-1675a(g). Finally, the City may enter into such investments with banks, savings and loan associations and savings banks with main or branch offices in the state if no such institutions within the corporate boundaries of the City or of Shawnee County, Kansas, are willing to enter into such agreements or if the agreements bid by in-city institutions do not provide an interest rate equal to or greater than that rate defined in K.S.A. 12-1675(a)(g).

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

In the event banks, savings and loan associations and savings banks eligible for investments in savings deposits, time deposits, open accounts, certificates of deposit or time certificates of deposit with maturities of not more than two years cannot or will not make such investments available to the City at interest rates equal to or greater than the rate set forth in K.S.A. 12-1675a(g), the City may invest in the following:

- United States Treasury bills or notes with maturities as the governing body shall determine, but not exceeding two years. The City is required to purchase such securities from: (a) banks, savings and loan associations and savings banks; (b) the federal reserve bank of Kansas City, Missouri; (c) primary government securities dealers which report to the market report division of the federal reserve bank of New York; or (d) or any broker-dealer engaged in the business of selling government securities which is registered in compliance with the requirements of section 15 or 15C of the securities exchange act of 1934 and registered pursuant to K.S.A. 17-12a401;
- The municipal investment pool fund established in K.S.A. 12-1677a, and amendments thereto;
- Multiple municipal client investment pools managed by the trust departments of banks which have main or branch offices located in Shawnee County, Kansas, or with trust companies incorporated under Kansas law which have contracted to provide trust services under the provisions of K.S.A. 9-2107 with banks that have main or branch offices located Shawnee County, Kansas; or
- General obligation municipal bonds or other general obligations issued by any municipality of the state of Kansas as defined in K.S.A. 10-1101.

Bond and note proceeds, as well as the balances in a capital improvement fund created pursuant to K.S.A 12-1,118, may be invested in accordance with K.S.A. 10-131. Permitted investments include:

- Investments authorized by KSA 12-1675 et seq. (as described above).
- Municipal investment pool.
- Direct obligations of the United States government or agency thereof.
- Temporary notes of the City.
- (Interest-bearing time deposits in commercial banks located in Shawnee County, Kansas.
- Obligations such as the Federal National Mortgage Association, Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation or other qualified obligations.
- Money market funds investing solely in US Treasury and Agencies.
- Receipts evidencing ownership interest in US Treasury and Agencies.
- Repurchase agreements for securities such as direct obligations of the United States government or agency thereof or obligations such as the Federal national Mortgage Association, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation or other qualified obligations.
- Municipal bonds or other obligations issued by any Kansas municipality bearing that municipality's general obligation.
- Bonds of any Kansas municipality that have been advance refunded and are fully secured as to payment of principal and interest by US Treasury and Agencies.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

B. Receivables

Year-end receivables for the governmental activities and business-type activities in the aggregate, are as follows:

	Governmental Activities	Business- Type Activities	Total
Accounts receivable	\$ 1,565,285	\$ 8,044,107	\$ 9,609,392
Taxes receivable	62,542,532	-	62,542,532
Special assessments receivable	34,084,059	-	34,084,059
Interest receivable	1,634,036	-	1,634,036
	<u>\$ 99,825,912</u>	<u>\$ 8,044,107</u>	<u>\$ 107,870,019</u>

All trade receivables are shown net of an allowance for uncollectibles. At December 31, 2019 an allowance of \$826,496 is recorded in the business-type activities.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the governmental funds were as follows:

	General	1/2% Sales Tax	Debt Service	Nonmajor Governmental	Total
Property Tax	\$ 32,159,822	\$ -	\$ 17,952,531	\$ 765,510	\$ 50,877,863
Special Assessments	-	-	34,084,059	-	34,084,059
Other Unavailable Revenues	-	376,250	7,485	1,658,135	2,041,870
	<u>\$ 32,159,822</u>	<u>\$ 376,250</u>	<u>\$ 52,044,075</u>	<u>\$ 2,423,645</u>	<u>\$ 87,003,792</u>

C. Beneficial interest in McFarland Trusts

During the year ended December 31, 2018, FOTZ became the beneficiary of three separate funds that were set up through the Kay E. McFarland Trust. The contribution of these funds has been reflected as capital grants and contributions on the statement of activities. The investments held in these accounts are recorded at their fair value at year end and are considered Level 1 investments of the fair value hierarchy using prices quoted in active markets. The funds are controlled solely by the trustee of the McFarland Trust and are released to FOTZ at various times per the guidelines of the Trust.

The first fund is the Endowment Fund that was funded initially with \$1,000,000 of assets. This fund will pay a blended total return distribution of 4.5% each year annually to FOTZ for operational expenses of Kay's Garden. The value of this account at year end was \$1,102,356.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

The second fund is the Charitable Trust Fund that was funded initially with \$1,620,000 of assets. This fund will be used for debt service and construction of Kay's Garden. After debt service for the garden is complete the fund may be used to support other projects. The value of this account at year end was \$1,774,762.

The third fund is the Garden Fund that was funded initially with \$3,080,000 of assets. The purpose of this fund is to make semi-annual payments to FOTZ for the purpose of paying down bonds to build the Garden itself. The value of this account at year end was \$3,136,830.

D. Capital assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 867,682	\$ -	\$ -	\$ 867,682
Intangible easements	2,875,524	134,388	-	3,009,912
Construction in progress	55,536,702	16,953,492	26,994,325	45,495,869
Total capital assets not being depreciated	59,279,908	17,087,880	26,994,325	49,373,463
Capital assets, being depreciated:				
Building improvements and infrastructure	1,004,629,106	24,367,676	13,548	1,028,983,234
Furniture	4,344,598	-	-	4,344,598
Vehicles	25,107,066	3,923,877	1,581,049	27,449,894
Software	2,727,528	-	-	2,727,528
Tools and equipment	7,011,769	681,534	747,925	6,945,378
Total capital assets being depreciated	1,043,820,067	28,973,087	2,342,522	1,070,450,632
Less accumulated depreciation for:				
Building improvements and infrastructure	757,226,721	20,939,058	7,621	778,158,158
Furniture	4,280,618	17,353	-	4,297,971
Vehicles	19,754,372	2,095,982	1,569,552	20,280,802
Software	2,727,528	-	-	2,727,528
Tools and equipment	6,055,904	263,816	746,837	5,572,883
Total accumulated depreciation	790,045,143	23,316,209	2,324,010	811,037,342
Total capital assets being depreciated, net	253,774,924	5,656,878	18,512	259,413,290
Governmental activities capital assets, net	\$ 313,054,832	\$ 22,744,758	\$ 27,012,837	\$ 308,786,753

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,675,360	\$ -	\$ -	\$ 1,675,360
Intangible easements	11,885,326	1,397,796	-	13,283,122
Construction in progress	76,708,636	45,166,308	28,319,175	93,555,769
Total capital assets not being depreciated	<u>90,269,322</u>	<u>46,564,104</u>	<u>28,319,175</u>	<u>108,514,251</u>
Capital assets, being depreciated:				
Building improvements and infrastructure	566,618,296	28,111,977	-	594,730,273
Furniture	791,306	-	-	791,306
Vehicles	10,168,183	901,144	779,156	10,290,171
Tools and equipment	4,760,075	216,585	130,391	4,846,269
Total capital assets being depreciated	<u>582,337,860</u>	<u>29,229,706</u>	<u>909,547</u>	<u>610,658,019</u>
Less accumulated depreciation for:				
Building improvements and infrastructure	270,823,848	15,965,083	-	286,788,931
Furniture	783,679	1,522	-	785,201
Vehicles	7,298,659	809,551	574,970	7,533,240
Tools and equipment	4,216,228	171,107	129,469	4,257,866
Total accumulated depreciation	<u>283,122,414</u>	<u>16,947,263</u>	<u>704,439</u>	<u>299,365,238</u>
Total capital assets being depreciated, net	<u>299,215,446</u>	<u>12,282,443</u>	<u>205,108</u>	<u>311,292,781</u>
Business-type activities capital assets, net	<u>\$ 389,484,768</u>	<u>\$ 58,846,547</u>	<u>\$ 28,524,283</u>	<u>\$ 419,807,032</u>

The City's depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General government	\$ 1,074,340
Parks and recreation	22,010
Public safety	2,253,428
Public works	19,907,887
Internal service	58,544
Total depreciation	<u><u>\$ 23,316,209</u></u>
Business-type activities:	
Parking garages	\$ 741,345
Water, sewer and stormwater utilities	16,205,918
Total depreciation	<u><u>\$ 16,947,263</u></u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

FOTZ property and equipment consists of the following as of December 31, 2019:

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
FOTZ capital assets, being depreciated:				
Furniture and equipment	\$ 99,510	\$ 18,971	\$ -	\$ 118,481
Software	46,401	-	-	46,401
Total capital assets	145,911	18,971	-	164,882
Less accumulated depreciation for furniture, equipment and software	89,222	21,191	-	110,413
FOTZ capital assets, net	<u>\$ 56,689</u>	<u>\$ (2,220)</u>	<u>\$ -</u>	<u>\$ 54,469</u>

Depreciation expense for the year ended December 31, 2019 was \$21,191.

E. Construction commitments

The City had open, active construction projects on December 31, 2019. These projects included bridge repairs, building and facility updates, repairs of existing streets and traffic signals, new zoo exhibits and facilities, bike trails, water mains, and the construction of additional wastewater facilities. At year-end, the City's open project expenditures and remaining commitments with contractors, by category were as follows:

	Spent to Date	Remaining Commitment
General Government	\$ 8,159,369	\$ 6,941,500
Public Safety - Fire & Police	3,926,772	7,852,452
Public Works - Streets	27,568,688	36,316,912
Public Works - Special Assessment	353,499	2,324,781
Public Works - Bridges	576,886	2,148,114
Trails	650,276	658,426
Zoo	4,772,475	4,515,563
Combined Utilities	105,590,943	135,297,646
	<u>\$ 151,598,908</u>	<u>\$ 196,055,394</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

F. Interfund Receivables, Payables and Transfers Activity

At December 31, 2019, the following funds had interfund receivables and payables to the following funds:

	Due to other funds:					Total
	General Fund	Nonmajor Governmental Funds	Water, Stormwater & Water Pollution Control Utility Fund	Nonmajor Enterprise Fund - Parking	Internal Service Funds	
Due from other funds:						
General Fund	\$ -	\$ 1,540,658	\$ 2,312	\$ 103	\$ 625	\$ 1,543,698
Nonmajor Governmental Funds	58,275	2,515	10,495	379	2,876	74,540
Internal Service Funds	371,065	27,039	93,592	4,138	21,305	517,139
	<u>\$ 429,340</u>	<u>\$ 1,570,212</u>	<u>\$ 106,399</u>	<u>\$ 4,620</u>	<u>\$ 24,806</u>	<u>\$ 2,135,377</u>

The City uses interfund receivables and payables as needed when pooled cash is negative within a fund until investments mature or grant proceeds are received. Management expects all payables to be cleared in less than one year.

Interfund transfers for the year ended December 31, 2019 were as follows:

	Transfer In		
	General Fund	Debt Service Fund	Total
Transfer out:			
Nonmajor Governmental Funds	\$ 184,656	\$ 2,116,182	\$ 2,300,838
	<u>\$ 184,656</u>	<u>\$ 2,116,182</u>	<u>\$ 2,300,838</u>

Interfund transfers in consisted of the following:

General Fund received \$184,656 from the Transient Guest Tax Fund for operating expenses	\$ 184,656
Debt Service Fund received \$237,739 from the TIF College Fund for debt payments	237,739
Debt Service Fund received \$1,878,443 from the Capital Projects Fund for debt payments	1,878,443
	<u>\$ 2,300,838</u>

Interfund charges for support services paid to the General Fund during 2019 were as follows:

Special Street Repair Fund	\$ 96,057
Water, Stormwater & WPC Fund	2,489,232
Nonmajor Governmental Funds	41,616
Nonmajor Enterprise Fund	77,097
Internal Service Funds	186,272
	<u>\$ 2,890,274</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

In 2019, payments in lieu of taxes of \$7,266,509 and \$208,282 were made to the General Fund by the Water, Stormwater & WPC Utility Fund and the Public Parking Facilities Fund, respectively. The payment in lieu of taxes is based on applying the levy rate to 33% of the net book value of capital assets and 3% of service revenues.

G. Leases:

Operating leases: The City has operating leases for computers and licenses. The expenditures for these operating leases for the year ended December 31, 2019 were \$677,110. The future minimum lease payments for these leases are as follows:

Year Ending December 31:	
2020	\$ 489,848
2021	342,937
2022	117,107
2023	76,255
	<u>\$ 1,026,147</u>

Capital leases: The City has entered into capital lease agreements, as lessee, for financing the acquisition of software and server equipment, telecommunications equipment, fire equipment and trucks, and enterprise resource planning software. Capital assets acquired under capital leases are amortized over their estimated useful lives and are included in depreciation expense. These capital leases have been recorded at the present value of their future minimum lease payments as of the inception date, in accordance with generally accepted accounting principles.

The cost and accumulated depreciation of property under capital lease obligations was \$4,535,919 and \$3,201,105 as of December 31, 2019, respectively.

The future minimum lease obligations for governmental activities and business-type activities, and the net present value of these minimum lease payments at December 31, 2019, were as follows:

	<u>Governmental Activities</u>
Year Ending December 31:	
2020	\$ 713,901
2021	375,108
2022	375,108
2023	179,568
2024	179,568
2025 - 2026	359,136
Total minimum lease payments	<u>2,182,389</u>
Less: amount representing interest	<u>107,710</u>
Net present value of minimum lease payments	<u>\$ 2,074,679</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

H. Long-Term Debt:

Changes in long term liabilities:

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019	Due Within One Year
Governmental activities:					
Bond payable:					
General obligation bonds	\$ 145,622,723	\$ 37,935,161	\$ 33,174,351	\$ 150,383,533	\$ 13,239,768
Tax increment and other bonds	9,415,000	-	1,305,000	8,110,000	1,340,000
Less deferred amounts:					
For issuance premium	6,970,479	1,036,385	1,482,748	6,524,116	-
For issuance discounts	(532)	-	(88)	(444)	-
Capital leases	2,741,448	-	666,769	2,074,679	678,044
Total OPEB liability**	5,144,335	-	12,235	5,132,100	-
Net pension liability**	89,223,823	2,613,828	-	91,837,651	-
Compensated absences**	8,665,842	4,423,001	4,485,051	8,603,792	4,492,683
Governmental activity long-term liabilities	<u>\$ 267,783,118</u>	<u>\$ 46,008,375</u>	<u>\$ 41,126,066</u>	<u>\$ 272,665,427</u>	<u>\$ 19,750,495</u>

** - For governmental activities, total OPEB liability, net pension liability and compensated absences, are generally liquidated by the General Fund.

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019	Due Within One Year
Business-type activities:					
Bond payable:					
General obligation bonds	\$ 8,422,277	\$ 594,839	\$ 1,140,647	\$ 7,876,469	\$ 490,232
Less deferred amounts:					
For issuance premium	578,531	24,728	89,708	513,551	-
Revenue bonds	199,720,000	33,270,000	17,570,000	215,420,000	8,010,000
Less deferred amounts:					
For issuance premium	5,273,177	1,216,658	271,978	6,217,857	-
For issuance discounts	(107,347)	-	(11,210)	(96,137)	-
State revolving loan (direct borrowing)	34,176,326	-	5,478,691	28,697,635	5,222,781
Total OPEB liability	1,212,338	26,132	-	1,238,470	-
Net pension liability	4,746,746	58,858	-	4,805,604	-
Compensated absences	874,620	566,844	569,034	872,430	568,949
Business-type activity long-term liabilities	<u>\$ 254,896,668</u>	<u>\$ 35,758,059</u>	<u>\$ 25,108,848</u>	<u>\$ 265,545,879</u>	<u>\$ 14,291,962</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

The following paragraphs summarize the long-term liability activity for 2019 for the governmental and business-type activities as presented in the above table.

The City has issued revenue bonds and has also entered into long-term agreements with the Kansas Department of Health and Environment for loans from its Water Pollution Control and Public Water Supply State Revolving Loan Funds. Proceeds from both types of long-term debt are used to finance the City's water, water pollution control, and storm water utilities, which are responsible for all phases of operation and maintenance of the City's public water supply, wastewater treatment, and storm water activities. The water, water pollution control, and storm water debt transactions are reported in separate funds for internal accounting purposes. However, the revenue generated by the Combined Water, Water Pollution Control, and Storm Water Utility Fund is pledged in loan agreements and in bond covenants for repayment of debt.

The revenue bonds require that the City have a debt service coverage ratio of not less than 1.25. The City is in compliance with this covenant.

At January 1, 2019, the City owed \$24,878,681 to the Kansas Water Pollution Control State Revolving Loan Fund (WPC-SRF); during the year, the City repaid loan principal of \$4,557,527. The total balance owed for the WPC-SRF at December 31, 2019, was \$20,321,154.

At January 1, 2019, the City owed \$9,297,645 to the Kansas Public Water Supply State Revolving Loan Fund (PWS-SRF); during the year, the City repaid loan principal of \$921,164. The total balance owed for the WPS-SRF at December 31, 2019 was \$8,376,481.

The City's procedure was to back the SRF loans through bond insurance instead of full faith and credit of the City. The City is not willing to change its policy regarding the use of full faith and credit for SRF loans, in consideration of its general obligation bond ratings.

KDHE loans outstanding at year-end are \$28,697,635, as follows:

Series - KDHE Project Number	Interest Rate	Maturity Date	Outstanding Amount as of December 31, 2019
1272-02	2.87%	12/1/2023	\$ 15,921,787
2371	3.31	8/1/2026	3,305,996
2372	3.23	8/1/2026	885,923
2417	3.18	8/1/2027	1,480,204
2418	3.18	2/1/2028	810,423
2419	3.18	2/1/2028	998,193
2420	3.18	2/1/2028	895,743
1272-04	2.25	6/1/2028	4,399,366
			28,697,635

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

Annual debt service requirements to maturity for the KDHE loans outstanding at December 31, 2019, are as follows:

	Principal	Interest
Year Ended December 31:		
2020	\$ 5,222,781	\$ 789,715
2021	5,388,639	637,980
2022	5,559,805	481,389
2023	5,736,450	319,788
2024	1,620,564	183,614
2025-2029	5,169,396	277,875
	<u>\$ 28,697,635</u>	<u>\$ 2,690,361</u>

General obligation bonds

The City issues general obligation bonds to provide funds for the acquisition and construction or improvement of major capital assets. General obligation bonds have been issued for both governmental and business-type activities. The principal amount of general obligation bonds outstanding at January 1, 2019, was \$154,045,000. During the year, general obligation bonds totaling \$34,314,998 were retired, and \$38,530,000 of general obligation bonds were issued, bringing the December 31, 2019 outstanding balance to \$158,260,002.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

General obligation bonds are direct obligations of the government, and the full faith and credit of the City are pledged to their repayment. These bonds generally are issued as 20-year serial bonds with nearly level debt service payments due each year. General obligation bonds currently outstanding type are as follows:

Series	Date Issued	Original Amount	Interest Rate	Maturity Date	Outstanding Amount as of December 31, 2019
Governmental activities:					
Series 2010C	9/29/2010	\$ 4,570,000	2.05% - 4.85%	8/15/2030	\$ 3,415,000
Series 2014A	9/25/2014	5,590,000	2.00% - 3.25%	8/15/2034	4,440,000
Series 2015A	9/14/2015	52,809,613	2.50% - 5.00%	8/15/2035	39,700,109
Series 2016A	5/19/2016	19,257,600	2.00% - 5.00%	8/15/2031	15,058,263
Series 2016B	9/13/2016	22,705,000	2.00% - 5.00%	8/15/2036	18,505,000
Series 2017A	9/5/2017	24,010,000	2.00% - 5.00%	8/15/2036	19,405,000
Series 2018A	8/7/2018	7,225,000	3.00% - 5.00%	8/15/2033	6,860,000
Series 2018B	8/7/2018	5,285,000	3.00% - 3.25%	8/15/2033	5,065,000
Series 2019A	9/10/2019	36,495,161	2.00% - 3.00%	8/15/2034	36,495,161
Series 2019B	9/10/2019	1,440,000	2.00% - 4.00%	12/31/2034	1,440,000
					\$ 150,383,533
Business-type activities:					
Series 2015A	9/14/2015	2,455,387	2.50% - 4.00%	8/15/2035	\$ 1,589,893
Series 2016A	5/19/2016	1,592,400	2.00% - 5.00%	8/15/2031	1,246,737
Series 2017A	9/5/2017	4,480,000	2.00% - 5.00%	8/15/2036	4,445,000
Series 2019A	9/10/2019	594,839	2.00% - 3.00%	8/15/2031	594,839
					\$ 7,876,469

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 13,239,768	\$ 4,333,431	\$ 490,232	\$ 226,102
2021	13,468,722	3,810,737	481,278	205,060
2022	13,429,682	3,313,456	490,318	188,686
2023	13,672,721	2,861,715	732,279	172,717
2024	13,302,843	2,455,903	682,157	149,247
2025-2029	55,630,216	7,722,988	2,339,783	564,662
2030-2034	27,089,580	1,768,844	1,940,420	271,503
2035-2036	550,001	19,163	720,002	32,550
	\$ 150,383,533	\$ 26,286,237	\$ 7,876,469	\$ 1,810,527

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

Tax increment and other bonds

The tax increment and other bonds consist of \$5,025,000 of STAR bonds for Heartland Park race track, which mature on August 15, 2025 with an interest rate of 2.00% - 3.25%, and \$3,085,000 of tax increment bonds for College Hill development, which mature on August 15, 2025 with an interest rate of 2.00%.

Tax Increment and other bond debt service requirements to maturity are as follows:

Year Ended December 31:	Principal	Interest
2020	\$ 1,340,000	\$ 201,650
2021	1,375,000	172,688
2022	1,415,000	140,763
2023	1,450,000	105,638
2024	1,500,000	67,338
2025	1,030,000	26,538
	\$ 8,110,000	\$ 714,615

Revenue bonds

The City also issues revenue bonds. The City pledges income derived from the fees and charges to users of the related assets to pay debt service on revenue bonds. The principal amount of revenue bonds outstanding at January 1, 2019, was \$199,720,000. In 2019, the City retired \$17,570,000 of revenue bonds and issued \$33,270,000 of revenue bonds.

Revenue bonds outstanding at year-end are \$215,420,000, as follows:

Series	Date Issued	Original Amount	Interest Rate	Maturity Date	Outstanding Amount as of December 31, 2019
Series 2010A	9/22/2010	\$ 985,000	4.55% - 4.90%	8/1/2028	\$ 985,000
Series 2010B	9/22/2010	9,155,000	5.10% - 5.25%	8/1/2040	9,155,000
Series 2011A	9/22/2010	85,000	3.75%	8/1/2020	85,000
Series 2012A	6/12/2012	22,045,000	3.00% - 3.50%	8/1/2033	20,295,000
Series 2013A	5/21/2013	35,985,000	1.50% - 5.00%	8/1/2031	34,435,000
Series 2014A	12/23/2014	45,510,000	3.125% - 5.00%	8/1/2044	30,605,000
Series 2016A	9/6/2016	24,945,000	2.00% - 3.00%	8/1/2046	24,635,000
Series 2017A	9/5/2017	17,975,000	2.25% - 5.00%	8/1/2047	17,245,000
Series 2018A	9/11/2018	45,695,000	3.00% - 5.00%	8/1/2048	44,710,000
Series 2019A	9/17/2019	33,270,000	2.00% - 4.00%	12/31/2049	33,270,000
					\$ 215,420,000

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

Revenue bond debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 8,010,000	\$ 7,231,482	\$ 15,241,482
2021	8,115,000	7,011,273	15,126,273
2022	8,535,000	6,649,723	15,184,723
2023	8,705,000	6,366,673	15,071,673
2024	10,165,000	6,083,748	16,248,748
2025-2029	53,560,000	25,389,990	78,949,990
2030-2034	42,000,000	17,390,278	59,390,278
2035-2039	28,945,000	11,379,850	40,324,850
2040-2044	27,650,000	6,408,743	34,058,743
2045-2049	19,735,000	1,734,906	21,469,906
	<u>\$ 215,420,000</u>	<u>\$ 95,646,666</u>	<u>\$ 311,066,666</u>

The City has pledged future utility revenues, net of specified operating expenses, to repay \$311,066,666 in revenue bonds. The bonds are payable from utility net revenues through December 31, 2049. Annual principal and interest payments on the bonds have required an average of 40% of net revenues. The City's debt covenants require that 200% of the annual debt service payment be available in pledged revenues. Principal and interest paid for the current year and total net revenues for the current year were \$15,241,482 and \$32,426,945, respectively. This equates to a net revenue/debt ratio of 2.13 which meets the requirement. The City takes into consideration the 200% covenant requirement when establishing its utility rate model.

The City holds bonds that are subject to acceleration if the City defaults.

In September 2019, the City issued \$33,270,000 in Series 2019A Combined Utility Refunding and Improvement Revenue Bonds, \$37,090,000 in Series 2019A General Obligation Refunding and Improvement Bonds, \$1,440,000 in Series 2019B General Obligation Bonds, \$38,305,000 in Series 2019A General Obligation Temporary Renewal and Improvement Notes and \$3,650,000 in Series 2019B Taxable General Obligation Temporary Renewal Notes. The proceeds of these issues were used to currently refund the Series 2011A Combined Utility Improvement and Refunding Revenue Bonds, Series 2011B General Obligation Bonds, Series 2013A General Obligation Refunding Bonds, Series 2013B General Obligation Bonds, Series 2018A General Obligation Temporary Renewal and Improvement Notes, Series 2018B Taxable General Obligation Temporary Notes. The net carrying amount of the old debt was greater than the reacquisition price by \$270,762. This amount is split between funds and recorded as a deferred outflow in the Water, Stormwater & Water Pollution Control Utility Fund, a deferred inflow in the Parking Fund and a deferred inflow in the Governmental Activities and is amortized over the remaining life of the current debt or the refunded debt, whichever is shorter. The transaction will reduce debt service payments by approximately \$3,300,000 over the next 22 years and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$3,000,000.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 3. Detailed Notes on all Funds (Continued)

I. Conduit debt

The City has issued industrial revenue bonds to finance the purchase of land and construction of facilities leased to local businesses. The lease agreements provide for rentals sufficient to service the debt repayment of the related bonds. The bonds and related interest costs are payable solely from lessee rentals and do not constitute general liabilities of the City. The lessees have the option of purchasing the leased properties at any time during the lease periods for amounts sufficient to retire the related outstanding bonds. At the end of the lease periods, which conform to bond maturity schedules, the lessees may either purchase the property for a nominal amount or renew the leases annually at nominal amounts. Industrial revenue bonds outstanding at December 31, 2019, totaled \$50,549,000.

