



Monthly Financial Status Report July 2019

Report is prepared on a cash basis

City of Topeka Financial Services Department
September 03, 2019

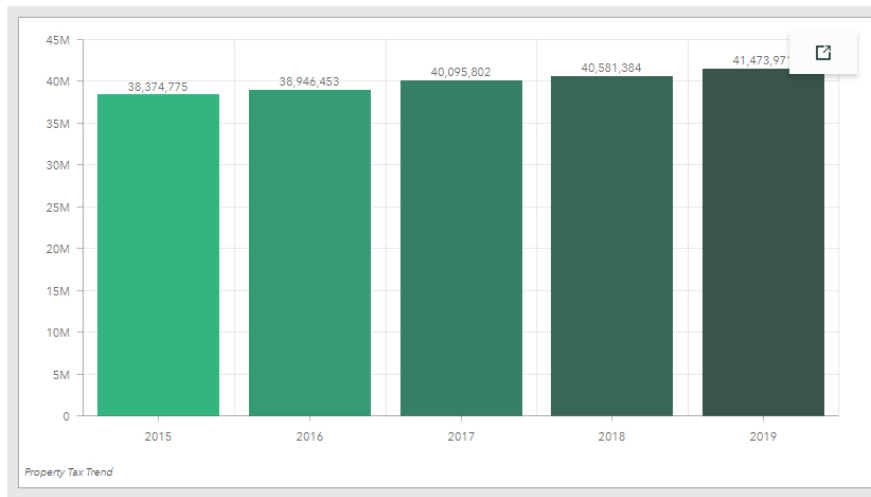


Key Revenue Indicators Overview



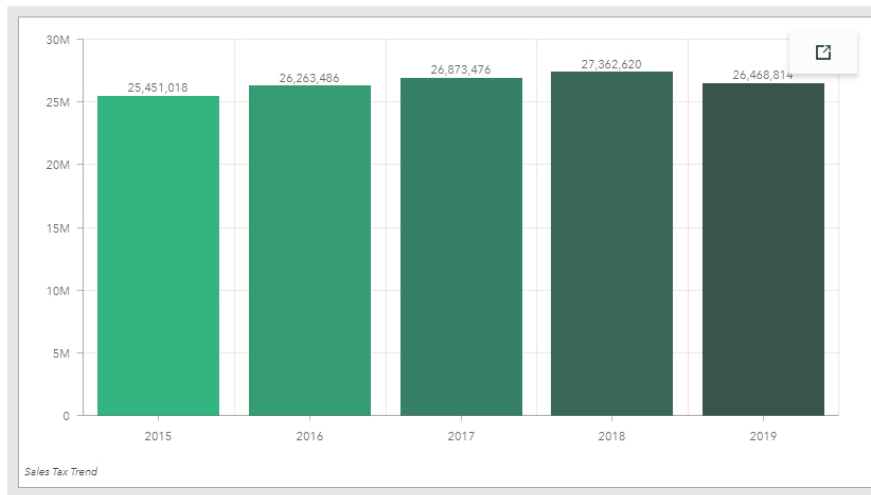
Property Tax

The ad valorem tax revenues are derived from taxes levied on real property, personal property, and state assessed utilities. This is one of the largest revenue sources for the City of Topeka, with ad valorem taxes levied for the General, Debt Service, and Special Liability Funds. To date, property tax collections increased 2.20% in 2019 to \$41,473,971 from the 2018 collections of \$40,581,384. They have increased 7.5% from 2015 collections of \$38,374,775.



