

City of Kansas City, Missouri

OMB Uniform Guidance Report

(With Independent Auditor's Report)

April 30, 2019

City of Kansas City, Missouri

OMB Uniform Guidance Report

April 30, 2019

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and
Members of the City Council
City of Kansas City, Missouri
Kansas City, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Kansas City, Missouri (City), as of and for the year ended April 30, 2019, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2019, which contained a reference to the report of other auditors and an emphasis of matter paragraph regarding a change in accounting principle. The financial statements of Kansas City International Airport – Community Improvement District, Maintenance Reserve Corporation, Employees' Retirement System, Firefighters' Pension System, Police Retirement System and Civilian Employees' Retirement System, which are included in the City's financial statements, were not audited in accordance with *Government Auditing Standards*. Our report includes a reference to other auditors who audited the financial statements of the Kansas City Board of Police Commissioners and the Port Authority of Kansas City, both of which are component units included in the financial statements of the aggregate discretely presented component units as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinions on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City's Response to Findings

The City's response to findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

October 30, 2019
Wichita, Kansas



INDEPENDENT AUDITOR'S REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Honorable Mayor and
Members of the City Council
City of Kansas City, Missouri
Kansas City, Missouri

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Kansas City, Missouri (City) as of and for the year ended April 30, 2019, and the related notes to financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 30, 2019, which contained unmodified opinions on those financial statements. Our report included a reference to the reports of other auditors and an emphasis of matter paragraph regarding a change in accounting principle. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

October 30, 2019
Wichita, Kansas



Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Independent Auditor's Report

The Honorable Mayor
and Members of the City Council
City of Kansas City, Missouri
Kansas City, Missouri

Report on Compliance for Each Major Federal Program

We have audited the City of Kansas City, Missouri's (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended April 30, 2019. The City's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

The Honorable Mayor
and Members of the City Council
City of Kansas City, Missouri

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Basis for Qualified Opinion on Community Development Block Grant (CDBG), HOME Investment and Partnerships Program (HOME), and Assistance for Firefighters Grant

As described in the accompanying schedule of findings and questioned costs, the City did not comply with compliance requirement regarding CFDA 14.218, *Community Development Block Grant*, as described in finding number 2019-002 for Subrecipient Monitoring, CFDA 14.239, *HOME Investment & Partnerships Program*, as described in finding numbers 2019-003, 2019-004, and 2019-005 for Eligibility, Earmarking and Special Tests and Provisions, respectively, and CFDA 97.044, *Assistance for Firefighters Grant*, as described in finding numbers 2019-007, 2019-008, 2019-009 and 2019-010 for Cash Management, Equipment and Real Property Management, Period of Performance, and Reporting, respectively. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to the program.

Qualified Opinion on CDBG, HOME Program, and Assistance for Firefighters Grant

In our opinion, except for the noncompliances described in the Basis for Qualified Opinion paragraph, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CDBG, HOME, and Assistance for Firefighters programs for the year ended April 30, 2019.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended April 30, 2019.

Other Matters

The results of our auditing procedures disclosed other instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2019-006. Our opinion on the major federal program is not modified with respect to these matters.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and/or corrective action plan section. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

The Honorable Mayor
and Members of the City Council
City of Kansas City, Missouri

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Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2019-002 through 2019-005, and 2019-007 through 2019-010 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2019-006 to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs and/or corrective action plan section. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CMA Group LLC

Kansas City, Missouri
October 30, 2019

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

(1) Summary of Auditor's Results

Financial Statements

- (a) The type of report issued on the basic financial statements: **Unmodified**
- (b) Significant deficiencies in internal control over financial reporting were reported: **Yes**
Material weaknesses in internal control over financial reporting were reported: **No**
- (c) Noncompliance, which is material to the basic financial statements: **No**

Federal Awards

- (d) Significant deficiencies in internal control over compliance were disclosed: **Yes**
Material weaknesses in internal control over compliance were disclosed: **Yes**
- (e) The type of report issued on compliance for major programs/Clusters:
 - **Qualified for Community Development Block Grants/Entitlement Grants**
 - **Qualified for HOME Investment and Partnerships Program**
 - **Qualified for Assistance for Firefighters Grant**
 - **Unmodified for All Other Major Programs**
- (f) Any audit findings which are required to be reported under 2 CFR 200.516(a): **Yes**
- (g) Identification of Major programs:
 - **Community Development Block Grants/Entitlement Grants (14.218);**
 - **HOME Investment Partnerships Program (14.239);**
 - **Airport Improvement Program (20.106);**
 - **Lead-Based Paint Hazard Control Grant (14.900); and**
 - **Assistance to Firefighters Grant (97.044)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$1,150,649.**
- (i) The City qualified as a low-risk auditee under Section 520 of the Uniform Guidance: **No**

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

(2) Findings Related to Financial Statements

FINDING 2019-001: Significant Control Deficiency

CRITERIA: Internal controls are designed by management to maintain accountability and safeguard assets to prevent or detect losses from unauthorized user or disposition. Bank reconciliations are a vital component to the City's internal control structure.

CONDITION: Bank reconciliations were not prepared or reviewed accurately and timely for the City's disbursement account requiring adjusting journal entries to the City's cash balance.

CONTEXT: After additional review of bank reconciliation variances, adjusting journal entries were required to properly record transactions that occurred earlier in the fiscal year to properly present the City's cash balance at year end.

QUESTIONED COSTS: Undetermined

RECOMMENDATION: We recommend bank reconciliations be completed timely and that an individual independent of the reconciliation process review and approve the bank reconciliations and supporting reconciling documentation.

VIEW OF RESPONSIBLE OFFICIAL/PLANNED CORRECTIVE ACTIONS: Due to high turnover in staff, the review and correction of reconciling items identified on various bank reconciliations was not completed in a timely manner. While there was never any concern of misappropriated funds, the correcting entries were made during the audit process instead of throughout the fiscal year. A full review of all duties and requirements associated with the City's monthly bank reconciliation process will be conducted with staff involved with this critical function.

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

(3) Findings and Questioned Costs Related to Federal Awards

FINDING 2019-002: Community Development Block Grant (CFDA # 14.218)

AGENCY: Department of Housing and Urban Development (HUD)

COMPLIANCE: Subrecipient Monitoring

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per OMB Uniform Guidance, 2 CFR 200.331(d-e), “Requirements for pass-through entities,” pass-through entities are required to monitor the activities of the subrecipients to ensure proper accountability and compliance with program requirement and achievement of performance goals. The City’s policies and procedures also require that subrecipients monitoring and on-site reviews are performed on annual basis to ensure the subrecipients compliance with program requirements. OMB Uniform Guidance requires that pass-through entities to identify and communicate the subaward information to the subrecipients including the requirement to have periodic audits as required by Subpart F–Audit Requirement, when it is expected that the subrecipients Federal awards expended during respective fiscal year equaled or exceeded the threshold set forth in Section 200.501.

CONDITION: The City failed to provide subrecipient monitoring files for 3 out of the 11 subrecipients selected for our review. The City failed to perform and document the required annual subrecipient monitoring.

CONTEXT: As required per 2 CFR Part 200 and the City’s policies and procedure, we were not provided with documentation that evidences the required monitoring activities and on-site reviews were conducted to ensure the subrecipients compliance with program requirements.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: The City’s internal control procedures over the compliance are not working effectively to ensure the required subrecipient monitoring reviews and site-visits are conducted on a timely manner.

EFFECT: As a pass-through entity, the City is required to monitor the subrecipients activities to ensure compliance with program requirements and failing to monitor the activities of subrecipients is non-compliance with federal requirements. Further, the City may miss the opportunity to identify any noncompliance by the subrecipients and ensure corrective actions are taken in a timely manner.

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

RECOMMENDATION: We recommend that the City strengthen its internal controls over subrecipient monitoring compliance requirement. To ensure compliance with federal regulations and program requirements, the City must warrant that subrecipients activities are monitored and that the on-site monitoring visits are conducted and documented.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-003: HOME Investment Partnership Program (HOME) – (CFDA #14.239)

AGENCY: Department of Housing and Urban Development (HUD)

COMPLIANCE: Eligibility

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per 24 CFR section 92.203, the HOME program has income targeting requirements for the HOME program and for HOME projects. Therefore, the participating jurisdiction must determine each family is income eligible by determining the family's annual income. HOME-assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet certain limits on the rents that can be charged.

CONDITION: We selected a sample of 11 HOME rental unit locations of the City to ensure that the HOME rental units are occupied by income eligible families and the rents charged also meet the rent limits. During our review we noted that:

- the City did not make eligibility determination or failed to provide documentation such as monitoring review files for Cameron Place Apartments, one out of the 11 samples locations selected for our review,
- the City failed to conduct the eligibility determination of families occupying HOME units at another location called the Woodland Heights Apartments (Phases I-IV). We noted that the City had communicated to the management of the apartments to schedule the dates to conduct the income eligibility and rent limits determination of the HOME units, however the monitoring was not conducted.

CONTEXT: The City failed to conduct income eligibility determination and compliance with rent limits at the two locations out of a sample of 11 locations selected for review. As required per federal regulations the City must determine if each family occupying the rental housing units are income eligible by determining the family's annual income and must also meet certain limits on rents that can be charged.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: Lack of effective internal controls and supervisory reviews to ensure that the required income eligibility determinations and reviews of rental housing units are conducted in

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
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a timely manner and that all the support documentation are maintained in file for future reference.

EFFECT: Lack of regular determination of income eligibility and rents paid by low income family occupants of HOME rental units could lead to noncompliance with the program requirements and it may deny the City of the opportunity to identify any non-compliance and ensure corrective actions are taken in a timely manner.

RECOMMENDATION: We recommend that the City strengthen its internal controls to ensure that the HOME rental units' on-going reviews and income determinations are conducted and documented to ensure the City's compliance with federal regulations and program requirements. In addition, we recommend that the City implement an oversight process whereby the work performed by staff are reviewed by a supervisor or manager to ensure that the work performed is adequately supported and any issues are resolved in a timely manner.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-004: HOME Investment Partnership Program (HOME) – (CFDA #14.239)

AGENCY: Department of Housing and Urban Development (HUD)

COMPLIANCE: Earmarking

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per 24 CFR section 92.216, each participating jurisdiction must invest HOME funds made available during a fiscal year so that, with respect to tenant-based rental assistance and rental units, not less than 90 percent of the dwelling units assisted with such funds are occupied by families whose annual incomes do not exceed 60% of the median family income for the area .

CONDITION: We selected a sample of 11 HOME rental unit locations of the City to ensure the dwelling units assisted with HOME funds are at least 90 percent occupied by families whose annual incomes do not exceed 60% of the median family income for the area. However, during our review we noted:

- the City failed to provide documentation (review or monitoring file) for Cameron Place Apartments, one out of the 11 sample locations selected, hence were unable to verify if the City meets the required percentage.
- the City also failed to conduct the annual review of the HOME dwelling units at the Woodland Heights Apartments (Phases I-IV). We noted that the City initiated communication with the management of the apartments to schedule the dates for an on-site review of the HOME units' records and rental project compliance report, however no such review was conducted, and
- two out of the 10 files received for locations that were selected for review, we noted that the files provided were not adequately supported. The files were missing

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

support documents like "Rental Project Compliance Report"; pre and post monitoring correspondence by the City; and support that indicate the date of on-site visit as conducted by the City.

CONTEXT: The City failed to conduct the on-site visits to HOME unit location to review the compliance of the HOME units location with the earmarking requirements that the 90 percent of the dwelling units at each location are occupied by families whose annual income do not exceed 60% of the median family income for local area. Additionally, the City failed to adequately document in file support documentation for certain location that indicate the date of the on-site visits and correspondence of the outcome of such visits. Without conducting the on-going on-site reviews of the rental units, it is difficult to determine that the rental units meet the 90% earmarking requirement.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: Lack of effective internal controls and supervisory reviews to ensure that the required on-site reviews of rental housing units are conducted in a timely manner and that all the support documentation are maintained in file for future reference.

EFFECT: Lack of regular on-site review and maintaining records of other corroborating support documentation of HOME rental units could lead to noncompliance with the program requirements and it may deny the City of the opportunity to identify any noncompliance and ensure corrective actions are taken in a timely manner.

RECOMMENDATION: We recommend that the City strengthen its internal controls to ensure that the HOME rental units' on-going on-site reviews are conducted and documented to ensure the City's compliance with federal regulations and program requirements. In addition, we recommend that the City implement an oversight process whereby the compliance review work performed by staff are reviewed by a supervisor or manager to ensure that the work performed is adequately supported and any issues are resolved in a timely manner.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-005: HOME Investment Partnership Program (HOME) – (CFDA #14.239)

AGENCY: Department of Housing and Urban Development (HUD)

COMPLIANCE: Special Tests and Provisions

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per 24 CFR section 92.251(f), the participating jurisdiction must establish property standards for rental housing and the standards must ensure that owners maintain the

City of Kansas City, Missouri
Schedule of Findings and Questioned Costs
April 30, 2019

housing units and the participating jurisdiction must undertake ongoing property inspections, in accordance with section 92.504(d).

- CONDITION:** We selected a sample of 11 HOME rental unit locations of the City to review property quality standard inspection files and noted the following:
- property quality standard inspection files for Cameron Place were not provided for our review,
 - the City failed to conduct the property standard inspection for Woodland Heights Apartments (Phases I- IV). The City communicated to the management of the apartments to schedule the dates for property inspection of the HOME units, however, no such visit was conducted, and
 - the City’s staff claimed that inspection visit was done at the Blue Hills Home-4923 Olive, however, there were no support documentation that indicated the required property quality standard inspection was performed.

CONTEXT: The City is required to ensure through on-going inspection that the rental housing units standards are maintained. However, on three out of 11 HOME unit locations, the City failed to conduct the ongoing inspections to ensure that HOME units meet the required property quality standards.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: Lack of effective internal controls and including supervisory reviews that ensure the required on-going inspections of rental housing units are conducted in a timely manner and that all the support documentations are maintained in file for future reference.

EFFECT: Lack of conducting on-going inspection of HOME rental units may allow substandard units to remain undetected and thereof property quality issues unresolved, and this could lead to noncompliance with the program requirements.

RECOMMENDATION: We recommend that the City strengthen its internal controls to ensure that the HOME rental units’ on-going required property standard inspections are conducted and documented to ensure the City’s compliance with federal regulations and program requirements.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee’s document for the planned corrective action.

FINDING 2019-006: Airport Improvement Grant (CFDA # 20.106)

AGENCY: Department of Transportation (DOT)/Federal Aviation Administration (FAA)

COMPLIANCE: Special tests and Provisions

FINDING TYPE: Compliance and Internal Control

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CRITERIA: 49 U.S.C. § 47107(b) and 47133 require sponsors to use airport revenue for the capital or operating costs of the airport, the local airport system, or other local facilities that are directly and substantially related to air transportation of passengers or property.

- Federal Register Notice on Policy and Procedures Concerning the Use of Airport Revenue (64 FR 7696), dated February 16, 1999 provides the final policy on the use of airport revenue. Among other things the policy prohibited the uses of airport revenue for:
- Direct or indirect payments that exceed the fair and reasonable value of those services and facilities provided to the airport.
- Direct or indirect payments that are based on a cost allocation formula that is not consistent with this policy statement or that is not calculated consistently for the airport and other comparable units or cost centers of government.

CONDITION:

- The City utilizes 745,190 square feet of land owned by the Aviation department for the City's Fire department and Police Station serving the north Kansas City community including the Kansas City Airport. The City pays a ground rent of \$0.168 per square foot per year based on a rate study done in 2003. The City was unable to verify the fair and reasonableness of the rental rate.
- Based on our review of the MOU the City signed with Aviation, the City provides ambulance services to the Aviation department and the total cost is covered by the Aviation. The ambulance station also provides emergency services to the Northland community. The Aviation department has been provided with a credit for the insurance proceeds collected by the City for the service provided at Aviation location. However, due to lack of monthly run count reconciliation, the completeness of the credit could not be verified. We were also told that the Aviation Department is receiving a credit only for the ambulance services provided by the City at the Aviation location.
- The Aviation Department is also charged for governmental service overhead costs based on an indirect cost allocation rate developed by the City. However, there was no evidence of review by the Aviation Department to ensure the reasonableness of the allocation rate.
- During our review of a selected sample of journal vouchers which were initialed by City, we noted that none of the journal vouchers contained evidence of review and or approval by Aviation Department.

CONTEXT: The City's governmental service cost allocation and direct cost charged to the Aviation Department may not be commensurate to the services provided. Further, credits provided by the City for the use of the Aviation Department's land and any other services may not be proportionate.

IDENTIFICATION OF REPEAT FINDING: See the prior year audit finding 2018-006

QUESTIONED COST: Undetermined

City of Kansas City, Missouri
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CAUSE: Lack of review process of the indirect cost allocation, the City's credits given to the Aviation Department, and general journal entries initiated by the City.

EFFECT: The lack or inadequate design of internal control over the special tests and provision compliance requirement could open for the opportunity to revenue diversion.

RECOMMENDATION: We recommend that the City document evidence of review of the indirect cost allocation worksheet, allow the Aviation Department have access to review journal vouchers entries initiated by the City, and periodically review and determine the fair and reasonableness of revenue/credit generated from the City.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-007: Assistance for Firefighters Grant (CFDA # 97.044)

AGENCY: Department of Homeland Security

COMPLIANCE: Cash Management

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per the Uniform Guidance, when entities are funded on a reimbursement basis, program costs must be paid by the non-federal entity funds before submitting a payment request from federal awarding agency (2 CFR 200.305(b)(3)).

CONDITION: We noted that the City had requested and received reimbursements of federal funds from FEMA for two of the grants (Grant No. EMW-2015-FP-0869 and EMW-2016-FO-06961) before payments were made to the vendors and the related goods and services were received.

During our review of Grant No. EMW-2016-FO-06961, there were instances where a reimbursement was received on January 31, 2019 for the cost of monitors/defibrillator and Thermal Imaging camera purchased for \$216,000 and \$178,052, respectively, while the vendors' invoices were paid on March 8, 2019 and April 12, 2019, respectively.

We also noted that the City claimed and received advance fund of \$35,119 in the prior fiscal year from grant No. EMW-2015-FP-0869. The related grant expenditures reported in the current fiscal year's SEFA was \$47,962 however the final reimbursement fund received during the year was only \$12,843.

In both of these cases the City did not deposit the advance cash received in an interest-bearing bank account to comply with the requirement.

City of Kansas City, Missouri
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CONTEXT: The City claimed and received advance funding from FEMA while the grant was a cost reimbursement grant. The City had submitted reimbursement requests before it has received the goods and services ordered and/or paid the vendor invoices.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: Undetermined

CAUSE: Lack of effective internal control procedures that ensures the City to comply with the grant agreement.

EFFECT: The grant required the City to receive reimbursement of cost it incurred and paid for. For any grant fund received in advance, the City must deposit the fund in an interest bearing account until such fund is disbursed. The City did not meet both requirements.

RECOMMENDATION: We recommend that the City put in place internal control procedures that ensure cash management requirements are complied with.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-008: Assistance for Firefighters Grant (CFDA # 97.044)

AGENCY: Department of Homeland Security

COMPLIANCE: Equipment and Real Property Management

FINDING TYPE: Compliance and Internal Control

CRITERIA: Per the Uniform Guidance, the City is required to maintain property record that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property (2 CFR 200.313(d)(3)).

A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years.

CONDITION: During the year, the City purchased 12 X Series Monitors/Defibrillators costing \$393,797 for its Fire Department using both the federal grant and City funds. Even though, the unit cost of each equipment is over the capitalization threshold of \$5,000, the City did not include the equipment in the capital assets record.

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Further, the Firefighter department of the City did not conduct a physical inventory of its capital assets.

CONTEXT: The property record maintained by the City's Firefighter department did not include the new equipment purchased with a federal grant. Further, the City did not conduct a physical inventory of its capital assets.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: The City's Firefighter Department lacks an effective internal control to ensure compliance with the requirement.

EFFECT: The city did not comply with the requirements of Equipment and Real Property Management of the grant agreement.

RECOMMENDATION: We recommend that the City implement an internal control system that ensures all acquired capital assets are recorded in the City's property record with all required asset information. We further recommend that the Firefighter department need to take physical inventory of capital assets under its control and reconcile with the property record in order to verify the existence and condition of the equipment.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-009: Assistance for Firefighters Grant (CFDA # 97.044)

AGENCY: Department of Homeland Security

COMPLIANCE: Period of Performance

FINDING TYPE: Compliance and Internal Control

CRITERIA: Federal award should only be charged for allowable costs incurred during the period of performance or costs incurred prior to the date the federal award was made that were authorized by the federal awarding agency.

Per the Uniform Guidance (2 CFR Part 200), unless the federal awarding agency authorizes an extension, a non-federal entity must liquidate all obligations incurred under the federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the federal award.

CONDITION: The grant period for grant No. EMW-2016-FO-06961 ended on January 4, 2019. On June 11, 2019, the City paid a vendor for an order placed before the end of the grant period. Even though the order was placed before the grant period was ended, the City

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paid the vendor beyond the 90 days requirement of liquidation of obligation after the period of performance is ended.

CONTEXT: The City made payment to a vendor 90 days after liquidation time period for period of performance lapsed.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: Lack of effective internal control system that ensures obligated funds near to the end of the grant period are properly liquidated within the given time frame.

EFFECT: The City failed to comply with the requirements of the period of performance.

RECOMMENDATION: We recommend that the City liquidate obligated grant funds within the allowed time or request and secure extension for the period of performance from the federal agency.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

FINDING 2019-010: Assistance for Firefighters Grant (CFDA # 97.044)

AGENCY: Department of Homeland Security

COMPLIANCE: Reporting

FINDING TYPE: Compliance and Internal Control

CRITERIA: The City is required by the grant agreement to submit Semi-annual Federal Financial Reports (SF-425) and programmatic performance reports every six months after the grant award date using the online eGrants system. The City is also required to submit a final SF-425 and a final performance report within the 90 days after the end of the period of performance of the grant.

According to the federal award document, federal financial reports are due on June 30 for the period covering January 1 through June 30 and should be submitted no later than July 30; and due on December 31 for the period covering July 1 through December 31 and should be submitted no later than January 31.

CONDITION: The City failed to submit the following reports by the due dates:

- Federal financial reports for grant No. EMW-2016-FO-06961 for the period ended June 30, 2018 was submitted on September 11, 2018.
- Federal financial reports for grant No. EMW-2017-FO-06590 for the period ended December 31, 2018 was submitted on February 8, 2019.

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- Performance reports for grant No. EMW-2016-FO-06961 for the periods from November 6, 2017 through May 5, 2018 and May 6, 2018 through November 5, 2018 were submitted on September 11, 2018 and January 7, 2019, respectively.
- The periods of performance for grant No. EMW-2015-FP-0869 and EMW-2016-FO-06961 were ended on May 31, 2018 and January 4, 2019, respectively. The closeout reports for these grants should have been submitted no later than 90 days after the end of the period of performance. The City, however, has not submitted the closeout reports to the date of this report. According to the explanation obtained from the City, it was not submitted because the online closeout reporting module was not opened and made available by FEMA.

CONTEXT: The City failed to submit the required federal financial reports, performance reports, and closeout reports by due dates. No extension was granted to submit these reports.

IDENTIFICATION OF REPEAT FINDING: Not Applicable

QUESTIONED COST: None

CAUSE: The City's internal control for reporting requirement does not work effectively.

EFFECT: The city did not comply with the requirements of reporting and terms and conditions of the grant agreement.

RECOMMENDATION: We recommend that the City properly implement its internal control system that ensures the submission of the required reports by the due dates.

VIEW OF RESPONSIBLE OFFICIAL: The City agrees with the finding. See separate auditee's document for the planned corrective action.

City of Kansas City, Missouri
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FEDERAL FUNDING AGENCY	Amounts					
Pass through Entity	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Through to Subrecipients	Total Expenditures
Program Name						
DEPARTMENT OF AGRICULTURE						
Passed through the Missouri Department of Health and Senior Services (DHSS)						
Summer Food Service Program for Children	Summer Food Service for Children	3M0300305-2018	10.559	\$ 12,500	\$ -	\$ 12,500 x
Total US Department of Agriculture Expenditures	Total CFDA 10559			12,500	-	12,500
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)						
Direct Funding						
Community Development Block Grants/Entitlement Grants	CDBG	B-13-MC-29-003	14.218	4,547,219	2,144,034	6,691,253 x
Emergency Solutions Grant Program	HUD Emergency Solutions	E17MC290003	14.231	2,110	84,812	86,922
	HUD Emergency Solutions	E18MC290003	14.231	33,934	402,219	436,153
	Total CFDA 14.231			36,044	487,031	523,075 x
Shelter Plus Care	Shelter Plus Care	MO0117L7P041608	14.238	-	55,797	55,797
	Shelter Plus Care	MO0117L7P041709	14.238	2,745	309,422	312,167
	Total CFDA 14.238			2,745	365,219	\$ 367,964 x
Home Investment Partnerships Program	HOME	M15MC290201	14.239	2,551,767	-	2,551,767 x
Housing Opportunities for Persons with AIDS	VAWA HOPWA Transitional Housing Assistance	MO-H15-0002	14.241	735	17,420	18,155
	HOPWA FY	MOH17F001	14.241	21,750	159,700	181,450
	HOPWA FY	MOH18F001	14.241	17,333	1,103,856	1,121,189
	HOPWA-VAWA Program - HOPWA	MO-H15-0001	14.241	22,023	225,673	247,696
	Total CFDA 14.241			61,841	1,506,649	1,568,490 x
Continuum of Care Program	Continuum of Care	MO0171L7P041605	14.267	2,463	57,509	59,972
	Continuum of Care	MO0171L7P041706	14.267	4,373	80,698	85,071
	Continuum of Care	MO0178L7P041502	14.267	5,231	129,400	134,631
	Continuum of Care	MO0164L7P041605	14.267	3,907	117,870	121,777
	Continuum of Care	MO0164L7P041706	14.267	3,526	95,059	98,585
	Total CFDA 14.267			19,500	480,536	500,036 x
Fair Housing Assistance Program State and Local Lead-Based Paint Hazard Control in Privately-Owned Housing	Fair Housing Assistance-HUD	FF207K187007	14.401	83,675	-	83,675 x
	HUD Lead & Health Homes	MOLHB0632-17 Amendment 1	14.900	1,142,135	29,536	1,171,671 x
	Total HUD Direct Funding	Total HUD Expenditures		8,444,926	5,013,005	13,457,931

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FEDERAL FUNDING AGENCY Pass through Entity Program Name	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Amounts Passed Through to Subrecipients	Total Expenditures
DEPARTMENT OF JUSTICE (DOJ)						
Direct Funding						
Office on Violence Against Women Special Projects	Domestic Violence Shelter Operations	2017-TA-AX-K010	16.029	9,383	-	9,383 x
Community-Based Violence Prevention Program	A4P Community-Based Violence Prevention	2013-PB-FX-K003 - Amd 2	16.123	45,359	-	45,359 x
Crime Victim Assistance/Discretionary Grants	A4P Hospital Prevention Program	2018-V3-GX-K037	16.582	102,840	-	102,840
	KC Violence and Trauma Response Network	2015-VF-GX-K039	16.582	527,002	8,250	535,252
		Total CFDA 16.582		629,842	8,250	638,092 x
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	Grants to Encourage Arrest Policies & Enforcement of Protection Orders	2017-WE-AX-0024	16.590	-	149,327	149,327 x
Edward Byrne Memorial Justice Assistance Grant Program	Edward Byrne Memorial Justice Assistance Grant	2014-DJ-BX-1137	16.738	141	-	141
	Edward Byrne Memorial Justice Assistance Grant	2015-DJ-BX-0910	16.738	75,434	-	75,434
	Edward Byrne Memorial Justice Assistance Grant	2016-DJ-BX-0996	16.738	234,570	-	234,570
	Edward Byrne Memorial Justice Assistance Grant	2017-DJ-BX-0752	16.738	22,340	-	22,340
		Total CFDA 16.738		332,485	-	332,485 x
	Homeward Bound Program	2016-MO-BX-0024	16.745	83,820	-	83,820 x
		Total DOJ Direct Funding		1,100,889	157,577	1,258,466
Passes-through Missouri Public Safety						
Violence Against Women Formula Grants	Domestic Violence Assistance Program	2018-VAWA-27	16.588	101,990	-	101,990
	Domestic Violence Assistance Program	ER130180056	16.588	82,805	-	82,805
	Total DOJ Fund Passed through Missouri Public Safety	Total CFDA 16.588		184,795	-	184,795 x

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FEDERAL FUNDING AGENCY Pass through Entity Program Name	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Amounts Passed Through to Subrecipients	Total Expenditures
Total DOJ Expenditures				1,285,684	157,577	1,443,261
DEPARTMENT OF TRANSPORTATION (DOT)						
Direct Funding Federal Aviation Administration (FAA)						
Airport Improvement Program	Rehabilitate Runway 1R - 19L Phase 2	AIP 3-29-0040-72	20.106	9,810	-	9,810
	Rehabilitate Taxiway B	AIP 3-29-0040-74	20.106	122,470	-	122,470
	Rehabilitate Taxiway B	AIP 3-29-0040-75	20.106	9,205,006	-	9,205,006
	Rehabilitate Taxiway F	AIP 3-29-0040-76	20.106	1,305,843	-	1,305,843
	Hotspot Mitigation - Taxiway D	AIP 3-29-0041-27	20.106	42,310	-	42,310
	Total Direct Funding FAA	Total CFDA 20.106		10,685,439	-	10,685,439 x
Direct Funding Federal Transit Authority (FTA)						
Federal Transit Formula Grants	Downtown Streetcar Transit - STP/CMAQ	MO-95-X260-00	20.507	444,778		444,778
	Total Direct Funding FTA			444,778	-	444,778 x
Total Direct Funding DOT				11,130,217	-	11,130,217
Passed through the Missouri Department of Transportation (MODOT)						
Highway Planning and Construction	Paseo Bridge Improvements	STP-3376 (403)	20.205	15,594	-	15,594
	Front St Improvement Study from I-35 to Universal Ave	STP-3377 (408)	20.205	4,508	-	4,508
	Englewood Road St. Recon	STT 3311 (402)	20.205	644,404	-	644,404
	Old Tiffany Springs Road Bridge over I-29	STP -3451 (403)	20.205	985,888	-	985,888
	Armour / Benton Blvd Bike Lanes	CMAQ 3301 (463)	20.205	362,525	-	362,525
	Route 152 Trail Segments 8 and 9	STP-3400 (437)	20.205	(994,220)	-	(994,220)
	Charlotte & Holmes St & Lexington & Gladstone Ave	CMAQ-3301 (503)	20.205	14,111	-	14,111
	Brush Creek Blue River Conf Tr	TAP 3301 (494)	20.205	44,962	-	44,962
	Lakewood Greenway Trail	TAP 3301 (491)	20.205	472,747	-	472,747

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FEDERAL FUNDING AGENCY	Amounts					
Pass through Entity	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Passed Through to Subrecipients	Total Expenditures
Program Name						
	Swope Park Blue River Connector	TAP 3423 (406)	20.205	9,283	-	9,283
	Cliff Drive/Spirit of KC Scenic Byway	SBMO-12(001)	20.205	20,688	-	20,688
	Total DOT Fund Passed through the MODOT			1,580,490	-	1,580,490
Passed Through Mid-America Regional Council (MARC)						
Highway Planning and Construction	Route 152 Trail Segment 4 (from N. Amity to N. Congress)	STP-3400 (435)	20.205	83,456	-	83,456
	Route 152 Trail Segment 3 from I-29 to N. Congress	TAP - 3324 (409)	20.205	370,008	-	370,008
	Total DOT Fund Passed through MARC			453,464	-	453,464
	Total CFDA 20.205			2,033,954	-	2,033,954
	Total DOT Expenditures			13,164,171	-	13,164,171
DEPARTMENT OF LABOR (DOL)						
Direct Funding from Equal Employment Opportunity Commission (EEOC)						
Clearinghouse Services, Civil Rights Discrimination Complaints	Fair Employment Practice - EEOC	EEC45015C0058	29.001	50,700	-	50,700
	Total Expenditures - DOL/EEOC			50,700	-	50,700
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
Direct Funding						
Brownfields Assessment and Cleanup Cooperative Agreements	Brownfield Revolving Loan (BCRLF)	BF-97700901	66.818	15,045	-	15,045
	One KC Brownfields Coalition	BF-97741601	66.818	2,622	33,701	36,323
	Brownfields Coalition Haz Grant	BF-97722301	66.818	8,251	-	8,251
	Brownfields Coalition Haz Grant	BF-97750401	66.818	85,129	-	85,129
	Brownfields Coalition Petroleum	BF-97750401	66.818	2,830	-	2,830
	OneKC Brownfields Coalition	BF-97741601	66.818	69,229	-	69,229
	Total Direct Funding - EPA	Total CFDA 66.818		183,106	33,701	216,807

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FEDERAL FUNDING AGENCY				Amounts Passed		
Pass through Entity		Federal Assistance	CFDA	Direct	Through to	Total
Program Name	Grant Name	Identification Number	#	Expenditures	Subrecipients	Expenditures
Passed Through Mid-America Regional Council (MARC)						
	National Clean Diesel Emissions Reduction Program					
		Check No. 167872	66.039	222,817	-	222,817
	Total EPA Funding Passes through MARC			222,817	-	222,817
		Total EPA Expenditures		405,923	33,701	439,624
DEPARTMENT OF ENERGY (DOE)						
Passed through Metropolitan Energy Center						
	Conservation Research and Development	Accelerating Alternative Fuel Adoptions in Mid America				
		DE-EE0008262	81.086	198,921	-	198,921
		Total DOE Expenditures		198,921	-	198,921
DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS)						
Direct Funding DHHS/US Food and Drug Administration						
	Food and Drug Administration Research	Outreach Focusing on Foodborne Illness Reporting and Handwashing				
		G-MP-1710-05783	93.103	15,406	-	15,406
Direct Funding DHHS						
	Substance Abuse and Mental Health Services Projects of Regional and National Significance	SAMHSA Treatment Drug Courts				
		1H79TI026085-01	93.243	125,382	-	125,382
		SAMHSA Treatment Drug Courts				
		1H79TI081078-01	93.243	104,133	-	104,133
		Total CFDA 93.243		229,515	-	229,515
	HIV Emergency Relief Project Grants	Ryan White Part A				
		H89HA00028-25-03	93.914	458,002	3,398,548	3,856,550
		Ryan White Part A				
		H89HA00028-26-00	93.914	55,076	170,731	225,807
		Minority AIDS Initiative				
		H89HA00028-25-03M	93.914	23,961	236,435	260,396
		Minority AIDS Initiative				
		H89HA00028-26-00M	93.914	3,126	6,843	9,969
		Total CFDA 93.2914		540,165	3,812,557	4,352,722
	Special Projects of National Significance	KC-Life-360				
		H97HA31430-01-00	93.928	64,919	44,127	109,046
		KC-Life-360				
		H97HA31430-02-01	93.928	71,100	48,307	119,407
		Total CFDA 93.928		136,019	92,434	228,453
		Total DHHS Direct Funding		921,105	3,904,991	4,826,096

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FEDERAL FUNDING AGENCY Pass through Entity Program Name	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Amounts Passed Through to Subrecipients	Total Expenditures
Passed Through the Missouri Department of Health and Senior Services (MoDHSS)						
Public Health Emergency Preparedness	Public Health Emergency Preparedness	AOC18380061	93.069	63,173	-	63,173
	Public Health Emergency Preparedness	AOC18380061 Amd 01	93.069	234,378	-	234,378
	Cities Readiness Initiative	AOC18380006	93.069	90,684	-	90,684
	Cities Readiness Initiative	AOC18380006 - Amd 01	93.069	102,681	-	102,681
		Total CFDA 93.069		490,916	-	490,916
Food and Drug Administration Research	AFDO-Retail Program Stds Training Opportunities	G-T-1810-06835	93.103	2,702	-	2,702
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	TB Outreach Program	AOC17380073 - Amd 1	93.116	45,210	-	45,210
	TB Outreach Program	AOC17380073 - Amd 2	93.116	19,948	-	19,948
		Total CFDA 93.116		65,158	-	65,158
Immunization Cooperative Agreements	Perinatal Hepatitis B Case Management	AOC17380065 - Amd 1	93.268	12,519	-	12,519
	Perinatal Hepatitis B Case Management	AOC19380001	93.268	44,144	-	44,144
		Total CFDA 93.268		56,663	-	56,663
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Enhanced Gonococcal Isolate Surveillance Project	DHI90014001	93.323	1,250	-	1,250
NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	Self-Monitored Blood Pressure	DH180023001	93.424	17,275	-	17,275
Child Care and Development Block Grant	Child Care Sanitation	ERS220-17052	93.575	43,730	-	43,730
Medical Assistance Program	Children w/Spec. Health Care Needs - Reg 1	ERS04416011 - Amd 1	93.778	14,189	-	14,189
	Children w/Spec. Health Care Needs - Reg. 2	ERS04416012 - Amd 1	93.778	20,230	-	20,230
	Children w/Spec. Health Care Needs - Reg 1	ERS04416011 - Amd 2	93.778	33,280	-	33,280
	Children w/Spec. Health Care Needs - Reg. 2	ERS04416012 - Amd 2	93.778	58,866	-	58,866

City of Kansas City, Missouri
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FEDERAL FUNDING AGENCY Pass through Entity Program Name	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Amounts Passed Through to Subrecipients	Total Expenditures
				126,565	-	126,565
HIV Care Formula Grants	HIV Case Management	CS160339003 - Amd 2	93.917	206,421	731,419	937,840
	HIV Case Management	DHI920A0002	93.917	7,836	-	7,836
				214,257	731,419	945,676
HIV Prevention Activities Health Department Based	HIV STD Prevention Program	AOC17380079 - Amd 2	93.940	162,929	158,707	321,636
	HIV STD Prevention Program	AOC17380079 - Amd 3	93.940	55,939	36,112	92,051
				218,868	194,819	413,687
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	HIV Surveillance	AOC17380062 - Amd 1	93.944	89,597	-	89,597
	HIV Surveillance	AOC17380062 - Amd 2	93.944	35,446	-	35,446
				125,043	-	125,043
Sexually Transmitted Diseases (STD) Prevention and Control Grants	Improving Sexually Transmitted Disease Program	AOC18380156 - Amd 2	93.977	192,533	-	192,533
	Improving Sexually Transmitted Disease Program	AOC18380156 - Amd 3	93.977	83,932	-	83,932
				276,465	-	276,465
Maternal and Child Health Services Block Grant to the States	Building Blocks Home Visiting	AOC16380062 - Amd 2	93.994	119,006	-	119,006
	Building Blocks Home Visiting Maternal Child Health Block Grant	AOC19380021 AOC18380118	93.994 93.994	134,635 100,582	- -	134,635 100,582
	Maternal Child Health Block Grant	AOC19380161	93.994	87,820	-	87,820

City of Kansas City, Missouri
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FEDERAL FUNDING AGENCY					Amounts Passed	
Pass through Entity	Grant Name	Federal Assistance Identification Number	CFDA #	Direct Expenditures	Through to Subrecipients	Total Expenditures
				442,043	-	442,043
				2,080,935	926,238	3,007,173
Passed Through Mid-America Regional Council (MARC)						
Special Programs for the Aging, Title III, Part C, Nutrition Services	Special Programs for the Aging	17-2761020-KCPRB	93.045	1,002	-	1,002
	Total DHHS Fund passed through MARC			1,002	-	1,002
Passed Through RAND Corporation						
HIV-Related Training and Technical Assistance	Addressing HIV Care	U1SHA29299 - 9920160087 - Amd 3	93.145	39,032	-	39,032
	Addressing HIV Care	U1SHA29299 - 9920160087 - Amd 4 & 5	93.145	20,752	-	20,752
	Total DHHS Fund passed through the RAND Corporation			59,784	-	59,784
				3,062,826	4,831,229	7,894,055
DEPARTMENT OF HOMELAND SECURITY (DHS)						
Direct Funding						
Assistance to Firefighters Grant	Homeland Security Safer	EMW-2016-FO-06961	97.044	556,933	-	556,933
	Homeland Security Safer	EMW-2015-FP-00869	97.044	47,962	-	47,962
	Homeland Security Safer	EMW-2017-FO-06590	97.044	267,734	-	267,734
	Total CFDA 97.044			872,629	-	872,629
National Explosives Detection Canine Team Program	TSA - Explosives Detection K-9 Team Program	DTFA0102X02082	97.072	216,783	-	216,783
	Total DHS Direct Funding			1,089,412	-	1,089,412
Passed Through Mid-America Regional Council (MARC)						
Homeland Security Grant Program	Homeland Security Grant Program					
	Urban Area Security Initiative	PO-004716	97.067	21,000	-	21,000
Passed Through Missouri State Emergency Management Agency (MEMA)						
Emergency Management Performance Grants	Office of Domestic Preparedness Grant	2015-EP-00043-057	97.042	186,475	-	186,475

City of Kansas City, Missouri
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April 30, 2019

FEDERAL FUNDING AGENCY				Amounts Passed		Total
Pass through Entity		Federal Assistance	CFDA	Direct	Through to	Expenditures
Program Name	Grant Name	Identification Number	#	Expenditures	Subrecipients	Expenditures
DHS/FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)						
Passed Through Missouri State Emergency Management Agency (MEMA)						
Flood Mitigation Assistance	Flood Mitigation Buyout	FMA BL12004	97.029	396,903	-	396,903
	Total DHS Fund passed through MEMA			583,378	-	583,378
		Total DHS Expenditures		1,693,790	-	1,693,790
Total Expenditures of Federal Awards				\$ 28,319,441	\$10,035,512	\$ 38,354,953

City of Kansas City Missouri

Notes to Schedule of Expenditures of Federal Awards

April 30, 2019

Note 1: General

The accompanying schedule of expenditures of federal awards presents the activity of all federal programs of the City of Kansas City, Missouri (the City). The City's reporting entity is defined in Note 1 to the City's basic financial statements for the year ended April 30, 2019. This schedule includes only those awards received by the primary government. All federal awards received directly from federal agencies as well as federal awards passed through other agencies are included in the schedule.

Note 2: Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. The Schedule includes federally funded projects received directly from federal agencies and the federal fund amounts of pass-through awards received by the City through the State of Missouri or other non-federal entities.

Note 3: Loan Funds - Not Subject to Compliance

The City (Water Service Department) has loan funds listed below, which were originally financed with federal financial assistance, passed-through from the state of Missouri. These programs either are not part of a federal loan or loan guarantee program or have no continuing compliance requirements other than continued loan payments, therefore, the outstanding loan balances have not been included in the accompanying schedule of expenditures of federal awards.

Funding Agency/Program Name	Description	CFDA #	Reference Number	Issue Date	Maturity Date	Balance 4/30/2019
Environmental Protection Agency						
Clean Water State Revolving Fund Loan Program (CWSRFL)	SRF Series 1999A	66.458	C295248-05	6/03/99	1/01/20	445,000
CWSRFL	SRF Series 2000A	66.458	C295248-06	4/12/00	7/01/20	1,565,000
CWSRFL	SRF Series 2000B	66.458	C295248-07	11/21/00	7/01/20	1,410,000
CWSRFL	SRF Series 2001B	66.458	C295248-08	11/20/01	7/01/22	4,090,000
CWSRFL	SRF Series 2002J	66.458	C295248-10	11/07/02	7/01/22	2,445,000
CWSRFL	SRF Series 2004H	66.458	C295248-13	12/09/04	1/25/25	3,680,000
CWSRFL – ARRA	SRF Series 2009B	66.458	C295588-01	12/15/09	6/15/30	8,700,600
						<u><u>\$22,335,600</u></u>

Note 4: Indirect Costs

The City does not charge any indirect costs to federal awards.

City of Kansas City Missouri

Notes to Schedule of Expenditures of Federal Awards

April 30, 2019

Note 5: Adjustments to previously reported SEFA amounts

During the current year, the City has made the following adjustments to the previously reported SEFA:

FEDERAL ENTITY Pass-through Entity Program Name	CFDA No.	Grant Name	Federal Assistance Identification Number	Adjustment to Previous SEFA
DEPARTMENT OF TRANSPORTATION				
Missouri Department of Transportation				
Highway Planning and Construction	20.205	Route 152 Trail Segments 8 and 9	STP-3400 (437)	\$(994,220)
FEDERAL TRANSIT AUTHORITY				
Federal Transit Formula Grants	20.507	Downtown Streetcar Transit - STP/CMAQ	MO-95-X260-00	\$275,498
DEPARTMENT OF HOMEKAND SECURITY				
Assistance to Firefighters Grant	97.044	Homeland Security Safer	EMW-2016-FO-06961	\$(141,883)

Note 6: Subrecipients

Of the federal expenditures presented in this schedule, the City provided federal awards to the following Subrecipients:

CFDA #	Grant Name Federal Assistance ID	Subrecipients Name	Amount Paid
14.218	CDBG B-13-MC-29-003	Amethyst Place	\$ 46,158
		Benilde Hall	28,000
		Boys & Girls Club	54,847
		Community Assistance Council	187,900
		Housing Information Center	117,090
		Green Works	35
		Harvesters	45,000
		Guadalupe	145,673
		Hispanic Economic Development	2,408
		Ivanhoe Neighborhood	168,906
		Justine Petersen	4,167
		KC Community Gardens	49,841
		Mattie Rhodes	26,669
		Neighborhood Housing Services	86,485
		Northland Neighborhoods	328,664
		Operation Breakthrough	127,888

City of Kansas City Missouri

Notes to Schedule of Expenditures of Federal Awards

April 30, 2019

CFDA #	Grant Name Federal Assistance ID	Subrecipients Name	Amount Paid
		Palestine Senior	49,517
		Restart	44,277
		Rose Brooks	27,460
		Sheffield Place	55,544
		Synergy Services	30,000
		The Whole Person	107,798
		WEB Dubois	48,242
		Westside Housing	361,465
			2,144,034
14.231	Emergency Solutions Grant E17MC290003	Newhouse	17,245
		Community Linc	20,161
		Journey to New Life	9,794
		restart	3,510
		Metropolitan	26,648
		Rose Brooks	5,218
		Sheffield Place	2,237
			84,813
14.231	Emergency Solutions Grant E18MC290003	Community Linc	14,780
		Journey to New Life	104,841
		Benilde	54,671
		restart	50,488
		Metropolitan	17,760
		Rose Brooks	116,485
		Sheffield Place	2,011
		Synergy Services	41,184
			402,220
14.238	Shelter Plus Care MO0117L7P041608	SAVE, Inc.	55,797
	MO0117L7P041709	SAVE, Inc.	309,421
14.241	HOPWA FY 2017 MOH17F001	reStart	57,718
		SAVE	101,982
			159,700
14.241	HOPWA FY 2018 MOH18F001	reStart	129,838
		SAVE	974,018
			1,103,856

City of Kansas City Missouri

Notes to Schedule of Expenditures of Federal Awards

April 30, 2019

CFDA #	Grant Name Federal Assistance ID	Subrecipients Name	Amount Paid
14.241	VAWA HOPWA MO-H15-0001	SAVE, Inc.	225,673
14.241	VAWA HOPWA Transitional Housing Assistance MO-H15-0002	Metropolitan Organization to Counter Sexual Assault	17,420
14.267	Continuum of Care		
	MO0171L7P041605	Journey to New Life	57,509
	MO0171L7P041706	Journey to New Life	80,698
	MO0178L7P041502	Journey to New Life	129,400
	MO0164L7P041605	reStart	117,870
	MO0164L7P041706	reStart	95,059
14.900	HUD Lead & Healthy Homes MOLHB0632-17 Amendment 1	Westside Housing Org	29,536
16.582	KC Violence and Trauma Response Network 2015-VF-GX-K039	Truman Medical Center	8,250
16.590	Community Arrest Program 2017-WE-AX-0024	Rose Brooks	149,327
66.818	Brownfields Revolving Loan Fund BF-97741601	Unified Government of Wyandotte Co., KS	33,701
93.914	Minority AIDS Initiative H89HA00028-25-03M	Good Samaritan	90,331
		KC Care Clinic	43,135
		Nextgen Practice Solutions	7,327
		Truman Medical Center	86,956
		University of Kansas Hosp.	8,686
			236,435
93.914	Minority AIDS Initiative H89HA00028-26-00M	KC Care Clinic	3,638
		Truman Medical Center	3,205
			6,843
93.914	Ryan White Part A H89HA00028-25-03	Good Samaritan	290,958
		KC Care Clinic	1,112,901
		Nextgen Practice Solutions	722,956
		reStart	100,733
		SAVE, Inc.	70,000
		Truman Medical Center	764,234
		University of Kansas Hosp.	336,765
			3,398,547
93.914	Ryan White Part A		

City of Kansas City Missouri

Notes to Schedule of Expenditures of Federal Awards

April 30, 2019

CFDA #	Grant Name Federal Assistance ID	Subrecipients Name	Amount Paid
	H89HA00028-26-00	KC Care Clinic	102,087
		reStart	25,786
		SAVE INC.	11,446
		Truman Medical Center	31,412
			170,731
93.917	HIV Case Management KC CS160339003 - Amd 2	Good Samaritan Project	323,321
		KC Care Clinic	156,269
		Truman Medical Center	251,829
			731,419
93.928	KC Life 360 H97HA31430-01-00	reStart	12,341
		Catholic Charities of Kansas City	31,786
			44,127
93.928	KC Life 360 H97HA31430-02-01	reStart	14,339
		Catholic Charities of Kansas City	33,968
			48,307
93.940	HIV STD Prevention AOC17380079 - Amd 2	Good Samaritan Project	62,384
		KC Care Clinic	96,323
			158,707
93.940	HIV STD Prevention AOC17380079 - Amd 3	Good Samaritan Project	9,615
		KC Care Clinic	26,497
			36,112
	Total		<u>\$ 10,035,512</u>

City of Kansas City Missouri

Summary Schedule of Prior Year Findings

April 30, 2019

Reference No.	Program/Compliance	Summary of Findings	Status
Finding 2018-001	Financial statement control Deficiency	An adjusting journal entry was required to properly reverse the duplicate healthcare accrual at year-end.	Corrective Action Plan Implemented
2018-002	Community Development Block Grant, HOME/ special Tests and Provision	The City failed to timely report the second annual semi-annual status report by the due date.	Corrective Action Plan Implemented
2018-003	Community Development Block Grant/special Tests and Provision	For Niles Home for Children project, the construction work was completed by October 18, 2017; however, no certified payroll was received and no review of certified payrolls or on-site employee interview was performed while the project was in progress to ensure the project's compliance.	Corrective Action Plan Implemented
2018-004	Community Development Block Grant/Procurement Suspension and Debarment	Per our review of a sample of contract agreements signed by the City with subrecipients and contractors during the fiscal year ended April 30, 2018, we noted that the signed contracts make a reference to the old circulars OMB A-110 and OMB A-133, and these circulars are superseded by 2 CFR Part 200 effective December 26, 2014. We also noted that no amendment was issued to correct the error.	Corrective Action Plan Implemented
2018-005	Community Development Block Grant/Program Income	The City received program income collected from its Neighborhood Stabilization Program (NSP1 programs) in the amount of \$101,541.97 dated August 25, 2017. We noted that the NSP program income was added with other CDBG program income and reported in the quarterly Federal Financial Report (SF- 425) for the period ended September 30, 2017. However, the City failed to receipt the NSP generated program income in IDIS and make drawdowns as required per the CDBG program income use requirements. Hence, the NSP generated program income was not used and the City was drawing down from the Entitlement funds. As of the end of the fiscal year, NSP program was not in a closeout stage as there were unused NSP grant funds that the City was planning to use in the future.	Unresolved

City of Kansas City Missouri

Summary Schedule of Prior Year Findings

April 30, 2019

2018-006 2017-006	Airport Improvement Grant/Special Tests and Provisions for Revenue Diversion	The City's governmental service cost allocation and direct cost charges to the Aviation Department may not be commensurate to the services provided. Further, credits provided by the City for the use of the Aviation Department's land and any other services may not be proportionate.	Unresolved
Finding 2017-001	Community Development Block Grant/ Activities and Allowed/Unallowed	<p>The charged payroll costs in the amount of \$14,857 related to an employee who did not work on the program and did not have any time record (timesheet) as a proof for working on the program.</p> <p>Further, we noted that an employee who worked on multiple federal programs per the timesheet, was wholly charged to CDBG program. Per CPD 13-07 section 3b, the City may be allowed to charge personnel costs of other federal programs, provided the activities performed meet the CDBG requirements. Upon further review and investigation, we noted that some of the activities performed by the employee "supportive services" meet the CDBG requirements, while the "rental assistance" are not CDBG eligible activities. Therefore, a portion of the payroll costs charged to the program are not for eligible CDBG activities and are not chargeable to the program.</p>	The finding does not warrant further investigation as two years have passed since the audit report in which the finding occurred was submitted to the FAC.
2013-002 2012-004	Community Development Block Grant/Period of Availability of Federal funds	Per review of a selected sample of disbursement transactions, we noted that the City paid in the amount of \$234,011 (FY 2013) and \$50,000 (FY 2012) for expenses incurred prior to the starting period of the grant funds. The expenses were not included in the Consolidated action plans approved by HUD. The City did not have authorization or approval from HUD to pay for the expenses that were incurred prior to the start of the grant period.	The finding does not warrant further investigation as two years have passed since the audit report in which the finding occurred was submitted to the FAC
Finding 2011-009	Airport Improvement Program/Special tests and provisions for revenue diversion.	The Kansas City Aviation Department (KCAD) failed to comply with the Revenue Diversion Compliance requirements.	The finding does not warrant further investigation as two years have passed since the audit report in which the finding occurred was submitted to the FAC



Finance Department Accounts Division

3rd Floor, City Hall
414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

The City of Kansas City, Missouri

Corrective Action Plan

For the Period Ended April 30, 2019

Title 2, U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart F, Section 511 – Audit Findings Follow-up requires the auditee to prepare a corrective action plan to address each audit finding included in the current year auditor’s reports. The *Corrective Action Plan for Current Year Findings* present the City’s corrective action plan for the Financial Statement and Federal Award Findings described in the accompanying *Schedule of Findings and Questioned Costs* for the period ended April 30, 2019

2019-002 **Program:** Community Development Block Grant (CDBG) (CFDA #14.218)
Compliance: Subrecipient Monitoring
Finding Type: Compliance and Internal Control
Agency: Department of Housing and Urban Development (HUD)
Internal Control Impact: Material Weakness
Finding: The City failed to provide subrecipient monitoring files for two of the 11 subrecipients selected for the review. The City failed to perform and to document required annual subrecipient monitoring.
Status: Corrective Action In-Progress
Corrective Action Plan: The City will continue to review compliance procedures and policies to enhance the timely compliance of CDBG activities to ensure corrective action.
Person(s) Responsible for Implementation: Contact Person: Jennifer Tidwell, Neighborhood & Housing Services, Division Manager, Telephone (816) 513-3037; E-mail Jennifer.Tidwell@kcmo.org
Implementation Date: The review process for CDBG is ongoing.

2019-003 **Program:** HOME Investment Partnerships Program (HOME) (CFDA #14.239)
Compliance: Eligibility
Finding Type: Compliance and Internal Control
Agency: Department of Housing and Urban Development (HUD)
Internal Control Impact: Material Weakness



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414 E. 12th Street
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(816) 513-1173
Fax: (816) 513-1174

Finding: Eleven HOME rental unit locations of the City were selected to ensure that the HOME rental units are occupied by income eligible families and the rents charged also meet the rent limits. It was noted:

- the City did not make eligibility determination or failed to provide documentation such as monitoring review files for Cameron Place Apartments, one out of the 11 sample locations selected for review
- the City failed to conduct the eligibility determination of families occupying HOME units at another location, Woodland Heights Apartments (Phases I-IV). It was noted that the City had communicated to apartment management to schedule the dates to conduct the income eligibility and rent limits determination of the HOME units, however the monitoring was not conducted.

Status: Corrective Action In-Progress

Corrective Action Plan: The City will strengthen its HOME procedures to ensure onsite reviews are performed and documented in compliance with the Federal regulations and program requirements.

Person Responsible for Implementation: Person(s) Responsible for Implementation: Contact Person: Jennifer Tidwell, Neighborhood & Housing Services, Division Manager, Telephone (816) 513-3037; E-mail Jennifer.Tidwell@kcmo.org

Implementation Date: The review process for monitoring will begin immediately and completion is anticipated by February 2020.

2019-004

Program: HOME Investment Partnerships Program (HOME) (CFDA #14.239)

Compliance: Earmarking

Finding Type: Compliance and Internal Control

Agency: Department of Housing and Urban Development (HUD)

Internal Control Impact: Material Weakness

Finding: A sample of 11 HOME rental unit locations of the City were selected to ensure the dwelling units assisted with HOME funds are at least 90 percent occupied by families whose annual incomes do not exceed 60% of the median family income for the area. During the review it was noted:

- the City failed to provide documentation (review or monitoring file) for Cameron Place Apartments, one out of 11 sample locations selected, hence we were unable to verify if the City meets the required percentage
- the City failed to conduct the annual review of the HOME dwelling units at another location, the Woodland Heights Apartments (Phases I-IV) although the



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414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

City initiated and communicated to apartment management to schedule the dates for an onsite review of the HOME units' records and rental project compliance report, and

- Two out of the 10 files for locations that were selected for review, the files provided were not adequately supported. The files were missing support documents like "Rental Project Compliance Report"; pre and post monitoring correspondence by the City; and support that indicate the date of the onsite visit as conducted by the City

Status: Corrective Action In-Progress

Corrective Action Plan: The City will strengthen its HOME procedures to ensure onsite reviews are performed and documented in compliance with the Federal regulations and program requirements.

Person Responsible for Implementation: Contact Person: Jennifer Tidwell, Neighborhood & Housing Services, Division Manager, Telephone (816) 513-3037; E-mail Jennifer.Tidwell@kcmo.org

Implementation Date: The review process for monitoring will begin immediately and completion is anticipated by February 2020.

2019-005

Program: HOME Investment Partnerships Program (HOME) (CFDA #14.239)

Compliance: Special Tests and Provisions

Finding Type: Compliance and Internal Control

Agency: Department of Housing and Urban Development (HUD)

Internal Control Impact: Material Weakness

Finding: A sample of 11 HOME rental unit locations were selected for review of property quality standard inspection files. The following were noted:

- Property quality standard inspection files for Cameron Place Apartments, one out of the 11 samples selected, were not provided for review
- The City failed to conduct the property standard inspection for another location, the Woodland Heights Apartments (Phases I-IV), although the City communicated to apartment management to schedule the dates for property inspection of the HOME units, however, no such visit was conducted,
- The City's staff visit, we noted was done at the Blue Hills Home – 4923 Olive, however, there was no support documentation that indicated the required property quality standard inspection was performed.

Status: Corrective Action In-Progress



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Corrective Action Plan: The City will strengthen its HOME procedure to ensure on site reviews are performed and documented in compliance with the Federal regulations and program requirements.

Person(s) Responsible for Implementation: Contact Person: Jennifer Tidwell, Neighborhood & Housing Services, Division Manager, Telephone (816) 513-3037; E-mail Jennifer.Tidwell@kcmo.org

Implementation Date: The review process for monitoring will begin immediately and completion is anticipated by February 2020.

2019-06

Program: Airport Improvement Program (CFDA #20.106)

Compliance: Special Test and Provisions – Revenue Diversion

Finding Type: Compliance and Internal Control

Agency: Department of Transportation – Federal Aviation Administration (FAA)

Internal Control Impact: Significant Deficiency

Findings:

- The City utilizes 745,190 of land owned by the Aviation Department for the City's Fire Department and Police Station serving the north Kansas City community including the KCI airport. Based on discussion with City personnel, the Fire Department is not dedicated for the airport use. The City pays ground rent of \$0.1625 per square foot per year. We were unable to verify the fair and reasonableness of the rental rate.
- The City provides ambulance services to the Aviation Department and the total cost would be covered by the Aviation Department. The ambulance station also provides emergency services to the Northland community. Although the Aviation Department has been provided with a credit for the insurance proceeds collected by the City for the service provided to the Aviation location, the Department might not be receiving a credit for the service provided to the Northland community due to lack of reconciliation of monthly run count with the credit provided. We were told that the Aviation Department is receiving a credit only for the ambulance services provided by the City at the Aviation location.
- The Aviation Department is also charged for governmental service overhead costs based on an indirect cost allocation rate developed by the City. There was no evidence of review of the allocation calculation performed by the Aviation Department as to the reasonableness of the rate developed by the City. Per our discussion with Aviation personnel, we were told that the City discussed the methodology of developing the overhead rate.



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- During our review of a selected sample of journal vouchers which were initialed by the City, we noted that none of the journal vouchers contained evidence of review and/or approval by the Aviation Department.

Status: Corrective Action In-Progress

Corrective Action Plan: The Aviation Department will take steps this year to resolve these open items:

- Fair and reasonableness of the rental rate: upon completion of the New Terminal the Department will undertake either a Land Use Survey or a Market Rate Study to determine if our leased property is competitively priced.
- Ambulance Services: We will work with the Fire Department to provide accurate run counts and associated credits in order to determine if the Department is being properly charged.
- Administrative Service Fee: The City is currently in the process of acquiring a new model for the purposes of calculating the Administrative Service Fee. During this process, we will push for there to be more transparency in how the expenses flow through in determining the amount the Department pays as well as providing for an easier path to review and reconcile the charges.
- Journal vouchers: The Department will work with the Finance Department to develop better processes that allow the Department to approve all journal vouchers electronically before they post.

Person(s) Responsible for Implementation: Contact Person: Fred O’Neill, Aviation Department, Fiscal Officer, Telephone (816) 243-3201; E-mail Fred_ONeill@kcmo.org

Implementation Date: April 30, 2020

2019-007

Program: Assistance for Firefighters Grant (CFDA #97.044)

Compliance: Cash Management

Finding Type: Compliance and Internal Control

Agency: Federal Emergency Management Agency (FEMA)

Internal Control Impact: Material Weakness

Finding: We noted that the City had requested and received reimbursements of federal funds from FEMA for two of the grants (Grant No. EMW-2015-FP-0869 and EMW-2016-FO-06961) before payments were made to the vendors and goods and services were received.

During our review of Grant No. EMW-2016-FO-06961, there were instances where reimbursement was received on January 31, 2019 for the cost of monitors/defibrillator and Thermal Imaging camera purchased for \$216,000 and \$178,052, respectively, while the vendors’ invoices were paid on March 8, 2019 and April 12, 2019, respectively.



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We also noted that the City received advance funds of \$35,119 in the prior year from grant No. EMW-2015-FP-0869. The grant expenditures reported in the current year SEFA was \$47,962 but the reimbursement the City received was only \$12,843.

In neither of these cases the City has deposited the advance cash received in an interest-bearing bank account to comply with the requirement.

Status: Corrective Action In-Progress

Corrective Action Plan: Fire Financial Services will work closely with the Fire Department's Grants Management staff to establish an internal communication procedure of when orders for goods/ services are paid then will request for reimbursements to be submitted. The Kansas City Fire Department's Grants Management will work closely with the City Treasury Department to establish controls for advanced funds to be deposited. This should be on a very rare occurrence due to the process of requesting funds after services rendered or orders have been paid.

Person(s) Responsible for Implementation: Contact Person: Sheryll Wilson, Fire Department, Senior Admin Assistant, Telephone 816-513-4668; E-mail Sheryll.Wilson@kcmo.org

Implementation Date: December 31, 2019

2019-008

Program: Assistance for Firefighters Grant (CFDA #97.044)

Compliance: Equipment and Real Property

Finding Type: Compliance and Internal Control

Agency: Federal Emergency Management Agency (FEMA)

Internal Control Impact: Material Weakness

Finding: During the year, the City purchased 12 X Series Monitors/Defibrillators costing \$393,797 for its Fire Department using both the federal grant and City funds. Even though, the unit cost of each equipment is over the capitalization threshold of \$5,000, the City did not include it in the capital assets record. Further, the Fire Department of the City could not provide to us with the physical inventory record of the capital assets.

Status: Corrective Action In-Progress

Corrective Action Plan: The Kansas City Fire department's Grant Management has resolved to use, manage, and dispose of grant funded equipment in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 1.C.F.R. § 200.212. KCFD will ensure that all funded capital assets are recorded in the city of Kansas City property records. KCFD has acquired and is implementing tracking software designed to perform timely and ongoing inventory of these assets, providing the location of each in the system and verifying its current condition on a regular basis. As advised, City Grants Finance Division will capture fixed assets of KCFD into the system for current year inventory.



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414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

Person(s) Responsible for Implementation: Contact Person: Sheryll Wilson, Fire Department, Senior Admin Assistant, Telephone 816-513-4668; E-mail Sheryll.Wilson@kcmo.org

Implementation Date: April 30, 2020

2019-009

Program: Assistance for Firefighters Grant (CFDA #97.044)

Compliance: Period of Performance

Finding Type: Compliance and Internal Control

Agency: Federal Emergency Management Agency (FEMA)

Internal Control Impact: Material Weakness

Findings: We noted an instance where the City paid \$19,200 for goods and services after the performance period was ended. The grants period for grant No. EMW-2016-FO-06961 ended on January 4, 2019. Even though the order was placed before the period of performance ended, the City paid the vendor later on June 11, 2019 which was beyond the 90 days requirement of liquidation of obligation after the period of performance is ended.

Status: Corrective Action In-Progress

Corrective Action Plan: Assistance to Firefighters grantees have the option to elect payment either for reimbursement or as advance on payments to be made within 30 days of receipt. It is the preferred procedure of the Kansas City Fire Department to utilize FEMA payment by reimbursement method, seeking reimbursement for funds that have been formally encumbered and orders placed. It has been determined by the Kansas City Fire Department's Grants Management that in accordance to the US Department of Treasury regulations at 31C.F.R. Part 205, KCFD shall maintain procedures to minimize the time elapsing between the transfer of funds and the disbursement of said funds. The case in point involves a delay in payment to a vendor for which a purchase order encumbering funds had been dispatched prior to reimbursement. The recommendation for monitoring any time elapsed between dispatch of the purchase order and payment of resulting invoices is accepted and will be implemented.

Person(s) Responsible for Implementation: Contact Person: Sheryll Wilson, Fire Department, Senior Admin Assistant, Telephone 816-513-4668; E-mail Sheryll.Wilson@kcmo.org

Implementation Date: December 31, 2019

2019-0010

Program: Assistance for Firefighters Grant (CFDA #97.044)

Compliance: Reporting

Finding Type: Compliance and Internal Control

Agency: Federal Emergency Management Agency (FEMA)



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Fax: (816) 513-1174

Internal Control Impact: Material Weakness

Finding: The City failed to report the following reports on their due dates:

- Federal financial reports of grant No. EMW-2016-FO-06961 for the period ended June 30, 2018 was submitted on September 11, 2018.
- Federal financial reports of grant No. EMW-2017-FO-06590 for the period ended December 31, 2018 was submitted on February 8, 2019.
- Performance reports of grant No. EMW-2016-FO-06961 for the periods from November 6, 2017 through May 5, 2018 and May 6, 2018 through November 5, 2018 were submitted on September 11, 2018 and January 7, 2019, respectively.
- The periods of performance for grant No. EMW-2015-FP-0869 and EMW-2016-FO-06961 were ended on May 31, 2018 and January 4, 2019, respectively. The closeout reports for these grants should have been submitted no later than 90 days after the end of the period of performance. The City, however, did not submit the closeout reports to the date of this report. According to the explanation obtained from the City, it was not submitted because the online closeout reporting module was not opened and made available by FEMA.

Status: Corrective Action In-Progress

Corrective Action Plan: The Kansas City Fire Department's Grants Management is committed to performing semi-annual performance reports and SF-425 Semi-annual reports in a timely manner in accordance to reporting due dates as provided by the FEMA reporting module. We will create a calendar of due dates as each grant is accepted, generating notices of pending due dates prior to scheduled deadlines in order to ensure submission at or before dates required.

Person(s) Responsible for Implementation: Contact Person: Sheryll Wilson, Fire Department, Senior Admin Assistant, Telephone 816-513-4668; E-mail Sheryll.Wilson@kcmo.org

Implementation Date: December 31, 2019



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(816) 513-1173
Fax: (816) 513-1174

The City of Kansas City, Missouri

Summary Schedule of Prior Audit Findings

For the Period Ended April 30, 2019

Title 2, U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart F, Section 511 – Audit Findings Follow-up requires *the auditee to prepare a Summary Schedule of Prior Audit Findings (Schedule)*. This Schedule identifies the status of all findings included in the prior audit's *Schedule of Findings and Questions Costs* and the findings reported in the prior audit's *Summary Schedule of prior Audit Findings* that were identified as unresolved or partially resolved.

2018-001 **Finding Type:** Financial reporting control deficiency

Finding: An adjusting journal entry was required to reverse the duplicate healthcare accrual at year-end.

Status – Journal entry was reassigned in October 2018; however, these types of adjustments are only prepared annually so the actual corrective action plan was implemented at fiscal year ending April 30, 2019.

Person Responsible – Anne Kaps, Anne.Kaps@kcmo.org, phone number (816) 513-1195.

Expected Completion Date – Corrective Action Implemented.

2018-002 **Programs:** Community Development Block Grant (CFDA# 14.218)

HOME Investment Partnership Program (HOME) – CFDA# 14.239)

Compliance: Special Tests and Provisions

Finding Type: Compliance and Internal Control

Internal Control Impact: Significant Deficiency



Finance Department Accounts Division

3rd Floor, City Hall
414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

Agency: Department of Housing and Urban Development (HUD)

Finding: The City failed to timely report the second semi-annual status report by the due date.

Status – The Housing Division makes every effort to ensure required reports are submitted on time.

Person Responsible – Contact Heather Cater, Neighborhoods & Housing Department, Fiscal Officer, Telephone (816-513-3041; E-mail Heather.Cater@kcmo.org)

Expected Completion Date – Corrective Action Implemented.

2018-003

Program: Community Development Block Grant (CFDA# 14.218)

Compliance: Special Tests and Provisions

Agency: Department of Housing and Urban Development (HUD)

Finding Type: Compliance and Internal Control

Internal Control Impact: Material Weakness

Finding: A sample of contracts or projects where the Wage Rate Determination is applicable, it was noted that for the Niles Home for Children project, the construction work was completed by October 18, 2017; however, no certified payroll was received and no review of certified payrolls or onsite employee interview was performed while the project was in progress to ensure the project's compliance.

Status – The Housing Division continues to work with Human Relations to ensure performance of the wage determination reviews are done on time.



Finance Department Accounts Division

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Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

Person Responsible – Contact Heather Cater, Neighborhoods & Housing Department, Fiscal Officer, Telephone (816)-513-3041; E-mail Heather.Cater@kcmo.org

Expected Completion Date – Corrective Action Implemented.

2018-004

Programs: Community Development Block Grant (CFDA# 14.218)

HOME Investment Partnership Program (HOME) – CFDA# 14.239)

Compliance: Procurement, Suspension and Debarment

Finding Type: Compliance and Internal Control

Agency: Department of Housing and Urban Development (HUD)

Internal Control Impact: Significant Deficiency

Finding: A sample of contract agreements signed by the City with subrecipients and contractors during the fiscal year ended April 30, 2018, we noted that the signed contracts make a reference to the old circulars OMB A-110 and OMB A-133, and these circulars are superseded by 2 CFR Part 200 effective December 26, 2014. It was also noted that no amendment was issued to correct the error.

Status – The contracts were updated with the appropriate references.

Person Responsible – Contact Heather Cater, Neighborhoods & Housing Department, Fiscal Officer, Telephone (816)-513-3041; E-mail Heather.Cater@kcmo.org

Expected Completion Date – Corrective Action Implemented.



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2018-005 **Programs:** Community Development Block Grant (CFDA# 14.218)

Compliance: Program Income

Finding Type: Compliance and Internal Control

Agency: Department of Housing and Urban Development (HUD)

Internal Control Impact: Material Weakness

Finding: The City has receipted program income collected from its Neighborhood Stabilization Program (NSP1 programs) in the amount of \$101,541.97 dated August 25, 2017. We noted that the NSP program income was added with other CDBG program income and reported in the quarterly Federal Financial Report (SF-425) for the period ended September 30, 2017. However, the City failed to receipt the NSP generated program income in IDIS and make drawdowns as required per the CDBG program income use requirements. Hence, the NSP generated program income was not used and the City was drawing down from the Entitlement funds. As of the end of the fiscal year, NSP program was not in a closeout stage as there were unused NSP grant funds that the City was planning to use in the future.

Status – The City continues to follow the CDBG and NSP regulations in regard to program income.

Person Responsible – Contact Heather Cater, Neighborhoods & Housing Department, Fiscal Officer, Telephone (816)-513-3041; E-mail Heather.Cater@kcmo.org

Expected Completion Date – Not Applicable

2018-006 **Programs:** Airport Improvement Program (CFDA #20.106)

Compliance: Special Tests and Provisions for Revenue Diversion



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414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

Finding Type: Compliance and Internal Control

Agency: Federal Aviation Administration (FAA)

Internal Control Impact: Significant Deficiency

Findings:

- The City utilizes 745,190 of land owned by the Aviation Department for the City's Fire Department and Police Station serving the north Kansas City community including the KCI airport. The City pays ground rent of \$0.168 per square foot per year based on a rate study done in 2003. The City was unable to verify the fair and reasonableness of the rental rate.
- Based on our review of the MOU the City signed with Aviation, the City provides ambulance services to the Aviation Department and the total cost is covered by the Aviation Department. The ambulance station also provides emergency services to the Northland community. The Aviation Department has been provided with a credit for the insurance proceeds collected by the City for the service provided at the Aviation location. However, due to a lack of a monthly run count reconciliation, the completeness of the credit could not be verified. We were also told that the Aviation Department is receiving a credit only for the ambulance services provided by the City at the Aviation location.
- The Aviation Department is also charged for governmental service overhead costs based on an indirect cost allocation rate developed by the City. There was no evidence of review by the Aviation Department to ensure the reasonableness of the allocation rate.
- During our review of a selected sample of journal vouchers which were initialed by the City, we noted that none of the journal vouchers contained evidence of review and/or approval by the Aviation Department.