J. Short-term debt—notes

The City issues notes in advance of property tax collections, depositing the proceeds in its capital improvement funds. These notes are necessary because the City receives the biggest part of its mill levy twice each year – January and June. The City issues business type notes to cover expenses, until the next revenue bonds are sold. Notes outstanding at December 31, 2019 mature on October 1, 2020 and bear interest of 2.25% to 4%. The temporary notes payable in the statement of net position for the business-type activities includes \$1,163,565 of issuance premium.

Short-term debt activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Governmental activities notes	\$ 9,421,344	\$ 1,625,000	\$ 11,046,344	\$ -
Business-type notes	39,714,816	43,118,565	39,714,816	43,118,565
	<u>\$ 49,136,160</u>	<u>\$ 44,743,565</u>	<u>\$ 50,761,160</u>	<u>\$ 43,118,565</u>

During the current year, the debt service fund issued \$1,625,000 in temporary notes to release reserved cash. The City did this is an internal transaction and the temporary note was paid off before year end. This transaction allowed the City to use Debt Service Fund surplus amounts, to retire the temporary notes, in compliance with state statutes.

K. Restricted assets

The balances of internally and externally restricted asset accounts in the enterprise funds are as follows:

	Water, Stormwater & WPC Utility Fund	Nonmajor Enterprise Fund	Total
Bond reserve	\$ 13,253,943	\$ -	\$ 13,253,943
Sinking fund	-	99,091	99,091
Accrued interest	2,951,279	-	2,951,279
Water consumer deposits	1,133,864	-	1,133,864
Water consumer deposits flushing meters	195,750	-	195,750
Investments with fiscal agency	6,700,297	-	6,700,297
Total restricted assets	<u>\$ 24,235,133</u>	<u>\$ 99,091</u>	<u>\$ 24,334,224</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Under the Kansas Tort Claims Act, K.S.A. 75-6101 to 75-6115, general liability claims against the City are limited within the scope of the act to an occurrence aggregate of \$500,000. The City self-insures for general liability claims up to this statutory dollar limit and has a self-insured retention on third party vehicle liability claims of \$250,000. The City purchases commercial insurance coverage for physical damage to City property. For each of the past three years, settlements have been within coverage limits.

The City is also self-insured for several other categories of potential loss. As part of its self-insurance program, the City has established internal self-insurance funds for employee health insurance, workers' compensation, and unemployment compensation (jointly, the internal self-insurance funds). The claims liability is based upon estimates of the ultimate cost of claims, including inflation factors and historical trend data. Other non-incremental costs are not included in the basis for estimating the liability. There has been no significant reduction in commercial or self-insurance coverage from the prior year.

The internal self-insurance funds accrue the required amounts for the payment of anticipated claims by apportioning rate charges among the various City departments. Rates are based on historical and expected future expenses pursuant to eight-year actuarial studies. These rate charges are reported as expenditures in the applicable funds. Risks attributable to the workers' compensation self-insurance fund have excess reinsurance coverage above \$500,000.

The health self-insurance fund has catastrophic stop-loss reinsurance for all claims, except those for prescription drugs, to help protect the City against extraordinary losses. It also maintains a trust reserve. Our management of this program and claims experience over the past several years has enabled us to not only maintain but upgrade benefit coverage with continued 100% payment of individual employee plans and no increases in dependent premiums.

A reconciliation of changes in liabilities for claims, including claims incurred but not reported, for the past two years follows:

	2019	2018
Claims liabilities at beginning of the year	\$ 2,723,052	\$ 3,383,652
Claims incurred during the year	9,085,019	8,064,460
Claims paid during the year	(8,940,874)	(8,725,060)
Claims liabilities at end of the year	<u>\$ 2,867,197</u>	<u>\$ 2,723,052</u>

B. Contingent liabilities

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding wrongful death, personal injury, civil rights actions, and wrongful termination cases. While cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

The City is party to various claims, legal actions, and complaints arising in the ordinary course of business. The City has insurance that covers some claims, up to statutory limits, and has set aside money in a special liability fund for payment of non-insured settlements and judgments.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

C. Jointly governed organizations

On December 9, 2004, Shawnee County and the City entered into an interlocal agreement, pursuant to the provisions of *K.S.A. 12 2901 et seq.*, as amended. Pursuant to the terms of the interlocal agreement the County and the City agreed to continue the Joint Economic Development Organization (the "JEDO"), a separate legal entity, created by the County and the City in 2001, to provide the economic development program for the County and the City.

The JEDO is comprised of a seven (7)-member board, which includes three County Commissioners, the Mayor and Deputy Mayor of the City, and two City Council members. The Chair of the JEDO rotates between the County and the City on a yearly basis. Under the terms of the interlocal agreement, the JEDO must remain in existence during the term of the one-half of one percent countywide sales tax approved by the voters imposed on January 1, 2017 and extending through December 31, 2031, plus one year. The revenues derived from the sales tax are deposited with the JEDO, which administers the monies as directed by the vote and under the terms of the interlocal agreement. During the year ended December 31, 2019, the City paid \$7,503,405 to JEDO in accordance with the interlocal agreement. The City is owed \$1,685,518 from the State of Kansas, which is subsequently due to JEDO for sales taxes earned, but not received and is included in due to other governments. An annual audit of the JEDO is required to be provided to the City and the County and filed with the City Clerk, the County Clerk and at the Topeka-Shawnee County Public Library.

D. Other Postemployment Benefits—City Plan

The City offers a single employer plan for retirees' health benefits which are described below in this footnote. The City also participates in a multiple-employer plan administered by KPERs specific to long-term disability benefits and life insurance benefits, which City employees are also allowed to participate in, this plan is further describe in Note 4.E. A summary of the total OPEB liability is as follows:

	Governmental Activities	Business-Type Activities	Total
City OPEB liability (as discussed in this Note)	\$ 3,088,375	\$ 732,061	\$ 3,820,436
KPERs OPEB liability (as discussed in Note 4.E)	2,043,725	506,409	2,550,134
Total OPEB liability	\$ 5,132,100	\$ 1,238,470	\$ 6,370,570

Plan description and benefits: The City's health plan is self-funded. The City has a single employer plan for retirees' health benefit. The benefit plan is authorized by Personnel Code Article III, Section 4 Group Insurance B and *K.S.A. 12-5040*. Retirees have the option to continue with the City plan and pay the monthly premium. However once the retiree drops the coverage they forfeit their right to future coverage. The City offers major medical health insurance and prescription coverage. The City does offer dental insurance, but the benefit is paid by the retirees on a full cost basis and is assumed to not produce an implicit subsidy. The City's other postemployment benefit liability is normally liquidated in the General Fund and the Water, Stormwater & Water Pollution Control Utility Fund. The plan does not issue a stand-alone report.

Funding policy: The current plan is financed on a pay as you go basis. The retirees pay the same premium established for active employees. The City did not contribute to the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Employees covered by benefit terms: The City has the following employees covered by the Plan as of December 31, 2019:

Active employees	1,093
Retirees and covered spouses	54
	<u>1,147</u>

Total OPEB liability: The City's total OPEB liability of \$3,820,436 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions:

Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation	2.75%
Salary increases	3.50%
Discount rate	4.10% measurement date 3.44% year preceding measurement date
Health care cost trend rates	For Base and Buy Up Plan Options Claims/Member Contributions – 7.00% for 2019, decreasing to an ultimate rate of 4.75% by 2029 For Active Health Premium Equivalent Rates – 7.00% for 2019, decreasing to an ultimate rate of 4.75% by 2029

The discount rate was based on an the 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of December by The Bond Buyer (www.bondbuyer.com).

The mortality rates used in the measurement of the TOL were based on the RP-2014 total dataset mortality tables for healthy lives and the RP-2014 disabled retiree mortality table for disabled lives, including adjustments for Kansas Public Employees Retirement System (KPERs) experience, with fully generational projected mortality improvements using Scale MP-2016.

The demographic actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2013 – December 31, 2015, adopted by the KPERs Board of Trustees for the state plan. The City has determined these assumptions are reasonable for its plan. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2018 KPERs pension valuation.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

The changes in the total OPEB liability are as follows:

Balance, December 31, 2018	\$ 3,578,715
Changes for the year:	
Service cost	148,618
Interest	121,652
Difference between expected and actual experience	894,226
Benefit paid	(385,093)
Changes in assumptions	(537,682)
Net Changes	241,721
Balance, December 31, 2019	\$ 3,820,436

Changes in assumptions: The discount rate was changed from 3.44% at the beginning of the year to 4.10% at the end of the year.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the City using the discount rate of 4.10%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease 3.10%	Discount Rate 4.10%	1% Increase 5.10%
Total OPEB liability	\$ 4,175,610	\$ 3,820,436	\$ 3,497,618

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the City using the healthcare cost trend rate of 7.00% in 2019 decreasing to an ultimate rate of 4.75% in 2029, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	Health Care Cost Rend Rates		
	1% Decrease (6.00% decreasing to 3.75%)	Actual (7.00% decreasing to 4.75%)	1% Increase (8.00% decreasing to 5.75%)
Total OPEB liability	\$ 3,328,727	\$ 3,820,436	\$ 4,403,602

OPEB Expense: For the year ended December 31, 2019, the City recognized OPEB expense of \$327,864.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources: At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 801,522	\$ -
Changes of assumptions	75,697	473,443
	<u>\$ 877,219</u>	<u>\$ 473,443</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average remaining service lives of plan participants (actives and retirees) as follows:

Year Ended December 31:

2020	\$ 57,594
2021	57,594
2022	57,594
2023	57,594
2024	57,594
Thereafter	115,806
	<u>\$ 403,776</u>

E. Other Postemployment Benefits—KPERs

Plan Description: The City participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERs). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERs members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis. For GASB Statement No. 75 purposes, the City is considered to be participating in a single-employer long-term disability plan.

Benefits: Benefits are established by statute and may be amended by the KPERs Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERs retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees covered by benefit terms: The City has the following employees covered by the Plan as of June 30, 2019:

Active employees	581
Disabled members	23
	<hr/>
	604
	<hr/>

Total OPEB Liability: The City's total KPERs OPEB liability of \$2,550,134 was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019 as the measurement date, using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Discount rate	3.50% measurement date 3.87% year preceding measurement date

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2019.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2013 – December 31, 2015. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2018 KPERs pension valuation.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

The changes in the total OPEB liability are as follows:

Balance, December 31, 2018	<u>\$ 2,777,958</u>
Changes for the year:	
Service cost	110,404
Interest	105,134
Effect of economic/demographic gains or losses	(140,280)
Effect of assumptions changes or inputs	43,662
Benefit payments	<u>(346,744)</u>
Net Changes	<u>(227,824)</u>
Balance, December 31, 2019	<u><u>\$ 2,550,134</u></u>

Changes in assumptions: The discount rate was changed from 3.87% at the beginning of the year to 3.50% at the end of the year.

Sensitivity of the total KPERS OPEB liability to changes in the discount rate: The following presents the total KPERS OPEB liability of the City using the discount rate of 3.50%, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	<u>\$ 2,672,285</u>	<u>\$ 2,550,134</u>	<u>\$ 2,433,841</u>

Sensitivity of the total KPERS OPEB liability to changes in the healthcare cost trend rates: The health care cost trend rates do not affect liabilities related to the long-term disability benefits sponsored by KPERS

OPEB expenses: For the year ended December 31, 2019, the City recognized OPEB expense of \$228,663.

Deferred Outflows of Resources and Deferred Inflows of Resources: At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 279,501	\$ 125,863
Changes of assumptions	39,175	92,765
	<u>\$ 318,676</u>	<u>\$ 218,628</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average remaining service lives of plan participants (actives and retirees) as follows:

Year Ended June 30:		
2020	\$	13,125
2021		13,125
2022		13,125
2023		13,125
2024		13,125
Thereafter		34,423
		<u>\$ 100,048</u>

F. Employee Retirement Systems and Pension Plans

A summary of the net pension liability is as follows:

	Governmental Activities	Business-Type Activities	Total
Net pension liability	<u>\$ 91,837,651</u>	<u>\$ 4,805,604</u>	<u>\$ 96,643,255</u>

Description of Pension Plan: The City participates in a cost-sharing multiple-employer pension plan (Pension Plan), administered by the Kansas Public Employees Retirement System (KPERs), a body corporate and an instrumentality of the State of Kansas. KPERs provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

Public employees, which includes:

- State/School employees
- Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local employees group and the Kansas Police and Firemen group.

KPERs issues a stand-alone comprehensive annual financial report, which is available on the KPERs website at www.kpers.org.

Benefits: Benefits are established by statute and may only be changed by the State Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85. Police and Firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions: Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.20% of total payroll for the fiscal year ended June 30, 2019.

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	Actuarial Employer Rate	Statutory Employer Capped Rate
Local government employees	8.89%	8.89%
Police and firemen	22.13%	22.13%

Member contribution rates as a percentage of eligible compensation for the fiscal year 2019 are 6.00% for Local employees and 7.15% for Police and Firemen.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Employer allocations: Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2019, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2019.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2019, the City's proportion for the Local employees group was 1.731%, which was an increase of 0.011% from its proportion measured at June 30, 2018. At June 30, 2019, the City's proportion for the Police and Firemen group was 7.158%, which was a decrease of 0.112% from its proportion measured at June 30, 2018.

Net pension liability: At December 31, 2019, the City reported a liability of \$24,199,652 and \$72,443,603, for its total proportionate share of the net pension liability for the Local and Police and Firemen groups, respectively.

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019, using the following actuarial assumptions:

<u>Assumption</u>	<u>Rate</u>
Price inflation	2.75%
Wage inflation	3.50%
Salary increases, including wage increases	3.50 to 12.00%, including inflation
Long-term rate of return, net of investment expense and including price inflation	7.75%

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the period of January 1, 2013 through December 31, 2015.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	47.00%	6.85%
Fixed income	13.00%	1.25%
Yield driven	8.00%	6.55%
Real return	11.00%	1.71%
Real estate	11.00%	5.05%
Alternatives	8.00%	9.85%
Short-term investments	2.00%	-0.25%
	<u>100.00%</u>	

Discount rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The expected KPERs employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for Police & Firemen, and Judges. Future employer contribution rates were also modeled for Police & Firemen and Judges, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Local	36,142,686	24,199,652	14,209,521
Police and firemen	102,802,729	72,443,603	47,027,193
	<u>\$ 138,945,415</u>	<u>\$ 96,643,255</u>	<u>\$ 61,236,714</u>

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Pension expense: For the year ended December 31, 2019, the City recognized Local pension expense of \$3,152,087 and Police and Firemen pension expense of \$11,748,504, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred outflows of resources and deferred inflows of resources: At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for Local and Police and Firemen groups from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 4,145,578	\$ 743,714
Net differences between projected and actual earning on investments	2,027,448	-
Changes of assumptions	3,305,876	129,258
Changes in proportion	886,257	3,503,078
	<u>10,365,159</u>	<u>4,376,050</u>
Contributions subsequent to the measurement date	5,794,310	-
	<u>\$ 16,159,469</u>	<u>\$ 4,376,050</u>

\$5,794,310 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Local Group Amount	Police and Firemen Group Amount	Total
Year Ended December 31:			
2020	\$ 835,882	\$ 2,590,454	\$ 3,426,336
2021	21,530	295,163	316,693
2022	391,687	929,079	1,320,766
2023	228,169	687,701	915,870
2024	(2,241)	11,685	9,444
	<u>\$ 1,475,027</u>	<u>\$ 4,514,082</u>	<u>\$ 5,989,109</u>

Deferred outflows and inflows of resources related to the difference between expected and actual plan experience, changes in proportionate share and changes in assumptions are being amortized over a closed period equal to the average of the expected service lives of all employees at the beginning of each measurement period. Deferred outflows of resources related to the difference between projected and actual earning on pension plan investments is being amortized over a closed five-year period.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Description of Deferred Compensation Plan: In 2004, the City entered into an agreement with ING Group to be the exclusive third-party provider under the City's Internal Revenue Code Section 457 (deferred compensation) plan. Costs of the Section 457 Plan are borne by the participants. The deferred compensation plan administered by ING, which is available to all benefit eligible employees, permits employees to defer taxes on the portion of their salary designated for deposit with the third-party provider until future years. The deferred compensation is not subsequently available to employees until the occurrence of a defined "qualifying event," which includes separation from employment, retirement, death, or certain unforeseeable emergencies.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights "are held in trust for the exclusive benefit of (employee) participants and their beneficiaries". The City, which does not have access to those properties or rights, provides neither administrative services to nor investment advice for the plan, and therefore does not include the balances and activities of the plan in the City's financial statements.

G. Commitments and Encumbrances:

Community Improvement District: On May 3, 2012 the City established the Holliday Square Community Improvement District (CID) for economic development purposes and to finance capital improvement project. The method of financing the project is a pay as you go with project costs reimbursed with the proceeds of a 1% CID sales tax.

The City has entered into a developer agreement whereby the developer financed project costs that have been certified by the City as eligible to be reimbursed from CID sales tax attributable to the project. Under the CID plan the developer may be reimbursed up to the certified cost amount including interest from CID sales taxes during a period not to exceed 22 years. CID sales taxes were projected to produce sufficient funds to reimburse the developer for certified costs. The developer obligation is limited solely to the amount of CID sales taxes received attributable to the project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the City. At December 31, 2019, the amount of eligible reimbursable project costs submitted by the developer was \$2,140,216. The amount reimbursed to the developer as of December 31, 2019, was \$597,724.

In January 28, 2014, the City established the Crosswinds Community Improvement District (CID) for economic development purposes and to finance a capital improvement project. The method of financing the project is a pay as you go with project costs reimbursed with the proceeds of a 1% CID sales tax.

The City has entered into a developer agreement whereby the developer financed project costs that have been certified by the City as eligible to be reimbursed from CID sales tax attributable to the project. Under the CID plan the developer may be reimbursed up to the certified cost amount including interest from CID sales taxes during a period not to exceed 22 years. CID sales taxes were projected to produce sufficient funds to reimburse the developer for certified costs. The developer obligation is limited solely to the amount of CID sales taxes received attributable to the project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the City. At December 31, 2019, the amount of eligible reimbursable project costs submitted by the developer was \$5,400,000. The amount reimbursed to the developer as of December 31, 2019, was \$1,362,907.

Encumbrances: Outstanding encumbrances at December 31, 2019 were as follows: General Fund \$210,772.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

H. Tax Abatements:

Neighborhood Revitalization Program: The City has established a Neighborhood Revitalization Program (NRP), which provides tax rebates to property owners making improvements that raise the appraised value of residential property by 10% and of commercial property by 20%. The program is intended to promote the revitalization of the City's intensive care, at-risk neighborhoods and downtown by creating an incentive for the rehabilitation, conservation, and redevelopment of these areas. A property tax rebate over 10 years may be given based on the incremental increase in appraised value resulting from improvements made to a property in the targeted areas. In addition rebates are offered up to 95% for 10 years for historic properties and intensive care neighborhoods. The NRP's are authorized under City policy and Kansas statute K.S.A. 12-117. To receive a rebate as part of the NRP, applicants must submit an application, which undergoes due diligence and analysis. Because the rebate is not given until property taxes are paid, there are no provisions for recapturing taxes. The amount of the City's share of rebates issued in 2019 was \$849,943.

Abatements of Other Governments: The City is also subject to tax abatements granted by Shawnee County, Kansas. The agreements have been negotiated under Section 13 of Article 11 of the Kansas Constitution, which specifies that the property for which the exemption is granted will be used for manufacturing articles of commerce, conducting research and development or storing goods or commodities which are sold or traded in interstate commerce. The exemption may be granted for a maximum of ten years. The County's Statement of Policy and Procedure for Tax Exemptions and Incentives for Economic Development by Shawnee County Home Rule Resolution No. HR-2002-9, governs the issuance of tax exemptions within the County and dictates the following procedures: 1. The applicant shall apply for a tax exemption by filing a written application, 2. The County shall then determine whether the requested tax exemption may be lawfully granted and should be granted, 3. The amount of the tax incentive will then be determined in accordance with the policy, and 4. Upon the failure of the business to fully and timely pay the in lieu tax payments, as may be required as a condition of granting of an exemption, or to provide reports or other information requested by the City and reasonably necessary for the implementation of the policy, the City may either deny, revoke, or not renew the authorization of such an exemption. All requests for a tax exemption for economic development purposes shall be considered and acted upon in accordance with the County's Statement of Policy and Procedure for Tax Exemptions and Incentives for Economic Development by Shawnee County Home Rule Resolution No. HR-2002-9. The amount of City taxes abated during 2019 was \$2,567,471.

The City has not made any commitments as part of the agreements other than to reduce taxes.

I. Subsequent events

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, and all States of the United States of America.

It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the City. To date, the City, as with most local municipalities in the State and Country, is reviewing fiscal 2020 year-end revenue projections for possible negative variances to budget, and significant changes in the fair value of asset held by the City for investment purposes.

City of Topeka, Kansas

Notes to the Basic Financial Statements

Note 4. Other Information (Continued)

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions, including expected credit losses on receivables and investments; Net Pension and OPEB liabilities and related deferred assets and liabilities; and contingent obligations.

Note 5. Restatement

During 2019, it was discovered that certain revenues were incorrectly recorded for the component unit FOTZ in 2018. The effects of the restatement adjustment is as follows:

	<u>Component Unit</u> Friends of the Topeka Zoo
Net position December 31, 2018, as previously reported	\$ 1,701,506
Revenue adjustment	<u>5,344,289</u>
Net position December 31, 2018, as restated	<u><u>\$ 7,045,795</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

City of Topeka, Kansas

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios - City Plan

	2019	2018
Service cost	\$ 148,618	\$ 133,319
Interest	121,652	129,858
Benefit paid	(385,093)	(210,799)
Difference between expected and actual experience	894,226	18,851
Changes in assumptions	(537,682)	100,971
Net change in total OPEB liability	<u>241,721</u>	<u>172,200</u>
Total OPEB liability, beginning	3,578,715	3,406,515
Total OPEB liability, ending	<u>\$ 3,820,436</u>	<u>\$ 3,578,715</u>
Covered payroll	<u>\$ 67,767,197</u>	<u>\$ 65,614,990</u>
Total OPEB liability as a percentage of covered payroll	5.64%	5.45%

Notes to schedule:

2019 Changes of assumptions: The discount rate was changed from 3.44% at the beginning of the year to 4.10% at the end of the year. This resulted in a reduction of costs by \$537,682.

2018 Changes of assumptions: The discount rate was changed from 3.78% at the beginning of the year to 3.44% at the end of the year. This resulted in an increase of costs by \$100,971.

2018 was the City's first year implementing GASB Statement No. 75 for the OPEB liability. This schedule will become a 10-year schedule, as information becomes available, in accordance with GASB Statement No. 75 requirements.

City of Topeka, Kansas

**Required Supplementary Information (Continued)
Schedule of Changes in Total OPEB Liability and Related Ratios - KPERS Plan**

	2019	2018
Service cost	\$ 110,404	\$ 109,489
Interest	105,134	90,425
Effect of economic/demographic gains or losses	(140,280)	352,193
Effect of assumptions changes or inputs	43,662	(38,187)
Benefit payments	(346,744)	(301,970)
Net change in total OPEB liability	(227,824)	211,950
Total OPEB liability, beginning	2,777,958	2,566,008
Total OPEB liability, ending	<u>\$ 2,550,134</u>	<u>\$ 2,777,958</u>
 Covered payroll	 <u>\$ 29,861,317</u>	 <u>\$ 28,913,231</u>
 Total OPEB liability as a percentage of covered payroll	 8.54%	 9.61%

Notes to schedule:

2019 Changes of assumptions: The discount rate was changed from 3.87% at the beginning of the year to 3.50% at the end of the year. This resulted in a increase of costs by \$43,662.

2018 Changes of assumptions: The discount rate was changed from 3.58% at the beginning of the year to 3.87% at the end of the year. This resulted in a reduction of costs by \$38,187.

2018 was the City's first year implementing GASB Statement No. 75 for the OPEB liability. This schedule will become a ten year schedule, as information becomes available, in accordance with GASB Statement No. 75 requirements.

City of Topeka, Kansas

Required Supplementary Information (Continued)

Schedule of the City's Proportionate Share of the Net Pension Liability - KPERs

	Local 12/31/2019	Police and Firemen 12/31/2019	Local 12/31/2018	Police and Firemen 12/31/2018
City's proportion of the net pension liability	1.731%	7.158%	1.72%	7.27%
City's proportionate share of the net pension liability	\$ 24,199,652	\$ 72,443,603	\$ 23,985,147	\$ 69,985,422
City's covered payroll	\$ 31,287,593	\$ 38,270,126	\$ 29,714,446	\$ 36,819,385
City's proportionate share of the net pension liability as a percentage of its covered payroll	77.35%	189.30%	80.72%	190.08%
Plan fiduciary net position as a percentage of the total pension liability	75.02%	71.22%	74.22%	71.53%

	Local 12/31/2017	Police and Firemen 12/31/2017	Local 12/31/2016	Police and Firemen 12/31/2016	Local 12/31/2015	Police and Firemen 12/31/2015
City's proportion of the net pension liability	1.65%	7.43%	1.63%	7.85%	1.66%	8.01%
City's proportionate share of the net pension liability	\$ 23,855,151	\$ 69,704,423	\$ 25,127,903	\$ 72,935,093	\$ 21,732,588	\$ 58,178,917
City's covered payroll	\$ 28,183,553	\$ 37,083,948	\$ 27,574,365	\$ 36,914,198	\$ 27,750,977	\$ 36,381,311
City's proportionate share of the net pension liability as a percentage of its covered payroll	84.64%	187.96%	91.13%	197.58%	78.31%	159.91%
Plan fiduciary net position as a percentage of the total pension liability	72.15%	70.99%	68.55%	69.30%	71.98%	74.60%

The amounts presented for each fiscal year were determined as of December 31. Data became available with the inception of GASB 68 during fiscal year 2015, therefore, 10 years of data is unavailable.