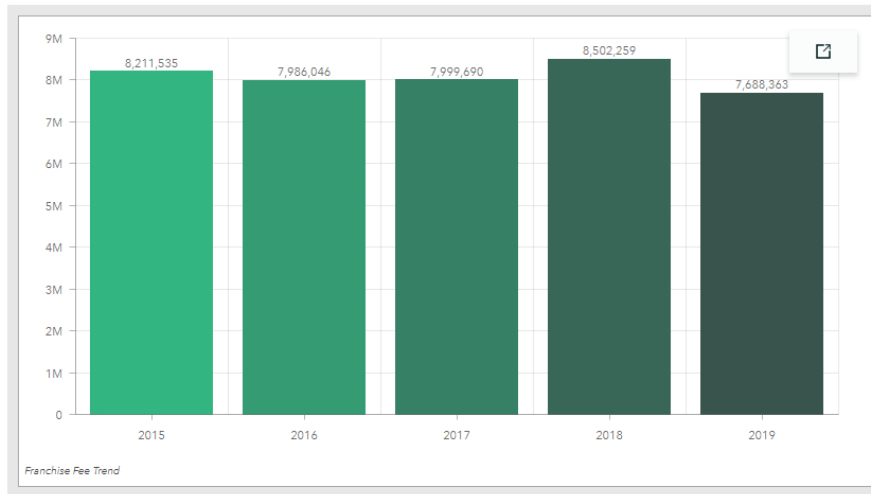
Sales Tax

The City of Topeka receives two sales taxes for direct operations: a citywide 1 cent sales tax for general purposes and a 1/2 cent sales tax set aside for existing street improvements. Sales tax distributions have a two month lag compared to when they are collected versus when the City receives them. To date, total sales tax collections decreased 3.3% in 2019 to \$26,468,814 compared to 2018 collections of \$27,362,620. The 2019 collections are \$15,069 below the five year collection average of \$26,486,883.



Franchise Fees

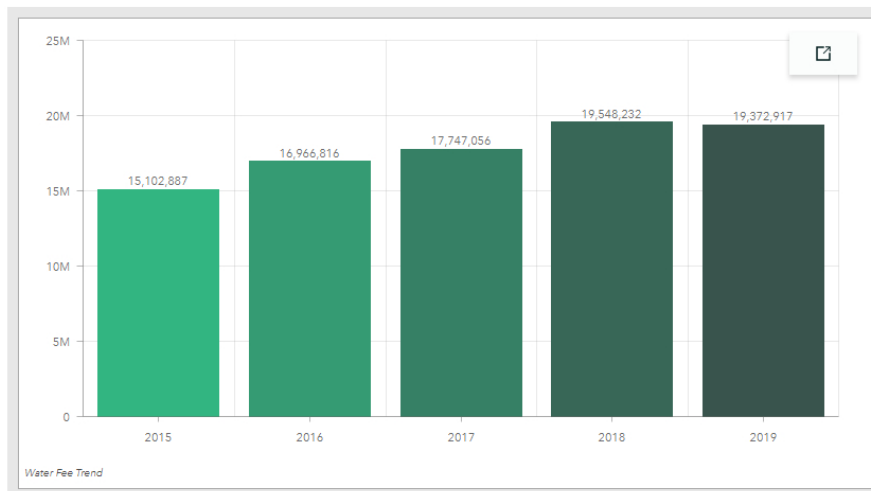
Franchise Fee revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5-6% of utility revenues. All franchise fee revenue is credited to the General Fund. Franchise Fee revenue tend to be volatile as it is influenced by the weather, commodity pricing, and utility rates. To date, franchise fee collections decreased -9.6% in 2019 to \$7,688,363 from the 2018 collections of \$8,502,259. The collections are \$389,216 below the five year collection average of \$8,077,579.