Status – Corrective Action in Progress



Finance Department Accounts Division

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414 E. 12th Street
Kansas City, Missouri 64106

(816) 513-1173
Fax: (816) 513-1174

Corrective Action Plan: Aviation Department will take steps to resolve these open items:

- Fair and reasonableness of the rental rate: upon completion of the New Terminal the Department will undertake either a Land Use Survey or a Market Rate Study to determine if our leased property is competitively priced.
- Ambulance Services: We will work with the Fire Department to provide accurate run counts and associated credits in order to determine if the Department is being properly charged.
- Administrative Service Fee: The City is currently in the process of acquiring a new model for the purposes of calculating the Administrative Service Fee. During this process, we will push for there to be more transparency in how the expenses flow through in determining the amount the Department pays as well as providing for an easier path to review and reconcile the charges.
- Journal vouchers: The Department will work with the Finance Department to develop better processes that allow the Department to approve all journal vouchers electronically before they post.

Person(s) Responsible for Implementation: Contact Person: Fred O'Neill, Aviation Department, Fiscal Officer, Telephone (816) 243-3201; E-mail Fred_ONeill@kcmo.org

Expected Completion Date – April 30, 2020

2017-005 **Programs:** Airport Improvement Program (CFDA # 20.106)

Compliance: Special Tests and Provisions

Finding Type: Compliance and Internal Control

Agency: Federal Aviation Administration (FAA)

Internal Control Impact: Significant Deficiency

Findings:



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- The City utilizes 745,190 square feet of land owned by the Aviation Department for the City's Fire Department and Police Station serving the north Kansas City community including the KCI airport. Based on discussion with City personnel, the Fire Department is not dedicated for the airport use. The City pays ground rent of \$0.1625 per square foot per year. We were unable to verify the fair and reasonableness of the rental rate.
- Based on our review of the MOU the City signed with Aviation, the City provides ambulance services to the Aviation Department and the total cost is covered by the Aviation Department. The ambulance station also provides emergency services to the Northland community. Although the Aviation Department has been provided with a credit for the insurance proceeds collected by the City, the Aviation Department might not be receiving a full credit due to a lack of reconciliation of a monthly run count with the credit provided. We were told that the Aviation Department and the City are working together to reconcile the monthly run report with the credit given.
- The Aviation Department is also charged for governmental service overhead costs based on an indirect cost allocation rate developed by the City. Per our review of the general service allocation and discussion with City personnel, we noted that the general service cost pool included the Emergency Management Office costs of which \$198,292 was reimbursed with a grant fund. In preparing the allocation rate, the City didn't adjust the general services cost by the grant amount, resulting in \$18,430 overcharge to the Aviation Department. The Uniform Guidance Part 200, Appendix VII subpart C requires costs associated with such grants to be excluded from the cost pool. Additionally, there was no evidence of review of the allocation calculation performed by the Aviation Department as to reasonableness of the rate developed by the City.

Status – Corrective Action In-Progress

Corrective Action Plan: Aviation Department will take steps to resolve these open items:

- Fair and reasonableness of the rental rate: upon completion of the New Terminal the Department will undertake either a Land Use Survey or a Market Rate Study to determine if our leased property is competitively priced.
- Ambulance Services: We will work with the Fire Department to provide accurate run counts and associated credits in order to determine if the Department is being properly charged.
- Administrative Service Fee: The City is currently in the process of acquiring a new model for the purposes of calculating the Administrative Service Fee.



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During this process, we will push for there to be more transparency in how the expenses flow through in determining the amount the Department pays as well as providing for an easier path to review and reconcile the charges.

- Journal vouchers: The Department will work with the Finance Department to develop better processes that allow the Department to approve all journal vouchers electronically before they post.

Person(s) Responsible for Implementation: Contact Person: Fred O'Neill,
Aviation Department, Fiscal Officer, Telephone (816) 243-3201; E-mail
Fred_ONeill@kcmo.org

Expected Completion Date – April 30, 2020

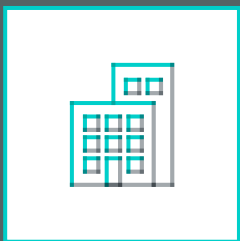
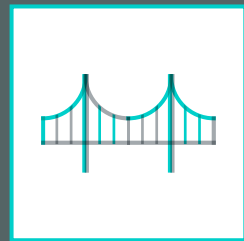
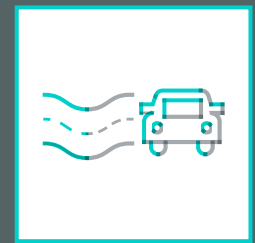
COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended
APRIL 30, 2019



CITY OF
KANSAS CITY,
MISSOURI

FINANCE DEPARTMENT



CITY OF KANSAS CITY, MISSOURI

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED APRIL 30, 2019

CITY OF FOUNTAINS
HEART OF THE NATION



KANSAS CITY
MISSOURI

CITY COUNCIL

Sylvester "Sly" James, Jr., Mayor

Scott Wagner

Heather Hall

Teresa Loar

Dan Fowler

Quinton Lucas

Jermaine Reed

Katheryn Shields

Jolie Justus

Lee Barnes, Jr.

Alissia Canady

Scott Taylor

Kevin McManus

City Manager
Troy M. Schulte

Director of Finance
Randall J. Landes

Prepared by the Finance Department

CITY OF KANSAS CITY, MISSOURI
 Comprehensive Annual Financial Report
 April 30, 2019

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CITY OF KANSAS CITY, MISSOURI

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April 30, 2019

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Finance Department
Office of the Director
3rd Floor, City Hall
414 East 12th Street
Kansas City, MO 64106-2793

(819) 513-1173
Fax: (816) 513-1174

October 30, 2019

Honorable Mayor, City Council, City Manager, and Citizens of Kansas City:

In accordance with Missouri state law requiring political subdivisions to make an annual report of financial transactions to the State Auditor, it is my pleasure to issue the Comprehensive Annual Financial Report (CAFR) of the City of Kansas City, Missouri (City) for the fiscal year ended April 30, 2019. The attached CAFR is prepared in conformity with generally accepted governmental auditing standards, attested by a certified public accountant and is in accordance with local, state, and federal laws and requirements. The independent accounting firm of Allen, Gibbs & Houlik, L.C. (AGH) whose report is included, has audited the financial statements and related notes. The independent accounting firm of CMA Group, LLC conducted the single audit, as required under OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Independent Auditors' Report is located on page A-1 of this report.

The report is designed to fairly present the City's financial position and results of operations as measured by the financial activity of the various funds. The City is responsible for both the accuracy of the data and the completeness and fairness of the presentations, based upon a comprehensive framework of internal controls that it has established for this purpose. Sufficient internal accounting controls exist to provide reasonable, rather than absolute, assurance regarding the safekeeping of assets as well as the fair presentation of the financial statements, supporting schedules, and statistical tables. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls established for this purpose. Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements and should be read in conjunction with the basic financial statements.

This report is prepared in accordance with generally accepted accounting principles (GAAP) in conformance with the standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), using the guidelines recommended by the Government Finance Officers Association (GFOA).

Effective May 1, 2018, the City implemented the Governmental Accounting Standards Board Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. The primary objective is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Effective May 1, 2018, the City implemented GASB Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending

component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

Effective May 1, 2018, the City implemented GASB Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Effective May 1, 2018, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

Effective May 1, 2018, the City implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

This report may be obtained by calling the Finance Department's Division of Accounts at (816) 513-1173, via the City's website at <http://kcmo.gov>, or emailing finance@kcmo.org.

PROFILE OF THE GOVERNMENT

The City of Kansas City, Missouri was incorporated in June, 1850 and has the largest municipal government in the State of Missouri. Under a home-rule charter originally adopted in 1925 and most recently revised in 2014, a mayor and 12 council members, who may serve two consecutive four-year terms, represent six council districts. The mayor and six council members are elected at-large, and voters elect the remaining six council members within their council districts. The Mayor recommends and the City Council approves the selection of the City Manager, who is the chief administrative officer.

Kansas City, Missouri is the largest city in Missouri and is the central city of a 14 county metropolitan statistical area (MSA) which includes Bates, Caldwell, Cass, Clay, Clinton, Lafayette, Ray, Jackson, and Platte counties in the State of Missouri, and Johnson, Linn, Wyandotte, Miami, and Leavenworth counties in the State of Kansas. The City is located in parts of Jackson, Clay, Platte, and Cass counties on the western border of the State of Missouri, and is situated at the confluence of the Kansas and Missouri rivers on interstate highways I-29, I-49, I-35 and I-70.

Kansas City is a full-service city providing a wide range of municipal services including: financial services; administration of zoning and subdivision regulations; community development and neighborhood services; convention and entertainment facilities; fire and police protection; emergency medical services; public health services; refuse collection; housing; management of international and municipal airports; planning and maintenance of the City's parks, golf courses, community centers, and swimming pools; construction and maintenance of streets, roads, bridges, street lighting, and traffic systems; tree planting; and water and sewage treatment.

The City has 19 departments: Aviation, City Auditor, City Clerk, City Manager, City Planning and Development, Convention and Entertainment Facilities, Finance, Fire, General Services, Health, Human Relations, Human Resources, Law, Municipal Court, Neighborhood and Housing Services, Parks and Recreation, Police, Public Works, and Water Services.

Three departments-City Auditor, City Clerk, and City Manager- report to the Mayor and City Council. The Parks and Recreation Department reports to the mayor-appointed, five-member Board of Parks and Recreation Commissioners. The Police Department, a discretely-presented component unit, reports to a governor-appointed, five-member Board of Police Commissioners, one of whom is the Mayor. The remaining departments report directly to the City Manager.

Based on the requirements of GASB Statement Nos. 14, 39 and 61, other related entities are included in the CAFR as blended or discretely presented component units. The City has three blended component units that are legally separate entities and are part of the City's operations and 13 discretely presented component units. Detailed information on the component units may be found in footnote number one to the financial statements.

LOCAL ECONOMY

Kansas City, Missouri is situated at the junction of the Missouri and Kansas rivers and sits opposite Kansas City, Kansas. It is the largest city in the Kansas City metropolitan area, the sixth largest city in the Midwest, and the 38th most populous city in the United States. Kansas City's location makes it a national transportation hub. The most geo-central market in the nation, metropolitan Kansas City is served by four interstate highways. Kansas City has a diversified economy including transportation, telecommunications, manufacturing, health care, legal services, trade, financial services, and governmental services. The region provides access to over one million jobs in more than 700 occupations. The top three employers by industry within Kansas City are Government at 7.32%, Healthcare Technology at 1.26% and Healthcare at 0.90%.

Per the Bureau of Labor Statistics, the average unemployment rate (not seasonally adjusted) for Kansas City as of April 30, 2019 was 3.1%, which is 0.2 percentage points lower than the national unemployment rate of 3.3%.

Housing in the City of Kansas City is comparatively affordable among major metropolitan cities, with values holding steady. The median price for existing homes is \$121,600 while the median home value in Missouri is \$162,400. *U.S. News and World Report* listed Kansas City 16th on its “25 Best Affordable Places to Live in the U.S.” ranking, showcasing the value of residing in Kansas City.

Kansas City is officially nicknamed the “City of Fountains - Heart of the Nation” with over 200 fountains, the second most in the world just behind Rome. Kansas City’s Parks and Recreation Department oversees 158 miles of trails and bike ways, 221 urban parks, 29 lakes, 106 playgrounds, 125 ball diamonds, 10 community centers, 116 basketball courts, five public golf courses, eight museums and attractions, and 24 aquatic facilities. Swope Park is one of the nation’s largest city parks, comprising 1,805 acres, and annually attracts more than two million visitors.

Kansas City is recognized for a growing number of hot spot attractions such as the Kauffman Center for the Performing Arts, the National World War I Memorial and Museum, the Nelson-Atkins Museum of Art, the American Jazz Museum, the Negro Leagues Baseball Museum, Arabia Steamboat Museum, Science City, Toy and Miniature Museum, Kemper Museum of Contemporary Art, and the College Basketball Experience.

Kansas City has the honor of being the only U.S. city named a City of Music by the United Nations Educational, Scientific and Cultural Organization (UNESCO). Sixty-four cities from 44 countries have received this distinguished designation as UNESCO Creative Cities. The City has joined the frontline of UNESCO’s efforts to foster innovation and creativity as key drivers for a more sustainable and inclusive urban development. While these cities differ geographically, demographically and/or economically, all Creative Cities commit to develop and exchange innovative best practices to promote creative industries, strengthen participation in cultural life, and integrate culture into sustainable urban development policies.

Kansas City’s Sprint Center hosted the 2019 U.S. Gymnastics finals and set a record for attendance with 33,894 visitors. Visitors were able to see Olympian Simone Biles and other talented athletes compete for national titles. The U.S. Gymnastics Championships put Kansas City in the national spotlight again and showed the U.S. Olympic Committee that Kansas City is both flexible and adept in handling any sport.

MAJOR INITIATIVES

The City is pleased to have initiated or completed several projects independently and in conjunction with private partners during the year. These projects provide enhanced quality of life for the City in a variety of areas including infrastructure, social justice, city programs, environmental, and economic development.

INFRASTRUCTURE

General Obligation Bonds

In April 2017, voters approved an \$800 million plan to repair Kansas City’s crumbling infrastructure including sidewalks, streets and buildings. The City expects to issue approximately \$40 million in bonds each year for 20 years to pay for maintenance and infrastructure improvements across the City that have long been deferred. Types of projects include various street, sidewalk, and ADA curb improvements; flood control projects; and public building improvements including the Kansas City Museum (also known as Corinthian Hall), City Hall, a new Animal Shelter, and a new Northland Fire Station.

Projects started in Fiscal Year 2019 include reconstruction of Wornall Road from 85th to 89th street including replacing pavement, curbs and gutters, streetlight upgrades, water lines and storm sewer improvements, and improved pedestrian access with sidewalks on both sides of the street. The reconstruction of North Oak Trafficway from Indianola Drive to the city limits of North Kansas City includes new pavement, curbs and gutters, transit stop improvements, streetlight upgrades, water lines and storm sewer improvements. The completed street will also have improved bicycle and pedestrian access with the addition of sidewalks on both sides and a multi-use path for pedestrians and bicycles on the south side.

Northland Fire Station 15 was completed and opened in September 2019. The 12,000-square-foot, state-of-the-art facility was built to increase standards of public safety in the region. The new station has drive-through bays to accommodate a pumper truck, ambulance, and a future fire truck, as needed. It also has living quarters for two captains and 10 firefighters with showers, bathrooms, a kitchen, fitness area, watch room, and a variety of additional support areas, such as a decontamination space, lockers, and an industrial laundry space.

The first phase of the Kansas City Museum restoration project is nearing completion. The museum has been a part of Kansas City's heritage for many years and is getting repairs to restore it to its original beauty as well as enhance it with modern amenities including speakers in the walls, interactive rooms for kids, and ADA accessibility. It will give visitors an opportunity to experience Kansas City's past, present and future and act as a teaching conduit for younger generations. Artifacts will be on display to help tell the story of Kansas City's history and the importance of our community to all people.

In order to keep the public informed on the progress of projects funded by general obligation bonds and future planned projects, a web page has been created called GO KC, located at <http://kcmo.gov.gokc/>. This site contains a progress report and the latest updates as well as the GO KC yearly project lists, sidewalk projects, and answers to frequently asked questions.

Kansas City Water Department

The U.S. Army Corps of Engineers announced that the remaining work on Kansas City's levees will be fully federally funded. The Kansas City Water Department has worked since 1993 to repair and improve seven levees identified by the Corps at risk of overtopping. The funding will cover ongoing construction costs of the Central Industrial District, also known as the West Bottoms Levee. When completed, the levees are estimated to protect 7.5 square miles of industrial properties valued at over \$7 billion. Original funding of repairs required the City to match 35% of the costs. With the remaining work being fully federally funded, it is estimated the City will save \$30 million.

The Kansas City Water Department is working on a \$100 million project designed to protect the environment and eliminate an offensive odor. Currently the Blue River Wastewater Treatment Center uses incinerators to burn the waste that goes down the drain. Those incinerators were built in the 1960s and are now failing. The current system cannot handle the constant flow of waste, and landfills are turning it away. The Kansas City Water Department will build new stacks that act as pressure cookers called digesters. The digesters will keep the waste and smell contained and turn it into something usable and possibly sellable in the future.

KCI Airport Terminal Modernization Project

In November 2018, Kansas City, Missouri residents voted in favor of building a new single terminal at Kansas City International Airport. The \$1.5 billion project had its groundbreaking ceremony on March 25, 2019, and is expected to take four years to complete. The demolition of Terminal A was the first step in the project. In an effort to complete the demolition in the most environmentally friendly way possible, concrete from Terminal A is being turned into gravel and powder on-site at the airport, and is being used as parking

lots and roadways for construction crews. In addition, heavy machines with giant magnets are being used to sort steel and other metals so those can also be reused.

More than 60 local firms, including 41 minority- or women-owned businesses, will participate in the project, which is expected to generate 5,000 construction-related jobs. The one million square foot building is the largest infrastructure project in Kansas City history. When complete, the new terminal will have 39 gates and a planned adjacent parking garage. Beyond the check-in gates, travelers will enjoy more food and shopping options than available in the current airport. In addition, the lounge areas travelers use while waiting for departure will be approximately 35% larger and offer in-seat charging for electronic devices. Construction of the new voter approved terminal is expected to continue through 2023.

SOCIAL JUSTICE

Illegal Dumping

The City recently took a proactive approach to deal with the unsightly illegal dumping that annoys neighbors and devalues neighborhoods. Based on the premise that Kansas City residents are the City's best allies in combatting this problem, a new hotline (513-DUMP or 513-3867) was established in July, 2018 so that residents can now anonymously report illegal dumpers. With the increased utilization of this program, Kansas City residents will play an even greater role in helping to keep the City cleaner and safer.

Opioids

The City has filed a civil lawsuit against the nation's largest pharmaceutical companies that manufacture and distribute opioids. The lawsuit alleges the companies engaged in deliberate and deceptive marketing strategies of opioid painkillers, resulting in high overdose and fatality rates in Kansas City. The lawsuit alleges the opioid epidemic is "the worst man-made epidemic in modern medical history" and seeks to hold the defendants responsible for their role in its creation. The lawsuit alleges that defendants sought to create a false perception in the minds of physicians, patients, health care providers, and health care payors that using opioids to treat chronic pain was safe for most patients and that the drugs' benefits outweighed the risks. This was allegedly perpetrated through a coordinated, sophisticated, and highly deceptive promotion and marketing campaign that included unbranded messaging to evade extensive regulatory framework governing branded communications. These communications, which began in the late 1990s, became more aggressive around 2006 and continue today.

The opioid epidemic is impacting citizens of Kansas City at an alarming rate. For example, the City had an opioid dispensation rate of more than 586 per 1,000 residents in the second quarter of 2017. Additionally, a significant percentage of zip codes within the City were in the 99th percentile for opioid overuse-related hospital visits between 2005 and 2014. In this lawsuit, the City seeks compensation for funds it has directly expended on opioids, as well as costs the City has incurred to combat this deadly public nuisance.

Municipal Court Celebrates National Recovery Month With Receipt of \$1.9 Million

The Kansas City Municipal Court received a \$1.9 million grant to expand the City's Drug Court. This award from the U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration will be paid over five years, allowing the court to expand treatment and offer support services.

Drug Court participants often enter the program by completing 21-30 days of inpatient treatment while in jail or at an inpatient treatment center. Once released on probation, they are expected to continue treatment, attend meetings, submit to regular drug testing, and appear each week in front of the Drug Court judge. However, many struggle with other corollary issues such as homelessness, unemployment, and poor

healthcare. The grant will pay for a project case manager to direct participants to services including recovery housing, transportation, and HIV and hepatitis testing. Many Drug Court participants have profound and ongoing substance abuse issues. Having a case manager dedicated to providing support services will improve their chances to complete the program and maintain their sobriety.

Kansas City Municipal Drug Court is one of the City's three specialty courts that provide qualifying offenders with substance abuse and/or mental health treatment in lieu of jail time. The other two are Mental Health Court and Veterans' Treatment Court.

CITY PROGRAMS

Kansas City's Domestic Violence Court Named a Mentor Court

The Kansas City Municipal Domestic Violence Court has earned the distinction of being the only municipal court in the nation to be named a mentor court by the U.S. Department of Justice. Courts from around the country will visit the Kansas City Domestic Violence Court to observe its best practices for enforcing accountability for domestic abusers. Among the many improvements that were made to the Domestic Violence Court program during the last two years, the most serious offenders are now required to appear regularly before a Domestic Violence judge and to report regularly to an Offender Accountability Officer so the progress of their probation can be monitored. Failure to follow conditions of probation can result in various types of sanctions.

Laura Conyers Smith Municipal Rose Garden Receives Award of Garden Excellence

The Kansas City Rose Society announced that the Laura Conyers Smith Municipal Rose Garden in Loose Park was one of the gardens to receive the World Federation of Roses Societies Award of Garden Excellence. The Award of Garden Excellence recognizes rose gardens around the world that are known for their visual beauty and also demonstrate their significance historically, educationally, and horticulturally. When the rose garden was established in 1931, it contained 120 rose plants. There are now an estimated 3,000 roses of about 150 varieties displayed in a 1.5 acre outdoor garden. Not only does the garden serve as an iconic public space that is open to all, it is also regularly utilized as a gathering place to celebrate and enjoy nature, the arts, and learning.

ENVIRONMENTAL

Temporary Northland Recycling Center Opened

Northland residents have a new place to take their recyclables now that an agreement between the City's Neighborhood and Housing Services Department, Parks and Recreation Department (KC Parks), and Bridging the Gap has been reached. A temporary recycling drop-off center opened in Pleasant Valley Park. The Pleasant Valley Park site replaces the Metro North Mall site, which closed in October 2018. Like the City's two other recycling drop-off centers, the site accepts items including glass, paper, aluminum, and plastics. The City continues to explore options for a permanent northland location. Recycling centers are operated by Bridging the Gap, the area's premier environmental education organization, with the help of hundreds of their volunteers.

Bike KC - A New Bikeway on Armour Boulevard

Kansas City opened a new bikeway on Armour Boulevard through Midtown and the City's east side. Public Works crews finished the City's first parking-protected bike lanes along Armour Boulevard from Broadway Boulevard to The Paseo (which has since been renamed as Martin Luther King, Jr. Boulevard). This project transformed Armour Boulevard from a four-lane to a two-lane roadway, offering safer travel for motorists,

pedestrians, bicyclists, and transit users. The project aligns with the City's complete streets ordinance, approved by the City Council last year. That ordinance provides guidelines on how sidewalks and bicycles should be included in capital road projects and new development, offering increased efficiencies and lowering the environmental impact of the City's transportation system. Residents can get updates on current Bike KC initiatives by going to the website at kcmo.gov/publicworks/bikekc/.

ECONOMIC DEVELOPMENT

Crispus Attucks Elementary School To Be Converted To Cultural Center

The Crispus Attucks Elementary School, abandoned for 15 years, was purchased by the Zhou brothers, two internationally acclaimed artists. A planned \$2 million investment will help remove blight in an area that is just over a block from the American Jazz Museum, the Negro Leagues Baseball Museum, and Gem Theater in the famed 18th and Vine District, all of which attracts international travelers. The completion of the project will produce a new cultural center to include art galleries, dance spaces, a recording studio, and a café. The Zhou B Art Center Kansas City is expected to pay homage to the history of the elementary school which was built in 1905 and expanded in 1922. It is listed on the National Register of Historic Places and was described as the "oldest continually occupied school for city black students."

Cerner Corporation's Tower 3 and 4

Construction on phases three and four of the Cerner Corporation's south Kansas City campus was started in March 2018 and is expected to be complete in July and February 2020, respectively. The construction is part of the \$4.5 billion planned campus. Tower 3 will stand 11 stories and tower 4 will be eight stories; the two will be connected to each other with a two-story atrium and connected to the first two onsite buildings through a skywalk. These phases of the project will cost \$220 million and will double the current space at the campus, with an additional 777,000 square feet and room for an additional 3,000 employees. The Innovation Campus is expected to be complete in 2025, have 4.7 million square-feet, and hold up to 16,000 employees. Retail space and an outdoor lawn for games and leisure will also be included.

Children's Mercy Hospital

Near the heart of downtown Kansas City, Children's Mercy Hospital has been building a new tower helped by \$150 million in charitable donations. The nine-story tower is expected to be complete in 2020. It will increase the hospital's research space by about 310,000 square feet and add capacity for 3,000 more employees. The new facility will help Children's Mercy compete for federal research funds and improve Kansas City's economy, as well as patient care. The new research will be targeted to all types of conditions, from behavioral health issues to cancer. Half of the space is expected to be used for information technology in order to calculate large amounts of health outcomes data collected at Children's Mercy and break new ground in creating individualized treatments.

Awards and Acknowledgements

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended April 30, 2018. This was the 30th consecutive year the City has achieved this award. To be awarded a Certificate of Achievement, a government must publish an easily readable and organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This report is intended to meet the Certificate of Achievement Program's requirements and will be submitted to the GFOA to determine its eligibility for a certificate.

In addition, GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report (PAFR) for the fiscal year ended April 30, 2018. This was the eighth consecutive year the City has achieved this award. This prestigious, national award recognizes state and local government popular reports that have adhered to the highest standards of preparation. In order to receive an Award for Outstanding Achievement, a government unit must publish a popular annual financial report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award of Outstanding Achievement is valid for a period of one year only.

Finally, the GFOA awarded the City the Distinguished Budget Award for fiscal year ended April 30, 2018. This is the sixth consecutive year, and 26th time overall the City has achieved this award. In order to receive the award, a government must satisfy nationally-recognized guidelines for effective budget presentation to assess how well the budget serves as a policy document, a financial plan, an operations guide, and a communications device.

I want to express my appreciation to the staff members of the Finance Department and the City's operating departments for their joint efforts in preparing this report. I would also like to thank the Mayor, City Council, and the City Manager for their commitment and support in planning and conducting the financial affairs of the City.

Respectfully submitted,

A handwritten signature in blue ink, reading "Tammy L. Queen". The signature is fluid and cursive, with the first name "Tammy" being the most prominent.

Director of Finance
City of Kansas City, Missouri



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
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Presented to

**City of Kansas City
Missouri**

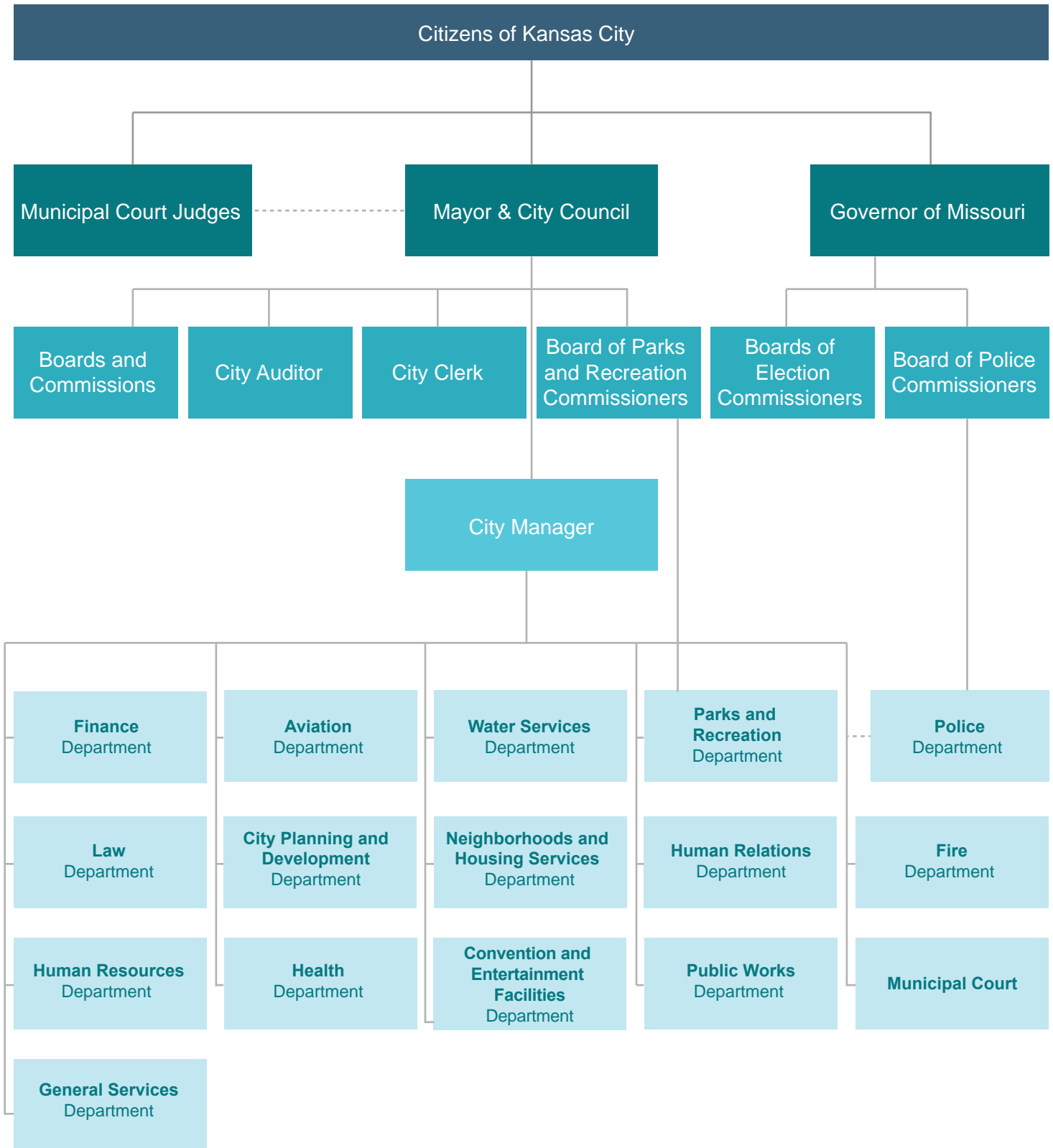
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2018

Christopher P. Morill

Executive Director/CEO

Organization Chart: City of Kansas City, Missouri



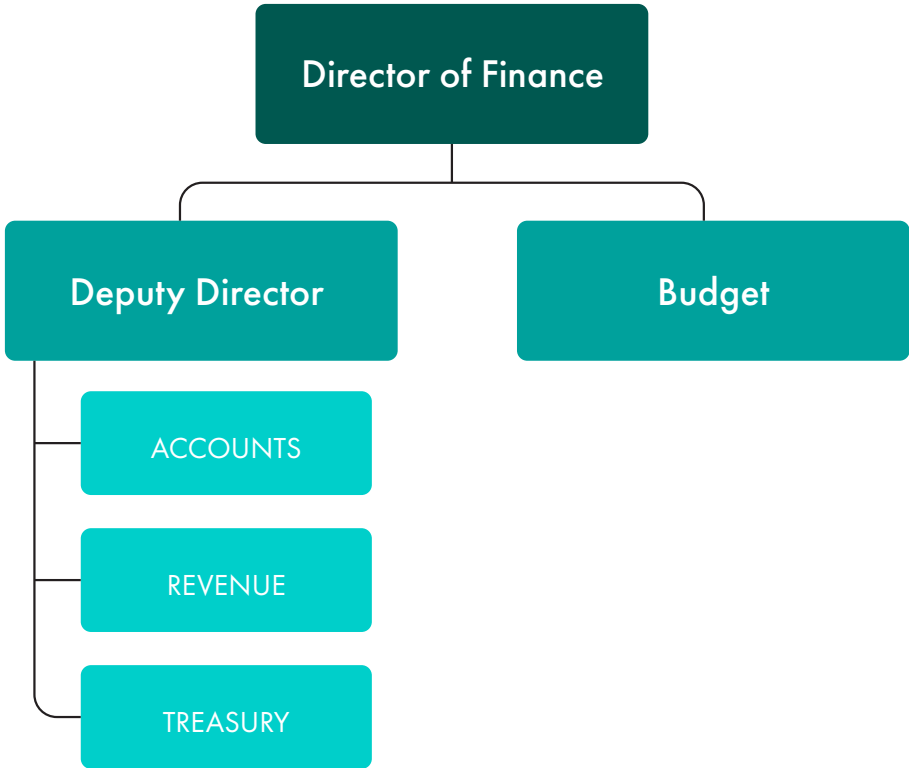
Finance Department

AS OF APRIL 30, 2019

FINANCE DEPARTMENT OFFICERS

Randall J. Landes DIRECTOR OF FINANCE	Tammy Queen DEPUTY DIRECTOR	Eric B. Clevenger CITY CONTROLLER
Doug Buehler CITY TREASURER	Scott Huizenga BUDGET OFFICER	Mari Ruck COMMISSIONER OF REVENUE

FINANCE DEPARTMENT ORGANIZATIONAL CHART



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Kansas City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Kansas City, Missouri (City), as of and for the year ended April 30, 2019, and the related notes to 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 Kansas City Board of Police Commissioners (Police Department) and the Port Authority of Kansas City, Missouri (Port Authority), both of which are included as discretely presented component units, which represent approximately 28%, 64%, and 6%, of the total assets, revenues, and net position of the aggregate discretely presented component units as of and for the year ended April 30, 2019, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion on the aggregate discretely presented component units, insofar as it related to the amounts included for the Police Department and Port Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Kansas City International Airport - Community Improvement District, Maintenance Reserve Corporation, Employee's Retirement System, Firefighters' Pension System, Police Retirement System and Civilian Employees' Retirement System, which are included in the City's financial statements, were not audited in accordance with *Government Auditing Standards*.

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 reports 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 aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of April 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 18, in 2019, the City adopted Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. 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 required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 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 Introductory Section, Supplementary Information-Combining and Individual Fund Statements and Schedules, and Statistical Section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information-Combining and Individual Fund Statements and Schedules are the responsibility of management and were derived from and related 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 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. In our opinion, the Supplementary Information-Combining and Individual Fund Statements and Schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2019, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.

CERTIFIED PUBLIC ACCOUNTANTS

October 30, 2019
Wichita, KS

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

Management's Discussion and Analysis (MD&A) offers readers a narrative overview and analysis of the financial activities of the City of Kansas City, Missouri (the City) for the fiscal year ended April 30, 2019. Readers are encouraged to consider the information presented here and in the City's financial statements, which follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

The assets and deferred outflows of the City (the primary government) exceeded its liabilities and deferred inflows at the close of 2019 by \$4.923 billion. The unrestricted net position is (\$435.8) million. The unrestricted net position of the City's governmental activities is in a \$956.9 million deficit. The unrestricted net position of the City's business type activities is \$521.1 million and may only be used to meet the ongoing obligations of the City's water, sewer and airports business type activities.

- The City's total net position increased \$20.3 million in 2019. Net position of the governmental activities decreased by \$165.2 million, which represents a 7.06% decrease from the 2018 net position and business-type net position increased \$185.5 million, which represents a 7.24% increase from the 2018 net position.
- The long-term liabilities of the City's governmental activities decreased by \$60.7 million or 2.40% as compared to the prior year amounts. The long-term liabilities of the City's business-type activities increased by \$23.3 million or 1.77% as compared to the prior year amounts.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$420.4 million. The combined governmental funds' fund balance decreased \$22.9 million from the prior year's ending fund balance. Approximately \$210.8 million of the governmental funds' fund balance is considered unrestricted at April 30, 2019.
- The general fund reported a total fund balance of \$114.9 million at the end of the current fiscal year. There was a \$12.8 million increase in the total fund balance for the year. Of the total fund balance \$114.1 million is considered unrestricted at April 30, 2019. A portion of the fund balance is committed for a stabilization arrangement or emergency reserve in the amount of \$45.9 million. The emergency reserve represents one month or 8.33% of total general fund expenditures. An additional amount of \$45.9 million is assigned for a countercyclical reserve. The total of the emergency reserve and countercyclical reserve is \$91.8 million or 16.67% of total general fund expenditures.

Overview of the Financial Statements

The MD&A is an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report contains both required and other supplementary information in addition to the financial statements.

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

Government-wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances.

The statement of net position presents information concerning the City's assets, deferred outflows, liabilities and deferred inflows; the difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position. Increases and decreases in net position serve as an indicator of the City's change in financial position.

The statement of activities presents information displaying how the government'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 the cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business type activities). The governmental activities of the City include general government, public safety (police, fire and municipal court), public works, neighborhood development, health, culture and recreation, convention facilities, and economic development. The business type activities of the City include three enterprise activities: a water system, a sanitary sewer system, and aviation.

The government-wide financial statements include not only the City itself (known as the primary government), but include the Economic Development Corporation, Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority of Kansas City, Missouri, Kansas City Board of Police Commissioners, Economic Development Corporation Charitable Trust, Maintenance Reserve Corporation, Downtown Economic Stimulus Authority of Kansas City, Missouri, KCI Airport Community Improvement District, Performing Arts Community Improvement District, American Jazz Museum, Land Bank of Kansas City, Missouri, Kansas City, and Missouri Homesteading Authority. Financial information for these discretely presented component units is reported separately from the financial information presented for the primary government itself. Complete financial statements of these component units, which include their management's discussion and analysis (MD&A), may be obtained from their respective administration offices.

In addition, the financial statements include the Kansas City Municipal Assistance Corporation (KCMAC), the Police Retirement System and the Civilian Employees' Retirement System as blended component units.

The government-wide financial statements can be found on pages A-20 to A-23.

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers will better understand the long term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund and the capital improvements fund, which are considered major funds. Data from the other governmental funds is combined into a single, aggregated presentation.

The governmental funds financial statements can be found on pages A-24 to A-27.

Proprietary Funds

The City maintains two types of proprietary funds - enterprise funds and internal service funds. Enterprise funds report the same functions presented as business type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer (including storm water and sanitary sewer), and airport operations. The one internal service fund is used to account for a self-funded health care system for city employees and retirees. The services provided by this fund predominantly benefit the governmental rather than the business-type functions and it is included within governmental activities in the government-wide financial statements shown in this report.

The proprietary fund financial statements can be found on pages A-28 to A-32.

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

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 much like that used for proprietary funds. The City uses fiduciary funds to account for the retirement plans for regular employees, firefighters, police officers and civilian employees of the police department, funds held for employee memorials, municipal correctional facility, special deposits, municipal court appearance bonds, tax increment financing tax deposits, police department grants, and payroll and insurance benefits.

The fiduciary fund financial statements can be found on pages A-33 to A-34.

Discretely Presented Component Units

The discretely presented component unit financial statements provide separate information for the Economic Development Corporation, Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority of Kansas City, Missouri, and Kansas City Board of Police Commissioners. The remaining discretely presented component units are aggregated and presented in a single column.

The discretely presented component unit statements can be found on pages A-35 to A-37.

Notes to the Basic Financial Statements

The notes provide additional information essential to understand the data provided in the government-wide and fund financial statements.

The notes to the basic financial statements can be found on pages A-38 to A-177.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary compliance, progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees and condition assessments on infrastructure assets accounted for using the modified approach. Required supplementary information can be found on pages A-178 to A-201.

The City uses the modified approach when accounting for bridges/culverts and street lighting and uses straight line depreciation when accounting for curbs, street surfacing, sidewalks, retaining walls, traffic signals, signage, and guardrails. The City began reporting street surfacing, bridges/culverts, and street lighting retroactively with the financial report for the period ending April 30, 2003, curbs and sidewalks retroactively with the financial report for the period ending April 30, 2006, and traffic signals, guardrails and signage retroactively with the financial report for the period ending April 30, 2007.

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

Traffic Violation Fines and Court Costs

Section 479.359, of the Missouri Revised Statutes states - Every county, city, town, and village shall annually calculate the percentage of its annual general operating revenue received from fines, bond forfeitures, and court costs for municipal ordinance violations and minor traffic violations, including amended charges for any municipal ordinance violations and minor traffic violations, whether the violation was prosecuted in municipal court, associate circuit court, or circuit court, occurring within the county, city, town, or village. If the percentage is more than thirty percent, the excess amount shall be sent to the director of the department of revenue. The director of the department of revenue shall set forth by rule a procedure whereby excess revenues as set forth in this section shall be sent to the department of revenue. The department of revenue shall distribute these moneys annually to the schools of the county in the same manner that proceeds of all fines collected for any breach of the penal laws of this state are distributed. Beginning January 1, 2016, the percentage specified in subsection 1 of this section shall be reduced from thirty percent to twenty percent, unless any county, city, town, or village has a fiscal year beginning on any date other than January first, in which case the reduction shall begin on the first day of the immediately following fiscal year except that any county with a charter form of government and with more than nine hundred fifty thousand inhabitants and any city, town, or village with boundaries found within such county shall be reduced from thirty percent to twelve and one-half percent. An addendum to the annual financial report submitted to the state auditor under section 105.145 by the county, city, town, or village that has chosen to have a municipal court division shall contain an accounting of: (1) Annual general operating revenue as defined in section 479.350; (2) The total revenues from fines, bond forfeitures, and court costs for municipal ordinance violations and minor traffic violations occurring within the county, city, town, or village, including amended charges from any municipal ordinance violations and minor traffic violations; (3) The percent of annual general operating revenue from fines, bond forfeitures, and court costs for municipal ordinance violations and minor traffic violations occurring within the county, city, town, or village, including amended charges from any charged municipal ordinance violations and minor traffic violation, charged in the municipal court of that county, city, town, or village; and (4) Said addendum shall be certified and signed by a representative with knowledge of the subject matter as to the accuracy of the addendum contents.

The City reports on traffic fines as a percent of both general fund net operating revenues and governmental funds net operating revenue. The City includes traffic fines as part of fines and forfeitures reported in the Comprehensive Annual Financial Report's (CAFR) Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. The table below provides a reconciliation of all amounts included in fines and forfeitures and a calculation of traffic fines as both a percent of general fund revenue and as a percent of total governmental funds revenue as of April 30, 2019 (In thousands).

Per section 479.350 of Missouri Statutes "Annual general operating revenue" is defined as "revenue that can be used to pay any bill or obligation of a county, city, town, or village, including general sales tax; general use tax; general property tax; fees from licenses and permits; unrestricted user fees; fines, court costs, bond forfeitures, and penalties. Annual general operating revenue does not include designated sales or use taxes; restricted user fees; grant funds; funds expended by a political subdivision for technological assistance in collecting, storing, and disseminating criminal history record information and facilitating criminal identification activities for the purpose of sharing criminal justice-related information among political subdivisions; or other revenue designated for a specific purpose."

CITY OF KANSAS CITY, MISSOURI

Management's Discussion and Analysis

April 30, 2019

	<u>General</u>	<u>Total Fund Governmental Funds</u>
Traffic fines	\$ 7,685	\$ 7,685
Traffic camera fines	-	-
Traffic fines - court costs	-	-
Municipal court fines - non moving	-	1,489
Neighborhood court fines	-	549
Municipal court costs-police officer training	201	201
Municipal court costs-battered shelter operations	-	357
Parking fines youth	-	352
Municipal court delinquency fee	49	49
Municipal court diversion program fee	80	80
Municipal court costs - arrest costs	24	24
Circuit court fines	-	-
Courthouse restoration	-	368
Municipal court forfeitures	247	247
Municipal court specialty court fee	-	525
Air quality settlements	-	18
Animal control fines - Chapter 14	73	73
Workforce violation penalty	-	-
Code enforcement fines	60	60
Miscellaneous restitution	2	2
Fines and forfeitures, total	<u>8,421</u>	<u>12,079</u>
Traffic fines, total	7,685	7,685
Annual general operating revenue	<u>599,534</u>	<u>1,019,143</u>
Traffic fines as a percent of operating revenues	1.28%	0.75%

Government-wide Financial Analysis

As noted earlier, net position serves as a useful indicator of the results of the City's operations. The City's (primary government) assets plus deferred outflows exceeded liabilities plus deferred inflows by \$4.923 billion at the close of the most recent fiscal year. At the end of the prior fiscal year, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$4.903 billion, as restated, indicating that the government increased its financial position during the year. Governmental activities net position decreased by (\$165.3) million (from \$2.341 billion to \$2.176 billion) and business-type activities net position increased by \$185.5 million (from \$2.563 billion to \$2.748 billion).

The largest portion of the City's net position, \$4.937 billion or 100.3% consists of its investment in capital assets (for example, land, buildings, land improvements, monuments and fountains, machinery and equipment and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

CITY OF KANSAS CITY, MISSOURI

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An additional portion of the City's net position, \$422.8 million or 8.6%, represents resources that are subject to external restrictions as to how they may be used. It is important to note that, although the remaining amount or unrestricted net position is (\$435.8) million, the unrestricted net position of the City's business-type activities (\$521.1 million) may not be used to fund governmental activities.

The unrestricted net position of the governmental activities decreased by \$116.0 million. The unrestricted net position of the business-type activities increased by \$96.1 million. The underlying reason for the \$96.1 million increase in the business-type activities can be further broken down by fund. The Water, Kansas City Airports and Sewer funds had increases in unrestricted fund balance of \$18.6 million, \$6.1 million, and \$71.4 million respectively.

As previously mentioned, the Water fund's unrestricted fund balance increased by \$18.6 million. Factors contributing to this were a 1.5% increase in water fees and increased consumption which helped generate a \$3.7 million or 2.2% increase in total operating revenues. Total operating expenses increased by \$0.9 million or 0.8% over the previous year.

The unrestricted fund balance of the KC Airports fund increased by \$6.1 million. Factors contributing to this were operating revenues from terminal fees, property rents, and concession fees all had increases from the prior year.

The unrestricted fund balance of the Sewer fund increased by \$71.4 million. Total operating revenues increased by \$26.5 million or 11.7% in fiscal year 2019. Residential and commercial retail sewer charges contributed \$15.9 million or 60.3% to the increase, primarily due to the scheduled 9.5% sewer rate increase in effect all year. Total operating expenses decreased by \$4.0 million or -2.5% over the previous year. The fund continues investing in sewer system improvements in order to comply with the Overflow Control Program as mandated by the Environmental Protection Agency.

Net Position (In thousands)

	Governmental Activities		Business-type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Current and other assets	\$ 632,545	\$ 634,791	\$ 1,142,020	\$ 1,113,976	\$ 1,774,565	\$ 1,748,767
Capital assets	4,147,508	4,316,827	2,984,903	2,820,376	7,132,411	7,137,203
Total assets	4,780,053	4,951,618	4,126,923	3,934,352	8,906,976	8,885,970
Deferred outflows	253,789	329,389	24,949	38,366	278,738	367,755
Long-term liabilities	2,473,454	2,534,173	1,338,414	1,315,153	3,811,868	3,849,326
Other liabilities	288,796	262,503	63,757	87,831	352,553	350,334
Total liabilities	2,762,250	2,796,676	1,402,171	1,402,984	4,164,421	4,199,660
Deferred inflows	96,040	120,314	1,659	1,484	97,699	121,798
Net position:	<u>\$ 2,175,552</u>	<u>\$ 2,364,017</u>	<u>\$ 2,748,042</u>	<u>\$ 2,568,250</u>	<u>\$ 4,923,594</u>	<u>\$ 4,932,267</u>
Net investment in capital assets	\$ 2,922,850	\$ 3,130,996	\$ 1,946,711	\$ 1,917,563	\$ 4,869,561	\$ 5,048,559
Restricted	209,636	73,931	280,196	225,591	489,832	299,522
Unrestricted	(956,934)	(840,910)	521,135	425,096	(435,799)	(415,814)
Total net position	<u>\$ 2,175,552</u>	<u>\$ 2,364,017</u>	<u>\$ 2,748,042</u>	<u>\$ 2,568,250</u>	<u>\$ 4,923,594</u>	<u>\$ 4,932,267</u>

CITY OF KANSAS CITY, MISSOURI

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Governmental Activities

Governmental activities realized \$1.203 billion in revenues and \$1.375 billion in expenses for fiscal year 2019. The primary government as a whole realized \$1.846 billion in revenues and \$1.826 billion in expenses for fiscal year 2019.

Business-type Activities

Business-type activities had increases in net position of \$185.5 million, which is a 7.24% increase compared to the beginning of the year net position. The increase in net position was attributable in large part to the capital improvement programs of the Water Services Department for replacements and extensions to water and sewer lines and treatment plants. An increase in water rates (which offset the decline in usage), an increase in sewer rates and increases in terminal fees, property rental rates, and concession fees at the airport all contributed to the increase in the net position of the business-type activities. The Water, KC Airports and Sewer funds' net positions increased by \$54.4 million, \$34.1 million and \$97.0 million, respectively.

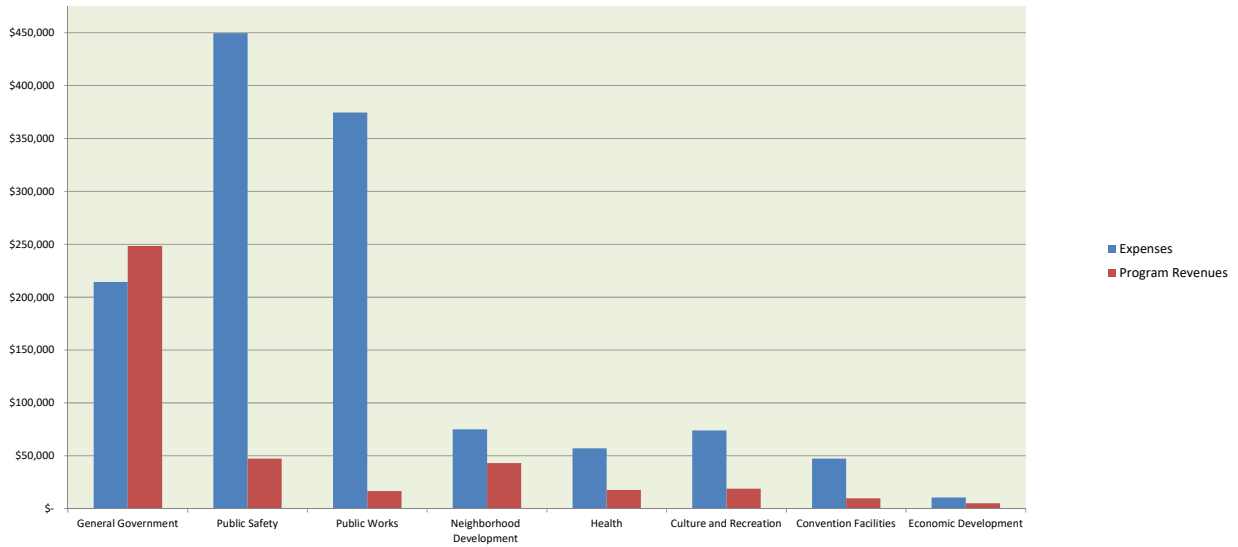
Components of the increase/decrease are as follows:

Changes in Net Position *(In thousands)*

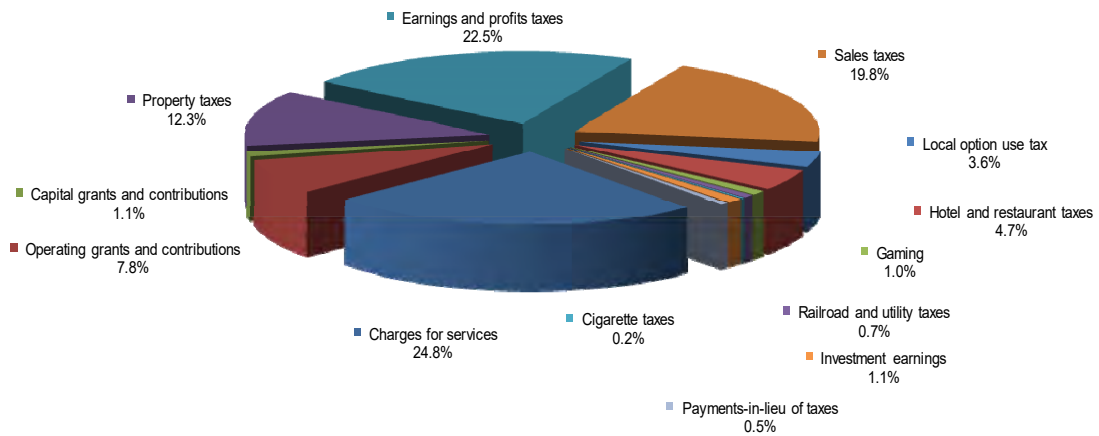
	Governmental Activities		Business-type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenues				(as restated)		
Program revenues						
Charges for services	\$ 301,265	\$ 298,747	\$ 589,831	\$ 557,110	\$ 891,096	\$ 855,857
Operating grants and contributions	93,982	96,109	-	-	93,982	96,109
Capital grants and contributions	13,716	21,880	23,910	34,449	37,626	56,329
General revenues						
Property taxes	148,308	127,138	-	-	148,308	127,138
Earnings and profits taxes	271,686	241,714	-	-	271,686	241,714
Sales taxes	239,742	230,391	-	-	239,742	230,391
Local option use taxes	42,942	39,783	-	-	42,942	39,783
Hotel and restaurant taxes	56,236	51,557	-	-	56,236	51,557
Gaming taxes	11,815	12,071	-	-	11,815	12,071
Railroad and utility taxes	8,579	7,110	-	-	8,579	7,110
Cigarette taxes	2,378	2,389	-	-	2,378	2,389
Investment earnings	12,769	1,345	28,941	3,369	41,710	4,714
Total revenues	<u>1,203,418</u>	<u>1,130,234</u>	<u>642,682</u>	<u>594,928</u>	<u>1,846,100</u>	<u>1,725,162</u>
Expenses:						
General government	214,243	124,782	-	-	214,243	124,782
Public safety	449,507	467,937	-	-	449,507	467,937
Public works	374,511	159,853	-	-	374,511	159,853
Neighborhood development	75,062	100,521	-	-	75,062	100,521
Health	57,049	60,656	-	-	57,049	60,656
Culture and recreation	74,071	77,054	-	-	74,071	77,054
Convention facilities	47,387	131,115	-	-	47,387	131,115
Economic development	10,600	9,873	-	-	10,600	9,873
Unallocated depreciation	1,281	1,281	-	-	1,281	1,281
Interest on long term debt and amortization	71,392	66,970	-	-	71,392	66,970
Water	-	-	126,609	123,221	126,609	123,221
Sewer	-	-	149,737	170,893	149,737	170,893
Aviation	-	-	174,387	147,410	174,387	147,410
Total expenses	<u>1,375,103</u>	<u>1,200,042</u>	<u>450,733</u>	<u>441,524</u>	<u>1,825,836</u>	<u>1,641,566</u>
Increase/decrease in net position before transfers	(171,685)	(69,808)	191,949	153,404	20,264	83,596
Interfund transfers	6,400	4,397	(6,400)	(4,397)	-	-
Changes in net position	<u>(165,285)</u>	<u>(65,411)</u>	<u>185,549</u>	<u>149,007</u>	<u>20,264</u>	<u>83,596</u>
Net Position, Beginning of Year, as Previously Reported	<u>2,364,017</u>	<u>2,429,428</u>	<u>2,568,250</u>	<u>2,419,243</u>	<u>4,932,267</u>	<u>4,848,671</u>
Adjustment for Restatement (GASB No. 75)	(23,180)	-	(5,757)	-	(28,937)	-
Net Position, Beginning of Year, as Restated	<u>2,340,837</u>	<u>2,429,428</u>	<u>2,562,493</u>	<u>2,419,243</u>	<u>4,903,330</u>	<u>4,848,671</u>
Net Position, End of Year	<u>\$ 2,175,552</u>	<u>\$ 2,364,017</u>	<u>\$ 2,748,042</u>	<u>\$ 2,568,250</u>	<u>\$ 4,923,594</u>	<u>\$ 4,932,267</u>

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Expenses and Program Revenues - Governmental Activities
 (In thousands)

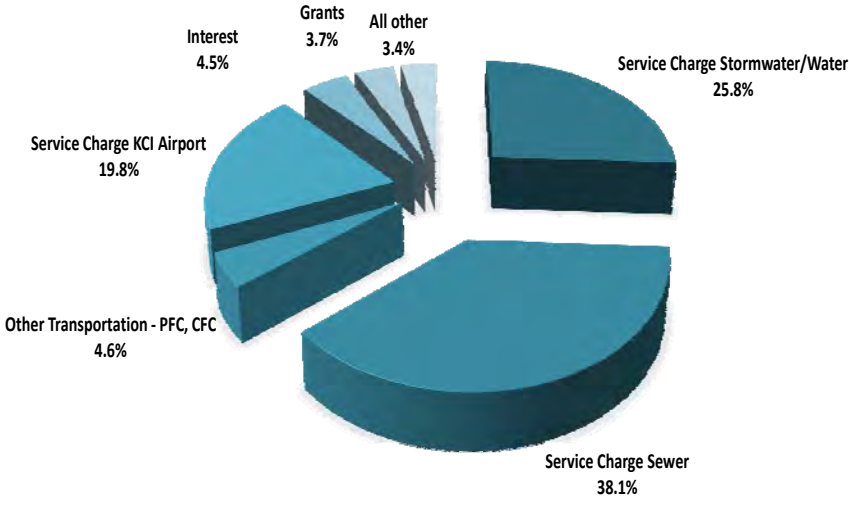


Revenues - Governmental Activities

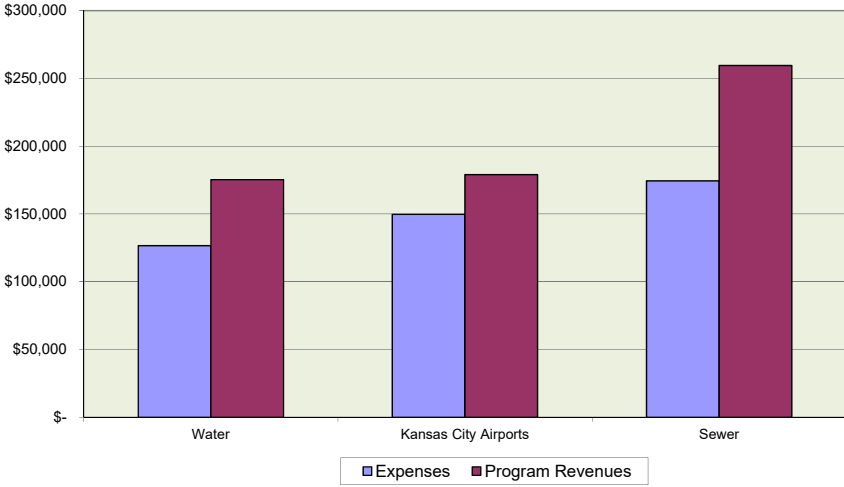


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REVENUES - BUSINESS-TYPE ACTIVITIES



Expenses and Program Revenues - Business-type Activities
 (In thousands)



CITY OF KANSAS CITY, MISSOURI

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Financial Analysis of the Government's Funds

The City uses fund accounting to ensure and demonstrate compliance with finance related requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a measure of a government's net resources available for future use.

As of April 30, 2019, the City's governmental funds have combined ending fund balances of \$420.4 million. The total fund balance decreased by \$22.9 million during fiscal year 2019. The fund balances for governmental funds are reported using classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five categories of governmental fund balance are nonspendable, restricted, committed, assigned and unassigned. The committed, assigned and unassigned classifications are considered to be unrestricted and these total to \$210.8 million for all governmental funds. This is a \$9.7 million or 4.84% increase from April 30, 2018.

Major Funds

The general fund is the chief operating fund of the City. At April 30, 2019, the total fund balance of the general fund was \$114.9 million and expenditures were \$550.7 million. The total fund balance increased by \$12.8 million during fiscal year 2019. A portion of the general fund's fund balance is committed to a stabilization arrangement or emergency reserve in the amount of \$45.9 million. It is useful to compare the amount of the emergency reserve to total fund expenditures. The emergency reserve represents one month or 8.33% of the total fund expenditures. An additional amount of \$45.9 million is assigned for a countercyclical reserve. The total of the emergency reserve and countercyclical reserve is \$91.8 million or 16.67% of total general fund expenditures. The City's goal is to fund the emergency reserve in an amount equal to one month or 8.33% of general fund expenditures. The goal of the countercyclical reserve is funding at an additional one month for a total of 16.67% of general fund expenditures.

The \$12.8 million or 12.49% increase in total fund balance is attributable to a variety of factors. Some of the large dollar variances with an explanation of the underlying reasons for the significant changes from the prior year follow:

\$26.0 million increase in tax revenues is a reflection of the continuing improvement in the local economy; the increase primarily consists of \$21.0 million of earnings tax, \$2.2 million of general property tax and an increase of \$2.9 million of local option use tax.

\$7.8 million increase in interest income due to the change in the market value in relation to the book value of the securities from the date purchased to the reporting date.

The capital improvements fund is the City's other major governmental fund. At April 30, 2019, the total fund balance of the capital improvements fund was \$78.7 million and expenditures were \$73.9 million. The total fund balance decreased by \$8.6 million during fiscal year 2019. The unrestricted portion of fund balance totals \$78.7 million. It may be useful to compare the amount of unrestricted fund balance to total fund expenditures. The unrestricted portion of fund balance represents 106.5% of the total fund expenditures.

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The \$8.6 million or 9.9% decrease in total fund balance is attributable to a variety of factors. Some of the large dollar expenditures with an explanation of the underlying reasons for the significant changes from the prior year follow:

The capital improvements fund includes capital improvement and maintenance projects. The expenditure of \$73.9 million was attributable to several projects. Some of the more significant capital outlays in the fund were:

\$8.6 million for City owned buildings maintenance and repairs,

\$4.5 million for street lighting and maintenance,

\$5.3 million for Bartle Hall lighting,

\$6.5 million for street maintenance, and

\$2.9 million for Tiffany Springs Road and Parkway.

The fund also provides a source of funding for debt service payments on bonds and notes that were issued to finance capital improvement projects. This is reflected in the \$18.2 million of transfers-out that includes:

\$7.4 million for general obligation bonds issued for infrastructure construction and repair, KC Zoo improvements and Liberty Memorial improvements,

\$1.5 million for the Urban Youth Baseball Academy, and

\$0.8 million for streetlight improvements.

The Water fund, Sewer fund (including storm water) and the Airports fund, all of which are business-type activities, are also major funds. At April 30, 2019, the unrestricted net position of the Water fund was \$155.7 million, while total net position was \$875.7 million. As a measure of the Water fund's liquidity, it may be useful to compare unrestricted net position to total fund operating expenses. Unrestricted net position represents 140.1% of the total fund operating expenses.

The unrestricted net position for the Sewer fund was \$268.0 million and a total net position of \$1,203.9 million. As a measure of the Sewer fund's liquidity, it may be useful to compare unrestricted net position to total fund operating expenses. Unrestricted net position represents 173.4% of the total fund operating expenses.

The unrestricted net position for the Airports fund was \$97.4 million and a total net position of \$668.4 million. As a measure of the Airports fund's liquidity, it may be useful to compare unrestricted net position to total fund operating expenses. Unrestricted net position represents 70.5% of the total fund operating expenses.

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General Fund Budgetary Highlights

During fiscal year 2019, there was a \$2.0 million decrease in appropriations for expenditures and other financing uses between the original and final amended budget and no changes in estimated revenues and other financing sources. The actual expenditures and other financing uses were under the final amended budget by \$8.7 million and actual revenues and other financing sources were over the final amended budget by \$3.0 million. Major variances from fiscal year 2018 include:

\$21.8 million increase in tax revenues is a reflection of the continuing improvement in the local economy; the increase primarily consists of \$17.0 million of earnings tax, \$2.4 million increase of general property tax and \$3.0 million increase of local use tax.

\$7.0 million increase in other revenues due to insurance reimbursements for a fire that occurred at the police evidence warehouse.

Capital Assets and Debt Administration

Capital Assets

The City uses the modified approach when accounting for bridges/culverts and street lighting and uses straight-line depreciation when accounting for curbs, sidewalks, traffic signals, signage, guard rails, buildings, improvements, machinery and equipment, land improvements and fountains and monuments, and roads. The City's investment in capital assets, net of related debt, for governmental and business-type activities as of April 30, 2019 amounts to \$4.937 billion. This includes land, buildings, improvements, machinery and equipment, land improvements, monuments/fountains and other works of art, roads, bridges/culverts, curbs, sidewalks, street lighting, traffic signals, signage, retaining walls, guard rails water and sewer lines, runways and aprons. The total decrease in the City's net investment in capital assets, for fiscal year 2019 was \$111.9 million (a \$208.1 million decrease for governmental activities and an \$96.2 million increase for business-type activities when comparing to the previous year's balance).

Major capital asset events during fiscal year 2019 included the following:

Total capital assets, net of depreciation and disposals, decreased \$5.0 million.

Governmental capital assets, net of depreciation and disposals, decreased by \$169.3 million. This calculation is composed of \$174.6 million in new asset expenditures less (\$309.0) million in depreciation plus (\$34.9) million for disposals and decreases to construction in progress. The \$174.6 million in new assets is due to \$20.0 million in building improvements, including Municipal Court, Bartle Hall Lighting, and Vivion Rd Aquatics. \$51.2 million in land improvements and infrastructure, including Penn Valley Park Slope, Lakewood Greenway Trail, Little Blue River Trail, and fencing for Holmes and 90th Street. \$15.4 million for machinery, equipment & rolling stock and software, including Gillham Park spray ground equipment, new surveillance camera installations for the Parks Department, and auditorium chairs / seating for Bartle Hall \$6.8 million for vehicles and numerous smaller projects. The disposal of (\$14.7) million are primarily due to the sale of vehicles in the Fire and Neighborhood and Housing Services Departments. The City received assets of \$6.2 million in donations. These consisted mainly of \$5.5 million for land improvements deeded to the City from Friends of the Zoo.

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Business type capital assets, net of depreciation and disposals, increased by \$164.5 million as follows:

- \$39.5 million net increase in aviation assets for airfield rehabilitation, facility upgrades, and equipment purchases
- \$48.4 million net increase for water utility lines and improvements and equipment
- \$76.6 million net increase for sewer utility lines and improvements

During fiscal year 2019, the condition of the City's two networks of infrastructure assets accounted for using the modified approach had the following changes:

The overall condition level of the bridges remained at 77.00 in fiscal year 2019 on a rating scale of 100, indicating the overall condition of better. The City's intent is that at least 75% of the bridges should be at a good or better condition (a condition level of 65 or better), with no more than 10% being in substandard condition (a condition level of less than 45).

The overall condition level of the street lighting went from 97.20 in fiscal year 2018 to 96.61 in fiscal year 2019 on a rating scale of 100, indicating the overall condition maintained a better condition. The City's intent is to obtain an overall rating of not less than 90 (indicating a condition of better) with no more than 10% being below the better condition rating.

During fiscal year 2019, the actual amount of dollars expended to preserve and maintain the bridges and street lighting assets were 24.19% and 55.47% of the estimated amount needed, respectively.

Capital Assets

(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Land/permanent right of way	\$ 366,291	\$ 364,477	\$ 55,618	\$ 55,101	\$ 421,909	\$ 419,578
Works of art	3,469	1,709	-	-	3,469	1,709
Buildings & improvements	1,449,867	1,429,788	1,243,840	1,221,747	2,693,707	2,651,535
Monuments & fountains	127,850	127,850	-	-	127,850	127,850
Temporary right of way	905	902	-	-	905	902
Land improvements	392,551	378,218	8,291	18,600	400,842	396,818
Machinery and equipment	318,208	304,645	383,727	371,367	701,935	676,012
Infrastructure-modified	596,277	2,327,976	-	-	596,277	2,327,976
Infrastructure-depreciated	2,065,876	310,262	2,860,991	2,672,900	4,926,867	2,983,162
Green infrastructure	-	-	10,756	-	10,756	-
Accumulated depreciation	(1,332,500)	(1,024,791)	(1,717,831)	(1,653,349)	(3,050,331)	(2,678,140)
Construction in progress	158,714	95,791	139,511	134,010	298,225	229,801
Total	\$4,147,508	\$4,316,827	\$2,984,903	\$2,820,376	\$7,132,411	\$7,137,203

Additional information on the City's capital assets can be found in Note 6 on pages A-82 to A-84.

Long-term Debt

As of April 30, 2019, the City (the primary government) had total bonded debt outstanding of approximately \$2.781 billion. Of this amount, \$376.7 million was comprised of debt backed by the full faith and credit of the government. Additionally, the City has \$1.202 billion of outstanding limited obligation debt. The remainder of the City's debt represents bonds secured solely by specified revenue sources of the water, sewer, and airport systems totaling approximately \$1.201 billion.

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Long-term Debt ⁽¹⁾
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
General obligation bonds	\$ 376,722	\$ 347,523	\$ -	\$ -	\$ 376,722	\$ 347,523
Revenue bonds	-	-	1,201,314	1,181,657	1,201,314	1,181,657
Limited obligation debt	1,202,480	1,301,113	-	-	1,202,480	1,301,113
Total	\$ 1,579,202	\$ 1,648,636	\$ 1,201,314	\$ 1,181,657	\$ 2,780,516	\$ 2,830,293

⁽¹⁾ Amounts are net of unamortized premium and discount

The City's total debt decreased from fiscal year 2018 by \$ 49.777 million primarily due to \$ 251.203 million in principal payments and refunding bonds, offset by the following bonds issued during the fiscal year ending April 30, 2019:

- \$42.055 million Sewer Revenue Refunding Bonds, Series 2018B
- \$0.650 million Lease Purchase Agreement (Golf Course Vehicles)
- \$0.412 million Lease Purchase Agreement (Police Robotic Equipment)
- \$57.290 million General Obligation Improvement Bonds, Series 2019A (Streets, Sidewalks, Flood Control and City Buildings Projects)
- \$98.460 million Incurrence of Obligation related to the IDA Special Obligation Series 2019A Bonds (Airport Terminal Modernization Project)

As of April 30, 2019, the City's bond credit ratings are shown in the following table:

Type of Bonds Issued	Moody's Rating	Standard and Poor's Rating	Fitch's Rating
General obligation bonds	Aa2	AA	AA- ¹
Kansas City, Missouri special obligation bonds	A1	AA-	Not Rated ²
Water revenue bonds (senior lien bonds)	Aa2	AA+	Not Rated
Sewer revenue bonds (junior lien bonds)	Aa2	AA	Not Rated
Airport revenue bonds (senior lien bonds)	A1	A ³	Not Rated
Airport annual appropriation obligations	A2	A	A

¹ A rating from Fitch was not sought for City General Obligation Refunding (Advanced Partial Refunding of General Obligation Series 2007A Bonds) Series 2015A, the General Obligation Refunding and Improvement Bonds Series 2018A and the General Obligation Improvement Bonds Series 2019A.

² Some of the City's annual appropriation pledge bonds are rated "A+" by Fitch.

³ On May 24, 2019, S&P Global Ratings lowered its rating on the senior lien general airport revenue bonds to 'A' from 'A+' at the same time that it issued an 'A' rating on the airport's annual appropriation obligations.

Article VI, Sections 26(b) and (c) of the state constitution permits the City, by a vote of the qualified electors, to incur indebtedness for City purposes in an aggregate amount not to exceed 10% of the assessed value of property within the City. Article VI, Section 26(d) of the state constitution permits the City, by a vote of the qualified electors, to incur indebtedness for the purposes of acquiring rights-of-way, construction, extending and improving streets, avenues and sanitary or storm sewer systems in an aggregate amount not to exceed 10% of the assessed value of property within the City. Article VI, Section 26(e) of the state constitution permits the City, by a vote of the qualified electors, to incur indebtedness for the purposes of purchasing or constructing waterworks, electric or other light plants in an aggregate amount not to exceed 10% of the assessed value of property within the City. The aggregate limit of GO debt is 20% of the assessed value of property within the City.

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The City's constitutional debt limit calculated as of April 30, 2018 was \$1.619 billion. The City's current legal debt margin is \$1.262 billion, which takes into account outstanding general obligation bonds less debt service fund balances, which net to \$356 million. Additional information regarding the City's long-term debt can be found in Note 7 on pages A-85 to A-115 of this report.

Economic Factors and Next Year's Budgets and Rates

- Per the Bureau of Labor Statistics, the unemployment rate, not seasonally adjusted data for Kansas City calculated as of April 2019 was 3.1%, which is 0.1 percentage points lower than the same calculation one year ago. This compares to the state and national unemployment rates of 2.9% and 3.3%, respectively.
- According to the Bureau of Labor Statistics consumer price index, today's prices in 2019 are 8.33% higher than average prices throughout 2015. The dollar experienced an average inflation rate of 2.02% per year during this period, meaning the real value of a dollar decreased.

All of these factors are considered in preparing the City's budget.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Controller's Office, 414 East 12th Street, Suite 302, Kansas City, Missouri 64106, or via email at finance@okc.org.