City of Topeka, Kansas

**Required Supplementary Information (Continued)
Schedule of the City's Contributions - KPERs**

	Local 12/31/2019	Police and Firemen 12/31/2019	Local 12/31/2018	Police and Firemen 12/31/2018
Contractually required contribution	\$ 2,814,028	\$ 8,576,591	\$ 2,593,128	\$ 7,540,599
Contributions in relation to the contractually required contribution	2,814,028	8,576,591	2,593,128	7,540,599
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 31,653,863	\$ 38,755,496	\$ 30,907,339	\$ 37,534,087
Contributions as a percentage of covered payroll	8.89%	22.13%	8.39%	20.09%

	Local 12/31/2017	Police and Firemen 12/31/2017	Local 12/31/2016	Police and Firemen 12/31/2016	Local 12/31/2015	Police and Firemen 12/31/2015
Contractually required contribution	\$ 2,513,838	\$ 7,006,729	\$ 2,587,251	\$ 7,572,539	\$ 2,614,051	\$ 7,884,872
Contributions in relation to the contractually required contribution	2,513,838	7,006,729	2,587,251	7,572,539	2,614,051	7,884,872
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 29,714,446	\$ 36,819,385	\$ 28,183,553	\$ 37,083,948	\$ 27,574,365	\$ 36,914,198
Contributions as a percentage of covered payroll	8.46%	19.03%	9.18%	20.42%	9.48%	21.36%

Data became available with the inception of GASB 68 during fiscal year 2015. Therefore, 10 years of data is unavailable.

City of Topeka, Kansas

**Kansas Public Employees Retirement System (KPERs)
Notes to Required Supplementary Information**

Actuarial methods and assumptions used to determine the actuarially determined contributions:

The following actuarial methods and assumptions were used in the December 31, 2019 valuation to determine the actuarially determined contribution.

Valuation timing	December 31, 2018
Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed value
Inflation	2.75%
Salary increases including inflation	Police and firemen 3.50% to 12.00%, including price inflation Local, 3.50% to 10.00%, including price inflation
Long-term rate of return	7.75%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The RP-2014 mortality tables with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using scale MP-2016.

COMBINING STATEMENTS AND INDIVIDUAL FUND
SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specific purposes.

Fund Name	Statutory or Other Authority	Purpose
Downtown Improvement District	Topeka Ordinance #196985	Accounts for assessments levied against tenants within the downtown business improvement district to provide for improvements and promotion of the downtown business area.
Court Technology Fund	Topeka Ordinance #19502	Adds a court fee to existing mandatory court costs and fees for upgrading the court's electronic records and payment systems.
Special Alcohol Program	K.S.A. 79-41a04	Accountability and use of one-third of City's distributable portion of special tax on sales of alcoholic beverages in private clubs. The resources of this fund may be used only for services or programs for prevention, education or treatment of alcohol or drug abuse.
Alcohol & Drug Safety	K.S.A. 8-1008	Fees are collected by Municipal Court on diversions of criminal proceedings to provide drug and alcohol evaluations and appropriate referrals to include an internal Alcohol Information School by certified counselors, as well as case management ensuring both the needs of the client and Municipal Court are met.
Park Land Acquisition	Administrative Topeka Ordinance #17226/18065	Reserves funds transferred from City departments and contributed by other entities for future land acquisitions for park improvements and developments.
Special Street Repairs	KSA 79-3401	This fund accounts for intergovernmental allocations and expenditures for repair, minor reconstruction, alteration, and maintenance – including snow removal and sweeping – of all streets and thoroughfares.
Sales Tax Street Repairs	K.S.A 12-1,118 and ORDINANCE NO. 19866	This fund provides funding through taxes for costs of maintenance and improvements to existing City streets, curbs, gutters, sidewalks, alleys and street lighting.
Law Enforcement	K.S.A. 13-14-a02, 60-4100,74-5607 Topeka City Code Section 106:227-229 Topeka Ordinance #17796	This fund was established for collecting revenues through means of donations, federal monies, warrant fees, Municipal Court fees and license fees in order to subsidize crime prevention activities including training, canine and officer equipment and crime prevention programs.
Special Liability Expense	K.S.A. 75-6110	Provides resources from a property tax levy to pay costs of defending the City and its officers and employees against tort or civil rights claims and to pay judgments or settlements resulting from such claims.
Transient Guest Tax	K.S.A. 12-1697 Resolution #4045 Charter Ordinance #69 (Topeka)	Accounts for revenues received from a transient guest tax imposed on hotel and motel room rentals. Used for promotion of conventions and tourism in Topeka.

Nonmajor Governmental Funds
Special Revenue Funds (Continued)

Fund Name	Statutory or Other Authority	Purpose
Retirement Reserve	Administrative Action Code 3.25.010 (City)	Provides funding for and absorbs those accrued sick leave, vacation and other related costs of City employees upon their retirement.
KP&F Equalization	Administrative Action Ordinance #18269 & #18290 Resolution 7487 (Topeka)	Provides funding for retirement of the KP&F liabilities and a reserve fund for any future 15% excess contribution liabilities.
Neighborhood Revitalization	Administrative Action Ordinance #18222 (Topeka)	Provides funding for the redevelopment of designated revitalization areas and dilapidated structures.
Historic Asset Tourism	Administrative Action Ordinance #17238 (Topeka)	Provides funding for acquisition, rehabilitation and preservation of historic landmarks or historic resources located within the City.
Tourism Business Improvement District	Administrative Action Ordinance #20064 (Topeka)	The Tourism Business Improvement District fund provides for a \$1 per night per room tax on hotels in the City that will be provided to the Topeka Lodging Association to provide supplemental funding for the design and administration of the Downtown Topeka Plaza.
TIF College	K.S.A. 12-1770A & Topeka Ordinance 18566	This fund was established to monitor the amount of property and sales taxes received for tax increment financing districts created for redevelopment of blighted areas.
Donations & Gifts	Administrative	Established to house donations and gifts for departments in the General Fund.
Governmental & Miscellaneous Grants	Public Law 93-838 (City Code Chapter 42 Contracts (Various Grant)	Accounts for the receipts and expenditures of proceeds provided by various governmental departments for Community Development Block grant Programs, various other grants related to health and social service programs, and law enforcement programs. Other grants included are miscellaneous grants from all sources to provide for things such as community clean up, recreational equipment and public safety.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds)

Fund Name	Purpose
Capital Projects	This fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
Developer Projects	This fund was established to house the expenditures of projects that are funded by developers of the community.

City of Topeka, Kansas

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2019

	Special Revenue Funds			
	Downtown Improvement District	Court Technology Fund	Special Alcohol Program	Alcohol & Drug Safety
Assets				
Cash and investments in Treasurer's Fund	\$ 87,406	\$ 299,240	\$ 257,128	\$ 302,591
Receivables (net of allowance for uncollectibles)				
Accounts receivable	46,067	-	-	-
Taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total assets	\$ 133,473	\$ 299,240	\$ 257,128	\$ 302,591
Liabilities and Fund Balances				
Liabilities:				
Accounts and contracts payable	\$ 27,591	\$ -	\$ -	\$ 1,274
Salaries and wages payable	-	-	-	3,024
Due to other funds	-	-	-	395
Total liabilities	27,591	-	-	4,693
Deferred Inflows of Resources				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted	-	-	257,128	297,898
Committed	105,882	299,240	-	-
Unassigned (deficit)	-	-	-	-
Total fund balance (deficit)	105,882	299,240	257,128	297,898
Total liabilities, deferred inflows of resources and fund balances	\$ 133,473	\$ 299,240	\$ 257,128	\$ 302,591

Special Revenue Funds

Park Land Acquisition	Special Street Repairs	Sales Tax Street Repairs	Law Enforcement	Special Liability Expense	Transient Guest Tax	Retirement Reserve
\$ 2,785	\$ 2,331,957	\$ 12,574,240	\$ 1,798,980	\$ 2,589,065	\$ 122,824	\$ 3,006,622
-	7,613	-	-	-	-	-
-	-	2,829,055	-	765,510	-	-
-	-	35,732	32,362	-	-	8,761
-	-	-	-	-	-	74,540
-	883,781	-	-	-	647,199	-
<u>\$ 2,785</u>	<u>\$ 3,223,351</u>	<u>\$ 15,439,027</u>	<u>\$ 1,831,342</u>	<u>\$ 3,354,575</u>	<u>\$ 770,023</u>	<u>\$ 3,089,923</u>
\$ 4,792	\$ 79,378	\$ 2,790,223	\$ 89,922	\$ 24,419	\$ 542,576	\$ 43,686
-	153,157	8,178	-	17,923	-	-
-	25,158	1,115	-	2,763	46,229	786
<u>4,792</u>	<u>257,693</u>	<u>2,799,516</u>	<u>89,922</u>	<u>45,105</u>	<u>588,805</u>	<u>44,472</u>
-	-	-	-	765,510	-	-
-	-	-	-	-	-	-
-	-	-	-	765,510	-	-
-	2,965,658	12,639,511	1,741,420	2,543,960	181,218	3,045,451
-	-	-	-	-	-	-
(2,007)	-	-	-	-	-	-
<u>(2,007)</u>	<u>2,965,658</u>	<u>12,639,511</u>	<u>1,741,420</u>	<u>2,543,960</u>	<u>181,218</u>	<u>3,045,451</u>
<u>\$ 2,785</u>	<u>\$ 3,223,351</u>	<u>\$ 15,439,027</u>	<u>\$ 1,831,342</u>	<u>\$ 3,354,575</u>	<u>\$ 770,023</u>	<u>\$ 3,089,923</u>

(Continued)

City of Topeka, Kansas

Combining Balance Sheet
 Nonmajor Governmental Funds (Continued)
 December 31, 2019

	Special Revenue Funds			
	KP&F Equalization	Neighborhood Revitalization	Historic Asset Tourism	Tourism Business Improvement District
Assets				
Cash and investments in Treasurer's Fund	\$ 401,294	\$ 385,431	\$ 29,711	\$ 41,653
Receivables (net of allowance for uncollectibles)				
Accounts receivable	-	-	-	-
Taxes receivable	-	-	-	20,568
Interest receivable	1,169	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total assets	\$ 402,463	\$ 385,431	\$ 29,711	\$ 62,221
Liabilities and Fund Balances				
Liabilities:				
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ 64,264
Salaries and wages payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	-	-	64,264
Deferred Inflows of Resources				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted	-	-	-	-
Committed	402,463	385,431	29,711	-
Unassigned (deficit)	-	-	-	(2,043)
Total fund balance (deficit)	402,463	385,431	29,711	(2,043)
Total liabilities, deferred inflows of resources and fund balances	\$ 402,463	\$ 385,431	\$ 29,711	\$ 62,221

Special Revenue Funds			Capital Projects Funds		Total Nonmajor Governmental Funds
TIF College	Donations & Gifts	Governmental & Miscellaneous Grants	Capital Projects	Developer Projects	
\$ -	\$ 59,625	\$ -	\$ 17,577,700	\$ -	\$ 41,868,252
-	-	235,565	500	741,501	1,031,246
-	-	-	-	-	3,615,133
-	-	-	-	-	78,024
-	-	-	-	-	74,540
-	-	921,902	-	-	2,452,882
<u>\$ -</u>	<u>\$ 59,625</u>	<u>\$ 1,157,467</u>	<u>\$ 17,578,200</u>	<u>\$ 741,501</u>	<u>\$ 49,120,077</u>
\$ -	\$ 3,000	\$ 270,860	\$ 2,604,337	\$ 35,145	\$ 6,581,467
-	-	-	-	-	182,282
-	-	788,747	-	705,019	1,570,212
-	3,000	1,059,607	2,604,337	740,164	8,333,961
-	-	-	-	-	765,510
-	-	921,902	-	736,233	1,658,135
-	-	921,902	-	736,233	2,423,645
-	56,625	-	14,973,863	-	38,702,732
-	-	-	-	-	1,222,727
-	-	(824,042)	-	(734,896)	(1,562,988)
-	56,625	(824,042)	14,973,863	(734,896)	38,362,471
<u>\$ -</u>	<u>\$ 59,625</u>	<u>\$ 1,157,467</u>	<u>\$ 17,578,200</u>	<u>\$ 741,501</u>	<u>\$ 49,120,077</u>

City of Topeka, Kansas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2019

	Special Revenue Funds			
	Downtown Improvement District	Court Technology Fund	Special Alcohol Program	Alcohol & Drug Safety
Revenues:				
Taxes and assessments	\$ 212,316	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	642,670	-
Fees for services	-	-	-	-
Fines and forfeitures	-	46,127	-	47,638
Interest from investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	212,316	46,127	642,670	47,638
Expenditures:				
Current:				
General government	199,564	12,125	-	83,040
Public safety	-	43,693	-	-
Public works	-	-	-	451
Parks and recreation	-	-	-	-
Economic development	-	-	-	-
Housing & neighborhood development	-	-	-	-
Social services	-	-	562,534	-
Construction	-	-	-	-
Engineering and others	-	-	-	-
Debt Service:				
Interest and fiscal costs	-	-	-	-
Issuance costs	-	-	-	-
Total expenditures	199,564	55,818	562,534	83,491
Excess (deficiency) of revenues over (under) expenditures	12,752	(9,691)	80,136	(35,853)
Other financing sources (uses)				
Issuance of debt	-	-	-	-
Issuance of debt premium	-	-	-	-
Transfers (out)	-	-	-	-
Sale of property - proceeds received	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	12,752	(9,691)	80,136	(35,853)
Fund balance, beginning of year	93,130	308,931	176,992	333,751
Fund balance, end of year	\$ 105,882	\$ 299,240	\$ 257,128	\$ 297,898

Special Revenue Funds

Park Land Acquisition	Special Street Repairs	Sales Tax Street Repairs	Law Enforcement	Special Liability Expense	Transient Guest Tax	Retirement Reserve
\$ -	\$ -	\$ 15,321,187	\$ -	\$ 937,806	\$ 2,646,995	\$ -
22,261	-	-	16,069	-	-	-
-	5,668,472	-	125	-	-	-
-	305,291	-	-	-	-	1,866,166
-	-	-	158,754	-	-	-
-	-	311,355	37,184	-	-	67,860
-	40,614	36,764	202,612	975	-	-
22,261	6,014,377	15,669,306	414,744	938,781	2,646,995	1,934,026
-	-	-	-	873,959	2,794,628	1,417,499
-	-	-	600,294	-	-	-
-	6,977,475	17,400,896	-	-	-	-
27,889	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
27,889	6,977,475	17,400,896	600,294	873,959	2,794,628	1,417,499
(5,628)	(963,098)	(1,731,590)	(185,550)	64,822	(147,633)	516,527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(184,656)	-
-	67,847	-	-	-	-	-
-	67,847	-	-	-	(184,656)	-
(5,628)	(895,251)	(1,731,590)	(185,550)	64,822	(332,289)	516,527
3,621	3,860,909	14,371,101	1,926,970	2,479,138	513,507	2,528,924
\$ (2,007)	\$ 2,965,658	\$ 12,639,511	\$ 1,741,420	\$ 2,543,960	\$ 181,218	\$ 3,045,451

(Continued)

City of Topeka, Kansas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (Continued)
 For the Year Ended December 31, 2019

	Special Revenue Funds			
	KP&F Equalization	Neighborhood Revitalization	Historic Asset Tourism	Tourism Business Improvement District
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ 425,599
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest from investments	8,980	-	-	-
Miscellaneous	-	-	-	-
Total revenues	8,980	-	-	425,599
Expenditures:				
Current:				
General government	-	-	1,811	226
Public safety	29,380	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Economic development	-	-	-	427,810
Housing & neighborhood development	-	-	-	-
Social services	-	-	-	-
Construction	-	-	-	-
Engineering and others	-	-	-	-
Debt Service:				
Interest and fiscal costs	-	-	-	-
Issuance costs	-	-	-	-
Total expenditures	29,380	-	1,811	428,036
Excess (deficiency) of revenues over (under) expenditures	(20,400)	-	(1,811)	(2,437)
Other financing sources (uses),				
Issuance of debt	-	-	-	-
Issuance of debt premium	-	-	-	-
Transfers (out)	-	-	-	-
Sale of property - proceeds received	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(20,400)	-	(1,811)	(2,437)
Fund balance, beginning of year	422,863	385,431	31,522	394
Fund balance, end of year	\$ 402,463	\$ 385,431	\$ 29,711	\$ (2,043)

Special Revenue Funds			Capital Projects Funds		Total Nonmajor Governmental Funds
TIF College	Donations and Gifts	Governmental & Miscellaneous Grants	Capital Projects	Developer Projects	
\$ 237,739	\$ -	\$ -	\$ -	\$ -	\$ 19,781,642
-	-	-	-	-	38,330
-	-	4,552,997	1,594,858	-	12,459,122
-	-	-	-	-	2,171,457
-	-	9,500	-	-	262,019
-	-	-	-	-	425,379
-	65,388	189,856	1,657	(14,192)	523,674
<u>237,739</u>	<u>65,388</u>	<u>4,752,353</u>	<u>1,596,515</u>	<u>(14,192)</u>	<u>35,661,623</u>
-	-	-	-	-	5,382,852
-	-	496,287	235,224	-	1,404,878
-	-	449,551	-	-	24,828,373
-	36,735	-	-	-	64,624
-	-	-	-	-	427,810
-	-	4,324,259	-	-	4,324,259
-	-	-	-	-	562,534
-	-	-	11,986,511	736,171	12,722,682
-	-	-	3,282,167	-	3,282,167
-	-	-	52,333	-	52,333
-	-	-	223,489	-	223,489
-	36,735	5,270,097	15,779,724	736,171	53,276,001
<u>237,739</u>	<u>28,653</u>	<u>(517,744)</u>	<u>(14,183,209)</u>	<u>(750,363)</u>	<u>(17,614,378)</u>
-	-	-	19,732,644	-	19,732,644
-	-	-	424,469	-	424,469
(237,739)	-	-	(1,878,443)	-	(2,300,838)
-	-	-	-	-	67,847
<u>(237,739)</u>	<u>-</u>	<u>-</u>	<u>18,278,670</u>	<u>-</u>	<u>17,924,122</u>
-	28,653	(517,744)	4,095,461	(750,363)	309,744
-	27,972	(306,298)	10,878,402	15,467	38,052,727
<u>\$ -</u>	<u>\$ 56,625</u>	<u>\$ (824,042)</u>	<u>\$ 14,973,863</u>	<u>\$ (734,896)</u>	<u>\$ 38,362,471</u>

City of Topeka, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
Downtown Improvement District Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues:				
Taxes and assessments	\$ 212,316	\$ 208,050	\$ 208,050	\$ 4,266
Miscellaneous	-	21,752	21,752	(21,752)
Total revenues	<u>212,316</u>	<u>229,802</u>	<u>229,802</u>	<u>(17,486)</u>
Expenditures, general government	<u>199,564</u>	<u>283,296</u>	<u>283,296</u>	<u>(83,732)</u>
Excess (deficiency) of revenues over (under) expenditures	12,752	<u>\$ (53,494)</u>	<u>\$ (53,494)</u>	<u>\$ 66,246</u>
Budgetary fund balance, January 1	<u>93,130</u>			
Budgetary fund balance, December 31	105,882			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u><u>\$ 105,882</u></u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Court Technology Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, fines and forfeitures	\$ 46,127	\$ 52,785	\$ 52,785	\$ (6,658)
Expenditures:				
General government	12,125	60,000	60,000	(47,875)
Public safety	43,693	-	-	43,693
Total expenditures	<u>55,818</u>	<u>60,000</u>	<u>60,000</u>	<u>(4,182)</u>
Excess (deficiency) of revenues over (under) expenditures	(9,691)	<u>\$ (7,215)</u>	<u>\$ (7,215)</u>	<u>\$ (2,476)</u>
Budgetary fund balance, January 1	<u>308,931</u>			
Budgetary fund balance, December 31	299,240			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 299,240</u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Special Alcohol Program Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, intergovernmental	\$ 642,670	\$ 570,000	\$ 570,000	\$ 72,670
Expenditures, social services	562,534	570,000	669,206	(106,672)
Excess (deficiency) of revenues over (under) expenditures	80,136	\$ -	\$ (99,206)	\$ 179,342
Budgetary fund balance, January 1	176,992			
Budgetary fund balance, December 31	257,128			
Reconciliation to GAAP				
Encumbrances	-			
GAAP Fund Balance, December 31	\$ 257,128			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Alcohol & Drug Safety Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, fines and forfeitures	\$ 47,638	\$ 74,800	\$ 74,800	\$ (27,162)
Expenditures:				
General government	83,040	401,800	401,800	(318,760)
Public works	451	-	-	451
Total expenditures	83,491	401,800	401,800	(318,309)
Excess (deficiency) of revenues over (under) expenditures	(35,853)	\$ (327,000)	\$ (327,000)	\$ 291,147
Budgetary fund balance, January 1	333,751			
Budgetary fund balance, December 31	297,898			
Reconciliation to GAAP				
Encumbrances	-			
GAAP Fund Balance, December 31	<u>\$ 297,898</u>			

City of Topeka, Kansas

**Statement of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
Special Street Repairs Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues				
Intergovernmental	\$ 5,668,472	\$ 5,639,935	\$ 5,639,935	\$ 28,537
Fees for services	305,291	304,985	304,985	306
Miscellaneous	40,614	34,000	34,000	6,614
Total revenues	<u>6,014,377</u>	<u>5,978,920</u>	<u>5,978,920</u>	<u>35,457</u>
Expenditures, public works	<u>6,977,475</u>	<u>7,578,445</u>	<u>8,478,445</u>	<u>1,500,970</u>
Excess (deficiency) of revenues over (under) expenditures	(963,098)	(1,599,525)	(2,499,525)	(1,465,513)
Other financing sources (uses), sale of property	<u>67,847</u>	-	-	<u>67,847</u>
Total other financing sources (uses)	<u>67,847</u>	-	-	<u>67,847</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	(895,251)	<u>\$ (1,599,525)</u>	<u>\$ (2,499,525)</u>	<u>\$ (1,397,666)</u>
Budgetary fund balance, January 1	<u>3,860,909</u>			
Budgetary fund balance, December 31	2,965,658			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 2,965,658</u>			

City of Topeka, Kansas

**Statement of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
Sales Tax—Street Repairs Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues				
Taxes and service assessments	\$ 15,321,187	\$ 14,765,801	\$ 14,765,801	\$ 555,386
Interest from investments	311,355	-	-	311,355
Miscellaneous	36,764	60,300	60,300	(23,536)
Total revenues	<u>15,669,306</u>	<u>14,826,101</u>	<u>14,826,101</u>	<u>843,205</u>
Expenditures, public works	<u>17,400,896</u>	<u>21,090,466</u>	<u>21,090,466</u>	<u>3,689,570</u>
Excess (deficiency) of revenues over (under) expenditures	(1,731,590)	<u>\$ (6,264,365)</u>	<u>\$ (6,264,365)</u>	<u>\$ (2,846,365)</u>
Budgetary fund balance, January 1	<u>14,371,101</u>			
Budgetary fund balance, December 31	12,639,511			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 12,639,511</u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Law Enforcement Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues:				
Intergovernmental	\$ 125	\$ 10,000	\$ 10,000	\$ (9,875)
Fines and forfeitures	158,754	166,000	166,000	(7,246)
Licenses and permits	16,069	16,500	16,500	(431)
Interest	37,185	-	-	37,185
Miscellaneous	202,611	30,000	30,000	172,611
Total revenues	<u>414,744</u>	<u>222,500</u>	<u>222,500</u>	<u>192,244</u>
Expenditures, public safety	600,294	690,921	690,921	(90,627)
Total expenditures	<u>600,294</u>	<u>690,921</u>	<u>690,921</u>	<u>(90,627)</u>
Excess (deficiency) of revenues over (under) expenditures	(185,550)	<u>\$ (468,421)</u>	<u>\$ (468,421)</u>	<u>\$ 282,871</u>
Budgetary fund balance, January 1	<u>1,926,970</u>			
Budgetary fund balance, December 31	1,741,420			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 1,741,420</u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Special Liability Expense Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues:				
Taxes and assessments	\$ 937,806	\$ 950,700	\$ 950,700	\$ (12,894)
Miscellaneous	975	-	-	975
Total revenues	<u>938,781</u>	<u>950,700</u>	<u>950,700</u>	<u>(11,919)</u>
Expenditures, general government	<u>873,959</u>	<u>2,096,434</u>	<u>2,096,434</u>	<u>(1,222,475)</u>
Excess (deficiency) of revenues over (under) expenditures	64,822	<u>\$ (1,145,734)</u>	<u>\$ (1,145,734)</u>	<u>\$ 1,210,556</u>
Budgetary fund balance, January 1	<u>2,479,138</u>			
Budgetary fund balance, December 31	2,543,960			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u><u>\$ 2,543,960</u></u>			