Franchise Fees

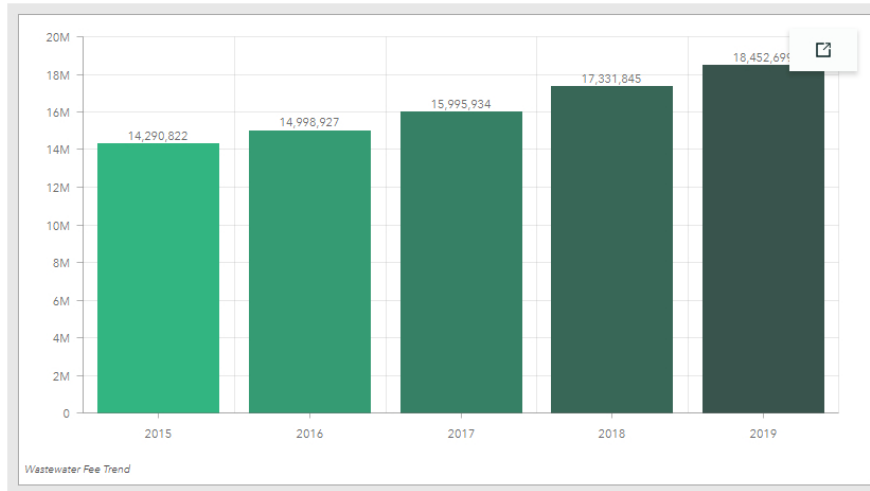
Water Fees

Customers in the City are charged a fee for water services. These fees are reviewed on an annual basis to ensure adequate future financial planning and the capacity to maintain, preserve, and enhance the infrastructure of the City water system. Water fees increased 5.1% in 2019 to \$13,062,199 up from the 2018 collections of \$12,427,874 and have also increased 21.7% from the 2015 collections of \$10,234,110. To date, water fee revenue decreased -0.9% in 2019 to \$19,372,917 from 2018 collections of \$19,548,232. The upward trend in water fees is representative of the rate increases of 6% in 2018, 5% in 2019, and 5% in 2020 approved by the Governing Body in 2017. The slight decline through July 2019 is largely driven by the higher than average rainfall this summer which decreases consumer consumption of water for lawns and gardens.



Wastewater Fees

Customers in the City are charged a fee for wastewater disposal. These fees are reviewed on an annual bases to ensure adequate future financial planning and the capacity to maintain, preserve, and enhance the infrastructure of the City wastewater system. Wastewater fees increased 8.5% in 2019 to \$12,841,390 up from the 2018 collections of \$11,835,727 and have also increased 22.7% from the 2015 collections of \$9,930,200. To date, wastewater revenue increased 6.5% in 2019 to \$18,452,699 from 2018 collections of \$17,331,845. The upward trend in wastewater fees is also representative of the rate increases of 6% in 2018, 5% in 2020 approved by the Governing Body in 2017.