CITY OF KANSAS CITY, MISSOURI

Statement of Net Position

April 30, 2019

(In thousands of dollars)

	Primary Government		Total	Discretely Presented Component Units
	Governmental Activities	Business-Type Activities		
Assets				
Cash and investments	\$ 384,521	\$ 584,666	\$ 969,187	\$ 14,607
Receivables, net				
Taxes	119,912	-	119,912	-
Accounts	18,789	67,124	85,913	1,106
Interest	2,287	3,400	5,687	582
Other	3,181	3,760	6,941	2,322
Special assessments-net	1,322	-	1,322	-
Due from other governments	9,531	1,501	11,032	3,800
Due from primary government	-	-	-	2,951
Due from component units	3,368	-	3,368	-
Inventories	-	3,371	3,371	1,852
Prepaid items	-	964	964	-
Prepaid bond insurance	784	1,673	2,457	-
Other assets	18	-	18	18,417
Restricted assets				
Cash and short-term investments	88,832	469,769	558,601	127,360
Due from primary government	-	-	-	25,176
Accounts receivable	-	3,148	3,148	16,944
Accrued interest receivable	-	2,644	2,644	-
Net long-term lease receivable	-	-	-	-
Capital assets, nondepreciable	1,124,752	200,538	1,325,290	19,568
Capital assets, depreciable, net	3,022,756	2,784,365	5,807,121	39,839
Total assets	4,780,053	4,126,923	8,906,976	274,524
Deferred Outflows of Resources				
Items related to pension plans	188,307	18,904	207,211	-
Accumulated decrease in fair value of hedging derivatives	18,225	-	18,225	-
Items related to other post employment benefits	5,499	1,366	6,865	1,033
Deferred charge on refunding of bonds	41,758	4,679	46,437	326
Total deferred outflows of resources	253,789	24,949	278,738	1,359

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI

Statement of Net Position

April 30, 2019

(In thousands of dollars)

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities				
Accounts payable	\$ 57,929	\$ 45,608	\$ 103,537	\$ 3,168
Other accrued items	52,001	10,390	62,391	5,798
Construction contracts and retainages payable	3,444	6,571	10,015	-
Internal balances	16,723	(16,723)	-	-
Prepaid lease revenue	-	2,186	2,186	-
Due to primary government	-	-	-	3,368
Due to taxing districts	-	-	-	67
Due to component units	2,951	-	2,951	-
Unearned revenue	19,970	-	19,970	461
Accrued interest	112,337	15,412	127,749	3,394
Other liabilities	5,216	313	5,529	1,830
Interest rate swap liabilities	18,225	-	18,225	-
Long-term liabilities				
Due within one year	119,407	68,877	188,284	90,500
Claims payable due within one year	14,383	7,674	22,057	6,007
Due in more than one year	1,499,436	1,141,676	2,641,112	854,919
Claims payable due in more than one year	46,077	25,131	71,208	14,186
Net pension liability	710,412	73,249	783,661	-
Other postemployment benefits due in more than one year	83,739	21,807	105,546	48,959
Total liabilities	2,762,250	1,402,171	4,164,421	1,032,657
Deferred Inflows of Resources				
Items related to pension plans	96,040	1,659	97,699	-
Total deferred inflows of resources	96,040	1,659	97,699	-
Net Position (Deficit)				
Net investment in capital assets	2,922,850	2,013,790	4,936,640	57,143
Restricted for				
Grants	8,965	-	8,965	-
Principal and interest	52,616	89,917	142,533	125,250
Insurance reserves	800	-	800	-
Capital projects and other	147,255	110,283	257,538	-
Aviation operations	-	12,917	12,917	-
Special programs	-	-	-	40,661
Unrestricted (deficit)	(956,934)	521,135	(435,799)	(979,828)
Total net position (deficit)	\$ 2,175,552	\$ 2,748,042	\$ 4,923,594	\$ (756,774)

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI

Statement of Activities
Year Ended April 30, 2019
(In thousands of dollars)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 214,243	\$ 183,863	\$ 66,087	\$ 314
Public safety	449,507	43,380	3,115	806
Public works	374,511	12,662	-	3,950
Neighborhood development	75,062	29,013	12,455	1,760
Health	57,049	5,442	12,204	7
Culture and recreation	74,071	11,913	121	6,879
Convention facilities	47,387	9,812	-	-
Economic development	10,600	5,180	-	-
Unallocated depreciation	1,281	-	-	-
Interest on long-term debt and amortization of bond insurance	71,392	-	-	-
Total governmental activities	<u>1,375,103</u>	<u>301,265</u>	<u>93,982</u>	<u>13,716</u>
Business-type activities				
Water	126,609	170,945	-	4,306
Kansas City airports	149,737	167,049	-	12,011
Sewer	174,387	251,837	-	7,593
Total business-type activities	<u>450,733</u>	<u>589,831</u>	<u>-</u>	<u>23,910</u>
Total primary government	<u>\$ 1,825,836</u>	<u>\$ 891,096</u>	<u>\$ 93,982</u>	<u>\$ 37,626</u>
Total component units	<u>\$ 520,266</u>	<u>\$ 10,659</u>	<u>\$ 255,089</u>	<u>\$ 488</u>

General Revenues

Taxes
Property taxes, levied for general purposes
Property taxes, levied for debt service
Earnings and profits taxes
Sales taxes
Local option use taxes
Hotel and restaurant taxes
Gaming taxes
Railroad and utility taxes
Cigarette taxes
Tax increment financing revenues
Investment earnings
Transfers
Total general revenues
Change in net position
Net Position, Beginning of Year, as Previously Reported
Adjustment for Change in Accounting Principle (GASB No. 75)
Net Position, Beginning of Year, as Restated
Net Position, End of Year

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI

Statement of Activities
Year Ended April 30, 2019
(In thousands of dollars)

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Discretely Presented Component Units
Governmental Activities	Business-Type Activities	Total	
\$ 36,021	\$ -	\$ 36,021	\$ -
(402,206)	-	(402,206)	-
(357,899)	-	(357,899)	-
(31,834)	-	(31,834)	-
(39,396)	-	(39,396)	-
(55,158)	-	(55,158)	-
(37,575)	-	(37,575)	-
(5,420)	-	(5,420)	-
(1,281)	-	(1,281)	-
<u>(71,392)</u>	<u>-</u>	<u>(71,392)</u>	<u>-</u>
<u>(966,140)</u>	<u>-</u>	<u>(966,140)</u>	<u>-</u>
-	48,642	48,642	-
-	29,323	29,323	-
-	85,043	85,043	-
-	163,008	163,008	-
<u>(966,140)</u>	<u>163,008</u>	<u>(803,132)</u>	<u>(254,030)</u>
125,193	-	125,193	-
23,115	-	23,115	-
271,686	-	271,686	-
239,742	-	239,742	1,147
42,942	-	42,942	-
56,236	-	56,236	-
11,815	-	11,815	-
8,579	-	8,579	-
2,378	-	2,378	-
-	-	-	123,993
12,769	28,941	41,710	3,579
6,400	(6,400)	-	873
<u>800,855</u>	<u>22,541</u>	<u>823,396</u>	<u>129,592</u>
<u>(165,285)</u>	<u>185,549</u>	<u>20,264</u>	<u>(124,438)</u>
2,364,017	2,568,250	4,932,267	(623,968)
(23,180)	(5,757)	(28,937)	(8,368)
<u>2,340,837</u>	<u>2,562,493</u>	<u>4,903,330</u>	<u>(632,336)</u>
<u>\$ 2,175,552</u>	<u>\$ 2,748,042</u>	<u>\$ 4,923,594</u>	<u>\$ (756,774)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI

Governmental Funds Balance Sheet

April 30, 2019

(In thousands of dollars)

	General	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 135,489	\$ 67,301	\$ 177,425	\$ 380,215
Receivables				
Taxes	73,808	13,601	43,448	130,857
Municipal court	2,793	-	-	2,793
Accounts	37,162	2,781	1,909	41,852
Special assessments	9,317	-	8	9,325
Interest and dividends	1,615	-	644	2,259
Allowance for uncollectible receivables	(38,221)	-	(5,758)	(43,979)
Due from other governments	123	1,823	7,585	9,531
Due from other funds	-	8,995	-	8,995
Due from component units	3,368	-	-	3,368
Other assets	1	-	415	416
Restricted assets - cash and short-term investments	804	-	88,821	89,625
Total assets	<u>\$ 226,259</u>	<u>\$ 94,501</u>	<u>\$ 314,497</u>	<u>\$ 635,257</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Accounts payable	\$ 23,564	\$ 7,474	\$ 26,817	\$ 57,855
Other accrued items	9,158	368	5,232	14,758
Construction contracts and retainages payable	-	1,716	1,727	3,443
Due to other funds	-	-	25,713	25,713
Due to fiduciary funds	12,603	5,005	10,083	27,691
Due to component units	2,951	-	-	2,951
Advanced revenue	-	-	6,008	6,008
Other liabilities	-	-	5,217	5,217
Total liabilities	<u>48,276</u>	<u>14,563</u>	<u>80,797</u>	<u>143,636</u>
Deferred Inflows of Resources				
Taxes	52,561	-	3,752	56,313
Licenses, permits and franchises	7,197	-	1,331	8,528
Fines and forfeitures	316	-	-	316
Charges for services	1,993	-	-	1,993
Intergovernmental revenue	-	1,262	1,766	3,028
Special assessments	1,050	-	1	1,051
Total deferred inflows of resources	<u>63,117</u>	<u>1,262</u>	<u>6,850</u>	<u>71,229</u>
Fund Balances				
Restricted	800	-	208,836	209,636
Committed	56,812	39,187	1,041	97,040
Assigned	49,895	39,489	45,300	134,684
Unassigned	7,359	-	(28,327)	(20,968)
Total fund balances	<u>114,866</u>	<u>78,676</u>	<u>226,850</u>	<u>420,392</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 226,259</u>	<u>\$ 94,501</u>	<u>\$ 314,497</u>	<u>\$ 635,257</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
April 30, 2019
(In thousands of dollars)

Fund balances-total governmental funds	\$	420,392
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	\$	5,480,010
Less: accumulated depreciation		<u>(1,332,502)</u>
Net effect of capital assets		4,147,508
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due		(111,974)
Revenues that are deferred in the governmental funds due to the City not receiving cash within sixty days are not available to pay current-period expenditures and, therefore, are not recorded in the funds		54,862
Prepaid bond insurance, net of related amortization, is not recorded as an asset in the governmental funds		784
Deferred charges on refunding of bonds, net of related amortization, are not recorded as a deferred outflow in the governmental funds		41,758
Deferred inflows and outflows of resources in Government Activities related to pensions and OPEB are not recorded in the fund statements		97,766
Accumulated net decrease in fair value of hedging derivatives are not reported in the governmental funds		18,225
Interest rate swap liabilities and assets are not reported in the governmental funds		(18,225)
Long-term obligations, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds and notes payable	(1,519,250)	
Unamortized premium on bond issues	(62,465)	
Deferred discount on bond issues	2,513	
Net pension liability	(710,412)	
Other postemployment benefit obligations	(83,739)	
Compensated absences	(39,641)	
Claims payable	<u>(60,461)</u>	
Net effect of long-term obligations		(2,473,455)
Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position		<u>(2,089)</u>
Net position of governmental activities	\$	<u>2,175,552</u>

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI
Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2019
(In thousands of dollars)

	General	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 379,106	\$ 74,398	\$ 310,667	\$ 764,171
Licenses, permits and franchises	124,736	-	26,828	151,564
Fines and forfeitures	8,421	-	3,658	12,079
Rents and concessions	914	10	16,950	17,874
Investment income and interest	7,872	-	5,168	13,040
Charges for services	64,383	1,453	29,603	95,439
Intergovernmental revenues	381	6,306	52,798	59,485
Special assessments	558	-	9,595	10,153
Contributions	1,700	1,044	11,450	14,194
Other	8,813	21	3,171	12,005
Total revenues	<u>596,884</u>	<u>83,232</u>	<u>469,888</u>	<u>1,150,004</u>
Expenditures				
Current				
General government	97,164	8,969	17,644	123,777
Fire	159,156	-	17,734	176,890
Public works	293	5,347	54,743	60,383
Neighborhood development	61,997	2,613	30,374	94,984
Health	-	-	57,200	57,200
Culture and recreation	428	4,998	46,498	51,924
Convention facilities	-	-	32,753	32,753
Economic development	-	-	10,600	10,600
Police	224,896	-	7,210	232,106
Intergovernmental				
Public transportation	-	-	59,930	59,930
Debt service				
Principal retirement	-	-	116,059	116,059
Interest	-	-	64,819	64,819
Fiscal agent fees	-	-	1,403	1,403
Bond issue costs	-	-	303	303
Capital outlay				
Public works	-	36,948	44,503	81,451
Health	-	-	283	283
Culture and recreation	-	10,639	28,570	39,209
Convention facilities	-	-	3,826	3,826
Police	-	-	226	226
Neighborhood development	-	1,006	4,712	5,718
Fire	-	-	4,717	4,717
General government	6,735	3,383	8,894	19,012
Total expenditures	<u>550,669</u>	<u>73,903</u>	<u>613,001</u>	<u>1,237,573</u>
Excess (deficiency) of revenues over expenditures	<u>46,215</u>	<u>9,329</u>	<u>(143,113)</u>	<u>(87,569)</u>
Other Financing Sources (Uses)				
Transfers in	44,481	272	176,692	221,445
Transfers out	(84,338)	(18,213)	(118,894)	(221,445)
Payments-in-lieu of taxes	6,400	-	-	6,400
Issuance of debt	-	-	58,351	58,351
Premium on bond issue	-	-	4,168	4,168
Discount on bond issue	-	-	(274)	(274)
Payment to bond escrow agent	-	-	(3,949)	(3,949)
Other financing sources (uses), net	<u>(33,457)</u>	<u>(17,941)</u>	<u>116,094</u>	<u>64,696</u>
Net change in fund balances	12,758	(8,612)	(27,019)	(22,873)
Fund Balances, Beginning of Year	<u>102,108</u>	<u>87,288</u>	<u>253,869</u>	<u>443,265</u>
Fund Balances, End of Year	<u>\$ 114,866</u>	<u>\$ 78,676</u>	<u>\$ 226,850</u>	<u>\$ 420,392</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities
Year Ended April 30, 2019
(In thousands of dollars)

Net change in fund balances-total governmental funds		\$ (22,873)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays exceeded depreciation in the current period:</p>		
Capital outlay	\$ 154,442	
Depreciation	(309,040)	
Capital outlay-loss on disposal of assets	<u>(14,721)</u>	
Net effect of capital assets		(169,319)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		(41,796)
Expenses in the statement of activities that do not use current financial resources are not reported as expenditures in the funds		49,451
Reverse Amortization of Liability with Convention Hotel charged as an expense that does not use current financial resources and is not reported as expenditures in the funds		(973)
<p>Interest expense on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due:</p>		
Change in accrued interest payable		(7,665)
<p>The issuance of long-term debt (for example, bonds, notes and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 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. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt:</p>		
Bond and note proceeds, including premium/discount	(62,245)	
Repayment of principal (bonds, loans, capitalized lease obligations)	116,059	
Defeasance of debt refunding	3,949	
Defeasance of debt refunding - interest component	(44)	
Amortization of premium/discount, net	12,688	
Amortization of prepaid bond insurance	(69)	
Amortization of deferred charge on refunding	<u>(4,938)</u>	
Net effect of long-term debt	65,400	
Long-term obligations are not payable from current financial resources and are not reported as liabilities of the governmental funds		
Change in net pension liability	22,946	
Change in deferred inflows and outflows related to pension plans	(51,217)	
Change in other postemployment benefits	(3,250)	
Change in claims payable	130	
Change in compensated absences	<u>(5,362)</u>	
Net effect of other long-term obligations	(36,753)	
Net effect of all long-term obligations		28,647
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The change in net position of certain activities of internal service funds is reported with governmental activities		<u>(757)</u>
Change in net position of governmental activities		<u>\$ (165,285)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI
Proprietary Funds Statement of Net Position
April 30, 2019
(In thousands of dollars)

Assets	<u>Business-type Activities-Enterprise Funds</u>				Governmental Activities Internal Service Fund KCMO Healthcare
	<u>Water</u>	<u>Kansas City Airports</u>	<u>Sewer</u>	<u>Total</u>	
Current Assets					
Cash and cash equivalents	\$ 5,995	\$ 3,992	\$ 9,849	\$ 19,836	\$ 4,378
Investments	14,479	12,836	23,807	51,122	-
Receivables					
Accounts	33,356	7,355	56,185	96,896	3,483
Interest and dividends	975	506	1,919	3,400	26
Allowance for uncollectible receivables	(12,858)	(192)	(16,943)	(29,993)	-
Notes receivable - current	553	-	-	553	-
Due from other governments	-	1,501	-	1,501	-
Due from other funds	16,835	-	2	16,837	-
Prepaid items	-	964	-	964	-
Inventories	1,971	838	562	3,371	-
Total unrestricted assets	<u>61,306</u>	<u>27,800</u>	<u>75,381</u>	<u>164,487</u>	<u>7,887</u>
Restricted assets					
Cash and cash equivalents	1,971	4,196	13,020	19,187	-
Investments	16,236	13,419	10,759	40,414	-
Cash with trustee	-	67,079	-	67,079	-
Accounts receivable	-	3,148	-	3,148	-
Interest receivable	490	825	1,329	2,644	-
Total restricted assets	<u>18,697</u>	<u>88,667</u>	<u>25,108</u>	<u>132,472</u>	<u>-</u>
Total current assets	<u>80,003</u>	<u>116,467</u>	<u>100,489</u>	<u>296,959</u>	<u>7,887</u>
Noncurrent Assets					
Restricted assets-investments	68,290	102,611	172,188	343,089	-
Investments	151,712	112,547	249,449	513,708	-
Notes receivable	3,207	-	-	3,207	-
Capital assets, nondepreciable	34,290	109,237	57,011	200,538	-
Capital assets, depreciable, net	1,010,300	509,570	1,264,495	2,784,365	-
Unrestricted accounts receivable, net	-	221	-	221	-
Prepaid bond insurance, net	1,673	-	-	1,673	-
Total noncurrent assets	<u>1,269,472</u>	<u>834,186</u>	<u>1,743,143</u>	<u>3,846,801</u>	<u>-</u>
Total assets	<u>1,349,475</u>	<u>950,653</u>	<u>1,843,632</u>	<u>4,143,760</u>	<u>7,887</u>
Deferred Outflows of Resources					
Deferred loss on refunding of bonds	1,561	1,186	1,932	4,679	-
OPEB	489	440	437	1,366	-
Items related to pension plan	6,776	6,088	6,040	18,904	-
Total deferred outflows of resources	<u>8,826</u>	<u>7,714</u>	<u>8,409</u>	<u>24,949</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,358,301</u>	<u>\$ 958,367</u>	<u>\$ 1,852,041</u>	<u>\$ 4,168,709</u>	<u>\$ 7,887</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Proprietary Funds Statement of Net Position
April 30, 2019
(In thousands of dollars)

Liabilities	Business-type Activities-Enterprise Funds				Governmental Activities Internal Service Fund KCMO Healthcare
	Water	Kansas City Airports	Sewer	Total	
Current liabilities					
Liabilities payable from unrestricted assets					
Accounts payable	\$ 9,987	\$ 8,742	\$ 18,302	\$ 37,031	\$ 1
Compensated absences	865	661	762	2,288	-
Other accrued expense	2,300	1,882	2,399	6,581	9,975
Other liabilities	313	-	-	313	-
Due to other funds	-	-	114	114	-
Prepaid lease revenue	-	2,186	-	2,186	-
Claims payable	4,364	939	2,371	7,674	-
Total liabilities payable from unrestricted assets	17,829	14,410	23,948	56,187	9,976
Liabilities payable from restricted assets					
Accounts payable	-	8,577	-	8,577	-
Matured bonds and coupons	-	289	-	289	-
Accrued interest and fiscal agent fees	6,606	1,344	7,462	15,412	-
Customer deposits and other liabilities	3,520	-	-	3,520	-
Construction contracts and retainages payable	1,858	-	4,713	6,571	-
Revenue bonds, portion due within one year	20,425	22,145	24,019	66,589	-
Total liabilities payable from restricted assets	32,409	32,355	36,194	100,958	-
Total current liabilities	50,238	46,765	60,142	157,145	9,976
Noncurrent liabilities					
Compensated absences	2,731	2,039	2,181	6,951	-
Net pension liability	26,887	23,480	22,882	73,249	-
Claims payable	14,399	2,990	7,742	25,131	-
Postretirement liability	7,813	7,278	6,716	21,807	-
Revenue bonds, less current portion	379,924	206,889	547,912	1,134,725	-
Total noncurrent liabilities	431,754	242,676	587,433	1,261,863	-
Total liabilities	481,992	289,441	647,575	1,419,008	9,976
Deferred Inflows of Resources					
Items related to pension plan	595	534	530	1,659	-
Total deferred inflows of resources	595	534	530	1,659	-
Net Position					
Net investment in capital assets	681,493	448,400	883,897	2,013,790	-
Restricted - expendable					
Principal and interest	15,117	57,772	17,028	89,917	-
Capital projects and other	23,417	51,870	34,996	110,283	-
Airline operations	-	12,917	-	12,917	-
Unrestricted	155,687	97,433	268,015	521,135	(2,089)
Total net position	875,714	668,392	1,203,936	2,748,042	(2,089)
Total liabilities, deferred inflows of resources and net position	\$ 1,358,301	\$ 958,367	\$ 1,852,041	\$ 4,168,709	\$ 7,887

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Proprietary Funds Statement of Revenues, Expenses
And Changes in Fund Net Position
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Business-type Activities-Enterprise Funds</u>				Governmental Activities Internal Service Fund KCMO Healthcare
	<u>Water</u>	<u>Kansas City Airports</u>	<u>Sewer</u>	<u>Total</u>	
Operating Revenues					
Charges for services	\$ 165,930	\$ 127,198	\$ 244,827	\$ 537,955	\$ 71,838
Other	5,015	2,400	7,084	14,499	7
Total operating revenues	<u>170,945</u>	<u>129,598</u>	<u>251,911</u>	<u>552,454</u>	<u>71,845</u>
Operating Expenses					
Salaries, wages and employee benefits	38,667	34,554	37,845	111,066	434
Supplies and materials	11,732	6,020	7,694	25,446	-
Utilities	11,025	-	11,073	22,098	-
Contractual services	13,287	47,716	48,372	109,375	-
Repairs and maintenance	10,497	-	7,837	18,334	-
Insurance	3,342	-	3,970	7,312	69,276
Claims-administration	-	-	-	-	2,762
Depreciation and amortization	22,565	49,970	37,714	110,249	-
Other	-	-	27	27	308
Total operating expenses	<u>111,115</u>	<u>138,260</u>	<u>154,532</u>	<u>403,907</u>	<u>72,780</u>
Operating income (loss)	<u>59,830</u>	<u>(8,662)</u>	<u>97,379</u>	<u>148,547</u>	<u>(935)</u>
Nonoperating Revenues (Expenses)					
Investment income	8,538	4,794	15,609	28,941	178
Interest expense and fiscal agent fees	(15,338)	(4,681)	(19,855)	(39,874)	-
Passenger facility charges	-	22,733	-	22,733	-
Customer facility charges	-	7,068	-	7,068	-
Grants	-	245	-	245	-
Other revenue	-	7,405	-	7,405	-
Other expense	(156)	(6,796)	(74)	(7,026)	-
Total nonoperating revenues (expenses), net	<u>(6,956)</u>	<u>30,768</u>	<u>(4,320)</u>	<u>19,492</u>	<u>178</u>
Income (loss) before capital contributions	52,874	22,106	93,059	168,039	(757)
Capital contributions	4,306	12,011	7,593	23,910	-
Payments-in-lieu of taxes	(2,793)	-	(3,607)	(6,400)	-
Change in net position	54,387	34,117	97,045	185,549	(757)
Net Position, Beginning of Year, as Originally Reported	823,388	636,130	1,108,732	2,568,250	(1,332)
Adjustment for Restatement	(2,061)	(1,855)	(1,841)	(5,757)	-
Net Position, Beginning of Year, as Restated	<u>821,327</u>	<u>634,275</u>	<u>1,106,891</u>	<u>2,562,493</u>	<u>(1,332)</u>
Net Position, End of Year	<u>\$ 875,714</u>	<u>\$ 668,392</u>	<u>\$ 1,203,936</u>	<u>\$ 2,748,042</u>	<u>\$ (2,089)</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Proprietary Funds Statement of Cash Flows
Year Ended April 30, 2019
(In thousands of dollars)

	Business-type Activities-Enterprise Funds				Governmental Activities Internal Service Fund KCMO Healthcare
	Water	Kansas City Airports	Sewer	Total	
Operating Activities					
Cash received from customers	\$ 170,106	\$ 129,775	\$ 250,316	\$ 550,197	\$ 71,310
Receipts from interfund services provided	4,680	-	1,005	5,685	-
Cash paid to employees, including benefits	(34,814)	(32,269)	(34,500)	(101,583)	(435)
Cash paid to suppliers	(50,017)	(58,250)	(92,543)	(200,810)	(71,833)
Cash paid for interfund services used	(6,277)	(8,230)	(9,929)	(24,436)	-
Other cash paid for operations	-	-	-	-	(521)
Net cash provided by operating activities	<u>83,678</u>	<u>31,026</u>	<u>114,349</u>	<u>229,053</u>	<u>(1,479)</u>
Noncapital Financing Activities					
Payment-in-lieu of taxes	(2,794)	-	(3,607)	(6,401)	-
Payments received on loan to General Fund	(1,479)	-	-	(1,479)	-
Refunded unused tax proceeds to MDFB	-	(1,492)	-	(1,492)	-
Proceeds from operating grants	-	245	-	245	-
Net cash provided by noncapital financing activities	<u>(4,273)</u>	<u>(1,247)</u>	<u>(3,607)</u>	<u>(9,127)</u>	<u>-</u>
Capital and Related Financing Activities					
Acquisition and construction of capital assets	(61,469)	(80,455)	(96,567)	(238,491)	-
Proceeds from issuance of revenue bonds and notes, net of premium and discount	-	-	47,261	47,261	-
Proceeds from capital contributions	-	15,315	-	15,315	-
Principal paid on revenue bond maturities, notes and equipment contracts	(19,625)	(36,635)	(22,891)	(79,151)	-
Interest and fiscal agent fees paid on revenue bonds, notes and equipment contracts	(16,653)	(7,365)	(21,521)	(45,539)	-
Refunding of bond principal	-	-	(54,460)	(54,460)	-
Proceeds from sale of capital assets	390	30	19	439	-
Debt issuance costs	-	-	(313)	(313)	-
Bond proceeds	-	110,970	-	110,970	-
Proceeds from repayment of notes receivable	526	-	-	526	-
Community improvement district collections	-	1,074	-	1,074	-
Passenger facility charges	-	22,697	-	22,697	-
Customer facility charges	-	7,069	-	7,069	-
Net cash provided by (used in) capital and related financing activities	<u>(96,831)</u>	<u>32,700</u>	<u>(148,472)</u>	<u>(212,603)</u>	<u>-</u>
Investing Activities					
Purchase of investments	(109,876)	(200,421)	(179,813)	(490,110)	-
Proceeds from sales and maturities of investments	111,856	199,501	214,467	525,824	-
Interest and dividends on investments	4,908	6,887	8,548	20,343	95
Net cash provided by (used in) investing activities	<u>6,888</u>	<u>5,967</u>	<u>43,202</u>	<u>56,057</u>	<u>95</u>
Net increase (decrease) in cash and cash equivalents	(10,538)	68,446	5,472	63,380	(1,384)
Cash and Cash Equivalents, Beginning of Year	18,504	6,821	17,397	42,722	5,762
Cash and Cash Equivalents, End of Year	<u>\$ 7,966</u>	<u>\$ 75,267</u>	<u>\$ 22,869</u>	<u>\$ 106,102</u>	<u>\$ 4,378</u>
Components of Cash and Cash Equivalents, End of Fiscal Year					
Unrestricted	\$ 5,995	\$ 3,992	\$ 9,849	\$ 19,836	\$ 4,378
Restricted	1,971	71,275	13,020	86,266	-
	<u>\$ 7,966</u>	<u>\$ 75,267</u>	<u>\$ 22,869</u>	<u>\$ 106,102</u>	<u>\$ 4,378</u>

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI
Proprietary Funds Statement of Cash Flows
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Business-type Activities-Enterprise Funds</u>				Governmental Activities Internal Service Fund KCMO Healthcare
	<u>Water</u>	<u>Kansas City Airports</u>	<u>Sewer</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by operating activities					
Operating income (loss)	\$ 59,830	\$ (8,662)	\$ 97,379	\$ 148,547	\$ (935)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation and amortization	22,565	49,970	37,714	110,249	-
Changes in assets and liabilities					
Decrease (increase) in accounts receivables	3,842	897	(595)	4,144	(458)
Decrease (increase) in inventories	349	(6)	161	504	-
Decrease (increase) in prepaid items	-	54	-	54	-
Decrease (increase) in due to and from other funds, net	(476)	-	90	(386)	-
Increase (decrease) in current liabilities, excluding debt obligations	(6,170)	(13,324)	(25,833)	(45,327)	(86)
Increase (decrease) deferred inflow/outflow of resources-pensions	5,917	4,173	5,134	15,224	-
Increase (decrease) deferred inflow/outflow of resources-OPEB	(489)	(440)	(437)	(1,366)	-
Increase (decrease) in prepaid lease revenue	-	(449)	-	(449)	-
Increase (decrease) in other post employment obligation	289	259	258	806	-
Increase (decrease) in pension liability	(2,142)	(1,925)	(1,910)	(5,977)	-
Increase (decrease) in claims liability	163	271	2,388	2,822	-
Increase (decrease) in other accrued expenses	-	208	-	208	-
Total adjustments	<u>23,848</u>	<u>39,688</u>	<u>16,970</u>	<u>80,506</u>	<u>(544)</u>
Net cash provided by operating activities	<u>\$ 83,678</u>	<u>\$ 31,026</u>	<u>\$ 114,349</u>	<u>\$ 229,053</u>	<u>\$ (1,479)</u>
Noncash activities					
Contributions of capital assets	\$ 4,306	\$ 12,011	\$ 7,593	\$ 23,910	\$ -
Change in fair value of investments	3,106	3,120	5,233	11,459	-
Accounts payable incurred for the purchase of capital assets	6,017	12,243	10,179	28,439	-

The accompanying notes are an integral part of these financial statements.

CITY OF KANSAS CITY, MISSOURI
Fiduciary Funds Statement of Net Position
April 30, 2019
(In thousands of dollars)

	Pension Trusts	Private Purpose Trusts	Agency Funds
Assets			
Cash and cash equivalents	\$ 377	\$ 886	\$ 5,362
Investments			
U.S. treasuries	14,645	-	-
U.S. government securities	87,287	-	-
Municipal bonds	2,972	-	-
Corporate bonds and notes	107,579	-	-
Corporate bonds-domestic	36,251	-	-
Corporate bonds-foreign	28,336	-	-
Common and preferred stock	89,352	-	-
Domestic common equities	250,444	-	-
Domestic preferred equities	1,233	-	-
All country world index fund	149,072	-	-
Equity funds	68,897	-	-
U.S. government-backed mortgages	59,552	-	-
Asset-backed securities	8,051	-	-
Partnerships	57,494	-	-
Partnerships-equity	14,289	-	-
Partnerships-fixed income	141,412	-	-
Real estate funds	143,997	-	-
Short-term investment funds	49,878	-	-
Foreign equities	65,112	-	-
Foreign debt obligations	2,610	-	-
Emerging market equities	31,451	-	-
Collective trusts-equities	587,851	-	-
Collective trusts-fixed income	400,085	-	-
Collective trusts-hedge funds	52,599	-	-
Collective trust-real estate	169,198	-	-
International small cap equity funds	9,733	-	-
Hedge fund of funds	128,751	-	-
Receivables			
Interest and dividends	3,962	3	-
Accounts receivable	-	-	1,920
Other	4,287	-	33
Due from other funds	3,335	-	25,176
Securities lending collateral	162,576	-	-
Other assets	7	-	-
Total assets	<u>2,932,675</u>	<u>889</u>	<u>32,491</u>
Liabilities			
Accounts payable	7,544	-	26,523
Due to other funds	-	-	1,880
Securities lending collateral	162,576	-	-
Deposits	-	-	4,088
Total liabilities	<u>170,120</u>	<u>-</u>	<u>32,491</u>
Net Position			
Net position restricted for pensions and other purposes	<u>\$ 2,762,555</u>	<u>\$ 889</u>	<u>\$ -</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Fiduciary Funds Statement of Changes in Net Position
Year Ended April 30, 2019
(In thousands of dollars)

	Pension Trusts	Private Purpose Trusts
Additions		
City contributions	\$ 86,046	\$ -
Employee contributions	29,128	-
Total contributions	115,174	-
Investment income (expense)		
Investment income	50,329	17
Net depreciation in fair value of investments	86,204	-
Investment expense	(12,523)	-
Securities lending income	3,968	-
Securities lending expense	(3,500)	-
Net investment income	124,478	17
Total additions	239,652	17
Deductions		
Pension benefits	186,926	-
Employee refunds	6,050	-
Administrative expense	1,940	-
Nondepartmental	-	-
Total deductions	194,916	-
Net decrease	44,736	17
Net Position, Restricted for Pensions and Other Purposes		
Beginning of Year	2,717,819	872
Net Position, Restricted for Pensions and Other Purposes		
End of Year	\$ 2,762,555	\$ 889

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Discretely Presented Component Units Combining
Statement of Net Position
April 30, 2019
(In thousands of dollars)

	Economic Development Corporation	Tax Increment Financing Commission	Land Clearance for Redevelopment Authority	Port Authority of Kansas City, Missouri	Police Department	Other	Total
Assets							
Cash and short-term investments	\$ 3,061	\$ 105	\$ 233	\$ 2,292	\$ 5,441	\$ 3,475	\$ 14,607
Receivables							
Accounts	11	-	41	605	449	-	1,106
Notes	409	-	1,400	-	-	-	1,809
Interest	2	562	-	-	13	5	582
Other	-	-	-	-	4	509	513
Due from other governments	129	-	-	-	3,671	-	3,800
Due from primary government	-	-	-	-	2,951	-	2,951
Inventories	-	-	-	-	1,819	33	1,852
Restricted assets							
Cash and short-term investments	-	87,727	34,874	2,394	1,652	713	127,360
Due from primary government	-	25,176	-	-	-	-	25,176
Receivables	-	16,944	-	-	-	-	16,944
Capital assets, nondepreciable	-	740	1,900	16,928	-	-	19,568
Capital assets, depreciable, net	264	-	1,747	13,488	24,340	-	39,839
Assets held for redevelopment	-	-	229	-	-	17,864	18,093
Other assets	130	-	4	107	-	83	324
Total assets	<u>4,006</u>	<u>131,254</u>	<u>40,428</u>	<u>35,814</u>	<u>40,340</u>	<u>22,682</u>	<u>274,524</u>
Deferred Outflows of Resources							
OPEB related amounts	-	-	-	-	1,033	-	1,033
Deferred charge on refunding of bonds	-	326	-	-	-	-	326
Total deferred outflow of resources	-	326	-	-	1,033	-	1,359
Liabilities							
Accounts payable	79	1,635	55	599	573	227	3,168
Interest payable	-	2,615	779	-	-	-	3,394
Compensated absences—current	-	-	-	-	8,938	-	8,938
Claims payable—current	-	-	-	-	6,007	-	6,007
Current maturities of debt	-	81,562	-	-	-	-	81,562
Other accrued expense	1,137	-	95	-	4,194	372	5,798
Due to taxing districts	-	-	-	-	67	-	67
Due to primary government	-	-	1,471	-	1,897	-	3,368
Compensated absences—noncurrent	-	-	-	-	33,019	-	33,019
Unearned revenue	124	-	6	239	90	2	461
Long-term debt	-	756,886	63,014	2,000	-	-	821,900
Net OPEB obligation	-	-	-	-	48,959	-	48,959
Claims payable	-	-	-	-	14,186	-	14,186
Other liabilities	-	925	-	905	-	-	1,830
Total liabilities	<u>1,340</u>	<u>843,623</u>	<u>65,420</u>	<u>3,743</u>	<u>117,930</u>	<u>601</u>	<u>1,032,657</u>
Net Position (Deficit)							
Net investment in capital assets	-	740	3,647	28,416	24,340	-	57,143
Restricted - expendable for:							
Debt service	-	125,250	-	-	-	-	125,250
Special programs	-	-	34,323	1,806	3,729	803	40,661
Unrestricted (deficit)	<u>2,666</u>	<u>(838,033)</u>	<u>(62,962)</u>	<u>1,849</u>	<u>(104,626)</u>	<u>21,278</u>	<u>(979,828)</u>
Total net position (deficit)	<u>\$ 2,666</u>	<u>\$ (712,043)</u>	<u>\$ (24,992)</u>	<u>\$ 32,071</u>	<u>\$ (76,557)</u>	<u>\$ 22,081</u>	<u>\$ (756,774)</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Discretely Presented Component Units Combining
Statement of Activities
Year Ended April 30, 2019
(In thousands of dollars)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Economic Development Corporation	\$ 5,259	\$ 778	\$ 4,198	\$ -
Tax Increment Financing Commission	220,789	794	3,700	-
Land Clearance for Redevelopment Authority	19,351	332	2	110
Port Authority of Kansas City, Missouri	4,701	3,962	25	254
Police Department	254,615	2,916	244,295	124
Other	15,551	1,877	2,869	-
Total	<u>\$ 520,266</u>	<u>\$ 10,659</u>	<u>\$ 255,089</u>	<u>\$ 488</u>
General revenues				
Sales and use taxes				
Investment earnings				
Other				
Tax increment financing revenues				
Total general revenues				
Change in net position				
Net position (deficit)-Beginning of Year, as Previously Report				
Restatements				
Net position (deficit)-Beginning of Year, as Restated				
Net position (deficit)-End of Year				

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI
Discretely Presented Component Units Combining
Statement of Activities
Year Ended April 30, 2019
(In thousands of dollars)

Net (Expenses) Revenues and Changes in Net Position						
Economic Development Corporation	Tax Increment Financing Commission	Land Clearance for Redevelopment Authority	Port Authority of Kansas City, Missouri	Police Department	Other	Total
\$ (283)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (283)
-	(216,295)	-	-	-	-	(216,295)
-	-	(18,907)	-	-	-	(18,907)
-	-	-	(460)	-	-	(460)
-	-	-	-	(7,280)	-	(7,280)
-	-	-	-	-	(10,805)	(10,805)
<u>(283)</u>	<u>(216,295)</u>	<u>(18,907)</u>	<u>(460)</u>	<u>(7,280)</u>	<u>(10,805)</u>	<u>(254,030)</u>
-	-	-	-	-	1,147	1,147
52	2,261	917	45	220	84	3,579
-	-	-	-	1,085	(212)	873
-	123,121	-	-	-	872	123,993
<u>52</u>	<u>125,382</u>	<u>917</u>	<u>45</u>	<u>1,305</u>	<u>1,891</u>	<u>129,592</u>
(231)	(90,913)	(17,990)	(415)	(5,975)	(8,914)	(124,438)
2,897	(621,130)	(7,002)	32,486	(62,214)	30,995	(623,968)
-	-	-	-	(8,368)	-	(8,368)
2,897	(621,130)	(7,002)	32,486	(70,582)	30,995	(632,336)
<u>\$ 2,666</u>	<u>\$ (712,043)</u>	<u>\$ (24,992)</u>	<u>\$ 32,071</u>	<u>\$ (76,557)</u>	<u>\$ 22,081</u>	<u>\$ (756,774)</u>

*The accompanying notes are an
integral part of these financial statements.*

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies

The City of Kansas City, Missouri (City) was incorporated in 1850 and covers an area of approximately 319 square miles in Jackson, Clay, Platte and Cass counties in Missouri. The City is a charter city and utilizes a council/manager form of government. The City provides services to its residents in many areas, including public safety, water and sewer services, community environment and development, recreation and various social services.

The accounting and reporting policies of the City conform to U.S. generally accepted accounting principles (GAAP) applicable to local governments. The following is a summary of the more significant accounting policies and practices of the City.

Financial Reporting Entity

The accompanying financial statements present the City's primary government and component units over which the City is financially accountable. Financial accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). Component units are reported in the City's financial statements as follows:

Blended Component Units

The following legally separate entities are component units that are, in substance, a part of the City's general operations.

Kansas City Municipal Assistance Corporation (KCMAC) is governed by a seven-member board appointed by the city manager. Although it is legally separate from the City, KCMAC is reported as if it were part of the primary government because its sole function is the financing of municipal projects for the City. The activities of KCMAC are included in the accompanying financial statements as part of the nonmajor governmental funds. KCMAC does not have separately issued financial statements.

The *Police Retirement System* and the *Civilian Employees' Retirement System* are governed by a single seven-member board, as defined by state statutes. The City is legally responsible to pay the pension contributions for the two police pension plans directly to the pension systems, creating a special funding situation. The funding requirement is separate and apart from the funding requirement of the Board of Police Commissioners. These retirement systems are reported as if they are a part of the City because their sole function is to administer police benefit programs the City is required to provide. The activities of the retirement systems are included in the accompanying financial statements as pension trust funds. See Note 11 for how stand-alone financial statements for those two pension plans can be found.

Discretely Presented Component Units

The component units' column in the financial statements includes the financial data of the City's other component units. They are reported in a separate column to emphasize they are legally separate from the City.

1. Economic Development Corporation (EDC) is a 501(c)(4) not for profit business development organization funded by both public and private sector monies. City officials constitute three of the nine members of the EDC board of directors. The Mayor appoints an additional five at large members. EDC provides a financial benefit to the City by performing

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

economic development services that retain and grow Kansas City, Missouri businesses. The complete financial statements may be obtained by writing to the EDC at 300 Wyandotte, Suite 400, Kansas City, Missouri 64105 or by calling 816.221.0636.

2. Tax Increment Financing Commission (TIFC) uses tax increment financing as a method to finance redevelopment project expenses through payments in lieu of taxes and economic activity taxes. The mayor appoints a voting majority of the Board of Commissioners. The TIFC provides a financial benefit to the City by developing blighted, substandard and economically underutilized areas within the City. The complete financial statements may be obtained by writing to the TIFC at 300 Wyandotte, Suite 400, Kansas City, Missouri 64105 or by calling 816.221.0636.
3. Land Clearance for Redevelopment Authority (LCRA) eliminates blight within the City limits by acquiring and preparing land for redevelopment. The mayor appoints all five members of the board of commissioners. The City approves certain project budgets of the LCRA and provides a significant amount of revenue. The complete financial statements may be obtained by writing to the LCRA at 300 Wyandotte, Suite 400, Kansas City, Missouri 64105 or by calling 816.221.0636.
4. Port Authority of Kansas City, Missouri is responsible for the planning and development of the Missouri River and other development areas in the Kansas City Missouri corporate limits. The mayor appoints all nine members of the board of commissioners. The Port Authority provides a financial benefit to the City by promoting economic development and job creation within the City. The complete financial statements may be obtained by writing to Port KC at 110 Berkley Plaza, Kansas City, Missouri 64120 or by calling (816) 559-3750.
5. The Kansas City Board of Police Commissioners (Police Department) provides police services for the City and is governed by a five-member board. The mayor is a member, with the four remaining members appointed by the governor of Missouri. Under state statutes, the City must provide funding to the board amounting to at least 20% of the City's general revenues. Further, the board cannot levy taxes or issue bonded debt, powers that are held by the City, to the benefit of the board. As a result of the board's fiscal dependency upon the City, the City is financially accountable for the board. The complete financial statements may be obtained by writing to the Kansas City Board of Police Commissioners at 1125 Locust, Kansas City, Missouri 64106 or by calling 816.234.5055.
6. EDC-Strategic Initiatives Fund (EDC SIF) merges public and private funds and development incentives to acquire, construct, maintain and operate redevelopment projects. The EDC SIF has a five-member board of directors consisting of four Economic Development Corporation (EDC) board members, including a city council member and the president of EDC. The City has provided significant funding, by use of federal grants, to the EDC SIF, which reflects the EDC SIF's dependence on the City. The complete financial statements may be obtained by writing to the EDC SIF at 300 Wyandotte, Suite 400, Kansas City, Missouri 64105 or by calling 816.221.0636.
7. Maintenance Reserve Corporation (MRC) administers a home maintenance program provided to certain homeowners participating in loan programs formerly administered for the City by the Housing and Economic Development Financial Corporation. MRC is governed by a four-member board of directors appointed by the city manager. Funding of MRC's

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activities is provided primarily by federal grants obtained by the City. The complete financial statements may be obtained by writing to the City of Kansas City, Missouri, Finance Department at 414 E. 12th Street, Suite 302, Kansas City, Missouri 64106 or by calling 816.513.1173.

8. Downtown Economic Stimulus Authority of Kansas City, Missouri (DESA) reviews development projects vying to use the state revenues authorized by the Missouri DESA and makes formal recommendations to the City Council and the Missouri Development Finance Board. The mayor appoints 12 of the 13 members of the board of commissioners. The City is able to impose its will on the DESA. The complete financial statements may be obtained by writing to the DESA at 300 Wyandotte, Suite 400, Kansas City, Missouri 64105 or by calling 816.221.0636.
9. Kansas City International Airport-Community Improvement District (KCICID) provides a financial benefit to the City by collecting sales and use taxes to address economic, social and infrastructure needs within the district as well as providing management, operational and ownership duties for all real and personal property either owned, leased to, or from the KCICID. The mayor appoints all five members of the KCICID board of directors. The complete financial statements may be obtained by writing to the Kansas City, Missouri International Airport at 601 Brasilia Ave., Kansas City, Missouri 64153 or by calling 816.243.3000.
10. Performing Arts Community Improvement District (PACID) provides a financial benefit to the City by collecting sales taxes and fees, rents and other charges within the district for the purpose of funding the expansion and improvements of the downtown Kansas City, Missouri area surrounding Bartle Hall and the Performing Arts Center. The mayor appoints all eight members of the PACID board of directors. The complete financial statements may be obtained by writing to the City of Kansas City, Missouri, Finance Department at 414 E. 12th St., Suite 302, Kansas City, Missouri 64106 or by calling 816.513.1173.
11. The American Jazz Museum (AJM) is responsible for overseeing operation of the American Jazz Museum, the Gem Theater, the Blue Room, the Horace Peterson III Visitors Center and the common areas of the Museum at 18th and Vine. The City has determined to include the AJM as a component unit in order to prevent its financial statements from being misleading. The complete financial statements may be obtained by writing the AJM at 1616 East 18th Street, Kansas City, Missouri 64108 or by calling 816.474.8463.
12. Land Bank of Kansas City, Missouri (Land Bank) provides a financial benefit to the City by managing, selling, transferring and disposing of interest in real estate in accordance with Chapter 74, Code of Ordinances of Kansas City, Missouri. The mayor appoints three members of the five-member board of commissioners. The complete financial statements may be obtained by writing to the Land Bank of Kansas City, Missouri at 4400 Blue Parkway, Kansas City, Missouri 64130 or by calling 816.513.9020.
13. Kansas City, Missouri Homesteading Authority (Homesteading Authority) provides a financial benefit to the City by acting as a recipient of federal, state, local or private funds and real estate to be used for housing, community development, economic activities and other related activities within Kansas City Missouri. The board of directors shall consist of seven members. Five of the members shall be appointed by the city manager and two shall

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be appointed by the mayor. The complete financial statements may be obtained by writing to the Kansas City, Missouri Homesteading Authority at 4400 Blue Parkway, Missouri 64130 or by calling 816.513.9020.

Basis of Presentation

Government-wide Financial Statements

The government-wide statement of net position and statement of activities report the overall financial activity of the City and its component units, except for fiduciary activities. Eliminations on internal activities have taken place in the process of incorporating fund data into the government-wide financial statements. Exceptions to this practice include payments and other charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions affected.

These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the government-wide and business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary and fiduciary-are presented. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund

The general fund is the main operating fund of the City and accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are financed through revenues received by the general fund.

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Capital Improvements Fund

The capital improvements fund is used to account for the financing of capital improvement projects not financed by other funds or by long-term debt. Revenues received by this fund come primarily from a sales tax allocation for capital improvements and from federal and state grants and other contributions.

The City reports the following major enterprise funds:

Water Fund

The water fund accounts for activities of the City's water distribution system. Revenues are derived mainly from water service and installation charges.

Kansas City Airports Fund

The Kansas City airports fund accounts for the operations of the City's two airports: Kansas City International Airport (KCI) and the Charles B. Wheeler Downtown Airport. Revenues are derived principally from hangar and terminal building rental, landing fees and parking.

Sewer Fund

The sewer fund accounts for the activities of the wastewater collection and treatment system. Revenues are derived primarily from sewer users' service charges and fees.

The City reports the following additional fund types:

Internal Service Fund

This fund accounts for a self-funded healthcare plan for City employees and retirees.

Pension Trust Funds

These funds account for monies held in trust by the City for pension benefits. The City uses pension trust funds to account for the retirement plans for regular employees, firefighters, police officers and civilian employees of the Police Department.

Private Purpose Trust Funds

These funds account for monies held in trust by the City, other than those reported in pension trust funds, under which principal and income benefits individuals, private organizations, or other governments. The City uses private purpose trusts to account for funds held for employee memorials, municipal correctional facility inmate canteen operations and various donations provided to the City by citizens and other parties.

Agency Funds

These funds account for monies held on behalf of others as their agent. The City uses agency funds to account for various special deposits, municipal court appearance bonds, Police Department grants, payroll and insurance benefits, Tax Increment Financing district receipts and other various deposits.

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Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, income taxes, sales taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance. For example, the calendar 2018 levy is recognized as revenue for the year ended April 30, 2019. Revenues from assessed taxes, principally income, sales and utility franchise taxes, are recognized in the fiscal year in which the underlying exchange transaction occurs. Revenue from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental funds 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 the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments and compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Significant revenue sources that are susceptible to accrual include property taxes, sales taxes, utility franchise taxes, earnings taxes, interest and certain state and federal grants and entitlements. All other revenue sources, including licenses and permits, fines and forfeitures and miscellaneous revenues, are considered to be measurable and available only when cash is received.

Enterprise fund revenues and expenses are classified as either operating or nonoperating. Operating revenues and expenses generally result from providing services in connection with ongoing operations. Operating revenue includes activities that have characteristics of exchange transactions, including charges for services. Nonoperating revenue includes activities that have the characteristics of nonexchange transactions, such as grants, subsidies and investment income. Operating expenses include the cost of service, payroll, administrative expenses, contractual services and depreciation. All expenses not meeting the above criteria are classified as nonoperating.

The agency funds are custodial in nature and do not involve measurement of results of operations.

Adoption of New Accounting Pronouncements

Effective May 1, 2018, the City implemented the Governmental Accounting Standards Board Statement No.75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. The primary objective is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about

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financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. See note 12 and 18 for more information.

Effective May 1, 2018, the City implemented Governmental Accounting Standards Board (GASB) issued GASB Statement No.85, *Omnibus 2017*. The objective of this statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this statement addresses the following topics: (1) Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation, (2) Reporting amounts previously reported as goodwill and “negative” goodwill, (3) Classifying real estate held by insurance entities, (4) Measuring certain money market investments and participating interest-earning investment contracts at amortized cost, (5) Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus, (6) Recognizing on-behalf payments for pensions or OPEB in employer financial statements, (7) Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB, (8) Classifying employer-paid member contributions for OPEB, (9) Simplifying certain aspects of the alternative measurement method for OPEB, and (10) Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

Effective May 1, 2018, the City implemented the Governmental Accounting Standards Board (GASB) issued GASB Statement No.86, *Certain Debt Extinguishment Issues*. The primary objective of this statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Effective May 1, 2018, the City implemented the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

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Effective May 1, 2018, the Governmental Accounting Standards Board (GASB) issued GASB Statement No.89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this statement. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with maturities of three months or less from date of acquisition.

Investments

All investments are reported at fair value. The fair value of marketable securities is based on quotations that are generally obtained from national securities exchanges. Where marketable securities are not listed on an exchange, quotations are obtained from brokerage firms or national pricing services.

Inventories

Inventories are stated at cost (average or first-in, first-out), which is not in excess of market. Inventories consist primarily of materials and supplies held for consumption. The cost is recorded as an expense at the time individual inventory items are used in the proprietary funds. Governmental funds record an expenditure at the time of the purchase of the inventory item. The balance of inventory items in the governmental funds is not considered significant.

Capital Assets

Capital assets include land, buildings, improvements, equipment and infrastructure assets (roads, bridges, storm sewers and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the City as assets with a cost greater than a certain minimum capitalization threshold and an estimated useful life of more than one year. The minimum capitalization thresholds are \$0 for land, \$5,000 for equipment, vehicles, buildings, infrastructure and monuments, \$25,000 for land improvements and building improvements. All purchased capital assets are valued at

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cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. 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.

The City elected the modified approach for certain infrastructure assets (bridges and street lighting) while the remaining infrastructure assets are depreciated.

The City elected the straight-line approach for depreciation to begin on roads this year. During 2016, engineer's laser scanned all pavement and remaining useful life was determined by the conditional rating (ranging from failed to good). To adequately record these updates, roads were all reclassified from the modified basis of reporting to depreciable assets. Roads in the amount of \$1.733 billion were reclassified as a result of this change.

The modified approach for reporting infrastructure assets takes into consideration the fact that many infrastructure assets may reasonably be expected to continue to function indefinitely if they are adequately preserved and maintained. Therefore, these particular assets would not be depreciated over a useful life. The City has established an asset management system and has committed to maintain the following networks of infrastructure assets at an established condition level as determined by the City's Public Works Department (1) bridges and (2) street lighting. The Required Supplementary Information section of this report provides additional information regarding the condition assessments and the estimated and actual costs to maintain these assets.

Major outlays for capital improvements are capitalized as projects are constructed. Historically, interest incurred during the construction phase of capital assets of the business-type activities and proprietary funds was included as part of the capitalized value of the assets constructed. Interest capitalized was computed by applying the effective interest rate on the borrowing each year to the average balance of the applicable costs incurred, net of investment income. During the fiscal year ended April 30, 2019, the City earlier implemented GASB No. 89.

Property, buildings, equipment and infrastructure are depreciated using the straight-line method over the following estimated lives:

Type of Asset	Years
Buildings and improvements	10 to 100
Improvements other than buildings	10 to 100
Airport runways, aprons and roads	15
Utility lines and improvements	15 to 100
Machinery and equipment	2 to 40
Infrastructure (other than bridges and street lights)	10 to 50
Temporary right of way	Life of agreement
Fountains, outdoor sculptures and monuments	40

For retirements of assets using the above unit basis depreciation, the asset cost and related depreciation are removed from the asset and accumulated depreciation accounts. When assets are sold, the difference between the net carrying value and any proceeds is recorded as income or loss.

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Water, Sewer and Storm utility plants and utility lines and improvements are depreciated on a composite basis over 15 to 100 years. At the time of retirement, or other disposition of assets for which depreciation is computed on the composite method, the original cost of the asset is removed from the asset and accumulated depreciation accounts and no retirement gain or loss is recorded.

Compensated Absences

City employees are granted vacation and sick leave in varying amounts. Vacation is accumulated at an annual rate of 10 to 23 days, depending on the employee's length of service. Sick leave is accumulated at the rate of 4.4 hours per two-week pay period, with the exception of firefighters, and emergency medical services personnel assigned a 24-hour shift who accumulate 6.0 hours. The maximum amount of vacation that may be carried forward is 2.5 times the amount earned in a year. Sick leave with pay may be accumulated up to a limit of 4,000 hours. Upon separation from service, employees may convert accrued sick leave at the ratio of four hours of sick leave to one hour of vacation leave credit. Retiring employees 55 years or older with at least 25 years of creditable service; employees who are to receive a line-of-duty disability pension; and employees who qualify for a City pension and retire with a normal retirement, take early retirement at age 60 or thereafter, or die are entitled to sick leave credit at the rate of two hours of sick leave to one hour of vacation leave credit.

The liability for compensated absences reported in the government-wide and proprietary fund has been calculated using the vesting method in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and obligations are reported in the statements of net position as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains/losses on refunding bonds are deferred and amortized over the shorter of the new bond's life or the remaining life of the refunded bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Gains/losses on refunding bonds are not broken out separately within the other financing sources/uses section.

Deferred Outflows of Resources & Deferred Inflows of Resources

A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

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Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. In addition, property tax receivables are reported as a deferred inflow of resources when levied in the fund statements.

Deferred outflows of resources of the City consist of the accumulated decrease in fair value of hedging derivatives, items related to the pensions and a deferred charge on refunding of bonds. Deferred inflows of resources are comprised of deferred gain on refunding of bonds, items related to the pension items and deferred revenue from licenses, permits and franchises where the time period when use is first permitted for revenue recognition has not been met. The deferred inflow from licenses, permits and franchises is due to quarterly business licenses paid in advance by certain utility companies, where the license to operate is issued for a future financial reporting period.

Pension Plans

For the purpose of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the plans and additions/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employer contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See *Note 11* for the retirement plan description.

Fund Balance - Governmental Funds

The fund balances for the City's governmental funds are displayed in five classifications:

Nonspendable - Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted - Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed - Committed fund balances may be used only for the specific purposes as determined by the City Council of Kansas City, Missouri. The City Council must adopt an ordinance in order to commit a portion of fund balance. Commitments may be changed or removed only by similar action by the City Council.

Assigned - Assigned fund balances are intended to be used by the City for specific purposes as determined by the Manager of Procurement Services, the City Manager and Department Directors, the Board of Parks and Recreation Commissioners and the Director of Finance. The Manager of Procurement Services, the City Manager and Department Directors and the Board of Parks and Recreation Commissioners may establish an assigned fund balance per Section 1008 of the City's Code of Ordinances by entering into a contract with an outside entity and encumbering the funds needed to fulfill the contract. The Director of the Finance Department may establish an assigned fund balance per Section 2-1954 (f) (1) (b) of the Code of Ordinances by establishing a countercyclical reserve. The countercyclical reserve, when combined with the emergency reserve, shall not be greater than two months of general fund operating expenditures.

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In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned - Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City applies committed amounts first, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The following table lists the amount of each of the fund balance classifications by expenditure function within each fund type (*in thousands*). A narrative description of the specific purposes for each of the fund balance classifications follows the table.

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	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted				
Workers compensation self-insurance	800	-	-	800
Principal and interest	-	-	52,616	52,616
General government	-	-	11,125	11,125
Fire	-	-	8,923	8,923
Public works	-	-	59,641	59,641
Neighborhood development	-	-	30,985	30,985
Culture and recreation	-	-	44,403	44,403
Convention and entertainment	-	-	114	114
Police	-	-	1,029	1,029
Total restricted	<u>800</u>	<u>-</u>	<u>208,836</u>	<u>209,636</u>
Committed				
Stabilization arrangement	45,889	-	-	45,889
General government	7,898	-	436	8,334
Public works	-	17,796	90	17,886
Neighborhood development	583	762	187	1,532
Health	-	-	45	45
Culture and recreation	-	1,679	38	1,717
Convention and entertainment	-	-	245	245
Re-appropriations	2,442	18,950	-	21,392
Total committed	<u>56,812</u>	<u>39,187</u>	<u>1,041</u>	<u>97,040</u>
Assigned				
Countercyclical reserve	45,889	-	-	45,889
General government	3,266	1,906	586	5,758
Fire	168	-	-	168
Public works	265	9,412	462	10,139
Neighborhood development	301	597	101	999
Health	-	-	467	467
Culture and recreation	6	5,090	3,251	8,347
Convention and entertainment	-	-	64	64
Residual fund balance	-	22,484	40,369	62,853
Total assigned	<u>49,895</u>	<u>39,489</u>	<u>45,300</u>	<u>134,684</u>
Unassigned	<u>7,359</u>	<u>-</u>	<u>(28,327)</u>	<u>(20,968)</u>
Total fund balances	<u>\$ 114,866</u>	<u>\$ 78,676</u>	<u>\$ 226,850</u>	<u>\$ 420,392</u>

Below is a description of the specific purposes for each of the fund balance components.

Restricted

Workers compensation self-insurance - An escrow required by the State of Missouri for local governments who choose to self-insure against worker's compensation claims.

Principal and interest - Amounts held for the payment of principal and interest on outstanding bonds.

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General government - Amounts restricted for various purposes including \$5.8 million for police station improvements, \$3.2 million to promote cultural and social activity at the neighborhood level, and \$2.0 million for fire station improvements. All restrictions are due to external grants and/or bond documents.

Fire - Amounts used for constructing new or improved facilities and to operate the fire stations including staffing. All restrictions are external due to a voter approved fire and public safety sales tax.

Public works - Amounts restricted for a variety of reasons. The largest projects include: \$21.3 million for a south extension of the streetcar and operation of the streetcar system, \$4.2 million for street improvements at 75th and Wornall Road, \$4.1 million for curbs and sidewalks city wide, \$3.8 million for Front Street road improvements, \$2.9 million for a bridge to the Swope Park Industrial Area, \$2.7 million to street corners accessible to persons with disabilities, \$2.6 million Red Bridge Road improvements, \$2.3 million for improvements to NW Prairie View Road, \$1.0 million each for repairs to the Gregory Boulevard Bridge, and the Chouteau Parkway improvements, as well as numerous projects below \$1 million. All restrictions are due to bond documents except the streetcar restriction, which is due to voter approval.

Neighborhood development - Amounts restricted for various purposes, including: \$21.5 million for development of the Two Light residential tower, \$1.8 million of federal grants awarded to the City to help prevent homelessness and/or provide housing solutions, \$1.4 million for neighborhood initiatives and preservation, \$0.9 million to spark redevelopment along the Prospect Avenue Corridor, and \$0.9 million for redevelopment of the 63rd and Prospect area. All restrictions are due to external grants and/or bond documents.

Culture and recreation - Amounts restricted for various projects, including: \$17.0 million of public donations and gifts to fund projects approved by the Board of Parks and Recreation Commissioners, \$9.35 million for the maintenance and upkeep of the Liberty Memorial Monument and Museum, \$8.9 million for construction of a new animal shelter, and \$6.9 million for the Paseo Gateway construction. Restrictions are due to public donations, voter approval and bond documents.

Convention and entertainment - Amounts restricted for improvements and upkeep to the Sprint Center and Municipal Auditorium. This restriction is due to bond documents.

Police - Amounts utilized for new construction and improvements to existing police stations and facilities. All restrictions are due to bond documents.

Committed

Stabilization arrangement - Established by the City Council as an emergency reserve that is equal to one month of general fund operating expenditures. This emergency reserve is available to address one-time operational emergencies, unexpected revenue reductions and/or unanticipated expenditure requirements occurring within a fiscal year. Funds may be withdrawn from this emergency reserve when an emergency has been recognized by ordinance prior to fiscal year end, the fund's budgeted contingency is exhausted, the countercyclical reserve has been exhausted, and the withdrawal is needed to prevent the fund from ending the fiscal year with a negative unassigned fund balance.

General government - Amounts committed for various items including: \$4.2 million for ADA compliance, \$1.7 million for Federal Communication Commission rebanding, and \$1.6 million for fire station construction.

CITY OF KANSAS CITY, MISSOURI

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Public works - Amounts committed for various projects including: \$7.2 million for upgrades to Englewood Road, \$4.9 million for Tiffany Springs Road construction, and \$3.4 million for 155th Street improvements.

Neighborhood development - Amounts committed for various purposes including: \$0.7 million for leaf and brush drop off, \$0.3 million for the animal shelter construction, and \$0.2 million each for Brownfields remediation and land development inspections.

Health - Amounts committed for various Health Department purposes.

Culture and recreation - Amounts committed for various purposes including: \$1.4 million for the Maplewoods Parkway improvements, and \$0.2 million for museum operations.

Convention and entertainment - Amounts committed for maintenance of convention facilities.

Re-appropriations - Available fiscal year 2019 appropriations (net of uncollected revenue) authorized by City Council ordinance to be re-appropriated to fiscal year 2020. The primary purposes for these re-appropriations are the funding of capital improvement projects, which span more than one fiscal year and federal and state grants where the grant year is different from the City's fiscal year.

Assigned

Countercyclical reserve - Assigned by the Director of Finance in the maximum amount of one month of general fund operating expenditures for varying purposes including but not limited to: reserves for tax increment financing, debt service stabilization, interest rate risk, capital maintenance, swap termination payments, legal claims and disaster recovery.

General government - Amounts assigned for a large variety of purposes. The bulk of the amount is set aside to fund employee health insurance benefits.

Fire - Amounts used to operate the fire stations, including staffing.

Public works - Amounts assigned for various projects. A few of the larger amounts are: \$2.0 million for sidewalks and curbs citywide, \$1.0 million for Englewood Road upgrades, \$0.9 million for Marlborough Community infrastructure improvements, \$0.8 million for 74th Street and Palmer intersection, and numerous projects with less than \$0.6 million remaining for completion.

Neighborhood development - Amounts assigned for various purposes. The largest project is \$0.8 million for dangerous buildings demolition.

Health - Amounts assigned for various Health Department purposes such as lead hazard prevention, and the care and monitoring of contagious diseases.

Culture and recreation - Amounts assigned for various purposes. The largest projects are \$2.4 million for parks maintenance, \$0.9 million for boulevards and parkways maintenance, \$0.7 million for Hodge Park athletic fields, \$0.5 for the Paseo Gateway, \$0.4 million for park improvements, with the remaining for various park maintenance and repairs.

Convention and entertainment - Amounts committed for maintenance of convention facilities.

CITY OF KANSAS CITY, MISSOURI

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Residual fund balance - For funds other than the general fund, this amount represents any remaining positive fund balances that have not been restricted, committed or otherwise assigned. This indicates that the residual fund balance in governmental funds other than the general fund is, at a minimum, intended to be used for the purpose of that fund. The following table lists the funds with an assigned residual fund balance (in thousands).

	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds
Residual fund balance			
Major Governmental			
Capital Improvements	\$ -	\$ 22,484	\$ -
Nonmajor Special Revenue			
Park & Recreation	-	-	11,719
Golf Operations	-	-	-
Development Services	-	-	5,680
Health	-	-	4,490
Convention and Tourism	-	-	6,101
Arterial Street Impact Fee	-	-	5,471
Inmate Security	-	-	348
Other Special Revenue	-	-	418
Nonmajor Debt Services			
Special Assessment Sewer	-	-	-
Nonmajor Capital Project			
Equipment Lease	-	-	4,621
Health Department Building	-	-	1,019
Series 1991 Sewer Special Assessment	-	-	6
Series 1996 Sewer Special Assessment	-	-	451
General Improvements	-	-	19
KCMAC AC 04B Bartle Hall Expansion	-	-	26
	<u>\$ -</u>	<u>\$ 22,484</u>	<u>\$ 40,369</u>
Total residual fund balance	<u>\$ -</u>	<u>\$ 22,484</u>	<u>\$ 40,369</u>

Stabilization Arrangement

The City Council per Section 2-1954 (f) (1) (a) of the Code of Ordinances has established a stabilization arrangement (emergency reserve). The emergency reserve portion of committed fund balance shall not be less than one month of general fund operating expenditures. The emergency reserve is available to address one-time operational emergencies, unexpected revenue reductions and/or unanticipated expenditure requirements occurring within a fiscal year. Funds may be withdrawn from this emergency reserve when an emergency has been recognized by ordinance prior to fiscal year end, the fund's budgeted contingency is exhausted, the countercyclical reserve has been exhausted, and the withdrawal is needed to prevent the fund from ending the fiscal year with a negative unassigned fund balance. An ordinance appropriating funds from the emergency reserve shall include language stating the City Council is waiving the fund balance and reserve policy for a use of the emergency reserve.

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Once the stabilization amount has been fully funded, if it should fall below its floor, the Director of Finance or Budget Officer will prepare and present to the City Council a plan to replenish the stabilization amount. The City Council must approve and adopt a plan within 12 months after the stabilization amount first falls below its floor, which establishes a time frame to restore the reserve to, at minimum, its floor level.

Net Position

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

- *Net Investment in Capital Assets* - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- *Restricted-Expendable* - This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is generally the City's policy to use restricted resources first, then unrestricted resources as they are needed.
- *Unrestricted* - This consists of a net position that does not meet the definition of "restricted-expendable" or "net investment in capital assets."

Interfund Transactions

Transactions between City funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government.

Reimbursements for expenditures made on behalf of another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transfers of resources from a fund receiving revenues to a fund through which the revenues are to be expended are separately reported as a transfer in the respective funds' operating statements.

Special Assessments

The City acts as an agent on certain construction projects financed by third-party lenders and repaid by assessments to property owners benefited. The City reports these arrangements in the agency funds, special revenue funds and enterprise funds as special assessments receivable and deposits.

Contributions and Grants

Governmental-wide Financial Statements - Contributions and grants for both capital and operating purposes are broken out by function under program revenues.

Governmental Funds - Contributions and grants for both capital and operating purposes are included in revenues.

Proprietary Funds - Contributions of, or for, capital assets (including those received from other City funds), grants and assistance received from other governmental units for the acquisition of capital assets are reported in changes in net position.

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Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements Not Yet Effective

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. If applicable, the City will implement GASB Statement No. 83 beginning with the year ending April 30, 2020.

In January 2018, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 84, *Fiduciary Activities*. The new guidance addresses: (1) the categorization of fiduciary activities for financial reporting, (2) how fiduciary activities are to be reported, and (3) when liabilities to beneficiaries must be disclosed. Statement No. 84 provides conditions for governments to classify their fiduciary activities. The types of fiduciary funds that must be reported include: Pension (and other employee benefit) trust funds; Investment trust funds; Private-purpose trust funds; and Custodial funds. If applicable, the City will implement GASB Statement No. 84 beginning with the year ending April 30, 2020.

In June 2018, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were 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. If applicable, the City will implement this statement beginning with the period ending April 30, 2021.

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In August 2018, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. If applicable, the City will implement GASB Statement No. 90 beginning with the year ending April 30, 2020.

In May 2019, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. If applicable, the City will implement GASB Statement No. 91 beginning in the year ending April 30, 2022.

The City has not completed its assessment of the impact of the adoption of these statements.

Note 2: Deposits and Investments

Primary Government

Deposits

The City maintains a cash and investment pool that is available for use by all funds. The pool is comprised of demand and time deposits and other investments with maturities of less than five years. At April 30, 2019, the carrying amount (book value) of the City's deposits, including the collateralized money market account and three certificates of deposit, was approximately \$43,984,000, which was covered by federal depository insurance, Letters of Credit issued directly to the City and held in the City's vault in the Treasury Division, or by collateral held by the City's agents under joint custody agreements in accordance with the City's administrative code. A difference exists between bank and book balances of approximately \$2,166,000 due to deposits in transit, checks outstanding and other reconciling items.

Investments - Pooled and Non-Pooled

The City is empowered by City Charter to invest in the following types of securities:

1. U.S. Treasury Securities (Bills, Notes, Bonds, and Strips). The City may invest in obligations of the United States government for which the full faith and credit of the United States are pledged for the payment for the payment or principal and interest.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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2. U.S. Agency/GSE Securities. The City may invest in obligations issued or guaranteed by any agency of the U.S. Government and in obligations issued by any government sponsored enterprise (GSE) which have a liquid market and a readily determinable market value that are described as follows:
 - a. U.S. Government Agency Coupon and Zero-Coupon Securities.
 - b. U.S. Government Agency Discount Notes.
 - c. U.S. Government Agency Callable Securities. Restricted to securities callable at par only.
 - d. U.S. Government Agency Step-Up Securities. The coupon rate is fixed for an initial term. At the step-up date, the coupon rate rises to a new, higher fixed interest rate.
 - e. U.S. Government Agency Floating Rate Securities. Restricted to coupons with no interim caps that reset at least quarterly and that float off of only one index.
 - f. U.S. Government Agency/GSE Mortgage Backed Securities (MBS, CMO, Pass-Thru Securities). Restricted to securities with final maturities of five (5) years or less or have the final projected payment no greater than five (5) years when analyzed in a +300 basis point interest rate environment.
3. Collateralized Time Deposits. (Non-negotiable certificates of deposit.)
4. Repurchase Agreements. The City may invest in contractual agreements between the City and commercial banks or primary government securities dealers. The Securities Industry & Financial Markets Association's (or any successor's thereto) guidelines for the Master Repurchase Agreement will be used and will govern all repurchase agreement transactions. All repurchase agreement transactions will be either physical delivery or tri-party.
5. Bankers' Acceptances. The City may invest in bankers' acceptances issued by domestic commercial banks possessing the highest credit rating issued by S&P Global Ratings (S&P) or Moody's Investors Service, Inc. (Moody's).
6. Commercial Paper. The City may invest in commercial paper issued by domestic corporations, which has received the highest short-term credit rating issued by S&P or Moody's. Eligible paper is further limited to issuing corporations that have total assets in excess of five hundred million dollars (\$500,000,000) and are not listed on Credit Watch with negative implications by any of the NRSRO's at the time of purchase.
7. Municipal Securities (State and Local Government Obligations). The City may invest in municipal obligations that are issued in either tax-exempt or taxable form.
 - a. Any full faith and credit obligations of the State of Missouri rated at least A or A2 by S&P or Moody's.
 - b. Any full faith and credit obligations of any city, county, or school district in the state of Missouri rated at least AA or Aa2 by S&P or Moody's.