City of Topeka, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
Transient Guest Tax Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, taxes and assessments	\$ 2,646,995	\$ 2,721,858	\$ 2,721,858	\$ (74,863)
Expenditures:				
General government	749,739	372,374	372,374	377,365
Grants other agencies	2,044,889	2,148,280	2,148,280	(103,391)
Contingency	-	475,606	475,606	(475,606)
Total expenditures	<u>2,794,628</u>	<u>2,996,260</u>	<u>2,996,260</u>	<u>(201,632)</u>
Excess (deficiency) of revenues over (under) expenditures	(147,633)	(274,402)	(274,402)	126,769
Other financing sources (uses), transfers (out)	<u>(184,656)</u>	<u>(193,757)</u>	<u>(193,757)</u>	<u>9,101</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	(332,289)	<u>\$ (468,159)</u>	<u>\$ (468,159)</u>	<u>\$ 135,870</u>
Budgetary fund balance, January 1	<u>513,507</u>			
Budgetary fund balance, December 31	181,218			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 181,218</u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Retirement Reserve Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues:				
Fees for service	\$ 1,866,166	\$ 1,820,592	\$ 1,820,592	\$ 45,574
Interest from investments	67,860	-	-	67,860
Total revenues	<u>1,934,026</u>	<u>1,820,592</u>	<u>1,820,592</u>	<u>113,434</u>
Expenditures, general government	<u>1,417,499</u>	<u>3,129,954</u>	<u>3,129,954</u>	<u>(1,712,455)</u>
Excess (deficiency) of revenues over (under) expenditures	516,527	(1,309,362)	(1,309,362)	1,825,889
Budgetary fund balance, January 1	<u>2,528,924</u>			
Budgetary fund balance, December 31	3,045,451			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u><u>\$ 3,045,451</u></u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 KP&F Equalization Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, interest from investments	\$ 8,980	\$ -	\$ -	\$ 8,980
Expenditures, public safety	29,380	29,380	29,380	-
Excess (deficiency) of revenues over (under) expenditures	(20,400)	<u>\$ (29,380)</u>	<u>\$ (29,380)</u>	<u>\$ 8,980</u>
Budgetary fund balance, January 1	<u>422,863</u>			
Budgetary fund balance, December 31	402,463			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u><u>\$ 402,463</u></u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Neighborhood Revitalization Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues, miscellaneous	\$ -	\$ 15,000	\$ 15,000	\$ (15,000)
Expenditures:				
General government	-	130,000	130,000	(130,000)
Housing and neighborhood development	-	157,532	157,531	(157,531)
Total expenditures	-	287,532	287,531	(287,531)
Excess (deficiency) of revenues over (under) expenditures	-	<u>\$ (272,532)</u>	<u>\$ (272,531)</u>	<u>\$ 272,531</u>
Budgetary fund balance, January 1	<u>385,431</u>			
Budgetary fund balance, December 31	385,431			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u>\$ 385,431</u>			

City of Topeka, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
 (Budgetary Basis)
 Historic Asset Tourism Fund
 For the Year Ended December 31, 2019

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures, general government	1,811	31,156	31,156	(29,345)
Excess (deficiency) of revenues over (under) expenditures	(1,811)	<u>\$ (31,156)</u>	<u>\$ (31,156)</u>	<u>\$ 29,345</u>
Budgetary fund balance, January 1	<u>31,522</u>			
Budgetary fund balance, December 31	29,711			
Reconciliation to GAAP				
Encumbrances	<u>-</u>			
GAAP Fund Balance, December 31	<u><u>\$ 29,711</u></u>			

City of Topeka, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual
(Budgetary Basis)
Debt Service Fund
For the Year Ended December 31, 2019**

	Actual	Budgeted Amounts		Variance with Final Budget
		Original	Final	
Revenues:				
Taxes	\$ 17,413,981	\$ 16,026,437	\$ 16,026,437	\$ 1,387,544
Special assessments with debt commitments	3,955,222	3,182,406	3,182,406	772,816
Intergovernmental	174,564	240,000	240,000	(65,436)
Interest from investments	644,702	130,076	130,076	514,626
Total revenues	22,188,469	19,578,919	19,578,919	2,609,550
Expenditures:				
Debt service:				
Principal	16,022,711	15,138,900	15,138,900	883,811
Interest and fiscal costs	5,686,199	5,011,308	5,011,308	674,891
Contingency	-	7,062,891	7,062,891	(7,062,891)
Total expenditures	21,708,910	27,213,099	27,213,099	(5,504,189)
Excess (deficiency) of revenues over (under) expenditures	479,559	(7,634,180)	(7,634,180)	8,113,739
Other financing sources (uses):				
Transfers (out)	-	(450,000)	(450,000)	450,000
Transfers in	2,116,182	216,351	216,351	1,899,831
Proceeds from Refunding Debt	20,172,077	-	-	20,172,077
Payments to Escrow	(19,886,640)	-	-	(19,886,640)
Total other financing sources (uses)	2,401,619	(233,649)	(233,649)	2,635,268
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	2,881,178	\$ (7,867,829)	\$ (7,867,829)	\$ 10,749,007
Budgetary fund balance, January 1	8,580,089			
Budgetary fund balance, December 31	11,461,267			
Reconciliation to GAAP				
Encumbrances	-			
GAAP Fund Balance, December 31	\$ 11,461,267			

Internal Service Funds

Internal Service Funds are used to account for financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis.

Fund Name	Statutory or Other Authority	Purpose
Information Technology	Topeka City Code Section 3.25.020	Accounts for assets, liabilities, revenues and expenses in the operation of the Information Technology Department.
Fleet Services	Topeka Ordinance #15665	Accounts for the assets, liabilities, revenues and expenses of fleet services for Public Works Department vehicles and also for other City departments' vehicles as needed.
Facility Operations	Topeka City Code Section 3.25.020	Accounts for assets, liabilities, revenues and expenses for maintaining municipal buildings and infrastructure.

Risk Managements, includes the following areas:

Fund Name	Statutory or Other Authority	Purpose
Workers' Compensation	K.S.A. 12-2615	Administered by the Risk Management Division of the Human Resource Department, provides accountability for expenditures and revenues for workers compensation claims.
Property Insurance	K.S.A. 12-2615	Administered by the Risk Management Division, provides accountability of expenditures and revenues for physical damage to City vehicles and aircraft.
Group Health Insurance	Administrative	Provides fiscal and accounting control for the City Employee Health Self-Insurance Plan.
Risk Management Reserve	K.S.A. 12-2615	Administered by the Risk Management Division of the Human Resource Department, provides moneys to reimburse the City from insurable losses not otherwise insured.
Unemployment Compensation	Administrative	Administered by the Risk Management Division of the Human Resource Department, established to account for assessments made against compensation paid to City employees, to be used only to reimburse the State for unemployment compensation payments.

City of Topeka, Kansas

Combining Statement of Net Position
Internal Service Funds
December 31, 2019

	Information Technology	Fleet Services	Facility Operations	Combined Risk Management	Total Internal Service Funds
Assets and Deferred Outflows of Resources					
Current assets:					
Cash and investments in Treasurer's Fund	\$ 1,321,661	\$ 2,287,345	\$ 493,493	\$ 17,680,407	\$ 21,782,906
Accounts receivable, net	-	1,064	22,989	-	24,053
Interest receivable	-	-	-	285,608	285,608
Inventory	-	190,741	-	-	190,741
Due from other funds	-	-	-	517,139	517,139
Total current assets	1,321,661	2,479,150	516,482	18,483,154	22,800,447
Noncurrent assets:					
Capital assets being depreciated, net	-	172,219	81,131	-	253,350
Total assets	1,321,661	2,651,369	597,613	18,483,154	23,053,797
Deferred outflows of resources:					
KPERS pension deferred outflows of resources	272,982	353,269	305,096	-	931,347
KPERS OPEB deferred outflows of resources	4,520	5,850	5,052	-	15,422
OPEB deferred outflows of resources	11,906	15,408	13,307	-	40,621
Total deferred outflows of resources	289,408	374,527	323,455	-	987,390
Total assets and deferred outflows of resources	\$ 1,611,069	\$ 3,025,896	\$ 921,068	\$ 18,483,154	\$ 24,041,187
Liabilities and Deferred Inflows of Resources					
Current liabilities (payable from current assets):					
Accounts payable	\$ 69,079	\$ 332,724	\$ 152,049	\$ 587,192	\$ 1,141,044
Accrued payroll and benefits	68,318	71,819	42,833	5,432	188,402
Due to other funds	8,324	10,165	5,917	400	24,806
Self-insurance claims	-	-	-	2,867,197	2,867,197
Compensated absences and other benefits	77,831	72,771	20,452	3,709	174,763
Total current liabilities (payable from current assets)	223,552	487,479	221,251	3,463,930	4,396,212
Noncurrent liabilities:					
Compensated absences and other benefits	37,552	36,800	10,090	2,022	86,464
Net pension liability	1,625,445	2,103,517	1,816,677	-	5,545,639
Total OPEB liability - KPERS	36,172	46,811	40,428	-	123,411
Total OPEB liability	51,855	67,105	57,955	-	176,915
Total noncurrent liabilities	1,751,024	2,254,233	1,925,150	2,022	5,932,429
Total liabilities	1,974,576	2,741,712	2,146,401	3,465,952	10,328,641
Deferred inflows of resources:					
KPERS pension deferred inflows of resources	74,735	96,716	83,527	-	254,978
KPERS OPEB deferred inflows of resources	3,101	4,013	3,466	-	10,580
OPEB deferred inflows of resources	6,426	8,316	7,182	-	21,924
Total deferred inflows of resources	84,262	109,045	94,175	-	287,482
Total liabilities and deferred inflows of resources	\$ 2,058,838	\$ 2,850,757	\$ 2,240,576	\$ 3,465,952	\$ 10,616,123
Net Position (deficit)					
Net investment in capital assets	\$ -	\$ 172,219	\$ 81,131	\$ -	\$ 253,350
Unrestricted (deficit)	(447,769)	2,920	(1,400,639)	15,017,202	13,171,714
Total net position (deficit)	\$ (447,769)	\$ 175,139	\$ (1,319,508)	\$ 15,017,202	\$ 13,425,064

City of Topeka, Kansas

Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2019

	Information Technology	Fleet Services	Facility Operations	Combined Risk Management	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 3,931,277	\$ 2,374,174	\$ 1,634,931	\$ 15,229,866	23,170,248
Other	34,719	1,093	572	95,877	132,261
Total operating revenues	3,965,996	2,375,267	1,635,503	15,325,743	23,302,509
Operating expenses:					
Personnel services	1,738,437	1,556,461	949,550	121,687	4,366,135
Contractual services	2,054,161	253,926	689,315	3,952,626	6,950,028
Supplies	230,091	554,750	75,654	1,882	862,377
Depreciation and amortization	-	50,197	8,347	-	58,544
Insurance claims	-	-	-	8,940,878	8,940,878
Total operating expenses	4,022,689	2,415,334	1,722,866	13,017,073	21,177,962
Operating income (loss)	(56,693)	(40,067)	(87,363)	2,308,670	2,124,547
Nonoperating revenues:					
Interest income	-	-	-	365,808	365,808
Gain/(loss) on sale of capital assets	-	-	1,200	-	1,200
Total nonoperating revenues	-	-	1,200	365,808	367,008
Change in net position	(56,693)	(40,067)	(86,163)	2,674,478	2,491,555
Net position (deficit), beginning of year	(391,076)	215,206	(1,233,345)	12,342,724	10,933,509
Net position (deficit), end of year	\$ (447,769)	\$ 175,139	\$ (1,319,508)	\$ 15,017,202	\$ 13,425,064

City of Topeka, Kansas

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2019

	Information Technology	Fleet Services	Facility Operations	Combined Risk Management	Total Internal Service Funds
Cash flows from operating activities:					
Receipts from customers and users	\$ 3,931,277	\$ 2,373,524	\$ 1,622,763	\$ 15,229,866	\$ 23,157,430
Payments to suppliers and providers	(2,765,957)	(1,014,134)	(1,061,347)	(12,358,553)	(17,199,991)
Payments to employees	(1,249,633)	(1,089,147)	(688,766)	(94,860)	(3,122,406)
Other receipts	34,719	1,093	572	95,877	132,261
Net cash provided by (used in) operating activities	(49,594)	271,336	(126,778)	2,872,330	2,967,294
Cash flows from noncapital financing activities,					
Intrafund activity	1,316	479	(495)	(59,476)	(58,176)
Cash flows from capital and related financing activities,					
Purchase of capital assets	-	(43,582)	(59,859)	-	(103,441)
Cash flows from investing activities, interest received	-	-	-	241,836	241,836
Net increase (decrease) in cash and cash equivalents	(48,278)	228,233	(187,132)	3,054,690	3,047,513
Cash and cash equivalents, January 1	1,369,939	2,059,112	680,625	14,625,717	18,735,393
Cash and cash equivalents, December 31	<u>\$ 1,321,661</u>	<u>\$ 2,287,345</u>	<u>\$ 493,493</u>	<u>\$ 17,680,407</u>	<u>\$ 21,782,906</u>
Cash and equivalents reported on the statement of net position					
Cash and investments in Treasurer's Fund	<u>\$ 1,321,661</u>	<u>\$ 2,287,345</u>	<u>\$ 493,493</u>	<u>\$ 17,680,407</u>	<u>\$ 21,782,906</u>

(Continued)

City of Topeka, Kansas

Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended December 31, 2019

	Information Technology	Fleet Services	Facility Operations	Combined Risk Management	Total Internal Service Funds
Reconciliation of operating (loss) income to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (56,693)	\$ (40,067)	\$ (87,363)	\$ 2,308,670	2,124,547
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	-	50,197	8,347	-	58,544
(Increase) decrease in accounts receivable	-	(650)	(12,168)	-	(12,818)
(Increase) decrease in inventory	-	(28,892)	-	-	(28,892)
Increase (decrease) in accounts payable	(85,094)	235,833	(46,346)	1,467,026	1,571,419
Increase (decrease) in accrued payroll and benefits	3,904	9,969	(375)	552	14,050
Increase (decrease) in self-insurance claims	-	-	-	(901,993)	(901,993)
Increase (decrease) in compensated absences	(4,492)	8,145	(9,305)	(1,925)	(7,577)
Increase (decrease) in net pension liability	39,658	(41,959)	(48,954)	-	(51,255)
Increase (decrease) in total OPEB liability	1,099	(3,693)	(3,886)	-	(6,480)
(Increase) decrease in deferred outflows	59,750	97,863	87,319	-	244,932
Increase (decrease) in deferred inflows	(7,726)	(15,410)	(14,047)	-	(37,183)
Net cash provided by (used in) operating activities	\$ (49,594)	\$ 271,336	\$ (126,778)	\$ 2,872,330	\$ 2,967,294

City of Topeka, Kansas

Combining Statement of Net Position
Risk Management Funds
December 31, 2019

	Property Insurance	Workman's Compensation	Group Health Insurance	Risk Management Reserve	Unemployment Compensation	Total
Assets						
Current assets:						
Cash and investments in Treasurer's Fund	\$ 1,681,097	\$ 6,411,611	\$ 8,963,842	\$ 381,462	\$ 242,395	\$ 17,680,407
Interest receivable	-	118,661	159,896	7,051	-	285,608
Due from other funds	-	101,805	412,476	-	2,858	517,139
Total current assets	1,681,097	6,632,077	9,536,214	388,513	245,253	18,483,154
Total assets	\$ 1,681,097	\$ 6,632,077	\$ 9,536,214	\$ 388,513	\$ 245,253	\$ 18,483,154
Liabilities						
Current liabilities (payable from current assets):						
Accounts payable	\$ 38,605	\$ 32,229	\$ 516,358	\$ -	\$ -	\$ 587,192
Accrued payroll and benefits	-	4,228	1,204	-	-	5,432
Due to other funds	-	371	29	-	-	400
Self-insurance claims	145,000	1,923,504	798,693	-	-	2,867,197
Compensated absences and other benefits	-	3,709	-	-	-	3,709
Total current liabilities (payable from current assets)	183,605	1,964,041	1,316,284	-	-	3,463,930
Noncurrent liabilities, compensated absences and other benefits	-	2,022	-	-	-	2,022
Total liabilities	183,605	1,966,063	1,316,284	-	-	3,465,952
Net Position						
Unrestricted	1,497,492	4,666,014	8,219,930	388,513	245,253	15,017,202
Total net position	\$ 1,497,492	\$ 4,666,014	\$ 8,219,930	\$ 388,513	\$ 245,253	\$ 15,017,202

City of Topeka, Kansas

Combining Statement of Revenues, Expenses and Changes in Net Position
 Risk Management Funds
 For the Year Ended December 31, 2019

	Property Insurance	Workman's Compensation	Group Health Insurance	Risk Management Reserve	Unemployment Compensation	Total
Operating revenues:						
Charges for services	\$ 868,489	\$ 2,551,151	\$ 11,738,065	\$ -	\$ 72,161	\$ 15,229,866
Other	50,098	35,334	10,445	-	-	95,877
Total operating revenues	918,587	2,586,485	11,748,510	-	72,161	15,325,743
Operating expenses:						
Personnel services	-	95,986	25,701	-	-	121,687
Contractual services	780,625	789,414	2,382,356	-	231	3,952,626
Supplies	-	297	1,585	-	-	1,882
Insurance claims	78,282	459,852	8,394,635	-	8,109	8,940,878
Total operating expenses	858,907	1,345,549	10,804,277	-	8,340	13,017,073
Operating income	59,680	1,240,936	944,233	-	63,821	2,308,670
Nonoperating revenues:						
Interest income	-	145,797	211,760	8,251	-	365,808
Change in net position	59,680	1,386,733	1,155,993	8,251	63,821	2,674,478
Net position, beginning of year	1,437,812	3,279,281	7,063,937	380,262	181,432	12,342,724
Net position, end of year	\$ 1,497,492	\$ 4,666,014	\$ 8,219,930	\$ 388,513	\$ 245,253	\$ 15,017,202

City of Topeka, Kansas

**Combining Statement of Cash Flows
Risk Management Funds
For the Year Ended December 31, 2019**

	Property Insurance	Workman's Compensation	Group Health Insurance	Risk Management Reserve	Unemployment Compensation	Total
Cash flows from operating activities:						
Receipts from customers and users	\$ 868,489	\$ 2,551,151	\$ 11,738,065	\$ -	\$ 72,161	\$ 15,229,866
Payments to suppliers and providers	(978,228)	(1,087,567)	(10,279,465)	-	(13,293)	(12,358,553)
Payments to employees	-	(75,163)	(19,697)	-	-	(94,860)
Other receipts	50,098	35,334	10,445	-	-	95,877
Net cash provided by (used in) operating activities	(59,641)	1,423,755	1,449,348	-	58,868	2,872,330
Cash flows from noncapital financing activities, Intrafund activity	-	5,624	(65,252)	-	152	(59,476)
Cash flows from investing activities, interest received	-	90,173	145,648	6,015	-	241,836
Net increase (decrease) in cash and cash equivalents	(59,641)	1,519,552	1,529,744	6,015	59,020	3,054,690
Cash and cash equivalents, January 1	1,740,738	4,892,059	7,434,098	375,447	183,375	14,625,717
Cash and cash equivalents, December 31	\$ 1,681,097	\$ 6,411,611	\$ 8,963,842	\$ 381,462	\$ 242,395	\$ 17,680,407
Cash and equivalents reported on the statement of net position Cash and investments in Treasurer's Fund	\$ 1,681,097	\$ 6,411,611	\$ 8,963,842	\$ 381,462	\$ 242,395	\$ 17,680,407
Reconciliation of operating income to net cash provided by (used in) operating activities						
Operating income	\$ 59,680	\$ 1,240,936	\$ 944,233	\$ -	\$ 63,821	\$ 2,308,670
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
(Increase) decrease in accounts receivable	-	-	-	-	-	-
(Increase) decrease in prepaids	-	-	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-	-	-
Increase (decrease) in accounts payable	926,817	23,851	516,358	-	-	1,467,026
Increase (decrease) in accrued payroll and benefits	-	482	70	-	-	552
Increase (decrease) in self-insurance claims	(1,046,138)	160,411	(11,313)	-	(4,953)	(901,993)
Increase (decrease) in compensated absences	-	(1,925)	-	-	-	(1,925)
Net cash provided by (used in) operating activities	\$ (59,641)	\$ 1,423,755	\$ 1,449,348	\$ -	\$ 58,868	\$ 2,872,330

Fiduciary Funds

Fiduciary Funds are used to account for assets held by governmental units in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. All City of Topeka fiduciary funds are Agency Funds.

Fund Name	Statutory or Other Authority	Purpose
Special Event Debris	Topeka Ordinance 20098	Deposit fees are collected for Special Events and outdoor events held on public property organized for a particular and limited purpose and time, and shall include, but are not limited to parades, running/walking/bicycling events, motor vehicle events, festivals and concerts.
Payroll Clearing	Administrative	Accounts for receipts and disbursements of the City payroll withholding amounts, such as income taxes.
Court Bond	Administrative	Receives, holds and disburses bonds posted by individuals at the Municipal Court.
Fire Insurance Proceeds	Topeka Ordinance #16276	Temporarily and partially restricts the payment of insurance proceeds on fire damaged buildings to the insured until certain health and building code conditions are met.
Law Enforcement Trust	K.S.A. 28-172a; K.S.A. 13-14a02, K.S.A. 60-4100, K.S.A. 74-5607	Holds federal and state seized monies until cases are settled and then funds are dispersed properly.
Community Improvement District: Holiday Square	K.S.A. 12-6a26 Topeka Ordinance 19722	Provides for the use of public financing to fund projects within a prescribed district to strengthen economic development and employment opportunities, enhance tourism or upgrade older real estate through redevelopment or rehabilitation.
Community Improvement District: Crosswind	K.S.A. 12-6a26 Topeka Ordinance 19878	Provides for the use of public financing to fund projects within a prescribed district to strengthen economic development and employment opportunities, enhance tourism, or upgrade older real estate through redevelopment or rehabilitation.
Community Improvement District: Cyrus Hotel	K.S.A. 12-6a26 Topeka Ordinance 20085	Provides for the use of public financing to fund projects within a prescribed district to strengthen economic development and employment opportunities, enhance tourism or upgrade older real estate through redevelopment or rehabilitation.
Community Improvement District: 29 th Street	K.S.A. 12-6a26 Topeka Ordinance 20085	The SE 29 th Street CID fund receives the extra levied 1% sales tax generated within the SE 29 th Street district. The revenue is used to pay the developer for certified costs to upgrade the district to strengthen economic development and employment opportunities, enhance tourism or upgrade older real estate.
Community Improvement District: Wheatfield	K.S.A. 12-6a26 Topeka Ordinance 20096	Provides for the use of public financing to fund projects within a prescribed district to strengthen economic development and employment opportunities, enhance tourism, or upgrade older real estate through redevelopment or rehabilitation.
Community Improvement District: Sherwood Crossing	K.S.A. 12-6a26 Topeka Ordinance 20187	Provides for the use of public financing to fund projects within a prescribed district to strengthen economic development and employment opportunities, enhance tourism, or upgrade older real estate through redevelopment or rehabilitation.

Fiduciary Funds (Continued)

Fund Name	Statutory or Other Authority	Purpose
Municipal Court Trust	K.S.A. 12-4116 & Topeka Ordinance #16635; K.S.A. 75-5670; K.S.A. 74-5607 & K.S.A. 28-172a	Fees are collected on cases filed in Municipal Court, which are mandated by the state, for judicial education and training of judges, administering the statewide trauma system, to maintain the state law enforcement training center, and collects motor vehicle reinstatement fees. All of the funds collected are remitted to the state on a monthly basis.
Water Customer Round Up	Administrative	Utility mutual assistance fund that passes the money derived from customers who offer to round up their payments to assist others.
SNCO Holding	Administrative	Receives, holds, and disburses refuse payments to Shawnee County for combined water/trash billings.
Economic Development Clearing	Administrative	Holds good faith money for payment of costs associated with establishment of economic development districts and disbursement of unspent good faith funds.