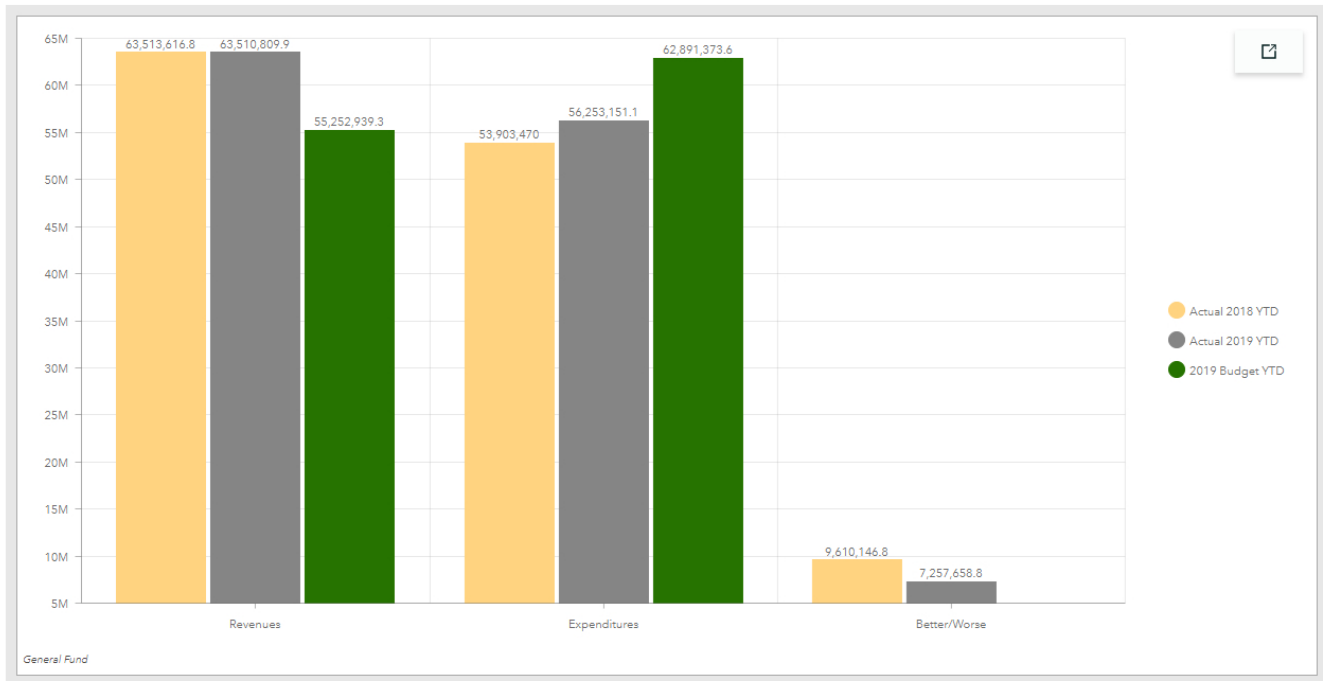
Operations Dashboard for ArcGIS

Fund Overview



General Fund

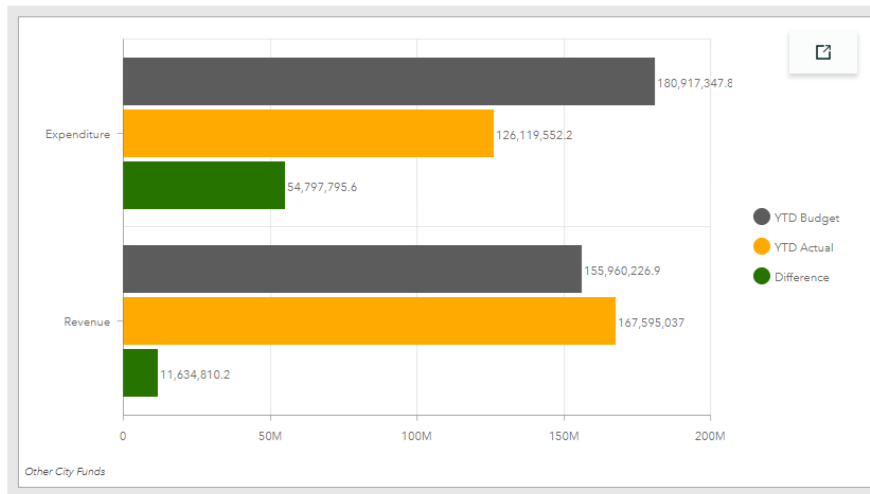
Year to date, General Fund revenue remained flat in 2019 at \$63,510,810 compared to the 2018 collections of \$63,513,617. Year to date, General Fund expenditures increased 4.4% in 2019 to \$56,253,151 from 2018 expenditures of \$53,903,470. The largest increases in expenditures are in the police department and public works. The increase in police costs are driven by an increase of \$1,072,300 in personnel costs. The increase in public works is mainly driven by an increase of \$1,008,407 in construction services costs related to infrastructure projects.