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- c. Any full faith and credit obligations, revenue bonds, or special obligation bonds of the City of Kansas City, Missouri rated at least A or A2 by S&P or Moody's.
 - d. Any full faith and credit obligation of any state or territory of the United States of America rated at least AA or Aa2 by S&P or Moody's.
 - e. Any full faith and credit obligations of any city, county, or school district in any state or territory of the United States of America rated AAA or Aaa by S&P or Moody's.
 - f. Any revenue bonds issued by the Missouri Department of Transportation rated at least AA or Aa2 by S&P or Moody's.
 - g. Any municipal obligation that is pre-refunded or escrowed to maturity as to both principal and interest with escrow securities that are fully guaranteed by the U.S. government, without regard to rating by S&P or Moody's.
8. With respect to the investment of bond proceeds, money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, rated in either of the two highest categories by S&P and Moody's (in either case without regard to any modifier.)
 9. Such other investments not described above that are allowed pursuant to Missouri Law and approved in the City Charter.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the City's investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the final maturity on any security owned to a maximum of five years. In addition, the City compares the weighted average maturity of its portfolio to the weighted average maturity of the Blended Bloomberg Barclays U.S. Treasury/Agency 1-3 Year Index, and relative to the index, may decrease the weighted average maturity of the portfolio during periods of rising interest rates or increase it during periods of declining rates. As of April 30, 2019, the City had the following investments and maturities (amounts are in thousands):

CITY OF KANSAS CITY, MISSOURI

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Investment Type	Fair Value	Investment Maturities (In Years)				Weighted Average
		Less Than 1	1 - 2	2 - 3	3 - 5	
Pooled Investments:						
US Treasury Bills	\$ 89,286	\$ 89,286	\$ -	\$ -	\$ -	0.33
US Treasury Notes/Bonds	184,619	79,873	16,977	19,946	67,823	2.07
US Agency Discounts	7,499	7,499	-	-	-	0.01
US Agencies - Noncallable	624,693	162,899	114,634	76,638	270,522	2.51
US Agencies - Callable	228,300	66,996	51,118	70,950	39,236	1.87
Total Pooled	<u>1,134,397</u>	<u>406,553</u>	<u>182,729</u>	<u>167,534</u>	<u>377,581</u>	<u>2.12</u>
Restricted Investments:						
US Treasury Notes/Bonds	22,354	14,924	7,430	-	-	0.59
US Agency Discounts	36,747	36,747	-	-	-	0.28
US Agencies - Noncallable	124,429	92,228	32,201	-	-	0.66
US Agencies - Callable	8,357	1,991	2,448	2,934	984	1.59
Total Restricted	<u>191,887</u>	<u>145,890</u>	<u>42,079</u>	<u>2,934</u>	<u>984</u>	<u>0.62</u>
	<u>\$ 1,326,284</u>	<u>\$ 552,443</u>	<u>\$ 224,808</u>	<u>\$ 170,468</u>	<u>\$ 378,565</u>	<u>1.90</u>

Callable Agency Securities. The City actively monitors its callable bond portfolio with respect to probability of call relative to market rates of interest. As of April 30, 2019, the total fair value of the City's callable bond portfolio (pooled and restricted) is \$236,657,029.

Credit Risk

Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. While the City does not have a formal policy relating to credit risk, the City's investment policy requires that all investments be in either: 1) U.S. Treasury Obligations and other such obligations as expressly guaranteed by the U.S. Government; 2) U.S. Government Agency and Government Sponsored Enterprise Obligations; 3) Certain Municipal Obligations with defined minimum ratings; 4) Banker's Acceptances with the highest credit rating by such rating organization; 5) Certain Commercial Paper Obligations with the highest credit rating by such rating organization; and 6) Repurchase Agreements in either physical delivery or tri-party form.

As of April 30, 2019, the City had the following pooled and non-pooled investment balances which are rated by both Moody's and Standard and Poor's (amounts are in thousands):

	<u>Fair Value</u>	<u>Moody's / S&P Ratings</u>
U.S. Agency securities	\$ 1,030,025	Aaa/AA+

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party (i.e., the City's safekeeping institution).

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Notes To Basic Financial Statements

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The City's investment policy requires that all funds on deposit with any financial institution be secured with collateral securities in an amount equal to at least 102 percent of the deposit less any amount insured by the Federal Deposit Insurance Corporation (FDIC), or any other governmental agency performing a similar function. As of April 30, 2019, all deposits were adequately and fully collateralized.

The City's investment policy requires that all investment securities be held in the City's name in the City's safekeeping account at its safekeeping institution, thereby mitigating custodial credit risk. As of April 30, 2019, all investment securities were in the City's name in the City's safekeeping accounts at its safekeeping institutions. In addition, all collateral securities were in the City's joint custody account(s) at the Federal Reserve Bank and were either US Treasury (US Government guaranteed) or US Agency (Aaa/AA+ rated) obligations. In addition, there are three Irrevocable Letters of Credit issued in the City's favor by the Federal Home Loan Bank, two in the amount of \$5,000,000 each, and one in the amount of \$2,000,000, to secure Certificates of Deposit. The three Letters of Credit expire November 18, 2019, December 16, 2020, and May 30, 2019, respectively, and are safekept in the City's cash vault in the Cash Operations section of the Treasury Division.

Concentration of Credit Risk

More than 5 percent of the City's investments are in the following U.S. Agency discount notes/securities: Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association. These investments are 14%, 31%, 15% and 17%, respectively, of the City's total investments. In our opinion, the debt securities issued by these agencies do not have an explicit government guarantee, but rather an implied guarantee and, therefore, the City does not impose limits as to the concentration of any one agency. However, total agency securities in the portfolio are limited by the investment policy to 80% of the total portfolio value.

Investments - Trustee-Held

In the normal course of business, the City finances various projects by issuing debt in the form of municipal bonds. Cash raised by the issuance of such debt is placed with a trustee bank. All investment activity within such accounts is governed by the City's Investment Policy, except that excess cash is allowed by the bond indentures to be invested in overnight U.S. Government and U.S. Agency money market funds.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the City's trustee-held investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the final maturity on any trustee-held security owned to a maximum of five years. In addition, covenants in the bond documents often limit the final maturity of such investments to shorter periods of time. As of April 30, 2019, the City had the following trustee-held investments and maturities (amounts are in thousands):

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Investment Type	Fair Value	Investment Maturities (In Years)				Weighted Average
		Less Than 1	1 - 2	2 - 3	3 - 5	
Trustee-Held Investments						
Money Market Accounts	\$ 81,955	\$ 81,955	\$ -	\$ -	\$ -	-
U.S. Treasury Notes/Bonds	67,379	32,239	7,674	12,666	7,800	1.09
Total Pooled	\$ 149,334	\$ 114,194	\$ 7,674	\$ 12,666	\$ 7,800	0.34

Credit Risk

Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. While the City's trustee-held investments do not have a formal policy relating to credit risk, the City's Investment Policy requires that all trustee-held investments be in either: 1) Overnight money market funds (as described above); 2) U.S. Government securities; and 3) U.S. Agency Securities.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party (i.e., the Trustee bank). As of April 30, 2019, all trustee-held investment securities were in the City's name in the Trustee bank's safekeeping accounts at the Federal Reserve Bank, thereby mitigating custodial credit risk.

Summary

The following is a complete listing of cash and investments held by the City at April 30, 2019 (*in thousands*):

Deposits	\$ 43,984
Pooled and non-pooled investments	1,326,283
Real estate investments	14,390
Trustee accounts	149,335
Imprest funds	44
Total	\$ 1,534,036

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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The deposits and investments of the City of April 30, 2019 are reflected in the financial statements as follows (*in thousands*):

	Government - Wide Statement of Net Position	Fiduciary Funds Statement of Net Position (Excluding Pension Trust)	Total
Cash and short-term investments	\$ 969,187	\$ 6,248	\$ 975,435
Restricted cash and short-term investments	<u>558,601</u>	<u>-</u>	<u>558,601</u>
Total	<u>\$ 1,527,788</u>	<u>\$ 6,248</u>	<u>\$ 1,534,036</u>

Pension Systems

Employees' Retirement System

Deposits and Investments

The City administrative code and ordinances passed by the City Council provide that the Employees' Retirement System (Plan) investments may include, but are not limited to, obligations of the United States government, State of Missouri, municipal corporations, including school districts, corporate bonds, real estate mortgages and common and preferred stocks, collective trusts and derivatives. The Plan purchases investments from U.S. Securities and Exchange Commission registered securities broker-dealers and banks through its investment managers. Investments in United States Treasury obligations are held at the Federal Reserve Bank through the customer account of a financial institution.

Investment Policy

The asset type and classes, target allocation and ranges that have been approved by the Plan's Board of Trustees (Board) are shown below. All percentages are based on market values. The Board has authorized Plan staff, with the guidance from the investment consultant, to rebalance the portfolio in accordance with the strategy guidelines below:

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Notes To Basic Financial Statements

April 30, 2019

Asset Type and Class	Range	Target
Global Equity		
U.S. Equity	6.50% - 16.05%	11.50%
Emerging Manager of Managers	2.00% - 7.00%	4.00%
Non-U.S. Equity	11.00% - 21.00%	16.00%
Emerging Markets Equity	2.00% - 5.00%	3.50%
Global Equity	2.00% - 8.00%	5.00%
Long/Short Equity	2.00% - 8.00%	5.00%
Global Fixed Income		
Core Fixed Income	20.00% - 30.00%	25.00%
Non-Core Fixed Income	2.00% - 12.00%	7.00%
Real Estate		
Real Estate	2.50% - 12.50%	7.50%
Infrastructure	1.00% - 4.00%	2.50%
Opportunistic	7.00% - 17.00%	12.00%
Cash	0.00% - 5.00%	1.00%

Securities Lending Transactions

City ordinances and the Plan's Board policies permit the Plan to use investments of the Plan to enter into securities lending transactions - loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future.

The Plan has contracted with Northern Trust as its third-party lending agent to lend domestic equity and debt securities for cash collateral of not less than 102% of the market value and international debt and equity securities of not less than 105% of the market value. At April 30, 2019, management believes the Plan has no credit risk exposure to borrowers because the amounts the Plan owes the borrowers exceed the amounts the borrowers owe the Plan. Contracts with the lending agent require it to indemnify the Plan if borrowers fail to return the securities, if the collateral is inadequate to replace the securities lent or if the borrowers fail to pay the Plan for income distributions by the securities' issuers while the securities are on loan; therefore, non-cash collateral is not recorded as an asset or liability on the financial statements.

	<i>(in thousands)</i>
Market value of securities loaned	\$ 59,219
Market value of cash collateral received from borrowers	\$ 60,724
Market value of non-cash collateral received from borrowers	-
Total market value of collateral	\$ 60,724

All securities loans can be terminated on demand by either the Plan or the borrower. The cash collateral received on each security loan was invested in accordance with the Plan investment guidelines, in short-term funds. The maturities of the resulting investments generally match the maturities of the securities lending arrangements themselves. The Plan is not permitted to pledge or sell collateral received unless the borrower defaults.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Investments

At April 30, 2019, the Plan had the following investments and maturities (*in thousands*):

Type	Fair Value	Maturities in Years				Loaned Under Securities Lending Agreements
		Less than 1	1-5	6-10	More than 10	
U.S. treasuries	\$ 14,645	\$ -	\$ 5,776	\$ 8,869	\$ -	\$ 9,546
U.S. government-backed mortgages	53,683	-	69	396	53,218	-
Municipal bonds	2,972	-	-	-	2,972	227
Asset-backed securities	8,051	-	273	170	7,608	-
Foreign debt obligations	2,610	-	224	849	1,537	-
Corporate bonds - domestic	36,251	2,134	16,469	5,839	11,809	7,225
Corporate bonds - foreign	28,336	978	9,435	10,673	7,250	-
Short-term investment funds	19,631	19,631	-	-	-	-
		<u>\$ 22,743</u>	<u>\$ 32,246</u>	<u>\$ 26,796</u>	<u>\$ 84,394</u>	
Domestic preferred stocks	1,233					-
Domestic common stocks	173,828					42,221
Foreign equities	2,200					-
Partnerships	42,514					-
Collective trusts - equities	405,087					-
Collective trusts - fixed income	238,883					-
Collective trusts - real estate	115,372					-
Hedge funds	23,207					-
	<u>\$ 1,168,503</u>					<u>\$ 59,219</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's securities lending policy, \$59,218,527, was held by the counterparty that was acting as the Plan's agent in securities lending transactions.

Investment Concentrations

The following presents investments that represent 5% or more of the fiduciary net position of the Plan, as of April 30, 2019 (in thousands):

<u>Investment</u>	<u>Fair Value</u>
Investments managed by Prudential, Inc.	\$ 153,383
Investments managed by FIAM	85,500
Investments managed by Lazard	80,454
Investments managed by BGI Alpha Advantage	75,438
Investments managed by Mellon	73,387
Investments managed by JP Morgan	69,336

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Plan. The Plan's policy is that fixed income securities must have a minimum investment quality of "B" at the time of purchase. The weighted average credit rating of the portfolio must have a minimum investment quality of "A." As of April 30, 2019, the Plan's fixed income assets that are not government guaranteed represented 87.36% of the fixed income portfolio. The following table summarizes the Plan's fixed income portfolio exposure levels and credit qualities at April 30, 2019.

Average credit quality and exposure levels of nongovernment guaranteed securities (*in thousands*):

Fixed Income Security Type	Fair Value April 30, 2019	Percentage of all Fixed Income Assets	S&P Weighted Average Credit Quality	Ratings Disposition Requiring Further Exposure
Municipal bonds	\$ 2,972	0.7%	A+	See below
Asset-backed securities	8,051	2.0%	AA+	See below
Foreign debt obligations	2,610	0.6%	BBB	See below
Corporate bonds - domestic	36,251	9.0%	BBB	See below
Corporate bonds - foreign	28,336	7.0%	BBB	See below
Money market funds	19,631	4.8%	Not rated	None
Collective trusts-fixed income	<u>238,882</u>	<u>59.0%</u>	Not rated	None
Total investments	<u><u>\$ 336,733</u></u>	<u><u>83.1%</u></u>		

Each portfolio is managed in accordance with operational guidelines that are specific as to permissible credit quality ranges, exposure levels within individual quality tiers and the average credit quality of the overall portfolios.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. The Plan's policy for each specific portfolio limits investments in any corporate entity to no more than 5% of the market value of the account for actively managed portfolios, excluding U.S. Government and agency obligations. As of April 30, 2019, there were no investments in any corporate entity greater than 5%, excluding external investment pools and other pooled investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the effective duration of option-adjusted methodology. The Plan's policy is to manage duration to a maximum 25% of underweighting/overweighting relative to the Barclays Aggregate Bond Index.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Effective duration of fixed income assets by security type at April 30, 2019 (*in thousands*):

Fixed Income Security Type	Fair Value April 30, 2019	Percentage of all Fixed Income Assets	Weighted Average Effective Duration (Years)
U.S. treasuries	\$ 14,645	3.6%	5.19
U.S. government backed mortgages	53,684	13.3%	2.38
Municipal bonds	2,972	0.7%	9.42
Asset-backed securities	8,051	2.0%	6.32
Foreign debt obligations	2,610	0.6%	5.79
Corporate bonds - domestic	36,251	8.9%	6.68
Corporate bonds - foreign	28,336	7.0%	5.79
Money market funds**	19,631	4.8%	**
Collective trusts - fixed income	238,882	59.0%	5.93
	<u>\$ 405,062</u>	<u>100.0%</u>	

***The Plan actually owns an interest in the underlying assets of the money market funds and the unit values are based on the fair value of their underlying assets. The money market funds do not have a maturity date, even though their underlying assets do have maturity dates of less than one year.*

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan's currency risk exposure, or exchange rate risk, primarily reside within the Plan's foreign debt obligations and foreign equity holdings through the Plan's various asset managers. The Plan's policy for each specific portfolio does not place limits on the amount of foreign exposure that can be held by the individual asset managers.

Annual Money-Weighted Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 5.32%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of fiduciary net position.

Plan contributions are made and the total pension liability are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to financial statements.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Firefighters' Pension System

Deposits and Investments

The City administrative code and ordinances passed by the City Council provide that Firefighters' Pension Plan (Firefighters' Plan) investments may include, but are not limited to, obligations of the U.S. government, state of Missouri and municipal corporations, including school districts, corporate bonds, real estate mortgages and common and preferred stocks. The Firefighters' Plan purchases investments from Securities and Exchange Commission registered securities broker dealers and banks through its investment managers. Investments in U.S. Treasury obligations are held at the Federal Reserve Bank through the customer account of a financial institution.

Investment Policy

The asset type and classes, target allocation and ranges that have been approved by the Firefighters' Plan's Board of Trustees (Firefighters' Board) are shown below. All percentages are based on market values. The Firefighters' Board has authorized Firefighters' Plan staff, with the guidance from the investment consultant, to rebalance the portfolio in accordance with the strategy guidelines below:

<u>Asset Type and Class</u>	<u>Range</u>	<u>Target</u>
Equities		
Large Cap Equity	10% - 20%	15%
Small Cap Equity	5% - 15%	10%
Non-U.S. Equity	10% - 20%	15%
Long/Short Equity	5% - 15%	10%
Global Equity	5% - 15%	10%
Fixed Income	25% - 35%	30%
Real Estate	5% - 15%	10%

Securities Lending Transactions

City ordinances and the Firefighters' Plan's Board policies permit the Firefighters' Plan to use investments of the Firefighters' Plan to enter into securities lending transactions - loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future.

The Firefighters' Plan has contracted with Northern Trust as its third-party lending agent to lend domestic equity and debt securities for cash collateral of not less than 102% of the market value and international debt and equity securities of not less than 105% of the market value. At April 30, 2019, management believes the Firefighters' Plan has no credit risk exposure to borrowers because the amounts the Firefighters' Plan owes the borrowers exceed the amounts the borrowers owe the Firefighters' Plan. Contracts with the lending agent require it to indemnify the Firefighters' Plan if borrowers fail to return the securities, if the collateral is inadequate to replace the securities lent or if the borrowers fail to pay the Firefighters' Plan for income distributions by the securities' issuers while the securities are on loan; therefore, non-cash collateral is not recorded as an asset or liability on the financial statements.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

	<i>(in thousands)</i>
Market value of securities loaned	\$ <u>23,254</u>
Market value of cash collateral received from borrowers	\$ 23,834
Market value of non-cash collateral received from borrowers	<u>-</u>
Total market value of collateral	\$ <u>23,834</u>

All securities loans can be terminated on demand by either the Firefighters' Plan or the borrower. The cash collateral received on each security loan was invested, in accordance with the Firefighters' Plan investment guidelines, in short-term funds. The maturities of the resulting investments generally match the maturities of the securities lending arrangements themselves. The Firefighters' Plan is not permitted to pledge or sell collateral received unless the borrower defaults.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Firefighters' Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Firefighters' Plan's securities lending policy, \$23,254,256 was held by the counterparty that was acting as the Firefighters' Plan's agent in securities lending transactions.

Investment Concentrations

The following presents investments that represent 5% or more of the fiduciary net position of the Firefighters' Plan, as of April 30, 2019 *(in thousands)*:

<u>Investment</u>	<u>Fair Value</u>
Northern Trust Collective Funds	\$ 62,463
Acadian Global Equity Fd	54,632
Pioneer Multi-Sector Fixed Income	68,198
Georgetown Diversified Fund, Ltd.	52,599
Marathon-London International Fund	45,462
Blackrock Strategic Income	47,223
Franklin Templeton Global Multisectorplus Trust Fund	31,071
JPMCB Special Situation Property Fund	30,608

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Firefighters' Plan. As of April 30, 2019, the Firefighters' Plan's fixed income assets that are not government guaranteed represented 100% of the fixed income portfolio. The Firefighters' Plan has not established a policy in regard to credit risk. The following table summarizes the Firefighters' Plan's fixed income portfolio exposure levels and credit qualities at April 30, 2019:

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Average Credit Quality and Exposure levels of Nongovernment Guaranteed Securities (*in thousands*):

Fixed Income Security Type	Fair Value April 30, 2019	Percentage of all Fixed Income Assets	S&P Weighted Average Credit Quality	Ratings Disposition Requiring Further Exposure
Money market funds	\$ 10,406	6.10%	Not rated	None
Collective trusts - fixed income	<u>161,203</u>	<u>93.90%</u>	Not rated	None
Total investments	<u>\$ 171,609</u>	<u>100.00%</u>		

Each portfolio is managed in accordance with operational guidelines that are specific as to permissible credit quality ranges, exposure levels within individual quality tiers and the average credit quality of the overall portfolios.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The Firefighters' Plan's policy for each specific portfolio limits investments in any corporate entity to no more than 5% of the market value of the account for actively managed portfolios, excluding U.S. government and agency obligation. As of April 30, 2019, there were no investments in any corporate entity greater than 5%, excluding external investment pools and other pooled investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Plan has not established a policy with regard to interest rate risk. The Firefighters' Plan actually owns an interest in the underlying assets of the collective trusts and the money market funds and the unit values are based on the fair value of their underlying assets.

Effective duration of fixed income assets by security type at April 30, 2019 (*in thousands*):

Fixed Income Security Type	Fair Value April 30, 2019	Percentage of all Fixed Income Assets	Weighted Average Effective Duration (Years)
Money market funds**	\$ 10,406	6.1%	**
Collective trusts - fixed income	<u>161,203</u>	<u>93.9%</u>	2.68
	<u>\$ 171,609</u>	<u>100.0%</u>	

***The Firefighters' Plan actually owns an interest in the underlying assets of the money market funds and the unit values are based on the fair value of their underlying assets. The money market funds do not have a maturity date, even though their underlying assets do have maturity dates of less than one year.*

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Firefighters' Plan's currency risk exposure, or exchange rate risk, primarily reside within the Firefighters' Plan's foreign debt obligations and foreign equity holdings through the Firefighters' Plan's various asset managers. The Firefighters' Plan's policy for each specific portfolio does not place limits on the amount of foreign exposure that can be held by the individual asset managers.

Annual Money-Weighted Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 4.62%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Risks and Uncertainties

The Firefighters' Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of fiduciary net position.

Firefighters' Plan contributions are made and the total pension liability are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Civilian Employees' Retirement System and Police Retirement System

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The Civilian Employees' Retirement System and Police Retirement System's (Civilian and Police Plans) deposit policies for custodial credit risk require compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. treasury, U.S. agencies or instrumentalities or the state of Missouri; bonds of any city, county, school district or special road district of the state of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

The Civilian and Police Plans had no bank balances exposed to custodial credit risk at April 30, 2019.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Investments

For the year ended April 30, 2019, Northern Trust was the master custodian for substantially all of the securities of the Civilian and Police Plans. The investments held by the Civilian and Police Plans are managed by fourteen Retirement Board-appointed money managers (Board). Each of the money managers has a different asset allocation based on Board approved policy. The Civilian and Police Plans may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. treasury and U.S. agencies and instrumentalities, real estate, partnerships, corporate bonds, commodities and equity securities.

The asset type and classes, target asset allocation and ranges to be used in the Civilian and Police Plans, are shown below. All percentages are based on market values. The Board has authorized Civilian and Police Plans' Staff, with guidance from the Investment Consultant, to rebalance the portfolio in accordance with the strategy guidelines as of April 30, 2019:

Asset Type and Class	Range	Target
Equities		
Global Equity	32% - 42%	37%
Private Equity	0% - 3%	2%
Fixed Income	25% - 35%	30%
Alternatives		
Real Estate	5% - 15%	11%
Absolute Return	10% - 20%	15%
Direct Lending	0% - 10%	5%
Cash	0% - 5%	0%

Securities Lending Transactions

State statutes and the Civilian and Police Plans' Board policies permit the Civilian and Police Plans to use investments of the Civilian and Police Plans to enter into securities lending transactions-loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future.

The Civilian and Police Plans have contracted with Northern Trust as their third-party lending agent to lend domestic equity and debt securities for cash collateral of not less than 102% of the market value and international debt and equity securities of not less than 105% of the market value. Contracts with the lending agent require it to indemnify the Civilian and Police Plans, if borrowers fail to return the securities, if the collateral is inadequate to replace the securities lent, or if the borrowers fail to pay the Civilian and Police Plans for income distributions by the securities' issuers while the securities are on loan; therefore, noncash collateral is not recorded as an asset or liability on the financial statements.

	Civilian	Police
	<i>(in thousands)</i>	
Market value of securities loaned	\$ 14,665	\$ 61,503
Market value of cash collateral received from borrowers	\$ 15,019	62,999
Market value of non-cash collateral received from borrowers	-	-
Total market value of collateral	\$ 15,019	\$ 62,999

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

All securities loans can be terminated on demand by either the Civilian and Police Plans or the borrower. The cash collateral received on each security loan was invested, in accordance with the Civilian and Police Plans investment guidelines, in short-term funds. The maturities of the resulting investments generally match the maturities of the securities lending arrangements themselves. The Civilian and Police Plans are not permitted to pledge or sell collateral received unless the borrower defaults.

Investments

At April 30, 2019, the Civilian and Police Plans had the following investments and maturities (in thousands):

Type	Fair Value	Maturities in Years				Loaned Under Securities Lending Agreements
		Less than 1	1-5	6-10	More than 10	
U.S. treasury obligations	\$ 11,563	\$ -	\$ 5,195	\$ 2,685	\$ 3,683	\$ 6,874
U.S. agencies obligations	1,804	-	1,324	480	-	-
Corporate bonds and notes	15,441	202	6,895	6,854	1,490	6,322
Government mortgage-backed securities	722	-	5	-	717	-
Short-term investment funds	2,345	2,345	-	-	-	-
		<u>\$ 2,547</u>	<u>\$ 13,419</u>	<u>\$ 10,019</u>	<u>\$ 5,890</u>	
Common and preferred stock	7,140					1,206
All country world index fund	21,453					-
Real estate funds	18,245					-
Hedge fund of funds	14,058					-
Partnership - equity	1,575					-
Partnership - fixed income	21,623					-
Foreign equity	4,133					263
Equity funds	20,376					-
International small cap equity fund	1,328					-
Emerging market equity fund	4,164					-
	<u>\$ 145,970</u>					<u>\$ 14,665</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Police Retirement System

Type	Fair Value	Maturities in Years				Loaned Under Securities Lending Agreements
		Less than 1	1-5	6-10	More than 10	
U.S. treasury obligations	\$ 66,071	\$ -	\$30,182	\$14,266	\$21,623	\$ 30,708
U.S. agencies obligations	7,850	-	7,850	-	-	-
Corporate bonds and notes	92,138	1,210	41,283	40,059	9,586	15,098
Government mortgage-backed securities	5,146	-	37	-	5,109	-
Short-term investment funds	17,495	17,495	-	-	-	-
		<u>\$ 18,705</u>	<u>\$79,352</u>	<u>\$54,325</u>	<u>\$36,318</u>	
Common and preferred stock	82,212					14,179
All country world index fund	127,619					-
Real estate funds	125,752					-
Hedge fund of funds	91,486					-
Partnerships - equity	12,714					-
Partnerships - fixed income	119,790					-
Foreign equity	56,786					1,518
Equity funds	48,521					-
International small cap equity fund	8,404					-
Emerging market equity fund	27,287					-
	<u>\$ 889,271</u>					<u>\$ 61,503</u>

Interest Rate Risk

The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately. The debt securities are presented in their respective category based on final maturity date. The Civilian and Police Plans' investment policies do not specifically address exposure to fair value losses arising from rising interest rates.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Civilian and Police Plans' policies to limit their investments in corporate bonds to those that are rated BBB or better by credit rating agencies. Core fixed income managers may hold bonds with a rating equal to or above BB. At April 30, 2019, the Civilian and Police Plans' investments in corporate bonds were rated BBB or better by Standard & Poor's. U.S. Treasury obligations were explicitly guaranteed by the U.S. Government. Additionally, the Civilian and Police Plans' investments in U.S. agencies obligations not directly guaranteed by the U.S. Government (including Federal National Mortgage Association, Federal Home Loan Banks and Federal Home Loan Mortgage Corporation) and in government mortgage-backed securities were rated AA+ or better by Standard & Poor's. The Civilian and Police Plans' investments in money market mutual funds were not rated by Standard & Poor's.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

The following table summarizes the Civilian and Police Plans' fixed income portfolio exposure level and credit qualities at April 30, 2019 (*in thousands*):

Fixed Income Security Type	Civilian	Police	S&P Weighted Average Credit Quality
U.S. agencies obligations	\$ 1,804	\$ 7,850	AA+
Corporate bonds and notes	15,441	92,138	A
Government mortgage-backed securities	722	5,146	AA+
Short-term investment funds	<u>2,345</u>	<u>17,495</u>	Not rated
 Total investments	 <u>\$ 20,312</u>	 <u>\$ 122,629</u>	

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Civilian and Police Plans will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party. Consistent with the Civilian Employees' Retirement System's securities and lending policy, \$14,664,836 was held by the counterparty that was acting as the system's agent in securities lending transactions. In addition, consistent with the Police Retirement System's securities and lending policy, \$61,503,398 was held by the counterparty that was acting as the system's agent in securities lending transactions.

Concentration of Credit Risk

The Civilian and Police Plans limit the amounts that may be invested in any one security at 5% to 15% of total plan assets.

Investment Concentrations

The following presents investments that represent 5% or more of the Civilian and Police Plans fiduciary net position at April 30, 2019 (*in thousands*):

FCI Core Fixed Income	\$ 29,530	\$ 171,204
Northern Trust Collective All Country World Investable Market Index Fund - Non Lending	21,453	127,619
Grosvenor FOB Fund, L.P.	14,058	91,486
PIMCO - Fixed Income Fund	15,012	81,673
LSV Global Value	11,273	69,462
Artisan Global Opportunities Trust Fund	12,353	69,536
Prudential PRISA II	9,278	68,003
Morgan Stanley - Prime Property Fund, LLC	8,966	57,748

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Foreign Currency Risk

This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The Civilian and Police Plans' investment policies permits investments in international equities, American Depository Receipts (ADRs), warrants, rights, 144A securities, convertible bonds and U.S. registered securities whose principal markets are outside of the United States. All foreign equities held are denominated in U.S. dollars.

Annual Money-Weighted Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 4.13% and 4.15% for the Police and Civilian Plans, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 3: Intergovernmental Receivables

Intergovernmental governmental receivables as of April 30, 2019 are as follows (*in thousands*):

	General	Capital Improvements	Nonmajor Funds	Kansas City Airports	Total Inter- Governmental Receivables
Federal government grants and reimbursements for:					
Airport Improvement Programs	\$ -	\$ -	\$ -	\$ 1,501	\$ 1,501
Public Health Preparedness	-	-	52	-	52
Federal Highway Transportation	123	1,823	34	-	1,980
Violence Prevention Efforts	-	-	222	-	222
Continuum of Care	-	-	59	-	59
Emergency Shelter Solutions	-	-	569	-	569
Neighborhood Stabilization	-	-	974	-	974
Byrne Memorial Justice Assistance	-	-	22	-	22
Sexually Transmitted Disease Prevention	-	-	22	-	22
HIV Surveillance and Prevention	-	-	48	-	48
HIV Case Management	-	-	208	-	208
Ryan White Title II	-	-	238	-	238
Housing Opportunities for Persons with AIDS	-	-	361	-	361
Maternal Child Healthcare	-	-	36	-	36
Community Development Block Grant	-	-	2,085	-	2,085
Lead Poisoning Prevention	-	-	46	-	46
Other	-	-	15	-	15
	<u>123</u>	<u>1,823</u>	<u>4,991</u>	<u>1,501</u>	<u>8,438</u>
State of Missouri grants and reimbursements for:					
Motor Vehicle Fuel Tax	-	-	2,594	-	2,594
	<u>-</u>	<u>-</u>	<u>2,594</u>	<u>-</u>	<u>2,594</u>
Total intergovernmental receivable	<u>\$ 123</u>	<u>\$ 1,823</u>	<u>\$ 7,585</u>	<u>\$ 1,501</u>	<u>\$ 11,032</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 4: Tax Revenues

Tax revenues of the governmental funds, including interest and penalties, are as follows (*in thousands*):

	General	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds Tax Revenue
Earnings and profit	\$ 259,868	\$ -	\$ 2,925	\$ 262,793
Sales	-	74,398	165,342	239,740
General property	62,035	-	79,622	141,657
Hotel and restaurant	338	-	54,313	54,651
Local option use tax	39,292	-	3,650	42,942
Gaming	11,815	-	-	11,815
Railroad and utility	3,380	-	4,815	8,195
Cigarette	2,378	-	-	2,378
	<u>\$ 379,106</u>	<u>\$ 74,398</u>	<u>\$ 310,667</u>	<u>\$ 764,171</u>

The City's property tax is levied each November 1 on the assessed value as of the prior January 1 for all real and personal property located in the City within the counties of Jackson, Platte, Clay and Cass and is due by December 31. Property taxes are delinquent on January 1 for all properties within Jackson, Platte, Clay and Cass counties.

Assessed values are established by the Jackson, Clay, Platte and Cass County assessors subject to review by the counties' Board of Equalization and State Tax Commission. The City is permitted by state statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general government purposes other than payment of principal and interest on long-term debt; up to \$0.72 per \$100 of assessed valuation for public health, hospital and recreational grounds; up to \$0.02 per \$100 of assessed valuation for museums; and in unlimited amounts for the payment of principal and interest on long-term debt. Article X, Sections 16 through 24, of the Missouri Constitution, known as the "Hancock Amendment," imposes limits on state and local government taxation and spending. Under the Hancock Amendment, the City may not increase the current levy of any tax, license or fee above its mandated level without the approval of the required majority of the qualified voters of the City voting thereon. Property tax levies per \$100 assessed valuation for the year ended April 30, 2019 follow:

Fund	Levy
General	\$ 0.6923
Health	0.6926
Museum	0.2742
Debt service	<u>0.0192</u>
Total general levy rate	<u>\$ 1.6783</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Currently, the City collects 3.000% percent of sales tax for the following purposes:

- One percent for capital improvements, authorized through December 31, 2038
- One-half percent for Public Mass Transportation (approximately 7.5% of the one-half percent tax is dedicated for capital improvement of interstate transportation systems), no expiration
- One-quarter percent for the City's fire department to be used for operations and improvements, authorized through December 31, 2036
- One-quarter percent to fund a capital plan for public safety, authorized through June 30, 2026
- Three-eighths percent for the KCATA, authorized through March 31, 2024
- One-half percent for Parks and Recreation, no expiration
- One-eighth percent for Economic Development, authorized through September 30, 2027

The City collects a convention and tourism tax comprised of the following:

- Two percent on food, beverage and liquor sales from restaurants (the restaurant tax). The receipts are restricted to capital expenditures, including debt service requirements for sports, convention, tourism and exhibition facilities including Truman Sports Complex, Barney Allis Plaza, Bartle Hall and the Municipal Auditorium.
- Seven and one-half percent on gross receipts of hotel and motel room sales (the hotel tax)- 40% of the gross receipts for the Convention and Visitors Association, 10% for the neighborhood tourism development fund and the remaining 50% for operating costs and capital expenses.

The City collects an earnings and profits tax equal to the following:

- A levy of 1% on earnings of all Kansas City, Missouri residents and all nonresidents working in Kansas City, Missouri
- A levy of 1% on business net profits
- The earnings and profits tax is required to be renewed every five years by public vote of Kansas City residents - the current voter approved authorization expires on December 31, 2021

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 5: Interfund Transactions, Receivables, Payables and Transfers

Payments to the general fund by the enterprise funds for certain administrative, information and technology, accounting, legal and other services for the year ended April 30, 2019 are as follows (*in thousands*):

<u>Fund</u>	<u>Amount</u>
Water	\$ 5,386
Kansas City Airports	3,679
Sewer	<u>7,663</u>
 Total	 <u>\$ 11,597</u>

Individual interfund receivable and payable balances at April 30, 2019 are as follows (*in thousands*):

	<u>Receivables</u>			
	<u>Governmental Funds</u>			
	<u>Major</u>	<u>Major</u>	<u>Nonmajor</u>	
	<u>Governmental</u>	<u>Governmental</u>	<u>Governmental</u>	<u>Total</u>
	<u>Fund-General</u>	<u>Fund-Capital</u>	<u>Funds</u>	
		<u>Improvements</u>		
Major governmental funds:				
General fund	\$ -	\$ -	\$ -	\$ -
Capital improvements	-	-	-	-
Nonmajor governmental funds	<u>-</u>	<u>8,995</u>	<u>-</u>	<u>8,995</u>
 Total governmental funds	 <u>-</u>	 <u>8,995</u>	 <u>-</u>	 <u>8,995</u>
 Fiduciary funds:				
Agency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total fiduciary funds	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total major enterprise funds	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total	 <u>\$ -</u>	 <u>\$ 8,995</u>	 <u>\$ -</u>	 <u>\$ 8,995</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Receivables				
Fiduciary Funds		Enterprise Funds		
Pension Trust Funds	Agency Funds	Water	Total	Total
\$ 2,516	\$ 10,087	\$ -	\$ -	\$ 12,603
-	5,005	-	-	5,005
-	10,084	16,721	16,721	35,800
<u>2,516</u>	<u>25,176</u>	<u>16,721</u>	<u>16,721</u>	<u>53,408</u>
-	-	-	-	-
-	-	-	-	-
-	-	114	114	114
<u>\$ 2,516</u>	<u>\$ 25,176</u>	<u>\$ 16,835</u>	<u>\$ 16,835</u>	<u>\$ 53,522</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

The City initiates interfund receivables and payables for various reasons. The reasons for the major receivables and payables during the current fiscal year are as follows:

General Fund Payable to Pension Trust Funds

- Represents contributions due to the pension trust funds

General Fund Payable to Agency Funds

- Amounts due for tax increment financing (TIF) activity. Economic activity taxes are collected by the general fund, but are required to be transferred to the TIF agency fund as reimbursement for eligible project costs incurred on TIF projects

General Fund Payable to Water and Sewer Fund

- Amounts due for reimbursement for various operating costs

Capital Improvements Fund Payable to Agency Funds

- Amounts due for tax increment financing (TIF) activity. Economic activity taxes are collected by the capital improvement fund, but are required to be transferred to the TIF agency fund as reimbursement for eligible project costs incurred on TIF projects

Nonmajor Governmental Funds Payable to the Capital Improvements Fund

- Due to interfund cash borrowing to cover cash deficits

Nonmajor Governmental Funds Payable to Agency Funds

- Amounts due for tax increment financing (TIF) activity. Economic activity taxes are collected by the nonmajor governmental funds, but are required to be transferred to the TIF agency fund as reimbursement for eligible project costs incurred on TIF projects

Fiduciary Funds - Agency Payable to the Capital Improvements Fund

- Due to interfund cash borrowing to cover cash deficits

Sewer Fund Payable to Water Fund

- Amounts due for reimbursement for various operating costs

Water Fund Payable to Sewer Fund

- Amounts due for reimbursement for various operating costs

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Interfund transfers for the year ended April 30, 2019 are as follows (*in thousands*):

	Transfers Into			Total Transfers
	Major Government Funds		Nonmajor Governmental Funds	
	General Fund	Capital Improvements Funds		
Major governmental funds:				
General fund	\$ -	\$ -	\$ 84,338	\$ 84,338
Capital improvements	-	-	18,213	18,213
Nonmajor governmental funds	<u>44,481</u>	<u>272</u>	<u>74,141</u>	<u>118,894</u>
 Total governmental funds	<u><u>44,481</u></u>	<u><u>272</u></u>	<u><u>176,692</u></u>	<u><u>221,445</u></u>

The City initiates transfers between funds for various reasons. The reasons for the majority of transfers during the current fiscal year are as follows:

General Fund to Nonmajor Governmental Funds

- Transfers for general operating subsidies
- Transfers to eliminate fund deficits
- Transfers to fund debt service payments

Capital Improvements Fund to Nonmajor Governmental Funds

- Transfers to fund debt service payments

Nonmajor Governmental Funds to General Fund

- Transfers were made from various nonmajor governmental funds to close out project funds or repay prior year interfund transfers to cover fund deficits
- Transfers were made to fund legal settlements

Nonmajor Governmental Funds to Capital Improvements Fund

- Transfers were made from various nonmajor governmental funds to partially fund streetcar debt and streetcar project costs

Nonmajor Governmental Funds to Nonmajor Governmental Funds

- Transfers were made between various nonmajor governmental funds to fund debt service for certain outstanding bonds and notes, partially fund ambulance service operations and to fund convention and tourism activities

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 6: Capital Assets

Capital asset activity for the year ended April 30, 2019 is as follows (*in thousands*):

	Primary Government - Governmental Activities				Balance April 30, 2019
	Balance April 30, 2018	Reclass	Additions	Deductions	
Nondepreciable capital assets					
Land and permanent right of way	\$ 364,477	\$ -	\$ 1,814	\$ -	\$ 366,291
Works of art and historical treasures	1,709	-	1,760	-	3,469
Infrastructure	2,327,976	(1,732,922)	1,223	-	596,277
Construction in progress	95,791	-	83,053	(20,130)	158,714
Total nondepreciable capital assets	2,789,953	(1,732,922)	87,850	(20,130)	1,124,751
Depreciable capital assets					
Temporary right of way	902	-	3	-	905
Land improvements	378,218	-	14,333	-	392,551
Buildings and improvements	1,429,788	-	20,079	-	1,449,867
Machinery and equipment	304,645	-	15,431	(1,868)	318,208
Fountains, statues and monuments	127,850	-	-	-	127,850
Infrastructure	310,262	1,732,922	36,876	(14,184)	2,065,876
Total depreciable capital assets	2,551,665	1,732,922	86,722	(16,052)	4,355,257
Less accumulated depreciation					
Temporary right of way	(279)	-	(318)	-	(597)
Land improvements	(157,082)	-	(17,825)	-	(174,907)
Buildings and improvements	(493,135)	-	(40,472)	-	(533,607)
Machinery and equipment	(191,080)	-	(20,834)	1,331	(210,583)
Fountains, statues and monuments	(52,904)	-	(3,063)	-	(55,967)
Infrastructure	(130,311)	-	(226,528)	-	(356,839)
Total accumulated depreciation	(1,024,791)	-	(309,040)	1,331	(1,332,500)
Total depreciable capital assets, net	1,526,874	1,732,922	(222,318)	(14,721)	3,022,757
Total governmental activities capital assets, net	\$ 4,316,827	\$ -	\$ (134,468)	\$ (34,851)	\$ 4,147,508

*Infrastructure roads were retired as is and capitalized as fixed assets beginning this year. This approach facilitated the use of the straight-line depreciation method. See *Note 1* for more information.

Depreciation expense was charged to functions as follows (*in thousands*):

General government	\$ 13,398
Public safety (police, fire and municipal courts)	12,080
Public works	241,856
Convention facilities	15,056
Culture and recreation	21,967
Neighborhood development	2,530
Health	872
Unallocated	1,281
Total depreciation expense -governmental activities	\$ 309,040

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

	<u>Primary Government - Business-Type Activities</u>			
	<u>Balance</u>			<u>Balance</u>
	<u>April 30, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>April 30, 2019</u>
Water				
Nondepreciable capital assets				
Land and permanent right of way	\$ 4,903	\$ 12	\$ 5,405	\$ 10,320
Construction in progress	<u>23,751</u>	<u>57,886</u>	<u>(57,667)</u>	<u>23,970</u>
Total nondepreciable capital assets	<u>28,654</u>	<u>57,898</u>	<u>(52,262)</u>	<u>34,290</u>
Depreciable capital assets				
Buildings and improvements	183,061	7,152	(2,993)	187,220
Utility lines and improvements	912,195	48,013	(11,121)	949,087
Machinery and equipment	<u>99,001</u>	<u>16,135</u>	<u>(14,478)</u>	<u>100,658</u>
Total depreciable capital assets	<u>1,194,257</u>	<u>71,300</u>	<u>(28,592)</u>	<u>1,236,965</u>
Less accumulated depreciation				
Buildings and improvements	(74,342)	(3,267)	2,993	(74,616)
Utility lines and improvements	(113,553)	(13,412)	5,386	(121,579)
Machinery and equipment	<u>(38,822)</u>	<u>(5,886)</u>	<u>14,238</u>	<u>(30,470)</u>
Total accumulated depreciation	<u>(226,717)</u>	<u>(22,565)</u>	<u>22,617</u>	<u>(226,665)</u>
Total depreciable capital assets, net	<u>967,540</u>	<u>48,735</u>	<u>(5,975)</u>	<u>1,010,300</u>
Total water capital assets	<u>\$ 996,194</u>	<u>\$ 106,633</u>	<u>\$ (58,237)</u>	<u>\$ 1,044,590</u>
 Kansas City Airports				
Nondepreciable capital assets				
Land	\$ 36,319	\$ -	\$ -	\$ 36,319
Construction in progress	<u>63,847</u>	<u>83,040</u>	<u>(73,969)</u>	<u>72,918</u>
Total nondepreciable capital assets	<u>100,166</u>	<u>83,040</u>	<u>(73,969)</u>	<u>109,237</u>
Depreciable capital assets				
Buildings and improvements	699,189	16,010	-	715,199
Airport runways, aprons and roads	690,734	57,221	(37)	747,918
Machinery and equipment	<u>113,892</u>	<u>7,225</u>	<u>(979)</u>	<u>120,138</u>
Total depreciable capital assets	<u>1,503,815</u>	<u>80,456</u>	<u>(1,016)</u>	<u>1,583,255</u>
Less accumulated depreciation				
Buildings and improvements	(409,338)	(23,028)	-	(432,366)
Airport runways, aprons and roads	(512,125)	(22,482)	-	(534,607)
Machinery and equipment	<u>(103,238)</u>	<u>(4,453)</u>	<u>979</u>	<u>(106,712)</u>
Total accumulated depreciation	<u>(1,024,701)</u>	<u>(49,963)</u>	<u>979</u>	<u>(1,073,685)</u>
Total depreciable capital assets, net	<u>479,114</u>	<u>30,493</u>	<u>(37)</u>	<u>509,570</u>
Total Kansas City airports capital assets	<u>\$ 579,280</u>	<u>\$ 113,533</u>	<u>\$ (74,006)</u>	<u>\$ 618,807</u>

CITY OF KANSAS CITY, MISSOURI
Notes To Basic Financial Statements
April 30, 2019

	Primary Government - Business-Type Activities			
	Balance			Balance
	April 30, 2018	Additions	Deductions	April 30, 2019
Sewer				
Nondepreciable capital assets				
Land and permanent right of way	\$ 13,880	\$ 508	\$ -	\$ 14,388
Construction in progress	46,411	100,609	(104,397)	42,623
Total nondepreciable capital assets	<u>60,291</u>	<u>101,117</u>	<u>(104,397)</u>	<u>57,011</u>
Depreciable capital assets				
Buildings and improvements	339,497	7,333	(5,409)	341,421
Utility lines and improvements	1,069,971	94,114	(5,509)	1,158,576
Machinery and equipment	158,474	16,778	(12,320)	162,932
Land improvements	9,929	436	(2,074)	8,291
Green infrastructure	8,671	2,085	-	10,756
Total depreciable capital assets	<u>1,586,542</u>	<u>120,746</u>	<u>(25,312)</u>	<u>1,681,976</u>
Less accumulated depreciation				
Buildings and improvements	(216,136)	(8,481)	5,409	(219,208)
Utility lines and improvements	(129,565)	(17,375)	4,687	(142,253)
Machinery and equipment	(55,720)	(11,490)	12,067	(55,143)
Land improvements	(438)	(184)	-	(622)
Green infrastructure	(72)	(183)	-	(255)
Total accumulated depreciation	<u>(401,931)</u>	<u>(37,713)</u>	<u>22,163</u>	<u>(417,481)</u>
Total depreciable capital assets, net	<u>1,184,611</u>	<u>83,033</u>	<u>(3,149)</u>	<u>1,264,495</u>
Total sewer capital assets	<u>\$ 1,244,902</u>	<u>\$ 184,150</u>	<u>\$ (107,546)</u>	<u>\$ 1,321,506</u>
Total business-type activities capital assets	<u>\$ 2,820,376</u>	<u>\$ 400,774</u>	<u>\$ (236,247)</u>	<u>\$ 2,984,903</u>

Business-type activities depreciation and amortization expense for the year ended April 30, 2019 was as follows:

Water	\$ 22,416
Sewer	49,963
Kansas City Airports	<u>37,746</u>
	<u>\$ 110,125</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 7: Long-Term Obligations

The following is a summary of long-term obligations of the City for the year ended April 30, 2019
(in thousands):

	Payable at May 1, 2018	Additions	Reductions	Refunding / Defeasance	Payable at April 30, 2019	Amounts due within one year
Primary government:						
Governmental activities:						
General obligation bonds	\$ 327,275	\$ 57,290	\$ 27,810	\$ -	\$ 356,755	\$ 31,240
Bonds - KCMAC	90,636	-	15,920	-	74,716	10,175
Implied loan-off market swap	3,105	-	161	-	2,944	175
Bonds - PIEA	3,655	-	425	-	3,230	460
Special obligations	896,418	-	54,493	3,905	838,020	51,857
Bonds - IDA	144,545	-	4,465	-	140,080	7,315
Bonds - LCRA	2,320	-	2,320	-	-	-
Notes payable - various	77,161	1,062	10,465	-	67,758	11,038
Contract payments due developer	34,775	-	(972)	-	35,747	(1,549)
Net pension liability	733,358	270,012	292,958	-	710,412	-
Total other postemployment benefit obligation liability ⁽¹⁾	80,489	6,394	3,144	-	83,739	-
Compensated absences	34,280	6,659	1,298	-	39,641	8,696
Claims payable	60,590	14,905	15,035	-	60,460	14,383
	<u>2,488,607</u>	<u>356,322</u>	<u>427,522</u>	<u>3,905</u>	<u>2,413,502</u>	<u>133,790</u>
Add unamortized premium	71,208	4,169	12,912	-	62,465	-
Less:						
Discount	<u>2,462</u>	<u>275</u>	<u>224</u>	<u>-</u>	<u>2,513</u>	<u>-</u>
Total governmental activities long-term liabilities	<u>\$ 2,557,353</u>	<u>\$ 360,216</u>	<u>\$ 440,210</u>	<u>\$ 3,905</u>	<u>\$ 2,473,454</u>	<u>\$ 133,790</u>

(1) The beginning net position of the City's governmental activities was restated due to the implementation of GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits Other Than Pensions*. The restatement is as follows:

	OPEB Liability as previously reported	Change due to GASB 75	OPEB as restated
Governmental activities	\$ 57,309	\$ 23,180	\$ 80,489

The general fund and certain special revenue funds have typically been used in prior years to liquidate the compensated absences, pension, claims payable and other postemployment benefit obligation liabilities for the governmental activities.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

	Payable at May 1, 2018	Additions	Reductions	Refundings/ Defeasance	Payable at April 30, 2019	Amounts Due Within One Year
Business-type activities						
Water						
Revenue bonds	\$ 394,505	\$ -	\$ 19,625	\$ -	\$ 374,880	\$ 20,425
Add unamortized premium	27,349	-	1,417	-	25,932	-
Less						
Discount	486	-	23	-	463	-
Net pension liability	29,029	15,504	17,646	-	26,887	-
Total other postemployment benefit obligation liability ⁽¹⁾	7,524	568	279	-	7,813	-
Compensated absences	3,622	768	794	-	3,596	865
Claims payable	18,601	3,993	3,831	-	18,763	4,364
	<u>18,601</u>	<u>3,993</u>	<u>3,831</u>	<u>-</u>	<u>18,763</u>	<u>4,364</u>
Total Water	<u>\$ 480,144</u>	<u>\$ 20,833</u>	<u>\$ 43,569</u>	<u>\$ -</u>	<u>\$ 457,408</u>	<u>\$ 25,654</u>
Sewer						
Revenue bonds and loans	\$ 556,791	\$ 42,055	\$ 22,846	\$ 53,105	\$ 522,895	\$ 24,019
Add unamortized premium	47,663	5,206	2,934	-	49,935	-
Less						
Discount	989	-	90	-	899	-
Net pension liability	24,793	13,820	15,731	-	22,882	-
Total other postemployment benefit obligation liability ⁽¹⁾	6,458	508	250	-	6,716	-
Compensated absences	2,796	684	537	-	2,943	762
Claims payable	7,725	6,458	4,070	-	10,113	2,371
	<u>7,725</u>	<u>6,458</u>	<u>4,070</u>	<u>-</u>	<u>10,113</u>	<u>2,371</u>
Total Sewer	<u>\$ 645,237</u>	<u>\$ 68,731</u>	<u>\$ 46,278</u>	<u>\$ 53,105</u>	<u>\$ 614,585</u>	<u>\$ 27,152</u>

(1) The beginning net position of the City's governmental activities was restated due to the implementation of GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits Other Than Pensions*. The restatement is as follows:

	OPEB Liability as previously reported	Change due to GASB 75	OPEB as restated
Water	\$ 5,463	\$ 2,061	\$ 7,524
Sewer	4,617	1,841	6,458

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

	<u>Payable at May 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Refundings/ Defeasance</u>	<u>Payable at April 30, 2019</u>	<u>Amounts Due Within One Year</u>
Kansas City Airports						
Revenue bonds	\$ 147,050	\$ -	\$ 21,060	\$ 15,575	\$ 110,415	\$ 22,145
IDA special obligation aviation Bonds	-	-	-	-	-	-
	-	98,460	-	-	98,460	-
Add unamortized premium	9,791	12,511	2,143	-	20,159	-
Less						
Discount	17	-	17	-	-	-
Net pension liability	25,405	13,931	15,856	-	23,480	-
Total other postemployment benefit obligation liability ⁽¹⁾	7,018	511	251	-	7,278	-
Compensated absences	2,625	677	602	-	2,700	661
Claims payable	3,657	966	694	-	3,929	939
	<u>195,529</u>	<u>127,056</u>	<u>40,589</u>	<u>15,575</u>	<u>266,421</u>	<u>23,745</u>
Total Kansas City Airports						
Total business-type activities long-term liabilities	<u>1,320,910</u>	<u>216,620</u>	<u>130,436</u>	<u>68,680</u>	<u>1,338,414</u>	<u>76,551</u>
Total primary government	<u>\$ 3,878,263</u>	<u>\$ 576,836</u>	<u>\$ 570,646</u>	<u>\$ 72,585</u>	<u>\$ 3,811,868</u>	<u>\$ 210,341</u>

(1) The beginning net position of the City's governmental activities was restated due to the implementation of GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits Other Than Pensions*. The restatement is as follows:

	<u>OPEB Liability as previously reported</u>	<u>Change due to GASB 75</u>	<u>OPEB as restated</u>
Kansas City Airports	\$ 5,163	\$ 1,855	\$ 7,018

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Component units	Payable at May 1, 2018	Additions	Reductions	Payable at April 30, 2019	Amounts Due Within One Year
Tax Increment Financing					
Commission					
Long-term debt	\$ 79,727	\$ -	\$ 18,352	\$ 61,375	\$ 15,562
Premium	260	-	21	239	-
Discount	47	-	4	43	-
Reimbursable developer project costs	675,684	168,393	67,200	776,877	66,000
Police Department					
Total other postemployment benefit obligation liability ⁽¹⁾	45,600	4,317	958	48,959	-
Compensated absences	42,630	12,356	13,029	41,957	8,938
Claims payable	19,660	6,540	6,007	20,193	6,007
Land Clearance for Development Authority					
Long-term debt	63,400	-	-	63,400	-
Premium	-	-	-	-	-
Discount	404	-	18	386	-
Port Authority					
Long-term debt	288	2,000	288	2,000	-
Total component units long-term liabilities	<u>\$ 926,798</u>	<u>\$ 193,606</u>	<u>\$ 105,833</u>	<u>\$ 1,014,571</u>	<u>\$ 96,507</u>

(1) The beginning net position of the City's governmental activities was restated due to the implementation of GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits Other Than Pensions*. The restatement is as follows:

	OPEB Liability as previously reported	Change due to GASB 75	OPEB as restated
Police Department	\$ 36,275	\$ 9,325	\$ 45,600

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

The annual requirements to retire bonds, notes and leases outstanding at April 30, 2019, including interest payments, are as follows (*in thousands*):

Governmental Activities

Fiscal Year	General Obligation		General Obligation (BABS)		Street Light Full Faith & Credit	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 30,540	\$ 14,005	\$ -	\$ 527	\$ 660	\$ 104
2021	31,685	13,453	-	527	690	71
2022	30,955	12,466	2,305	528	725	36
2023	32,575	11,194	2,555	415	-	-
2024	32,595	9,567	2,630	285	-	-
2025-2029	116,850	26,408	2,705	145	-	-
2030-2034	39,545	8,838	-	-	-	-
2035-2039	29,620	2,858	-	-	-	-
2040-2044	-	-	-	-	-	-
2045-2049	-	-	-	-	-	-
Total	\$ 344,365	\$ 98,789	\$ 10,195	\$ 2,427	\$ 2,075	\$ 211

Fiscal Year	KCMAC		PIEA Bonds		Contract Payments Due Developer	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 10,175	\$ 510	\$ 460	\$ 183	\$ (1,549)	\$ 1,549
2021	7,098	8,395	485	158	353	1,578
2022	6,953	9,203	525	130	509	1,560
2023	6,740	10,056	565	101	829	1,533
2024	5,720	9,485	600	68	1,700	1,480
2025-2029	25,564	58,721	595	34	11,544	6,093
2030-2034	12,466	36,394	-	-	17,859	3,012
2035-2039	-	-	-	-	4,502	105
2040-2044	-	-	-	-	-	-
2045-2049	-	-	-	-	-	-
Total	\$ 74,716	\$ 132,764	\$ 3,230	\$ 674	\$ 35,747	\$ 16,910

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Neighborhood District Full					
Faith & Credit		Special Obligations		IDA	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 40	\$ 6	\$ 51,857	\$ 40,415	\$ 7,315	\$ 7,232
40	4	53,234	38,735	7,790	6,855
40	2	39,430	37,167	8,320	6,455
-	-	43,457	36,141	8,845	6,027
-	-	43,646	34,778	9,405	5,576
-	-	220,291	151,687	56,905	19,290
-	-	246,930	68,346	41,500	3,517
-	-	119,750	21,004	-	-
-	-	19,425	861	-	-
-	-	-	-	-	-
<u>\$ 120</u>	<u>\$ 12</u>	<u>\$ 838,020</u>	<u>\$ 429,134</u>	<u>\$ 140,080</u>	<u>\$ 54,952</u>

Other Notes & Lease					
Purchase		Implied Notes		Total	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 11,038	\$ 1,607	\$ 175	\$ 189	\$ 110,711	\$ 66,327
10,919	1,368	184	174	112,478	71,318
9,780	1,126	197	161	99,739	68,834
14,173	902	210	148	109,949	66,517
5,824	552	223	133	102,343	61,924
14,878	895	985	472	450,317	263,745
735	133	970	137	360,005	120,377
411	20	-	-	154,283	23,987
-	-	-	-	19,425	861
-	-	-	-	-	-
<u>\$ 67,758</u>	<u>\$ 6,603</u>	<u>\$ 2,944</u>	<u>\$ 1,414</u>	<u>\$ 1,519,250</u>	<u>\$ 743,890</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Business-type Activities and Component Units

Fiscal Year	Water		Sewer		Storm Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 20,425	\$ 15,855	\$ 23,596	\$ 22,277	\$ 423	\$ 21
2021	21,245	15,011	24,072	21,245	429	14
2022	20,515	14,048	23,468	20,238	348	7
2023	21,315	13,208	23,554	19,263	22	2
2024	21,005	12,232	22,747	18,318	23	1
2025-2029	88,625	48,019	116,257	76,018	94	3
2030-2034	87,600	28,832	134,037	47,374	-	-
2035-2039	75,745	12,092	113,720	20,551	-	-
2040-2044	18,405	1,304	40,105	2,845	-	-
2045-2049	-	-	-	-	-	-
Total	\$ 374,880	\$ 160,601	\$ 521,556	\$ 248,129	\$ 1,339	\$ 48

Fiscal Year	TIF Commission		Port Authority		LCRA	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 15,562	\$ 4,124	\$ -	\$ 125	\$ -	\$ 3,117
2021	10,558	2,054	-	125	-	3,117
2022	5,895	1,561	-	125	-	3,117
2023	6,245	1,270	-	125	-	3,117
2024	5,735	964	2,000	115	-	3,117
2025-2029	16,130	1,938	-	-	-	15,584
2030-2034	1,250	101	-	-	8,500	14,469
2035-2039	-	-	-	-	-	13,725
2040-2044	-	-	-	-	22,000	9,325
2045-2049	-	-	-	-	-	8,225
2050-2054	-	-	-	-	32,900	1,645
Total	\$ 61,375	\$ 12,012	\$ 2,000	\$ 615	\$ 63,400	\$ 78,558

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Business-type Activities and Component Units

Airports		Total Business-type Activities	
Principal	Interest	Principal	Interest
\$ 22,145	\$ 9,607	\$ 66,589	\$ 47,760
11,200	9,156	56,946	45,426
11,775	8,582	56,106	42,875
12,380	7,978	57,271	40,451
13,015	7,343	56,790	37,894
47,710	27,782	252,686	151,822
23,210	20,455	244,847	96,661
29,625	14,042	219,090	46,685
37,815	5,856	96,325	10,005
-	-	-	-
<u>\$ 208,875</u>	<u>\$ 110,801</u>	<u>\$1,106,650</u>	<u>\$ 519,579</u>

Total Component Units Activities	
Principal	Interest
\$ 15,562	\$ 7,366
10,558	5,296
5,895	4,803
6,245	4,512
7,735	4,196
16,130	17,522
9,750	14,570
-	13,725
22,000	9,325
-	8,225
32,900	1,645
<u>\$ 126,775</u>	<u>\$ 91,185</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Bonds, Notes and Lease Purchase payable at April 30, 2019, are comprised of the following issues:

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Kansas City Capital Improvement/ Refunding 2010A	February 1, 2022	2.00% - 5.00%	The bonds maturing on and after February 1, 2021 are subject to the following optional redemptions: February 1, 2020 and thereafter - 100%, as a whole or in part, at any time.	\$ 4,920,000
Kansas City Capital Improvement / Refunding 2011A	February 1, 2031	2.50% - 5.00%	The bonds maturing on and after February 1, 2022 are subject to the following optional redemptions: February 1, 2021 and thereafter - 100%, as a whole or in part, at any time.	33,010,000
Kansas City Capital Improvement/ Refunding 2012A	February 1, 2032	2.00% - 5.00%	The bonds maturing on and after February 1, 2023 are subject to the following optional redemptions: February 1, 2022 and thereafter - 100%, as a whole or in part, at any time.	132,525,000
Kansas City Capital Refunding 2015A	February 1, 2027	5.00%	The bonds maturing on and after February 1, 2025 are subject to the following optional redemptions: February 1, 2024 and thereafter - 100%, as a whole or in part, at any time.	35,700,000
Kansas City Capital Improvement / Refunding 2018A	February 1, 2038	3.00% - 5.00%	The bonds maturing on and after February 1, 2029 are subject to the following optional redemptions: February 1, 2028 and thereafter - 100%, as a whole or in part, at any time.	80,920,000
Kansas City Capital Improvement 2019A	February 1, 2039	2.75% - 5.00%	The bonds maturing on and after February 1, 2029 are subject to the following optional redemptions: February 1, 2028 and thereafter - 100%, as a whole or in part, at any time.	<u>57,290,000</u>
			Total General Obligation Bonds Outstanding	<u>\$ 344,365,000</u>
General Obligation Kansas City RZED Series 2010B	February 1, 2025	4.90% - 5.35%	The bonds, at the option of the City, in whole or in part, on any date upon the occurrence of an Extraordinary Event equal to the greater of the principal amount to be redeemed or the sum of the present values of the remaining scheduled debt service payments. The bonds maturing on and after February 1, 2021 are subject to the following optional redemptions: February 1, 2020 and thereafter - 100%, as a whole or in part, at any time.	<u>\$ 10,195,000</u>
			Total General Obligation RZED Bonds Outstanding	<u>\$ 10,195,000</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Streetlight Project, Series 2011A	February 1, 2022	2.50% - 5.00%	The bonds maturing on and after February 1, 2022 are subject to the following optional redemptions: February 1, 2021 and thereafter - 100%, as a whole or in part, at any time.	<u>\$ 2,075,000</u>
			Total General Obligation Streetlight Bonds	<u>\$ 2,075,000</u>
General Obligation Bonds NID General Obligation Bonds NID Series 2011A	February 1, 2022	2.50% - 5.00%	The bonds maturing on and after February 1, 2022 are subject to the following optional redemptions: February 1, 2021 and thereafter - 100%, as a whole or in part, at any time.	<u>\$ 120,000</u>
			Total General Obligation NID Bonds Outstanding	<u>\$ 120,000</u>

CITY OF KANSAS CITY, MISSOURI
Notes To Basic Financial Statements
April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
KCMAC Bonds Bartle, Series 2004B-1 (CABS)	April 15, 2032	4.82% - 5.34% (CAB's yield)	Capital Appreciation Bonds (CABS) are not subject to optional call.	\$ 64,411,041
KCMAC Bonds Municipal Auditorium Parking Garage/ Music Hall and Bartle Hall, Series 2006A	April 15, 2020	4.25% -5.00%	Bonds maturing in the years 2017, 2021 through 2026, inclusive, and \$6,500,000 in aggregate principal amount maturing in the year 2020 are subject to optional redemption on and after April 15, 2016, in whole or in part at any time at a price equal to 100%. (Partially Refunded in April 2016).	10,110,000
KCMAC Bonds (Municipal Service Center Improvements) Series 2017A	April 15, 2022	2.53%	Bonds maturing in the years on an after April 15, 2019 are subject to optional redemptoin in whole or in part at any time at a redemption price equal 100% of the principal amount thereof, plus accrued interest to the redemption date.	<u>195,000</u>
			Total KCMAC Bonds Outstanding	<u>\$ 74,716,041</u>
Other Notes Payable (Lease Purchase) Other Notes Payable	Various	Various	Subject to prepayment.	<u>\$ 63,722,414</u>
			Total Other Notes Payable Outstanding	<u>\$ 63,722,414</u>
Implied Loans				
Implied Loan Bartle Hall Swap 2008E	April 15, 2034	6.43%	Not Applicable	\$ 2,554,378
Implied Loan Bartle Hall Swap 2008F	April 15, 2025	6.99%	Not Applicable	<u>389,662</u>
			Total Implied Loans	<u>\$ 2,944,040</u>
PIEA Bonds Taxable Lease Revenue (300 Wyandotte) Series 2005	January 1, 2025	4.90% - 5.70%	Bonds maturing in the year 2017 and thereafter are subject to the following optional redemptions: January 1, 2016 and thereafter – 100%; as a whole or in part at any time.	<u>\$ 3,230,000</u>
			Total PIEA Bonds Outstanding	<u>\$ 3,230,000</u>
Contract Payments Due Developer KC Hotel Developeres (Downtown Convention Center Hotel)	May 1, 2035	4.25%	Not applicable	<u>\$ 35,747,587</u>
			Total Contract Payments Outstanding	<u>\$ 35,747,587</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Special Obligation Bonds				
KCMO Special Obligation, Series 2008D Downtown Arena Project	April 1, 2040	6.43% - 7.83%	The Series 2008D bonds are subject to optional redemption and payment at any time, at the option of the City, as a whole or in part at a redemption price equal to the greater of (i) 100% of the principal amount thereof or (ii) the discounted value thereof, together, in either case, with accrued interest to the redemption date.	\$ 13,935,000
KCMO Special Obligation, Series 2008E Bartle Hall Convention Center Project	April 15, 2034	Variable Rate Bonds - Series 2008E initially bear interest in the weekly interest rate period; 2.40% at April 30, 2019	The Series 2008E bonds bearing interest at a weekly interest rate are subject to optional redemption by the City, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date.	81,400,000
KCMO Special Obligation, Series 2008F Bartle Hall Convention Center Project	April 15, 2025	Variable Rate Bonds - Series 2008F initially bear interest in the weekly interest rate period 2.40% at April 30, 2019	The Series 2008F bonds bearing interest at a weekly interest rate are subject to optional redemption by the City, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date.	20,865,000
KCMO Special Obligation Series 2009B President Hotel Project	March 1, 2028	Variable Rate Bonds - Series 2009B initially bear interest in the weekly interest rate period 2.43% at April 30, 2019	The Series 2009B bonds bearing interest at a weekly interest rate are subject to optional redemption by the City, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date.	11,315,000
KCMO Special Obligation Series 2009C Chouteau I-35 Project	March 1, 2024	Variable Rate Bonds - Series 2009C initially bear interest in the weekly interest rate period; 2.44% at April 30, 2019	The Series 2009C bonds bearing interest at a weekly interest rate are subject to optional redemption by the City, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date.	2,880,000
KCMO Special Obligation Series 2009D Chouteau I-35 Project	March 1, 2023	Variable Rate Bonds - Series 2009D initially bear interest in the weekly interest rate period; 2.44% at April 30, 2019	The Series 2009D bonds bearing interest at a weekly interest rate are subject to optional redemption by the City, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date.	1,365,000
KCMO Special Obligation Series 2009E Performing Arts Center Garage	February 1, 2029	3.10% - 6.98%	Not subject to optional redemption.	36,660,275
KCMO Special Obligation Series 2010A East Village Project	April 15, 2031	2.00% - 5.00%	Bonds maturing in year 2021 and thereafter are subject to redemption in whole or in part, on any day on and after April 15, 2020 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	3,880,000
KCMO Special Obligation Series 2010B Various Refunding	January 1, 2021	3.00% - 4.125%	Bonds maturing in year 2021 and thereafter are subject to redemption in whole or in part, on any day on and after January 1, 2020 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	4,890,000
KCMO Special Obligation Series 2012A Various Capital Projects	March 1, 2032	2.00% - 5.00%	Bonds maturing on March 1, 2023 and thereafter are subject to redemption in whole or in part at any time on and after March 1, 2022 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	13,615,000

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
KCMO Special Obligation Series 2012B Various Capital Project and Refunding	March 1, 2032	1.46% - 5.25%	Bonds maturing on March 1, 2023 and thereafter are subject to redemption in whole or in part, at any time on and after March 1, 2022 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 32,935,000
KCMO Special Obligation Series 2013B Various Capital Project and Refunding	August 1, 2033	2.00% - 5.00%	Bonds maturing on August 1, 2023 and thereafter are subject to redemption in whole or in part, at any time on and after August 1, 2022 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 29,830,000
KCMO Special Obligation Series 2013C Various Capital Project and Refunding	August 1, 2033	0.75% - 6.00%	Bonds maturing on August 1, 2023 and thereafter are subject to redemption in whole or in part, at any time on and after August 1, 2022 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 12,390,000
KCMO Special Obligation Series 2014A Streetcar Project	September 1, 2037	2.00% - 5.00%	Bonds maturing on September 1, 2020 and thereafter are subject to redemption in whole or in part, at any time on and after September 1, 2019 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 56,170,000
KCMO Special Obligation Series 2014B Various Capital Projects	September 1, 2028	2.00% - 5.00%	Bonds maturing on September 1, 2024 and thereafter are subject to redemption in whole or in part, at any time on and after September 1, 2023 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 11,155,000
KCMO Special Obligation Series 2014C	September 1, 2039	4.00% - 5.00%	Bonds maturing on and after September 1, 2023 are subject to redemption in whole or in part, at any time at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 32,775,000
KCMO Special Obligation Series 2015A Various Capital Project and KCMAC Refunding	April 15, 2026	1.95%	No optional redemption.	\$ 13,925,000
KCMO Special Obligation Series 2016A Various Capital Projects	April 15, 2026	3.00% - 5.00%	Bonds maturing on October 1, 2026 and thereafter are subject to redemption in whole or in part, at any time on and after October 1, 2025 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 43,215,000
KCMO Special Obligation Taxable Series 2016B Various Capital Projects	April 15, 2026	0.82% - 3.94%	Bonds maturing on October 1, 2026 and thereafter are subject to redemption in whole or in part, at any time on and after October 1, 2025 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 26,315,000

CITY OF KANSAS CITY, MISSOURI
Notes To Basic Financial Statements
April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
KCMO Special Obligation Series 2016C Refunding KCMAC 2006A and Special Obligation 2008A	October 1, 2027	3.00% - 5.00%	Bonds maturing on October 1, 2026 and thereafter are subject to redemption in whole or in part, at any time on and after October 1, 2025 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	\$ 17,130,000
KCMO Special Obligation Series 2016D Refunding Special Obligation 2008B	April 15, 2031	3.00% - 5.00%	Bonds maturing on April 15, 2026 and thereafter are subject to redemption in whole or in part, at any time on and after April 15, 2025 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	23,375,000
KCMO Special Obligation Series 2016E Refunding Special Obligation 2008C and Capital Projects	April 1, 2040	3.125% - 5.00%	Bonds maturing on April 1, 2026 and thereafter are subject to redemption in whole or in part, at any time on and after April 1, 2025 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	169,705,000
KCMO Special Obligation Series 2017A Taxable Various Capital Projects	October 1, 2039	1.375% - 4.625%	Bonds maturing on October 1, 2028 and thereafter are subject to redemption in whole or in part, at any time on and after October 1, 2027 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	30,320,000
KCMO Special Obligation Series 2017B Improvement and Refunding Various Capital Projects	October 1, 2036	3.625% - 5.00%	Bonds maturing on October 1, 2028 and thereafter are subject to redemption in whole or in part, at any time on and after October 1, 2027 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	14,855,000
KCMO Special Obligation Series 2017C Refunding IDA Series 2005A	September 1, 2032	3.250% - 5.00%	Bonds maturing on September 1, 2028 and thereafter are subject to redemption in whole or in part, at any time on and after September 1, 2027 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	89,410,000
KCMO Special Obligation Series 2017D Refunding IDA Series 2007A	April 1, 2022	5.00%	The Series 2017D Bonds are not subject to redemption and payment prior to maturity.	9,645,000
KCMO Special Obligation Series 2018A Taxable (Convention Center Contribution Project)	April 1, 2038	2.53% - 4.39%	Bonds maturing on April 1, 2029 and thereafter are subject to redemption in whole or in part, at any time on and after April 1, 2028 at 100% of the principal amount thereof, plus interest accrued to the redemption date.	34,065,000
			Total Special Obligation Bonds	<u>\$ 838,020,275</u>

CITY OF KANSAS CITY, MISSOURI
Notes To Basic Financial Statements
April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Industrial Development Authority (IDA) Bonds				
IDA Bonds KC Live Project Refunding Series 2011A	September 1, 2032	2.00% - 5.50%	Bonds maturing in September 1, 2022 and thereafter are subject to the following optional redemptions September 1, 2021 and thereafter – 100%; from time to time as a whole or in part.	\$ 140,080,000
			Total IDA Bonds	<u>\$ 140,080,000</u>
Notes HUD				
HUD - 108 18th and Vine	August 1, 2022	1.00%	Term is \$355,000 annual principal payment.	1,420,000
HUD - 108 Seven Oaks Housing St. Michael's Veterans Support Services Center & YMCA Expansion	August 1, 2036	2.54%-3.635%	Term is \$147,000 annual principal payment.	<u>2,614,930</u>
			Total HUD 108 Notes Outstanding	<u>\$ 4,034,930</u>
Water Revenue Bonds				
Revenue Bonds, Water Subordinate Series 2008A	December 1, 2027	4.66%	Bonds may be called for redemption and payment prior to their stated maturity on June 1, 2018 and, thereafter, 100 % of the principal amount as a whole or in part at any time in such amounts for each stated maturity.	\$ 20,390,000
Revenue Bonds, Water Refunding and Improvement Revenue Bonds Series 2009A	December 1, 2032	2.00% - 5.25%	Bonds maturing on and after December 1, 2019 are subject to redemption prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2018 at the principal amount thereof, together with accrued interest thereon to date of redemption at a price equal to 100%.	87,375,000
Revenue Bonds, Water Improvement Revenue Bonds Series 2012A	December 1, 2036	1.00% - 5.00%	Bonds maturing on and after December 1, 2022 are subject to redemption prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2021, at the principal amount thereof, together with accrued interest thereon to date of redemption at a redemption price equal to 100%.	37,770,000

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Revenue Bonds, Water Improvement Revenue Bonds Series 2013A	December 1, 2037	2.00% - 4.00%	Bonds maturing on and after December 1, 2022 are subject to redemption prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2021, at the principal amount thereof, together with accrued interest thereon to date of redemption at a redemption price equal to 100%.	\$ 49,335,000
Revenue Bonds, Water Improvement Revenue Bonds Series 2014A	December 1, 2038	2.00% - 5.00%	Bonds maturing on and after December 1, 2024 are subject to redemption prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2023, at the principal amount thereof, together with accrued interest thereon to date of redemption at a redemption price equal to 100%.	48,645,000
Revenue Bonds, Water Improvement Revenue Bonds Series 2015A	December 1, 2039	3.25% - 5.00%	Bonds maturing on and after December 1, 2025 are subject to redemption prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2024, at the principal amount thereof, together with accrued interest thereon to date of redemption at a redemption price equal to 100%.	57,395,000
Revenue Bonds, Water Improvement Revenue Bonds Series 2017A	December 1, 2041	3.00% - 5.00%	Bonds maturing on and after December 1, 2027 are subject to redemption and payment prior to maturity, at the option of the City, in whole or in part at any time on or after December 1, 2026, at the principal amount thereof, together with accrued interest thereon to date of redemption at a redemption price equal to 100%.	<u>73,970,000</u>
			Total Water Revenue Bonds	<u>\$ 374,880,000</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Sewer Revenue Bonds				
			Original optional redemption was as follows: Bonds maturing on and after January 1, 2010 may be called for redemption in whole or in part on any date with the consent of the bond owner or on each June 1 and December 1 commencing June 1, 2009 following redemption dates and prices: June 1, 2009 to May 31, 2010 - 101% June 1, 2010 to May 31, 2011 - 100.5% June 1, 2011 and thereafter - 100% This optional redemption was amended by ordinance No. 040140 wherein the City irrevocably and unconditionally waives its right to optionally redeem certain bond maturities covered during the redemption period.	
Revenue Bonds Sewer, Series 1999A, (State Revolving Fund)	January 1, 2020	3.625% - 5.25%		\$ 445,000
			Original optional redemption was as follows: Series 2000A maturing on July 1, 2011 may be called for redemption and payment prior to maturity in whole or in part on any date with the consent of the bond owner or each June 1 and December 1, commencing June 1, 2010 at the redemption price of 100%. This optional redemption was amended by ordinance No. 040140 wherein the City irrevocably and unconditionally waives its right to optionally redeem certain bond maturities covered during the redemption period.	
Revenue Bonds Sewer, Series 2000A, (State Revolving Fund)	July 1, 2020	4.60% - 5.75%		1,565,000
			Original optional redemption was as follows: Series 2000B maturing July 1, 2013 may be called for redemption and payment prior to maturity in whole or in part on any date on and after September 1, 2010 with the consent of the bond owner or on each June 1 and December 1, commencing December 1, 2010 at the redemption price of 100%. This optional redemption was amended by ordinance No. 040140 wherein the City irrevocably and unconditionally waives its right to optionally redeem certain bond maturities covered during the redemption period.	
Revenue Bonds Sewer, Series 2000B, (State Revolving Fund)	July 1, 2020	4.25% - 5.625%		1,410,000
			Bonds maturing on July 1, 2022 may be called for redemption and payment prior to maturity as a whole or in part on any date on and after June 1, 2011 with the consent of bond owner or on each June 1 and December 1 commencing June 1, 2011 without premium.	
Revenue Bonds Sewer, Series 2001B, (State Revolving Fund)	July 1, 2022	3.00% - 5.375%		4,090,000
			Bonds maturing on July 1, 2013 and thereafter may be called for redemption and payment prior to maturity as a whole or in part on any date with the consent of bondholder or on each June 1 and December 1, commencing December 1, 2012 without premium.	
Revenue Bonds Sewer, Series 2002J	July 1, 2022	2.00% - 5.50%		2,445,000

CITY OF KANSAS CITY, MISSOURI

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April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Revenue Bonds Sewer, Series 2004H	January 1, 2025	3.00% - 5.25%	Bonds maturing on January 1, 2015 and thereafter, except as provided below, may be called for redemption prior to maturity in whole or in part on any date with the consent of the bond owner or on each June 1 and December 1, commencing December 1, 2013 at the redemption price of 100%. Bonds maturing on January 1, 2019, January 1, 2020 and January 1, 2021 are not subject to redemption.	\$ 3,680,000
Revenue Bonds Sewer, Series 2009B	January 1, 2030	1.48%	At the option of the City, with the prior written consent of the owner of the bonds may be called for redemption and payment prior to stated maturity in whole or in part at any time, at the redemption price of 100%.	8,700,600
Revenue Bonds Sewer, Series 2011A	January 1, 2037	2.00% - 5.00%	Bonds maturing on and after January 1, 2022 are subject to the following optional redemption: January 1, 2021 and thereafter - 100%, as a whole or in part at any time.	70,090,000
Revenue Bonds Sewer, Series 2012A	January 1, 2037	2.00% - 5.00%	Bonds maturing on and after January 1, 2023 are subject to the following optional redemption: January 1, 2022 and thereafter - 100%, as a whole or in part at any time.	62,130,000
Revenue Bonds, Sewer, Series 2016A	January 1, 2040	2.00% - 5.00%	Bonds maturing on and after January 1, 2026 are subject to the following optional redemption: January 1, 2025 and thereafter - 100%, as a whole or in part at any time.	164,660,000
Revenue Bonds, Sewer, Series 2018A	January 1, 2042	3.125% - 5.00%	Bonds maturing on and after January 1, 2029 are subject to the following optional redemption: January 1, 2028 and thereafter - 100%, as a whole or in part at any time.	160,285,000
Revenue Bonds, Sewer, Series 2018B	January 1, 2034	5.00%	Bonds maturing on and after January 1, 2029 are subject to the following optional redemption: January 1, 2028 and thereafter - 100%, as a whole or in part at any time.	<u>42,055,000</u>
			Total Sewer Revenue Bonds	<u>\$ 521,555,600</u>

CITY OF KANSAS CITY, MISSOURI
Notes To Basic Financial Statements
April 30, 2019

Description	Date of Maturity	Range of Interest Rates	Optional Redemption Dates/ Redemption Price	Outstanding Balance
Storm Water Loan				
Storm Water Loan, Series 2000	December 1, 2020	1.70%	Subject to prepayment.	\$ 146,800
Storm Water Loan, Series 2001 & 2002	December 1, 2021	1.60%	Subject to prepayment	989,000
Storm Water Loan, Series 2007	June 1, 2027	1.40%	Subject to prepayment	<u>203,000</u>
			Total Storm Water Loans Outstanding	<u>\$ 1,338,800</u>
Airport Revenue Bonds				
			Bonds maturing on and after September 1, 2022 may be called for redemption in whole or in part at any time on and after September 1, 2021 equal to 100% of the principal amount, plus accrued interest thereon to the redemption date.	
Airport Revenue Bonds, General Improvement Refunding, Series 2013A	September 1, 2027	2.00% - 5.25%		\$ 98,925,000
Airport Revenue Bonds, General Improvement Refunding, Series 2013B	September 1, 2019	4.00% - 5.00%	The Series 2013B are not subject to redemption prior to maturity.	<u>11,490,000</u>
			Total Airport Revenue Bonds Outstanding	<u>110,415,000</u>
Industrial Development Authority (IDA) Bonds				
			Bonds maturing on and after March 1, 2030 may be called for redemption in whole or in part at any time on and after March 1, 2029 equal to 100% of the principal amount, plus accrued interest thereon to the redemption date.	
Special Obligation Annual Appropriation Obligation, Series 2019A	March 1, 2044	2.85% - 5.00%		<u>98,460,000</u>
			Total IDA Special Obligation Bonds Outstanding	<u>98,460,000</u>
			Total Airport Revenue Bonds and Annual Appropriation Obligations Outstanding	<u>\$ 208,875,000</u>

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Variable Rate Demand Bonds

The City has outstanding \$117,825,000 principal amount of various variable rate demand bonds (Bonds) as of April 30, 2019. These Bonds are remarketed by remarketing agents on a periodic basis for an annual fee of 8 basis points (0.08%) of the outstanding principal amount of the Bonds. The Bonds are supported by liquidity agreements in the event the Bonds are not able to be remarketed. As of April 30, 2019, the liquidity agreements have varying expiration dates from May 1, 2020 through August 3, 2020. Any advances made under the liquidity agreements are generally converted to installment loans payable over a period of three (3) to five (5) years. The portion of the bonds that could be required to be repaid within one year under the demand provisions or the liquidity agreements is reflected as current in the schedules above, and has been included as Demand bonds due within one year in the Statement of Net Position. At April 30, 2019, all variable rate bonds had been successfully remarketed. The interest rates on each of the Bonds for the last week of April 2019 were used for calculating estimated future interest payments on the Bonds.