City of Topeka, Kansas

Combining Balance Sheet
 Agency Funds
 December 31, 2019

	Special Event Debris	Payroll Clearing	Court Bond	Fire Insurance Proceeds	Law Enforcement Trust	Community Improvement District					Municipal Court Trust	Water Customer Round-Up	SNCO Holding	Economic Development Clearing	Totals	
						Holiday Square	Crosswind	Cyrus Hotel	29th Street	Wheatfield						Sherwood Crossing
Assets																
Cash and investments in Treasurer's Fund	\$ 1,000	\$ 1,716,968	\$ 75,698	\$ 111,469	\$ 1,034,241	\$ 8,814	\$ 25,134	\$ 68,595	\$ 103,228	\$ 39,153	\$ 5,697	\$ 36,065	\$ 5,252	\$ -	\$ -	\$ 3,231,314
Receivables (net of allowance for uncollectibles), accounts receivable	-	-	-	-	19,066	16,756	48,029	20,711	5,521	43,386	10,928	-	1,003	1,115,118	5,064	1,285,582
Total assets	\$ 1,000	\$ 1,716,968	\$ 75,698	\$ 111,469	\$ 1,053,307	\$ 25,570	\$ 73,163	\$ 89,306	\$ 108,749	\$ 82,539	\$ 16,625	\$ 36,065	\$ 6,255	\$ 1,115,118	\$ 5,064	\$ 4,516,896
Liabilities																
Accounts payable	\$ 1,000	\$ 1,697,120	\$ -	\$ 111,469	\$ 2,724	\$ 7,314	\$ 23,634	\$ -	\$ 108,749	\$ -	\$ -	\$ 1,495	\$ -	\$ 1,115,118	\$ 1,980	\$ 3,070,603
Due to other governments	-	5,073	-	-	-	-	-	-	-	-	-	33,836	-	-	-	38,909
Due to others	-	14,775	75,698	-	1,050,583	18,256	49,529	89,306	-	82,539	16,625	734	6,255	-	3,084	1,407,384
Total liabilities	\$ 1,000	\$ 1,716,968	\$ 75,698	\$ 111,469	\$ 1,053,307	\$ 25,570	\$ 73,163	\$ 89,306	\$ 108,749	\$ 82,539	\$ 16,625	\$ 36,065	\$ 6,255	\$ 1,115,118	\$ 5,064	\$ 4,516,896

City of Topeka, Kansas

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 December 31, 2019

	Balance January 1 2019	Additions	Deductions	Balance December 31 2019
Special Event Debris				
Assets				
Cash and investments in Treasurer's Fund	\$ 1,000	\$ -	\$ -	\$ 1,000
Total assets	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>
Liabilities				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Total liabilities	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>
Payroll Clearing				
Assets				
Cash and investments in Treasurer's Fund	\$ 1,659,385	\$ 37,571,887	\$ 37,514,304	\$ 1,716,968
Total assets	<u>\$ 1,659,385</u>	<u>\$ 37,571,887</u>	<u>\$ 37,514,304</u>	<u>\$ 1,716,968</u>
Liabilities				
Accounts payable	\$ 1,636,208	\$ 5,604,793	\$ 5,543,881	\$ 1,697,120
Due to other governments	5,073	-	-	5,073
Due to others	18,104	26,427,420	26,430,749	14,775
Total liabilities	<u>\$ 1,659,385</u>	<u>\$ 32,032,213</u>	<u>\$ 31,974,630</u>	<u>\$ 1,716,968</u>
Court Bond				
Assets				
Cash and investments in Treasurer's Fund	\$ 92,483	\$ 171,731	\$ 188,516	\$ 75,698
Total assets	<u>\$ 92,483</u>	<u>\$ 171,731</u>	<u>\$ 188,516</u>	<u>\$ 75,698</u>
Liabilities				
Due to others	\$ 92,483	\$ 171,731	\$ 188,516	\$ 75,698
Total liabilities	<u>\$ 92,483</u>	<u>\$ 171,731</u>	<u>\$ 188,516</u>	<u>\$ 75,698</u>
Fire Insurance Proceeds				
Assets				
Cash and investments in Treasurer's Fund	\$ 75,061	\$ 354,441	\$ 318,033	\$ 111,469
Total assets	<u>\$ 75,061</u>	<u>\$ 354,441</u>	<u>\$ 318,033</u>	<u>\$ 111,469</u>
Liabilities				
Accounts payable	\$ 75,061	\$ 354,441	\$ 318,033	\$ 111,469
Total liabilities	<u>\$ 75,061</u>	<u>\$ 354,441</u>	<u>\$ 318,033</u>	<u>\$ 111,469</u>
Law Enforcement Trust				
Assets				
Cash and investments in Treasurer's Fund	\$ 808,849	\$ 429,961	\$ 204,569	\$ 1,034,241
Accounts receivable	10,806	19,066	10,806	19,066
Total assets	<u>\$ 819,655</u>	<u>\$ 449,027</u>	<u>\$ 215,375</u>	<u>\$ 1,053,307</u>
Liabilities				
Accounts payable	\$ -	\$ 2,724	\$ -	\$ 2,724
Due to others	819,655	708,837	477,909	1,050,583
Total liabilities	<u>\$ 819,655</u>	<u>\$ 711,561</u>	<u>\$ 477,909</u>	<u>\$ 1,053,307</u>

(Continued)

City of Topeka, Kansas

Combining Statement of Changes in Assets and Liabilities (Continued)
 Agency Funds
 December 31, 2019

	Balance January 1 2019		Additions	Deductions	Balance December 31 2019	
CID Holiday Square						
Assets						
Cash and investments in Treasurer's Fund	\$	7,846	\$ 93,155	\$ 92,187	\$	8,814
Accounts receivable		14,294	16,756	14,294		16,756
Total assets	\$	22,140	\$ 109,911	\$ 106,481	\$	25,570
Liabilities						
Accounts payable	\$	6,346	\$ 20,611	\$ 19,643	\$	7,314
Due to others		15,794	2,462	-		18,256
Total liabilities	\$	22,140	\$ 23,073	\$ 19,643	\$	25,570
CID Crosswind						
Assets						
Cash and investments in Treasurer's Fund	\$	18,238	\$ 287,649	\$ 280,753	\$	25,134
Accounts receivable		52,378	48,029	52,378		48,029
Total assets	\$	70,616	\$ 335,678	\$ 333,131	\$	73,163
Liabilities						
Accounts payable	\$	16,738	\$ 63,391	\$ 56,495	\$	23,634
Due to others		53,878	312,043	316,392		49,529
Total liabilities	\$	70,616	\$ 375,434	\$ 372,887	\$	73,163
CID Cyrus Hotel						
Assets						
Cash and investments in Treasurer's Fund	\$	13,346	\$ 56,377	\$ 1,128	\$	68,595
Accounts receivable		783	20,711	783		20,711
Total assets	\$	14,129	\$ 77,088	\$ 1,911	\$	89,306
Liabilities						
Due to others	\$	14,129	\$ 77,089	\$ 1,912	\$	89,306
Total liabilities	\$	14,129	\$ 77,089	\$ 1,912	\$	89,306
CID 29th Street						
Assets						
Cash and investments in Treasurer's Fund	\$	43,922	\$ 60,516	\$ 1,210	\$	103,228
Accounts receivable		9,018	5,521	9,018		5,521
Total assets	\$	52,940	\$ 66,037	\$ 10,228	\$	108,749
Liabilities						
Accounts payable	\$	52,940	\$ 66,037	\$ 10,228	\$	108,749
Total liabilities	\$	52,940	\$ 66,037	\$ 10,228	\$	108,749
CID Wheatfield						
Assets						
Cash and investments in Treasurer's Fund	\$	-	\$ 39,952	\$ 799	\$	39,153
Accounts receivable		-	43,386	-		43,386
Total assets	\$	-	\$ 83,338	\$ 799	\$	82,539
Liabilities						
Due to others	\$	-	\$ 83,338	\$ 799	\$	82,539
Total liabilities	\$	-	\$ 83,338	\$ 799	\$	82,539

(Continued)

City of Topeka, Kansas

Combining Statement of Changes in Assets and Liabilities (Continued)
 Agency Funds
 December 31, 2019

	Balance January 1 2019	Additions	Deductions	Balance December 31 2019
CID Sherwood Crossing				
Assets				
Cash and investments in Treasurer's Fund	\$ -	\$ 5,813	\$ 116	\$ 5,697
Accounts receivable	-	10,928	-	10,928
Total assets	\$ -	\$ 16,741	\$ 116	\$ 16,625
Liabilities				
Due to others	\$ -	\$ 16,741	\$ 116	\$ 16,625
Total liabilities	\$ -	\$ 16,741	\$ 116	\$ 16,625
Municipal Court Trust				
Assets				
Cash and investments in Treasurer's Fund	\$ 30,526	\$ 447,933	\$ 442,394	\$ 36,065
Total assets	\$ 30,526	\$ 447,933	\$ 442,394	\$ 36,065
Liabilities				
Accounts payable	\$ 30,526	\$ 25,787	\$ 54,818	\$ 1,495
Due to other governments	-	447,592	413,756	33,836
Due to others	-	4,618	3,884	734
Total liabilities	\$ 30,526	\$ 477,997	\$ 472,458	\$ 36,065
Water Customer Round-Up				
Assets				
Cash and investments in Treasurer's Fund	\$ 6,589	\$ 19,391	\$ 20,728	\$ 5,252
Accounts receivable	908	7,278	7,183	1,003
Total assets	\$ 7,497	\$ 26,669	\$ 27,911	\$ 6,255
Liabilities				
Due to others	\$ 7,497	\$ 26,669	\$ 27,911	\$ 6,255
Total liabilities	\$ 7,497	\$ 26,669	\$ 27,911	\$ 6,255
SNCO Holding				
Assets				
Cash and investments in Treasurer's Fund	\$ -	\$ 12,754,421	\$ 12,754,421	\$ -
Accounts receivable	-	6,922,271	5,807,153	1,115,118
Total assets	\$ -	\$ 19,676,692	\$ 18,561,574	\$ 1,115,118
Liabilities				
Accounts payable	\$ -	\$ 19,676,692	\$ 18,561,574	\$ 1,115,118
Total liabilities	\$ -	\$ 19,676,692	\$ 18,561,574	\$ 1,115,118

(Continued)

City of Topeka, Kansas

Combining Statement of Changes in Assets and Liabilities (Continued)
 Agency Funds
 December 31, 2019

	Balance January 1 2019	Additions	Deductions	Balance December 31 2019
Economic Development Clearing				
Assets				
Accounts receivable	\$ -	\$ 21,000	\$ 15,936	\$ 5,064
Total assets	\$ -	\$ 21,000	\$ 15,936	\$ 5,064
Liabilities				
Accounts payable	\$ -	\$ 47,919	\$ 45,939	\$ 1,980
Due to others	-	70,000	66,916	3,084
Total liabilities	\$ -	\$ 117,919	\$ 112,855	\$ 5,064
Total Agency Funds				
Assets				
Cash and investments in Treasurer's Fund	\$ 2,757,245	\$ 52,293,227	\$ 51,819,158	\$ 3,231,314
Accounts receivable	88,187	7,114,946	5,917,551	1,285,582
Total assets	\$ 2,845,432	\$ 59,408,173	\$ 57,736,709	\$ 4,516,896
Liabilities				
Accounts payable	\$ 1,818,819	\$ 25,862,395	\$ 24,610,611	\$ 3,070,603
Due to other governments	5,073	447,592	413,756	38,909
Due to others	1,021,540	27,900,948	27,515,104	1,407,384
Total liabilities	\$ 2,845,432	\$ 54,210,935	\$ 52,539,471	\$ 4,516,896

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Topeka's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures say about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	116-120
Revenue Capacity These schedules contain information to help the reader assess the City's revenue sources.	121-127
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	128-132
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	133-134
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	135-137

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Topeka, Kansas
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 224,786,079	\$ 237,583,929	\$ 219,947,253	\$ 216,765,361	\$ 220,539,444	\$ 191,293,176	\$ 185,155,591	\$ 172,739,034	\$ 167,266,727	\$ 161,262,020
Restricted for debt service	9,561,850	4,788,632	4,939,942	3,896,624	3,977,552	5,221,106	5,682,111	6,944,664	8,580,089	11,461,268
Restricted for capital projects	-	-	-	-	-	-	-	-	-	-
Restricted for general government	5,801,596	-	-	-	-	-	-	-	-	-
Restricted for public safety	2,236,780	539,190	482,554	1,564,357	1,570,825	1,917,770	1,885,190	1,841,717	1,926,970	1,741,419
Restricted for public works	14,983,868	14,830,926	17,116,346	16,961,660	24,813,275	24,337,222	20,593,254	14,564,797	18,232,010	15,604,159
Restricted for other purposes	1,010,133	2,608,772	2,903,646	7,220,319	6,679,966	5,703,900	6,108,726	16,491,472	6,060,678	31,498,269
Unrestricted	26,995,724	19,698,136	2,603,167	2,479,829	4,726,913	(32,653,448)	(32,106,597)	(26,754,979)	(12,382,836)	(33,761,542)
Total Governmental Activities Net Position	285,376,030	280,049,585	247,992,908	248,888,150	262,307,975	195,819,726	187,318,275	185,826,705	189,683,638	187,805,593
Business-Type Activities										
Net investment in capital assets	144,341,063	144,028,418	146,726,445	152,845,663	148,856,817	163,523,409	161,813,578	164,452,662	143,837,224	190,469,539
Restricted for debt service	5,374,838	9,696,355	9,262,760	8,150,943	7,989,756	7,989,756	8,206,520	8,804,083	11,577,442	-
Restricted for capital projects	13,662,901	10,723,668	14,334,567	16,078,575	8,911,354	8,769,868	6,936,651	6,914,614	6,914,614	-
Restricted for deposits	672,920	-	-	-	-	-	-	-	-	-
Restricted for sinking funds	3,448,714	3,334,656	3,289,494	3,755,794	17,958,544	1,901,215	1,901,215	1,901,215	1,901,215	99,091
Unrestricted	36,225,947	36,761,418	39,926,662	34,432,924	33,363,595	33,588,387	39,176,397	42,255,435	71,062,992	51,486,106
Total Business-Type Activities Net Position	203,726,383	204,544,515	213,539,928	215,263,899	217,080,066	215,772,635	218,034,361	224,328,009	235,293,487	242,054,736
Primary Government										
Net investment in capital assets	369,127,142	381,612,347	366,673,698	369,611,024	369,396,261	354,816,585	346,969,169	337,191,696	311,103,951	351,731,559
Restricted	32,721,223	46,522,199	52,329,309	57,628,272	71,901,272	55,840,837	51,313,667	57,462,562	55,193,018	60,404,206
Unrestricted	63,221,671	56,459,554	42,529,829	36,912,753	38,090,508	934,939	7,069,800	15,500,456	58,680,156	17,724,564
Total Primary Government Net Position	\$ 465,070,036	\$ 484,594,100	\$ 461,532,836	\$ 464,152,049	\$ 479,388,041	\$ 411,592,361	\$ 405,352,636	\$ 410,154,714	\$ 424,977,125	\$ 429,860,329

*

Note: Starting in 2012 the City implemented GASB 63 and GASB 65, so the format of the schedule has changed to be Net Position versus Net Assets

*Restated due to accounting changes in sales tax, fines and forfeitures, compensated absences for public safety, and moving of fiduciary funds.

City of Topeka, Kansas
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$ 15,778,573	\$ 11,279,435	\$ 10,552,948	\$ 11,156,000	\$ 11,465,726	\$ 13,786,674	\$ 13,466,865	\$ 14,386,282	\$ 13,988,771	\$ 19,803,990
Public Safety	52,672,902	54,653,150	55,805,618	58,713,711	62,281,840	61,251,608	66,743,087	68,081,184	66,505,207	73,015,825
Public Works	46,619,088	57,487,591	57,800,789	61,257,941	52,344,002	55,672,216	64,511,425	60,764,330	54,794,256	57,194,339
Miscellaneous	3,714,714	3,813,754	3,260,507	2,295,172	2,602,268	3,114,322	3,102,361	4,445,027	3,395,631	-
Parks and Recreation	12,533,312	12,595,655	2,866,108	2,979,990	2,788,252	3,058,534	3,015,394	3,217,782	4,477,801	4,557,143
Public Housing	5,360,789	5,014,032	5,244,401	4,065,479	4,589,860	4,370,594	4,055,154	3,940,428	4,126,533	4,286,652
Social Services	547,155	684,638	677,925	580,973	515,433	636,349	604,038	538,902	542,965	562,534
Economic Development	-	-	-	-	-	-	-	9,004,532	9,607,852	9,616,733
Capital Leases	-	-	870,000	-	-	-	-	-	-	-
Interest and fiscal charges	7,630,957	5,645,299	5,830,386	4,449,400	5,319,365	3,179,606	4,388,345	5,153,042	5,838,559	4,309,300
Total Governmental Activities Expenses	144,857,490	151,173,554	142,908,682	145,498,666	141,906,746	145,069,903	159,886,669	169,531,509	163,277,575	173,346,516
Business-Type Activities:										
Water, Water Pollution Control, & Stormwater Utility	56,363,844	58,450,690	58,978,600	59,356,712	61,744,893	62,784,919	64,388,157	62,835,383	65,503,021	72,919,171
Public Parking	3,323,677	4,231,930	3,045,521	3,106,590	3,161,834	2,953,966	3,190,334	2,993,100	2,959,169	3,032,450
Public Golf Course	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Expenses	59,687,521	62,682,620	62,024,121	62,463,302	64,906,727	65,738,885	67,578,491	65,828,483	68,462,190	75,951,621
Total Primary Government Expenses	204,545,011	213,856,174	204,932,803	207,961,968	206,813,473	210,808,788	227,465,160	235,359,992	231,739,765	249,298,137
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	7,172,882	6,526,579	7,107,104	7,612,602	7,273,552	7,247,727	5,920,734	6,290,452	7,144,922	6,527,035
Public Safety	504,609	696,829	1,726,176	741,919	2,168,459	3,449,353	2,666,231	2,556,186	594,812	628,323
Public Works	1,973,913	1,777,781	1,351,462	1,821,039	1,256,973	1,361,029	1,486,850	1,648,600	2,610,436	3,539,592
Miscellaneous	(966)	-	-	-	-	-	-	-	-	-
Parks and Recreation	3,079,792	3,061,392	660,532	524,437	19,592	18,168	19,320	16,880	590,173	720,706
Public Housing	281,504	114,814	112,937	-	-	-	-	-	-	-
Operating Grants and Contributions										
General Government	48,873	2,500	245,589	221,019	178,486	190,135	122,560	55,722	199,841	179,564
Public Safety	1,941,888	1,368,338	1,680,687	11,636	6,901	99,372	34,270	5,399	310,857	267,919
Public Works	2,125,673	343,439	326,169	-	-	-	-	-	-	-
Miscellaneous	83,738	46,463	3,245,027	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	4,539,155	5,801,330	5,714,177
Parks and Recreation	5,517	23,919	137,235	-	-	-	-	-	-	-
Public Housing	5,224,128	4,960,425	5,381,350	4,164,857	4,916,265	4,612,467	5,331,937	3,589,559	3,996,117	4,345,353
Social Services	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions										
Public Safety	250	-	-	-	-	-	-	-	-	-
Public Works	3,753,982	13,927,652	12,136,135	16,455,997	14,336,249	19,237,068	20,078,676	10,459,624	11,121,576	12,830,709
Parks and Recreation	36,522	1,002,969	1,007,071	-	-	-	-	-	-	-
Total Gov. Activities Program Revenues	26,232,305	33,853,100	35,117,474	31,553,506	30,156,477	36,215,319	35,660,578	29,161,577	32,370,064	34,753,378
Business-Type Activities:										
Charges for Services:										
Water, Water Pollution Control, & Stormwater Utility	59,723,501	61,055,067	64,835,463	58,460,057	58,575,992	60,162,429	63,645,019	66,740,720	72,756,215	73,974,371
Public Parking	3,149,394	3,160,047	3,240,041	2,909,290	2,819,454	2,625,856	2,599,564	2,602,692	2,690,923	2,806,574
Public Golf Course	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions										
Capital Grants and Contributions	1,048,271	145,747	2,240,638	-	-	-	-	-	-	-
Total Business-Type Act. Program Revenues	63,921,166	64,360,861	70,316,142	61,369,347	61,395,446	62,788,285	66,244,583	69,343,412	75,447,138	76,780,945
Total Primary Government Program Revenues	\$ 90,153,471	\$ 98,213,961	\$ 105,433,616	\$ 92,922,853	\$ 91,551,923	\$ 99,003,604	\$ 101,905,161	\$ 98,504,989	\$ 107,817,202	\$ 111,534,323
Net (Expense) Revenue										
Governmental Activities	\$ (118,625,185)	\$ (117,320,454)	\$ (107,791,208)	\$ (113,945,160)	\$ (111,750,269)	\$ (108,854,584)	\$ (124,226,091)	\$ (140,369,932)	\$ (130,907,511)	\$ (138,593,138)
Business-Type Activities:	4,233,645	1,678,241	8,292,021	(1,093,955)	(3,511,281)	(2,950,600)	(1,333,908)	3,514,929	6,984,948	829,324
Total Primary Government Net Expense	\$ (114,391,540)	\$ (115,642,213)	\$ (99,499,187)	\$ (115,039,115)	\$ (115,261,550)	\$ (111,805,184)	\$ (125,559,999)	\$ (136,855,003)	\$ (123,922,563)	\$ (137,763,814)

City of Topeka, Kansas
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>...continued</i>										
General revenues:										
Governmental Activities:										
Taxes										
Property taxes	\$ 41,365,990	\$ 36,645,847	\$ 35,038,165	\$ 35,163,854	\$ 39,854,410	\$ 40,155,575	\$ 44,185,848	\$ 41,783,520	\$ 42,035,684	\$ 44,791,299
Sales taxes	47,878,274	49,934,630	49,071,293	50,278,644	52,307,397	52,137,146	55,012,686	64,677,625	55,648,002	55,250,790
Franchise taxes	12,090,272	11,861,777	11,542,112	12,517,785	14,758,026	13,720,537	14,078,919	13,973,191	14,400,099	13,992,231
Motor fuel taxes	5,592,181	5,417,603	5,807,499	3,313,921	3,555,972	3,465,072	3,398,833	3,721,221	4,621,676	4,713,596
Payment in lieu of taxes	-	5,492,001	5,436,000	7,063,853	6,957,993	7,282,854	7,254,737	7,264,903	7,471,168	7,480,292
Special assessments with debt commitments	-	-	-	-	-	-	-	-	-	-
Service assessments	274,485	290,049	295,511	365,948	357,542	401,915	412,208	493,888	-	-
Alcoholic beverage taxes	1,565,766	1,562,791	1,579,658	1,570,185	1,547,122	1,547,083	1,577,272	1,619,970	1,803,375	1,928,010
Transient guest taxes	1,839,049	1,964,711	1,950,933	2,314,781	2,484,726	2,545,883	2,691,679	2,668,430	2,742,302	2,646,995
Grants/contrib not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	53,437	13,939	2,036,806	933,871	1,055,776	1,088,364	1,472,068	2,022,908	3,003,785
Unrestricted investment earnings	375,862	496,077	66,989	131,892	252,940	314,138	502,216	888,864	1,977,204	2,715,139
Gain on sale of capital assets	188,930	242,085	-	82,733	35,625	179,210	16,975	-	-	192,956
Transfers in (out)	-	(314,660)	-	-	-	(3,790,050)	(560,000)	-	-	-
Special Item - park and recreation transfer	-	-	(33,460,801)	-	-	-	-	-	-	-
Total governmental activities	111,170,809	113,646,348	77,341,298	114,840,402	123,045,624	119,015,139	129,659,737	138,563,680	132,722,418	136,715,093
Business-Type Activities										
Unrestricted investment earnings	872,900	1,490,738	607,677	474,340	518,454	721,630	575,290	644,033	1,847,444	3,058,689
Miscellaneous	-	-	-	2,253,454	4,772,029	3,444,587	2,419,162	1,900,181	2,565,063	2,866,083
Gain (loss) on sale of capital assets	43,470	44,097	95,715	90,132	36,965	168,772	41,783	59,594	43,071	7,153
Transfers	-	314,660	-	-	-	3,790,050	560,000	-	-	-
Total Business-Type Activities	916,370	1,849,495	703,392	2,817,926	5,327,448	8,125,039	3,596,235	2,603,808	4,455,578	5,931,925
Total Primary Government	\$ 112,087,179	\$ 115,495,843	\$ 78,044,690	\$ 117,658,328	\$ 128,373,072	\$ 127,140,178	\$ 133,255,972	\$ 141,167,488	\$ 137,177,996	\$ 142,647,018
Change in Net Position										
Governmental Activities:	\$ (7,454,376)	\$ (3,674,106)	\$ (30,449,910)	\$ 895,242	\$ 11,295,355	\$ 10,160,555	\$ 5,433,646	\$ (1,806,252)	\$ 1,814,907	\$ (1,878,045)
Business-Type Activities	5,150,015	3,527,736	8,995,413	1,723,971	1,816,167	5,174,439	2,262,327	6,118,737	11,440,526	6,761,249
Total Primary Government	\$ (2,304,361)	\$ (146,370)	\$ (21,454,497)	\$ 2,619,213	\$ 13,111,522	\$ 15,334,994	\$ 7,695,973	\$ 4,312,485	\$ 13,255,433	\$ 4,883,204

Note: Starting in 2012 the City implemented GASB 63 and GASB 65, so the format of the schedule has changed to be Net Position versus Net Assets

*Governmental Activities were restated to include the Regional Planning Commission.

**Concession fund(Business-Type) was closed into the Public Golf Course fund

The capital outlay expense was reclassified for all years into the General Government

**Restated due to accounting changes in sales tax, fines and forfeitures, compensated absences for public safety, and moving of fiduciary funds.