General Fund

Department	Actual 2018 YTD	Actual 2019 YTD	Actual Difference	2019 Budget YTD	% of 2019 Budget YTD	\$ Diff Compared to 2019 Budget YTD
Beginning Fund Balance	20,977,655	22,013,007	1,035,352			
Taxes & Assessments	49,278,663	49,446,571	167,908	40,291,238	122.72%	9,155,333
Intergovernmental	597,553	629,969	32,416	664,942	94.74%	(34,973)
Licenses/Permits & Franchise Fees	9,201,666	8,937,200	(264,467)	9,322,090	95.87%	(384,891)
Charges for Services	2,202,708	2,339,120	136,412	2,620,335	89.27%	(281,215)
Fines/forfeitures	1,547,131	1,449,259	(97,871)	1,750,000	82.81%	(300,741)
Rents/Interest	354,738	345,154	(9,584)	303,427	113.75%	41,727
Other	220,922	215,025	(5,897)	177,966	120.82%	37,059
Transfers In	-	-	-	-	0.00%	-
Sale of Assets	110,237	148,512	38,275	122,942	120.80%	25,570
TOTAL REVENUES	63,513,617	63,510,810	(2,807)	55,252,939	114.95%	8,257,871
City Council	218,716	208,622	(10,094)	220,788	94.49%	12,166
City Manager	782,473	882,406	99,933	951,855	92.70%	69,449
City Attorney	657,886	687,935	30,049	681,477	100.95%	(6,458)
Financial Services	1,417,881	1,351,505	(66,376)	1,521,689	88.82%	170,184
Municipal Court	1,070,066	990,044	(80,022)	1,028,630	96.25%	38,586
Human Resources	717,733	783,730	65,997	802,402	97.67%	18,672
Mayor's Office	110,861	98,415	(12,446)	96,995	101.46%	(1,420)
Non Departmental	795,395	946,474	151,079	6,976,392	13.57%	6,029,918
Prisoner Care	458,467	442,224	(16,243)	408,333	108.30%	(33,891)
Social Service Grants	242,125	214,408	(27,717)	247,664	86.57%	33,256
Franchise Fee Program	104,500	104,500	-	61,017	171.26%	(43,483)
Topeka Performance Center	379,319	368,657	(10,662)	287,027	128.44%	(81,630)
Cemeteries	214,155	212,139	(2,016)	128,333	165.30%	(83,806)
Fire Department	16,511,434	16,396,262	(115,172)	16,350,493	100.28%	(45,769)
Police Department	21,789,855	22,859,983	1,070,128	23,445,013	97.50%	585,030
Public Works	3,988,085	4,778,848	790,763	4,904,506	97.44%	125,658
Park and Recreation	298,777	314,985	16,208	332,471	94.74%	17,486
Topeka Zoological Park	1,552,475	1,591,789	39,314	1,506,399	105.67%	(85,390)
Planning Department	1,420,050	1,510,259	90,209	1,586,403	95.20%	76,144
Neighborhood Relations	1,173,217	1,509,966	336,749	1,353,487	111.56%	(156,479)
TOTAL EXPENDITURES	53,903,470	56,253,151	2,349,681	62,891,374	89.44%	6,638,222
Better/Worse	9,610,147	7,257,659				
Ending Fund Balance	30,587,802	29,270,666				

General Fund Financial Overview



Type	Fund #	Fund	YTD Actual	2019 YTD Budget	Difference	% of Total Budget
Revenue	101	General	63,510,810	55,252,939	8,257,871	67.05%
Revenue	301	Debt Service	19,184,864	12,607,743	6,577,121	88.76%
Revenue	236	Special Liability	859,469	554,575	304,894	90.40%
Revenue	291	Special Highway	4,162,821	3,487,703	675,118	69.62%
Revenue	228	Special Alcohol & Drug	314,985	332,500	(17,515)	55.26%
Revenue	229	Alcohol & Drug Safety	28,351	43,633	(15,282)	37.90%
Revenue	232	Law Enforcement	248,546	129,792	118,754	111.71%
Revenue	271/272/273	Transient Guest Tax	1,941,411	1,587,751	353,660	71.33%
Revenue	286	Retirement Reserve	1,089,576	1,062,012	27,564	59.85%
Revenue	287	KP&F Rate Equalization	2,370	-	2,370	0.00%
Revenue	288	Neighborhood Revitalization	-	8,750	(8,750)	0.00%
Revenue	289	Historical Asset Tourism	-	-	-	0.00%
Revenue	290/274/275	Half Cent Sales Tax (JEDO)	8,519,197	10,964,456	(2,445,259)	45.32%
Revenue	292	Half Cent Sales Tax (Street)	8,818,795	8,648,559	170,236	59.48%
Revenue	220/293/401	Tax Increment Financing	30,514	145,833	(115,320)	12.21%
Revenue	227	Court Technology	26,603	30,791	(4,189)	50.40%
Revenue	216	Downtown Improvement	180,640	134,051	46,589	78.61%
Revenue	217	Topeka Tourism BID	229,473	291,667	(62,193)	45.89%
Revenue	294/295/296/297/298/400/499	Community Improvement Dist	270,791	385,000	(114,209)	41.03%
Revenue	621-625	Combined Utilities	42,655,383	43,569,687	(914,304)	57.11%
Revenue	601	Public Parking	1,803,575	1,698,345	105,229	61.95%
Revenue	615	Facilities	983,221	953,710	29,511	60.14%
Revenue	614	Fleet	1,200,383	1,720,833	(520,451)	40.69%
Revenue	613	IT	2,310,571	2,299,077	11,494	58.62%
Revenue	640-644	Risk Funds	9,493,480	10,435,819	(942,339)	53.07%
Revenue		TOTAL REVENUES	167,865,828	156,345,227	11,520,601	62.63%