Note: The following are the remarketing agents for the City's special obligation variable rate demand bonds: (a) Merrill Lynch, Pierce, Fenner and Smith Inc. for Series 2009B, 2009C and 2009D and (e) Citigroup Global Markets, Inc. for Series 2008E and 2008F.

As mentioned above, the liquidity agreements include a provision for the provider to convert the bonds to an installment loan in the event the remarketing agent is unable to resell the bonds, commonly referred to as a take-out agreement. As shown in the table below, none of the City's take-out agreements expire within one year of the fiscal year ending April 30, 2019.

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The following table shows the various terms of the liquidity for each of the Bonds:

Issuer	Bond Name	Purpose	Maturity Date	Bond Security	Bonds Subject to Purchase on the Demand of Bondholders	Optional Redemption Provision	LOC Provider	LOC Expiration	LOC Annual Fee	LOC Commitment	LOC Fee Paid in Fiscal Year 2019	Bank Bonds as of 4/30/19	Term Loan Repayment	Term Loan Rate
Special Obligation (City)	City of Kansas City, Missouri Variable Rate Demand Special Obligation Refunding Bonds, Series 2008E (H.Roe Bartle Convention Center Project) - \$81,400,000 Par Amount	To refund Series 2004A bonds, which funded the H.Roe Bartle Convention Center Project	4/15/2034	Annual Appropriation Pledge	Yes. Need to be purchased on a business day not prior to the 7th day after the date of the delivery of the bondholders' notice	Bonds bearing interest at a weekly interest rate are subject to optional redemption, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date	Sumitomo Mitsui Banking Corporation	08/03/20	0.68%	principal of bonds plus 45 days interest at 10% per annum	\$ 568,127	None	*Five years, payable in ten equal semi-annual payments beginning from the earlier of (a) the six-month anniversary of the Termination Date of the LOC or (b) such earlier date as may be requested by the City	Days 1-30: Base Rate. Days 31-90: Base Rate plus 1.00%. Days 91+: Base Rate plus 2.00%. Base Rate = higher of LIBOR Index Rate plus 3.00%, Prime Rate plus 2.00%, Fed. Funds plus 3.00% or SIFMA plus 3.00%
Special Obligation (City)	City of Kansas City, Missouri Variable Rate Demand Special Obligation Refunding Bonds, Series 2008F (H.Roe Bartle Convention Center Project) - \$20,865,000 Par Amount	To refund Series 2005 bonds, which funded the H.Roe Bartle Convention Center Project	4/15/2025	Annual Appropriation Pledge	Yes. Need to be purchased on a business day not prior to the 7th day after the date of the delivery of the bondholders' notice	Bonds bearing interest at a weekly interest rate are subject to optional redemption, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date	Sumitomo Mitsui Banking Corporation	08/03/20	0.68%	principal of bonds plus 45 days interest at 10% per annum	\$ 145,626	None	*Five years, payable in ten equal semi-annual payments beginning from the earlier of (a) the six-month anniversary of the Termination Date of the LOC or (b) such earlier date as may be requested by the City	Days 1-30: Base Rate. Days 31-90: Base Rate plus 1.00%. Days 91+: Base Rate plus 2.00%. Base Rate = higher of LIBOR Index Rate plus 3.00%, Prime Rate plus 2.00%, Fed. Funds plus 3.00% or SIFMA plus 3.00%
Special Obligation (City)	City of Kansas City, Missouri Variable Rate Demand Special Obligation Refunding Bonds, Series 2009C and 2009D (Chouteau I-35 Project) - \$12,245,000 combined Par Amount	To refund the Series 2003A and 2003B bonds, which funded the Chouteau I-35 Redevelopment Project	2009C - 3/1/2024 2009D - 3/1/2023	Annual Appropriation Pledge	Yes. Need to be purchased on a business day not prior to the 7th day after the date of the delivery of the bondholders' notice	Bonds bearing interest at a weekly interest rate are subject to optional redemption, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date	JPMorgan Chase Bank, NA	05/01/20	0.75%	principal of bonds plus 39 days interest at 10% per annum	\$ 37,685	None	Three years, payable every six months in equal principal installments beginning the sixth month immediately following the Term Loan Start Date (the day following the related Tender Drawing)	Days 1-90: higher of JP Morgan Prime Rate plus 1.50%, Fed. Funds plus 2.00% or 8.50%. Days 91+: higher of JPMorgan Prime Rate plus 2.50%, Fed. Funds plus 3.00% or 8.50%
Special Obligation (City)	City of Kansas City, Missouri Variable Rate Demand Taxable Special Obligation Refunding Bonds, Series 2009B (President Hotel Project) - \$17,400,000 Par Amount	To refund the Series 2004 bonds, which funded the President Hotel Redevelopment Project	3/1/2028	Annual Appropriation Pledge	Yes. Need to be purchased on a business day not prior to the 7th day after the date of the delivery of the bondholders' notice	Bonds bearing interest at a weekly interest rate are subject to optional redemption, in whole or in part, at any time, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued but unpaid interest to the redemption date	JPMorgan Chase Bank, NA	05/01/20	0.75%	principal of bonds plus 39 days interest at 10% per annum	\$ 74,393	None	Three years, payable every six months in equal principal installments beginning the sixth month immediately following the Term Loan Start Date (the day following the related Tender Drawing)	Days 1-90: higher of JPMorgan Prime Rate plus 1.50%, Fed. Funds plus 2.00% or 8.50%. Days 91+: higher of JPMorgan Prime Rate plus 2.50%, Fed. Funds plus 3.00% or 8.50%

Notes: Information is as of April 30, 2019 and is for discussion purposes only. Actual terms are provisions subject to change

* Five years unless the following occurs earlier: (a) Early Expiration Date, (b) Maturity Date of the bonds, (c) an Event of Default and (d) acceleration, prepayment, redemption, defeasance or other payment of the Bank Bonds purchased pursuant to such Principal Purchase Drawing.

Sanitary Sewer Refunding Bonds - Series 2018B

On October 4, 2018, the City issued its Sanitary Sewer Refunding Bonds, Series 2018B (Sewer Revenue Refunding Bonds, Series 2018B) to refund the following bonds (Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds):

- **Current Refunding** - Sanitary Sewer Revenue Bonds (System Improvement Projects) Series 2009A (Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds)

The par amount of the Sewer Revenue Refunding Bonds, Series 2018B was \$42,055,000. The Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds were refunded to reduce the City's annual debt service requirement. On October 4, 2018, \$54,459,957 was directly sent to the paying agent of the Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds to be deposited into an irrevocable escrow deposit trust and used to purchase U.S. government securities. The Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds were called for redemption on

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January 1, 2019. As a result of these actions, the Sanitary Sewer Revenue Bonds Series 2009A Refunded Bonds are considered to be defeased and the liability for those bonds has been removed from the long-term obligations. Refer to the following table for more additional refunding information.

Refunded Bonds	Type of Refunding	Optional Call Dates	Par Amount of Refunding Bonds	Interest Rate Refunding Bonds	Original Par Amount of Refunded Bonds
Sewer Revenue, Series 2009A	Current	10/4/2018	\$ 42,055,000	3.40%	\$ 69,480,000
Total			\$ 42,055,000		\$ 69,480,000

Calculation of Escrow Monies

	Sewer 2009A
Par Amount	\$ 42,055,000
Premium/(Discount)	5,205,651
Other Sources	7,568,308
Less:	
Cost of Issuance	<u>369,002</u>
Escrow Deposits	<u>\$ 54,459,957</u>

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Principal Amount of Refunded Bonds	Interest Range of Refunded Bonds	Amount Escrowed	Types of Investments Purchased	Total Years of Savings/ Dissavings	Gross Savings/ (Dissavings)	Economic Gain/ (Loss)
<u>\$ 53,105,000</u>	4.00%-5.25%	<u>\$54,459,957</u>	SLGS	15	<u>\$13,900,833</u>	<u>\$ 5,558,072</u>
<u><u>\$ 53,105,000</u></u>		<u><u>\$ 54,459,957</u></u>			<u><u>\$ 13,900,833</u></u>	<u><u>\$ 5,558,072</u></u>

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Defeasance of Bonds Using Existing Resources

Defeasance and Redemption of Variable Rate Demand Taxable Special Obligation Refunding Bonds, Series 2009A (909 Walnut Parking Facility Project)

On December 27, 2018, the City irrevocably instructed the trustee of the Variable Rate Demand Taxable Special Obligation Refunding Bonds, Series 2009A (Series 2009A Bonds) to draw from a letter of credit and combine with a transfer from funds held under the trust indenture in order to fund the defeasance of the outstanding \$3,905,000 Series 2009A Bonds and \$43,864 of accrued interest, at the maximum interest rate, on January 11, 2019. The letter of credit provider was reimbursed on the same day with \$928,805 of funds held under the Series 2009A Bonds trust indenture and \$3,010,431 of funds from the sale of property (Property) financed with the bonds refunded by the Series 2009A issue. The defeasance was executed as a condition of the City's approval of the assignment of rights and obligations from the seller to the purchaser of the Property. A total of \$10,164 in interest was paid during the defeasance period along with \$3,905,000 in principal on the redemption date. Excess defeasance amounts were refunded to the Seller of the Property.

Defeasance and Redemption of the Subordinated Taxable Airport Improvement and Refunding Bonds, Series 2005C (Consolidated Rental Car Facility Project)

On July 27, 2018, the Aviation Department (Airport) of the City of Kansas City, Missouri (City), defeased the outstanding principal of \$15,575,000 of the Subordinated Taxable Airport Improvement and Refunding Bonds, Series 2005C (Series 2005C Bonds). The City deposited \$15,980,080 from existing appropriated funds in an escrow account to pay all principal and interest on the redemption date on September 1, 2018.

Principal Outstanding Amounts of Previously Advance Refunded Bonds

The following are the principal amounts outstanding of bonds that were advance refunded by the City in prior years and have not been called by the respective paying agent as of April 30, 2019:

Description of Bonds	Fiscal Year of the Advanced Refunding	Call Date	Escrow Agent	Outstanding Amounts as of April 30, 2019
Water Revenue Bonds, Series 2004D	2009	Shall mature in accordance with the stated terms	UMB Bank, NA	\$ 10,200,000
Water Revenue Bonds, Series 2005F	2009	Shall mature in accordance with the stated terms	UMB Bank, NA	\$ 18,870,000

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Derivative Instruments

At April 30, 2019, the City had the following two interest rate derivative instruments outstanding (amounts in thousands):

Derivative Instrument	Type	Objective	Counterparty	Original Notional Amount	Notional Amount as of April 30, 2019	Effective Date	Termination Date	Cash (Paid) Received	Swap Advisor Fee	Terms
A	Pay-fixed interest rate swap	Hedge interest rate risk on Series 2008E Bonds (Bartle Hall Project)	CitiBank, N.A.	\$ 80,885	\$ 80,885	Amended - 8/13/2008 Original - 10/19/2004	4/15/2034	\$ 35		Pay 3.677% Receive 68% of the USD-LIBOR-BBA
B	Pay-fixed interest rate swap	Hedge interest rate risk on Series 2008F Bonds (Bartle Hall Project)	CitiBank, N.A.	\$ 20,610	\$ 20,610	Amended - 8/13/2008 Original - 1/19/2005	4/15/2025	\$ 35		Pay 3.667% Receive 68% of the USD-LIBOR-BBA

Outstanding Derivative Instrument

Citibank, N.A., (Swap Counterparty) and the Kansas City Municipal Assistance Corporation (KCMAC) previously entered into a certain ISDA Master Agreement (derivative instruments A & B) dated as of October 18, 2004, including Schedule, Credit Support Annex and Confirmations (Original Derivative Instrument - Bartle Hall Project) with respect to the KCMAC Series 2004A and Series 2005 Bonds (collectively referred to herein as KCMAC Refunded Bonds). The KCMAC Refunded Bonds were issued to finance the City’s H. Roe Bartle Convention Center Project.

The City refunded the KCMAC Refunded Bonds by issuing its Kansas City, Missouri Special Obligation Refunding Bonds, Series 2008E and 2008F (collectively referred to herein as City Refunding Bonds). At the time of the refunding, KCMAC assigned to the City all of its rights and obligations under the Original Derivative Instrument - Bartle Hall Project pursuant to an Assignment and Assumption Agreement among KCMAC, the City and the Swap Counterparty.

The City implemented GASB 72 (GASB 72) for the fiscal year ending April 30, 2017. GASB 72 requires that derivatives are to be reported in its financial statements on a fair value that reflects credit, or non-performance risk of the City. A description of the valuation techniques utilized under this reporting methodology can be found in the paragraph on the subsequent page.

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Fair Values (Credit Adjusted At-Market Portion)

Table A

Derivative Instrument	April 30, 2018 Asset (Liability)	April 30, 2019 Asset (Liability)
A	\$ (13,787,889)	\$ (16,332,382)
B	<u>(1,828,561)</u>	<u>(2,043,970)</u>
	<u>\$ (15,616,450)</u>	<u>\$ (18,376,352) *</u>

* Net of Implied Note Outstanding balance as of April 30, 2019. The amount includes both the credit adjusted at-market portion of \$18,225,112 and the accrued interest payable portion of \$151,240.

Table B (*in thousands*):

	Changes in Fair Value		Fair Value at 4/30/2019		
	Classification	Amount	Classification	Amount	Notional
Governmental activities					
Cash flow hedges:					
Pay-fixed interest rate swaps	Deferred Outflows	\$ (2,784)	Other Liabilities	\$ 18,225	\$ 101,495
			Accrued interest	<u>151</u>	
				<u>\$ 18,376</u>	

As of the end of the current period, all of the City's interest rate derivatives are effective cash flow hedges and were classified as hedging derivatives in its financial statement. The fair value of the at-market portion is reported as other assets and deferred inflows if positive and other liabilities and deferred outflows if negative on the statement of net positions.

Valuation Techniques

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

Non-performance risk was measured using credit spreads implied by the credit rating for debt issues by entities with similar credit characteristics. This is the best method available under current market conditions since the City has no credit default swaps that actively trade in the marketplace. For a derivative asset, the adjustment for non-performance risk of counterparties is determined by analyzing counterparty-specific credit default swaps, if available. If not available, credit default swaps in the market for entities of similar type and rating are used with information found in various

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public and private information services. This analysis is used to construct a credit curve that is applied to the discount curve on the net settlement payments of the derivative. A level two (2) category hierarchy was employed for fair valuation measurement.

Hybrid Instruments

In August 2008, the City refunded its Series 2004A and 2005 bonds - Bartle Hall Project and amended the two associated pay-fixed swaps with Citibank N.A., without terminating the existing derivative instruments. As a result, the two pay-fixed swaps with Citibank N.A., now hedging Series 2008E and 2008F, had “off-market” terms at the time of the refunding and are accounted for as hybrid instruments in the City’s financial statements.

Risks

Credit Risk - All derivative instruments rely upon the performance of swap counterparties. The City is exposed to the risk that its counterparty may become unable to fulfill its financial obligations under the derivative instrument. The City measures the extent of this risk based upon the counterparty credit ratings and the fair value of the respective derivative instrument. The credit ratings of the City’s single counterparty (Citibank) as of April 30, 2019 are shown in the following table:

Derivative Instrument	Counterparty	Moody’s Credit Rating (1)	S&P Credit Rating (2)	Fitch Credit Rating (3)
A & B	Citibank N.A.	A1	A+	A+

Source: Moody’s and S&P ratings - Derivative Management Services Report.
Fitch’s rating - Fitch Ratings website

- (1) Senior Unsecured Ratings
- (2) Long-term Local Currency Credit Rating
- (3) Senior Unsecured Rating

To mitigate the risk of counterparty non-performance, the City’s swap policy includes collateral posting requirements. Under the Credit Support Annex for derivative instrument A & B, the Amended Derivative Instrument, the counterparty will post collateral in the event that its credit rating is downgraded below A2 /A or not rated from Moody’s and Standard and Poor’s, respectively. The City is not required to post collateral.

As of April 30, 2019, the City was not exposed to actual credit risk under the derivative instrument because each instrument had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the City would be exposed to credit risk in the amount of the derivative instrument’s fair value. In the event CitiBank, N.A. has to post collateral, it should be in the form of cash or debt obligations issued by the U.S Treasury Department or any other collateral acceptable to the Secured Party.

The City’s swap policy does not require that derivative instruments include netting arrangements across multiple transactions. Derivative instruments A and B do not provide netting provisions across multiple transactions, but they allow netting payments within the same transaction.

The credit adjusted at-market portion, the accrued interest portion and off-market fair value of derivative instruments A and B are in liability positions of \$18,225,112, \$151,240 and \$2,944,040, respectively, at April 30, 2019. The aggregate fair value is negative \$21,320,392 (gross of implied note outstanding balance as of April 30, 2019). This represents the maximum loss that would be

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recognized at the reporting date if one or both counterparty failed to perform as contracted. There is no posted collateral to net against the aforementioned fair value.

The contracts for derivative instruments A and B are held by Citibank, N.A. and comprise 100% of the net exposure to credit risk.

Termination Risk - Termination risk is generally referred to as the risk that a derivative instrument could be terminated causing the City to owe a termination payment as a result of any of several events, which may include: a ratings downgrade of the swap counterparty; covenant violations by either party; bankruptcy of either party; a swap payment default of either party; and other default events as defined by the derivative instrument. Any such termination may require the City to make significant termination payments in the future. The approximate amount of termination payment that the City would have to pay if each of the derivative instruments were terminated on April 30, 2019 is approximately \$21,393,207. It should be noted that this is the non-credit adjusted (non GASB 72) mark-to-market valuation as of last business day of the fiscal year. The provisions of the agreements related to each derivative instrument allow for the offset of certain reimbursable costs related to the termination process.

To further mitigate the effect of termination risk relative to derivative instruments A and B, the agreements contain certain safeguards which include (i) collateral posting requirements as discussed in the preceding Credit Risk section and (ii) except for certain types of termination events there is no automatic early termination.

Derivative instruments A and B may be terminated, if the underlying rating of the City's obligations that are subject to annual appropriation falls below "BBB" from S&P or below "Baa2" from Moody's.

While there is no optional termination language in the confirmations of derivative instruments A and B, Citibank, N.A. may accommodate the City to terminate the derivative instruments early, subject to credit approval.

If, at the time of termination, a swap has a negative fair value, the City could be liable to the counterparty for a payment equal to the derivative instrument's fair value. If any of the derivative instruments are terminated, either the associated variable rate bonds would no longer be hedged with a synthetic fixed interest rate or the nature of the basis risk associated with the derivative instrument may change. As of April 30, 2019, the City is not aware of any pending event that would lead to a termination event with respect to any of its existing derivative instruments, which are in force and effect as of such date.

Basis Risk - Each of the derivative instruments is associated with certain debt obligations. The debt associated with each of the derivative instrument pays interest at variable interest rates. The City receives variable payments under the derivative instrument. To the extent these variable payments are not equal to the variable interest payments on the associated debt, there may be either a net loss or net benefit to the City.

Tax risk is an extreme form of basis risk in which changes in the trading relationship between taxable and tax-exempt bonds reduce swap receipts to the point that they are insufficient to offset portions of any variable rate bond payments. Tax risk is inherent in any unhedged tax-exempt variable rate bonds issued by the City.

CITY OF KANSAS CITY, MISSOURI

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April 30, 2019

For Fiscal Year 2018-2019, the following were the weekly average interest rates on the City's swap agreements:

<u>Derivative Instrument</u>	<u>*Weekly Average Variable Interest Rate</u>	<u>Weekly Average SIFMA Index</u>	<u>Weekly Average 68% of USD-LIBOR-BBA</u>
A	1.527%	1.506%	1.547%
B	1.527%	1.506%	1.547%

*Based on weekly rate resets by the remarketing agents.

Rollover Risk - Rollover risk occurs when the term of the derivative instrument is not coincident with the repayment term of the underlying debt obligation. Derivative instruments A and B have terms equal to the repayment terms of the underlying debt obligations.

Interest Rate Risk - The City is exposed to interest rate risk on its interest rate derivative instruments. On its pay-fixed, receive-variable interest rate swaps, to the extent these variable payments are not equal to the variable interest payments on the associated debt, there may be either a net loss or net benefit to the City.

Projected Debt Service Requirements - As of April 30, 2019, the projected debt service requirements for the City's hedged variable rate debt, net of swap payments, (assuming current interest rates remain constant and the swap receipt rate is equal to 68% of the USD-LIBOR-BBA) for derivative instruments A and B, are shown in the tables that follow. As short-term interest rates vary, the variable rate bond interest payments and net swap payments will also vary in the future.

Bartle Hall Series 2008E

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest @4.93%</u>	<u>Total Payment</u>
2020	\$ -	\$ 4,020,350	\$ 4,020,350
2021	-	4,005,690	4,005,690
2022	-	4,013,020	4,013,020
2023	-	4,013,020	4,013,020
2024	-	4,020,350	4,020,350
2025-2034	<u>81,400,000</u>	<u>36,321,284</u>	<u>117,721,284</u>
Total	<u>\$ 81,400,000</u>	<u>\$ 56,393,714</u>	<u>\$ 137,793,714</u>

Assumptions

- Synthetic Fixed - 3.68%
- Swap Inefficiency in the last week of Fiscal Year 2019 - 0.44%
- Remarketing, LOC and other fees - 0.81%

Note: Only \$80,885,000 of the \$81,400,000 bond outstanding is hedged.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Bartle Series 2008F

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest @4.92%</u>	<u>Total Payment</u>
2020	\$ -	\$ 1,026,558	\$ 1,026,558
2021	-	1,026,558	1,026,558
2022	-	1,026,558	1,026,558
2023	-	1,026,558	1,026,558
2024	2,285,000	1,026,558	3,311,558
2025-2029	<u>18,580,000</u>	<u>914,136</u>	<u>19,494,136</u>
Total	<u>\$ 20,865,000</u>	<u>\$ 6,046,926</u>	<u>\$ 26,911,926</u>

Assumptions

- Synthetic Fixed - 3.67%
- Swap Inefficiency in the last week of Fiscal Year 2019 - 0.44%
- Remarketing, LOC and other fees - 0.81%

Note: Only \$20,610,000 of the \$20,865,000 bond outstanding is hedged.

Contingencies

The City's derivative instruments do not include provisions that require the City to post collateral.

Discretely Presented Component Units

Information about specific component unit debt is available in each component unit's separately issued financial statements.

Conduit Debt

The City has issued Chapter 100 debt for economic development from time to time. This debt was issued for the benefit of third parties and the City has no obligation beyond the rents, revenues and receipts derived by the City from the project. Debt outstanding of this nature includes taxable industrial revenue bonds of \$999,158,199 as follows:

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Description of Chapter 100 Bonds	Principal Outstanding as of April 30, 2019
Cerner Series 2008A	\$ 38,564,973
Cerner Series 2008B	362,564,492
Cerner Series 2011A	50,000,000
Heartland Sheets 2012A	1,781,250
Heartland Sheets 2012B	5,500,000
Lockton Inc. 2012C	12,967,814
Data Systems 2012D	5,663,579
North American Savings Bank 2012E	421,545
Plaza Vista 2012F-1	55,965,081
Plaza Vista 2012F-2	24,768,855
Plaza Vista 2012F-3	36,523,929
New Direction Behavioral Health 2012G	293,582
Freightquote 2012H-1	40,729,037
Freightquote 2012H-2	6,791,121
A.B. May Company, Series 2013B-1	3,520,000
A.B. May Company, Series 2013B-2	_*
DST Systems, Series 2014A-1	33,926,287
DST Systems, Series 2014A-2	69,999,827
Burns & McDonnell Project, Series 2014B-1	65,589,163
Burns & McDonnell Project, Series 2014B-2	55,910,837
Cerner Properties, Inc., Series 2015B	42,661,765
Challenge Manufacturing Co. Series 2015A-1	28,903,855
Challenge Manufacturing Co. Series 2015A-2	19,111,207
McGown & Gordon, Series 2018A	12,000,000
Bayer, Series 2018A	25,000,000
Total Principal Outstanding	\$ 999,158,199

*Currently active Chapter 100 Bonds.

Note 8: Tax Abatements

The City and its component units provide tax redirection through four programs - Tax Increment Financing (TIF), “Super” TIF, Land Bank and various City Council Initiatives. The City and its component units also provide tax abatement through six programs - Chapter 100 RSMo, Chapter 353 RSMo, Missouri Works - Enhanced Enterprise Zones, Sale / Leaseback - Land Clearance for Redevelopment Authority (LCRA), Sale / Leaseback - Port KC, and the Urban Renewal Program.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

The Tax Increment Financing Commission of Kansas City (TIFC) administers the TIF program which allows for future real property taxes paid in the form of payments in lieu of taxes (PILOTs) and economic activity taxes (EATs) to be utilized to pay for costs of construction, public infrastructure, and other improvements per Sections 99.800 - 99.865 Revised Statutes of Missouri (RSMo). A proposed TIF Plan includes a cost-benefit analysis, a finding that the redevelopment project would not occur “but-for” the assistance of TIF, and a determination that the TIF Plan is a “blighted area,” “conservation area,” and/or “economic development area.” Plans and projects must be approved by the City Council. EATs generated within TIF project areas are calculated annually and compared to the EATs calculated within the project area in the calendar year prior to the adoption of TIF. Fifty percent (50%) of the local incremental EATs (i.e., earnings, sales, use, convention & tourism, and utility taxes) are redirected for up to 23 years to reimburse specific costs related to the TIF project. Taxable assessed value within TIF project area is frozen at the value in place on January 1st of the year TIF is adopted. One hundred percent (100%) of local incremental real property taxes are redirected for up to 23 years to reimburse specific costs related to the TIF project. Minority, Women and Disadvantaged Business Enterprise (MWDBE) utilization goals for TIF projects are set and monitored by the City’s Human Relations Department and enforced by the TIFC. The City has made financial commitments related to infrastructure projects which utilize TIF revenues as well as other funding sources. These projects include road and trail construction, floodwater management, land acquisition, and neighborhood housing programs.

The City administers two tax redirection programs:

The City’s Super TIF program allows for future economic activity taxes (EATs) to be utilized to pay for costs of construction, public infrastructure and other improvements. Projects must first receive approval for TIF and then receive approval from City Council. The remaining portions of local incremental EATs (i.e., earnings, sales, use, convention & tourism, and utility taxes), not redirected through the TIF program, may be redirected to reimburse specific costs related to the project. The taxes and percentages which are subject to redirection are specified in an agreement, authorized by ordinance. Performance standards and recapture provisions may also be specified in an agreement.

The City’s Council Initiatives program allows for future economic activity taxes (EATs) to be utilized to pay various costs related to select business expansion and retention projects. Portions of EATs (i.e., earnings, sales, use, convention and tourism and utility taxes) may be redirected to support the project. The specific taxes and percentages which are subject to redirection are specified in an agreement, authorized by ordinance. Performance standards and recapture provisions may also be specified in an agreement.

The City may elect to provide credit enhancement for bonds issued within the TIF, Super TIF, and City Council Initiatives programs. For such projects, the City commits to annually budget appropriations for the payment of principal and interest, subject to City Council approval. In the event that project revenues are insufficient to pay principal and interest, the City subsidizes projects using general municipal revenues or convention and tourism revenues. In FY 2018-19, the City used \$14,016,000 to pay principal and interest for economic development debt projects.

The City administers two tax abatement programs:

The Chapter 100 program provides property tax abatement and sales tax exemption to purchase, construct, improve, and equip certain industrial development projects through the issuance of industrial development bonds per Sections 100.010 - 100.200 RSMo. Eligible types of projects include warehouses, distribution facilities, office industries, and others listed within Section 100.010

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

RSMo. The City's policy for the use of Chapter 100 bonds, per Committee Substitute for Resolution No. 041033, requires a minimum issuance of \$5 million for businesses located within Kansas City and \$10 million for businesses relocating to Kansas City. Project improvements and equipment financed with Chapter 100 bonds are deeded to City, and exempt from ad valorem taxes per Section 137.100 RSMo, as long as the bonds are outstanding. Companies commit to operational standards for payroll and investment. Failing to meet those standards may result in the company repaying a portion of the abated taxes. The City received PILOTs in the amount of \$488,000 and \$29,000 of administrative fees during the fiscal year.

The Chapter 353 program provides property tax abatement to encourage developers to improve and / or remove blight (e.g. renovating abandoned buildings for new uses) per Chapter 353 RSMo. A financial need analysis, proof of a blight study, and a plan approved by City Council are required. The program also requires the formation of an Urban Redevelopment Corporation, rezoning to an Urban Revitalization District, compliance with MWDBE and Prevailing Wage requirements, and submission of annual project reports. Developers under this program are normally granted 25 years of property tax abatement on improvements made to real property. Abatements generally occur in two phases (Phase I - 100% abatement of property taxes on the assessed value of the improved property, followed by a Phase II - 50% abatement of property taxes for 15 years). Recapture of abated taxes may occur if the recipient does not fulfill their commitments under the redevelopment plan agreements. The development agreement may also require an annual PILOT during the first phase. The City received PILOTs of approximately \$136,000 during the fiscal year.

The Land Clearance for Redevelopment Authority (LCRA) administers tax abatements through two programs:

The Urban Renewal Area or Chapter 99 program provides property tax abatement to encourage developers to reduce and / or remove blight (e.g. rehabilitating distressed buildings, constructing public improvements, etc.) per Sections 99.300 - 99.660 RSMo, et. seq. A financial needs analysis, proof of a blight study, and a plan approved by City Council / LCRA are required. The program also requires the project be located within an Urban Renewal Area, meet Urban Revitalization District requirements, and be compliant with MWDBE requirements. Developers under this program are normally granted 10 years of property tax abatement on improvements made to a property (100% abatement of property taxes on the assessed value of the improved property). Recapture of abated taxes may occur if the recipient does not fulfill their commitments under the redevelopment plan agreements. The development agreement may require an annual PILOT during the abatement term. The City received PILOTs of approximately \$10,000 during the fiscal year.

The LCRA also administers a sale / leaseback program which provides real property tax abatement to develop, construct, repair, or improve property per Sections 99.300 - 99.660 RSMo, et. seq. Eligible types of projects include residential, commercial, industrial, recreational, or public purposes which are in accordance with the redevelopment or urban renewal plan and such other covenants which may be deemed necessary to prevent a recurrence of blight or insanitary areas or to effectuate the purpose of the LCRA Law. Property is deeded to the LCRA and is exempt from ad valorem taxes pursuant to Section 137.100 RSMo. The City received PILOTs in the amount of \$3,000 during the fiscal year.

The Missouri Department of Economic Development and various Enhanced Enterprise Zone boards administer the Missouri Works / EEZ program to assist in establishing quality jobs and investment by providing state income tax retention or state income tax credits and local property tax abatement to new or expanding eligible businesses per Sections 135.207 - 135.210 RSMo. Businesses must engage in assembling, distribution, manufacturing, warehousing, or other uses permitted by statute in

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

order to be eligible. Eligible businesses must be located within one of the City's three Enhanced Enterprise Zones and must create two new jobs and invest at least \$100,000 within two years. The program typically abates 50% of property taxes resulting from improvements made to real property for a period of 10 years after the incentive is granted. Additional abatement may be granted by the respective EEZ board and the City Council.

The Land Bank of Kansas City, Missouri (Land Bank) administers a neighborhood stabilization program which acquires, manages, and transfers vacant and abandoned properties per Sections 141.210 - 141.210 and 141.980 - 141.1015 RSMo. The Land Bank is required to sell properties for at least two-thirds of their fair market value. Purchase offers for less than two-thirds fair market value must be approved by four of the five commissioners. Purchase offers must include the scope of repairs to be performed after purchase, a timeline for completion of the repairs, and evidence of resources to complete the repairs. Purchasers make commitments to complete the repairs, maintain the property, and pay property taxes. A deed of trust is executed at the time of purchase which allows the Land Bank to foreclose the property if commitments are not met. After being sold, taxes due on properties are distributed to the Land Bank by the County Collector for a period of three years.

Port KC Conduit Debt and Properties Operated by Third Parties:

Per Chapter 68 RSMo, all property owned by Port KC is exempt from taxes and assessments. As an incentive for economic development and job growth, Port KC has engaged in agreements to acquire both real and personal property, in which the property becomes exempt through a sale / leaseback bond issuance. In exchange, Port KC imposes fees and tax compliance payments, the latter of which is enforced through a tax compliance agreement (TCA). For calendar year 2018, Port KC issued payments due under the various TCAs in the approximate amount of \$658,000 to various taxing jurisdictions, including \$106,000 to the City. Port KC does not collect any administrative fees on TCA payments. These agreements are enacted simultaneously with the issuance of general revenue bonds and sales tax exemption certificates to construct and improve the acquired property. Project equipment and project improvements financed using bond proceeds are deeded to Port KC and are exempt from taxes, as long as the bonds are outstanding. Conduit debt responsibilities are serviced by the developer without recourse.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

<u>Tax Redirection Program</u>	<u>Amount of Taxes Redirected During Fiscal Year (<i>in thousands</i>)</u>
Tax Increment Financing (TIF)	
Profits, Withholdings, Use, Utility GR	\$ 22,297
Convention & Tourism Tax	3,119
Sales Tax	34,688
Property Tax ¹	6,061
Super TIF	
Profits, Withholdings, Use, Utility GR	8,853
Convention & Tourism Tax	4,314
Sales Tax	7,926
City Council Initiatives	
Profits, Withholdings, Use, Utility GR	1,450
Convention & Tourism Tax	2,830
Sales Tax	591
Land Bank of Kansas City - 2nd Phase	
Property Tax	<u>48</u>
 Total City Tax Redirection	 <u><u>\$ 92,177</u></u>

<u>Tax Abatement Program ¹</u>	<u>Amount of Taxes Abated During Fiscal Year (<i>in thousands</i>)</u>
Chapter 353	
Property Tax ¹	\$ 1,803
Chapter 100	
Property Tax	1,829
Sales Tax ²	
Enhanced Enterprise Zones	
Property Tax	360
Sale / Leaseback - LCRA	
Property Tax	233
Sale / Leaseback - Port KC	
Property Tax	739
Sales Tax ²	
Urban Renewal Area	
Property Tax	<u>551</u>
 Total City Tax Redirection	 <u><u>\$ 5,515</u></u>

¹ Total property tax abated / redirected for all taxing jurisdictions across all program is \$64,320

² Unable to determine the amount of taxes abated

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Planned Industrial Expansion Authority (PIEA) of Kansas City, Missouri Abatements

The PIEA after declaring an area blighted and insanitary in need of redevelopment and rehabilitation may abate taxes pursuant to the Missouri PIEA law under 100.300-100.620 RSMO. City property tax revenues were reduced by \$3,976,000. Property tax revenues for all other taxing jurisdictions were reduced by \$18,125,000. Per agreements, taxing jurisdictions receive payment in-lieu of tax from some of the property owners. The City received approximately \$600,000 of PILOTs during the fiscal year. All other taxing jurisdictions received approximately \$2,987,000 during the City's fiscal year.

Note 9: Lease Agreements

Following are descriptions of the City's major lease agreements:

Business-type Activities

Kansas City Airports Fund (Lessor)

The Fund's current three-year Use and Lease Agreement (Agreement) with certain air carriers (signatory carriers) serving Kansas City International (KCI) runs through April 30, 2020. Pursuant to the Agreement, signatory air carriers have agreed to a guaranteed minimum amount of rentals and fees based on expected levels of use of airport facilities. Further, the Agreement provides the determination for the landing fees and apron, terminal and passenger boarding bridge rents at KCI along with granting certain rights and privileges to air carriers, both passenger and cargo. The Agreement provides for an annual settlement, post fiscal year-end close, whereby the rates and charges are recalculated using audited financial statements to determine any airline over/under payment. For settlements completed in fiscal years ended April 30, 2019 and 2018, net amounts due (to) from the airlines were \$1,808,504 and \$2,394,439, respectively.

Minimum future rentals scheduled to be received on operating leases that have initial or remaining non-cancellable terms in excess of one year for each of the next five years and thereafter at April 30, 2019 are as follows:

<u>Fiscal Year(s)</u>	<u>Minimum Future Rentals</u>
2020	\$ 10,262,625
2021	8,350,278
2022	7,724,946
2023	6,921,975
2024	6,220,860
2025 - 2029	25,024,935
2030 - 2034	11,929,256
2035 - 2039	7,793,214
2040 - 2044	4,640,191
2045 - 2049	3,897,142
2050 - 2054	3,350,586
2055 - 2059	<u>3,480,675</u>
	<u>\$ 99,596,683</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 10: Related Parties

Lease Agreements with Related Party

Port Authority of Kansas City, Missouri

On May 14, 1993, the City entered into a long-term lease agreement for certain real property fronting along the Missouri River (Property) with Port KC. Effective September 21, 2011, the original lease was superseded and replaced by the “First Amended and Restated Lease Agreement” (Restated Lease). Under the Restated Lease the property continues to be leased for development purposes and the expiration date was changed to be midnight on August 20, 2056.

As rent, Port KC is required to set aside for use by the City fifty percent of the total gross revenue received by Port KC attributable to operations of the leased property. Currently, all of the operating revenues from the property are attributable to the Isle of Capri Casino lease described below. The City is to use the amounts set aside for capital; public improvements or development or redevelopment projects within specified boundaries, primarily within the riverfront area.

In March of 1993, Port KC entered into a development agreement (Development Agreement) with Hilton Hotels Corporation (Hilton), whereby Hilton agreed to develop certain portions of the Property for riverboat gambling (Casino Property). In addition, Port KC, as the landlord and Hilton, as the tenant, entered into a long-term lease agreement for the Casino Property. On August 21, 1995, Port KC and Hilton entered into an amended and restated lease for the Casino Property (as subsequently amended on October 31, 1995 and on June 10, 1996, the Casino Lease).

The Casino Lease provided for an initial 10-year term, beginning on the “Opening Date” of the casino, which was October 18, 1995, so the initial 10-year term expired on October 18, 2005. The tenant is deemed to have elected to renew the Casino Lease for subsequent 5-year renewal terms (for a total of eight 5-year renewal terms, if all are elected) unless the tenant notifies Port KC at least 12 months before the end of the immediately preceding term negating the deemed election. Port KC is in the third year of the third five-year renewal term.

Hilton’s rights and obligations under the Development Agreement and the Casino Lease were assigned to and assumed by the Isle of Capri Casino (IOC) in 2001. Port KC and IOC entered into an Amended and Restated Development Agreement in August 2005. Eldorado Resorts purchased IOC in May 2017 and assumed responsibility for the Casino Lease. Eldorado Resorts continued to operate the casino as “Isle of Capri Casino”.

Beginning on the Opening Date and continuing during the remainder of the initial 10-year term, the tenant was to pay a minimum net annual rent of \$2,000,000 per year, in advance, on the Opening Date and on the date of each and every annual anniversary of the Opening Date thereafter. The agreement provides for increases in the minimum net annual rent for each renewal term by the percentage of change in the Consumer Price Index (CPI) as of the Opening Date to the Consumer Price Index as of the first day of any such renewal term. Effective October 18, 2011 and based on the change in the Consumer Price Index, the minimum net annual rent for the second renewal term was increased to \$3,054,062. In addition to the minimum net annual rent, the tenant throughout the term of the lease (including renewal periods) is required to pay as percentage rent an amount equal to 3.25% of gross revenues (as defined in the agreement) less the minimum net annual rent paid in advance. During the year ended April 30, 2019, there was \$3,054,062 of total lease revenue (net annual rent) attributable to the Isle of Capri Casino lease.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 11: Pension Plans

The City has two defined benefit pension plans covering substantially all employees of the primary government, as follows:

- City of Kansas City, Missouri - Employees' Retirement System
- City of Kansas City, Missouri - Firefighters' Pension System

The City is a nonemployer contributing entity for two other plans, as follows:

- Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri
- Police Retirement System of Kansas City, Missouri

The majority of the City's employees, including the business-type activities employees, are covered under the Employees' Retirement System. Full-time firefighters are covered under the Firefighters' Pension System, full-time policemen are covered under the Police Retirement System and full time police department civilian employees are covered under the Civilian Employees' Retirement System. A summary of pension related items as of and for the year ended April 30, 2019, is presented below (*in thousands*):

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employees' Retirement System				
Governmental Activities	\$ 132,603	\$ 32,630	\$ 2,865	\$ 28,861
Business-type Activities	73,249	18,904	1,659	16,721
Firefighters' Pension System	216,479	79,613	7,584	37,703
Civilian Retirement System	36,788	9,635	16,292	5,057
Police Retirement System	<u>324,542</u>	<u>66,429</u>	<u>69,299</u>	<u>37,579</u>
 Total	 <u>\$ 783,661</u>	 <u>\$ 207,211</u>	 <u>\$ 97,699</u>	 <u>\$ 125,921</u>

1. City of Kansas City, Missouri - The Employees' Retirement System

Plan Description

The Board of Trustees of the Employees' Retirement System (Board) administers the Employees' Retirement System of the City, a contributory, single-employer defined benefit pension plan.

The Employees' Retirement System (Plan) was established in the code of ordinances under Part I, Chapter II, Article IX, Division 2, Section 2-1172 which states, "All full-time, permanent employees in the classified and unclassified services shall become members of the retirement system as a condition of employment, including, all full-time, permanent former MAST employees who became City employees as of April 25, 2010, and who did not become members of the Firefighters' Pension System. Former MAST employees have the option within 60 days of the passage of this ordinance to elect to become members of this plan in lieu of participation in the defined contribution plan set

CITY OF KANSAS CITY, MISSOURI

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April 30, 2019

out in Division 10. Also included in membership are those who have retired in circumstances establishing eligibility for an annuity in this pension system and inactive members on leave of absence.”

The Board shall consist of nine members, including the Director of Human Resources and Director of Finance, two shall be active employees and members of the retirement system, one retired member of the system and one member designated by Firefighters IAFF Local 42. The remaining four members are prominent Kansas City business or civic leaders appointed by the Mayor.

The Board is responsible for establishing or amending plan provisions. The Board issues publicly available financial reports that include financial statements and required supplementary information. The financial reports may be obtained by writing to:

The Employees’ Retirement System

The Retirement Division

City Hall-10th Floor

414 East 12th Street

Kansas City, Missouri 64106

Phone 816.513.1928

The Employees’ Retirement System’s financial report can also be found at:

<https://www.kcmo.gov/city-hall/departments/human-resources/retirement-information/retirement-reports>

Employees Covered by Benefit Terms

At April 30, 2018, the measurement date for the year ended April 30, 2019, the following employees were covered by the benefit terms:

	Tier I	Tier II	Total
	Members	Members	
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	2,637	-	2,637
Current employees			
Vested	2,097	-	2,097
Nonvested	137	984	1,121
Inactive	68	189	257
Total	<u>4,939</u>	<u>1,173</u>	<u>6,112</u>

Retirement Benefits

Benefit terms for the Plan are established in the City administrative code and can only be amended by the City Council. The Plan provides retirement benefits as well as pre-retirement death benefits as noted below:

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Tier I Members

The Plan provides retirement benefits, for those employees hired before April 20, 2014 (Tier I Members). Employees become vested for retirement benefits after five years of service. Members who retire with total age and creditable service equal to 80, or the later of age 60 and 10 years of creditable service, are entitled to an annual pension based on a percentage of final average compensation multiplied by years and months of creditable service. If married, at the time of retirement, the percentages are 2.0% for general employees and 2.2% for elected officials, and if unmarried, at the date of retirement, the percentage is 2.2% up to a maximum of 70% of final average compensation, as defined in the Plan. If the employee has at least 10 years of creditable service, the minimum benefit is \$400 per month.

If members terminate prior to retirement and before rendering five years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to City contributions and are refunded their member contributions with interest. Such refunds result in the forfeiture of all other benefits under the Plan. Members terminating prior to retirement with five or more years of service may elect to receive refund of their member contributions with interest as a lump-sum distribution, or they may elect to receive a deferred pension. An automatic annual cost-of-living adjustment of 3%, non-compounded, is provided annually.

Tier II Members

The Plan provides retirement benefits, for those employees hired on or after April 20, 2014 (Tier II Members). Employees become vested for retirement benefits after 10 years of service. Members who retire with total age and creditable service equal to 85, or the later of age 62 and 10 years of creditable service are entitled to an annual pension of 1.75% of final average compensation multiplied by the number of years of creditable service, subject to a maximum limit of 70% of final average compensation, as defined in the Plan.

If employees terminate prior to retirement and before rendering 10 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to City contributions and are refunded their member contributions with interest. An annual cost-of-living adjustment, not to exceed 2.5%, non-compounded, per year is provided to pensioners age 62 and older if the prior year funding ratio is equal to or greater than 80% and will be equal to the percentage increase in the prior 12 months of the final national Consumer Price Index.

Death Benefits

If a retired member dies, the following benefits shall be paid:

To the member's spouse until death, a retirement benefit equal to one-half of the member's normal retirement benefit.

To the member's designated beneficiary or estate, if there is no surviving spouse, any remaining member contributions and interest.

If an active member dies, the member contributions and interest are distributed to the surviving spouse or, if none, to the designated beneficiary. The surviving spouse, however, may elect to receive monthly benefit payments instead of the lump-sum distribution if the member had five or more years of creditable service.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Contributions

Funding is provided by contributions from plan members, the City and earnings on investments. Members contribute 5% of their base salary. The City's contribution is set by the City Council in conjunction with its approval of the annual budget, based on the actuarially determined contribution rate set by the Plan's consulting actuary. For the year beginning May 1, 2018, the City contributed 15.68% of payroll, which is the actuarially determined Board contribution rate for the prior year. Future City contributions will be determined through the City's budgeting process.

The Plan's governing body has the authority to establish and amend the contribution requirements of the City and active employees. The governing body establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended April 30, 2019, employees contributed \$8,514,325 and the City contributed \$26,032,072 to the Plan.

Net Pension Liability

The City's net pension liability as of April 30, 2019 was measured as of April 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 30, 2017 rollforward one year using standard actuarial techniques.

The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	Ranges from 3.75% to 5.00%
Ad hoc cost of living adjustments	3.00%, simple for Tier I Members 2.50% for Tier II Members
Investment rate of return	7.50%

Mortality rates were based on the RP-2000 Mortality Tables projected using a modified scale MP-2015 on a generational basis.

The actuarial assumptions used in the April 30, 2018 valuations were based on the results of an actuarial experience study for the period 2010 - 2015 and showed that there were sufficient margins in the rates to provide for potential future improvements in mortality.

The investment return assumption of 7.50% was selected based upon an analysis that included (a) capital market assumptions provided by the investment consultant, (b) the asset allocation of the fund and (c) investment return assumptions of other public retirement systems.

The inflation assumption of 3.0% was selected based upon an analysis that included (a) input from the investment consultant, (b) historical inflation as measured by Consumer Price Index, and (c) implied inflation in long-term government bonds.

The long-term wage growth assumption of 3.75% was based upon the inflation assumption of 3.0% plus a real growth wage assumption of 0.75%, which was derived from an analysis of historical increases in Social Security average earnings.

CITY OF KANSAS CITY, MISSOURI

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The long-term expected rate of return on 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 future real rates of return by the target asset allocation percentage and by adding expected inflation. Best-estimates arithmetic real rates of return for each major asset class including the plan's target asset allocation as of April 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities		
U.S. Equity	11.50%	3.8%
Emerging Manager of Managers	4.00%	3.8%
Non-U.S. Equity	16.00%	5.0%
Emerging Markets Equity	3.50%	7.3%
Global Equity	5.00%	4.7%
Long/Short Equity	5.00%	4.2%
Fixed Income		
Core Fixed Income	20.00%	0.5%
Non-Core Fixed Income	12.00%	2.5%
Real Assets		
Real Estate	7.50%	3.3%
Infrastructure	2.50%	3.0%
Opportunistic	12.00%	4.1%
Cash	1.00%	-0.5%

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, which is the assumed long-term expected rate of return in plan investments. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position will be greater than or equal to the benefit payments projected for each future period. Benefit payments are projected through 2118.

CITY OF KANSAS CITY, MISSOURI

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Changes in the Net Pension Liability

Changes in the total pension liability, Plan fiduciary net position and the net pension liability are (*in thousands*):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance, beginning of year	<u>\$ 1,314,446</u>	<u>\$ 1,092,299</u>	<u>\$ 222,147</u>
Changes for the year:			
Service cost	20,086	-	20,086
Interest	97,267	-	97,267
Differences between expected and actual experience	(2,292)	-	(2,292)
Changes of assumptions	-	-	-
Contributions - employer	-	24,530	(24,530)
Contributions - employee	-	8,623	(8,623)
Net investment income	-	98,766	(98,766)
Benefit payments, including refunds of employee contributions	(71,994)	(71,994)	-
Administrative expense	<u>-</u>	<u>(563)</u>	<u>563</u>
Net changes	<u>43,067</u>	<u>59,362</u>	<u>(16,295)</u>
Balance, end of year	<u><u>\$ 1,357,513</u></u>	<u><u>\$ 1,151,661</u></u>	<u><u>\$ 205,852</u></u>

The net pension liability (asset) of the City has been calculated using a discount rate of 7.50%. The following presents the net pension liability using a discount rate 1% higher and 1% lower than the current rate (*in thousands*).

	Current		
	1% Decrease	Discount Rate	1% Increase
	6.50%	7.50%	8.50%
City's net pension liability (asset)	\$ 368,405	\$ 205,852	\$ 69,600

CITY OF KANSAS CITY, MISSOURI

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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2019, the City recognized pension expense on the Employees' Plan of \$45,581,572. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the Employees' Plan from the following sources (*in thousands*):

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources			
Change on assumptions	\$ 10,906	\$ 6,319	\$ 17,225
Net difference between projected and actual earning on pension plan investments	5,241	3,036	8,277
City's contribution made subsequent to the measurement date of net pension liability	<u>16,483</u>	<u>9,549</u>	<u>26,032</u>
Total Deferred Outflows of Resources	<u>\$ 32,630</u>	<u>\$ 18,904</u>	<u>\$ 51,534</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u>2,864</u>	<u>1,659</u>	<u>4,523</u>
Total Deferred Inflows of Resources	<u>\$ 2,864</u>	<u>\$ 1,659</u>	<u>\$ 4,523</u>

At April 30, 2018, the City reported \$26,032,072 as deferred outflows of resources related to the Employees' Plan resulting from City contributions subsequent to the measurement date and prior to year-end that will be recognized as a reduction of net pension liability at April 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources at April 30, 2019, related to the Employees' Plan, will be recognized in pension expense as follows (*in thousands*):

2020	\$ 16,760
2021	18,512
2022	(10,176)
2023	<u>(4,117)</u>
	<u>\$ 20,979</u>

Payable to the Pension Plan

At April 30, 2019, the City reported a payable of \$1,242,495 for the outstanding amount of the legally required contributions to the Plan for the year ended April 30, 2019.

CITY OF KANSAS CITY, MISSOURI

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2. City of Kansas City, Missouri - Firefighters' Pension System

Plan Description

The Board of Trustees of the Firefighters' Pension System (Board) administers the Firefighters' Pension System of the City (Plan), a contributory, single-employer defined benefit pension plan.

The Firefighters' Pension System was established in the code of ordinances under Part I, Chapter II, Article IX, Division 4, Section 2-1252 which states, "(a) *Generally*. All persons who become firefighters shall become members of the pension system set out in this division as a condition of employment. (b) *Effective date*. Membership shall begin on the first day of employment and shall cease upon termination of employment or death. (c) Solely for the purpose of determining whether a member has incurred a break in service, any leave of absence granted by an employer, up to 12 weeks, that qualifies under the Family and Medical Leave Act (FMLA) shall not be counted as a break in service for purposes of determining eligibility and vesting."

The Board shall consist of nine persons, which shall be constituted as follows:

- a. The fire chief, ex officio;
- b. The director of finance, ex officio;
- c. The director of human resources, ex officio;
- d. The city treasurer, ex officio;
- e. Four members to be elected by the members of the pension system with nominations and vote by secret written ballot, at an election supervised by the ex officio members of the board of trustees, for terms of three years each, respectively; provided however, one of the first three members so elected shall serve for one year, one member for two years, and the third member for three years from the date such pension system becomes operative, and thereafter all members so elected shall serve for terms of three years each, respectively; and
- f. One retiree member to be jointly appointed by Local 42 and Local 3808 of the International Association for Fire Fighters; provided however, the retiree member shall have all the rights and responsibilities of the trustees on the board, but non-voting, and therefore shall not be counted towards a quorum.

The Board is responsible for establishing or amending plan provisions. The Board issues publicly available financial reports that include financial statements and required supplementary information. The financial reports may be obtained by writing to:

Firefighters' Pension System

The Retirement Division

City Hall-10th Floor

414 East 12th Street

Kansas City, Missouri 64106

Phone 816.513.1928

CITY OF KANSAS CITY, MISSOURI

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The Firefighters' Pension System's financial report can also be found at:

<https://www.kcmo.gov/city-hall/departments/human-resources/retirement-information/retirement-reports>

The Plan's fiduciary net position that is included in the net pension liability calculation and basis of accounting are consistent with those used by the Firefighters' Pension System's financial report.

At April 30, 2018, the measurement date for the year ended April 30, 2019, the following employees were covered by the benefit terms:

	Tier I	Tier II	
	Members	Members	Total
	<u> </u>	<u> </u>	<u> </u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	931	-	931
Current employees			
Vested	643	-	643
Nonvested	144	194	338
Inactive	<u>5</u>	<u>1</u>	<u>6</u>
Total	<u>1,723</u>	<u>195</u>	<u>1,918</u>

Benefits Provided

Benefit terms for the Plan are established in the City administrative code and can only be amended by the City Council. The Plan provides retirement, survivor, disability as well as pre-retirement death benefits as noted below:

Tier I Members

The Plan provides retirement benefits, for those employees hired before April 20, 2014 (Tier I Members). Members become vested for retirement benefits after 10 years of service. Members who retire with 25 years or more of creditable service are entitled to an annual pension of 2.5% of final average compensation multiplied by the number of years of creditable service, subject to a maximum limit of 80% of final compensation, as defined in the Plan.

If members terminate prior to retirement and before rendering 10 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to City contributions and are refunded their member contributions with interest. Such refunds result in the forfeiture of all other benefits under the Plan and are reduced by a service charge if the terminated employee has less than five years of service.

An automatic annual cost-of-living adjustment of 3.0%, non-compounded, per year is provided in the Plan. The Plan also provides for a minimum monthly payment of \$600 to all current and future service and disability retirees.

CITY OF KANSAS CITY, MISSOURI

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Tier II Members

The Plan provides retirement benefits, for those employees hired on or after April 20, 2014 (Tier II Members). Members become vested for retirement benefits after 10 years of service. Members who retire with 27 years or more of creditable service are entitled to an annual pension of 2.5% of final average compensation multiplied by the number of years of creditable service, subject to a maximum limit of 80% of final compensation, as defined in the Plan.

If members terminate prior to retirement and before rendering 10 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to City contributions and are refunded their member contributions with interest. Such refunds result in the forfeiture of all other benefits under the Plan and are reduced by a service charge if the terminated employee has less than five years of service.

An annual cost-of-living adjustment, not to exceed 2.5%, non-compounded, per year is provided in the Plan if the prior year funding ratio is equal to or greater than 80% and will be equal to the percentage increase in the prior 12 months of the final national consumer price index. The Plan also provides for a minimum monthly payment of \$600 to all current and future service and disability retirees.

Death Benefits

If an active member dies, the following benefits shall be paid:

A funeral benefit of \$2,000 to the spouse or named beneficiary.

To the member's spouse until death, a pension equal to one-half of the member's accrued pension, but not less than 25% of the member's average final compensation. The minimum monthly benefit is \$275 to all spouses. Certain benefit provisions have been established for deaths sustained in the performance of a member's duties, or deaths of active members prior to retirement who have achieved 25 years or more of creditable service.

To the member's children, an allowance of \$100 a month each until the attainment of age 18, unless certain conditions are met whereby benefits may continue.

To the member's designated beneficiary or estate, if there is no surviving spouse or qualifying child, any remaining member contributions and interest.

If a retired member dies, the following benefits shall be paid:

To the member's spouse until death, a retirement benefit equal to one-half of the member's normal retirement benefit.

To the member's designated beneficiary or estate, if there is no surviving spouse, any remaining member contributions and interest.

Disability Benefits

Disability benefits are available for members and are based on an average final compensation. The Plan provides for a minimum monthly payment of \$600 to all current and future disability retirees.

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Health Care Subsidy

Effective May 1, 1991, the Plan established a subsidy fund (subsidy). The City and active firefighters each contribute 2% and 1% of salary, respectively. Prior to April 1 of each year, the Board of Trustees of the Plan establishes the dollar value of the monthly subsidy. The monthly subsidy for the year ended April 30, 2019 was \$470.

The subsidy is invested in both fixed income and equity securities and is stated at fair value. Investments totaled \$3,603,992 at April 30, 2019.

The actuarial valuations do not consider the subsidy's fiduciary net position, which at April 30, 2019 was \$3,603,992. According to the City ordinance that established the subsidy, if the fiduciary net position available for the subsidy is zero, the subsidy will no longer be available. For the year ended April 30, 2019, City contribution for the subsidy was \$2,938,956, and the employee contribution was \$675,978.

Contributions

Funding is provided by contributions from the Plan members, the City and earnings on investments. Members contribute 10.55% of their base salary and an additional 1% to fund the health insurance subsidy for the year ended April 30, 2019. The City's contribution is set by the City Council in conjunction with its approval of the City's annual budget, based on the actuarially determined contribution rate set by the Plan's consulting actuary.

Based upon the April 30, 2018 actuarial valuation, the actuary recommended a City contribution rate of 32.54%. The Board of Trustees recognized the City Council approved a scheduled City contribution rate of 32.54% from May 1, 2018 to April 30, 2019 of annual projected payroll. The City Council contributed 2% toward the health insurance subsidy for 2019.

The City's governing body has the authority to establish and amend the contribution requirements of the City and active employees. The governing body establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended April 30, 2019, employees contributed \$7,785,106 and the City contributed \$20,015,327 to the Plan.

Net Pension Liability

The City's net pension liability as of April 30, 2019 was measured as of April 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 30, 2017 rolled forward one year using standard actuarial techniques.

The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	Ranges from 3.00% to 8.00%
Ad hoc cost of living adjustments	3.00%, simple for Tier I Members 2.50% for Tier II Members
Investment rate of return	7.25%

CITY OF KANSAS CITY, MISSOURI

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Mortality rates were based on the RP-2000 Combined Mortality Table, as appropriate with adjustments for mortality improvements set forward one year for males and females with 5% of deaths assumed to be duty related for healthy individuals and set forth three years for disabled members.

The actuarial assumptions used in the April 30, 2018 valuations were based on the results of an actuarial experience study for the period 2011 - 2016 and showed that there were sufficient margins in the rates to provide for potential future improvements in mortality.

The investment return assumption of 7.25% was selected based upon an analysis that included (a) capital market assumptions provided by the investment consultant, (b) the asset allocation of the fund and (c) investment return assumptions of other public retirement systems.

The long-term expected rate of return on 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 future real rates of return by the target asset allocation percentage and by adding expected inflation. Best-estimates arithmetic real rates of return for each major asset class including the Plan's target asset allocation as of April 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity		
U.S. Large Cap Equity	15%	8.5%
U.S. Small Cap Equity	10%	9.8%
Non-U.S. Equity	15%	9.7%
Global Equiy	10%	9.3%
Global Long/Short	10%	7.3%
Fixed Income	30%	5.2%
Real Estate	10%	7.5%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, which is the assumed long-term expected rate of return in plan investments. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position will be greater than or equal to the benefit payments projected for each future period. Benefit payments are projected through 2118.

CITY OF KANSAS CITY, MISSOURI

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April 30, 2019

Changes in the Net Pension Liability

Changes in the total pension liability, Plan fiduciary net position and the net pension liability are (*in thousands*):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance, beginning of year	\$ 719,981	\$ 506,698	\$ 213,283
Changes for the year:			
Service cost	15,135	-	15,135
Interest	52,445	-	52,445
Differences between expected and actual experience	6,557	-	6,557
Changes of assumptions	-	-	-
Contributions - employer	-	17,436	(17,436)
Contributions - employee	-	6,882	(6,882)
Net investment income	-	47,010	(47,010)
Benefit payments, including refunds of employee contributions	(37,246)	(37,246)	-
Administrative expense	-	(387)	387
Net changes	36,891	33,695	3,196
Balance, end of year	\$ 756,872	\$ 540,393	\$ 216,479

The net pension liability of the City has been calculated using a discount rate of 7.25%. The following presents the net pension liability using a discount rate 1% higher and 1% lower than the current rate (*in thousands*).

	1% Decrease	Current	1% Increase
	6.25%	Discount Rate 7.25%	8.25%
City's net pension liability	\$ 317,053	\$ 216,479	\$ 133,609

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Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended April 30, 2019, the City recognized pension expense for the Plan of \$37,703,070. At April 30, 2019, the City reported deferred outflows of resources related to the Plan from the following sources (*in thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,620	\$ 1,906
Change of assumptions	52,391	-
Net difference between projected and actual earning on pension plan investments	-	5,678
City's contributions made subsequent to the measurement date of the net pension liability	<u>21,602</u>	<u>-</u>
Total	<u>\$ 79,613</u>	<u>\$ 7,584</u>

At April 30, 2019, the City reported \$21,602,327 as deferred outflows of resources related to the Firefighters' Plan, resulting from City contributions subsequent to the measurement date and prior to year end that will be recognized as a reduction of net pension liability at April 30, 2020. Other amounts reported as deferred outflows of resources at April 30, 2019, related to the Firefighters' Plan, will be recognized in pension expense as follows (*in thousands*):

2020	\$ 12,880
2021	12,622
2022	3,936
2023	8,839
2024	11,213
Thereafter	<u>937</u>
	<u>\$ 50,427</u>

Payable to the Pension Plan

At April 30, 2019, the City reported a payable of \$995,191 for the outstanding amount of the legally required contributions to the pension plan for the year ended April 30, 2019.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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3. Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri

Plan Description

The following summary description of the Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri (Plan) provides only general information. Participants should refer to the Plan Statutes (Sections 86.1310 to 86.1640 RSMo) for a more complete description of the Plan's provisions.

The Plan is a contributory, single-employer defined benefit pension plan established by the State of Missouri's General Assembly and administered by the Retirement Board of the Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri (Board). The Board is composed of nine members, two are appointed by the Board of Police Commissioners, two are appointed by the City Council and five are elected by the membership of the Retirement Systems. The elected members must include one member of the Civilian Employees' Retirement System, one member retired from active service in the Police Retirement System and one active member of the Police Retirement System who has not attained the rank of Sergeant or higher. Elections are held annually and Board members are elected to serve for three-year terms.

Employees Covered by Benefit Terms

At April 30, 2018, the measurement date for the year ended April 30, 2019, the following employees were covered by benefit terms:

	Tier I Members	Tier II Members	Total
Retirees and beneficiaries currently receiving benefits	272	-	272
Terminated employees entitled to benefits but not yet receiving them	40	-	40
Current employees			
Vested	359	-	359
Nonvested	6	146	152
Total	677	146	823

Benefits Provided - Benefit terms for the Plan are established in Missouri Revised Statutes 86.1310 to 86.1640 and can only be amended by the Missouri General Assembly. The Plan provides retirement benefits, as well as pre-retirement death benefits, duty and non-duty related disability benefits, and termination benefits to civilian employees of the Kansas City, Missouri Police Department.

CITY OF KANSAS CITY, MISSOURI

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Service Retirement

Eligibility

Tier I member - Later of age 65 or member's 10th anniversary of employment.

Tier II member - Later of age 67 or member's 20th anniversary of employment.

Amount of Pension - Benefit equal to 2% of Final Compensation multiplied by years of creditable service.

Final Compensation

Tier I Member - Average annual compensation during the two years of service with the highest salary, whether consecutive or otherwise, or during the entire period of service if less than two years.

Tier II Member - Average annual compensation during the three years of service with the highest salary, whether consecutive or otherwise, or during the entire period of service if less than three years.

Early Retirement

Tier I Member - Eligible for early retirement as follows:

- a) Beginning at age 55, if member has at least 10 years of creditable service. Pension computed as service retirement and then reduced by 0.50% for each month the benefit commences prior to the month following that in which the member turns age 60.
- b) Beginning at age 60, if member has at least five years of creditable service. Pension computed as service retirement and then reduced by 0.50% for each month the benefit commences prior to the month following that in which the member turns age 65.
- c) At any time after the member's age plus years of creditable service equals or exceeds 80 (Rule of 80). Pension computed as service retirement without reduction.