City of Topeka, Kansas
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes and assessments	\$ 91,357,546	\$ 90,735,119	\$ 87,462,639	\$ 91,437,147	\$ 98,560,047	\$ 98,705,588	\$ 102,302,416	\$ 113,344,683	\$ 105,904,651	\$ 107,068,255
Assessments with debt commitments	1,824,096	1,766,964	2,085,984	1,875,559	2,168,623	1,976,450	2,345,440	3,135,948	3,043,217	3,955,222
Licenses and permits	1,292,187	1,119,329	1,505,989	1,253,586	1,651,599	1,575,816	1,717,297	1,730,954	1,358,003	2,233,856
Franchise fee	12,064,162	11,861,777	11,542,112	12,517,785	14,758,026	13,720,537	14,078,919	13,973,191	14,400,099	13,992,231
Intergovernmental	25,678,799	15,548,303	22,873,107	19,876,671	18,116,201	16,835,116	22,206,141	19,631,581	20,115,748	19,698,311
Fees for service	7,889,738	4,416,185	2,551,654	2,581,067	2,799,449	3,289,148	3,025,356	3,384,644	3,563,518	3,983,735
Administrative fees - interfund	-	3,485,117	3,483,059	3,483,956	3,972,966	3,641,493	2,574,663	2,761,717	2,838,831	2,890,274
Fines and forfeitures	2,752,512	2,615,458	2,735,189	3,022,820	3,312,706	3,569,819	2,775,822	2,634,802	2,323,005	1,300,950
Investment income	343,531	496,078	68,611	131,892	252,940	314,138	502,216	888,864	1,977,204	2,713,482
Miscellaneous	2,276,058	2,262,455	1,741,076	2,032,806	933,871	1,055,776	1,088,364	1,520,082	1,993,274	2,649,098
Total revenues	145,478,629	134,306,785	136,049,420	138,213,289	146,526,428	144,683,881	152,616,634	163,006,466	157,517,550	160,485,414
Expenditures:										
Current:										
General government	21,513,502	9,726,973	10,193,560	10,656,091	11,037,016	12,203,324	13,132,979	14,233,959	13,788,991	14,143,302
Public safety	49,026,100	51,582,488	54,427,083	58,721,570	61,263,713	64,421,170	66,181,144	66,415,262	67,198,856	69,609,739
Public works	21,122,211	32,435,501	27,524,858	37,091,050	29,658,922	34,655,831	41,634,947	38,611,878	35,864,216	38,742,733
Public works - planning	860,580	363,000	753,713	-	-	-	-	-	-	-
Miscellaneous	3,648,515	3,863,117	3,254,582	2,295,172	2,602,268	3,114,322	3,102,361	4,445,027	3,395,631	4,010,722
Parks and recreation	11,508,680	10,869,241	2,466,126	2,979,514	2,790,462	3,170,611	2,982,206	3,297,450	4,352,125	4,482,026
Housing & neighborhood development	5,446,685	5,001,800	5,238,562	4,096,215	4,589,860	4,370,594	4,055,154	3,952,567	4,126,533	4,324,259
Social services	547,155	684,638	677,925	580,973	515,433	636,349	604,038	538,902	542,965	562,534
Economic development	-	-	5,925	-	-	-	-	9,004,532	9,607,853	9,616,733
Construction	11,552,787	13,218,536	13,467,331	5,682,787	14,536,438	13,264,265	15,464,039	15,000,805	10,776,422	12,722,682
Engineering and others	2,155,206	3,087,446	2,363,652	3,143,332	2,951,770	2,417,839	2,664,735	2,425,398	1,828,950	3,282,167
Debt service:										
Principal retirement	13,510,789	14,433,178	15,418,031	14,616,860	16,786,698	16,535,216	15,370,731	13,641,306	14,048,270	36,771,120
Interest and fiscal costs	7,434,773	6,700,967	6,245,492	6,142,123	5,277,400	5,604,642	5,950,420	5,766,791	6,089,105	5,493,562
Total expenditures	148,326,983	151,966,885	142,036,840	146,005,687	152,009,980	160,394,163	171,142,754	177,333,877	171,619,917	203,761,579
Excess (deficiency) of revenues over expenditures	(2,848,354)	(17,660,100)	(5,987,420)	(7,792,398)	(5,483,552)	(15,710,282)	(18,526,120)	(14,327,411)	(14,102,367)	(43,276,165)
Other financing sources (uses):										
Original Issuance of debt	12,025,000	17,185,000	-	-	5,590,000	52,809,613	46,392,600	24,010,000	12,510,000	20,000,000
Original Issuance of debt premium	56,372	305,941	-	-	39,627	3,140,642	2,556,037	1,370,222	359,903	1,036,385
Original issuance of debt discount	-	-	-	-	-	-	-	-	-	-
Refunding issuance	34,830,000	34,420,000	27,170,000	33,682,895	-	-	-	-	-	19,560,161
Refunding issuance premium	17,564	1,380,307	854,522	1,534,209	-	-	-	-	-	-
Refunding issuance discount	(50,996)	-	(1,590)	-	-	-	-	-	-	-
Payment for refunding bond escrow agent	(37,015,000)	(37,995,000)	(27,685,868)	(19,371,454)	-	(37,510,877)	(23,830,975)	(11,885,000)	-	-
Payment for refunding bond cost of issuance	(769,919)	-	-	-	-	-	-	-	-	-
Payment for refunding bond interest	(2,638,394)	(463,581)	-	-	-	-	-	-	-	-
Payment for refunding redemption premium	(149,950)	(195,500)	-	-	-	-	-	-	-	-
Payment in lieu of taxes - interfund	-	5,492,001	5,436,000	7,063,853	6,957,993	7,282,854	7,254,737	7,264,903	7,471,168	7,474,791
Transfers in	4,574,416	5,757,738	5,978,789	1,525,717	1,688,945	5,873,100	2,314,897	1,851,716	931,776	2,300,838
Transfers out	(4,574,416)	(7,072,398)	(6,818,159)	(1,521,717)	(1,888,945)	(9,338,150)	(3,607,083)	(1,561,716)	(931,776)	(2,300,838)
Capital leases	-	-	-	870,000	-	870,000	2,942,588	924,576	-	-
Contributed capital	-	-	-	-	-	16,314	-	-	-	-
Sale of property	188,930	242,085	142,176	82,733	46,909	185,009	39,263	54,505	70,425	192,956
Total other financing sources (uses)	6,493,607	19,056,593	5,075,870	23,866,236	12,434,529	23,328,505	34,062,064	22,029,206	20,411,496	48,264,293
Special item - park and recreation transfer	-	-	-	(4,845,490)	(3,031,721)	(2,043,929)	(918,255)	-	-	-
Net change in fund balances	\$ 3,645,253	\$ 1,396,493	\$ (911,550)	\$ 11,228,348	\$ 3,919,256	\$ 5,574,294	\$ 14,617,689	\$ 7,701,795	\$ 6,309,129	\$ 4,988,128
Debt service as a percentage of noncapital expenditures	**	**	**	**	**	**	**	**	**	**
	15.56%	15.58%	17.17%	15.13%	16.40%	15.82%	13.91%	12.25%	13.03%	22.33%

See breakdown of taxes and assessments on next page.

All years have been adjusted to reduce expenditures by Construction and Engineering and other amounts

**Restated due to accounting changes in sales tax, fines and forfeitures, compensated absences for public safety, and moving of fiduciary funds.

City of Topeka, Kansas
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	\$ 38,327	\$ 13,316	\$ 200,820	\$ 194,053	\$ 128,121	\$ 308,242	\$ 139,145	\$ 139,145	\$ 109,356
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	341,767	618,902	502,828	772,767	672,826	1,121,414	280,673	284,442	210,772
Unassigned	-	8,305,081	5,476,120	9,353,610	17,303,180	18,180,919	19,064,148	20,557,837	21,589,420	21,430,048
Reserved	910,084	-	-	-	-	-	-	-	-	-
Unreserved	10,004,985	-	-	-	-	-	-	-	-	-
Total General Fund	\$ 10,915,069	\$ -	\$ 6,108,338	\$ 10,057,258	\$ 18,270,000	\$ 18,981,866	\$ 20,493,804	\$ 20,977,655	\$ 22,013,007	\$ 21,750,176
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	22,767,520	27,392,230	29,642,960	37,041,618	37,179,998	41,154,489	48,776,832	54,126,160	60,672,047
Committed	-	2,497,088	2,210,591	1,776,178	1,732,544	1,671,977	1,385,677	1,199,892	1,260,965	1,222,727
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(6,368,023)	(13,886,439)	(7,689,301)	(16,225,549)	(10,315,260)	(18)	(81,853)	(306,298)	(1,562,988)
Reserved	16,989,600	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	13,120,980	-	-	-	-	-	-	-	-	-
Capital Projects Funds	(14,840,382)	-	-	-	-	-	-	-	-	-
Total all other governmental fund	\$ 15,270,198	\$ -	\$ 15,716,382	\$ 23,729,837	\$ 22,548,613	\$ 28,536,715	\$ 42,540,148	\$ 49,894,871	\$ 55,080,827	\$ 60,331,786
Total all governmental funds	\$ 26,185,267	\$ -	\$ 21,824,720	\$ 33,787,095	\$ 40,818,613	\$ 47,518,581	\$ 63,033,952	\$ 70,872,526	\$ 77,093,834	\$ 82,081,962

GASB 54 was implemented in 2011 and 2010 and prior years were not restated, but have been presented.

CITY OF TOPEKA, Kansas
Tax Revenue by Source, Governmental Funds
Last Ten Years

(modified accrual basis of accounting)

Fiscal Year	Property Tax	Auto Ad Valorem	TIF Property Tax	Local Sales Tax	Street Repair Sales Tax	JEDO Sales Tax	Starbond Sales Tax	TIF Sales Tax	Transient Guest Tax	Payments in Lieu of Tax	Service and Special Assessments	Total
2010	31,821,035	3,417,996	140,920	26,607,992	13,303,994	7,813,635	148,033	4,620	1,839,049	5,986,040	2,098,328	93,181,642
2011	32,725,941	3,399,172	185,897	27,703,555	13,859,830	8,239,489	115,652	16,105	1,964,711	5,903,774	3,939,958	98,054,084
2012	32,276,245	3,302,893	191,293	27,279,045	13,644,890	8,058,097	78,526	10,735	1,950,933	5,760,746	2,412,624	94,966,027
2013	34,873,515	3,313,921	215,495	27,930,147	13,965,074	8,321,528	61,895	-	2,314,781	7,138,696	2,241,507	100,376,559
2014	39,601,623	3,555,972	230,613	28,993,482	14,496,741	8,652,048	165,127	-	2,484,726	7,000,655	2,390,303	107,571,290
2015	40,110,274	3,831,441	181,580	28,980,895	14,474,856	8,599,553	81,842	-	2,545,883	7,529,928	2,452,504	108,788,756
2016	40,390,408	3,619,913	175,522	30,567,025	15,283,512	9,082,251	79,898	-	2,691,679	7,254,737	2,345,440	111,490,385
2017	41,783,520	3,721,221	207,950	30,227,578	15,113,789	9,004,532	40,786	-	2,668,430	7,264,903	3,135,948	113,168,657
2018	42,035,684	4,621,676	213,605	30,925,494	15,462,747	9,188,267	71,494	-	2,742,303	7,471,168	3,043,217	115,775,655
2019	44,791,299	4,713,596	237,739	30,642,374	15,321,187	9,188,923	98,306	-	2,646,995	7,480,292	3,955,222	119,075,933
Change	41%	38%	31%	15%	6%	18%	-15%	#DIV/0!	44%	25%	88%	28%
					a	b	c	d	e	f		

a - In April 2009 the voters passed a 1/2% increase in City Sales tax to fund maintenance and improvements to existing streets, gutters, curbs, sidewalks, alleys and street lighting.

b - In August 2004 the voters passed a 1/2% increase in County-wide Sales tax to fund economic development and countywide infrastructure development, including the Topeka Boulevard Bridge.

c - The City approved a STAR bond district for Heartland Park Topeka, a major motorsports complex.

d - The City approved TIF districts for College Hill and Eastgate development.

e - Transient Guest Tax increased to 7% in 2013 to allot 1% to a local sporting facility.

f - Payments in lieu of taxes are payments to the General Fund by proprietary funds to compensate the General Fund for the cost of services provided. The charge is based on property values.

**City of Topeka, Kansas
Local Sales Tax Revenues
Last Ten Years
Accrual Basis**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Original Budget	<u>\$ 28,052,000</u>	<u>\$ 26,600,000</u>	<u>\$ 27,140,000</u>	<u>\$ 28,000,000</u>	<u>\$ 27,200,000</u>	<u>\$ 28,773,637</u>	<u>\$ 29,869,085</u>	<u>\$ 30,167,776</u>	<u>\$ 31,484,036</u>	<u>31,484,036</u>
Amended Budget		<u>\$ 28,052,000</u>								
Revenue Recognized by Month:										
January	2,262,241	2,268,063	2,210,872	2,227,217	2,265,506	2,214,241	2,280,218	2,226,700	2,431,540	2,211,437
February	1,822,905	1,883,119	2,055,332	1,982,322	2,182,414	2,214,136	2,401,319	2,373,164	2,331,839	2,251,532
March	2,310,172	2,362,610	2,407,884	2,372,853	2,354,164	2,442,108	2,563,745	2,536,863	2,705,326	2,671,722
April	2,296,057	2,294,228	2,237,133	2,248,910	2,431,604	2,341,353	2,385,779	2,438,203	2,524,210	2,487,990
May	2,113,289	2,168,983	2,293,789	2,547,187	2,477,962	2,349,114	2,546,310	2,469,715	2,678,285	2,592,843
June	2,334,951	2,257,207	2,485,636	2,421,918	2,438,336	2,444,842	2,639,251	2,571,397	2,682,458	2,566,019
July	2,158,120	2,298,896	2,050,811	2,251,125	2,380,085	2,548,219	2,473,215	2,506,193	2,588,083	2,487,320
August	2,218,837	2,415,208	2,266,253	2,327,903	2,411,077	2,347,426	2,516,543	2,543,220	2,618,607	2,590,385
September	2,077,693	2,289,675	2,235,777	2,154,319	2,398,366	2,398,266	2,492,052	2,520,574	2,514,425	2,544,445
October	2,133,692	2,421,828	2,008,369	2,260,450	2,247,575	2,349,570	2,397,589	2,471,002	2,410,366	2,580,573
November	2,192,869	2,445,898	2,354,255	2,361,500	2,398,713	2,391,935	2,574,961	2,597,446	2,600,325	2,629,500
December	2,687,166	2,597,840	2,672,935	2,774,444	3,007,682	2,939,685	3,296,044	2,973,101	2,830,029	3,028,609
Total	<u>26,607,992</u>	<u>27,703,555</u>	<u>27,279,045</u>	<u>27,930,147</u>	<u>28,993,484</u>	<u>28,980,895</u>	<u>30,567,025</u>	<u>30,227,578</u>	<u>30,915,493</u>	<u>30,642,374</u>

**City of Topeka, Kansas
Street Repair Sales Tax Revenues
December 31, 2019
Accrual Basis**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Budget	<u>13,956,000</u>	<u>13,300,000</u>	<u>13,500,000</u>	<u>13,800,000</u>	<u>13,800,000</u>	<u>14,210,000</u>	<u>\$ 14,671,708</u>	<u>14,619,605</u>	<u>14,765,801</u>	<u>14,765,801</u>
Revenue Recognized by Month:										
January	1,060,341	1,134,031	1,105,436	1,113,609	1,132,753	1,107,121	1,140,109	1,113,350	1,215,770	1,105,718
February	1,186,631	941,559	1,027,666	991,161	1,091,207	1,107,068	1,200,659	1,186,582	1,165,919	1,125,766
March	1,131,120	1,181,305	1,203,942	1,186,427	1,177,082	1,221,054	1,281,872	1,268,432	1,352,663	1,335,861
April	911,452	1,147,114	1,118,566	1,124,455	1,215,802	1,170,676	1,192,889	1,219,101	1,262,105	1,243,995
May	1,155,086	1,084,492	1,146,894	1,273,593	1,238,981	1,174,557	1,273,155	1,234,858	1,339,143	1,296,421
June	1,148,029	1,128,603	1,242,818	1,210,959	1,219,168	1,222,421	1,319,625	1,285,699	1,346,229	1,283,010
July	1,056,645	1,149,448	1,025,405	1,125,562	1,190,042	1,258,518	1,236,607	1,253,097	1,294,042	1,243,660
August	1,167,476	1,207,604	1,133,127	1,163,951	1,205,538	1,173,713	1,258,272	1,271,610	1,309,303	1,295,192
September	1,079,060	1,144,838	1,117,888	1,077,160	1,199,183	1,199,133	1,246,026	1,260,287	1,257,213	1,272,223
October	1,109,418	1,210,914	1,004,185	1,130,225	1,123,787	1,174,785	1,198,794	1,235,501	1,205,183	1,290,286
November	1,038,846	1,222,949	1,177,128	1,180,750	1,199,356	1,195,968	1,287,480	1,298,722	1,300,162	1,314,750
December	1,259,890	1,306,973	1,341,835	1,387,222	1,503,841	1,469,843	1,648,022	1,486,550	1,415,015	1,514,304
Total	<u>13,303,994</u>	<u>13,859,830</u>	<u>13,644,890</u>	<u>13,965,074</u>	<u>14,496,740</u>	<u>14,474,856</u>	<u>15,283,512</u>	<u>15,113,789</u>	<u>15,462,747</u>	<u>15,321,187</u>

TABLE 6
(UNAUDITED)

City of Topeka, Kansas
Local Sales Taxable Collections by Category
Last Ten Fiscal Years

Category	Local Sales Taxable Collections by Category							
	2010	% of Total	2011	% of Total	2012	% of Total	2013	% of Total
Utilities	\$ 3,494,790	7.45%	\$ 3,452,347	6.59%	\$ 3,493,790	7.32%	\$ 3,620,997	6.93%
Construction	\$ 1,360,157	3.27%	\$ 1,574,649	3.29%	\$ 1,458,162	2.85%	\$ 1,639,511	3.16%
Manufacturing	\$ 874,362	2.13%	\$ 894,681	1.76%	\$ 1,073,275	1.83%	\$ 1,278,657	1.80%
Wholesale Trade	\$ 2,347,863	5.26%	\$ 2,625,943	5.11%	\$ 2,281,879	4.92%	\$ 2,130,409	5.27%
Retail Trade	\$ 27,751,823	57.84%	\$ 29,199,415	58.87%	\$ 28,689,452	58.14%	\$ 29,629,578	58.61%
Information	\$ 2,542,203	3.90%	\$ 2,372,576	4.64%	\$ 2,382,983	5.33%	\$ 2,406,165	4.76%
Real Estate and Rental and Leasing	\$ 960,694	2.04%	\$ 929,426	1.93%	\$ 930,463	2.01%	\$ 732,811	1.87%
Accommodation and Food Services	\$ 5,337,644	10.73%	\$ 5,459,022	11.00%	\$ 5,499,928	11.18%	\$ 5,643,427	10.96%
Other Services	\$ 3,060,704	7.39%	\$ 3,310,920	6.82%	\$ 3,182,836	6.41%	\$ 3,136,195	6.65%
Total	\$ 47,730,241	100%	\$ 49,818,978	100%	\$ 48,992,768	100%	\$ 50,217,748	100%
City Sales Tax Rate	1.00%		1.00%		1.00%		1.50%*	

Category	Local Sales Taxable Collections by Category							
	2014	% of Total	2015	% of Total	2016	% of Total	2017	% of Total
Utilities	\$ 4,038,745	7.13%	\$ 2,990,481	7.21%	\$ 1,422,181	7.75%	\$ 1,480,816	6.88%
Construction	\$ 1,854,444	2.98%	\$ 1,124,347	3.26%	\$ 1,668,590	3.56%	\$ 1,778,407	2.59%
Manufacturing	\$ 1,312,178	2.19%	\$ 975,721	2.55%	\$ 1,118,878	2.52%	\$ 1,238,333	2.25%
Wholesale Trade	\$ 2,241,886	4.66%	\$ 2,007,214	4.24%	\$ 2,266,422	4.30%	\$ 2,448,288	4.62%
Retail Trade	\$ 30,306,575	58.56%	\$ 25,842,995	59.00%	\$ 26,695,050	58.12%	\$ 28,160,341	59.47%
Information	\$ 2,644,771	4.86%	\$ 2,252,695	4.79%	\$ 3,346,640	5.07%	\$ 3,102,872	5.18%
Real Estate and Rental and Leasing	\$ 725,686	1.90%	\$ 544,364	1.46%	\$ 706,447	1.39%	\$ 779,858	1.25%
Accommodation and Food Services	\$ 5,844,859	11.23%	\$ 5,012,211	11.24%	\$ 4,998,464	11.21%	\$ 5,210,411	11.53%
Other Services	\$ 3,172,128	6.50%	\$ 2,705,724	6.25%	\$ 3,629,880	6.08%	\$ 3,929,330	6.23%
Total	\$ 52,141,271	100%	\$ 43,455,751	100%	\$ 45,852,553	100%	\$ 48,128,657	100%
City Sales Tax Rate	1.50%		1.50%		1.50%		1.50%	

Category	Local Sales Taxable Collections by Category			
	2018	% of Total	2019	% of Total
Utilities	\$ 1,322,034	3.10%	\$ 1,248,182	3.08%
Construction	\$ 1,617,264	3.64%	\$ 1,643,290	3.70%
Manufacturing	\$ 962,495	2.44%	\$ 1,002,385	2.57%
Wholesale Trade	\$ 3,028,310	4.94%	\$ 3,054,389	5.09%
Retail Trade	\$ 26,670,799	58.22%	\$ 26,586,307	58.51%
Information	\$ 2,757,158	7.30%	\$ 2,594,152	6.45%
Real Estate and Rental and Leasing	\$ 710,406	1.54%	\$ 733,755	1.62%
Accommodation and Food Services	\$ 5,273,647	10.90%	\$ 5,219,191	10.83%
Other Services	\$ 3,936,213	7.92%	\$ 3,881,911	8.16%
Total	\$ 46,278,325	100%	\$ 45,963,561	100%
City Sales Tax Rate	1.50%		1.50%	

Note (1) - Data is listed based on when the local sales tax became the major revenue source for the City.

* Collections for a .50% citywide tax began October 1st, 2009

Source: Kansas Department of Revenue.

City of Topeka, Kansas
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rates			Other Overlapping Governments					Grand Total
	Local	Street Repair	Total	State of Kansas	Shawnee County	Shawnee County 0.25%	Shawnee County Joint Economic Dev Org (JEDO)	Washburn University	
2010	1%	0.50%	1.50%	6.30%	0.25%	-	0.25%	0.65%	8.95%
2011	1%	0.50%	1.50%	6.30%	0.25%	-	0.25%	0.65%	8.95%
2012	1%	0.50%	1.50%	6.30%	0.25%	-	0.25%	0.65%	8.95%
2013	1%	0.50%	1.50%	6.15%	0.25%	-	0.25%	0.65%	8.80%
2014	1%	0.50%	1.50%	6.15%	0.25%	-	0.25%	0.65%	8.80%
2015	1%	0.50%	1.50%	6.50%	0.25%	-	0.25%	0.65%	9.15%
2016	1%	0.50%	1.50%	6.50%	0.25%	-	0.25%	0.65%	9.15%
2017	1%	0.50%	1.50%	6.50%	0.25%	-	0.25%	0.65%	9.15%
2018	1%	0.50%	1.50%	6.50%	0.25%	-	0.25%	0.65%	9.15%
2019	1%	0.50%	1.50%	6.50%	0.25%	-	0.25%	0.65%	9.15%

a

Source: Kansas Department of Revenue

a - In April 2009 the voters passed a 1/2% increase in City Sales tax to fund maintenance and improvements to existing streets, gutters, curbs, sidewalks, alleys and street lighting.

City of Topeka, Kansas
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Real Property	Personal Property	Motor Vehicle	Corporation	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2010	875,969,022	54,841,080	109,450,833	71,648,338	1,111,909,273	32.849	6,986,332,628	15.92%
2011	883,236,614	49,707,508	107,376,098	75,704,241	1,116,024,461	32.928	7,002,281,274	15.94%
2012	872,122,132	43,942,396	105,898,240	84,434,065	1,106,396,833	35.838	6,906,374,072	16.02%
2013	896,632,231	43,255,123	105,931,855	89,386,409	1,135,205,618	39.736	7,030,771,815	16.15%
2014	897,326,968	32,541,192	101,548,405	94,770,762	1,126,187,327	39.733	6,995,275,476	16.10%
2015	915,377,737	28,082,998	88,866,793	100,696,193	1,133,023,721	39.809	7,024,427,153	16.13%
2016	938,667,519	26,681,336	91,885,486	105,959,117	1,163,193,458	39.927	7,172,622,607	16.22%
2017	955,284,392	23,432,186	93,832,535	106,184,976	1,178,734,089	39.920	7,266,236,370	16.22%
2018	999,444,544	24,635,667	118,271,408	110,288,167	1,252,639,786	39.730	7,652,701,711	16.37%
2019	1,017,036,217	21,087,851	120,910,306	108,320,463	1,267,354,837	39.768	7,806,342,251	16.23%

Source: Shawnee County Clerk

Property in Shawnee County is valued every January 1, at its fair market value, except for land devoted to agricultural use. Agricultural land is appraised at 30% of its use value and not market value. The assessed value of each class is calculated by varying percentages of appraised values, ranging from 11.5% for residential and 25% for commercial or industrial. The mill levy is the tax rate applied to the assessed value. One mill is one dollar per \$1,000 of assessed value.

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy Amount	Percentage of Levy	Collections for Subsequent Years	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2010	32,287,451	31,255,989	96.81%	705,966	31,961,955	98.99%
2011	31,741,291	31,313,481	98.65%	1,598,357	32,911,838	103.69%
2012	32,257,692	31,574,444	97.88%	893,094	32,467,538	100.65%
2013	35,623,485	34,209,054	96.03%	879,956	35,089,010	98.50%
2014	39,010,746	38,958,403	99.87%	905,439	39,863,842	102.19%
2015	39,035,767	39,191,861	100.40%	918,413	40,110,274	102.75%
2016	39,893,010	39,811,613	99.80%	754,229	40,565,842	101.69% a
2017	40,972,347	41,033,766	100.15%	748,503	41,782,269	101.98%
2018	41,945,347	41,418,152	98.74%	616,282	42,034,434	100.21%
2019	43,567,230	42,917,043	98.51%	881,154	43,798,197	100.53%

(1) As computed and certified by Shawnee County Clerk on November 1 of levy year.

a - Collections for subsequent years are placed in a separate column, due to levy year is not furnished by County.

City of Topeka, Kansas
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2019			2010		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Westar Energy***	\$ 72,343,033	1	5.71%	\$ 59,111,344	1	5.32%
Burlington Northern/Santa Fe/Utility***	\$ 14,036,303	2	1.11%	\$ 15,034,532	3	1.35%
Target Corporation	\$ 12,681,500	3	1.00%	-	-	-
Westridge Mall LLC	\$ 10,692,403	4	0.84%	\$ 9,775,001	6	0.88%
Kansas Gas Service/Utility***	\$ 10,629,268	5	0.84%	\$ 12,491,075	4	1.12%
Federal Home Loan Bank of Topeka	\$ 8,930,888	6	0.70%	-	-	-
Wal-Mart Stores Inc	\$ 8,251,727	7	0.65%	\$ 9,849,954	5	0.89%
Resers Fine Foods Inc	\$ 7,386,895	8	0.58%	-	-	-
Blue Cross/Blue Shield/Ks Hospital Serv/Insurance	\$ 7,233,202	9	0.57%	-	-	-
Big Heart Pet Brands	\$ 7,056,760	10	0.56%	-	-	-
Union Pacific/Utility ***	-	-	-	\$ 7,083,068	7	0.64%
Frito Lay/Manufacturing	-	-	-	\$ 6,751,986	8	0.61%
Riviana Foods/Hills Pet Prod/Manufacturing	-	-	-	\$ 5,675,174	9	0.51%
Sisters of Charity Leavenworth/Medical	-	-	-	\$ 4,771,231	10	0.43%
Southwestern Bell/Utility***	-	-	-	\$ 16,998,055	2	1.53%
Total	\$ 159,241,979		<u>12.56%</u>	\$ 147,541,420		<u>13.27%</u>
Total Assessed Value	\$ 1,267,354,837			\$ 1,111,909,273		

Source: Shawnee County Clerk 2019 tax roll

*Included in the NRA

***State Assessed

City of Topeka, Kansas
Direct and Overlapping Property Tax Rates
(Per \$1,000 of assessed value)
Last Ten Fiscal Years

Fiscal Year	City of Topeka				Other Overlapping Governments								Grand Total
	General Fund	Debt Service Fund	Parks and Recreation Fund	Others	City Total	State of Kansas	Shawnee County	School District No 501	Washburn University	TMTA	MTAA	Topeka SNCO P Library	
2010	19.451	13.113	-	0.285	32.849	1.500	41.016	54.301	3.317	4.208	1.255	9.103	147.549
2011	19.786	12.819	-	0.323	32.928	1.500	43.165	56.307	3.298	4.200	1.229	9.773	152.400
2012	24.146	10.915	-	0.777	35.838	1.500	44.196	56.319	3.318	4.200	1.220	9.783	156.374
2013	24.960	13.999	-	0.777	39.736	1.500	48.180	56.320	3.319	4.200	2.044	9.783	165.082
2014	24.615	14.344	-	0.774	39.733	1.500	48.191	52.536	3.322	4.200	2.053	9.787	161.322
2015	24.662	14.371	-	0.776	39.809	1.500	48.266	51.722	3.266	4.200	2.052	9.798	160.613
2016	24.735	14.413	-	0.779	39.927	1.500	48.345	50.869	3.275	4.200	2.060	9.781	159.957
2017	24.730	14.410	-	0.780	39.920	1.500	48.363	50.702	3.250	4.200	2.054	9.787	159.776
2018	24.612	14.341	-	0.777	39.730	1.500	48.194	50.754	3.229	4.200	2.037	9.786	159.430
2019	25.196	13.994	-	0.578	39.768	1.500	48.172	50.563	3.233	4.200	2.037	9.786	159.259

a

Note: The city's property tax rates may be changed until August 25th of each year. A notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, a hearing may be held and the City Council may amend the budget. Once the rates have been certified to the State the rates can no longer be changed.

a - In 2010 Parks & Recreation, Zoo, General Improvement and Unsafe Structure fund amounts have been consolidated to the General fund.