City Fund Revenue Overview

Type	Fund #	Fund	YTD Actual	2019 YTD Budget	Difference	% of Total Budget
Expenditure	101	General	56,253,151	62,891,374	6,638,222	52.18%
Expenditure	301	Debt Service	2,516,263	16,679,134	14,162,871	8.80%
Expenditure	236	Special Liability	392,237	1,222,920	830,683	18.71%
Expenditure	291	Special Highway	3,631,694	4,420,760	789,065	47.92%
Expenditure	228	Special Alcohol & Drug	448,891	332,500	(116,391)	78.75%
Expenditure	229	Alcohol & Drug Safety	46,682	234,384	187,702	11.62%
Expenditure	232	Law Enforcement	413,356	403,037	(10,319)	59.83%
Expenditure	271/272/273	Transient Guest Tax	1,153,429	1,860,843	707,415	36.16%
Expenditure	286	Retirement Reserve	750,431	1,825,807	1,075,375	23.98%
Expenditure	287	KP&F Rate Equalization	33,538	17,138	(16,400)	114.15%
Expenditure	288	Neighborhood Revitalization	-	167,726	167,726	0.00%
Expenditure	289	Historical Asset Tourism	600	18,174	17,574	1.93%
Expenditure	290/274/275	Half Cent Sales Tax (JEDO)	6,622,914	16,797,790	10,174,876	23.00%
Expenditure	292	Half Cent Sales Tax (Street)	4,280,279	12,302,772	8,022,493	20.29%
Expenditure	220/293/401	Tax Increment Financing	30,514	145,833	115,320	12.21%
Expenditure	227	Court Technology	28,017	183,056	155,039	8.93%
Expenditure	216	Downtown Improvement	97,703	165,256	67,554	34.49%
Expenditure	217	Topeka Tourism BID	221,151	291,667	70,516	44.23%
Expenditure	294/295/296/297/298/400/499	Community Improvement Dist	207,925	385,000	177,075	31.50%
Expenditure	621-625	Combined Utilities	35,488,496	42,258,709	6,770,213	48.99%
Expenditure	601	Public Parking	1,569,222	2,130,307	561,085	42.97%
Expenditure	615	Facilities	1,043,475	1,083,620	40,145	56.17%
Expenditure	614	Fleet	1,301,526	1,737,175	435,649	43.70%
Expenditure	613	IT	2,648,189	2,343,418	(304,770)	65.92%
Expenditure	640-644	Risk Funds	7,147,794	11,403,948	4,256,154	36.56%
Expenditure		TOTAL EXPENDITURES	126,327,477	181,302,348	54,974,870	40.65%

City Fund Expenditure Overview

Cash Management

The City recognizes that effective cash management is an integral part of financial management. The City seeks out investments that achieve the highest rates within allowable securities that preserve the safety, liquidity, return on investment, and diversification of funds. The chart below describes the invested value of City investments compared to the guidelines of the investment policy. It also shows the total cash balance of the City as of the month end in the total portfolio balance as well as the average duration of investments. For more information please visit the [Kansas State Legislative statutes governing the investment of public monies](#).