Tier II Member - Eligible for early retirement as follows:

- d) Beginning at age 62, if member has at least five years of creditable service. Pension computed as service retirement and then reduced by 0.50% for each month the benefit commences prior to the month following that in which the member turns age 67.
- e) Beginning at age 62, if member has at least 20 years of creditable service. Pension computed as service retirement without reduction.
- f) At any time after the member's age plus years of creditable service equals or exceeds 85 (Rule of 85). Pension computed as service retirement without reduction.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Deferred Retirement (Vested Termination)

Eligibility - Five or more years of creditable services.

Amount of Pension - Computed as service retirement but based upon service, final compensation and benefit formula in effect at termination of employment. Benefits may begin at early retirement age, adjusted by applicable reductions.

Disability

Duty Disability Eligibility - A member in active service who has a total and permanent disability that prevents the member from engaging in any occupation or performing any work for remuneration or profit for the remainder of their life. The disability must be the direct result of performance of duties with the Police Department. No age or service requirement.

Amount of Pension - 50 percent of Final Compensation payable for the remainder of the member's life or as long as the permanent disability continues.

Non-Duty Disability Eligibility - A member in active service, with a minimum of 10 years of service, who has a total and permanent disability that prevents the member from engaging in any occupation or performing any work for remuneration or profit for the remainder of their life. Disability is not the direct result of performance of duties with the Police Department.

Amount of Pension - 30 percent of Final Compensation but in no event less than the amount the member would have been entitled to as a pension if the member had retired on the same date with equivalent age and creditable service. Disability benefits may be subject to offset or reduction by amounts paid or payable under any Workers' Compensation law. A disability retiree who is not age 60 may be required by the Retirement Board to undergo continuing eligibility reviews once every three years which may include a medical re-examination.

Death in Service (less than 20 years of service)

Eligibility - Death of an active member with at least five but less than 20 years of service.

Amount of Pension - 50 percent of the member's accrued pension payable to the surviving spouse for spouse's lifetime. The effective date shall be the later of the first day of the month after the member's death or what would have been the member's earliest retirement date.

Funeral Benefit - \$1,000 payable upon the death of an active member.

Death in Service (20 or more years of service)

Eligibility - Death of an active member with 20 or more years of service.

Amount of Pension - Surviving spouse may elect the greater of 50 percent of the member's accrued pension commencing as described above, or a monthly benefit determined on a joint and survivor's basis from the actuarial value of the member's accrued pension at date of death.

Funeral Benefit - \$1,000 payable upon the death of an active member.

CITY OF KANSAS CITY, MISSOURI

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Death After Retirement

Eligibility - Death of a retired member who was receiving a benefit.

Amount of Pension - Eligible surviving spouse receives a pension equal to 50 percent of the member's benefit at the time of actual retirement plus cost of living adjustments. Benefit is payable for the life of the surviving spouse.

In lieu of the 50 percent surviving spouse death benefit, a member may elect, at the time of retirement, a reduced actuarially equivalent 100 percent surviving spouse annuity. In such case, the surviving spouse shall receive the same amount as the benefit being paid to the member and such benefit is payable for the life of the surviving spouse.

If the total amount paid to a member and surviving spouse is less than the member's accumulated contributions, with interest, an amount equal to the difference shall be paid to the member's named beneficiary.

Funeral Benefit - \$1,000 payable upon the death of a retired member.

Non-Vested Termination

Eligibility - Termination of employment and no pension is or will become payable.

Amount of Benefit - Refund of member's contributions with interest.

Post-Retirement Benefit Increases

Eligibility - Members and surviving spouses eligible if member's pension commenced by December 31 of prior calendar year.

Amount of Benefit - May receive an annual cost-of-living adjustment (COLA) an amount not to exceed 3 percent of their respective base pension. Base pension is the pension computed under the provisions of the law at the date of retirement, without regard to COLAs. The COLA is normally effective with the June 1st benefit payment. Statutes require that the Retirement Board must act upon the advice of a qualified actuary when granting cost-of-living adjustments.

Member Contributions

Five percent of base pay.

Supplemental Retirement Benefit

Retirement on or before August 28, 2007 - current retired and disabled members and their surviving spouses are eligible to receive the supplemental benefit of \$160 per month in addition to pension benefits.

Retirements after August 28, 2007 - current and future retired and disabled members and their surviving spouses are eligible to receive the supplemental benefit of \$160 per month if the member had 15 years of creditable service.

CITY OF KANSAS CITY, MISSOURI

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Optional Form of Benefit Payment

Members retiring with at least one or more years of service beyond their eligible retirement date may elect to take a portion of their benefit as a lump-sum distribution (PLOP). Members electing PLOP will receive an actuarially reduced monthly benefit for their lifetime.

Social Security and Medicare

Tier I member - Members participate in Social Security and Medicare.

Tier II member - Members participate in Social Security and Medicare.

Contributions

The Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri has a special funding situation. The Kansas City Board of Police Commissioners is the employer, but the City of Kansas City, Missouri is a nonemployer entity solely responsible for the contributions to the system, as set forth in Section 86.1390 of Missouri state statutes.

State statutes set out the funding requirements for the plan, which can only be amended by the Missouri General Assembly. The Retirement Board establishes a rate based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the employer actuarially determined contribution rate. For the year ended April 30, 2019, active members contributed at a rate of 5% of base pay, and the City contributed at a rate of 17.15% of annual projected payroll. For the year ended April 30, 2019, employees contributed \$1,355,426 and the City contributed \$4,778,854.

Net Pension Liability

The City's net pension liability as of April 30, 2019 was measured as of April 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation prepared as of April 30, 2017, rolled forward one year using standard actuarial techniques.

The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Price inflation	3.00%
Wage inflation	3.75%
Salary increase, including inflation	Ranges from 3.75% to 7.75%
Long-term investment rate of return net of pension plan investment expense, including price inflation	7.50%

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table with a 1-year set forward for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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The actuarial assumptions used in the valuation are based on the results of the most recent actuarial experience study, which covered the 5-year period ending April 30, 2012. The experience study report is dated October 3, 2013.

For purposes of calculating the total pension liability, future ad hoc COLAs of 2.5% (simple COLA) were assumed to be granted in all future years.

The long-term expected rate of return on 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 investments 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 and by adding expected inflation. Best-estimate arithmetic real rates of return for each major asset class included the plan's target asset allocation as of April 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37%	5.2%
Fixed Income	30%	1.0%
Direct Lending	5%	4.5%
Real Estate	11%	3.8%
Private Equity	2%	8.3%
Absolute Return	15%	3.3%

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the employer actuarially determined contribution rate.

A municipal bond rate was not used in determining the discount rate. If it were required, the rate would be 3.90 percent on the measurement date.

The Civilian Employees' Retirement System's financial report can also be found at:

<http://www.kcpers.org/default.aspx/MenuItemID/134/MenuGroup/Publications.htm>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Changes in the Net Pension Liability

Changes in the total pension liability, Plan fiduciary net position and the net pension liability are (*in thousands*):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance, beginning of year	\$ 173,716	\$ 132,566	\$ 41,150
Changes for the year:			
Service cost	3,914	-	3,914
Interest	12,743	-	12,743
Differences between expected and actual experience	(3,214)	-	(3,214)
Changes of assumptions	-	-	-
Non-employer contributions	-	4,994	(4,994)
Contributions - employee	-	1,272	(1,272)
Net investment income	-	11,687	(11,687)
Benefit payments, including refunds of employee contributions	(7,766)	(7,766)	-
Administrative expense	-	(148)	148
Net changes	<u>5,677</u>	<u>10,039</u>	<u>(4,362)</u>
Balance, end of year	<u>\$ 179,393</u>	<u>\$ 142,605</u>	<u>\$ 36,788</u>

The net pension liability of the City has been calculated using a discount rate of 7.50%. The following presents the net pension liability using a discount rate 1% higher and 1% lower than the current rate (*in thousands*).

	1% Decrease	Current	1% Increase
	6.50%	Discount Rate 7.50%	8.50%
City's net pension liability	\$ 59,966	\$ 36,788	\$ 17,402

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended April 30, 2019, the City recognized pension expense on the Plan of \$5,057,389. At April 30, 2019, the City reported deferred outflows of resources related to the Plan from the following sources (*in thousands*) :

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 9,571
Change of assumptions	3,254	6,721
Net difference between projected and actual earning on pension plan investments	1,602	-
City's contributions made subsequent to the measurement date of the net pension liability	<u>4,779</u>	<u>-</u>
 Total	 <u><u>\$ 9,635</u></u>	 <u><u>\$ 16,292</u></u>

At April 30, 2019, the City reported \$4,778,854 as deferred outflows of resources related to the Civilian Employees' Retirement System resulting from the City contributions subsequent to the measurement date and prior to year end that will be recognized as a reduction of net pension liability at April 30, 2020. Other amounts reported as deferred outflows of resources at April 30, 2018 related to the Plan will be recognized in pension expense as follows (*in thousands*):

2020	\$ (594)
2021	(996)
2022	(3,007)
2023	(2,548)
2024	(2,450)
Thereafter	<u>(1,841)</u>
	 <u><u>\$ (11,436)</u></u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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4. Police Retirement System of Kansas City, Missouri

Plan Description

The following summary description of the Police Retirement System of Kansas City, Missouri (Plan) provides only general information. Participants should refer to the Plan Statutes (Sections 86.900 to 86.1280 RSMo) for a more complete description of the Plan’s provisions.

The Plan is a contributory, single-employer defined benefit pension plan established by the State of Missouri’s General Assembly and administered by the Retirement Board of the Police Retirement System of Kansas City, Missouri (Board). The Board is composed of nine members, two are appointed by the Board of Police Commissioners, two are appointed by the City Council and five are elected by the membership of the Retirement Systems. The elected members must include one member of the Civilian Employees’ Retirement System, one member retired from active service in the Police Retirement System and one active member of the Police Retirement System who has not attained the rank of Sergeant or higher. Elections are held annually and Board members are elected to serve for three-year terms.

Police Officers’ Covered by Benefit Terms

At April 30, 2018, the measurement date for the year ended April 30, 2019, the following police officers’ were covered by benefit terms:

	Tier I Members	Tier II Members	Total
Retirees and beneficiaries currently receiving benefits	1,330	2	1,332
Terminated employees entitled to benefits but not yet receiving them	28	-	28
Current employees			
Vested	658	-	658
Nonvested	438	193	631
Total	2,454	195	2,649

Benefits Provided - Benefit terms for the Plan are established in Missouri Revised Statutes 86.900 to 86.1280 and can only be amended by the Missouri General Assembly. The Plan provides retirement benefits, as well as pre-retirement death benefits, duty and non-duty related disability benefits and termination benefits to sworn law enforcement employees of the Kansas City, Missouri Police Department.

Service Retirement

Eligibility

Tier I member - 25 years of service, without regard to age, or at age 60 with at least 10 years of service.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Tier II member - 27 years of service, without regard to age, or at age 60 with at least 15 years of service. All members must retire at the completion of 35 years of service, or at age 65, whichever occurs first.

Amount of Pension - For a member retiring prior to August 28, 2000, benefit equal to 2% of Final Compensation multiplied by years of creditable service, subject to a maximum benefit of 60% of Final Compensation.

For a member retiring on or after August 28, 2000 and before August 28, 2013, benefit equal to 2.5% of Final Compensation multiplied by years of creditable service, subject to a maximum benefit of 75% of Final Compensation.

For a member retiring on or after August 28, 2013, benefit equal to 2.5% of Final Compensation multiplied by years of creditable service, subject to a maximum benefit of 80% of Final Compensation.

Final Compensation

Tier I member - Average annual compensation during the two years of service with the highest salary, whether consecutive or otherwise, or during the entire period of service if less than two years.

Tier II member - Average annual compensation during the three years of service with the highest salary, whether consecutive or otherwise, or during the entire period of service if less than three years.

Deferred Retirement (Vested Termination)

Eligibility - 15 years of creditable service.

Tier I member - Benefit begins at age 55.

Tier II member - Benefit begins at age 60.

Amount of Pension - Computed as service retirement but based on service, Final Compensation and benefit formula in effect at termination of employment. Benefits are unreduced.

Disability

Duty Disability Eligibility - A member in active service who has become permanently unable to perform the full and unrestricted duties of a police officer, as determined by the Board of Police Commissioners, as the exclusive result of an accident or disease occurring in the line of duty.

Amount of Pension - For a member retiring on or after August 28, 2001 and before August 28, 2013, benefit equal to 75 percent of Final Compensation payable for life or as long as the permanent disability continues.

For a member retiring on or after August 28, 2013, benefit equal to 80% of Final Compensation payable for life or as long as the permanent disability continues.

CITY OF KANSAS CITY, MISSOURI

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Non-Duty Disability Eligibility - A member in active service, with a minimum of 10 years of service, who has become permanently unable to perform the full and unrestricted duties of a police officer as determined by the Board of Police Commissioners. Disability is not exclusively caused by the actual performance of official duties.

Amount of Pension - 2.5 percent of Final Compensation multiplied by years of creditable service payable for life or as long as the permanent disability continues.

Disability benefits may be subject to offset or reduction by amounts paid or payable under any Workers' Compensation law. A disability retiree who is not age 60 may be required by the Retirement Board to undergo continuing eligibility reviews once every three years which may include a medical re-examination.

Death in Service - Duty or Non-Duty

Eligibility - Benefit payable to a surviving spouse, if any, upon the death of an active member. Benefit payable for the life of the surviving spouse. If there is no surviving spouse, benefit payable to an eligible child or children in equal shares until age 18. No service requirement.

Amount of Pension - 40 percent of Final Compensation payable to surviving spouse for life.

Child Benefit - \$600 annually for each child under the age of 18, if any, until the child reaches age 18 or age 21, if a full time student. A child who is mentally or physically incapacitated from wage earning at the time of a member's death shall qualify, without regard to age, for life or so long as the incapacity existing at time of member's death continues.

Funeral Benefit - \$1,000 payable upon the death of an active member.

Line of Duty Death

Eligibility - Benefit payable to a surviving spouse. If no surviving spouse, benefit payable to children under age 21 or children over age 21 if mentally or physically incapacitated from wage earning, in equal shares. Death resulting from performance of official duties; no service requirement.

Amount of Benefit - In addition to benefits payable under Death in Service shown above, a lump sum of \$50,000.

Death After Retirement

Eligibility - Benefit payable to an eligible surviving spouse, if any, upon the death of a retired member. Benefit payable for the life of the surviving spouse. If there is no surviving spouse, benefit payable to an eligible child or children in equal shares until age 18.

Amount of Pension:

Tier I member - Benefit equal to 80 percent of the straight life pension the deceased member was receiving at time of death.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Tier II member - Benefit equal to 50 percent of the straight life pension the deceased member was receiving at time of death. In lieu of the percent surviving spouse benefit, a Tier II member may elect, at the time of retirement, a reduced actuarially equivalent annuity of either a 75% or 100% surviving spouse benefit.

Funeral Benefit - \$1,000 payable upon the death of a retired member.

Non-Vested Termination

Eligibility - Termination of employment and no pension is or will become payable.

Amount of Benefit - Refund of member's contributions without interest.

Minimum Pension Benefit

Eligibility - Any retired member who is entitled to a pension benefit and who either has at least 25 years of creditable service or is retired as a result of an injury or illness. A surviving spouse qualifies for the minimum monthly benefit if the member had at least 25 years of creditable service, died in service or was retired as a result of an injury or illness.

Amount of Benefit - Minimum monthly benefit of not less than \$600 in combined pension benefit and cost-of-living adjustments. The minimum monthly pension benefit is in addition to the Supplemental Retirement Benefit.

Post-Retirement Benefit Increases

Eligibility:

Tier I members and surviving spouses - Member's pension must have commenced by December 31 of prior calendar year.

Tier II members and surviving spouses - Service retirements generally eligible in the year following the year in which member would have attained thirty-two years of service. Duty Disability retirements eligible in year following retirement. Non-duty Disability retirements eligible earlier of year following fifth year after retirement or year following the year in which they would have attained thirty-two years of service. Surviving spouses of retired members eligible at same time member would have been if living.

Amount of Benefit - May receive an annual cost-of-living adjustment (COLA) in an amount not to exceed 3 percent of their respective base pension. Base pension is the pension computed under the provisions of the law at the date of retirement, without regard to COLAs. The COLA is normally effective with the May 31st benefit payment.

Statutes require that the Retirement Board must act upon the advice of a qualified actuary when granting cost-of-living adjustments.

Supplemental Retirement Benefit

Tier I member - Current and future retired and disabled members and their surviving spouses are eligible to receive \$420 per month in addition to pension benefits.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Tier II member - Current and future retired and disabled members and their surviving spouses are eligible to receive \$200 per month in addition to pension benefits.

Optional Form of Benefit Payment

Tier I member - Member retiring with at least 26 or more years of service may elect to take a portion of their lifetime benefit as a lump-sum distribution (PLOP).

Tier II member - Member retiring with at least 28 or more years of service may elect to take a portion of their lifetime benefit as a lump-sum distribution (PLOP). Members electing PLOP will receive an actuarially reduced monthly benefit for their lifetime.

Social Security and Medicare

Tier I member - Members do not participate in Social Security although members hired after 1986 do contribute to Medicare.

Tier II member - Members do not participate in Social Security but do contribute to Medicare.

Contributions

The Police Retirement System of Kansas City, Missouri has a special funding situation. The Kansas City Board of Police Commissioners is the employer, but the City of Kansas City, Missouri is a nonemployer entity solely responsible for the contributions to the system as set forth in Section 86.1000.1 of State Statutes.

State statutes set out the funding requirements for the plan, which can only be amended by the Missouri General Assembly. The Retirement Board establishes a rate based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the employer actuarially determined contribution rate. For the year ended April 30, 2019, active members contributed at a rate of 11.55% of base pay, and the City contributed at a rate of 30.01% of annual projected payroll. In addition, the City was obligated to make contributions of \$200 per month of supplemental benefit for eligible members. For the year ended April 30, 2019, employees contributed \$11,412,617 and the City contributed \$32,280,943.

Net Pension Liability

The City's net pension liability as of April 30, 2019 was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 30, 2017 rolled forward to April 30, 2018.

The total pension liability in the April 30, 2018 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	3.00%
Wage inflation	3.75%
Salary increase, including inflation	Ranges from 3.75% to 8.75%
Long-term investment rate of return net of pension plan investment expense, including price inflation	7.50%

CITY OF KANSAS CITY, MISSOURI

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Mortality rates were based on the RP-2000 Healthy Annuitant Table for Males or Females as appropriate, with adjustments for mortality improvement based on Scale AA.

The actuarial assumptions used in the April 30, 2018 valuations were based on the results of an actuarial experience study for the five year period ending April 30, 2012. The experience study report is dated October 3, 2013.

For purposes of calculating the total pension liability, future ad hoc COLAs of 2.5% (simple COLA) were assumed to be granted in all future years.

The long-term expected rate of return on 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 investments 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 and by adding expected inflation. Best-estimates arithmetic real rates of return for each major asset class included the plan's target asset allocation as of April 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37%	5.2%
Fixed Income	30%	1.0%
Direct Lending	5%	4.5%
Real Estate	11%	3.8%
Private Equity	2%	8.3%
Absolute Return	15%	3.3%

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the employer actuarially determined contribution rate.

A municipal bond rate was not used in determining the discount rate. If it were required, the rate would be 3.90 percent on the measurement date.

The Police Retirement System's financial report can be found at:

<http://www.kcpers.org/default.aspx/MenuItemID/134/MenuGroup/Publications.htm>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Changes in the Net Pension Liability

Changes in the total pension liability, Plan fiduciary net position and the net pension liability are (*in thousands*):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance, beginning of year	\$ 1,163,351	\$ 827,347	\$ 336,004
Changes for the year:			
Service cost	24,998	-	24,998
Interest	84,868	-	84,868
Differences between expected and actual experience	(4,446)	-	(4,446)
Changes of assumptions	-	-	-
Contributions - employer	-	32,103	(32,103)
Contributions - employee	-	11,391	(11,391)
Net investment income	-	74,103	(74,103)
Benefit payments, including refunds of employee contributions	(64,732)	(64,732)	-
Administrative expense	-	(715)	715
Net changes	40,688	52,150	(11,462)
Balance, end of year	\$ 1,204,039	\$ 879,497	\$ 324,542

The net pension liability of the City has been calculated using a discount rate of 7.50%. The following presents the net pension liability using a discount rate 1% higher and 1% lower than the current rate (*in thousands*).

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's net pension liability	\$ 480,596	\$ 324,542	\$ 195,564

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the period ended April 30, 2019, the City recognized pension expense for the Police Plan of \$37,578,797. At April 30, 2019, the City reported deferred outflows of resources, related to the Plan, from the following sources (*in thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 18,426
Change of assumptions	26,968	50,873
Net difference between projected and actual earning on pension plan investments	7,180	-
City's contributions made subsequent to the measurement date of the net pension liability	<u>32,281</u>	<u>-</u>
 Total	 <u>\$ 66,429</u>	 <u>\$ 69,299</u>

At April 30, 2019, the City reported \$32,280,943 as deferred outflows of resources related to the Plan resulting from City contributions subsequent to the measurement date and prior to year end that will be recognized as a reduction of net pension liability at April 30, 2020. Other amounts reported as deferred outflows of resources at April 30, 2019, related to the Plan, will be recognized in pension expense as follows (*in thousands*):

2020	\$ (368)
2021	(2,306)
2022	(15,850)
2023	(16,116)
2024	(512)
Thereafter	<u>-</u>
	 <u>\$ (35,152)</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Note 12: Postemployment Benefits Other than Pensions

City of Kansas City, Missouri

Effective May 1, 2018, the City of Kansas City, Missouri (City), adopted Governmental Accounting Standard Board Statement No. 75 (GASB Statement 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, (OPEB)*. GASB Statement 75 replaces the requirements of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The primary purpose of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The City implemented GASB Statement 75 prospectively.

Reporting under GASB Statement 75 is effective for fiscal years commencing after June 15, 2017. See Note 18 for restatement due to implementation of GASB No.75.

Employees'/Firefighters' OPEB Plan

Plan Description

The City sponsors a single-employer, defined benefit healthcare plan that provides for continuation of medical and prescription drug benefits to employees and their dependents that retire from City employment and who participate in the Employees' Retirement System of the City of Kansas City, Missouri (Employees) or the Firefighters' Pension System of the City of Kansas City, Missouri (Firefighters).

The City requires retirees to pay 100 percent of the full medical premium charged for active employees. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under GASB Statement 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The City's OPEB plan does not issue a separate report.

Retirees and spouses have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, when the retiree elects to participate in Medicare, or dies. Retirees have the option of utilizing the City's healthcare plan as secondary coverage to Medicare benefits. Dependent coverage is available until the retiree becomes covered under another health plan. Upon the retiree's death, spouses can elect to continue coverage until they are covered by another health plan, or die.

Employees Covered by Benefit Terms

As of April 30, 2018 actuarial valuation, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	1,200
Active Employees	<u>4,280</u>
	<u>5,480</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Total OPEB Liability

The Employees/Firefighters total OPEB liability of \$105,545,611 was measured as of April 30, 2018 and was determined by an actuarial valuation as of April 30, 2018.

Actuarial Methods and Assumptions

The total OPEB liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Salary Increases	Employees: Service based rates from 3.00% to 5.00% Firefighters: Service based rates from 3.00% to 8.00%
Discount Rate	3.71% as of measurement date; 3.72% for prior year
Health Care Trend Rates	Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years

The discount rate was based on the Fidelity “20-Year Municipal GO AA Index.”

Mortality rates were based on the RP-2000 Combined Healthy Non-Annuitant Mortality Table for all active members. For the Employees, the mortality rates for active employees are multiplied by 0.956 for males and 0.96 for females. The RP 2000 Combined Healthy Annuitant Mortality Table is used for healthy retirees and is set forward one year for firefighters and for employees is multiplied 1.078 for males and 1.065 for females. The RP 2000 Combined Disabled Mortality Table is applied to disabled retirees and employees and is multiplied by 1.3 for males and 1.5 for females. Future mortality improvements were modeled using a modified Scale MP-2015.

The actuarial assumptions used in the April 30, 2018 valuation were based on an experience analysis of the Plan’s past experience, the actuary’s experience with plans of similar size, plan design, and retiree contribution level.

Change in the Total OPEB Liability (in thousands)

Total OPEB Liability	
Beginning of year	\$ 101,489
Charges for the year	
Service cost	4,058
Interest	3,778
Change in benefit terms	-
Changes of assumptions	146
Benefit payments, net of contributions	(3,925)
Net changes	4,057
End of year	<u>\$ 105,546</u>
Governmental	\$ (83,739)
Water Fund	(7,813)
Airports Fund	(7,278)
Sewer Fund	<u>(6,716)</u>
Total	<u>\$ (105,546)</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Total OPEB Liability of the Employees/Firefighters, calculated using the discount rate of 3.71%, as well as what the Employees/Firefighters Total OPEB Liability would be using a discount rate that is one percentage point lower (2.71%) and one percentage point higher (4.71%) than the current rate (*in thousands*).

	1% Decrease	Current	1% Increase
	2.71%	Discount Rate	4.71%
	3.71%	3.71%	4.71%
Total OPEB liability	\$ 122,038	\$ 105,546	\$ 92,245

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Total OPEB Liability of the Employees/Firefighters, calculated using the healthcare cost trend rate of 7.20%, as well as what the Employees/Firefighters Total OPEB Liability would be using a discount rate that is one percentage point lower (6.1% decreasing to 3.25%) and one percentage point higher (8.1 decreasing to 5.25%%) than the current rate (*in thousands*).

	1% Decrease	Healthcare Rate	1% Increase
	(6.20% decreasing	(7.20% decreasing	(8.20% decreasing
	to 3.25%)	to 4.25%)	to 5.25%)
Total OPEB liability	\$ 95,177	\$ 105,546	\$ 118,816

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended April 30, 2018, the Employees/Firefighters recognized OPEB expense of \$7,854,669. The Employees/Firefighters reported deferred outflows related to OPEB from the following sources:

	Deferred
	Outflows of
	Resources
Change of assumptions	\$ 128
Contributions (benefit payments) subsequent to the measurement date	6,736
Total	<u>\$ 6,864</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Amounts reported as deferred outflows of resources related to OPEB changes in assumptions as of the measurement date will be recognized as a reduction of OPEB expense as follows (*in thousands*):

Fiscal Year Ending April 30,	Amount
2020	\$ 18
2021	18
2022	18
2023	19
2024	19
Thereafter	<u>36</u>
	<u>\$ 128</u>

Kansas City Board of Police Commissioners

Police/Civilian OPEB Plan

Plan Description

The Police Department's (Department) defined benefit OPEB plan, the Kansas City Police and Civilian Retiree Health Care Plan (Plan) provides for a continuation of medical, prescription drug, and dental insurance benefits to employees (and their dependents) that retire from Department employment and who participate in the Police Retirement System of Kansas City, Missouri or the Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri. The benefits that are provided through the fully-insured arrangements that collectively operate as a single-employer defined benefit plan, administered by the Department. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75 (GASB Statement 75).

The Department requires the retirees to pay 100% of the blended health care premium. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. (The retiree insurance is guaranteed issue; no medical questionnaire is required.) The difference between these amounts is the implicit rate subsidy, which is considered other post-employment benefits (OPEB) under GASB Statement 75. The Department's OPEB plan does not issue a separate report.

Retirees and their dependents have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, when the retiree elects to participate in Medicare, or dies. Retirees have the option of utilizing the Department's healthcare plan as secondary coverage to Medicare benefits. Additionally, retirees have a one-time option, before the age of 65; to rejoin the Plan should they ever terminate coverage.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Employees Covered by Benefit Terms

As of April 30, 2018 actuarial valuation, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	434
Active Employees	<u>1,806</u>
	<u><u>2,240</u></u>

Total OPEB Liability

The Police/Civilian total OPEB liability of \$48,959,041 was measured as of April 30, 2018 and was determined by an actuarial valuation as of April 30, 2018.

Actuarial Methods and Assumptions

The total OPEB liability in the April 30, 2018 actuarial valuation was determined using actuarial assumptions and other inputs, applied to all periods included in the measurement:

Salary Increases	Civilians: Service based rates from 3.75% to 7.75% Police: Service based rates from 3.75% to 8.75% with additional longevity increases of 10.00% at 8 years
Discount Rate	3.71% as of measurement date; 3.72% for prior year
Health Care Trend Rates	Initial rate of 7.20% declining to an ultimate rate of 4.25% after 14 years

The discount rate was based on the S&P Municipal Bond 20 year High Grade and the Fidelity GO AA-20 Years indexes.

Mortality rates were based on the Society of Actuaries RP-2000 tables for active members and is set forward one year for Civilian employees. The RP 2000 tables for healthy annuitant mortality table is used for healthy retirees and is set forward one year for Civilian employees. The RP 2000 healthy annuitant mortality table is set forward 5 years is applied to disabled retirees. Future mortality improvements were modeled using projection scale AA.

The actuarial assumptions used in the April 30, 2018 valuation were based on an experience analysis of the Plan's past experience, the actuary's experience with plans of similar size, plan design, and retiree contribution level.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Change in the Total OPEB Liability (in thousands)

Total OPEB Liability

Beginning of year	<u>\$ 45,600</u>
Charges for the year	
Service cost	2,529
Interest	1,726
Change in benefit terms	-
Changes of assumptions	61
Benefit payments, net of contributions	<u>(957)</u>
Net changes	3,359
End of year	<u><u>\$ 48,959</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Total OPEB Liability of the Police/Civilian, calculated using the discount rate of 3.71%, as well as what the Police/Civilian Total OPEB Liability would be using a discount rate that is one percentage point lower (2.71%) or one percentage point higher (4.71%) than the current rate (in thousands).

	Current		
	1% Decrease	Discount Rate	1% Increase
	2.71%	3.71%	4.71%
Total OPEB liability	\$ 55,709	\$ 48,959	\$ 43,320

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Total OPEB Liability of the Police/Civilian, calculated using the healthcare cost trend rate of 7.10%, as well as what the Police/Civilian Total OPEB Liability would be using a discount rate that is one percentage point lower (6.10% decreasing to 3.25%) or one percentage point higher (8.10% decreasing to 5.25%) than the current rate (in thousands).

	1% Decrease	Healthcare Rate	1% Increase
	(6.10% decreasing	(7.10% decreasing	(8.10% decreasing
	to 3.25%)	to 4.25%)	to 5.25%)
Total OPEB liability	\$ 42,143	\$ 48,959	\$ 57,426

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended April 30, 2018, the Police/Civilian recognized OPEB expense of \$4,261,837. The Police/Civilian reported deferred outflows related to OPEB from the following sources (*in thousands*):

	Deferred Outflows of Resources
Change of assumptions	\$ 55
Contributions (benefit payments) subsequent to the measurement date	<u>978</u>
Total	<u>\$ 1,033</u>

Amounts reported as deferred outflows of resources related to OPEB changes in assumptions as of the measurement date will be recognized as a reduction of OPEB expense as follows (*in thousands*):

Fiscal Year Ending April 30,	Amount
2020	\$ 7
2021	7
2022	7
2023	7
2024	7
Thereafter	<u>20</u>
	<u>\$ 55</u>

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 13: Disclosures About Fair Value of Assets

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City has the following fair value measurements as of April 30, 2019 and 2018:

- The City holds Federal agency securities, U.S. treasury bills, and U.S. treasury notes/bonds of approximately \$1,326,283,000 and \$1,331,620,000, respectively, in its pooled investment account which is valued using quoted prices for similar assets, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets (Level 2 inputs).
- Real estate held for the production of income with a value of \$14,389,942 and \$17,000,000, respectively, is valued using third party purchase offers (Level 3 input).

The City has the following recurring fair value measurements as of April 30, 2018 for the pension trust funds:

The Employees' Retirement System

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2019:

CITY OF KANSAS CITY, MISSOURI

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Employees' Pension System

	April 30, 2019			
	Total Fair Value	Level 1	Level 2	Level 3
Investments by fair value level				
U.S. treasuries	\$ 14,645,298	\$ -	\$ 14,645,298	\$ -
U.S. government-backed mortgages	53,683,512	-	49,523,356	4,160,156
Municipal bonds	2,972,036	-	2,972,036	-
Asset-backed securities	8,050,597	-	8,050,597	-
Foreign debt obligations	2,609,685	-	2,609,685	-
Corporate bonds - domestic	36,251,398	-	36,251,398	-
Corporate bonds - foreign	28,335,866	-	28,335,866	-
Short-term investment funds	19,631,100	19,631,100	-	-
Domestic preferred equities	1,232,768	1,232,768	-	-
Domestic common equities	173,827,795	173,827,795	-	-
Foreign equities	2,200,066	2,200,066	-	-
Collective trusts - equities	38,082,013	-	38,082,013	-
	<u>\$ 381,522,134</u>	<u>\$ 196,891,729</u>	<u>\$ 180,470,249</u>	<u>\$ 4,160,156</u>

Investments measured at the net asset value (NAV) (A)

Collective trusts - equities	\$ 367,005,400
Collective trust fixed income	238,882,585
Equity funds	-
Partnerships	42,514,100
Collective trusts - real estate	115,372,048
Hedge funds	23,206,749
Real estate funds	-
	<u>786,980,882</u>
Total investments measured at NAV	<u>786,980,882</u>
Total investments	<u>\$ 1,168,503,016</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of fiduciary net position.

Equity and short-term investment funds classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate and Governmental debt securities as well as certain collective trusts classified as Level 2 of the fair value hierarchy are valued using third-party pricing services based on market observable information such as market quotes for similar assets, as well as normal market pricing considerations such as duration, interest rates and prepayment assumptions.

The fair value estimates presented herein are based on pertinent information available to management as of April 30, 2019. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults,

CITY OF KANSAS CITY, MISSOURI

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cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Fair value determinations for Level 3 measurements of securities are the responsibility of the Pension Administrator's office. The Pension Administrator's office contracts with the respective money manager to engage a pricing specialist to generate fair value estimates on a monthly or quarterly basis. The Pension Administrator's office challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented below.

Employees' Pension System

	<u>April 30, 2019</u>			
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Collective trusts - equities (A)	\$ 367,005,400	\$ -	Daily/Monthly	1-7 Business Days
Collective trusts - fixed income (B)	238,882,585	-	Daily	1 Business Day
Partnerships (C)	42,514,100	-	Semi-annual	2 Months
Collective trusts - real estate (D)	115,372,048	-	Quarterly	45 Days
Hedge funds (E)	23,206,749	-	Bi-Monthly	75 Days
	<u>\$ 786,980,882</u>	<u>\$ -</u>		

(A) This category includes a limited partnership, mutual fund, collective trust fund and collective investment trusts. Each invests in equity securities both on the national and international markets listed on public market exchanges and are traded daily.

(B) This category is a fixed income fund that is traded daily. The fund includes U.S. and Non-U.S. government, securitized and corporate bonds, and currencies across the entire quality spectrum.

(C) This category is a limited partnership. Investments are open-ended Global Core/Core Plus infrastructure investments.

(D) This category is a common collective trust redeemable quarterly with a 45 day notice period. Investments are open-ended U.S. Commercial real estate.

(E) This category is a limited partnership domiciled in the Cayman Islands. Investments provide exposure to more than sixty "hedge fund risk premiums" across nine broad strategy groups (event driven, convertible arbitrage, equity market neutral, dedicated short bias, long/short equity, emerging markets, global macro, managed futures, and fixed income relative value) with a dynamic and disciplined investment process that aims to provide risk-balanced, long-term exposure to the underlying strategies. The result is a high risk-adjusted expected return stream with low correlation to traditional asset classes.

CITY OF KANSAS CITY, MISSOURI

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Firefighters' Pension System

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2019:

Firefighters' Pension System	Total Fair Value	April 30, 2019		
		Level 1	Level 2	Level 3
Investments by fair value level				
Domestic common equities	\$ 76,615,337	\$ 76,615,337	\$ -	\$ -
Foreign equities	1,992,406	1,992,406	-	-
Collective trusts - equities	62,463,424	-	62,463,424	-
Collective trusts - fixed income	14,710,960	-	14,710,960	-
Short-term investment funds	10,405,729	10,405,729	-	-
Total investments	<u>\$ 166,187,856</u>	<u>\$ 89,013,472</u>	<u>\$ 77,174,384</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV) (A)				
Collective trusts - fixed income	\$ 146,492,344			
Collective trusts - equities	120,300,901			
Partnerships	14,980,288			
Collective trusts - real estate	53,825,953			
Collective trusts - hedge funds	52,599,029			
Total investments measured at NAV	<u>388,198,515</u>			
Total investments	<u>\$ 554,386,371</u>			

(A) Certain investments that *are measured at fair value using the net asset value per share (or its equivalent)* practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of fiduciary net position.

Equity and short-term investment funds classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Certain collective trusts classified as Level 2 of the fair value hierarchy are valued using third-party pricing services based on market observable information such as market quotes for similar assets, as well as normal market pricing considerations such as duration, interest rates and prepayment assumptions.

The fair value estimates presented herein are based on pertinent information available to management as of April 30, 2019. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters,

CITY OF KANSAS CITY, MISSOURI

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including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented below.

Firefighters' Pension System

	<u>April 30, 2019</u>			
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Collective trusts - fixed income (A)	\$ 146,492,344	\$ -	Daily	1 Business Day
Collective trusts - equities (B)	120,300,901	-	Daily/Monthly	3-30 Days
Partnerships (C)	14,980,288	-	Monthly	15 Days
Collective trust - real estate (D)	30,608,117	-	Quarterly	45 Days Prior to Quarter End
Collective trusts - hedge funds (E)	23,217,835	-	Daily	1 Business Day
Collective trusts - real estate (D)	<u>52,599,029</u>	<u>-</u>	Quarterly	90 Days
	<u>\$ 388,198,514</u>	<u>\$ -</u>		

(A) This category is a fixed income fund that is traded daily. The fund includes U.S. and Non-U.S. government, securitized and corporate bonds, and currencies across the entire quality spectrum.

(B) This category includes collective trust funds. Each invests in equity securities both on the national and international markets listed on public market exchanges and are traded daily.

(C) This category is a limited partnership. Investments are open-ended Global Core/Core Plus infrastructure investments.

(D) This category is a common collective trust redeemable quarterly with a 45 day and 1 day notice period, respectively. Investments are open-ended U.S. Commercial real estate.

(E) This category is a limited partnership domiciled in the Cayman Islands. Investments provide exposure to more than sixty "hedge fund risk premiums" across nine broad strategy groups (event driven, convertible arbitrage, equity market neutral, dedicated short bias, long/short equity, emerging markets, global macro, managed futures, and fixed income relative value) with a dynamic and disciplined investment process that aims to provide risk-balanced, long term exposure to the underlying strategies. The result is a high risk-adjusted expected return stream with low correlation to traditional asset classes.

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Police Retirement System

Recurring Measurement

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2019:

Police Pension System	Total Fair Value	April 30, 2019		
		Level 1	Level 2	Level 3
Investments by fair value level				
U.S. government securities	\$ 73,921,121	\$ -	\$ 73,921,121	\$ -
Corporate bonds and notes	92,137,574	-	92,137,574	-
Common and preferred stock	82,212,040	82,212,040	-	-
Government mortgage-back securities	5,145,659	-	5,145,659	-
Short-term investment funds	17,494,944	17,494,944	-	-
All country world index fund	127,619,491	-	127,619,491	-
Foreign equities	56,786,086	56,786,086	-	-
Total investments	<u>\$ 455,316,915</u>	<u>\$ 156,493,070</u>	<u>\$ 298,823,845</u>	<u>\$ -</u>

Investments measured at the net asset value (NAV) (A)

Real estate funds	\$ 125,751,726
Partnerships - equity	12,714,025
Partnerships - fixed income	119,789,465
Hedge funds of funds	91,485,513
Emerging markets equity funds	27,287,316
International small cap equity fund	8,404,462
Equity funds	<u>48,521,243</u>
Total investments measured at NAV	<u>433,953,750</u>
Total investments	<u>\$ 889,270,665</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of fiduciary net position.

Equity and short-term investment funds classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate and Governmental debt securities classified as Level 2 of the fair value hierarchy are valued using third-party pricing services based on market observable information such as market quotes for similar assets, as well as normal market pricing considerations such as duration, interest rates and prepayment assumptions.

The fair value estimates presented herein are based on pertinent information available to management as of April 30, 2019. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

CITY OF KANSAS CITY, MISSOURI

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Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented below:

Police Pension System

	<u>April 30, 2019</u>			
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate funds (A)	\$ 125,751,726	\$ -	Quarterly	90 Days
Partnerships - equity (B)	12,714,025	855,701	N/A	N/A
Partnerships - fixed income (C)	119,789,465	-	Monthly	10 Days
Hedge fund of funds	91,485,513	-	Quarterly	70 Days
Emerging market equity funds (E)	27,287,316	-	Monthly	10 Days
International small cap equity funds (F)	8,404,462	-	Monthly	8 Days
Equity funds (G)	48,521,243	-	Daily	1 Day
	<u>\$ 433,953,750</u>	<u>\$ 855,701</u>		

- (A) This category includes two open-ended real estate funds that invest in U.S. commercial real estate. Periodic distributions from each fund are made as the underlying investments of the funds are liquidated. Redemptions can be made quarterly.
- (B) This category includes two private equity funds of funds that invest primarily in U.S. and International Corporate Finance and Venture Capital. Distributions from each fund are made as the underlying investments of the funds are liquidated. It is estimated the underlying assets of the funds will be liquidated over the next three to five years.
- (C) This category includes a commingled core fixed income fund and comingled private debt fund. The fixed income fund is a mutual fund that invests in core fixed income. The underlying bonds, and mutual fund, trade daily on public markets. The private debt fund focuses on lending to U.S. based middle market and small cap companies. The underlying loans have an average duration of 2-4 years. Periodic distributions from the fund are made as underlying loans are repaid. Redemptions can be made quarterly.
- (D) This category includes a hedge fund of funds which invests in 29 hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this type includes investments in approximately 30% Equities, 28% Credit, 13% Relative Value, 5% Quantitative, 13% Macro and Commodities and 11% Multi-Strategy. Redemptions can be made quarterly.
- (E) This category includes a commingled emerging markets equity fund which trades monthly. The underlying emerging market stocks trade daily on public markets.
- (F) This category includes a commingled international small cap equity fund which trades monthly on public markets.
- (G) This category includes commingled equity funds which trade daily on public markets

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Civilian Employees' Retirement System

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2019:

Civilian Employees' Retirement System	Total Fair Value	April 30, 2019		
		Level 1	Level 2	Level 3
Investments by fair value level				
U.S. government securities	\$ 13,366,552	\$ -	\$ 13,366,552	\$ -
Corporate bonds and notes	15,441,299	-	15,441,299	-
Common and preferred stock	7,139,832	7,139,832	-	-
Government mortgage-back securities	721,799	-	721,799	-
Short-term investment funds	2,345,440	2,345,440	-	-
All country world index fund	21,453,390	-	21,453,390	-
Foreign equities	4,133,168	4,133,168	-	-
Total investments	<u>\$ 64,601,480</u>	<u>\$ 13,618,440</u>	<u>\$ 50,983,040</u>	<u>\$ -</u>

Investments measured at the net asset value (NAV) (A)

Real estate funds	\$ 18,244,472
Partnerships - equity	1,574,926
Partnerships - fixed income	21,623,240
Hedge funds of funds	14,057,530
Emerging markets equity funds	4,163,973
International small cap equity fund	1,328,138
Equity funds	<u>20,376,085</u>
Total investments measured at NAV	<u>81,368,364</u>
Total investments	<u>\$ 145,969,844</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of fiduciary net position.

Equity and short-term investment funds classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate and Governmental debt securities classified as Level 2 of the fair value hierarchy are valued using third-party pricing services based on market observable information such as market quotes for similar assets, as well as normal market pricing considerations such as duration, interest rates and prepayment assumptions.

The fair value estimates presented herein are based on pertinent information available to management as of April 30, 2019. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

CITY OF KANSAS CITY, MISSOURI

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Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented below.

Civilian Employee's Retirement System

	April 30, 2019			
			Redemption Frequency (If Currently Eligible)	Redemption Notice Period
	Fair Value	Unfunded Commitments	(If Currently Eligible)	Redemption Notice Period
Real estate funds (A)	\$ 18,244,472	\$ -	Quarterly	90 Days
Partnerships - equity (B)	1,574,926	104,338	N/A	N/A
Partnerships - fixed income (C)	21,623,240	-	Monthly	10 Days
Hedge fund of funds	14,057,530	-	Quarterly	70 Days
Emerging market equity funds (E)	4,163,973	-	Monthly	10 Days
International small cap equity funds (F)	1,328,138	-	Monthly	8 Days
Equity funds (G)	20,376,085	-	Daily	1 Day
	\$ 81,368,364	\$ 104,338		

- (A) This category includes two open-ended real estate funds that invest in U.S. commercial real estate. Periodic distributions from each fund are made as the underlying investments of the funds are liquidated. Redemptions can be made quarterly.
- (B) This category includes two private equity funds of funds that invest primarily in U.S. and International Corporate Finance and Venture Capital. Distributions from each fund are made as the underlying investments of the funds are liquidated. It is estimated the underlying assets of the funds will be liquidated over the next three to five years.
- (C) This category includes a commingled core fixed income fund and comingled private debt fund. The fixed income fund is a mutual fund that invests in core fixed income. The underlying bonds, and mutual fund, trade daily on public markets. The private debt fund focuses on lending to U.S. based middle market and small cap companies. The underlying loans have an average duration of 2-4 years. Periodic distributions from the fund are made as underlying loans are repaid. Redemptions can be made quarterly.
- (D) This category includes a hedge fund of funds which invests in 29 hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this type includes investments in approximately 30% Equities, 28% Credit, 13% Relative Value, 5% Quantitative, 13% Macro and Commodities and 11% Multi-Strategy. Redemptions can be made quarterly.
- (E) This category includes a commingled emerging markets equity fund which trades monthly. The underlying emerging market stocks trade daily on public markets.
- (F) This category includes a commingled international small cap equity fund which trades monthly on public markets. This category includes commingled equity funds which trade daily on public markets.
- (G) This category includes commingled equity funds which trade daily on public markets

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 14: Commitments and Contingencies

Purchase and Construction Commitments

At April 30, 2019, encumbrance balances for purchases and construction contract commitments, including obligations for capital outlay, by major fund and nonmajor governmental funds in the aggregate were (*in thousands*):

<u>Fund</u>	<u>Amount</u>
General	\$ 11,213
Capital improvements	43,718
Nonmajor governmental	61,006
Water	48,044
Kansas City Airports	97,292
Sewer	<u>182,920</u>
Total	<u>\$ 444,193</u>

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; injuries to employees; and natural disasters. The City is self-insured for workers' compensation and general liability exposures. The general fund (Fund) is used to account for these exposures. The City has purchased insurance to limit the exposure to \$1,000,000 on workers' compensation claims per occurrence occurring prior to fiscal year 1997, \$500,000 exposure for all claims originating in fiscal year 1997, \$400,000 exposure for all claims originating in fiscal year 1998, \$2,000,000 exposure for all claims originating in fiscal years 2003 through 2007, and \$1,000,000 exposure for all claims originating in fiscal years 2008 through 2011, and \$2,000,000 for all claims originating thereafter. The City also purchases an excess liability policy to cover torts, which are not barred by sovereign immunity. The policy has a \$2,800,000 retention and a \$10,000,000 loss limit. Current sovereign tort immunity statutes and law limit general liability and automobile claim exposure to a maximum of \$1,000,000 per person and \$3,000,000 per occurrence. Settled claims have not exceeded the self-insured retention in any of the past three fiscal years. The City also maintains commercial insurance coverage for those areas not covered by the City's self-insurance programs, such as excess general liability, property, cyber and auto. Settled claims have not exceeded commercial insurance coverage for the past three years.

All funds of the City participate in the program and make payments to the Fund based on estimates of the amounts needed to pay prior and current year claims. The claims liability of \$60,460,645, \$18,763,568, \$10,113,652 and \$3,928,910 for the governmental activities and the Water, Sewer and Kansas City Airports funds, respectively, at April 30, 2019 is based on the requirement that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

CITY OF KANSAS CITY, MISSOURI

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The total claims liability reported in the governmental activities and business-type activities are as follows (*in thousands*):

	Beginning of Year	Current Claims and Estimate Changes	Claim Payments	End of Year	Due Within One Year
2019	\$ 90,573	\$ 26,322	\$ 23,630	\$ 93,265	\$ 22,057
2018	80,373	28,729	18,529	90,573	20,729
2017	75,081	27,917	22,625	80,373	20,706

Federal Grant Funds

Use of federal, state and locally administered grant funds is subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

The Department of Homeland Security-Office of Inspector General (OIG) did audit certain public assistance funds awarded to the City. The City received a pass-through award of \$28.44 million from the State of Missouri, State Emergency Management Agency (SEMA), a Federal Emergency Management Agency (FEMA) grantee for damages resulting from a severe winter ice storm that took place on January 29, 2002.

The audit was issued on July 28, 2006 to the Regional Director of FEMA Region VII and has questioned \$9,301,699 of previously reimbursed costs to the City. The audit recommends that the Regional Director disallow the full \$9,301,699. The Regional Director has not provided a response to the audit.

The City has decided to not further contest questioned costs of \$874,100 and has recorded this amount as a liability in the financial statements. The City believes that it is reasonably possible that additional amounts may be owed; however, since the Regional Director has not responded to the audit findings, the amount and outcome cannot be reasonably estimated and no additional liability has been recorded.

Memorandum of Agreement with the U.S. Department of Housing and Urban Development (HUD)

On April 1, 2013, the City entered into a Memorandum of Agreement with the Housing and Urban Development (HUD) to establish performance measures by which HUD will evaluate the City in its efforts to develop, or cause the development of, the properties funded in whole or in part with funds under the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs that were previously held by the Housing and Economic Development Financial Corporation (HEDFC).

The purpose of this Memorandum of Agreement was to identify specific corrective action the City must undertake in order to resolve deficiencies related to its capacity and ability to effectively and efficiently administer formula grant funds in compliance with federal requirements and in accordance with the City's Consolidated Plan.

CITY OF KANSAS CITY, MISSOURI

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On March 31, 2005, HUD issued a Limited Denial of Participation (LDP) to HEDFC, the City's largest subrecipient, for various violations of HUD regulations. On April 21, 2005, the City filed a Complaint against HEDFC in the U.S. District Court for the Western District of Missouri (Court) seeking an order to compel HEDFC to return the CDBG and HOME program income and CDBG and HOME-derived assets it was holding. Seeking a declaratory judgment regarding the effect of the LDP, HUD was also named as a defendant in that suit.

At the request of the City and HUD, the court appointed a receiver on May 16, 2005 to oversee the daily operations of HEDFC and to take possession and control of all assets of HEDFC. Under the supervision of the Court, the City, the Receiver and HUD have been collaborating in order to develop, transfer or liquidate the remaining HEDFC assets in a manner that accords with HUD's program requirements. An important document created by the City was its reBuildKC/Neighborhoods (reBuildKC) plan in 2010, which serves as a master guideline for specific actions the City has committed to undertake in addressing the HEDFC assets, identifying a five-year development strategy, re-connecting with local nonprofit and profit partners and in adding capacity for the housing department.

As a result of these efforts, the City accepted the transfer and loan servicing responsibilities of all the remaining loans in HEDFC's loan portfolio. In addition, a number of HEDFC-owned properties once under receivership are now in some phase of development. Through these activities and despite a difficult lending and development environment, the City has identified developers, whom HUD has approved, who will develop projects representing total investments of over \$138 million. HUD and the City agree that there are HEDFC assets which have not been brought into compliance with HUD program requirements.

HUD and the City have listed a series of projects, parcels of real properties and activities that will be developed or completed in compliance with HUD's regulations and requirements. These are referred to as Time Sensitive Performance Measures and consist of three benchmarks regarding when these projects must be completed.

If HUD determines that the City has failed to meet a performance deadline, HUD will, after adhering to applicable notice and procedural requirements, advise or instruct the City to use non-federal funds to reimburse its CDBG or HOME program accounts. Upon receipt of such advice, the City agrees to reimburse those program accounts for the full repayment amount.

Staff continues to make progress and is actively working towards completing the following major projects:

- Southwest Quadrant - construction is complete on the \$3 million Forest Avenue Infrastructure Improvements allowing re-platting and sale of lots for 28 new homes;
- Troost at 26th to 27th Commercial Site - Urban Core and Milhaus was selected as the developer for this mixed use project. The project will be completed in the fall of 2019 and reduce the City's liability to HUD by \$1,245,406;
- LaQuinta Hotel at 24th and Troost (formerly Commercial Property North of Student along Troost) - a 81-room hotel with commercial spaces will be completed in the fall of 2019 and reduce the City's liability to HUD by \$1,011,348;
- Mixed-Use Development at 25th and Troost - a major \$40 million development is under construction;

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

- Mt. Prospect Single Family - construction underway on 32 single family homes;
- Commercial Development on the Two Corners at 27th and Troost - a proposal to develop was received and pre-development underway.

Completion of these projects will reduce the City's repayment liability by \$3,729,993, leaving a balance of zero. The City does not believe any of this amount will be subject to repayment by use of non-federal funds.

City of Kansas City, Missouri Overflow Control Program

In 2003, the City Council directed the City Manager to prepare a long range plan to manage wet weather flow in both the separate and combined sewer systems within the city. In response, Kansas City Water Services prepared an Overflow Control Plan (Plan). Creation of the Plan was driven by requirements of the federal Clean Water Act and by policies of the United States Environmental Protection Agency (EPA) and Missouri Department of Natural Resources (MDNR) related to sewer infrastructure. The Plan is structured to prevent as much stormwater as practicable from entering the combined sewer system and separate sewer system to reduce sewer overflows and provide a platform to facilitate implementation of a comprehensive green solutions initiative in the city.

Kansas City's Plan was developed to meet regulatory requirements related to reducing wet-weather overflows from the combined sewer system and preventing overflows from the separate sewer system. The City and its regulatory partners have agreed to meet those objectives over a 25-year time period by completing a planned list of improvements targeted at capturing for treatment 88 percent of combined sewer flows and eliminating sanitary sewer overflows from the separate sanitary system. Individual elements of the City's Overflow Control Program (OCP) became part of an enforceable document on September 27, 2010, with the entry of a Consent Decree in United States District Court for the Western District of Missouri. To date, the City has fulfilled all requirements set forth in the Consent Decree.

Beginning in mid-2013, Water Services and its Overflow Control Program team members worked with EPA to modify specific components of the control measure implementation schedule to allow sufficient time for the City to better determine the sizing of any necessary infrastructure investments for control of sewer overflows in the Blue River South Basin prior to initiating construction. EPA approved these changes in November 2014. The modifications also resulted in the strategic advancement of several other projects that are intended to reduce the frequency of overflow events in the combined sewer system and to reduce the amount of excessive inflow and infiltration into the City's separate system. In November of 2016, Water Services and its Overflow Control Program team members submitted a request for a second modification that extended the completion date for six particular projects in order to better sequence construction, capitalize on the timing of other municipal infrastructure projects and to optimize the scope of particular projects to achieve greater public benefits. EPA approved these modifications in November of 2017.

The current estimated capital cost of this control plan is projected to cost approximately \$4.5 billion with estimated inflation at the end of the 25-year timeframe. In addition, there is expected to be a \$72 million increase in annual expenditures for operation and maintenance. It is anticipated that this Plan will be funded primarily from the City's sewer fund, which is separate from the general fund. The City does not anticipate that the City's general fund will be relied upon to assist in the financing of the Plan. As implementation of the Plan continues, specific financing strategies to offset the cost will be evaluated and implemented, which could include appropriation of monies from the City's general fund.

CITY OF KANSAS CITY, MISSOURI

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The Overflow Control Program contains some 120 overflow control measure projects to be implemented over the 25 year implementation period. The program is currently on schedule and on budget with Water Services having completed a total of 32 projects and currently implementing 48 projects.

Truman and Wyandotte Urban Renewal Plan and Downtown Hotel

On July 23, 2015, the City Council passed Committee Substitute for Ordinance No. 150597, which approved the urban renewal plan known as the Truman and Wyandotte Urban Renewal Plan, established the Kansas City Convention Center Headquarters Hotel Community Improvement District, approved the Kansas City Convention Center Headquarters Hotel Tax Increment Financing Plan, and authorized the Tax Increment Financing (TIF) Commission to enter into a Redevelopment Agreement with KC Hotel Developers, LLC (Redeveloper).

The hotel project (Project) includes the acquisition, development, financing, construction, and equipping of an approximately 800 room headquarters convention center hotel, approximately 75,000 square feet of meeting space, approximately 15,540 square feet of retail, restaurant, bar and lounge areas, approximately 9,900 square feet of recreational facilities, an approximately 450 space parking structure, and a connection between the hotel and Bartle Hall Convention Center.

Committee Substitute for Ordinance No. 150597 also authorized the City Manager, on behalf of the City, to take actions necessary to cause the city property located in the urban renewal plan to be transferred to the Land Clearance for Redevelopment Authority, to enter into Master Financing and Exclusive Catering agreements, to enter into a Super-TIF Financing agreement with the TIF Commission, the Redeveloper, the Convention and Visitors Bureau of Greater Kansas City, and other such parties to provide additional financing, and to execute any amendments or additional agreements as may be required to complete the financing of the Project.

Committee Substitute for Ordinance No. 150597 and the agreements call for the City to contribute \$35,000,000 toward the cost of the project. The City issued special obligation bonds in April 2018 to satisfy this obligation. In addition, the City anticipates making payments under the Second Amended and Restated Master Financing Agreement and the Second Amended and Restated Exclusive Catering Agreement. The catering payments are expected to be covered by net catering revenues from the use of space in Bartle Hall Convention Center for catered events booked by the hotel operator. Both of these payments are expected to begin in fiscal year 2021.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

April 30, 2019

Note 15: Fund Deficits

The Police Drug Enforcement fund (special revenue fund) has a deficit balance of \$783,000 due to not receiving reimbursement of all expenditures as of the end of the fiscal year. Future grant reimbursements from the federal government will cover the deficit.

The Community Development fund (special revenue fund) has a deficit balance of \$3,587,000 due to not receiving reimbursement of all expenditures as of the end of the fiscal year. Future grant reimbursements from the federal government will cover the deficit.

The Other Governmental grant fund (special revenue fund) has a deficit balance of \$756,000 due to not receiving reimbursement of all expenditures as of the end of the fiscal year. Future grant reimbursements from the federal government will cover the deficit.

The Justice Assistance grant fund (special revenue fund) has a deficit balance of \$17,000 due to not receiving reimbursement of all expenditures as of the end of the fiscal year. Future grant reimbursements from the federal government will cover the deficit.

The 2017 Flood Control fund (capital project fund) has a deficit balance of \$7,460,000 due to not having sold the bonds. Receipts from the bond proceeds will cover the deficit.

The 2018 Flood Control fund (capital project fund) has a deficit balance of \$7,094,000 due to not having sold the bonds. Receipts from the bond proceeds will cover the deficit.

Note 16: Subsequent Events

Reappropriation of Fund Balance

On April 11, 2019, the City Council passed Committee Substitute for Ordinance No.190275. This ordinance authorized certain unencumbered and unexpended appropriations from fiscal year 2019 to be reappropriated to fiscal year 2020, and for certain uncollected revenues in fiscal year 2019 to be re-estimated in fiscal year 2020. The net of these amounts are included in committed fund balance in the City's financial statements for each of the respective funds.

These net reappropriations are summarized in the following table (*in thousands*):

General fund	\$ 2,442
Capital improvements fund	18,950
Non major	<u>6,582</u>
Total governmental funds	<u>\$ 27,974</u>

Debt

On June 27, 2019, the Industrial Development Authority of the City of Kansas City, Missouri (Issuer) Airport Special Obligation Bonds (Kansas City International Airport Terminal Modernization Project), Series 2019B (AMT), were issued in the principal amount of \$824,765,000 (Series 2019B Bonds) and its Airport Special Obligation Bonds (Kansas City International Airport Terminal Modernization Project), Series 2019C (Non-AMT), were issued in the principal

CITY OF KANSAS CITY, MISSOURI

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amount of \$61,520,000 (Series 2019C Bonds and, together with the Series 2019B Bonds, the Series 2019 Bonds). The Series 2019 Bonds financed (1) a portion of the costs of the Terminal Modernization Project, (2) a deposit to the debt service reserve fund, (3) a deposit to the capitalized interest fund, and (4) the costs of issuing the Series 2019 Bonds. The Series 2019 Bonds and the interest thereon are special, limited obligations of the Issuer payable solely out of the Debt Service Payments and other payments derived by the Issuer under the Financing Agreement between the Issuer, the bond trustee and the City. Pursuant to the Financing Agreement, in consideration of the Issuer making the proceeds of the Series 2019 Bonds available to the City for the purposes described above, the City has agreed to make Debt Service Payments and Additional Payments to the Issuer, subject to appropriation by the City Council

On June 20, 2019, the City issued its Taxable Industrial Revenue Bonds, Series 2019 (Menlo, Inc. Project) (Series 2019 Bonds) in the amount of \$29,000,000. The Series 2019 Bonds were authorized and issued under and pursuant to Chapter 100 of the Revised Statutes of Missouri, as amended (Act) and a trust indenture, dated as of June 1, 2019, between the City and Commerce Bank, as trustee. The Series 2019 Bonds financed the costs of acquiring and installing equipment and machinery (Project Equipment) for Menlo Inc.'s new facility. The City entered into a lease agreement (Series 2019 Lease Agreement) with Menlo, Inc., pursuant to which the City acquired the Project Equipment and leased it back to Menlo, Inc. The Series 2019 Bonds are solely payable from rents, revenues and receipts derived by the City under the Series 2019 Lease Agreement.

On July 2, 2019, the City issued its Sanitary Sewer System Refunding Revenue Bonds, Series 2019A (Series 2019A Bonds) in the amount of \$59,735,000. The Series 2019A Bonds financed the costs of extending and improving the City's Sanitary Sewer System and paying the costs of issuance.

On August 7, 2019, the City issued its Water Refunding Revenue Bonds, Series 2019A (Water Series 2019A Bonds) in the amount of \$72,865,000. The Water Series 2019A Bonds financed (1) the cost of currently refunding \$87,375,000 of the outstanding Water Refunding and Improvement Revenue Bonds, Series 2009A (Water Series 2009A Bonds), which were redeemed on September 9, 2019; (2) paying the costs of issuance on the Water Series 2019A Bonds; and (3) paying an estimated yield reduction payment of \$1,505,757.19 on transferred proceeds, held in escrow, of the Water Series 2009A Bonds.

On September 6, 2019, the City, as the obligated person, defeased \$3,230,000 of the Taxable Industrial Revenue (300 Wyandotte Parking Garage Project) Series 2005 Bonds (Series 2005 Bonds) of the Planned Industrial Expansion Authority of Kansas City, Missouri (PIEA) for a final redemption on October 9, 2019. \$3.079 million of the \$3.279 million defeasance requirement was funded from proceeds of the sale of the parking garage, by the PIEA to a private developer, that was financed by the Series 2005 Bonds. The defeasance requirement included the amount of \$3,230,000 in outstanding par amount of the Series 2005 bonds and accrued interest of \$ 49,868.39 to the redemption date on October 9, 2019.

CITY OF KANSAS CITY, MISSOURI

Notes To Basic Financial Statements

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Note 17: Pledged Revenues

The City has pledged specific revenue streams to secure the repayment of certain outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount and term of the pledge remaining, the current fiscal year principal and interest on the debt, the amount of pledged revenue recognized during the current fiscal year and the approximate percentage of the revenue stream that has been committed if estimable (*in thousands*):

Issue	Type Revenue Pledged	Amount of Revenue Pledged	General Purpose for Debt	Term of Commitment	% of Revenue Pledged	Principal & Interest Paid for the Year	Pledged Revenue Recognized for the Year
Water Revenue Bonds (2008A, 2009A, 2012A, 2013A, 2014A, 2015A, 2017A)	Net revenues derived from the Water fund	\$ 535,481	To finance improvements to the water systems and facilities, to cover installation of automated meter reading system and lab equipment	through 2042	24.50	36,270	95,028
Sewer Revenue Bonds (1999A, 2000A, 2000B, 2001B, 2002J, 2004C, 2009B, 2011A, 2012A, 2016A, 2018A, 2018B)	Net revenues of the Sewer fund	769,685	To finance improvements to sewer system and facilities	through 2042	22.30 (1)	44,388	150,092
Stormwater Loans (2000, 2001-02, 2007)	Net revenues of the Stormwater fund	1,387	To finance improvements to stormwater system	through 2028	24.70	444	609
General Improvement Airport Revenue Bonds (2013A 2013B) (Refunded PFC Series 2001, General Improvement Airport Revenue Bond Series 2003A and 2003B)	Net revenues from Airport operations	67,515	To fund all or portions of the costs of constructing and rehabilitating airport facilities	through 2028	4.30-12.40	17,967	55,574
Industrial Development Kansas City, Missouri Airport Special Obligation Bonds (KCI Terminal Modernization Project) Series 2019A	Annual appropriation pledge of net revenues from Airport operations	187,470	To fund all or portions of the costs of constructing a new airport terminal	through 2044	0	- (9)(10)	-
Consolidated Rental Car Facility Bonds (2005C)	Revenues from Airport operations (Customer Facility Charge)	- (4)	To fund the costs of constructing a consolidated rental car facility	through 2019	N/A (4)	15,980	15,980
* Special Obligation 2010B (Refunding KCMAC 2001B) and 2013B (Refunding KCMAC 2003C-1)	A portion of future sales tax generated from funds with the Zona Rosa Transportation Development District and Capital Improvement District Sales Tax	4,291	To finance public improvements within Zona Rosa Development	through 2023	100	1,163	1,525
* Special Obligation 2010B (Refunding KCMAC 2001B) (Prospect North Project) and Special Obligation Series 2015A (KCMAC 2004B-2 refunding)	TIF revenues, payment in lieu of taxes and certain economic activity taxes generated from the Prospect North TIF plan	3,809	To finance development of the Prospect North TIF plan	through 2022	100	1,156	125
*KCMAC and LCRA (Auditorium Plaza Garage Project) (KCMAC 2006A Issuance Auditorium Plaza Garage Portion, LCRA Series 2005-E Auditorium Plaza Garage Portion) and Special Obligation Series 2015A (KCMAC 2006A APG portion)	Net operating revenue of the Auditorium Plaza Garage	835	To finance Auditorium Plaza Garage	through 2020	100	809	1,019
*Special Obligation VRDO Refunded and Improvement Revenue Bonds Series 2009C & D (Refunded TIFC Series 2003C (Tax-Exempt) and Refunding Series 2003D (Taxable))	TIF revenues	4,650	To finance I-35 and Chouteau Project	through 2024	100 (2)	1,832 (3)	1,184
* Special Obligation Improvement and Refunding Bond Series 2013B (Refunding TIFC Improvement Revenue Bonds and Series 2004)	TIF/STIF Revenues/Community Improvement District Sales Tax	10,915	To refinance the TIF 2004 Series that financed the construction of the Blue Parkway business district	through 2028	100	1,135	753

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Issue	Type Revenue Pledged	Amount of Revenue Pledged	General Purpose for Debt	Term of Commitment	% of Revenue Pledged	Principal & Interest Paid for the Year	Pledged Revenue Recognized for the Year
*Special Obligation VRDO Improvement Revenue Bonds Series 2009A (Refunded TIFC Series 2005 Issuance)	TIF/STIF Revenues, parking revenues and Special Assessment revenues	-	Refunding of bonds originally used to construct and equip 909 Walnut parking garage	through 2019	100 (2)(5)	4,413	3,587
*Special Obligation VRDO Improvement Revenue Bonds Series 2009B (Refunded TIFC Taxable Series 2004)	TIF/STIF Revenues, Convention and Visitors Association reimbursements, Minimum Property Assessment Value Payments	13,341	Refunding of bonds originally used to finance the refurbishing of the President Hotel	through 2028	100 (2)	1,233	1,601
*IDA Refunded Revenue Bonds and 2011A (Refunded remarketed IDA Series 2005B, 2006A, 2006B) Special Obligation 2014C (partially refunded IDA Series 2005A and Series 2011A)	TIF/STIF revenues, Transportation Development District revenues	253,472	To finance KC Live Project	through 2040	100	13,514	5,677
*IDA Refunded Revenue Bonds 2005A and Special Obligation Series 2017C (refunded remainder of IDA Series 2005A)	DESA revenues	126,238	To finance KC Live Project	through 2033	100	4,302	968
*Special Obligation taxable 2008D Refunding Bonds refunding IDA VRDO Improvement Revenue Bonds (IDA Series 2005D), Special Obligation Series 2016E (Refunding Special Obligation Series 2008C and financing improvements)	Future car rental and hotel fees net of Convention and Visitors Bureau share; User Fees	298,163	To finance the building of a downtown arena	through 2040	100	13,984	15,046
*LCRA Leasehold Revenue Refunding Bonds and Special Obligation Series Taxable Revenue Bonds (LCRA 2005E and Special Obligation Series 2010C)	TIF/STIF Revenues, Convention and Visitor Association Reimbursements Revenues	- (6)	To finance the Muehlebach Hotel Project	through 2019	100 (7)	4,930	3,072
*PIEA Taxable Industrial Revenue Bonds (2005)	Neighborhood Development District Special Assessments and Non-TIF redirection/ parking revenues	3,904	To finance the 300 Wyandotte Parking Garage Project	through 2025	100	632	36
*IDA Refunding Revenue Bonds (Refunded the MDFB Series 2000A) (2007A) and Special Obligation Series 2017D (Refunded IDA Series 2007A Bonds)	State and City TIF/STIF revenues associated with the redevelopment areas	10,583	To finance the Midtown Retail District project	through 2022	100	4,037	7,385
*Special Obligation 2008A Refunding and Improvement Revenue Bonds, and Special Obligation Refunding Bonds Series 2016C (Second Street Portion)	Revenues from TIF revenues from the redevelopment area	774	To finance improvements to Second Street redevelopment area	through 2026	100	136	721
*Special Obligation 2008A Refunding and Improvement Revenue Bonds, Hodge Park Shoal Creek Golf Courses and Special Obligation Refunding Bonds Series 2016C (Hodge Park Portion)	Revenues from golf operations	1,991	To refinance the KCMAC 1998 construction of Hodge Park, Shoal Creek golf courses	through 2023	100	500	502
*Special Obligation 2016D Refunding Bonds (Refunded Special Obligation Series 2008B) and 2010A Improvement Revenue Bonds, East Village Project	State and City TIF/STIF Revenues	36,306	To finance parking garage and public improvements	through 2031	100	2,333 (8)	2,855

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Notes To Basic Financial Statements
April 30, 2019

Issue	Type Revenue Pledged	Amount of Revenue Pledged	General Purpose for Debt	Term of Commitment	% of Revenue Pledged	Principal & Interest Paid for the Year	Pledged Revenue Recognized for the Year
*Special Obligation 2014A Downtown Street Car Project	Sales Tax on retail sales occurring within the Downtown Streetcar District and Special Assessments on real property within the District	88,698	To finance the design, construction and equipping of a two-mile north-south streetcar route	through 2038	100	4,434	13,830
*Special Obligation 2017A Linwood Shopping Center Project	TIF/STIF revenues associated with the redevelopment areas	25,348	To finance the design, construction and equipping of an approximately 38,000 square foot grocery store and the renovation of approximately 26,000 square feet of additional retail space, together with surface parking and landscaping	through 2040	100	1,206	-

(1) Gross Debt Service.

(2) Amounts include support costs paid on variable rate bonds.

(3) \$480,000 of Series 2009C and \$1,220,000 of Series 2009D were redeemed on September 1, 2018 using trustee held TIF Revenues. The amounts that would have otherwise would have been scheduled redemptions for the year were \$480,000 of Series 2009C bonds and \$480,000 of Series 2009D bonds. The pledged revenues recognized were only what was collected during the fiscal year and does not include amounts on hand with the trustee that were used for the redemptions on September 1, 2018.

(4) The Airport CFC Series 2005C bonds were defeased on July 27, 2018.

(5) Special Obligation 2009A debt was defeased on December 27, 2018, upon the sale of the 909 Walnut Building. Revenues include a \$3.021 million in sale proceeds as well as project revenues held by the trustee.

(6) Final redemption on the LCRA Series 2005E bonds occurred on December 1, 2018. Final redemption on the Series 2010C occurred on April 1, 2019.

(7) Final debt service payment on the LCRA Series 2005E bonds, totaling \$2.3 million, was paid from the \$3.3 million debt service reserve fund established in 2010. The Series 2010C debt service reserve, totaling \$1.25 million was used to service the final debt service payment of \$2.8 million.

(8) Revenues include approximately \$411,000 in project proceeds from a closed project fund transferred to Series 2010A debt service account to fund the FY 2019 debt service.

(9) The IDA Series 2019A Bonds were issued on March 29, 2019. No debt service was paid in fiscal 2019.

(10) Prior to March 1, 2023, interest payable on this obligation will be payable from capitalized interest proceeds held by the Trustee. After March 1, 2023, these bonds and the interest thereon will be payable solely from net revenues derived from airport operations on a parity with the Airport GARB's in any fiscal year in which the City has appropriated the funds and satisfied the debt service coverage requirements for the payment.

*The City believes that the revenues pledged for the respective debt issues do not meet the definition of pledged revenues under GASB 48. Although these bonds may have dedicated revenues, they are ultimately secured by the annual appropriation pledge of the City. The City believes that showing specific revenue streams that are used to pay principal and interest on the debt is beneficial to the respective bondholders.

Note 18: Change in Accounting Principle

The beginning net position of the City's governmental activities was restated due to the implementation of GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits Other Than Pensions (in thousands)*.