City of Topeka, Kansas
Direct and Overlapping Governmental Activities Debt
December 31, 2019

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Shawnee County	\$ 40,720,000	70.84%	\$ 28,846,048
Unified School District No. 345	54,275,248	29.39%	15,951,495
Unified School District No. 437	54,105,000	62.68%	33,913,014
Unified School District No. 450	25,560,000	22.16%	5,664,096
Unified School District No. 501	144,250,000	100.00%	144,250,000
Washburn University	44,475,000	100.00%	44,475,000
Topeka Shawnee Co. Library	-	70.84%	-
	<hr/>		<hr/>
	363,385,248		273,099,653
Direct debt, City of Topeka:			
General obligation bonds*	165,017,205		165,017,205
Capital leases	2,074,689		2,074,689
	<hr/>		<hr/>
Total direct and overlapping debt	\$ 530,477,142		\$ 440,191,547
	<hr/> <hr/>		<hr/> <hr/>

Source: The debt outstanding was provided by each entity listed above.

**Includes specialty debt - Heartland Park Star bonds and College Hill TIF*

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Topeka. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

City of Topeka, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Other Bonds	Capital Leases	General Obligation Bonds	Revenue Bonds	Kansas Department of Health & Environment Loans	Capital Leases			
2010	142,274,897	36,820,000	5,456,832	12,795,103	123,450,000	84,946,895	-	405,743,727	4.83%	3,399
2011	148,201,719	30,070,000	4,450,181	12,453,281	124,345,000	78,077,683	349,924	397,947,788	4.49%	3,233
2012	136,650,561	26,735,000	3,578,007	12,434,439	122,550,000	72,123,938	280,815	374,352,760	3.98%	3,055
2013	140,034,715	23,305,000	4,178,138	11,470,285	123,790,000	64,071,878	213,446	367,063,462	3.80%	3,067
2014	132,363,017	19,780,000	2,715,248	11,121,983	132,420,000	58,529,809	144,221	357,074,278	3.74%	3,063
2015	140,398,807	16,150,000	2,436,290	10,818,413	131,272,947	52,701,862	-	353,778,319	3.72%	3,096
2016	153,317,382	11,935,000	3,526,553	10,271,759	151,380,744	46,909,049	-	377,340,487	3.81%	2,965
2017	153,068,077	10,690,000	3,691,113	9,586,912	164,035,314	40,790,177	-	381,861,593	3.75%	3,011
2018	152,689,330	9,415,000	2,741,448	9,000,809	204,864,959	34,176,327	-	412,887,873	4.02%	3,262
2019	156,907,205	8,110,000	2,074,679	8,390,020	221,541,720	28,697,635	-	425,721,258	3.98%	3,381

Note: The other governmental bonds include tax increment and special revenue bonds. These bonds are funded by other sources, but are backed by the full faith and credit of the City, have been added. Details regarding the City's outstanding debt can be found in the notes under long-term debt and in the following statistical section pages. Personal income and population data can be found in the demographic and economic section of the statistical section. 2012 Personal Income and Per capita have been updated with the most recent information.

City of Topeka, Kansas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities	Total Primary Government	Debt Service Restricted Fund Balance	General Obligation Bonds Net of Debt Service Restriction	Total Outstanding Debt		General Obligation Bonds Net of Debt Service Restriction	
	General Obligation Bonds*	General Obligation Bonds				Percentage of Personal Income	Per Capita	Percentage of Actual Taxable Value of Property	Per Capita
2010	157,969,897	12,795,103	170,765,000	9,561,850	161,203,150	2.032%	1,339.62	2.31%	1,264.61
2011	163,661,719	12,453,281	176,115,000	4,788,632	171,326,368	1.987%	1,373.88	2.45%	1,336.52
2012	151,520,561	12,434,439	163,955,000	4,939,942	159,015,058	1.742%	1,281.51	2.30%	1,242.90
2013	154,329,715	11,470,285	165,800,000	3,896,624	161,903,376	1.717%	1,298.57	2.30%	1,268.05
2014	146,073,017	11,121,983	157,195,000	3,977,555	153,217,445	1.647%	1,233.16	2.19%	1,201.96
2015	140,398,807	10,818,413	151,217,220	5,221,106	145,996,114	1.589%	1,141.93	2.08%	1,100.88
2016	153,317,382	10,271,759	163,589,141	5,682,111	157,907,030	1.652%	1,285.42	2.09%	1,240.77
2017	153,068,077	9,586,912	162,654,989	6,944,665	155,710,324	1.595%	1,282.69	2.02%	1,227.92
2018	152,592,670	9,000,809	161,593,479	8,580,089	153,013,390	1.573%	1,276.54	1.95%	1,208.76
2019	156,907,205	8,390,020	165,297,225	11,461,267	153,835,958	1.544%	1,312.88	1.90%	1,221.85

Note: This information includes debt that is backed by full faith and credit of government. Governmental amounts from 2006 to 2011 have been updated to reflect this change in reporting. Details regarding the city's outstanding debt can be found in the notes under long-term debt and in the following statistical pages.

Property value data, population data, and per capita information can be found in the demographic and economic section of the statistical section.

City of Topeka, Kansas
Legal Debt Margin Information
Last Ten Fiscal years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 346,999,495	\$ 334,807,338	\$ 331,919,050	\$ 340,561,685	\$ 340,500,230	\$ 345,157,363	\$ 339,907,116	\$ 352,866,535	\$ 375,791,936	\$ 380,206,451
Total net debt applicable to limit	95,537,544	55,885,557	44,026,297	57,268,672	57,893,441	62,764,358	69,174,940	81,359,940	87,682,495	93,492,655
Legal debt margin	\$ 251,461,951	\$ 278,921,781	\$ 287,892,753	\$ 283,293,013	\$ 282,606,789	\$ 282,393,004	\$ 270,732,176	\$ 271,506,595	\$ 288,109,441	\$ 286,713,796
Total net debt applicable to the limit as a percentage of debt limit	27.53%	16.69%	13.26%	16.82%	17.00%	18.18%	20.35%	23.06%	23.33%	24.59%

Legal Debt Margin Calculation for Fiscal Year 2019

As permitted by Kansas statutes, for 2019 the City has excluded certain types of debt from this computation as follows:

\$ 57,090,880	K.S.A. 10-427a
57,131,465	K.S.A. 10-309
-	K.S.A. 12-195(8)
9,415,000	K.S.A. 12-1774
<u>\$ 123,637,345</u>	16.1, 2018 tab

In 2005 and prior years, the City did not exclude refunding debt from this computation as provided in KSA 10-427a.

Total assessed value	<u>\$ 1,267,354,837</u>
Debt limit (30% of total assessed value)	<u>380,206,451</u>
Debt applicable to limit:	
General obligation bonds	93,492,655
Less: Amount set aside for repayment of general obligation debt	
Total net debt applicable to limit	<u>93,492,655</u>
Legal debt margin	<u>\$ 286,713,796</u>

Note: Per Kansas Statutes Annotated ("K.S.A.") Section 10-308, "The authorized and outstanding bonded indebtedness of any city shall not exceed 30% of the assessed valuation of the city." K.S.A. Section 10-309 allows for certain exceptions to calculating the legal debt limit.

City of Topeka, Kansas
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water and Water Pollution Control KDHE Revolving Loans								
Fiscal	Gross Revenues	Less: Operating Expenses	Net Available	Debt Service on KDHE Loans (Next Fiscal Year)		Debt Service on Revenue Bonds (Next Fiscal Year)		1.00 KDHE Loan
				Principal	Interest	Principal	Interest	
2010	61,719,464	35,128,771	26,590,693	6,880,361	2,446,042	2,105,000	5,568,673	1.56
2011	61,512,843	37,192,745	24,320,098	7,213,366	2,228,756	2,285,000	5,358,952	1.42
2012	64,558,928	38,616,083	25,942,845	7,466,350	2,121,525	2,370,000	5,116,876	1.52
2013	60,977,779	39,789,027	21,188,752	6,588,941	1,829,580	3,555,000	4,927,381	1.25
2014	63,641,393	41,687,421	21,953,972	5,719,175	1,648,935	4,995,000	5,202,391	1.25
2015	61,643,563	40,725,741	20,917,822	5,901,585	1,481,742	4,565,000	4,567,203	1.27
2016	65,710,348	43,467,534	22,242,814	6,664,929	1,366,011	5,405,000	4,901,875	1.21
2017	69,507,274	41,907,252	27,600,022	5,882,592	1,133,046	5,925,000	5,343,473	1.51
2018	76,972,894	43,538,652	33,434,242	5,337,668	946,707	7,070,000	6,782,898	1.66
2019	78,459,571	47,286,639	31,172,932	5,222,781	789,715	8,010,000	7,231,482	1.47

Water, Water Pollution Control and Stormwater Revenue Bonds								
Fiscal	Gross Revenues	Less: Operating Expenses	Net Available	Debt Service on Revenue Bonds (Next Fiscal Year)		1.25 Revenue Bond		
				Principal	Interest			
2010	61,719,464	39,376,888	22,342,576	2,105,000	5,568,673	2.91		
2011	61,512,843	41,176,575	20,336,268	2,285,000	5,358,952	2.66		
2012	64,558,928	42,898,205	21,660,723	2,370,000	5,116,876	2.89		
2013	60,977,779	42,407,157	18,570,622	3,555,000	4,927,381	2.19		
2014	63,641,393	42,328,687	21,312,706	4,995,000	5,202,391	2.09		
2015	61,643,563	41,033,768	20,609,795	4,565,000	4,567,203	2.26		
2016	65,710,348	44,487,875	21,222,473	5,405,000	4,901,875	2.06		
2017	69,240,709	41,888,666	27,352,043	5,925,000	5,343,473	2.43		
2018	76,972,894	42,570,830	34,402,064	7,070,000	6,782,898	2.48		
2019	78,459,571	46,032,625	32,426,946	8,010,000	7,231,482	2.13		

Note: Details regarding the city's outstanding debt can be found in the long-term notes section.

1 - Expenses for the KDHE loans do not include depreciation, interest, bad debt, or other non-cash items. Prior years have been updated to reflect this change.

2 - Expenses for the Revenue bonds do not include payments in lieu of taxes, depreciation, amortization, interest, bad debt, or other non-cash items, but does include principal and interest on permitted loans. Prior years have been updated to reflect this change.

3 - The City maintains Net Revenues in the Combined Utility in an amount which will be not less than 100% of the amount required to be paid for debt service, on Permitted Loans and 125% on revenue bonds, by the City in the next succeeding fiscal year.

4 - The gross revenues include fees for services, license and permits, rental income, interest income, and other income, but exclude any gains on disposal of fixed assets.

In 2003, City Ordinance 17985 was passed to combine the Water, Water Pollution Control and Stormwater Utilities.

City of Topeka, Kansas
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (2)	501 School District Enrollment (3)
2010	127,473	8,405,809	35,887	14,183
2011	128,188	8,861,468	37,765	14,194
2012	127,939	9,413,488	40,132	14,084
* 2013	127,679	9,658,239	41,175	14,021
** 2014	127,473	9,546,228	40,760	14,051
2015	127,215	9,518,655	40,720	14,169
2016	127,265	9,904,668	42,365	13,794
2017	126,808	10,196,031	43,747	13,388
2018	126,587	10,271,200	44,054	13,161
2019	125,904	10,703,205	46,017	13,008

Sources:

(1) Population estimates, are taken from the Kansas Division of the Budget & the V2015 data retrieved from the final year of the series (2010 thru 2015) U.S. Census Bureau.

(2) Bureau of Economic Analysis.

(3) School District 501 only. Private schools and school districts 437, 345, and 450, which partially overlap the city boundaries, are not included. Source of information Kansas Education Data Reporting.

*2012 Personal Income and Per Capita Personal Income have been updated with the latest published reports. They are both based on the Topeka MSA.

**2013 used a projection of 2.6% for both Personal and Per Capita Personal Income.

Property Value, Construction, and Bank Deposits
Last Ten Fiscal Years
(Dollar Values Expressed in Thousands)

Fiscal Year	Number of Residential Units (1)	Value	Number of Commercial Units (1)	Value	Bank Deposits (2)	Estimated True Value of Property (3)		
						Commercial	Residential	Nontaxable
2010	364	27,256	204	53,842	3,031,760	1,367,673	4,521,526	1,328,506
2011	322	17,068	220	45,974	3,210,912	1,386,065	4,536,147	1,344,785
2012	413	21,152	207	65,641	2,580,953	1,394,286	4,444,452	1,335,593
2013	260	20,232	171	73,549	2,575,596	1,475,449	4,476,216	1,338,706
2014	273	23,679	176	99,345	2,677,773	1,498,453	4,498,898	1,358,985
2015	282	18,848	165	118,638	3,561,214	1,534,203	4,531,516	1,355,076
2016	352	23,682	183	132,496	2,753,871	1,596,759	4,584,335	1,370,439
2017	232	26,006	213	123,329	2,984,396	1,675,035	4,657,728	1,359,843
2018	268	24,373	175	75,245	2,995,033	1,732,571	4,769,054	1,354,969
2019	253	20,403	216	191,227	2,816,882	1,735,110	4,928,528	1,442,758

Sources:

(1) City Development Coordination Office

(2) FDIC - Summary of Deposits market share report, figures are as of 06-30-19

(3) Shawnee County Real Property Abstract

**City of Topeka, Kansas
Principal Employers,
Current Year and Nine Years Ago**

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment #	Employees	Rank	Percentage of Total City Employment
State of Kansas	7,600	1	7.03%	Over 4500	1	8.41%
Stormont-Vail Health Care	4,200	2	3.89%	3000-4500	2	3.91%
Hills Pet Nutrition Inc	3,400	3	3.15%	-	-	-
Unified School District # 501	2,100	4	1.94%	2000-2999	3	2.44%
Goodyear Tire and Rubber Co.	2,000	5	1.85%	1000-2000	8	1.34%
BNSF Railway Company	1,900	6	1.76%	-	-	-
Blue Cross Blue Shield of Kansas	1,800	7	1.67%	1000-2000	9	1.26%
University of Ks Health Systems- St Francis Campus	1,600	8	1.48%	-	-	-
Colmery-O'Neil VA Medical Center	1,500	9	1.39%	1000-2000	10	1.12%
City of Topeka	1,200	10	1.11%	1000-2000	6	1.55%
St. Francis Hospital & Medical Center	-	-	-	1000-2000	4	1.89%
Washburn University	-	-	-	1000-2000	7	1.53%
US Government	-	-	-	1000-2000	5	1.60%
Total	27,300		25.25%	-		25.05%
Total Employment	108,102			104,826		

Source:

GO Topeka & Ks Dept Labor, Topeka Chamber of Commerce, Labor Market Info Serv and City of Topeka 2010 CAFR, for number of employees & total employment
State Department of Labor, 3rd Quarter 2019

City of Topeka, Kansas
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
City Council	2.00	1.00	1.00	1.50	1.50	1.50	1.00	1.00	1.00	1.00
Mayor's Office	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive	14.00	10.00	8.40	8.00	11.00	12.00	11.00	11.00	11.00	13.00
Legal	21.50	20.50	17.50	17.50	14.00	14.00	15.00	15.00	15.00	15.00
Financial Services	29.00	23.00	22.17	23.50	23.00	24.00	26.00	25.00	25.00	25.00
Municipal Court	24.00	23.00	23.00	24.00	23.00	23.00	23.00	23.00	23.00	20.00
Human Relations Commission	3.00	-	-	-	-	-	-	-	-	-
Human Resources	9.00	9.00	11.00	10.50	10.50	11.00	12.00	13.00	13.00	13.00
Information Technology	12.00	12.00	12.50	13.50	15.00	14.00	15.00	17.00	17.00	17.00
Public Safety										
Fire	245.00	251.00	244.00	246.00	245.00	245.00	245.00	246.00	248.00	249.00
Police	368.50	367.50	365.50	382.00	367.50	367.50	353.50	353.50	350.50	352.50
Public Works										
Administration	10.00	9.00	9.08	2.00	2.00	2.00	2.00	4.00	4.00	4.00
Development Services	20.00	15.00	15.00	8.00	15.00	15.00	-	-	-	-
Engineering	39.00	26.00	27.00	27.00	31.00	31.00	31.00	35.00	36.00	36.00
Fleet Services	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
Forestry	-	-	-	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transportation Operations	14.00	14.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Special Street Repair	46.00	46.00	47.00	46.00	46.00	46.00	54.00	54.00	54.00	54.00
Facility Operations	12.00	7.00	27.00	14.00	15.00	15.00	17.00	19.00	20.00	20.00
Public Parking	16.00	16.00	16.00	15.00	14.00	14.00	14.00	14.00	14.00	14.00
Water	117.00	119.00	118.00	120.00	123.00	123.00	123.00	125.00	121.00	122.00
Water Pollution Control	71.00	71.00	74.33	68.00	67.00	71.00	71.00	72.00	75.00	77.00
Stormwater Utility	18.00	18.00	18.00	24.00	24.00	28.00	28.00	25.00	26.00	25.00
Housing & Neighborhood Development	16.00	16.00	14.50	14.00	14.00	14.00	-	-	-	-
Neighborhood Relations	-	-	-	-	-	-	47.00	47.00	31.00	31.00
Planning	14.00	10.00	10.00	11.00	11.00	11.00	10.00	10.00	28.00	29.00
Parks and Recreation	89.00	63.00	11.00	-	-	-	-	-	-	-
Public Golf Course	-	-	-	-	-	-	-	-	-	-
Zoo	30.00	28.00	24.00	24.50	22.00	22.00	22.00	24.00	24.00	25.00
Total	1,263.00	1,198.00	1,151.98	1,146.00	1,140.50	1,150.00	1,166.50	1,179.50	1,182.50	1,188.50

Source: City Budget Office

**In 2010 the City issued an early retirement incentive program, which took forty-seven employees across the City*

**Elected City Council members are not considered full time equivalents, so are not included*

**Fleet Services was budgeted under Executive from 2000-2005. In 2006, moved under Financial Services. In 2010, moved under Public Works.*

**Human Relations Commission was part of the Executive Department through 2006. In 2010 Human Relation Commission was eliminated.*

**Parks & Recreation consolidated with Shawnee Co in 2012 however Forestry was not included in this consolidation.*

**Neighborhood Relations Department added in 2016, consolidating divisions from multiple Departments.*

**Development Services moved from Neighborhood Relations to Planning in 2018.*

City of Topeka, Kansas
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fire										
Total number of incidents	15,071	16,614	18,451	17,559	18,195	18,780	19,969	22,287	23,538	23,031
Fire calls	660	710	835	673	671	676	843	907	952	859
Rescue & Emergency Medical calls	11,422	12,624	13,861	13,275	14,118	14,463	12,185	11,395	13,822	13,652
Police										
Citations issued	21,267	17,581	17,901	18,544	20,696	17,631	17,521	16,042	13,659	13,939
Driving under the influence citations	502	253	431	463	349	221	188	191	238	267
Development Services										
Residential building permits	364	322	413	260	273	282	352	232	268	253
Commercial building permits	204	220	207	171	176	165	183	213	175	216
Street Operations										
Streets swept (curb miles)	15,689	2,810	3,579	3,807	2,700	2,956	4,227	5,218	4,796	5,175
Asphalt patching material used (tonnage)	2,640	4,544	3,580	3,044	4,774	2,032	3,515	3,810	3,123	3,054
Traffic Operations										
Cross walks maintained (miles)	903	871	750	555	824	871	871	871	871	871
Streets painted (miles)	323	283	280	285	198	285	285	285	285	285
Number of signs replaced	1,800	2,548	1,350	1,670	1,033	1,052	1,195	1,472	2,189	1,184
Public Parking violations issued	17,690	17,556	16,457	15,691	14,117	12,748	11,107	12,352	10,220	8,906
Parks and Recreation										
Mini-Train & Carousel attendance	164,700	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Swimming pool attendance	96,790	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Summer youth camp attendance	4,151	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Youth basketball teams	30	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Youth volleyball teams	60	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Adult summer softball teams	477	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Adult volleyball teams	537	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Adult basketball teams	255	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Zoo attendance	111,666	152,586	194,739	172,692	202,711	196,208	203,407	199,309	212,609	224,117
Neighborhood Relations										
CDBG disbursed per year (thousands of \$)	2,004	1,852	2,052	1,805	1,883	1,734	1,915	1,378	1,848	1,417
CDBG rehab activity of single residential units	357	314	284	293	173	156	103	448	703	290
Water										
New Connections	162	213	156	137	161	270	170	149	131	245
Number of accounts	53,314	53,673	54,932	55,779	55,913	55,648	55,855	55,991	56,009	55,933
Annual Volume Net Finished (millions of gallons)	6,047	7,218	7,824	6,652	6,611	6,236	6,396	6,104	6,909	6,360
Valve routine maintenance	2,624	2,253	2,595	1,772	994	940	951	736	1,284	718
Water Pollution Control										
Number of accounts	48,488	47,689	48,204	48,192	48,522	48,583	48,757	48,852	48,859	48,790
Volume (millions of gallons)	6,450	6,245	5,226	5,607	5,580	6,839	7,259	7,046	5,991	8,790
Number of service calls	752	694	826	930	827	916	791	712	841	849
Stormwater Utility										
Number of service calls	389	486	326	344	435	586	489	386	346	576
Public Golf Course rounds	28,840	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Various city departments

Note: Indicators are not available for general government and administration functions.

Starting January 1, 2012 City of Topeka Parks & Recreation was consolidated with Shawnee County Parks & Recreation. No information available after 2011.

n/a = not available

City of Topeka, Kansas
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function/Program										
Square miles of City	61.0	61.8	61.8	61.8	61.9	61.9	61.961	62.580	62.610	62.610
Fire										
Stations	12	12	12	12	12	12	12	12	12	12
Firefighters	238	228	241	236	236	235	238	235	237	232
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Police officers	300	300	300	300	300	300	295	295	295	299
Street Operations										
Miles of City streets	1,624	1,517	1,517	1,532	1,586	1,586	1,611	1,610	1,610	1,610
Traffic Operations										
Traffic signals	183	201	201	201	201	201	201	185	185	185
Traffic signs (number of signs)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Parks and Recreation										
Mini-Train & Carousel	2	2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Swimming pools	5	5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Community Centers	7	7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Softball diamonds	14	14	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water										
Water mains (miles)	881	881	883	887	888	892	892	879	896	896
Storage capacity (millions of gallons)	25	25	25	25	25	25	25	25	25	25
Water Pollution Control										
Sanitary sewers (miles)	910	910	919	872	872	973	974	976	866	866
Stormwater Utility										
Storm sewers (miles)	330	330	330	330	330	330	404	422	425	421
Public Parking										
Parking garages	7	7	7	7	7	7	7	7	7	7
Parking meters	1,657	1,684	1,684	1,631	1,630	1,633	1,633	1,665	1,338	1,230
Public Golf Course	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Various city departments

Note: Indicators are not available for the general government, administration and zoo functions.

2011 Traffic Operations updated to reflect number of traffic signs throughout the city verses number of replaced signs.

As of January 1, 2012 City of Topeka Parks & Recreation consolidated with Shawnee County Parks & Recreation. No information available after 2011.

2015 Water Pollution Control included force mains in their totals under Sanitary sewers (miles).

2018 per the Comprehensive Parking Study, 327 underutilized meters were removed & replaced with time limits.