Pooled Cash & Investments						
Type of Investment	Guidelines			Actual %	Invested Value	Yield to Maturity
	Minimum	Maximum				
Bank Certificates of Deposit	0%	100%		29%	\$ 68,000,000	2.64
US Treasuries	0%	100%		14%	\$ 32,967,305	2.16
US Agencies	0%	100%		38%	\$ 88,513,519	1.97
Repurchase Agreements	0%	50%		-	-	
Municipal Investment Pool	0%	30%		13%	\$ 30,569,689	2.00
Municipal Refunding Bonds	0%	100%		-	\$ -	
Kansas General Obligation Bonds with credit below A3 or A-	0%	5%		-	-	
Kansas General Obligation Bonds with credit of A3 or A- higher	0%	30%		1%	\$ 2,816,324	2.89
General Checking	0%	100%		5%	\$ 12,560,175	
Subtotal of Investments					\$235,427,012	2.33
Total Portfolio Balance					\$235,427,012	
Duration of investments (expressed in years)						0.67

Debt Management

Finance staff oversee all debt issued by the City, which includes General Obligation (GO), revenue backed, revolving loan funds, temporary notes and special assessment debt. As of the quarter ending June 2019 the city has \$442,273,331 in permanent and temporary debt outstanding, compared to \$408,675,173 in the same quarter in 2018 or an increase of 8.2%.

For more information and to visit the city's fiscal sustainability performance page, click the button below.

[City of Topeka Performance Portal](#)

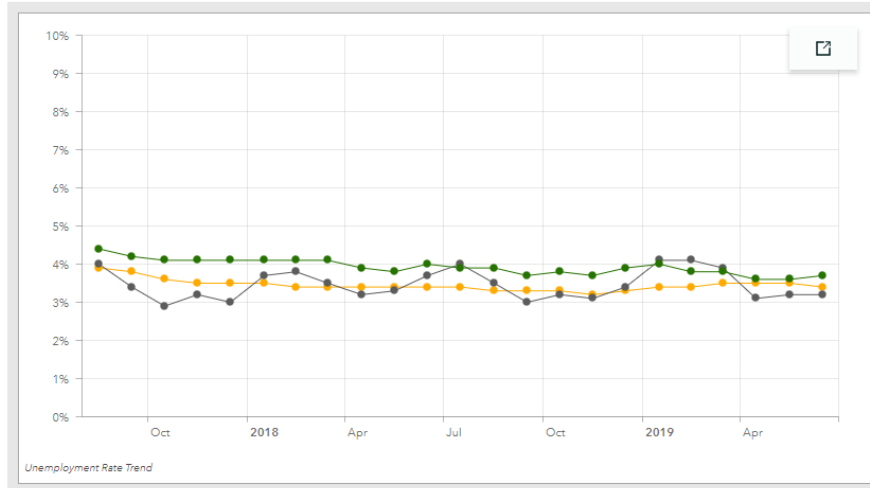
City of Topeka Checkbook

This tool allows citizens to view who received payments from the city for goods and services and how much they received. The application allows the user to drill down from aggregated spending accounts all the way down to individual payment to a payee. Please visit City of Topeka Checkbook by clicking the button below to review how we allocate public funds.

[City of Topeka Checkbook](#)

Unemployment Rate

The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed individuals by those individuals working and those actively seeking employment and willing to work. The unemployment rate for June 2019 was 3.9%, data lags by one month. For more detailed information please visit the [Bureau of Labor Statistics for Topeka, KS](#).



Building Permits

For a comprehensive review of the status of residential and commercial building permits in the city please visit the [July report](#) prepared by the Planning department.



From the City Manager's Desk

For weekly reports containing updates from across the City's departments and divisions about past activity and upcoming events, please click the button below to read more.

[City Manager Weekly Reports](#)