	Net Position (deficit) as previously reported	Change due to GASB 75	Net Position (deficit) as restated
Governmental activities	\$ 2,364,017	\$ (23,180)	\$ 2,340,837
Business-type activities			
Water fund	823,388	(2,061)	821,327
Airports fund	636,130	(1,855)	634,275
Sewer fund	1,108,732	(1,841)	1,106,891
Total Business-type activities	<u>\$ 2,568,250</u>	<u>\$ (5,757)</u>	<u>\$ 2,562,493</u>
Total primary government	\$ 4,932,267	\$ (28,937)	\$ 4,903,330
Discretely presented component units	(623,968)	(8,368)	(632,336)

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedules - General Fund
Year Ended April 30, 2019
(in thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 465,747	\$ 465,747	\$ 479,552	\$ 13,805
Licenses, permits and franchises	29,276	29,276	29,485	209
Fines and forfeitures	6,792	6,792	8,345	1,553
Rents and concessions	950	950	772	(178)
Investment income and interest	2,304	2,304	3,698	1,394
Charges for services	56,674	56,674	45,422	(11,252)
Intergovernmental revenues	4,123	4,123	2,354	(1,769)
Special assessments	300	300	405	105
Other	9,603	9,477	8,645	(832)
Total revenues	<u>575,769</u>	<u>575,643</u>	<u>578,678</u>	<u>3,035</u>
Other financing sources:				
Transfers in	<u>21,686</u>	<u>21,686</u>	<u>21,674</u>	<u>(12)</u>
Total revenues and other financing sources	<u>597,455</u>	<u>597,329</u>	<u>600,352</u>	<u>3,023</u>
Expenditures				
Mayor and City Council	5,061	4,991	4,987	4
City Clerk	452	465	465	-
City Auditor	1,289	1,289	1,289	-
General Services	37,447	39,299	39,259	40
Board of Election Commissioners	3,525	3,301	3,115	186
City Manager	8,820	8,563	8,663	(100)
Municipal Court	15,537	15,196	14,865	331
Finance	18,220	17,606	17,419	187
Law	6,304	6,095	5,676	419
Human Resources	3,806	3,704	3,703	1
Human Relations	1,904	1,843	1,701	142
Contingent Appropriation	840	-	-	-
City Planning and Development	2,681	2,681	2,647	34
Fire	159,141	159,459	158,980	479
Public Works	2,525	2,132	304	1,828
Neighborhood and Housing Services	44,570	42,744	41,976	768
Parks and Recreation	665	495	421	74
Police	221,704	222,586	219,669	2,917
Total expenditures	<u>534,491</u>	<u>532,449</u>	<u>525,139</u>	<u>7,310</u>
Other financing uses:				
Transfers out	<u>75,104</u>	<u>75,104</u>	<u>73,733</u>	<u>1,371</u>
Total expenditures and other financing uses	<u>609,595</u>	<u>607,553</u>	<u>598,872</u>	<u>8,681</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(12,140)	(10,224)	1,480	11,704
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>11,998</u>	<u>11,998</u>
Net change in fund balance	<u>\$ (12,140)</u>	<u>\$ (10,224)</u>	<u>13,478</u>	<u>\$ 23,702</u>
Fund Balance (budget basis):				
Beginning of year			<u>95,650</u>	
End of year			<u>\$ 109,128</u>	

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Budgetary Comparison Schedules
Year Ended April 30, 2019

Budgetary Process

The reported budgetary data represent the final approved budget after amendments as adopted by the City Council (Council). Amendments to the original budget were not material and unencumbered appropriations lapse at year-end. Encumbered appropriations at year-end are carried forward into the following year for final disposition. These procedures are followed in establishing the budget:

1. The Mayor and Council adopt a five-year financial plan no later than November 1 of each year.
2. On or before the second regular meeting of the City Council in February, the City Manager submits to the Mayor and the Council, the budget prepared by the City Manager considering the five-year-financial plan adopted by the Mayor and Council.
3. The City Council conducts a review of the budget, including hearings with the City Manager and department officers. Upon conclusion of its review and not later than the first regular meeting of the Council in March, the budget ordinance is introduced for consideration.
4. Public hearings are conducted to obtain citizens' comments.
5. At the fourth regular meeting in March, the Council adopts the budget ordinance with or without alteration or amendment.

Financial Statement Presentation-Budget Basis

The City prepares legally adopted annual operating budgets for the general fund, special revenue funds (which include arterial street impact fee, brownfields revolving, central city sales tax, CID/NID revolving loan, community development block grant, convention and tourism, development services, domestic violence shelter operations, economic development initiative - HUD grant, fire sales tax, golf operations, governmental grants, health levy, HOME investment, homesteading authority, housing opportunities for persons with AIDS, HUD lead-based paint grant, inmate security, justice assistance grants, KCATA sales tax, land bank, liberty memorial trust, museum, neighborhood grants, neighborhood stabilization grant, neighborhood tourist development, parking garage, parks and recreation, performing arts center parking garage, police drug enforcement, police grants, public mass transportation, public safety sales tax, Ryan White HIV/AIDS, special housing rehabilitation, strategic neighborhoods, street car, and street maintenance), capital projects funds (which include capital improvements and revolving public improvement) and debt service funds (which include convention and sports complex, downtown arena debt, general debt and interest, GO recovery zone bonds, KC downtown redevelopment district, N.I.D. GO bond, sewer special assessment, STIF-909 Walnut Tower, STIF-12th and Wyandotte, STIF-Brush Creek/Blue Parkway/Town Center, STIF-East Village, STIF-HOK Sport Garage, STIF-Hotel President, STIF Linwood Shopping, STIF-Midtown, streetlight debt and TIF debt). The City also prepares annual operating budgets for the enterprise funds; however, there is no requirement to report on these budgets. Therefore, the financial statements include a comparison of budget to actual only for the budgeted governmental funds.

The City's policy is to prepare the governmental fund types' annual budgets on a cash basis, which is modified to include encumbrances as the equivalent of expenditures.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Notes to Budgetary Comparison Schedules
 Year Ended April 30, 2019

After passage of the annual appropriation ordinance, upon recommendation of the Director of Finance, the Council may by ordinance authorize the transfer of unencumbered balances appropriated for one department to any other department. An unencumbered balance appropriated for one purpose may be transferred to another purpose within a department upon the approval of the department head and subject to the certification of available funds by the Director of Finance. Additionally, an unencumbered balance appropriated to a department for a specific purpose may be transferred to any other department for the same purpose within the same fund upon approval of the respective department heads and subject to the certification of available funds by the Director of Finance. (Code of Ordinances, Section 2-1992).

Project budgets are adopted in the certain capital projects funds where appropriations do not lapse at fiscal year end.

Budgeting and Budgetary Control

The accounting principles employed by the City in its budgetary accounting and reporting system are designed to enhance budgetary control. Certain of these principles differ from those used to present financial statements in accordance with U.S. generally accepted accounting principles. The significant differences are the exclusion of accrued and deferred revenues and accrued expenditures and transfers out from the budgetary-basis statements.

Following is a reconciliation of these differences for the year ended April 30, 2019 (*in thousands*):

	General
Net change in fund balances - budgetary basis	\$ 13,478
Adjustments	
Net change in encumbrances, reserves and prior year adjustments, budgetary basis	(11,998)
To record accrual and deferral of revenues, net	47,413
To record accrual of expenditures and transfers out	(36,135)
Net change in fund balances - GAAP basis	\$ 12,758

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Budgetary Comparison Schedules
Year Ended April 30, 2019

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the funds. Other commitments include encumbrances that have been established for future planned expenditures where the purpose is known but a specific contract with a vendor has not yet been finalized.

At April 30, 2019, encumbrance balances by major fund and nonmajor governmental funds in the aggregate were (*in thousands*):

<u>Fund</u>	<u>Amount</u>
General	\$ 11,213
Capital improvements	43,718
Nonmajor governmental	61,006
Water	48,044
Kansas City Airports	97,292
Sewer	<u>182,920</u>
Total	<u>\$ 444,193</u>

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Changes in the City's Net Pension Liability and Related Ratios
 The Employees' Retirement System
 April 30, 2019

	2019	2018	2017	2016
Total pension liability				
Service cost	\$ 20,085,682	\$ 20,048,780	\$ 19,485,402	\$ 19,694,295
Interest on total pension liability	97,267,046	94,116,208	87,902,877	85,393,038
Differences between expected and actual experience	(2,291,715)	(431,574)	(6,077,385)	-
Changes in assumptions	-	-	43,062,525	-
Benefit payments, including member refunds	<u>(71,994,704)</u>	<u>(67,877,732)</u>	<u>(67,603,613)</u>	<u>(63,149,987)</u>
Net change in total pension liability	43,066,309	45,855,682	76,769,806	41,937,346
Total pension liability-beginning	<u>1,314,446,559</u>	<u>1,268,590,877</u>	<u>1,191,821,071</u>	<u>1,149,883,725</u>
Total pension liability-ending	<u>1,357,512,868</u>	<u>1,314,446,559</u>	<u>1,268,590,877</u>	<u>1,191,821,071</u>
Fiduciary net position				
Net investment income	98,766,580	105,285,874	(26,366,931)	84,827,952
City contributions	24,530,445	23,701,217	24,577,647	27,569,434
Member contributions	8,622,835	7,966,105	8,235,363	8,610,268
Benefits paid	(68,328,453)	(64,197,401)	(63,007,355)	(58,650,593)
Refunds of contributions	(3,666,251)	(3,680,331)	(4,596,258)	(4,499,394)
Administrative expenses	<u>(563,030)</u>	<u>(386,784)</u>	<u>(365,571)</u>	<u>(379,424)</u>
Net change in fiduciary net position	59,362,126	68,688,680	(61,523,105)	57,478,243
Fiduciary net position-beginning	<u>1,092,298,852</u>	<u>1,023,610,172</u>	<u>1,085,133,277</u>	<u>1,027,655,034</u>
Fiduciary net position-ending	<u>1,151,660,978</u>	<u>1,092,298,852</u>	<u>1,023,610,172</u>	<u>1,085,133,277</u>
Net pension liability, ending	<u>\$ 205,851,890</u>	<u>\$ 222,147,707</u>	<u>\$ 244,980,705</u>	<u>\$ 106,687,794</u>
Fiduciary net position as a percentage of total pension liability	84.84%	83.10%	80.69%	91.05%
Covered payroll	\$ 167,811,028	\$ 164,248,048	\$ 166,853,097	\$ 167,629,048
Net pension liability as a percentage of covered payroll	122.67%	135.25%	146.82%	63.65%

Note to schedule: This schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The total pension liability and related ratios were measured as of April 30 of the prior year. See Note 10 for further discussion on measurement and valuation dates.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Employer Contributions
 The Employees' Retirement System
 Last Ten Years

Fiscal Year Ending April 30	Actuarially Determined Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2010	\$ 29,589,060	\$ 19,186,317	\$ 10,402,743	\$ 153,948,044	12.46%
2011	27,772,227	18,822,709	8,949,518	163,133,722	11.54%
2012	26,326,555	20,543,487	5,783,068	161,134,295	12.75%
2013	27,682,872	23,744,372	3,938,500	166,877,689	14.23%
2014	27,568,194	25,987,662	1,580,532	167,629,048	15.50%
2015	27,568,194	27,569,434	(1,240)	167,629,048	16.45%
2016	24,540,893	24,577,647	(36,754)	166,853,097	14.73%
2017	23,042,413	23,701,217	(658,804)	164,248,048	14.43%
2018	24,390,835	24,530,445	(139,610)	167,811,028	14.62%
2019	25,842,898	26,032,072	(189,174)	171,688,301	15.16%

Notes to Schedule

Valuation Date	5/1/2017
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation one year prior to the beginning of the plan year

Key Methods and Assumptions used to Determine Contribution Rates:

Actuarial cost method	Entry Age
Asset valuation method	4-year smoothing using Expected Value Method. 85%/110% corridor around market value.
Amortization method	20-year layered amortization as a level percent of pay. Changes to the 5/1/2009 unfunded actuarial liability was amortized over 30 years.
Discount rate	7.50%
Amortization growth rate	3.75%
Price inflation	3.00%
Salary increases	Ranges from 5.0% to 3.75%
Cost-of-living adjustments	Tier 1: 3.00% simple Tier 2: 2.50% simple payable at the 27th anniversary of date of hire if the prior year's funding ratio is greater than or equal to 80%
Mortality	Non-Annuitants: RP-2000 Combined Healthy Non-Annuitant Mortality Table (multiplied by 0.956 for males and 0.960 for females), projected using a modified Scale MP-2015 on a generational basis. Healthy Annuitants: RP-2000 Combined Healthy Annuitant Mortality Table (multiplied by 1.078 for males and 1.065 for females), projected using a modified Scale MP-2015 on a generational basis. Disabled: RP-2000 Combined Healthy Annuitant Mortality Table (multiplied by 1.300 for males and 1.500 for females), projected using a modified Scale MP-2015 on a generational basis.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
The Employees' Retirement System
April 30, 2019

Changes of benefit and funding terms - The following changes to the Employees' Retirement System (Plan) provisions were reflected in the valuation as listed below:

4/30/2017-2015

- No changes to benefits or funding terms.

4/30/2014 Valuation

- Effective April 20, 2014, Tier I member contribution rates increased by 1.00% and the interest credited to employee account balances decreased to 5.00%.
- Tier II members were added.

4/30/2013 Valuation

- The City contribution rate changed from 9.50% of payroll for General Employees and 19.50% of payroll for Judges and Elected Officials to the prior year's actuarially determined contribution rate.

4/30/2012 Valuation

- The Plan was amended to provide MAST employees with service prior to April 25, 2010 and to implement a special benefit schedule for these employees.

4/30/2011 Valuation

- The Plan was amended according to Ordinance No. 110218, so that unless otherwise provided, no members of the Council, including the Mayor, who commence a term of office after April 30, 2011 shall participate in this Plan for any service after April 30, 2011. However, members of the Council, including the Mayor, elected on March 27, 2007 for a term beginning May 1, 2007 and also elected on March 22, 2011 for a term beginning on May 1, 2011 are members of this Plan as long as they are continuously a member of the Council, including the Mayor.

Changes in actuarial assumptions and methods - The following changes to the Plan provisions were reflected in the valuations as listed below:

4/30/2017-2015

- No change in actuarial assumptions or methods.

4/30/2014 Valuation

- All assumptions have been revised based on the results of the experience study conducted for the period May 1, 2010 to April 30, 2015. These assumptions were incorporated into the GASB 67 disclosures and net pension liability calculation for the Plan's 2016 fiscal year-end which is based on the 4/30/2014 Valuation.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
The Employees' Retirement System
April 30, 2019

4/30/2011 Valuation

- Actuarial assumptions were changed based on recommendations from the May 1, 2006 through April 30, 2010 actuarial experience study that was adopted by the Board. The changes affected withdrawal rates, retirement rates, age of spouse assumptions, salary increases and J&S election assumptions.

4/30/2009 Valuation

- The amortization of UAL changed from a 20-year level percent of pay amortization method to a 30-year layered level percent of pay amortization method for the May 1, 2009 change to the unfunded actuarial liability.

4/30/2008 Valuation

- The Asset Smoothing Method switched from the prior method of using preliminary asset value plus 20% of the difference between the market value and the preliminary asset value to the new method of using 100% of expected returns plus 25% of actual returns above or below the expected return. The minimum asset corridor also changed from 90% to 85%.
- The amortization of UAL changed from a 30-year rolling level dollar amortization method to a 20-year layered level percent of pay amortization method.
- The investment return assumption changed from 7.75% to 7.50%.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Firefighters' Pension System
April 30, 2019

	2019	2018	2017	2016
Total pension liability				
Service cost	\$ 15,135,242	\$ 12,886,414	\$ 13,124,510	\$ 13,137,551
Interest on total pension liability	52,444,755	46,425,259	44,922,139	43,442,934
Differences between expected and actual experience	6,556,970	(1,411,774)	(1,569,538)	-
Changes in assumptions	-	73,346,941	-	-
Benefit payments, including member refunds	<u>(37,245,710)</u>	<u>(36,922,344)</u>	<u>(35,808,161)</u>	<u>(34,761,116)</u>
Net change in total pension liability	36,891,257	94,324,496	20,668,950	21,819,369
Total pension liability-beginning	<u>719,980,737</u>	<u>625,656,241</u>	<u>604,987,291</u>	<u>583,167,922</u>
Total pension liability-ending	<u>756,871,994</u>	<u>719,980,737</u>	<u>625,656,241</u>	<u>604,987,291</u>
Fiduciary net position				
Net investment income	47,009,524	58,651,918	(7,690,067)	32,940,446
City contributions	17,435,993	16,754,798	16,631,844	16,258,533
Member contributions	6,882,375	6,534,349	6,173,154	6,258,482
Benefits paid	(36,339,478)	(36,310,596)	(34,757,146)	(32,804,795)
Refunds of contributions	(906,232)	(611,748)	(1,051,015)	(1,956,321)
Administrative expenses	<u>(386,608)</u>	<u>(345,060)</u>	<u>(300,479)</u>	<u>(264,100)</u>
Net change in fiduciary net position	33,695,574	44,673,661	(20,993,709)	20,432,245
Fiduciary net position-beginning	<u>506,697,663</u>	<u>462,024,002</u>	<u>483,017,711</u>	<u>462,585,466</u>
Fiduciary net position-ending	<u>540,393,237</u>	<u>506,697,663</u>	<u>462,024,002</u>	<u>483,017,711</u>
Net pension liability, ending	<u>\$ 216,478,757</u>	<u>\$ 213,283,074</u>	<u>\$ 163,632,239</u>	<u>\$ 121,969,580</u>
Fiduciary net position as a percentage of total pension liability	71.40%	70.38%	73.85%	79.84%
Covered payroll	\$ 64,492,241	\$ 67,625,619	\$ 59,294,555	\$ 59,410,476
Net pension liability as a percentage of covered payroll	335.67%	370.12%	275.97%	205.30%

Note to schedule: This schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The total pension liability and related ratios were measured as of April 30 of the prior year. See Note 10 for further discussion on measurement and valuation dates.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Employer Contributions
 Firefighters' Pension System
 Last Ten Years

Fiscal Year Ending April 30	Actuarially Determined Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2010	\$ 17,123,835	\$ 10,465,322	\$ 6,658,513	\$ 53,612,509	19.52%
2011	12,827,773	10,297,638	2,530,135	51,934,305	19.83%
2012	14,045,886	11,603,818	2,442,068	51,983,293	22.32%
2013	15,400,404	13,120,169	2,280,235	60,062,558	21.84%
2014	16,182,139	11,795,883	4,386,256	58,356,072	20.21%
2015	16,162,139	16,258,533	(96,394)	59,410,476	27.37%
2016	16,581,464	16,631,844	(50,380)	59,294,555	28.05%
2017	16,726,994	16,754,798	(27,804)	57,625,619	29.08%
2018	17,316,499	17,435,993	(119,494)	64,492,241	27.04%
2019	19,747,524	20,015,326	(267,802)	66,264,508	30.21%

Notes to Schedule

Valuation Date	5/1/2017
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation one year prior to the beginning of the plan year

Key Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry Age
Asset valuation method	5-year smoothed market. 80%/120% corridor around market value.
Amortization method	30-year layered amortization as a level percent of pay for changes to the unfunded actuarial liability on or after May 1, 2008.
Discount rate	7.50%
Amortization growth rate	3.00%
Price inflation	2.50%
Salary Increases	Ranges from 8.0% to 3.0%
Cost-of-living adjustments	Tier 1: 3.00% simple Tier 2: 2.50% simple payable at the 27th anniversary of date of hire if the prior year's funding ratio is greater than or equal to 80%
Mortality	Healthy: RP-2000 Combined Mortality Table set forward one year for males and females. Disabled: RP-2000 Combined Mortality Table set forward three years for males and females.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Firefighters' Pension System
April 30, 2019

Changes of benefit and funding terms - The following changes to the Firefighters' Pension System (Plan) provisions were reflected in the valuation as listed below:

4/30/2017-2015

- No changes to benefits or funding terms.

4/30/2014 Valuation

- Effective April 20, 2014, member contribution rates increased by 1.00% and Tier II have been added to the Plan.

4/30/2011 Valuation

- According to Ordinance No. 100606, members can now designate at retirement that a qualified domestic partner receive death benefits.

Changes in actuarial assumptions and methods - The following changes to the plan provisions were reflected in the valuations as listed below:

4/30/2017

- All assumptions have been revised based on the results of the experience study conducted for May 1, 2011 to April 30, 2016.
- Administrative expense assumption was increased from 0.35 percent of payroll to 0.37 percent of payroll.

4/30/2015

- All assumptions have been revised based on the results of the experience study conducted for the period May 1, 2011 to April, 2016. These assumptions were incorporated into the GASB 67 disclosures and net pension liability calculation for the Plan's 2017 fiscal year-end which are based on the 4/30/2015 Valuation.

4/30/2014 Valuation

- The investment return assumption decreased from 7.75% to 7.50%.

4/30/2012 Valuation

- An actuarial experience study was conducted and resulted to changes in the following assumptions:
 - Inflation
 - Real wage growth

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Firefighters' Pension System
April 30, 2019

- Termination rates
- Retirement rates
- Disability rates
- Duty related disability percentage
- Spouse age difference
- Marriage assumption
- Health mortality
- Disabled mortality

4/30/2009 Valuation

- The minimum asset corridor, used in the asset smoothing method, changed from 85% to 80% and the maximum asset corridor changed from 110% to 120%.
- The amortization of UAL changed from a 20-year fixed level percent of pay amortization method for changes to the UAL for the years on and after May 1, 2009 to a 30-year fixed level percent of pay amortization method for changes to the UAL for the years on and after May 1, 2009.

4/30/2008 Valuation

- The minimum asset corridor, used in the asset smoothing method, changed from 90% to 85%.
- The amortization of UAL changed from a 30-year rolling level percent of pay amortization method to a 30-year fixed level percent of pay amortization of the May 1, 2008 UAL and a 20-year fixed level percent of pay amortization method for changes to the UAL for the years on and after May 1, 2009.
- The investment return assumption was changed from 8.00% to 7.75%.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Civilian Employees' Retirement System
April 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability				
Service cost	\$ 3,914,244	\$ 4,598,304	\$ 4,630,006	\$ 4,403,101
Interest on total pension liability	12,742,742	12,509,148	12,015,197	11,366,771
Effect of assumption changes or inputs	-	(9,116,555)	3,350,712	2,318,394
Differences between expected and actual experience	(3,213,708)	(7,303,863)	(2,293,671)	-
Benefit payments, including member refunds	<u>(7,765,679)</u>	<u>(7,185,237)</u>	<u>(7,220,946)</u>	<u>(6,320,353)</u>
Net change in total pension liability	5,677,599	(6,498,203)	10,481,298	11,767,913
Total pension liability-beginning	<u>173,715,867</u>	<u>180,214,070</u>	<u>169,732,772</u>	<u>157,964,859</u>
Total pension liability-ending	<u>179,393,466</u>	<u>173,715,867</u>	<u>180,214,070</u>	<u>169,732,772</u>
Fiduciary net position				
Net investment income	11,661,350	11,383,598	(815,408)	6,756,442
Net securities lending income	25,377	36,760	21,305	23,157
City of Kansas City, MO contributions	4,994,191	5,063,240	5,048,167	4,930,686
Member contributions	1,271,683	1,253,047	1,287,388	1,323,061
Benefits paid	(7,424,849)	(6,888,499)	(6,887,482)	(6,185,573)
Refunds of contributions	(340,830)	(296,738)	(333,464)	(134,780)
Administrative expenses	<u>(147,653)</u>	<u>(120,257)</u>	<u>(126,924)</u>	<u>(112,924)</u>
Net change in fiduciary net position	10,039,269	10,431,151	(1,806,418)	6,600,069
Fiduciary net position-beginning	<u>132,565,840</u>	<u>122,134,689</u>	<u>123,941,107</u>	<u>117,341,038</u>
Fiduciary net position-ending	<u>142,605,109</u>	<u>132,565,840</u>	<u>122,134,689</u>	<u>123,941,107</u>
Net pension liability, ending	<u>\$36,788,357</u>	<u>\$41,150,027</u>	<u>\$58,079,381</u>	<u>\$45,791,665</u>
Fiduciary net position as a percentage of total pension liability	79.49%	76.31%	67.77%	73.02%
Covered payroll	\$25,433,860	\$25,060,993	\$25,747,787	\$26,461,305
Net pension liability as a percentage of covered payroll	144.64%	164.20%	225.57%	173.05%

Notes to schedule: This schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The total pension liability and related ratios were measured as of April 30 of the prior year. See Note 10 for further discussion on measurement and valuation dates.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Employer Contributions
 Civilian Employees' Retirement System
 Last Ten Years

Fiscal Year Ending April 30	Actuarially Determined Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2010	\$ 3,616,000	\$ 3,330,000	\$ 286,000	\$25,340,000	13.14%
2011	4,748,000	3,185,000	1,563,000	25,162,000	12.66%
2012	4,361,000	3,146,000	1,215,000	23,976,000	13.12%
2013	4,956,000	3,283,000	1,673,000	25,006,000	13.13%
2014	5,658,000	4,122,000	1,536,000	25,617,000	16.09%
2015	4,931,000	4,931,000	-	26,461,000	18.63%
2016	5,048,000	5,048,000	-	25,748,000	19.61%
2017	5,063,000	5,063,000	-	25,061,000	20.20%
2018	4,994,000	4,994,000	-	25,434,000	19.64%
2019	4,779,000	4,779,000	-	27,108,000	17.63%

Notes to Schedule

The following actuarial methods and assumptions were used to determine the actuarially determined employer contribution reported in the most recent fiscal year, which was based on the April 30, 2017 actuarial valuation:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Assets valuation method	5-years smoothing of actual vs expected return on market value
Price inflation	3.00%
Salary increases	3.75% to 7.75%, including inflation
Investment rate of return	7.50%, net of investments expenses and including inflation
Future cost-of-living adjustments	2.50% (simple)

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Civilian Employees' Retirement System
April 30, 2019

Changes of benefit and funding terms - The following changes to the Civilian Employees' Retirement System (Plan) provisions were reflected in the valuation performed as of April 30 listed below:

2013 - The 2013 Missouri General Assembly passed Senate Bill 215/House Bill 418, which created a new benefit tier for members hired on or after August 28, 2013. The Plan provisions changed were:

- Normal retirement changed from age 65 to age 67,
- Early retirement, without a reduction in benefit amount changed from Rule of 80 (age plus service equal or exceeds 80) or age 60 with 10 years of creditable service to Rule of 85 or age 62 with 20 years of creditable service,
- Final compensation changed from an average of the highest two years to the highest three years.

Changes in actuarial assumptions and methods - The following changes to the Plan provisions were reflected in the valuations as listed below:

4/30/2017 Valuation:

- The amortization of the unfunded actuarial accrued liability at April 30, 2017 is amortized over a closed 30-year period. Subsequent changes in the funded actuarial liability due to experience are amortized in a separate base with payments over a closed 20-year period.

4/30/2013 Valuation:

- Reduction of the investment return assumption from 7.75% to 7.50%.
- Reduction of the assumed cost-of-living adjustment from 3.00% to 2.50%.
- Reduction of the general wage increase assumption from 4.00% to 3.75%.
- Modification of both early and normal retirement assumptions to better reflect the actual, observed experience.
- Termination of employment assumption was changed to a pure service-based assumption with one set of rates applicable to both males and females.
- The assumption regarding vested members who terminated employment was modified to value the greater of the value of the deferred monthly benefit or the value payable as a refund.
- The merit salary assumption was modified to reflect the current pay scales.
- The amortization of the UAAL was changed to be a single base, recalculated each year and amortized as a level percentage of payroll over an open 30 year period.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Civilian Employees' Retirement System
April 30, 2019

4/30/2011 Valuation:

- The Board of Trustees adopted a change in the asset smoothing method and implemented it by resetting the actuarial value of assets equal to the market value of assets as of April 30, 2011. The new smoothing method recognizes the difference between the actual and expected return on the market value of assets evenly over a five-year period.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Changes in the City's Net Pension Liability and Related Ratios
 Police Retirement System
 April 30, 2019

	2019	2018	2017	2016
Total pension liability				
Service cost	\$ 24,997,759	\$ 28,978,200	\$ 27,423,797	\$ 26,900,131
Interest on total pension liability	84,867,808	81,761,243	79,502,922	76,210,579
Effect of assumption changes or inputs	-	(76,763,170)	40,565,354	14,987,963
Differences between expected and actual experience	(4,446,480)	(13,081,322)	(11,656,885)	-
Benefit payments, including member refunds	<u>(64,731,647)</u>	<u>(60,163,764)</u>	<u>(58,588,761)</u>	<u>(55,405,669)</u>
Net change in total pension liability	40,687,440	(39,268,813)	77,246,427	62,693,004
Total pension liability-beginning	<u>1,163,351,475</u>	<u>1,202,620,288</u>	<u>1,125,373,861</u>	<u>1,062,680,857</u>
Total pension liability-ending	<u>1,204,038,915</u>	<u>1,163,351,475</u>	<u>1,202,620,288</u>	<u>1,125,373,861</u>
Fiduciary net position				
Net investment income	73,985,926	72,448,615	(3,094,475)	46,824,719
Net securities lending income	116,726	182,798	135,246	126,375
City of Kansas City, MO contributions	32,103,207	30,979,978	30,272,063	28,933,261
Member contributions	11,390,571	11,751,066	10,748,236	10,874,921
Benefits paid	(63,777,210)	(59,554,625)	(57,970,768)	(55,006,617)
Refunds of contributions	(954,437)	(609,139)	(617,993)	(399,052)
Administrative expenses	<u>(714,956)</u>	<u>(642,688)</u>	<u>(561,591)</u>	<u>(549,742)</u>
Net change in fiduciary net position	52,149,827	54,556,005	(21,089,282)	30,803,865
Fiduciary net position-beginning	<u>827,347,041</u>	<u>772,791,036</u>	<u>793,880,318</u>	<u>763,076,453</u>
Fiduciary net position-ending	<u>879,496,868</u>	<u>827,347,041</u>	<u>772,791,036</u>	<u>793,880,318</u>
Net pension liability, ending	<u>\$ 324,542,047</u>	<u>\$ 336,004,434</u>	<u>\$ 429,829,252</u>	<u>\$ 331,493,543</u>
Fiduciary net position as a percentage of total pension liability	73.05%	71.12%	64.26%	70.54%
Covered payroll	\$ 91,597,650	\$ 90,570,590	\$ 91,951,939	\$ 91,749,770
Net pension liability as a percentage of covered payroll	354.31%	370.99%	467.45%	361.30%

Notes to schedule: This schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The total pension liability and related ratios were measured as of April 30 of the prior year. See Note 10 for further discussion on measurement and valuation dates.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Employer Contributions
 Police Retirement System
 Last Ten Years

Fiscal Year Ending April 30	Actuarially Determined Contributions	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2010	\$ 22,154,000	\$ 16,645,000	\$ 5,509,000	\$84,494,000	19.70%
2011	32,020,000	16,532,000	15,488,000	87,105,000	18.98%
2012	28,277,000	16,477,000	11,800,000	83,784,000	19.67%
2013	31,653,000	16,934,000	14,719,000	86,036,000	19.68%
2014	35,062,000	22,242,000	12,820,000	89,320,000	24.90%
2015	28,933,000	28,933,000	-	91,750,000	31.53%
2016	30,272,000	30,272,000	-	91,952,000	32.92%
2017	30,980,000	30,980,000	-	90,571,000	34.21%
2018	32,103,000	32,103,000	-	91,598,000	35.05%
2019	32,281,000	32,281,000	-	94,574,000	34.13%

Notes to Schedule

The following actuarial methods and assumptions were used to determine the actuarially determined employer contribution reported in the most recent fiscal year, which was based on the April 30, 2017 actuarial valuation:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Assets valuation method	5-years smoothing of actual vs expected return on market value
Price inflation	3.00%
Salary increases	3.75% to 8.75%, including inflation
Investment rate of return	7.50%, net of investments expenses and including inflation
Future cost-of-living adjustments	2.50% (simple)

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Police Retirement System
April 30, 2019

Changes of benefit and funding terms - The following changes to the Police Retirement System (Plan) provisions were reflected in the valuation performed as of April 30 listed below:

2013 The 2013 Missouri General Assembly passed Senate Bill 215/House Bill 418, which provided for the following changes to the System:

- Increased the number of years of creditable service from 30 to 32 (which results in the maximum benefit increasing from 75% to 80% of final average pay).
- Created a new benefit tier for new hires with the same benefit structure except final compensation is based on the average of the highest three years, eligibility for service retirement is the earlier of 27 years of service or age 60 with 15 years of service, and the form of payment is a joint and 50% survivor benefit, if married.
- Required the City to contribute the full employer actuarial contribution plus an additional \$200 per month for every member entitled to receive a supplemental benefit.

The Retirement Board increased the employee contribution rate by 1.00% from 10.55% to 11.55%.

2011 A new employer policy allowed police officers to continue working until they reach 32 years of service, although benefit accruals and member contributions ended at 30 years.

Changes in actuarial assumptions and methods - The following changes to the Plan provisions were reflected in the valuations as listed below:

4/30/2017 Valuation:

- The amortization of the unfunded actuarial accrued liability at April 30, 2017 is amortized over a closed 30-year period. Subsequent changes in the unfunded actuarial liability due to experience are amortized in a separate base with payments over a closed 20-year period.

4/30/2013 Valuation:

- Reduction of the investment return assumption from 7.75% to 7.50%.
- Reduction of the assumed cost of living adjustment from 3.00% to 2.50%.
- Reduction of the general wage increase assumption from 4.00% to 3.75%.
- Modification of retirement rates to reflect the change in the benefit structure (years of creditable service increasing from 30 to 32), the change in the mandatory retirement policy of the Police Department (from 32 to 35 years of service), and to better reflect the actual, observed experience.
- Lowered termination rates.
- Adjusted the merit scale component of the salary scale to reflect the current pay scale.

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Required Supplementary Information
Police Retirement System
April 30, 2019

- The amortization of the UAAL was changed to be a single base, recalculated each year and amortized as a level percentage of payroll over an open 30 year period.

4/30/2011 Valuation:

- The Board of Trustees adopted a change in the asset smoothing method and implemented it by resetting the actuarial value of assets equal to the market value of assets as of April 30, 2011. The new smoothing method recognizes the difference between the actual and expected return on the market value of assets evenly over a five-year period.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Changes in the City's Total OPEB Liability
 April 30, 2019

Employee/Firefighter Total OPEB Liability at April 30,

	2019
Total OPEB liability	
Service cost	\$ 4,058,358
Interest on the total OPEB liability	3,777,849
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	-
Changes of assumptions	146,222
Benefit payments	(3,925,445)
Net change in total OPEB liability	4,056,984
Total OPEB liability-beginning	101,488,627
Total OPEB liability-ending	\$ 105,545,611
Covered-employee payroll	\$ 242,850,028
Total OPEB liability as a percentage of covered-employee payroll	43.46%

Changes in assumptions reflect a change in the discount rate from 3.72% as of April 30, 2018 to 3.71% as of April 30, 2019.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedule of Changes in the City's Total OPEB Liability
 April 30, 2019

Police/Civilian OPEB Total Liability at April 30,

	2019
Total OPEB liability	
Service cost	\$ 2,529,442
Interest on the total OPEB liability	1,725,564
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	-
Changes of assumptions	61,468
Benefit payments	(957,672)
Net change in total OPEB liability	3,358,802
Total OPEB liability-beginning	45,600,239
Total OPEB liability-ending	\$ 48,959,041
Covered-employee payroll	\$ 120,518,136
Total OPEB liability as a percentage of covered-employee payroll	40.62%

Changes in assumptions reflect a change in the discount rate from 3.72% as of April 30, 2018 to 3.71% as of April 30, 2019.

CITY OF KANSAS CITY, MISSOURI
 Required Supplementary Information (Unaudited)
 Schedules of Condition Assessment and Maintenance Costs
 Year Ended April 30, 2019
(in thousands)

Condition Assessment

	Percentage in Good or Better Condition		
	2017	2018	2019
Bridges	80.22	80.22	80.93
Street lighting	97.16	97.20	96.61
	Percentage in Fair Condition		
	2017	2018	2019
Bridges	16.15	16.15	13.54
Street lighting	-	-	-
	Percentage in Substandard Condition		
	2017	2018	2019
Bridges	3.63	3.63	5.53
Street lighting	2.84	2.80	3.39
	Overall Condition Level		
	2017	2018	2019
Bridges	77.00	77.00	77.64
Street lighting	97.16	97.20	96.61

Estimated and Actual Costs to Maintain

	2015	2016	2017	2018	2019
Bridges					
Estimated	\$ 36,886	\$ 36,402	\$ 36,402	\$ 36,401	\$ 41,326
Actual	<u>5,874</u>	<u>1,771</u>	<u>3,439</u>	<u>3,708</u>	<u>11,447</u>
Difference	<u>\$ (31,012)</u>	<u>\$ (34,631)</u>	<u>\$ (32,963)</u>	<u>\$ (32,693)</u>	<u>\$ (29,879)</u>
Street lighting					
Estimated	\$ 8,571	\$ 8,656	\$ 8,990	\$ 9,066	\$ 9,195
Actual	<u>5,905</u>	<u>6,110</u>	<u>5,629</u>	<u>4,440</u>	<u>5,100</u>
Difference	<u>\$ (2,666)</u>	<u>\$ (2,546)</u>	<u>\$ (3,361)</u>	<u>\$ (4,626)</u>	<u>\$ (4,095)</u>

CITY OF KANSAS CITY, MISSOURI
Required Supplementary Information (Unaudited)
Notes to Schedules of Condition Assessment and Maintenance Costs
April 30, 2019

As allowed by GASB Statement No. 34, the City has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the City expenses maintenance costs and does not report depreciation expense.

In order to utilize this approach, the City is required to:

- Maintain an asset management system to include up-to-date inventory of eligible infrastructure assets.
- Perform a condition assessment.
- Estimate each year the amount to maintain and preserve the assets.
- Document that the assets are being preserved approximately at, or above, the established condition level.

The condition of bridges is measured using the Federal Highway Administration Rating System. The Federal system uses a measurement scale that is based on a condition index ranging from zero for a failed bridge to 100 for a bridge in perfect condition. The condition index is used to classify bridges and culverts in good or better condition (65 and 75 on up, respectively), fair condition (45 to 64) and substandard condition (less than 45). It is the City's policy to maintain, on average, at least 75 percent of its bridge system at a good or better condition level. No more than 10 percent should be in the substandard condition. Condition assessments are determined every other year. All bridges are rated at least once every two years.

The condition of street lighting is measured using a system designed by the City. The system uses a measurement scale that is based on an assigned condition index to a streetlight of zero for failing or 100 for passing each measured factor and measures 16 different factors. The condition index is used to classify street lighting in better condition (90 and up), good condition (80 to 89) and substandard condition (less than 80). It is the City's policy to maintain an overall average of at least 90 percent condition rating (better condition rating) for the entire street light system. No more than 10 percent of the entire street lighting system should be below the better condition rating. Condition assessments are determined every year. Street lights are selected for condition assessments systematically by a private contractor hired to assess and immediately repair all street lights inspected. The plan is to have 100 percent of all street lights inspected, with corresponding repairs, every four years.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Special Revenue Funds

April 30, 2019

Special revenue funds are used to account for the proceeds of specific revenue sources (other than certain capital projects and expendable trusts) that are legally restricted to expenditure for specified purposes.

Museum - Used to account for special museum taxes levied by the City and contributions to the Kansas City Museum for operating expenses.

Street Maintenance - Accounts for the City's allocations of the State of Missouri motor fuel tax and expenditures for reconstruction, maintenance, repair and cleaning of roads and streets.

Public Mass Transportation - Includes the accounts relating to the City-enacted sales tax and expenditures for transportation purposes, which include financial support of a public mass transportation system; construction and maintenance of streets, roads, bridges and airports; acquisition of lands and right-of-ways; and related planning and feasibility studies to the extent of tax revenues.

KCATA Sales Tax - Accounts for a three-eighths percent sales tax dedicated to fund the Kansas City Area Transit Authority operations.

Infrastructure and Maintenance - Accounts for the City's collection of gaming revenues and fund expenditures for infrastructure and maintenance.

Parks & Recreation - Used to account for a one-half percent sales tax to fund operations, maintenance, and construction relating to the City's parks, recreation centers, parkways, boulevards and roads in the park districts.

Neighborhood Grants - Used to account for funds related to the neighborhood grants.

Special Gifts - Parks and Recreation - The City receives donations from a variety of sources for parks and recreation facilities; the Parks Board of Commissioners approves expenditures to ensure they meet the contributor's requirements.

Golf Operations - Includes accounts relating to the operation of the City's golf courses. Revenues from golf course green fees are recorded in this fund and the fund balance is restricted for the purpose of acquiring, developing, or improving park and recreation lands or facilities.

Parking Garage - Used to account for the operation and maintenance of the 11th and Oak garage.

Fire Sales Tax - Used to account for a one-quarter percent sales tax dedicated to fund the operations of the City's Fire Department.

Development Services - Used to account for the fee-supported operations of the City Planning and Development Department.

Public Safety Sales Tax - Used to account for a one-quarter percent sales tax dedicated to fund a capital plan for public safety operations.

Central City Sales Tax - Used to account for a one-eighth percent sales tax for economic development in the City's central core.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Special Revenue Funds

April 30, 2019

Street Car - Used to account for the expenses of building and maintaining the downtown streetcar project.

Neighborhood Stabilization - Used to account for funds related to the Neighborhood stabilization grant. The overall purpose of the program is to stabilize communities that have suffered from foreclosures and abandonment through the purchase and redevelopment of foreclosed and abandoned homes and residential properties.

Strategic Neighborhoods - Used to account for strategic neighborhood initiatives, including nuisance abatement and structural demolitions.

Health - Used to account for property tax receipts dedicated to expenditures related to healthcare for the indigent.

Public Improvement Guarantee Fund - Used to account for deposits from private developers for various public improvement projects.

Police Drug Enforcement - Used to account for funds received from Jackson County for Police Department drug enforcement efforts. Revenues arise from a 0.25% sales tax assessed by Jackson County for drug enforcement activities.

Neighborhood Tourist Development - A fund established by Missouri state law requiring cities levying a convention and tourism tax to provide ten percent of the receipts from the tax for the purpose of promoting cultural, social, ethnic, historic and recreation activities at the neighborhood level.

Convention and Tourism - A fund established by Missouri state law for the deposit of the City's convention and tourism tax. The fund is also used to account for the revenues and expenditures related to convention center operations.

Performing Arts Center - Used to account for the revenues and expenditures related to the Performing Arts Center garage.

Domestic Violence - Used to account for domestic violence-related fines collected for use in domestic violence shelter operations.

Community Development Governmental Grants - Under the Community Development Block Grant Program, the City receives a certain amount of money from the U.S. government each year for a variety of uses within defined target areas and populations. These target areas and populations can generally be defined as suffering from various levels of economic distress.

Governmental Grants Fund - Other - Used to account for assistance from significant federal and state programs or agencies. These funds are operated by expending moneys received from the granting agencies in accordance with the specific terms of the grant agreements. In this report, Community Development Block Grant funds are presented separately, while the revenues and expenditures of other grant funds have been combined.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Special Revenue Funds

April 30, 2019

Liberty Memorial Endowment - Established to accumulate funds for future preservation of the Liberty Memorial and its museum. The primary source of revenue is the tax collections in excess of \$30,000,000 of the ½ of 1% sales tax that was in effect from May 1999 until September 2000 and the interest earned on these collections.

Justice Assistance Grant - Includes moneys received as a grant from the United States Department of Justice for various law enforcement activities.

Arterial Street Impact Fee - Used to account for revenues collected for arterial street impact fees, which are imposed on new developments proportionate with the costs the City will incur to provide arterial streets.

Inmate Security - Authorized for the purpose of supporting the Citywide development of an inmate biometric identification system.

Other - Primarily used to account for user fees and contributions collected for the purpose of neighborhood improvements, paying off lease purchase or repairs associated with Municipal Auditorium and providing upkeep on Union Cemetery.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Debt Service Funds

April 30, 2019

The debt service funds are used to account for the accumulation of resources for and the payment of, general long-term debt principal and interest.

General Debt and Interest - Used to account for the payment of principal and interest on the City's general obligation debt. The primary source of revenue is the City's tax levy on tangible property.

KCMAC Funds - Used to account for the lease purchase activities and related debt service payments for the Kansas City Municipal Assistance Corporation's (KCMAC) various debt issues, including the convention and sports complex.

STIF - 12th and Wyandotte, Midtown, Tower 909 Walnut, Hotel President, Brush Creek / Blue Parkway, HOK Sport Garage, East Village, and Linwood Shopping Center-Used to account for the collection of super-tax increment financing (STIF) taxes and payment of principal and interest on STIF bonds.

Streetlight Debt - Used to account for the payment of principal and interest on the City's streetlight general obligation (GO) bond debt. The primary source of revenue is the City's tax levy on tangible property.

KC Downtown Redevelopment District - Used to account for funds for the payment of principal and interest on the City's bond debt to cover the cost of the KC Live redevelopment.

Neighborhood Improvement District GO Bond - Used to account for the payment of principal and interest on the City's general obligation debt issued for neighborhood improvement districts.

Downtown Arena Debt - Used to account for funds to fulfill the public's obligation in financing the development and construction of the Sprint Arena in downtown Kansas City.

Special Assessment Sewer - Used to account for the payment of debt service on the City's special assessment debt issued for improvements to the City's sewer system. The primary source of revenue arises from special assessment collections.

Recovery Zone Bond - Used to account for the debt payments and IRS interest subsidy on the Taxable General Obligation Improvement Bonds 2010B.

Refunding Bond - Used to account for refunding of KCMAC 1999A, KCMAC 2001B-1, LCRA 1996A, Taxable PIEA 1998 Bonds and MDFB 1998 Bonds.

TIF Debt - Used to pay debt of TIF backed bonds.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Capital Projects Funds

April 30, 2019

The capital projects funds account for resources used for the acquisition of capital facilities, except those financed by the proprietary fund and those budgeted in the general or special revenue funds, when resources are derived exclusively from the direct revenues for the fund and do not involve long-term borrowing.

General Government

Equipment Lease - To account for the acquisition of major equipment funded through lease-purchase arrangements.

GO KC Projects Fund - To account for the voter approved bonds to fund a capital improvements program for streets, sidewalks, flood control, and other infrastructure needs, and the construction of a new animal shelter complex.

Special Obligation Series 2013B - To account for improvements to the City's municipal auditorium.

Special Obligation Taxable Series 2012B - To account for the full refunding of Planned Industrial Expansion Authority Leasehold Revenue Bonds, Series 2001, Kansas City Municipal Assistance Corporation Leasehold Revenue Bonds, Series 2001A, partial refunding of Kansas City, Missouri Special Obligation Bonds, Series 2010B, partial redemption of Bank of America, N.A. promissory note and funding Downtown Residential and 63rd and Prospect Projects.

Special Obligation Series 2017 Taxable and Tax Exempt - Used to account for the issuance of special obligation bonds Series 2017.

Taxable Special Obligation Series 2018A - Convention Center Hotel-Used to account for the issuance of bonds to facilitate development of a new headquarters convention center hotel.

2017 and 2018 Flood Control - Used to account for the local matching funds for two flood control projects being constructed by the United States Army Corps of Engineers (Corps) pursuant to two Project Cooperation Agreements (PCA) relating to the construction of a flood damage reduction projects in the Dodson Industrial District and Turkey Creek.

General Obligation Series 2010A - Used to account for the issuance of general obligation (GO) bonds for the purpose of paying for deferred maintenance and basic capital infrastructure (Basic Capital Infrastructure Project), such as streets, bridges, catch basins and other projects.

General Obligation Series 2011 - Used to account for the issuance of general obligation (GO) bonds for the purpose of paying for deferred maintenance and basic capital infrastructure, such as streets, parks, zoo and other projects.

General Obligation Series 2012A - Used to account for the issuance of general obligation (GO) bonds for the purpose of financing basic infrastructure, KC Zoo Projects, Public Safety Projects and the refunding of GO Bond Series 2003F and 2004F.

Special Obligation Series 2009E - Used to account for the development, design and construction of a 1,000 space underground parking garage, including a green space/park area on the roof (Parking Garage) adjacent to the Performing Arts Center (PAC), fund a Debt Service Reserve Fund and pay certain costs of issuance.

CITY OF KANSAS CITY, MISSOURI
Nonmajor Governmental Funds
Capital Projects Funds
April 30, 2019

Special Obligation Series 2014B - Used to account for the issuance of bonds to acquire and construct the downtown streetcar system, certain capital improvements required under the Americans with Disabilities Act, installation of traffic signals, enterprise permitting system and to refund a portion of bonds issued by the Industrial Development Authority.

Public Safety

Health Department Building - Used to account for the funds used in the construction of the Health Services Building at 24th and Troost. The building was completed during fiscal year 1997. The building is being partially financed through funds from Medicaid incentive moneys, which include federal as well as City dollars.

Special Assessments

1991 and 1996 Series Sewer Special Assessment - To finance and account for expenditures associated with improvements of sanitary and storm sewer systems.

General Improvements - A revolving fund established by the sale of \$1,000,000 of general obligation bonds to provide money that can be advanced to pay engineering and other developmental costs for special assessments projects. After the projects are completed and special assessments are levied, the amount borrowed from this fund is repaid. The general obligation bonds financing this fund are serviced by the debt service fund.

Public Works

Special Obligation Series 2012A - To account for the purchase of a software system for revenue collection and funds to acquire and construct public infrastructure projects.

Special Obligation Series 2014A - To account for the downtown streetcar transit system project.

Special Obligation Series 2013C - To account for the construction, maintenance and operation of the Soccer Village in Swope Park.

Special Obligation Series 2014D - To account for the downtown streetcar transit system project phase II.

Special Obligation Tax-Exempt Bond Series 2016 (comprised of the Series 2016A, Series 2016C, Series 2016D and Series 2016E Bonds) - Used to account for the issuance of bonds to acquire and construct ADA compliant improvements to various City facilities, a North Patrol Police Station and furnishings, various road and bridge improvements, a trail near the Blue River, lighting improvements to Bartle Hall, improvements to the City Parks Department administration building, a budget software system, an Urban Baseball Academy, improvements to the Sprint Arena and to refund a portion of the KCMAC Series 2006A bonds and Special Obligation Series 2008A, 2008B and 2008C bonds in their entirety.

Special Obligation Taxable Series 2016B - Used to account for the issuance of bonds to acquire and construct a Linwood Grocery Store property, the Two-Light Downtown Residential project, parking system equipment, a Building Demolition project and a Paseo Gateway land acquisition.

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Capital Projects Funds

April 30, 2019

KCMAC Bartle Hall Expansion 04A & 04B - These funds accounts for the construction of an expanded ballroom for the Bartle Hall Convention Center.

KCMAC 17 MSC Fueling Station - This fund accounts for expenses to pay a portion of the costs of the Municipal Service Center Project.

KCMAC 04B Tow Lot - This fund accounts for expenses related to the construction of a new tow lot facility.

Other

STIF Special Obligation 2008B - This fund accounts for funds to build a parking garage on 11th Street east of City Hall. Debt service on the Series 2008B Bonds will be funded by the local TIF, STIF and State Supplemental TIF revenues of the project and supported by an annual appropriation pledge of the City's general municipal revenues.

CITY OF KANSAS CITY, MISSOURI
Nonmajor Governmental Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 114,819	\$ 11,166	\$ 51,440	\$ 177,425
Receivables				
Taxes				
Real estate	2,528	297	-	2,825
Personal property	4,478	1,364	-	5,842
Sales	26,563	-	-	26,563
Hotel and restaurant	7,664	-	-	7,664
Local use	554	-	-	554
Total taxes	<u>41,787</u>	<u>1,661</u>	<u>-</u>	<u>43,448</u>
Accounts	384	1,525	-	1,909
Special assessments	4	-	4	8
Interest and dividends	352	142	150	644
Allowance for uncollectible receivables	<u>(4,708)</u>	<u>(1,046)</u>	<u>(4)</u>	<u>(5,758)</u>
Total receivables	<u>37,819</u>	<u>2,282</u>	<u>150</u>	<u>40,251</u>
Due from other governments				
Grants receivable	4,957	-	34	4,991
Motor fuel	<u>2,594</u>	<u>-</u>	<u>-</u>	<u>2,594</u>
Total due from other governments	<u>7,551</u>	<u>-</u>	<u>34</u>	<u>7,585</u>
Other assets	397	-	18	415
Restricted assets-cash and short-term investments	<u>7,221</u>	<u>26,338</u>	<u>55,262</u>	<u>88,821</u>
Total assets	<u>\$ 167,807</u>	<u>\$ 39,786</u>	<u>\$ 106,904</u>	<u>\$ 314,497</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 20,619	\$ 304	\$ 5,894	\$ 26,817
Other accrued items	4,883	-	349	5,232
Construction contracts and retainages payable	163	-	1,564	1,727
Due to other funds	1,707	3,584	20,422	25,713
Due to fiduciary funds	10,083	-	-	10,083
Advanced revenue	6,008	-	-	6,008
Other liabilities	<u>5,217</u>	<u>-</u>	<u>-</u>	<u>5,217</u>
Total liabilities	<u>48,680</u>	<u>3,888</u>	<u>28,229</u>	<u>80,797</u>
Deferred Inflows of Resources				
Taxes	3,403	349	-	3,752
Licenses, permits and franchises	-	1,331	-	1,331
Intergovernmental revenue	1,732	-	34	1,766
Special assessments	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total deferred inflows of resources	<u>5,136</u>	<u>1,680</u>	<u>34</u>	<u>6,850</u>
Fund balances				
Restricted	87,717	34,218	86,901	208,836
Committed	1,018	-	23	1,041
Assigned	39,029	-	6,271	45,300
Unassigned	<u>(13,773)</u>	<u>-</u>	<u>(14,554)</u>	<u>(28,327)</u>
Total fund balances	<u>113,991</u>	<u>34,218</u>	<u>78,641</u>	<u>226,850</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 167,807</u>	<u>\$ 39,786</u>	<u>\$ 106,904</u>	<u>\$ 314,497</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Museum	Street Maintenance	Public Mass Transportation	KCATA Sales Tax	Infrastructure and Maintenance
Assets					
Cash and cash equivalents	\$ 1,380	\$ 7,564	\$ 2,324	\$ 694	\$ 2
Receivables					
Taxes					
Real estate	83	-	-	-	-
Personal property	144	-	-	-	-
Sales	-	-	6,289	5,072	-
Hotel and restaurant tax	-	-	-	-	-
Local use	-	-	-	-	-
Total taxes	<u>227</u>	<u>-</u>	<u>6,289</u>	<u>5,072</u>	<u>-</u>
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	-	-
Allowance for uncollectible receivables	<u>(153)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receivables	<u>74</u>	<u>-</u>	<u>6,289</u>	<u>5,072</u>	<u>-</u>
Due from other governments					
Grants receivable	-	-	-	-	-
Motor fuel	<u>-</u>	<u>2,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total due from other governments	<u>-</u>	<u>2,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other assets	-	-	-	-	-
Restricted assets-cash and short-term investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,454</u>	<u>\$ 10,158</u>	<u>\$ 8,613</u>	<u>\$ 5,766</u>	<u>\$ 2</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 41	\$ 1,529	\$ 6,643	\$ 4,400	\$ -
Other accrued items	24	787	54	-	-
Construction contracts and retainages payable	-	12	109	-	2
Due to other funds	-	-	-	-	-
Due to fiduciary funds	-	-	1,807	1,366	-
Advanced revenue	-	-	-	-	-
Other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>65</u>	<u>2,328</u>	<u>8,613</u>	<u>5,766</u>	<u>2</u>
Deferred Inflows of Resources					
Taxes	53	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>53</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	1,336	7,830	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>1,336</u>	<u>7,830</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1,454</u>	<u>\$ 10,158</u>	<u>\$ 8,613</u>	<u>\$ 5,766</u>	<u>\$ 2</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Parks & Recreation	Neighborhoods Grants	Special Gifts - Parks and Recreation	Golf Operations	Parking Garage
Assets					
Cash and cash equivalents	\$ 12,185	\$ -	\$ 17,598	\$ -	\$ 667
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Sales	6,749	-	-	-	-
Hotel and restaurant tax	-	-	-	-	-
Local use	-	-	-	-	-
Total taxes	<u>6,749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accounts	282	-	4	45	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	99	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	<u>7,031</u>	<u>-</u>	<u>103</u>	<u>45</u>	<u>-</u>
Due from other governments					
Grants receivable	-	570	-	-	-
Motor fuel	-	-	-	-	-
Total due from other governments	<u>-</u>	<u>570</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other assets	207	-	-	190	-
Restricted assets-cash and short-term investments	-	-	-	-	-
Total assets	<u>\$ 19,423</u>	<u>\$ 570</u>	<u>\$ 17,701</u>	<u>\$ 235</u>	<u>\$ 667</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 932	\$ 141	\$ 300	\$ 50	\$ 531
Other accrued items	960	12	-	132	13
Construction contracts and retainages payable	3	-	21	-	-
Due to other funds	-	95	-	11	-
Due to fiduciary funds	2,502	-	-	-	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>4,397</u>	<u>248</u>	<u>321</u>	<u>193</u>	<u>544</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	50	174	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>50</u>	<u>174</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	56	148	17,380	-	-
Committed	-	-	-	-	-
Assigned	14,920	-	-	42	123
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>14,976</u>	<u>148</u>	<u>17,380</u>	<u>42</u>	<u>123</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 19,423</u>	<u>\$ 570</u>	<u>\$ 17,701</u>	<u>\$ 235</u>	<u>\$ 667</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Fire Sales Tax	Development Services	Public Safety Sales Tax	Central City Sales Tax	Street Car
Assets					
Cash and cash equivalents	\$ 1,324	\$ 7,192	\$ 3,764	\$ 14,729	\$ 8,216
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Sales	3,381	-	3,381	1,691	-
Hotel and restaurant tax	-	-	-	-	-
Local use	554	-	-	-	-
Total taxes	<u>3,935</u>	<u>-</u>	<u>3,381</u>	<u>1,691</u>	<u>-</u>
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	-	87
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	<u>3,935</u>	<u>-</u>	<u>3,381</u>	<u>1,691</u>	<u>87</u>
Due from other governments					
Grants receivable	-	-	-	-	-
Motor fuel	-	-	-	-	-
Total due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other assets	-	-	-	-	-
Restricted assets-cash and short-term investments	-	-	-	-	7,144
Total assets	<u>\$ 5,259</u>	<u>\$ 7,192</u>	<u>\$ 7,145</u>	<u>\$ 16,420</u>	<u>\$ 15,447</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 834	\$ 242	\$ 25	\$ -	\$ 770
Other accrued items	-	547	-	-	6
Construction contracts and retainages payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to fiduciary funds	1,251	-	1,251	-	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>2,085</u>	<u>789</u>	<u>1,276</u>	<u>-</u>	<u>776</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	26	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	3,148	-	5,869	16,420	14,671
Committed	-	187	-	-	-
Assigned	-	6,216	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>3,148</u>	<u>6,403</u>	<u>5,869</u>	<u>16,420</u>	<u>14,671</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 5,259</u>	<u>\$ 7,192</u>	<u>\$ 7,145</u>	<u>\$ 16,420</u>	<u>\$ 15,447</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Neighborhood Stabilization	Strategic Neighborhoods	Health	Public Improvement Guarantee Fund	Police Drug Enforcement
Assets					
Cash and cash equivalents	\$ 33	\$ 128	\$ 5,449	\$ 7,118	\$ -
Receivables					
Taxes					
Real estate	-	-	2,445	-	-
Personal property	-	-	4,334	-	-
Sales	-	-	-	-	-
Hotel and restaurant tax	-	-	-	-	-
Local use	-	-	-	-	-
Total taxes	<u>-</u>	<u>-</u>	<u>6,779</u>	<u>-</u>	<u>-</u>
Accounts	-	42	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	40	-
Allowance for uncollectible receivables	-	-	(4,552)	-	-
Total receivables	<u>-</u>	<u>42</u>	<u>2,227</u>	<u>40</u>	<u>-</u>
Due from other governments					
Grants receivable	974	3	-	-	-
Motor fuel	-	-	-	-	-
Total due from other governments	<u>974</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other assets	-	-	-	-	-
Restricted assets-cash and short-term investments	-	-	-	-	-
Total assets	<u>\$ 1,007</u>	<u>\$ 173</u>	<u>\$ 7,676</u>	<u>\$ 7,158</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ -	\$ 7	\$ 728	\$ -	\$ -
Other accrued items	-	-	473	-	-
Construction contracts and retainages payable	-	-	-	-	-
Due to other funds	-	-	-	-	783
Due to fiduciary funds	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	5,217	-
Total liabilities	<u>-</u>	<u>7</u>	<u>1,201</u>	<u>5,217</u>	<u>783</u>
Deferred Inflows of Resources					
Taxes	-	-	1,473	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	974	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>974</u>	<u>-</u>	<u>1,473</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	33	166	-	1,941	-
Committed	-	-	45	-	-
Assigned	-	-	4,957	-	-
Unassigned	-	-	-	-	(783)
Total fund balances (deficit)	<u>33</u>	<u>166</u>	<u>5,002</u>	<u>1,941</u>	<u>(783)</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1,007</u>	<u>\$ 173</u>	<u>\$ 7,676</u>	<u>\$ 7,158</u>	<u>\$ -</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Neighborhood Tourist Development	Convention and Tourism	Performing Arts Center	Domestic Violence	Community Development Governmental Grants
Assets					
Cash and cash equivalents	\$ 540	\$ 5,326	\$ 119	\$ 146	\$ 924
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Sales	-	-	-	-	-
Hotel and restaurant tax	-	7,664	-	-	-
Local use	-	-	-	-	-
Total taxes	-	7,664	-	-	-
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	-	3
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	7,664	-	-	3
Due from other governments					
Grants receivable	-	-	-	63	2,085
Motor fuel	-	-	-	-	-
Total due from other governments	-	-	-	63	2,085
Other assets	-	-	-	-	-
Restricted assets-cash and short-term investments	-	-	-	-	77
Total assets	<u>\$ 540</u>	<u>\$ 12,990</u>	<u>\$ 119</u>	<u>\$ 209</u>	<u>\$ 3,089</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 112	\$ 1,663	\$ 17	\$ 1	\$ 761
Other accrued items	-	1,093	-	19	388
Construction contracts and retainages payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to fiduciary funds	-	1,906	-	-	-
Advanced revenue	-	-	-	-	5,344
Other liabilities	-	-	-	-	-
Total liabilities	112	4,662	17	20	6,493
Deferred Inflows of Resources					
Taxes	-	1,877	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	35	183
Special assessments	-	-	-	-	-
Total deferred inflows of resources	-	1,877	-	35	183
Fund balances (deficit)					
Restricted	428	-	-	247	3,206
Committed	-	254	2	-	-
Assigned	-	6,197	100	-	-
Unassigned	-	-	-	(93)	(6,793)
Total fund balances (deficit)	428	6,451	102	154	(3,587)
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 540</u>	<u>\$ 12,990</u>	<u>\$ 119</u>	<u>\$ 209</u>	<u>\$ 3,089</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Other Governmental Grants	Liberty Memorial Endowment	Justice Assistance Grant	Arterial Street Impact Fee	Inmate Security
Assets					
Cash and cash equivalents	\$ -	\$ 9,555	\$ 653	\$ 5,737	\$ 1,022
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Sales	-	-	-	-	-
Hotel and restaurant tax	-	-	-	-	-
Local use	-	-	-	-	-
Total taxes	-	-	-	-	-
Accounts	-	-	-	11	-
Special assessments	-	-	-	-	-
Interest and dividends	-	85	3	32	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	85	3	43	-
Due from other governments					
Grants receivable	1,121	-	22	-	119
Motor fuel	-	-	-	-	-
Total due from other governments	1,121	-	22	-	119
Other assets	-	-	-	-	-
Restricted assets-cash and short-term investments	-	-	-	-	-
Total assets	<u>\$ 1,121</u>	<u>\$ 9,640</u>	<u>\$ 678</u>	<u>\$ 5,780</u>	<u>\$ 1,141</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities					
Accounts payable	\$ 657	\$ 86	\$ 9	\$ 23	\$ 117
Other accrued items	266	47	-	1	46
Construction contracts and retainages payable	-	-	-	-	16
Due to other funds	818	-	-	-	-
Due to fiduciary funds	-	-	-	-	-
Advanced revenue	-	-	664	-	-
Other liabilities	-	-	-	-	-
Total liabilities	1,741	133	673	24	179
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	136	-	22	-	132
Special assessments	-	-	-	-	-
Total deferred inflows of resources	136	-	22	-	132
Fund balances (deficit)					
Restricted	5,187	9,507	144	-	-
Committed	-	-	-	113	417
Assigned	-	-	-	5,643	413
Unassigned	(5,943)	-	(161)	-	-
Total fund balances (deficit)	(756)	9,507	(17)	5,756	830
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1,121</u>	<u>\$ 9,640</u>	<u>\$ 678</u>	<u>\$ 5,780</u>	<u>\$ 1,141</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	<u>Other</u>	<u>Total</u>
Assets		
Cash and cash equivalents	\$ 430	\$ 114,819
Receivables		
Taxes		
Real estate	-	2,528
Personal property	-	4,478
Sales	-	26,563
Hotel and restaurant tax	-	7,664
Local use	-	554
Total taxes	<u>-</u>	<u>41,787</u>
Accounts	-	384
Special assessments	4	4
Interest and dividends	3	352
Allowance for uncollectible receivables	<u>(3)</u>	<u>(4,708)</u>
Total receivables	<u>4</u>	<u>37,819</u>
Due from other governments		
Grants receivable	-	4,957
Motor fuel	<u>-</u>	<u>2,594</u>
Total due from other governments	<u>-</u>	<u>7,551</u>
Other assets	-	397
Restricted assets-cash and short-term investments	<u>-</u>	<u>7,221</u>
Total assets	<u>\$ 434</u>	<u>\$ 167,807</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)		
Liabilities		
Accounts payable	\$ -	\$ 20,619
Other accrued items	15	4,883
Construction contracts and retainages payable	-	163
Due to other funds	-	1,707
Due to fiduciary funds	-	10,083
Advanced revenue	-	6,008
Other liabilities	<u>-</u>	<u>5,217</u>
Total liabilities	<u>15</u>	<u>48,680</u>
Deferred Inflows of Resources		
Taxes	-	3,403
Licenses, permits and franchises	-	-
Intergovernmental revenue	-	1,732
Special assessments	<u>1</u>	<u>1</u>
Total deferred inflows of resources	<u>1</u>	<u>5,136</u>
Fund balances (deficit)		
Restricted	-	87,717
Committed	-	1,018
Assigned	418	39,029
Unassigned	<u>-</u>	<u>(13,773)</u>
Total fund balances (deficit)	<u>418</u>	<u>113,991</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 434</u>	<u>\$ 167,807</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	General Debt and Interest	Convention and Sports Complex	Equipment Lease DS	STIF - 12th and Wyandotte	STIF - Midtown
Assets					
Cash and cash equivalents	\$ 20	\$ 7,194	\$ -	\$ 11	\$ 248
Receivables					
Taxes					
Real estate	297	-	-	-	-
Personal property	1,364	-	-	-	-
Total taxes	<u>1,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	98	41	-	-	-
Allowance for uncollectible receivables	<u>(1,046)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receivables	<u>713</u>	<u>41</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted assets-cash and short-term investments	<u>-</u>	<u>33</u>	<u>143</u>	<u>-</u>	<u>6,486</u>
Total assets	<u>\$ 733</u>	<u>\$ 7,268</u>	<u>\$ 143</u>	<u>\$ 11</u>	<u>\$ 6,734</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 222	\$ -	\$ -	\$ -
Construction contracts and retainages payable	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>222</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes	348	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance					
Restricted	385	7,046	143	11	6,734
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>385</u>	<u>7,046</u>	<u>143</u>	<u>11</u>	<u>6,734</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 733</u>	<u>\$ 7,268</u>	<u>\$ 143</u>	<u>\$ 11</u>	<u>\$ 6,734</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	STIF - Tower - 909 Walnut	STIF - Hotel President	STIF - Brush Creek / Blue Pkwy	STIF - HOK	STIF - East Village
Assets					
Cash and cash equivalents	\$ 17	\$ 153	\$ -	\$ -	\$ -
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Total taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	-	-	-	-
Restricted assets-cash and short-term investments	-	587	522	-	524
Total assets	<u>\$ 17</u>	<u>\$ 740</u>	<u>\$ 522</u>	<u>\$ -</u>	<u>\$ 524</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 22	\$ -	\$ -	\$ -
Construction contracts and retainages payable	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Due to other funds	-	-	521	-	522
Other liabilities	-	-	-	-	-
Total liabilities	-	22	521	-	522
Deferred Inflows of Resources					
Taxes	-	-	-	-	1
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	1
Fund balance					
Restricted	17	718	1	-	1
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>17</u>	<u>718</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 17</u>	<u>\$ 740</u>	<u>\$ 522</u>	<u>\$ -</u>	<u>\$ 524</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	STIF Linwood Shopping	Streetlight Debt	KC Downtown Redevelopment District	Neighborhood Improvement District	Downtown Arena Debt
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 80	\$ 3,346
Receivables					
Taxes					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Total taxes	-	-	-	-	-
Accounts	-	-	-	-	1,525
Special assessments	-	-	-	-	-
Interest and dividends	-	-	-	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	-	-	-	1,525
Restricted assets-cash and short-term investments	-	-	2,542	-	11,210
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,542</u>	<u>\$ 80</u>	<u>\$ 16,081</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 53
Construction contracts and retainages payable	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Due to other funds	-	-	2,541	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>2,541</u>	<u>-</u>	<u>53</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	1,331
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,331</u>
Fund balance					
Restricted	-	-	1	80	14,697
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>1</u>	<u>80</u>	<u>14,697</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,542</u>	<u>\$ 80</u>	<u>\$ 16,081</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Special Assessment Sewer	Recovery Zone Bond	Refunding Bond	TIF Debt	Total
Assets					
Cash and cash equivalents	\$ 12	\$ -	\$ 18	\$ 67	\$ 11,166
Receivables					
Taxes					
Real estate	-	-	-	-	297
Personal property	-	-	-	-	1,364
Total taxes	-	-	-	-	1,661
Accounts	-	-	-	-	1,525
Special assessments	-	-	-	-	-
Interest and dividends	3	-	-	-	142
Allowance for uncollectible receivables	-	-	-	-	(1,046)
Total receivables	3	-	-	-	2,282
Restricted assets-cash and short-term investments	-	-	2,013	2,278	26,338
Total assets	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 2,031</u>	<u>\$ 2,345</u>	<u>\$ 39,786</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 7	\$ 304
Construction contracts and retainages payable	-	-	-	-	-
Advanced revenue	-	-	-	-	-
Due to other funds	-	-	-	-	3,584
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>3,888</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	349
Licenses, permits and franchises	-	-	-	-	1,331
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,680</u>
Fund balance					
Restricted	15	-	2,031	2,338	34,218
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>15</u>	<u>-</u>	<u>2,031</u>	<u>2,338</u>	<u>34,218</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 2,031</u>	<u>\$ 2,345</u>	<u>\$ 39,786</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Equipment Lease	GO KC Bond Series	Special Obligation Bond 2013B	Special Obligation Taxable Bond 2012B	Sp Ob GO 2017 - Taxable
Assets					
Cash and cash equivalents	\$ -	\$ 43,563	\$ 11	\$ -	\$ 24
Receivables					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interest	-	138	-	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	138	-	-	-
Other assets	18	-	-	-	-
Restricted assets					
Cash and short-term investments	10,936	-	178	1,143	8,161
Total assets	<u>\$ 10,954</u>	<u>\$ 43,701</u>	<u>\$ 189</u>	<u>\$ 1,143</u>	<u>\$ 8,185</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 1,689	\$ 3,513	\$ -	\$ 12	\$ 93
Other accrued items	-	337	-	-	-
Construction contracts and retainages payable	38	726	5	-	-
Due to other funds	674	20	4	18	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>2,401</u>	<u>4,596</u>	<u>9</u>	<u>30</u>	<u>93</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	3,932	39,105	180	1,113	8,092
Committed	-	-	-	-	-
Assigned	4,621	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balance	<u>8,553</u>	<u>39,105</u>	<u>180</u>	<u>1,113</u>	<u>8,092</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,954</u>	<u>\$ 43,701</u>	<u>\$ 189</u>	<u>\$ 1,143</u>	<u>\$ 8,185</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Sp Ob 2017 - Tax- Exempt	Taxable Special Obligation Improvement Bonds, 2018A	2017 Flood Control	2018 Flood Control	General Obligation Series 2010A
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ 161	\$ 1,995	\$ 2,567
Receivables					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interest	-	-	-	11	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	-	-	11	-
Other assets	-	-	-	-	-
Restricted assets					
Cash and short-term investments	6,549	1	-	-	-
Total assets	<u>\$ 6,549</u>	<u>\$ 1</u>	<u>\$ 161</u>	<u>\$ 2,006</u>	<u>\$ 2,567</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 333	\$ -	\$ -	\$ -	\$ -
Other accrued items	-	-	-	-	-
Construction contracts and retainages payable	334	-	-	-	-
Due to other funds	50	-	7,621	9,100	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>717</u>	<u>-</u>	<u>7,621</u>	<u>9,100</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	5,832	1	-	-	2,567
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(7,460)	(7,094)	-
Total fund balance	<u>5,832</u>	<u>1</u>	<u>(7,460)</u>	<u>(7,094)</u>	<u>2,567</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,549</u>	<u>\$ 1</u>	<u>\$ 161</u>	<u>\$ 2,006</u>	<u>\$ 2,567</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	General Obligation Series 2011	General Obligation Series 2012A	Special Obligation Series 2009E Performing Arts Center	Special Obligation Series 2014B	Health Department Building
Assets					
Cash and cash equivalents	\$ 377	\$ 916	\$ 102	\$ -	\$ 1,123
Receivables					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interest	-	-	1	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	-	1	-	-
Other assets	-	-	-	-	-
Restricted assets					
Cash and short-term investments	-	-	5,456	1,029	-
Total assets	<u>\$ 377</u>	<u>\$ 916</u>	<u>\$ 5,559</u>	<u>\$ 1,029</u>	<u>\$ 1,123</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 19	\$ -	\$ 60	\$ 31
Other accrued items	-	-	-	-	-
Construction contracts and retainages payable	13	48	-	10	-
Due to other funds	-	-	-	274	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>13</u>	<u>67</u>	<u>-</u>	<u>344</u>	<u>31</u>
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)					
Restricted	364	849	5,559	685	-
Committed	-	-	-	-	19
Assigned	-	-	-	-	1,073
Unassigned	-	-	-	-	-
Total fund balance	<u>364</u>	<u>849</u>	<u>5,559</u>	<u>685</u>	<u>1,092</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 377</u>	<u>\$ 916</u>	<u>\$ 5,559</u>	<u>\$ 1,029</u>	<u>\$ 1,123</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Series 1991 Sewer Special Assessment	Series 1996 Sewer Special Assessment	General Improvements	Special Obligation Bond 2012A	Special Obligation Bond 2014A
Assets					
Cash and cash equivalents	\$ 7	\$ 541	\$ 19	\$ -	\$ -
Receivables					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Special assessments	-	-	4	-	-
Due from other governments	-	-	-	-	34
Interest	-	-	-	-	-
Allowance for uncollectible receivables	-	-	(4)	-	-
Total receivables	-	-	-	-	34
Other assets	-	-	-	-	-
Restricted assets					
Cash and short-term investments	-	-	-	1	4,902
Total assets	<u>\$ 7</u>	<u>\$ 541</u>	<u>\$ 19</u>	<u>\$ 1</u>	<u>\$ 4,936</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3
Other accrued items	-	-	-	-	-
Construction contracts and retainages payable	-	12	-	-	-
Due to other funds	-	-	-	-	130
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	-	12	-	-	133
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	34
Special assessments	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	34
Fund balances (deficit)					
Restricted	-	-	-	1	4,769
Committed	1	3	-	-	-
Assigned	6	526	19	-	-
Unassigned	-	-	-	-	-
Total fund balance	7	529	19	1	4,769
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7</u>	<u>\$ 541</u>	<u>\$ 19</u>	<u>\$ 1</u>	<u>\$ 4,936</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	Special Obligation Bond 2013C	Special Obligation Bond 2014D	Special Obligation Tax Exempt Bond 2016	Special Obligation Taxable Bond 2016B	KCMAC 04A Bartle Hall Expansion
Assets					
Cash and cash equivalents	\$ -	\$ 5	\$ -	\$ -	\$ 29
Receivables					
Real estate	-	-	-	-	-
Personal property	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interest	-	-	-	-	-
Allowance for uncollectible receivables	-	-	-	-	-
Total receivables	-	-	-	-	-
Other assets	-	-	-	-	-
Restricted assets					
Cash and short-term investments	64	-	10,532	4,055	-
Total assets	<u>\$ 64</u>	<u>\$ 5</u>	<u>\$ 10,532</u>	<u>\$ 4,055</u>	<u>\$ 29</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 22	\$ 102	\$ -
Other accrued items	-	-	2	10	-
Construction contracts and retainages payable	-	-	375	-	3
Due to other funds	-	-	1,927	44	-
Advanced revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	-	-	2,326	156	3
Deferred Inflows of Resources					
Taxes	-	-	-	-	-
Licenses, permits and franchises	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Special assessments	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund balances (deficit)					
Restricted	64	5	8,206	3,899	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	26
Unassigned	-	-	-	-	-
Total fund balance	64	5	8,206	3,899	26
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 64</u>	<u>\$ 5</u>	<u>\$ 10,532</u>	<u>\$ 4,055</u>	<u>\$ 29</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combing Balance Sheet
April 30, 2019
(in thousands of dollars)