2018 Sanitary Sewer miles has been revised to only include City owned mains.

n/a = not available

OTHER INFORMATION

City of Topeka, Kansas
Schedule of Temporary Notes Outstanding by Project
December 31, 2019

Project Purpose/Description	Project Number	Project Amount Financed
Water Treatment Modification Ph II	281160.01	\$ 1,971,042
Central Zone Improvement & Optimization	281161.00	985,521
Montara Water Tower	281194.00	1,478,281
Soldier BPS Ph II to Meriden BPS	281200.00	394,208
Oakland WWTP Solids - Wastewater	291018.12	6,534,345
Oakland WWTP Solids - Biogas	291018.22	3,650,000
Eastside Interceptor Relief	291050.00	4,021,135
Waterline Relocate 24 & Menoken	291056.00	603,170
Ash St Force Main Replacement	291057.00	8,042,269
Shunga Pump Station Rehab	291058.00	1,105,812
Oakland Aerator & Mixing Repl	291060.00	6,031,702
Grant/Jefferson Pump Station	291061.00	1,005,284
Ultraviolet Expansion Oakland	291062.00	5,026,419
Levee Repairs/Replacement	501012.00	1,105,812
Total aggregate principal outstanding		<u>\$ 41,955,000</u>

***Note:** On September 10, 2019, the City issued its Series 2019-A Temporary Notes in the principal amount of \$38,305,000 and Series 2019-B Temporary Notes in the principal amount of \$3,650,000. The 2019-A Notes were purchased by Bank of America Merrill Lynch, bear interest at 4.00%. The 2019-B Notes were purchased by Jefferies LLC, bear interest at 2.25%. Both are scheduled to mature on October 1, 2020.*

City of Topeka, Kansas
Debt Service Payments to Final Maturity
Revenue bonds
December 31, 2019

Combined Utility Scheduled Debt Service					
Year Ending	Principal Amount Due	Interest Amount Due	Total Annual Debt Service	Bond Balance	Cumulative % of Total Bonds Retired at Year End
2020	8,010,000	7,231,482	15,241,482	207,410,000	3.72%
2021	8,115,000	7,011,273	15,126,273	199,295,000	7.49%
2022	8,535,000	6,649,723	15,184,723	190,760,000	11.45%
2023	8,705,000	6,366,673	15,071,673	182,055,000	15.49%
2024	10,165,000	6,083,748	16,248,748	171,890,000	20.21%
2025	10,590,000	5,792,665	16,382,665	161,300,000	25.12%
2026	10,860,000	5,455,383	16,315,383	150,440,000	30.16%
2027	11,195,000	5,066,528	16,261,528	139,245,000	35.36%
2028	11,530,000	4,709,115	16,239,115	127,715,000	40.71%
2029	9,385,000	4,366,300	13,751,300	118,330,000	45.07%
2030	9,310,000	4,070,438	13,380,438	109,020,000	49.39%
2031	9,495,000	3,769,655	13,264,655	99,525,000	53.80%
2032	8,245,000	3,460,518	11,705,518	91,280,000	57.63%
2033	8,490,000	3,187,958	11,677,958	82,790,000	61.57%
2034	6,460,000	2,901,710	9,361,710	76,330,000	64.57%
2035	6,315,000	2,686,261	9,001,261	70,015,000	67.50%
2036	5,685,000	2,469,296	8,154,296	64,330,000	70.14%
2037	5,665,000	2,273,639	7,938,639	58,665,000	72.77%
2038	5,600,000	2,074,443	7,674,443	53,065,000	75.37%
2039	5,680,000	1,876,211	7,556,211	47,385,000	78.00%
2040	5,875,000	1,674,393	7,549,393	41,510,000	80.73%
2041	5,200,000	1,461,568	6,661,568	36,310,000	83.14%
2042	5,335,000	1,281,293	6,616,293	30,975,000	85.62%
2043	5,520,000	1,093,153	6,613,153	25,455,000	88.18%
2044	5,720,000	898,338	6,618,338	19,735,000	90.84%
2045	5,230,000	695,725	5,925,725	14,505,000	93.27%
2046	5,410,000	513,550	5,923,550	9,095,000	95.78%
2047	4,370,000	324,981	4,694,981	4,725,000	97.81%
2048	3,590,000	166,600	3,756,600	1,135,000	99.47%
2049	1,135,000	34,050	1,169,050	-	100.00%
TOTALS	\$ 215,420,000	\$ 95,646,666	\$ 311,066,666		

City of Topeka, Kansas
Schedule of Industrial Revenue Bonds by Obligee (1)
12/31/2019

Obligated Entity or purpose	Interest Rates	Issue Date	Final Maturity	Original Principal Amount	1/1/2019	Issued	Retired	Principal Outstanding 12/31/2019
Oustanding								
Brewster Place	2.975%	7/21/2015	6/1/2035	\$ 8,190,000	\$ 7,205,000	\$ -	\$ 330,000	\$ 6,875,000
YMCA - refunding	4.00 - 6.00%	9/7/2011	9/1/2032	\$ 7,055,000	\$ 5,525,000	\$ -	\$ 265,000	\$ 5,260,000
Brewster Place 2017-A1	3.25%	8/2/2017	3/1/2023	\$ 3,560,000	\$ 2,721,000	\$ -	\$ 654,000	\$ 2,067,000
Brewster Place 2017-A2	3.25%	8/2/2017	12/1/2037	\$ 14,105,000	\$ 14,105,000	\$ -	\$ -	\$ 14,105,000
Brewster Place 2017-B1	3.25%	8/2/2017	5/1/2026	\$ 3,605,000	\$ 3,116,000	\$ -	\$ 384,000	\$ 2,732,000
Brewster Place 2017-B2	3.25%	8/2/2017	6/1/2027	\$ 6,685,000	\$ 6,685,000	\$ -	\$ -	\$ 6,685,000
Brewster Place 2017-C	3.25%	8/2/2017	12/1/2018	\$ 3,200,000	\$ 3,200,000	\$ -	\$ -	\$ 3,200,000
Sunflower Foundation 2019-A	3.47%	2/20/2019	3/1/2039	\$ 10,000,000	\$ -	\$ 10,000,000	\$ 375,000	\$ 9,625,000
				\$ 56,400,000	\$ 42,557,000	\$ 10,000,000	\$ 2,008,000	\$ 50,549,000

(1) Issuance of these industrial revenues bonds is authorized by KSA 12-1740 et seq KSA 12-1743 states in pertinent part "... The principal and interest of such bonds shall be payable solely and only from the special fund herein provided for such payments, and said bonds shall not in any respect be a general obligation of such city, nor shall be payable in any manner by taxation . . .".

City of Topeka, Kansas
Schedule of Special Assessment Debt
December 31, 2019

Collection Year	Assessment Levy	Current Collections (1)	Percent of Levy Collected	Amount of Delinquency
2010	1,716,269	1,352,945	79%	73,522
2011	1,730,066	1,486,381	86%	280,583
2012	2,176,590	1,879,022	86%	206,962
2013	2,310,602	1,793,593	78%	65,389
2014	2,316,954	1,975,602	85%	117,655
2015	2,307,222	1,903,978	83%	55,657
2016	1,780,956	2,312,432	130%	-
2017	1,860,262	3,092,812	166%	43,136
2018	2,148,704	3,043,217	142%	-
2019	1,829,844	2,215,959	121%	95,593
2020-2024	10,642,357	-		-
2025-2029	9,303,531	-		-
2030-2034	4,936,925	-		-
2035-2039	550,000	-		-

(1) Collections and assessments include interest

City of Topeka, Kansas
Employment and Unemployment Statistics
Last Ten Fiscal Years

Average Annual Non-Farm Employment Distribution										
Topeka MSA										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Non-Farm	109,200	109,000	109,500	110,200	111,500	111,100	112,600	111,500	112,300	111,600
Goods-Producing	12,000	12,200	12,700	12,700	13,200	12,800	13,200	13,000	13,400	13,400
Service-Providing	97,200	96,800	96,800	97,500	98,300	98,300	99,300	98,500	98,900	98,200
Private Service-Providing	68,400	68,800	69,400	70,700	70,800	71,200	72,500	71,900	72,200	71,400
Government	28,800	28,000	27,400	26,800	27,500	27,200	26,900	26,700	26,600	26,700

Source: Kansas Department of Labor, Division of Employment, Research and Analysis Section. Data is not seasonally-adjusted.

The major employment sectors within the Topeka Metropolitan Statistical Area ("Topeka MSA") include manufacturing, mining and construction, transportation and public utilities, wholesale and retail trade, finance related industries, service related industries, and government.

2012 updated to reflect current numbers provided by Kansas Department of Labor.

Unemployment rates										
Topeka MSA										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Topeka MSA	7.20%	6.90%	6.30%	6.00%	4.80%	4.31%	4.08%	3.60%	3.50%	3.30%
Kansas	7.10%	6.50%	5.70%	5.40%	4.50%	4.23%	4.09%	3.60%	3.40%	3.20%
United States	9.60%	8.90%	8.10%	7.40%	6.20%	5.28%	4.85%	4.35%	3.89%	3.67%

Source: Kansas Department of Labor, Division of Employment, Research and Analysis Section, Kansas Labor Market Information, and the U.S. Bureau of Labor and Statistics.

Note: Prior years unemployment rates were updated to reflect information provided by the Bureau of Labor Statistics.

SUMMARY OF PROJECTS BY FUNDING SOURCE



Below is a summary of projects by Funding Source. The CIP document also includes detailed sheets for project including project definition, Department, location, and impact on operating budgets.

	Adopted Number	Capital Improvement Budget			Capital Improvement Plan			5 Year Total
		Adopted 2019	Adopted 2020	Adopted 2021	Adopted 2022	Adopted 2023		
General Obligation Bond Projects								
Facilities								
City Hall Renovations	131036.00	\$2,000,000	\$2,000,000	\$1,650,000	\$1,200,000			\$6,850,000
Subtotal Facilities		\$2,000,000	\$2,000,000	\$1,650,000	\$1,200,000	\$0		\$6,850,000
Neighborhoods								
Infill Sidewalk/Pedestrian Master Plan	241046.00	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000		\$3,000,000
Neighborhood Infrastructure	601094.00	\$1,400,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000		\$8,200,000
Subtotal Neighborhoods		\$2,000,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000		\$11,200,000
Public Safety								
Apparatus - Aerial (1501)	801023.00					\$1,665,000		\$1,665,000
Apparatus - Engine (1437)	801004.00				\$850,000			\$850,000
Fire Portable Radios	801015.00				\$693,450			\$693,450
Fire Station #14	131037.00					\$5,776,261		\$5,776,261
Apparatus - Aerial (1500)	801005.00	\$1,300,000						\$1,300,000
Apparatus - Engine (1436)	801007.00			\$820,000				\$820,000
Apparatus - Engine (1288)	801006.00		\$785,000					\$785,000
Apparatus - Engine (1289)	801006.02		\$785,000					\$785,000
Apparatus - Engine (1439)	801007.02			\$820,000				\$820,000
Apparatus - Engine (1438)	801004.02				\$850,000			\$850,000
Fire Hazmat Vehicle (1136)	801022.00				\$850,725			\$850,725
Subtotal Public Safety		\$1,300,000	\$1,570,000	\$1,640,000	\$3,244,175	\$7,441,261		\$15,195,436
Quality of Life								
Zoo Commissary	301062.00					\$236,250		\$236,250
Zoo Public Path	301059.00				\$255,150			\$255,150
Zoo - Storm Drainage, Parking, Group Entrance	301056.00	\$1,456,000						\$1,456,000
Zoo Public Area Electrical Upgrade	301055.00					\$275,625		\$275,625
Zoo Public Path Barrier Replacement Project	301057.00					\$500,000		\$500,000
Zoo Tropical Rain Forest HVAC Replacement	301053.00			\$255,603				\$255,603
Subtotal Quality of Life		\$1,456,000	\$0	\$255,603	\$255,150	\$1,011,875		\$2,978,628
Street								
Bike Lanes on SE 6th & SE 10th Ave Bridges over I-70	861009.00					\$500,000		\$500,000
NW Tyler Street, NW Beverly Street to NW Paramore Street	701034.00					\$50,000		\$50,000
NW Tyler Street - NW Lyman Road to NW Beverly Street	701019.00					\$889,334		\$889,334
S. Topeka Blvd from 21st Street to 29th Street	701031.00					\$100,000		\$100,000
SE 29th Street/Kansas Turnpike Authority Interchange	701017.00					\$500,000		\$500,000
SE Quincy Street from 8th Street to 10th Street	601098.00					\$90,000		\$90,000
South Kansas Avenue (1st Street - 6th Street)	701024.00		\$50,000	\$50,000	\$235,000	\$7,350,000		\$7,685,000
SW 10th Avenue - SW Fairlawn Road to SW Wanamaker Rd	701015.00		\$993,984	\$694,334	\$994,334			\$2,682,652
SW 10th Avenue from Wanamaker to SW Gerald Lane	701023.00			\$150,000	\$50,000	\$1,365,000		\$1,565,000
SW 29th Street from Topeka Blvd to Burlingame Road.	701032.00					\$75,000		\$75,000
SW Arvon Place/Huntoon Street/I-470 Ramps	701014.00	\$1,431,500						\$1,431,500
SW Gage Blvd. from I-70 to 6th Street	601100.00					\$125,000		\$125,000
SW Huntoon Street, SW Executive Drive to SW Urish Road	701029.00					\$350,000		\$350,000
SW Wanamaker Road/SW Huntoon Street/I-470 Ramps	701018.00			\$500,000	\$500,000			\$1,000,000
Wayfinding Signs Package A	861014.00	\$170,000						\$170,000
Complete Street Projects	601096.00	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000		\$500,000
Citywide Infrastructure	601097.00	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000		\$1,125,000
Wayfinding Signs Package B	861022.00	\$250,000	\$250,000					\$500,000
SW Urish Road, SW 21st Street to SW 29th Street	701030.00					\$450,000		\$450,000
Subtotal Street		\$2,176,500	\$1,618,984	\$1,719,334	\$2,104,334	\$12,169,334		\$19,788,486
Traffic								
Traffic Signal Replacement Program	141024.00	\$750,000	\$713,579	\$600,000	\$628,841	\$600,000		\$3,292,420
Traffic Safety Projects	601095.00	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000		\$1,100,000
Downtown Traffic Signal Coordination	141025.00		\$290,000					\$290,000
Subtotal Traffic		\$970,000	\$1,223,579	\$820,000	\$848,841	\$820,000		\$4,682,420
Annual Total GO Bond Projects		\$9,902,500	\$8,712,563	\$8,384,937	\$9,952,500	\$23,742,470		\$60,694,970
TOTAL GO Bond Projects in CIB			\$27,000,000		\$27,000,000	\$27,000,000		
Total Aggregate Target for CIB			\$27,000,000		\$27,050,000	\$42,079,907		
<i>Difference Target to Subtotal</i>			\$0		\$50,000	\$15,079,907		



	Adopted Number	Capital Improvement Budget			Capital Improvement Plan			5 Year Total
		Adopted 2019	Adopted 2020	Adopted 2021	Adopted 2022	Adopted 2023		
Utility Funded Projects								
Storm Water								
2019 Annual Best Management Practices Development & Construction Program	501044.00	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000	
2019 Annual Drainage Correction Program	151032.00	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000	
2019 Annual Levee Asset Repair & Rehabilitation Program	161005.00	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000	
2019 Annual Stormwater Operations Equipment & Fleet Maintenance & Replacement Program	501040.00	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000	
2019 Annual Storm Conveyance System	501036.00	\$1,400,000	\$1,400,000	\$1,400,000	\$2,500,000	\$2,800,000	\$9,500,000	
In-situ Storm Sewer Repair/rehabilitation: Fairlawn 22nd Park to 28th St. Construction Services	502730.00	\$3,300,000					\$3,300,000	
Subtotal Storm Water		\$5,750,000	\$2,450,000	\$2,450,000	\$3,550,000	\$3,850,000	\$18,050,000	
Waste Water								
2019 Annual Wastewater Plant Operations Equipment & Fleet Maintenance & Replacement Program	291082.00	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000	
2019 Annual Inflow & Infiltration Program	291085.00	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000	
Neighborhood Infrastructure	601094.00	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000	
Condition Assessment - WW Treatment Plants	291092.00	\$200,000					\$200,000	
Ash Street Force Main Replacement	291057.00	\$4,605,996					\$4,605,996	
2019 Annual Sanitary Sewer Interceptor Maintenance & Rehabilitation Program	291078.00	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,500,000	
2019 Annual Small Wastewater Pump Station Rehabilitation & Replacement Program	291076.00	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,500,000	
2019 Annual Wastewater Lining & Replacement Program	291072.00	\$3,000,000	\$4,000,000	\$5,000,000	\$8,000,000	\$8,000,000	\$28,000,000	
Oakland Aerator & Mixing Replacement	291060.00	\$1,237,350					\$1,237,350	
Oakland WWTP Solids Handling Upgrades Phase II	291018.02	\$2,664,147					\$2,664,147	
2019 Annual WPC Facility Rehabilitation Program	291074.00	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000	
Oakland WWTP Sludge Thickening Process Upgrade	291091.00				\$4,306,000	\$4,306,000	\$8,612,000	
Oakland Backup Generators	291090.00			\$1,373,350			\$1,373,350	
WPC SCADA System Upgrade	291088.00	\$810,000	\$810,000	\$810,000	\$810,000	\$810,000	\$4,050,000	
Combined Sewer Overflow Plan	291046.00	\$675,000	\$675,000	\$675,000			\$2,025,000	
Eastside Interceptor Combined Sewer Overflow#3 to Ash Street Pump Station	291050.00	\$7,448,760	\$6,034,895				\$13,483,655	
Grant/Jefferson Pump Station Rehabilitation	291061.00	\$9,000,000					\$9,000,000	
North Topeka Pump Station Rehabilitation	291087.00			\$2,846,000			\$2,846,000	
North Topeka Waste Water Treatment Plant Nutrient Removal	291052.00				\$6,363,627		\$6,363,627	
Oakland Wastewater Treatment Plant Ultraviolet Expansion	291062.00	\$2,703,750	\$2,782,612				\$5,486,362	
Subtotal Waste Water		\$37,295,003	\$19,252,507	\$15,654,350	\$24,429,627	\$18,066,000	\$114,697,487	
Water								
Annual Water Plant Operations Equipment & Fleet Maintenance & Replacement Program	281124.00	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000	
Disinfection Modification Phase I	281037.02				\$8,560,000		\$8,560,000	
Disinfection Modification Phase II	281037.03					\$9,705,000	\$9,705,000	
Soldier Township Improvements & Optimization	281106.00	\$864,000					\$864,000	
Annual Water Main Replacement Program	281112.00	\$3,500,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$19,500,000	
Annual Water Treatment Plant Rehabilitation Program	281114.00	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000	
East Filters Rehabilitation Phase II	281102.01	\$5,185,000					\$5,185,000	
Supervisory Control and Data Acquisition (SCADA) Upgrades	281158.00	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$3,875,000	
Water Treatment Modification	281160.00	\$2,213,250					\$2,213,250	
West Plant Basin Rehabilitation	281164.00			\$15,549,000			\$15,549,000	
West Intake Rehabilitation	281165.00		\$4,100,000				\$4,100,000	
Chemical Building Rehabilitation	281166.00					\$900,000	\$900,000	
Central Zone Improvements & Optimizations	281161.00		\$2,332,000				\$2,332,000	
Southeast Zone Improvements & Optimization	281162.00					\$1,548,000	\$1,548,000	
West Zone Improvements & Optimization	281163.00					\$2,816,000	\$2,816,000	
Utility Billing and Customer Service System	801013.00	\$600,000					\$600,000	
Subtotal Water		\$14,537,250	\$12,607,000	\$21,724,000	\$14,735,000	\$21,144,000	\$84,747,250	
Total Utility Fund		\$57,582,253	\$34,309,507	\$43,952,000	\$42,714,627	\$43,066,000	\$217,494,737	



	Adopted Number	Capital Improvement Budget			Capital Improvement Plan		5 Year Total
		Adopted 2019	Adopted 2020	Adopted 2021	Adopted 2022	Adopted 2023	
Other Funding Sources							
Cash							
City4 Upgrades	861011.00	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
Fire Station #14	131037.00					\$200,000	\$200,000
Fire Station Yearly Renovation	131052.00	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$2,250,000
Geocortex Implementation	801017.00		\$59,280			\$100,000	\$159,280
GPS Based Automobile Vehicle Locating System	861015.00	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Rescue Vehicle (1317)	801024.00					\$225,000	\$225,000
Self Contained Breathing Apparatus	801009.00	\$196,183	\$196,183	\$196,183	\$196,183		\$784,732
Police Department Fleet Replacement	801020.00	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$3,250,000
Body Worn Camera/Taser Equipment Replacement Plan	801021.00	\$235,225	\$235,225	\$235,225	\$235,225	\$246,985	\$1,187,885
Public Safety/Code Compliance at Municipal Buildings	131051.00	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Metasys Replacement Study: City Hall/Holiday/LEC	F-201709.00					\$40,000	\$40,000
Municipal Buildings Roof Replacement	F-201710.00	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Asset Inventory/ Geospatial Updates	861020.00	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Subtotal Cash		\$2,151,408	\$2,210,688	\$2,151,408	\$2,151,408	\$2,531,985	\$11,196,897
Citywide Sales Tax							
Maintain and Improve Existing Streets - 2019	841017.02	\$8,800,000					\$8,800,000
ADA Sidewalk Ramp Program	241047.00	\$300,000					\$300,000
Sidewalk Repair Program	241048.00	\$100,000					\$100,000
Curbs, Gutters & Street Repairs	841054.00	\$1,500,000					\$1,500,000
Alley Repair Program	841055.00	\$250,000					\$250,000
Street Maint. & Repair: Local Streets	841056.00	\$2,888,000					\$2,888,000
ADA Sidewalk Ramp Program (Renewal)	241049.00		\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
Curb & Gutter Replacement Program (Renewal)	841057.00		\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$6,000,000
Pavement Management Rehabilitation & Reconstruction Program (Micropaver) (Renewal)	841060.00		\$11,700,000	\$11,700,000	\$11,700,000	\$11,700,000	\$46,800,000
Sidewalk Repair Program (Renewal)	241050.00		\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Street Contract Preventative Maintenance Program (Micropaver) (Renewal)	841059.00			\$2,000,000	\$2,000,000	\$1,000,000	\$5,000,000
Alley Repair Program (Renewal)	841058.00		\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000
Subtotal Citywide Sales Tax		\$13,838,000	\$13,850,000	\$15,850,000	\$15,850,000	\$14,850,000	\$74,238,000
Countywide Sales Tax							
Pavement Preventative Maintenance Pgrm	601093.00	\$3,330,000	\$3,330,000				\$6,660,000
12th Street (2 lanes) - Gage Boulevard to Kansas Avenue	701016.00	\$450,000	\$650,000	\$4,250,000	\$4,250,000	\$3,780,000	\$13,380,000
SE California Avenue - SE 37th Street to SE 45th Street	701021.00		\$500,000	\$250,000	\$5,250,000		\$6,000,000
SW 17th Street MacVicar to Interstate 470	701025.00	\$100,000		\$850,000	\$500,000	\$4,450,000	\$5,900,000
Zoo - Storm Drainage, Parking, Group Entrance	301056.00	\$250,000					\$250,000
Zoo Master Plan	301047.00	\$250,000		\$2,000,000		\$1,000,000	\$3,250,000
SW 29th Street from Fairlawn thru I470	701033.00	\$1,445,000					\$1,445,000
Bikeways Master Plan	861017.00		\$500,000		\$500,000		\$1,000,000
Huntoon (2 Lanes) Gage to SW Harrison	701028.00					\$100,000	\$100,000
Subtotal Countywide Sales Tax		\$5,825,000	\$4,980,000	\$7,350,000	\$10,500,000	\$9,330,000	\$37,985,000
Donations							
Zoo Master Plan	301047.00	\$1,860,000		\$2,000,000		\$5,000,000	\$8,860,000
Subtotal Donations		\$1,860,000	\$0	\$2,000,000	\$0	\$5,000,000	\$8,860,000
Federal Funds							
Bridge Deck Patching and Polymer Overlay	121006.00			\$1,200,000			\$1,200,000
Bridge on SE 29th Street over Butcher Creek	121005.00	\$70,000				\$850,000	\$920,000
Bridge on SW 3rd St over Ward Cr.	121003.00	\$750,000					\$750,000
SW Wanamaker Road/SW Huntoon Street/I-470 Ramps	701018.00		\$1,100,000	\$1,100,000			\$2,200,000
Neighborhood Infrastructure	601094.00	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Subtotal Federal Funds		\$1,420,000	\$1,700,000	\$2,900,000	\$600,000	\$1,450,000	\$8,070,000
IT Fund							
Computer Upgrade - 2	IS-2018-002	\$44,750	\$44,750	\$44,750			\$134,250
Computer Upgrade - 3	IS-2019-003	\$37,250	\$37,250	\$37,250	\$37,250		\$149,000
Computer Upgrade - 4	IS-2020-007		\$33,250	\$33,250	\$33,250	\$33,250	\$133,000
Data Back-up System Replacement	IS-2017-007	\$62,500	\$62,500				\$125,000
Data Back-up System Replacement - 2	IS-2020-008		\$75,000	\$75,000	\$75,000	\$75,000	\$300,000
Desktop Computer Replacement	IS-2017-005	\$83,250	\$83,250				\$166,500
Fire Department Mobile Data Terminal Upgrade	IS-2020-003		\$31,250	\$31,250	\$31,250	\$31,250	\$125,000
Microsoft Enterprise Agreement	IS-2019-002	\$316,667	\$316,667	\$316,666			\$950,000
Network Switch Upgrade - Phase -1	IS-2019-001	\$125,000	\$125,000	\$125,000	\$125,000		\$500,000
Network Switch Upgrade - Phase -2	IS-2020-001		\$21,878	\$21,878	\$21,878	\$21,878	\$87,512
Police Department Mobile Data Terminal Upgrade Phase-1	IS-2020-004		\$56,250	\$56,250	\$56,250	\$56,250	\$225,000
Police Department Mobile Data Terminal Upgrade Phase-2	IS-2020-005		\$25,000	\$25,000	\$25,000	\$25,000	\$100,000
Security Systems Replacement	IS-2017-006	\$52,500	\$52,500				\$105,000
Security Systems Replacement - 2	IS-2020-002		\$65,000	\$65,000	\$65,000	\$65,000	\$260,000
Storage Area Network Upgrade	IS-2020-006		\$162,500	\$162,500	\$162,500	\$162,500	\$650,000
Microsoft Azure	IS-2018-001	\$150,000					\$150,000
Subtotal IT Fund		\$871,917	\$1,192,045	\$993,794	\$632,378	\$470,128	\$4,160,262
Parking Fund							
Parking Garage Systems (Hardware and Software Upgrade)	131055.00	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000
512 Jackson Elevator Upgrade	131053.00	\$105,881	\$105,881				\$211,762
9th Street Garage Elevator Upgrade	131054.00	\$123,528					\$123,528
Parking Facility Capital Repairs	131062.00	\$383,000	\$383,000	\$383,000	\$383,000	\$383,000	\$1,915,000
Subtotal Parking Fund		\$677,409	\$553,881	\$448,000	\$448,000	\$448,000	\$2,575,290
Total Other Sources		\$26,643,734	\$24,486,614	\$31,693,202	\$30,181,786	\$34,080,113	\$147,085,449
Total Capital Improvements:		\$94,128,487	\$67,508,684	\$79,906,489	\$82,848,913	\$100,882,583	\$425,275,156