	KCMAC 17 MSC Fueling Station	KCMAC 04B Tow Lot	Special Oblig 2008B	Total
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 51,440
Receivables				
Real estate	-	-	-	-
Personal property	-	-	-	-
Special assessments	-	-	-	4
Due from other governments	-	-	-	34
Interest	-	-	-	150
Allowance for uncollectible receivables	-	-	-	(4)
Total receivables	-	-	-	184
Other assets	-	-	-	18
Restricted assets				
Cash and short-term investments	217	5	2,033	55,262
Total assets	<u>\$ 217</u>	<u>\$ 5</u>	<u>\$ 2,033</u>	<u>\$ 106,904</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 17	\$ -	\$ -	\$ 5,894
Other accrued items	-	-	-	349
Construction contracts and retainages payable	-	-	-	1,564
Due to other funds	60	-	500	20,422
Advanced revenue	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>77</u>	<u>-</u>	<u>500</u>	<u>28,229</u>
Deferred Inflows of Resources				
Taxes	-	-	-	-
Licenses, permits and franchises	-	-	-	-
Intergovernmental revenue	-	-	-	34
Special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>34</u>
Fund balances (deficit)				
Restricted	140	5	1,533	86,901
Committed	-	-	-	23
Assigned	-	-	-	6,271
Unassigned	-	-	-	(14,554)
Total fund balance	<u>140</u>	<u>5</u>	<u>1,533</u>	<u>78,641</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 217</u>	<u>\$ 5</u>	<u>\$ 2,033</u>	<u>\$ 106,904</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes				
General property	\$ 56,991	\$ 22,631	\$ -	\$ 79,622
Earnings and profits	846	2,079	-	2,925
Railroad and utility	3,476	1,339	-	4,815
Sales	155,939	9,403	-	165,342
Hotel and restaurant	51,510	2,803	-	54,313
Local option use	3,594	56	-	3,650
Total taxes	<u>272,356</u>	<u>38,311</u>	<u>-</u>	<u>310,667</u>
Licenses, permits, and franchises	10,368	16,460	-	26,828
Fines and forfeitures	3,658	-	-	3,658
Rents and concessions	16,249	701	-	16,950
Investment income and interest	1,719	1,790	1,659	5,168
Charges for services	29,433	170	-	29,603
Intergovernmental	50,387	2,000	411	52,798
Special assessments	9,380	212	3	9,595
Contributions	3,874	7,576	-	11,450
Other	262	2,874	35	3,171
Total revenues	<u>397,686</u>	<u>70,094</u>	<u>2,108</u>	<u>469,888</u>
Expenditures				
Current				
General government	9,958	938	6,748	17,644
Fire	17,698	-	36	17,734
Public works	52,811	125	1,807	54,743
Neighborhood development	27,171	1,393	1,810	30,374
Health	57,200	-	-	57,200
Culture and recreation	46,498	-	-	46,498
Convention facilities	29,349	3,404	-	32,753
Police	5,100	-	2,110	7,210
Economic development	10,021	579	-	10,600
Intergovernmental-public transportation	59,930	-	-	59,930
Debt service				
Principal retirement	-	116,059	-	116,059
Interest	-	64,819	-	64,819
Fiscal agent fees	-	1,110	293	1,403
Bond issue costs	-	-	303	303
Capital outlay				
Public works	5,096	30	39,377	44,503
Health	283	-	-	283
Culture and recreation	6,496	-	22,074	28,570
Convention facilities	2,710	1,078	38	3,826
Police	194	-	32	226
Neighborhood development	49	-	4,663	4,712
Fire	392	-	4,325	4,717
General government	882	368	7,644	8,894
Total expenditures	<u>331,838</u>	<u>189,903</u>	<u>91,260</u>	<u>613,001</u>
Excess (deficiency) of revenues over expenditures	<u>65,848</u>	<u>(119,809)</u>	<u>(89,152)</u>	<u>(143,113)</u>
Other financing sources (uses)				
Transfers in	45,887	123,184	7,621	176,692
Transfers out	(100,944)	(9,644)	(8,306)	(118,894)
Issuance of debt	-	-	58,351	58,351
Premium on bond issue	-	-	4,168	4,168
Discount on bond issue	-	-	(274)	(274)
Payment to bond escrow agent	-	(3,949)	-	(3,949)
Net other financing sources (uses)	<u>(55,057)</u>	<u>109,591</u>	<u>61,560</u>	<u>116,094</u>
Net change in fund balances	<u>10,791</u>	<u>(10,218)</u>	<u>(27,592)</u>	<u>(27,019)</u>
Fund balances, beginning of year	<u>103,200</u>	<u>44,436</u>	<u>106,233</u>	<u>253,869</u>
Fund balances, end of year	<u>\$ 113,991</u>	<u>\$ 34,218</u>	<u>\$ 78,641</u>	<u>\$ 226,850</u>

CITY OF KANSAS CITY, MISSOURI
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Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Museum	Street Maintenance	Public Mass Transportation	KCATA Sales Tax	Infrastructure and Maintenance
Revenues					
Taxes					
General property	\$ 1,671	\$ -	\$ -	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	94	-	-	-	-
Sales	-	-	35,611	28,961	-
Hotel and restaurant	-	-	-	-	-
Local option use	-	-	-	-	-
Total taxes	<u>1,765</u>	<u>-</u>	<u>35,611</u>	<u>28,961</u>	<u>-</u>
Licenses, permits, and franchises	-	5,460	-	-	-
Fines and forfeitures	-	-	-	-	-
Rents and concessions	-	2	-	-	-
Investment income and interest	-	1	-	-	-
Charges for services	-	181	73	-	-
Intergovernmental	-	18,456	102	83	-
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Other	22	89	-	-	-
Total revenues	<u>1,787</u>	<u>24,189</u>	<u>35,786</u>	<u>29,044</u>	<u>-</u>
Expenditures					
Current					
General government	28	372	408	-	-
Fire	-	-	-	-	-
Public works	-	36,740	5,095	-	-
Neighborhood development	-	80	-	-	-
Health	-	-	-	-	-
Culture and recreation	1,129	1,995	-	-	-
Convention facilities	-	-	-	-	-
Economic development	-	-	-	-	-
Police	-	-	-	-	-
Intergovernmental-public transportation	-	-	27,284	32,646	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	7	425	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	332	-	-	-
Total expenditures	<u>1,157</u>	<u>39,526</u>	<u>33,212</u>	<u>32,646</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	630	(15,337)	2,574	(3,602)	-
Other financing sources (uses)					
Transfers in	11	19,457	250	-	-
Transfers out	(462)	(3,837)	(2,824)	-	-
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	<u>(451)</u>	<u>15,620</u>	<u>(2,574)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	179	283	-	(3,602)	-
Fund balances (deficit), beginning of year	<u>1,157</u>	<u>7,547</u>	<u>-</u>	<u>3,602</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 1,336</u>	<u>\$ 7,830</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	<u>Parks & Recreation</u>	<u>Neighborhoods Grants</u>	<u>Special Gifts - Parks and Recreation</u>	<u>Golf Operations</u>	<u>Parking Garage</u>
Revenues					
Taxes					
General property	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	36,932	-	-	-	-
Hotel and restaurant	-	-	-	-	-
Local option use	-	-	-	-	-
Total taxes	<u>36,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Licenses, permits, and franchises	474	-	-	-	685
Fines and forfeitures	352	-	-	-	1,489
Rents and concessions	257	-	-	22	4,704
Investment income and interest	-	-	545	-	-
Charges for services	3,428	-	-	5,954	-
Intergovernmental	132	1,447	-	-	-
Special assessments	-	-	-	-	-
Contributions	14	-	2,818	-	210
Other	7	-	-	-	44
Total revenues	<u>41,596</u>	<u>1,447</u>	<u>3,363</u>	<u>5,976</u>	<u>7,132</u>
Expenditures					
Current					
General government	223	-	-	-	-
Fire	-	-	-	-	-
Public works	-	-	-	-	4,166
Neighborhood development	-	1,290	-	-	-
Health	-	-	-	-	-
Culture and recreation	33,803	-	2,336	5,831	-
Convention facilities	-	-	-	-	-
Economic development	-	-	-	-	-
Police	-	-	-	-	339
Intergovernmental-public transportation	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	6,393	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>40,419</u>	<u>1,290</u>	<u>2,336</u>	<u>5,831</u>	<u>4,505</u>
Excess (deficiency) of revenues over expenditures	<u>1,177</u>	<u>157</u>	<u>1,027</u>	<u>145</u>	<u>2,627</u>
Other financing sources (uses)					
Transfers in	2,500	54	-	402	5,811
Transfers out	(3,600)	-	-	(594)	(8,073)
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	<u>(1,100)</u>	<u>54</u>	<u>-</u>	<u>(192)</u>	<u>(2,262)</u>
Net change in fund balances	77	211	1,027	(47)	365
Fund balances (deficit), beginning of year	<u>14,899</u>	<u>(63)</u>	<u>16,353</u>	<u>89</u>	<u>(242)</u>
Fund balances (deficit), end of year	<u>\$ 14,976</u>	<u>\$ 148</u>	<u>\$ 17,380</u>	<u>\$ 42</u>	<u>\$ 123</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Fire Sales Tax	Development Services	Public Safety Sales Tax	Central City Sales Tax	Street Car
Revenues					
Taxes					
General property	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	18,485	-	18,485	10,592	6,510
Hotel and restaurant	-	-	-	-	-
Local option use	3,594	-	-	-	-
Total taxes	<u>22,079</u>	<u>-</u>	<u>18,485</u>	<u>10,592</u>	<u>6,510</u>
Licenses, permits, and franchises	-	3,384	-	-	-
Fines and forfeitures	-	-	-	-	-
Rents and concessions	-	-	-	-	128
Investment income and interest	-	-	1	-	507
Charges for services	161	11,177	-	76	260
Intergovernmental	1,011	-	55	-	-
Special assessments	-	-	-	-	4,186
Contributions	-	-	-	-	361
Other	-	39	-	-	-
Total revenues	<u>23,251</u>	<u>14,600</u>	<u>18,541</u>	<u>10,668</u>	<u>11,952</u>
Expenditures					
Current					
General government	1,227	368	707	-	1
Fire	17,698	-	-	-	-
Public works	-	-	-	-	6,250
Neighborhood development	-	12,126	-	9	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Economic development	-	-	-	-	-
Police	-	-	2,066	-	-
Intergovernmental-public transportation	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	4,062
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	194	-	-
Neighborhood development	-	49	-	-	-
Fire	392	-	-	-	-
General government	72	-	180	-	-
Total expenditures	<u>19,389</u>	<u>12,543</u>	<u>3,147</u>	<u>9</u>	<u>10,313</u>
Excess (deficiency) of revenues over expenditures	<u>3,862</u>	<u>2,057</u>	<u>15,394</u>	<u>10,659</u>	<u>1,639</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	2,125
Transfers out	(4,312)	(2,736)	(13,186)	-	(5,260)
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	<u>(4,312)</u>	<u>(2,736)</u>	<u>(13,186)</u>	<u>-</u>	<u>(3,135)</u>
Net change in fund balances	(450)	(679)	2,208	10,659	(1,496)
Fund balances (deficit), beginning of year	<u>3,598</u>	<u>7,082</u>	<u>3,661</u>	<u>5,761</u>	<u>16,167</u>
Fund balances (deficit), end of year	<u>\$ 3,148</u>	<u>\$ 6,403</u>	<u>\$ 5,869</u>	<u>\$ 16,420</u>	<u>\$ 14,671</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Neighborhood Stabilization	Strategic Neighborhoods	Health	Public Improvement Guarantee Fund	Police Drug Enforcement
Revenues					
Taxes					
General property	\$ -	\$ 294	\$ 54,926	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	-	-	3,382	-	-
Sales	-	-	-	-	-
Hotel and restaurant	-	-	-	-	-
Local option use	-	-	-	-	-
Total taxes	-	294	58,308	-	-
Licenses, permits, and franchises	-	-	337	-	-
Fines and forfeitures	-	-	18	-	-
Rents and concessions	-	189	-	-	-
Investment income and interest	-	-	-	226	-
Charges for services	-	-	5,053	-	-
Intergovernmental	-	-	11	-	1,781
Special assessments	-	-	-	-	-
Contributions	-	-	7	-	-
Other	-	-	21	-	-
Total revenues	-	483	63,755	226	1,781
Expenditures					
Current					
General government	-	-	3,366	-	-
Fire	-	-	-	-	-
Public works	-	-	-	-	-
Neighborhood development	-	243	-	-	-
Health	-	50	44,630	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Economic development	-	-	-	-	-
Police	-	-	146	-	2,431
Intergovernmental-public transportation	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Health	-	-	283	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	100	-	-
Total expenditures	-	293	48,525	-	2,431
Excess (deficiency) of revenues over expenditures	-	190	15,230	226	(650)
Other financing sources (uses)					
Transfers in	-	-	392	-	-
Transfers out	-	(307)	(15,626)	-	-
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	-	(307)	(15,234)	-	-
Net change in fund balances	-	(117)	(4)	226	(650)
Fund balances (deficit), beginning of year	33	283	5,006	1,715	(133)
Fund balances (deficit), end of year	\$ 33	\$ 166	\$ 5,002	\$ 1,941	\$ (783)

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Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Neighborhood Tourism Development	Convention and Tourism	Performing Arts Center	Domestic Violence	Community Development Fund
Revenues					
Taxes					
General property	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	-	-	-	-	-
Hotel and restaurant	-	50,124	-	-	-
Local option use	-	-	-	-	-
Total taxes	<u>-</u>	<u>50,124</u>	<u>-</u>	<u>-</u>	<u>-</u>
Licenses, permits, and franchises	-	-	-	-	-
Fines and forfeitures	-	-	-	357	-
Rents and concessions	-	9,563	1,384	-	-
Investment income and interest	-	-	-	-	17
Charges for services	-	145	-	-	-
Intergovernmental	-	45	-	385	11,039
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Other	-	5	-	-	-
Total revenues	<u>-</u>	<u>59,882</u>	<u>1,384</u>	<u>742</u>	<u>11,056</u>
Expenditures					
Current					
General government	424	2,462	-	372	-
Fire	-	-	-	-	-
Public works	-	-	560	-	-
Neighborhood development	-	-	-	449	9,668
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	1,886	27,409	-	-	-
Economic development	-	-	-	-	-
Police	-	-	-	-	-
Intergovernmental-public transportation	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	2,710	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	88	-	-	-
Total expenditures	<u>2,310</u>	<u>32,669</u>	<u>560</u>	<u>821</u>	<u>9,668</u>
Excess (deficiency) of revenues over expenditures	<u>(2,310)</u>	<u>27,213</u>	<u>824</u>	<u>(79)</u>	<u>1,388</u>
Other financing sources (uses)					
Transfers in	1,651	5,000	8,067	167	-
Transfers out	-	(29,222)	(8,789)	-	(617)
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	<u>1,651</u>	<u>(24,222)</u>	<u>(722)</u>	<u>167</u>	<u>(617)</u>
Net change in fund balances	(659)	2,991	102	88	771
Fund balances (deficit), beginning of year	<u>1,087</u>	<u>3,460</u>	<u>-</u>	<u>66</u>	<u>(4,358)</u>
Fund balances (deficit), end of year	<u>\$ 428</u>	<u>\$ 6,451</u>	<u>\$ 102</u>	<u>\$ 154</u>	<u>\$ (3,587)</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Other Governmental Grants	Liberty Memorial Endowment	Justice Assistance Grant	Arterial Street Impact Fee	Inmate Security
Revenues					
Taxes					
General property	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings and profit	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	-	-	-	-	-
Hotel and restaurant	-	-	-	-	-
Local option use	-	-	-	-	-
Total taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Licenses, permits, and franchises	-	-	-	-	-
Fines and forfeitures	-	-	-	-	1,442
Rents and concessions	-	-	-	-	-
Investment income and interest	-	258	3	161	-
Charges for services	15	-	-	1,741	1,065
Intergovernmental	12,156	-	324	-	230
Special assessments	-	-	-	-	-
Contributions	8	-	-	-	456
Other	-	-	-	20	15
Total revenues	<u>12,179</u>	<u>258</u>	<u>327</u>	<u>1,922</u>	<u>3,208</u>
Expenditures					
Current					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Public works	-	-	-	-	-
Neighborhood development	-	-	215	-	3,074
Health	12,520	-	-	-	-
Culture and recreation	-	1,404	-	-	-
Convention facilities	-	-	-	-	-
Economic development	-	-	-	-	-
Police	-	-	118	-	-
Intergovernmental-public transportation	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Capital outlay					
Public works	-	-	-	602	-
Health	-	-	-	-	-
Culture and recreation	-	87	-	16	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	110
Total expenditures	<u>12,520</u>	<u>1,491</u>	<u>333</u>	<u>618</u>	<u>3,184</u>
Excess (deficiency) of revenues over expenditures	<u>(341)</u>	<u>(1,233)</u>	<u>(6)</u>	<u>1,304</u>	<u>24</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(586)
Issuance of debt	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(586)</u>
Net change in fund balances	<u>(341)</u>	<u>(1,233)</u>	<u>(6)</u>	<u>1,304</u>	<u>(562)</u>
Fund balances (deficit), beginning of year	<u>(415)</u>	<u>10,740</u>	<u>(11)</u>	<u>4,452</u>	<u>1,392</u>
Fund balances (deficit), end of year	<u>\$ (756)</u>	<u>\$ 9,507</u>	<u>\$ (17)</u>	<u>\$ 5,756</u>	<u>\$ 830</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	<u>Other</u>	<u>Total</u>
Revenues		
Taxes		
General property	\$ 100	\$ 56,991
Earnings and profit	846	846
Railroad and utility	-	3,476
Sales	363	155,939
Hotel and restaurant	1,386	51,510
Local option use	-	3,594
Total taxes	<u>2,695</u>	<u>272,356</u>
Licenses, permits, and franchises	28	10,368
Fines and forfeitures	-	3,658
Rents and concessions	-	16,249
Investment income and interest	-	1,719
Charges for services	104	29,433
Intergovernmental	3,130	50,387
Special assessments	5,194	9,380
Contributions	-	3,874
Other	-	262
Total revenues	<u>11,151</u>	<u>397,686</u>
Expenditures		
Current		
General government	-	9,958
Fire	-	17,698
Public works	-	52,811
Neighborhood development	17	27,171
Health	-	57,200
Culture and recreation	-	46,498
Convention facilities	54	29,349
Economic development	10,021	10,021
Police	-	5,100
Intergovernmental-public transportation	-	59,930
Debt service		
Principal retirement	-	-
Interest	-	-
Fiscal agent fees	-	-
Capital outlay		
Public works	-	5,096
Health	-	283
Culture and recreation	-	6,496
Convention facilities	-	2,710
Police	-	194
Neighborhood development	-	49
Fire	-	392
General government	-	882
Total expenditures	<u>10,092</u>	<u>331,838</u>
Excess (deficiency) of revenues over expenditures	<u>1,059</u>	<u>65,848</u>
Other financing sources (uses)		
Transfers in	-	45,887
Transfers out	(913)	(100,944)
Issuance of debt	-	-
Net other financing sources (uses)	<u>(913)</u>	<u>(55,057)</u>
Net change in fund balances	146	10,791
Fund balances (deficit), beginning of year	<u>272</u>	<u>103,200</u>
Fund balances (deficit), end of year	<u>\$ 418</u>	<u>\$ 113,991</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	General Debt and Interest	Convention and Sports Complex	Equipment Lease DS	STIF - 12th and Wyandotte	STIF - Midtown
Revenues					
Taxes					
Real estate	\$ 16,855	\$ -	\$ 123	\$ -	\$ 337
Personal property	5,005	-	-	-	-
Railroad and utility	1,339	-	-	-	-
Sales	-	-	-	753	4,286
Earnings and profits	-	-	-	115	222
Hotel and restaurant	-	-	-	1,303	118
Local option use	-	-	-	1	25
Total taxes	<u>23,199</u>	<u>-</u>	<u>123</u>	<u>2,172</u>	<u>4,988</u>
Investment income and interest	689	242	8	40	182
Licenses, permits and franchises	-	-	-	257	84
Intergovernmental	-	2,000	-	-	-
Charges for services	-	-	-	-	-
Special assessments	-	-	-	-	-
Contributions	-	-	559	-	1,788
Rents and concessions	-	-	-	-	-
Other	-	-	-	191	341
Total revenues	<u>23,888</u>	<u>2,242</u>	<u>690</u>	<u>2,660</u>	<u>7,383</u>
Expenditures					
General government	364	1	-	462	-
Public works	-	-	-	-	-
Economic development	-	-	-	-	-
Neighborhood development	-	-	-	-	1,193
Convention facilities	-	2,000	-	-	-
Debt service					
Principal retirement	27,125	17,096	46,198	4,700	3,385
Interest	12,927	6,867	16,515	230	651
Bond issue costs	-	-	-	-	-
Fiscal agent fees	3	830	39	4	3
Payment to refunding bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	30
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	1,078	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	368	-	-	-
Total expenditures	<u>40,419</u>	<u>28,240</u>	<u>62,752</u>	<u>5,396</u>	<u>5,262</u>
Excess (deficiency) of revenues over expenditures	<u>(16,531)</u>	<u>(25,998)</u>	<u>(62,062)</u>	<u>(2,736)</u>	<u>2,121</u>
Other financing sources (uses)					
Transfers in	16,726	25,717	62,228	874	1
Transfers out	-	(3)	(282)	(5,000)	(3,456)
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Payment to bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>16,726</u>	<u>25,714</u>	<u>61,946</u>	<u>(4,126)</u>	<u>(3,455)</u>
Net change in fund balances	195	(284)	(116)	(6,862)	(1,334)
Fund balances, beginning of year	<u>190</u>	<u>7,330</u>	<u>259</u>	<u>6,873</u>	<u>8,068</u>
Fund balances, end of year	<u>\$ 385</u>	<u>\$ 7,046</u>	<u>\$ 143</u>	<u>\$ 11</u>	<u>\$ 6,734</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	STIF - Tower - 909 Walnut	STIF - Hotel President	STIF - Brush Creek / Blue Pkwy	STIF - HOK	STIF - East Village
Revenues					
Taxes					
Real estate	\$ -	\$ 16	\$ 23	\$ -	\$ -
Personal property	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	11	251	385	6	11
Earnings and profits	340	43	40	9	886
Hotel and restaurant	-	376	36	-	-
Local option use	5	1	-	-	-
Total taxes	<u>356</u>	<u>687</u>	<u>484</u>	<u>15</u>	<u>897</u>
Investment income and interest	5	14	7	4	12
Licenses, permits and franchises	34	57	52	25	53
Intergovernmental	-	-	-	-	-
Charges for services	170	-	-	-	-
Special assessments	-	159	-	-	-
Contributions	3,021	-	-	-	1,240
Rents and concessions	-	-	-	-	-
Other	-	684	210	-	241
Total revenues	<u>3,586</u>	<u>1,601</u>	<u>753</u>	<u>44</u>	<u>2,443</u>
Expenditures					
General government	-	22	-	8	1
Public works	-	-	-	-	-
Economic development	-	579	-	-	-
Neighborhood development	-	-	-	-	-
Convention facilities	-	-	-	-	-
Debt service					
Principal retirement	380	865	705	425	1,635
Interest	52	261	430	206	1,648
Bond issue costs	-	-	-	-	-
Fiscal agent fees	41	107	-	3	5
Payment to refunding bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>473</u>	<u>1,834</u>	<u>1,135</u>	<u>642</u>	<u>3,289</u>
Excess (deficiency) of revenues over expenditures	<u>3,113</u>	<u>(233)</u>	<u>(382)</u>	<u>(598)</u>	<u>(846)</u>
Other financing sources (uses)					
Transfers in	-	-	383	598	846
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Payment to bond escrow agent	(3,949)	-	-	-	-
Net other financing sources (uses)	<u>(3,949)</u>	<u>-</u>	<u>383</u>	<u>598</u>	<u>846</u>
Net change in fund balances	(836)	(233)	1	-	-
Fund balances, beginning of year	<u>853</u>	<u>951</u>	<u>-</u>	<u>-</u>	<u>1</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	STIF Linwood Shopping	Streetlight Debt	KC Downtown Redevelopment District	Neighborhood Improvement District	Downtown Arena Debt
Revenues					
Taxes					
Real estate	\$ -	\$ -	\$ 163	\$ -	\$ -
Personal property	-	-	-	-	-
Railroad and utility	-	-	-	-	-
Sales	-	-	3,228	-	-
Earnings and profits	-	-	339	-	-
Hotel and restaurant	-	-	923	-	-
Local option use	-	-	21	-	-
Total taxes	<u>-</u>	<u>-</u>	<u>4,674</u>	<u>-</u>	<u>-</u>
Investment income and interest	-	-	45	2	232
Licenses, permits and franchises	-	-	298	-	15,576
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Special assessments	-	-	-	53	-
Contributions	-	-	968	-	-
Rents and concessions	-	-	-	-	701
Other	-	-	660	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>6,645</u>	<u>55</u>	<u>16,509</u>
Expenditures					
General government	-	-	-	-	2
Public works	-	-	-	-	125
Economic development	-	-	-	-	-
Neighborhood development	-	-	-	-	200
Convention facilities	-	-	-	-	1,404
Debt service					
Principal retirement	640	645	5,700	40	4,720
Interest	701	123	14,295	-	9,263
Bond issue costs	-	-	-	-	-
Fiscal agent fees	3	-	10	7	11
Payment to refunding bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>1,344</u>	<u>768</u>	<u>20,005</u>	<u>47</u>	<u>15,725</u>
Excess (deficiency) of revenues over expenditures	<u>(1,344)</u>	<u>(768)</u>	<u>(13,360)</u>	<u>8</u>	<u>784</u>
Other financing sources (uses)					
Transfers in	1,344	768	13,359	-	32
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Payment to bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>1,344</u>	<u>768</u>	<u>13,359</u>	<u>-</u>	<u>32</u>
Net change in fund balances	-	-	(1)	8	816
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>2</u>	<u>72</u>	<u>13,881</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 80</u>	<u>\$ 14,697</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Special Assessment Sewer	Recovery Zone Bond	Refunding Bond	TIF Debt	Total
Revenues					
Taxes					
Real estate	\$ -	\$ -	\$ -	\$ 109	\$ 17,626
Personal property	-	-	-	-	5,005
Railroad and utility	-	-	-	-	1,339
Sales	-	-	-	472	9,403
Earnings and profits	-	-	-	85	2,079
Hotel and restaurant	-	-	-	47	2,803
Local option use	-	-	-	3	56
Total taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>716</u>	<u>38,311</u>
Investment income and interest	20	222	43	23	1,790
Licenses, permits and franchises	-	-	-	24	16,460
Intergovernmental	-	-	-	-	2,000
Charges for services	-	-	-	-	170
Special assessments	-	-	-	-	212
Contributions	-	-	-	-	7,576
Rents and concessions	-	-	-	-	701
Other	-	-	-	547	2,874
Total revenues	<u>20</u>	<u>222</u>	<u>43</u>	<u>1,310</u>	<u>70,094</u>
Expenditures					
General government	71	-	-	7	938
Public works	-	-	-	-	125
Economic development	-	-	-	-	579
Neighborhood development	-	-	-	-	1,393
Convention facilities	-	-	-	-	3,404
Debt service					
Principal retirement	-	-	-	1,800	116,059
Interest	-	527	-	123	64,819
Bond issue costs	-	-	-	-	-
Fiscal agent fees	-	-	-	44	1,110
Payment to refunding bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	30
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	1,078
Police	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	368
Total expenditures	<u>71</u>	<u>527</u>	<u>-</u>	<u>1,974</u>	<u>189,903</u>
Excess (deficiency) of revenues over expenditures	<u>(51)</u>	<u>(305)</u>	<u>43</u>	<u>(664)</u>	<u>(119,809)</u>
Other financing sources (uses)					
Transfers in	-	305	3	-	123,184
Transfers out	-	-	(903)	-	(9,644)
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Payment to bond escrow agent	-	-	-	-	(3,949)
Net other financing sources (uses)	<u>-</u>	<u>305</u>	<u>(900)</u>	<u>-</u>	<u>109,591</u>
Net change in fund balances	(51)	-	(857)	(664)	(10,218)
Fund balances, beginning of year	<u>66</u>	<u>-</u>	<u>2,888</u>	<u>3,002</u>	<u>44,436</u>
Fund balances, end of year	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 2,031</u>	<u>\$ 2,338</u>	<u>\$ 34,218</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Equipment Lease	GO KC Bond Series	Special Obligation Bond 2013B	Special Obligation Taxable Bond 2012B	Sp Ob GO 2017 - Taxable
Revenues					
Investment income and interest	\$ 275	\$ 122	\$ 8	\$ 20	\$ 275
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other	8	-	-	-	-
Total revenues	<u>283</u>	<u>122</u>	<u>8</u>	<u>20</u>	<u>275</u>
Expenditures					
Current					
General government	1,968	-	-	-	-
Fire	36	-	-	-	-
Public works	69	1,232	-	-	-
Neighborhood development	-	-	-	141	233
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	445	-	-
Total expenditures	<u>2,073</u>	<u>1,232</u>	<u>445</u>	<u>141</u>	<u>233</u>
Economic development	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	285	1	-	-
Bond issue costs	13	198	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	120	26,649	-	-	-
Health	-	-	-	-	-
Culture and recreation	647	20,286	-	-	-
Neighborhood development	-	-	-	214	3,849
Convention facilities	-	-	38	-	-
Police	-	-	32	-	-
Fire	1,090	3,235	-	-	-
General government	5,440	-	-	-	-
Total expenditures	<u>9,383</u>	<u>51,885</u>	<u>516</u>	<u>355</u>	<u>4,082</u>
Excess (deficiency) of revenues over expenditures	<u>(9,100)</u>	<u>(51,763)</u>	<u>(508)</u>	<u>(335)</u>	<u>(3,807)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	(61)	(7,621)	-	-	(5)
Issuance of debt	1,061	57,290	-	-	-
Premium on bond issue	-	4,168	-	-	-
Discount on bond issue	-	(274)	-	-	-
Issuance of refunding debt	-	-	-	-	-
Premium on refunding bond issue	-	-	-	-	-
Discount on refunding bond issue	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>1,000</u>	<u>53,563</u>	<u>-</u>	<u>-</u>	<u>(5)</u>
Net change in fund balances	<u>(8,100)</u>	<u>1,800</u>	<u>(508)</u>	<u>(335)</u>	<u>(3,812)</u>
Fund balances, beginning of year	<u>16,653</u>	<u>37,305</u>	<u>688</u>	<u>1,448</u>	<u>11,904</u>
Fund balances, end of year	<u>\$ 8,553</u>	<u>\$ 39,105</u>	<u>\$ 180</u>	<u>\$ 1,113</u>	<u>\$ 8,092</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Sp Ob 2017 - Tax- Exempt	Taxable Special Obligation Improvement Bonds, 2018A	2017 Flood Control	2018 Flood Control	General Obligation Series 2010A
Revenues					
Investment income and interest	\$ 196	\$ 1	\$ 11	\$ 48	\$ -
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other	-	-	-	-	27
Total revenues	<u>196</u>	<u>1</u>	<u>11</u>	<u>48</u>	<u>27</u>
Expenditures					
Current					
General government	3,360	-	-	-	-
Fire	-	-	-	-	-
Public works	-	-	1	-	-
Neighborhood development	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Total expenditures	<u>3,360</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
Economic development	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	2	-	-	-	-
Bond issue costs	-	92	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	321	7,142	-
Health	-	-	-	-	-
Culture and recreation	1,083	-	-	-	-
Neighborhood development	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>4,445</u>	<u>92</u>	<u>322</u>	<u>7,142</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(4,249)</u>	<u>(91)</u>	<u>(311)</u>	<u>(7,094)</u>	<u>27</u>
Other financing sources (uses)					
Transfers in	-	-	7,621	-	-
Transfers out	(2)	(38)	-	-	-
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-
Premium on refunding bond issue	-	-	-	-	-
Discount on refunding bond issue	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>(2)</u>	<u>(38)</u>	<u>7,621</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(4,251)</u>	<u>(129)</u>	<u>7,310</u>	<u>(7,094)</u>	<u>27</u>
Fund balances, beginning of year	<u>10,083</u>	<u>130</u>	<u>(14,770)</u>	<u>-</u>	<u>2,540</u>
Fund balances, end of year	<u>\$ 5,832</u>	<u>\$ 1</u>	<u>\$ (7,460)</u>	<u>\$ (7,094)</u>	<u>\$ 2,567</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	General Obligation Series 2011	General Obligation Series 2012A	Special Obligation Series 2009E Performing Arts Center	Special Obligation Series 2014B	Health Department Building
Revenues					
Investment income and interest	\$ -	\$ -	\$ 188	\$ 23	\$ -
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>188</u>	<u>23</u>	<u>-</u>
Expenditures					
Current					
General government	-	-	-	879	438
Fire	-	-	-	-	-
Public works	1	-	-	-	-
Neighborhood development	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Total expenditures	<u>1</u>	<u>-</u>	<u>-</u>	<u>879</u>	<u>438</u>
Economic development	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Bond issue costs	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	78	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	7	-	-	-
Neighborhood development	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	22	-	11	-
Total expenditures	<u>79</u>	<u>29</u>	<u>-</u>	<u>890</u>	<u>438</u>
Excess (deficiency) of revenues over expenditures	<u>(79)</u>	<u>(29)</u>	<u>188</u>	<u>(867)</u>	<u>(438)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(6)	-	(50)
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-
Premium on refunding bond issue	-	-	-	-	-
Discount on refunding bond issue	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>-</u>	<u>(50)</u>
Net change in fund balances	<u>(79)</u>	<u>(29)</u>	<u>182</u>	<u>(867)</u>	<u>(488)</u>
Fund balances, beginning of year	<u>443</u>	<u>878</u>	<u>5,377</u>	<u>1,552</u>	<u>1,580</u>
Fund balances, end of year	<u>\$ 364</u>	<u>\$ 849</u>	<u>\$ 5,559</u>	<u>\$ 685</u>	<u>\$ 1,092</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Series 1991 Sewer Special Assessment	Series 1996 Sewer Special Assessment	General Improvements	Special Obligation Bond 2012A	Special Obligation Bond 2014A
Revenues					
Investment income and interest	\$ -	\$ -	\$ -	\$ -	\$ 103
Special assessments	-	-	3	-	-
Contributions	-	-	-	-	-
Intergovernmental	-	-	-	-	411
Other	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>514</u>
Expenditures					
Current					
General government	-	-	-	-	-
Fire	-	-	-	-	-
Public works	-	157	-	-	3
Neighborhood development	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Total expenditures	<u>-</u>	<u>157</u>	<u>-</u>	<u>-</u>	<u>3</u>
Economic development	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	-	-	-
Bond issue costs	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	3	-	-	-	396
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Neighborhood development	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	-	-	-
Total expenditures	<u>3</u>	<u>157</u>	<u>-</u>	<u>-</u>	<u>399</u>
Excess (deficiency) of revenues over expenditures	<u>(3)</u>	<u>(157)</u>	<u>3</u>	<u>-</u>	<u>115</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(80)
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-
Premium on refunding bond issue	-	-	-	-	-
Discount on refunding bond issue	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80)</u>
Net change in fund balances	<u>(3)</u>	<u>(157)</u>	<u>3</u>	<u>-</u>	<u>35</u>
Fund balances, beginning of year	<u>10</u>	<u>686</u>	<u>16</u>	<u>1</u>	<u>4,734</u>
Fund balances, end of year	<u>\$ 7</u>	<u>\$ 529</u>	<u>\$ 19</u>	<u>\$ 1</u>	<u>\$ 4,769</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	Special Obligation Bond 2013C	Special Obligation Bond 2014D	Special Obligation Tax Exempt Bond 2016	Special Obligation Taxable Bond 2016B	KCMAC 04A Bartle Hall Expansion
Revenues					
Investment income and interest	\$ 1	\$ -	\$ 265	\$ 93	\$ -
Special assessments	-	-	-	-	-
Contributions	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	<u>1</u>	<u>-</u>	<u>265</u>	<u>93</u>	<u>-</u>
Expenditures					
Current					
General government	-	-	4	-	-
Fire	-	-	-	-	-
Public works	-	-	-	344	-
Neighborhood development	-	-	58	1,378	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Convention facilities	-	-	-	-	-
Police	-	-	1,665	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,727</u>	<u>1,722</u>	<u>-</u>
Economic development	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal agent fees	-	-	5	-	-
Bond issue costs	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Capital outlay					
Public works	-	-	4,639	29	-
Health	-	-	-	-	-
Culture and recreation	-	-	51	-	-
Neighborhood development	-	-	-	600	-
Convention facilities	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
General government	-	-	1,859	-	312
Total expenditures	<u>-</u>	<u>-</u>	<u>8,281</u>	<u>2,351</u>	<u>312</u>
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>-</u>	<u>(8,016)</u>	<u>(2,258)</u>	<u>(312)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(32)	-	-
Issuance of debt	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Discount on bond issue	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-
Premium on refunding bond issue	-	-	-	-	-
Discount on refunding bond issue	-	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(32)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>1</u>	<u>-</u>	<u>(8,048)</u>	<u>(2,258)</u>	<u>(312)</u>
Fund balances, beginning of year	<u>63</u>	<u>5</u>	<u>16,254</u>	<u>6,157</u>	<u>338</u>
Fund balances, end of year	<u>\$ 64</u>	<u>\$ 5</u>	<u>\$ 8,206</u>	<u>\$ 3,899</u>	<u>\$ 26</u>

CITY OF KANSAS CITY, MISSOURI
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2019
(in thousands of dollars)

	KCMAC 17 MSC Fueling Station	KCMAC 04B Tow Lot	Special Obligation 2008B	Total
Revenues				
Investment income and interest	\$ 4	\$ -	\$ 26	\$ 1,659
Special assessments	-	-	-	3
Contributions	-	-	-	-
Intergovernmental	-	-	-	411
Other	-	-	-	35
Total revenues	<u>4</u>	<u>-</u>	<u>26</u>	<u>2,108</u>
Expenditures				
Current				
General government	99	-	-	6,748
Fire	-	-	-	36
Public works	-	-	-	1,807
Neighborhood development	-	-	-	1,810
Health	-	-	-	-
Culture and recreation	-	-	-	-
Convention facilities	-	-	-	-
Police	-	-	-	2,110
Total expenditures	<u>99</u>	<u>-</u>	<u>-</u>	<u>12,511</u>
Economic development	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Fiscal agent fees	-	-	-	293
Bond issue costs	-	-	-	303
Payment to refund bond escrow agent	-	-	-	-
Capital outlay				
Public works	-	-	-	39,377
Health	-	-	-	-
Culture and recreation	-	-	-	22,074
Neighborhood development	-	-	-	4,663
Convention facilities	-	-	-	38
Police	-	-	-	32
Fire	-	-	-	4,325
General government	-	-	-	7,644
Total expenditures	<u>99</u>	<u>-</u>	<u>-</u>	<u>91,260</u>
Excess (deficiency) of revenues over expenditures	<u>(95)</u>	<u>-</u>	<u>26</u>	<u>(89,152)</u>
Other financing sources (uses)				
Transfers in	-	-	-	7,621
Transfers out	-	-	(411)	(8,306)
Issuance of debt	-	-	-	58,351
Premium on bond issue	-	-	-	4,168
Discount on bond issue	-	-	-	(274)
Issuance of refunding debt	-	-	-	-
Premium on refunding bond issue	-	-	-	-
Discount on refunding bond issue	-	-	-	-
Payment to refund bond escrow agent	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(411)</u>	<u>61,560</u>
Net change in fund balances	<u>(95)</u>	<u>-</u>	<u>(385)</u>	<u>(27,592)</u>
Fund balances, beginning of year	<u>235</u>	<u>5</u>	<u>1,918</u>	<u>106,233</u>
Fund balances, end of year	<u>\$ 140</u>	<u>\$ 5</u>	<u>\$ 1,533</u>	<u>\$ 78,641</u>

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Capital Improvements
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 72,960	\$ 72,960	\$ 73,340	\$ 380
Charges for services	-	200	200	-
Intergovernmental revenues	23,314	5,477	6,643	1,166
Other	7,976	1,355	1,478	123
Total revenues	<u>104,250</u>	<u>79,992</u>	<u>81,661</u>	<u>1,669</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>272</u>	<u>272</u>
Total revenues and other financing sources	<u>\$ 104,250</u>	<u>\$ 79,992</u>	<u>\$ 81,933</u>	<u>\$ 1,941</u>
Expenditures				
General Services	\$ 12,333	\$ 9,570	\$ 9,570	\$ -
City Manager	4,238	404	404	-
Finance	33,279	6,612	6,439	173
Law	-	171	171	-
Human Relations	263	263	263	-
City Planning and Development	714	1,571	1,571	-
Public Works	62,887	47,230	42,680	4,550
Water Services	(3,269)	1,598	1,598	-
Neighborhood and Housing Services	1,361	2,038	2,038	-
Parks and Recreation	27,535	17,864	17,860	4
Public Transportation	1,500	-	-	-
Total expenditures	<u>140,841</u>	<u>87,321</u>	<u>82,594</u>	<u>4,727</u>
Other financing uses:				
Transfers out	<u>7,542</u>	<u>7,542</u>	<u>7,541</u>	<u>1</u>
Total expenditures and other financing uses	<u>148,383</u>	<u>94,863</u>	<u>90,135</u>	<u>4,728</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(44,133)	(14,871)	(8,202)	6,669
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(8,307)</u>	<u>(8,307)</u>
Net change in fund balance	<u>\$ (44,133)</u>	<u>\$ (14,871)</u>	<u>(16,509)</u>	<u>\$ (1,638)</u>
Fund Balance (budget basis):				
Beginning of year			<u>42,784</u>	
End of year			<u>\$ 26,275</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Museum
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,680	\$ 1,680	\$ 1,768	\$ 88
Charges for services	6	6	-	(6)
Intergovernmental revenues	3	3	-	(3)
Other	12	12	22	10
Total revenues	<u>1,701</u>	<u>1,701</u>	<u>1,790</u>	<u>89</u>
Other financing sources:				
Transfers in	<u>12</u>	<u>12</u>	<u>11</u>	<u>(1)</u>
Total revenues and other financing sources	<u>\$ 1,713</u>	<u>\$ 1,713</u>	<u>\$ 1,801</u>	<u>\$ 88</u>
Expenditures				
Finance	\$ 32	\$ 33	\$ 28	\$ 5
Law	4	4	-	4
Parks and Recreation	1,700	1,607	1,534	73
Total expenditures	<u>1,736</u>	<u>1,644</u>	<u>1,562</u>	<u>82</u>
Other financing uses:				
Transfers out	<u>37</u>	<u>37</u>	<u>36</u>	<u>1</u>
Total expenditures and other financing uses	<u>1,773</u>	<u>1,681</u>	<u>1,598</u>	<u>83</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(60)	32	203	171
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(74)</u>	<u>(74)</u>
Net change in fund balance	<u>\$ (60)</u>	<u>\$ 32</u>	<u>129</u>	<u>\$ 97</u>
Fund Balance (budget basis):				
Beginning of year			<u>1,074</u>	
End of year			<u>\$ 1,203</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Street Maintenance
Year Ended April 30, 2019
(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, permits and franchises	\$ 4,504	\$ 4,504	\$ 5,455	\$ 951
Rents and concessions	-	-	2	2
Investment income and interest	-	-	1	1
Charges for services	499	499	187	(312)
Intergovernmental revenues	18,700	18,700	18,426	(274)
Other	1,097	865	89	(776)
Total revenues	<u>24,800</u>	<u>24,568</u>	<u>24,160</u>	<u>(408)</u>
Other financing sources:				
Transfers in	<u>18,452</u>	<u>18,452</u>	<u>19,457</u>	<u>1,005</u>
Total revenues and other financing sources	<u>\$ 43,252</u>	<u>\$ 43,020</u>	<u>\$ 43,617</u>	<u>\$ 597</u>
Expenditures				
General Service	\$ 2,868	\$ 2,857	\$ 2,857	\$ -
City Manager	92	90	90	-
Public Works	38,839	37,909	37,173	736
Neighborhood and Housing Services	124	81	81	-
Parks and Recreation	3,292	1,846	1,846	-
Total expenditures	<u>45,215</u>	<u>42,783</u>	<u>42,047</u>	<u>736</u>
Other financing uses:				
Transfers out	<u>1,045</u>	<u>1,045</u>	<u>1,046</u>	<u>(1)</u>
Total expenditures and other financing uses	<u>46,260</u>	<u>43,828</u>	<u>43,093</u>	<u>735</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,008)	(808)	524	1,332
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>126</u>	<u>126</u>
Net change in fund balance	<u>\$ (3,008)</u>	<u>\$ (808)</u>	<u>650</u>	<u>\$ 1,458</u>
Fund Balance (budget basis):				
Beginning of year			<u>3,328</u>	
End of year			<u>\$ 3,978</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Public Mass Transportation
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 35,544	\$ 35,544	\$ 35,259	\$ (285)
Charges for services	61	61	73	12
Intergovernmental revenues	95	95	103	8
Total revenues	<u>35,700</u>	<u>35,700</u>	<u>35,435</u>	<u>(265)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
Total revenues and other financing sources	<u>\$ 35,700</u>	<u>\$ 35,700</u>	<u>\$ 35,685</u>	<u>\$ (15)</u>
Expenditures				
General Service	\$ 1	\$ 1	\$ 1	\$ -
City Manager	423	423	378	45
Finance	-	185	-	185
Public Works	5,617	5,213	5,038	175
Intergovernmental - KCATA	27,979	26,979	26,979	-
Total expenditures	<u>34,020</u>	<u>32,801</u>	<u>32,396</u>	<u>405</u>
Other financing uses:				
Transfers out	<u>2,812</u>	<u>2,825</u>	<u>2,824</u>	<u>1</u>
Total expenditures and other financing uses	<u>36,832</u>	<u>35,626</u>	<u>35,220</u>	<u>406</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,132)	74	465	391
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(1,064)</u>	<u>(1,064)</u>
Net change in fund balance	<u>\$ (1,132)</u>	<u>\$ 74</u>	<u>(599)</u>	<u>\$ (673)</u>
Fund Balance (budget basis):				
Beginning of year			<u>1,137</u>	
End of year			<u>\$ 538</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - KCATA Sales Tax
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 28,351	\$ 28,351	\$ 28,636	\$ 285
Intergovernmental revenues	77	77	84	7
Total revenues	<u>28,428</u>	<u>28,428</u>	<u>28,720</u>	<u>292</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 28,428</u>	<u>\$ 28,428</u>	<u>\$ 28,720</u>	<u>\$ 292</u>
Expenditures				
Intergovernmental - KCATA	\$ 33,113	\$ 33,113	\$ 33,113	\$ -
Total expenditures	<u>33,113</u>	<u>33,113</u>	<u>33,113</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>33,113</u>	<u>33,113</u>	<u>33,113</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,685)	(4,685)	(4,393)	292
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (4,685)</u>	<u>\$ (4,685)</u>	(4,393)	<u>\$ 292</u>
Fund Balance (budget basis):				
Beginning of year			<u>5,087</u>	
End of year			<u>\$ 694</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Parks and Recreation
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 36,093	\$ 36,093	\$ 36,415	\$ 322
Licenses, permits and franchises	130	130	358	228
Fines and forfeitures	360	360	352	(8)
Rents and concessions	306	306	224	(82)
Charges for services	3,428	3,428	3,577	149
Intergovernmental revenues	549	406	197	(209)
Other	203	203	7	(196)
Total revenues	<u>41,069</u>	<u>40,926</u>	<u>41,130</u>	<u>204</u>
Other financing sources:				
Transfers in	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 43,569</u>	<u>\$ 43,426</u>	<u>\$ 43,630</u>	<u>\$ 204</u>
Expenditures				
General Service	\$ 194	\$ 194	\$ 194	\$ -
Finance	1,162	1,216	1,161	55
Parks and Recreation	48,375	43,426	41,051	2,375
Total expenditures	<u>49,731</u>	<u>44,836</u>	<u>42,406</u>	<u>2,430</u>
Other financing uses:				
Transfers out	<u>1,618</u>	<u>1,618</u>	<u>1,469</u>	<u>149</u>
Total expenditures and other financing uses	<u>51,349</u>	<u>46,454</u>	<u>43,875</u>	<u>2,579</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(7,780)	(3,028)	(245)	2,783
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>3,201</u>	<u>3,201</u>
Net change in fund balance	<u>\$ (7,780)</u>	<u>\$ (3,028)</u>	<u>2,956</u>	<u>\$ 5,984</u>
Fund Balance (budget basis):				
Beginning of year			<u>5,350</u>	
End of year			<u>\$ 8,306</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Neighborhood Grants
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 2,028	\$ 1,953	\$ 1,469	\$ (484)
Total revenues	<u>2,028</u>	<u>1,953</u>	<u>1,469</u>	<u>(484)</u>
Other financing sources:				
Transfers in	-	-	54	54
Total revenues and other financing sources	<u>\$ 2,028</u>	<u>\$ 1,953</u>	<u>\$ 1,523</u>	<u>\$ (430)</u>
Expenditures				
Finance	\$ -	\$ 230	\$ -	\$ 230
Human Resources	75	75	-	75
Contingent Appropriation	184	155	155	-
City Planning and Development	18	-	-	-
Neighborhood and Housing Services	2,068	1,023	1,023	-
Total expenditures	<u>2,345</u>	<u>1,483</u>	<u>1,178</u>	<u>305</u>
Other financing uses:				
Transfers out	63	63	63	-
Total expenditures and other financing uses	<u>2,408</u>	<u>1,546</u>	<u>1,241</u>	<u>305</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(380)	407	282	(125)
Net change in encumbrances, reserves and prior year adjustments	-	-	(131)	(131)
Net change in fund balance	<u>\$ (380)</u>	<u>\$ 407</u>	151	<u>\$ (256)</u>
Fund Balance (budget basis):				
Beginning of year			<u>(772)</u>	
End of year			<u>\$ (621)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Golf Operations
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rents and concessions	\$ 20	\$ 20	\$ 22	\$ 2
Charges for services	6,137	6,137	5,954	(183)
Total revenues	<u>6,157</u>	<u>6,157</u>	<u>5,976</u>	<u>(181)</u>
Other financing sources:				
Transfers in	<u>550</u>	<u>550</u>	<u>402</u>	<u>(148)</u>
Total revenues and other financing sources	<u>\$ 6,707</u>	<u>\$ 6,707</u>	<u>\$ 6,378</u>	<u>\$ (329)</u>
Expenditures				
Finance	\$ 596	\$ 596	\$ 594	\$ 2
Parks and Recreation	5,812	5,812	5,784	28
Total expenditures	<u>6,408</u>	<u>6,408</u>	<u>6,378</u>	<u>30</u>
Other financing uses:				
Transfers out	<u>143</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>6,551</u>	<u>6,408</u>	<u>6,378</u>	<u>30</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	156	299	-	(299)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>46</u>	<u>46</u>
Net change in fund balance	<u>\$ 156</u>	<u>\$ 299</u>	<u>46</u>	<u>\$ (253)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ 46</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Parking Garage
Year Ended April 30, 2019
(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses, permits and franchises	\$ 1,035	\$ 1,035	\$ 685	\$ (350)
Fines and forfeitures	1,900	1,900	1,489	(411)
Rents and concessions	5,137	5,137	4,604	(533)
Intergovernmental revenues	120	120	210	90
Other	-	-	45	45
Total revenues	<u>8,192</u>	<u>8,192</u>	<u>7,033</u>	<u>(1,159)</u>
Other financing sources:				
Transfers in	<u>5,864</u>	<u>5,864</u>	<u>5,811</u>	<u>(53)</u>
Total revenues and other financing sources	<u>\$ 14,056</u>	<u>\$ 14,056</u>	<u>\$ 12,844</u>	<u>\$ (1,212)</u>
Expenditures				
Public Works	\$ 12,492.00	\$ 12,361.00	\$ 12,358.00	\$ 3.00
Police	450	435	339	96
Total expenditures	<u>12,942</u>	<u>12,796</u>	<u>12,697</u>	<u>99</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>12,942</u>	<u>12,796</u>	<u>12,697</u>	<u>99</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,114	1,260	147	(1,113)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(147)</u>	<u>(147)</u>
Net change in fund balance	<u>\$ 1,114</u>	<u>\$ 1,260</u>	<u>-</u>	<u>\$ (1,260)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Fire Sales Tax
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 21,513	\$ 21,513	\$ 21,827	\$ 314
Charges for services	186	186	161	(25)
Intergovernmental revenues	474	958	994	36
Other	-	-	(50)	(50)
Total revenues	<u>22,173</u>	<u>22,657</u>	<u>22,932</u>	<u>275</u>
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ 22,173</u>	<u>\$ 22,657</u>	<u>\$ 22,932</u>	<u>\$ 275</u>
Expenditures				
General Services	\$ 2,196	\$ 1,502	\$ 1,338	\$ 164
Finance	-	1	-	1
Fire	21,723	21,886	21,762	124
Total expenditures	<u>23,919</u>	<u>23,389</u>	<u>23,100</u>	<u>289</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>23,919</u>	<u>23,389</u>	<u>23,100</u>	<u>289</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,746)	(732)	(168)	564
Net change in encumbrances, reserves and prior year adjustments	-	-	(916)	(916)
Net change in fund balance	<u>\$ (1,746)</u>	<u>\$ (732)</u>	(1,084)	<u>\$ (352)</u>
Fund Balance (budget basis):				
Beginning of year			<u>1,060</u>	
End of year			<u>\$ (24)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Development Services
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, permits and franchises	\$ 85	\$ 85	\$ 85	\$ -
Charges for services	12,837	12,837	14,354	1,517
Other	5	5	161	156
Total revenues	<u>12,927</u>	<u>12,927</u>	<u>14,600</u>	<u>1,673</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues and other financing sources	<u>\$ 12,927</u>	<u>\$ 12,927</u>	<u>\$ 14,601</u>	<u>\$ 1,674</u>
Expenditures				
General Service	\$ 1,572	\$ 1,167	\$ 645	\$ 522
City Manager	508	429	308	121
Finance	43	43	30	13
City Planning and Development	12,758	11,892	11,990	(98)
Total expenditures	<u>14,881</u>	<u>13,531</u>	<u>12,973</u>	<u>558</u>
Other financing uses:				
Transfers out	<u>2,424</u>	<u>2,424</u>	<u>2,111</u>	<u>313</u>
Total expenditures and other financing uses	<u>17,305</u>	<u>15,955</u>	<u>15,084</u>	<u>871</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,378)	(3,028)	(483)	2,545
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(531)</u>	<u>(531)</u>
Net change in fund balance	<u>\$ (4,378)</u>	<u>\$ (3,028)</u>	<u>(1,014)</u>	<u>\$ 2,014</u>
Fund Balance (budget basis):				
Beginning of year			<u>7,233</u>	
End of year			<u>\$ 6,219</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Public Safety Sales Tax
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 18,013	\$ 18,013	\$ 18,223	\$ 210
Investment income and interest	-	-	1	1
Intergovernmental revenues	52	52	55	3
Total revenues	<u>18,065</u>	<u>18,065</u>	<u>18,279</u>	<u>214</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 18,065</u>	<u>\$ 18,065</u>	<u>\$ 18,279</u>	<u>\$ 214</u>
Expenditures				
General Services	\$ 714	\$ 699	\$ 631	\$ 68
City Manager	533	480	449	31
Finance	2,983	3,015	2,978	37
Police	1,352	2,329	2,260	69
Total expenditures	<u>5,582</u>	<u>6,523</u>	<u>6,318</u>	<u>205</u>
Other financing uses:				
Transfers out	<u>12,651</u>	<u>12,651</u>	<u>10,142</u>	<u>2,509</u>
Total expenditures and other financing uses	<u>18,233</u>	<u>19,174</u>	<u>16,460</u>	<u>2,714</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(168)	(1,109)	1,819	2,928
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>283</u>	<u>283</u>
Net change in fund balance	<u>\$ (168)</u>	<u>\$ (1,109)</u>	<u>2,102</u>	<u>\$ 3,211</u>
Fund Balance (budget basis):				
Beginning of year			<u>1,556</u>	
End of year			<u>\$ 3,658</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Street Car
Year Ended April 30, 2019
(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 5,757	\$ 5,757	\$ 6,510	\$ 753
Rents and concessions	131	131	128	(3)
Investment income and interest	80	80	260	180
Charges for services	150	150	260	110
Intergovernmental revenues	-	-	361	361
Special assessments	3,737	3,737	4,186	449
Total revenues	<u>9,855</u>	<u>9,855</u>	<u>11,705</u>	<u>1,850</u>
Other financing sources:				
Transfers in	1,992	1,992	2,125	133
Total revenues and other financing sources	<u>\$ 11,847</u>	<u>\$ 11,847</u>	<u>\$ 13,830</u>	<u>\$ 1,983</u>
Expenditures				
Law	\$ 5	\$ -	\$ -	\$ -
Public Works	11,262	8,701	8,701	-
Intergovernmental - KCATA	5,346	5,896	5,896	-
Total expenditures	<u>16,613</u>	<u>14,597</u>	<u>14,597</u>	<u>-</u>
Other financing uses:				
Transfers out	-	250	250	-
Total expenditures and other financing uses	<u>16,613</u>	<u>14,847</u>	<u>14,847</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,766)	(3,000)	(1,017)	1,983
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>2,224</u>	<u>2,224</u>
Net change in fund balance	<u>\$ (4,766)</u>	<u>\$ (3,000)</u>	<u>1,207</u>	<u>\$ 4,207</u>
Fund Balance (budget basis):				
Beginning of year			<u>5,233</u>	
End of year			<u>\$ 6,440</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Neighborhood Stabilization
 Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 608	\$ 687	\$ 881	\$ 194
Total revenues	<u>608</u>	<u>687</u>	<u>881</u>	<u>194</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 608</u>	<u>\$ 687</u>	<u>\$ 881</u>	<u>\$ 194</u>
Expenditures				
Housing and Community Development	\$ 669	\$ -	\$ -	\$ -
Total expenditures	<u>669</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>669</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(61)	687	881	194
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (61)</u>	<u>\$ 687</u>	<u>881</u>	<u>\$ 194</u>
Fund Balance (budget basis):				
Beginning of year			<u>(848)</u>	
End of year			<u>\$ 33</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Strategic Neighborhoods
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 440	\$ 440	\$ 294	\$ (146)
Rents and concessions	41	41	65	24
Total revenues	<u>481</u>	<u>481</u>	<u>359</u>	<u>(122)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>84</u>	<u>84</u>
Total revenues and other financing sources	<u>\$ 481</u>	<u>\$ 481</u>	<u>\$ 443</u>	<u>\$ (38)</u>
Expenditures				
Health	\$ -	\$ 50	\$ 50	\$ -
Finance	307	307	307	-
Neighborhood and Housing Services	466	267	267	-
Total expenditures	<u>773</u>	<u>624</u>	<u>624</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>773</u>	<u>624</u>	<u>624</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(292)	(143)	(181)	(38)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>15</u>	<u>15</u>
Net change in fund balance	<u>\$ (292)</u>	<u>\$ (143)</u>	<u>(166)</u>	<u>\$ (23)</u>
Fund Balance (budget basis):				
Beginning of year			<u>141</u>	
End of year			<u>\$ (25)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Health
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 55,902	\$ 55,902	\$ 58,397	\$ 2,495
Charges for services	5,543	5,543	5,362	(181)
Intergovernmental revenues	11	11	20	9
Other	553	553	65	(488)
Total revenues	<u>62,009</u>	<u>62,009</u>	<u>63,844</u>	<u>1,835</u>
Other financing sources:				
Transfers in	<u>419</u>	<u>419</u>	<u>392</u>	<u>(27)</u>
Total revenues and other financing sources	<u>\$ 62,428</u>	<u>\$ 62,428</u>	<u>\$ 64,236</u>	<u>\$ 1,808</u>
Expenditures				
General Services	\$ 1,042	\$ 1,548	\$ 1,547	\$ 1
City Manager	973	927	924	3
Municipal Court	100	-	-	-
Finance	954	961	920	41
Law	84	84	-	84
Health	14,727	13,147	12,961	186
Health & Medical Care Facilities	32,348	32,110	32,082	28
Police	146	146	146	-
Total expenditures	<u>50,374</u>	<u>48,923</u>	<u>48,580</u>	<u>343</u>
Other financing uses:				
Transfers out	<u>14,957</u>	<u>14,957</u>	<u>14,957</u>	<u>-</u>
Total expenditures and other financing uses	<u>65,331</u>	<u>63,880</u>	<u>63,537</u>	<u>343</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,903)	(1,452)	699	2,151
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(512)</u>	<u>(512)</u>
Net change in fund balance	<u>\$ (2,903)</u>	<u>\$ (1,452)</u>	<u>187</u>	<u>\$ 1,639</u>
Fund Balance (budget basis):				
Beginning of year			<u>4,212</u>	
End of year			<u>\$ 4,399</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Police Drug Enforcement
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 2,728	\$ 2,331	\$ 1,782	\$ (549)
Total revenues	<u>2,728</u>	<u>2,331</u>	<u>1,782</u>	<u>(549)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 2,728</u>	<u>\$ 2,331</u>	<u>\$ 1,782</u>	<u>\$ (549)</u>
Expenditures				
Police	\$ 2,728	\$ 2,728	\$ 2,432	\$ 296
Total expenditures	<u>2,728</u>	<u>2,728</u>	<u>2,432</u>	<u>296</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>2,728</u>	<u>2,728</u>	<u>2,432</u>	<u>296</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	(397)	(650)	(253)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (397)</u>	<u>(650)</u>	<u>\$ (253)</u>
Fund Balance (budget basis):				
Beginning of year			<u>(133)</u>	
End of year			<u>\$ (783)</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Neighborhood Tourism Development
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Other financing sources:				
Transfers in	<u>1,719</u>	<u>1,719</u>	<u>1,652</u>	<u>(67)</u>
Total revenues and other financing sources	<u>\$ 1,719</u>	<u>\$ 1,719</u>	<u>\$ 1,652</u>	<u>\$ (67)</u>
Expenditures				
City Manager	\$ 428	\$ 409	\$ 420	\$ (11)
Convention & Tourism	<u>2,327</u>	<u>1,815</u>	<u>1,816</u>	<u>(1)</u>
Total expenditures	<u>2,755</u>	<u>2,224</u>	<u>2,236</u>	<u>(12)</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>2,755</u>	<u>2,224</u>	<u>2,236</u>	<u>(12)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,036)	(505)	(584)	(79)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>256</u>	<u>256</u>
Net change in fund balance	<u>\$ (1,036)</u>	<u>\$ (505)</u>	(328)	<u>\$ 177</u>
Fund Balance (budget basis):				
Beginning of year			<u>300</u>	
End of year			<u>\$ (28)</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Convention and Tourism
 Year Ended April 30, 2019
 (In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 48,297	\$ 48,297	\$ 49,240	\$ 943
Rents and concessions	8,677	8,677	9,563	886
Intergovernmental revenues	48	48	49	1
Other	300	300	145	(155)
Total revenues	<u>57,322</u>	<u>57,322</u>	<u>58,997</u>	<u>1,675</u>
Other financing sources:				
Transfers in	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 62,322</u>	<u>\$ 62,322</u>	<u>\$ 63,997</u>	<u>\$ 1,675</u>
Expenditures				
Mayor and City Council	\$ 60	\$ 58	\$ 58	\$ -
General Services	1,554	1,709	1,672	37
City Manager	1,516	1,566	1,482	84
Finance	719	718	718	-
Parks and Recreation	130	-	-	-
Convention and Entertainment Facilities	20,878	20,575	20,574	1
Convention and Tourism	10,409	10,164	10,164	-
Total expenditures	<u>35,266</u>	<u>34,790</u>	<u>34,668</u>	<u>122</u>
Other financing uses:				
Transfers out	<u>27,044</u>	<u>26,923</u>	<u>28,135</u>	<u>(1,212)</u>
Total expenditures and other financing uses	<u>62,310</u>	<u>61,713</u>	<u>62,803</u>	<u>(1,090)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	12	609	1,194	585
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>1,932</u>	<u>1,932</u>
Net change in fund balance	<u>\$ 12</u>	<u>\$ 609</u>	<u>3,126</u>	<u>\$ 2,517</u>
Fund Balance (budget basis):				
Beginning of year			<u>867</u>	
End of year			<u>\$ 3,993</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Performing Arts Center
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rents and concessions	\$ 1,000	\$ 1,000	\$ 1,384	\$ 384
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,384</u>	<u>384</u>
Other financing sources:				
Transfers in	<u>8,777</u>	<u>8,777</u>	<u>8,067</u>	<u>(710)</u>
Total revenues and other financing sources	<u>\$ 9,777</u>	<u>\$ 9,777</u>	<u>\$ 9,451</u>	<u>\$ (326)</u>
Expenditures				
Public Works	\$ 688	\$ 586	\$ 592	\$ (6)
Convention & Tourism	8,790	8,790	8,789	1
Total expenditures	<u>9,478</u>	<u>9,376</u>	<u>9,381</u>	<u>(5)</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>9,478</u>	<u>9,376</u>	<u>9,381</u>	<u>(5)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	299	401	70	(331)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(70)</u>	<u>(70)</u>
Net change in fund balance	<u>\$ 299</u>	<u>\$ 401</u>	<u>-</u>	<u>\$ (401)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Domestic Violence
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ 274	\$ 274	\$ 357	\$ 83
Intergovernmental revenues	(248)	355	362	7
Total revenues	<u>26</u>	<u>629</u>	<u>719</u>	<u>90</u>
Other financing sources:				
Transfers in	<u>97</u>	<u>97</u>	<u>167</u>	<u>70</u>
Total revenues and other financing sources	<u>\$ 123</u>	<u>\$ 726</u>	<u>\$ 886</u>	<u>\$ 160</u>
Expenditures				
Municipal Court	\$ -	\$ 9	\$ 9	\$ -
Finance	1	1	-	1
Law	365	509	369	140
Neighborhood and Housing Services	715	444	439	5
Total expenditures	<u>1,081</u>	<u>963</u>	<u>817</u>	<u>146</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>1,081</u>	<u>963</u>	<u>817</u>	<u>146</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(958)	(237)	69	306
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>185</u>	<u>185</u>
Net change in fund balance	<u>\$ (958)</u>	<u>\$ (237)</u>	254	<u>\$ 491</u>
Fund Balance (budget basis):				
Beginning of year			<u>(379)</u>	
End of year			<u>\$ (125)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - HUD section 108 Loan
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income and interest	\$ -	\$ -	\$ 1	\$ 1
Intergovernmental revenues	-	-	174	174
Total revenues	<u>-</u>	<u>-</u>	<u>175</u>	<u>175</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175</u>	<u>\$ 175</u>
Expenditures				
Neighborhood and Housing Services	\$ -	\$ 201	\$ 201	\$ -
Total expenditures	<u>-</u>	<u>201</u>	<u>201</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>-</u>	<u>201</u>	<u>201</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	(201)	(26)	175
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>26</u>	<u>26</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (201)</u>	<u>-</u>	<u>\$ 201</u>
Fund Balance (budget basis):				
Beginning of year			<u>43</u>	
End of year			<u>\$ 43</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Community Development Fund -
Brownfields Revolving Loan
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ 8	\$ -	\$ 6	\$ 6
Intergovernmental revenues	378	263	275	12
Total revenues	<u>386</u>	<u>263</u>	<u>281</u>	<u>18</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 386</u>	<u>\$ 263</u>	<u>\$ 281</u>	<u>\$ 18</u>
Expenditures				
Finance	\$ -	\$ 217	\$ -	\$ 217
City Planning and Development	950	292	232	60
Total expenditures	<u>950</u>	<u>509</u>	<u>232</u>	<u>277</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>950</u>	<u>509</u>	<u>232</u>	<u>277</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(564)	(246)	49	295
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(534)</u>	<u>(534)</u>
Net change in fund balance	<u>\$ (564)</u>	<u>\$ (246)</u>	<u>(485)</u>	<u>\$ (239)</u>
Fund Balance (budget basis):				
Beginning of year			<u>175</u>	
End of year			<u>\$ (310)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Community Development Fund -
Community Development Block Grant
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 9,857	\$ 12,150	\$ 9,212	\$ (2,938)
Total revenues	<u>9,857</u>	<u>12,150</u>	<u>9,212</u>	<u>(2,938)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 9,857</u>	<u>\$ 12,150</u>	<u>\$ 9,212</u>	<u>\$ (2,938)</u>
Expenditures				
Human Relations	\$ 139	\$ 132	\$ 132	\$ -
Neighborhood and Housing Services	11,160	9,763	6,712	3,051
Total expenditures	<u>11,299</u>	<u>9,895</u>	<u>6,844</u>	<u>3,051</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>11,299</u>	<u>9,895</u>	<u>6,844</u>	<u>3,051</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,442)	2,255	2,368	113
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
Net change in fund balance	<u>\$ (1,442)</u>	<u>\$ 2,255</u>	2,405	<u>\$ 150</u>
Fund Balance (budget basis):				
Beginning of year			<u>(5,526)</u>	
End of year			<u>\$ (3,121)</u>	

CITY OF KANSAS CITY, MISSOURI

Budgetary Comparison Schedule - Community Development Fund - HOME Investment

Year Ended April 30, 2019

(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 3,623	\$ 6,305	\$ 5,136	\$ (1,169)
Total revenues	<u>3,623</u>	<u>6,305</u>	<u>5,136</u>	<u>(1,169)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 3,623</u>	<u>\$ 6,305</u>	<u>\$ 5,136</u>	<u>\$ (1,169)</u>
Expenditures				
Neighborhood and Housing Services	\$ 7,051	\$ 6,050	\$ 2,566	\$ 3,484
Total expenditures	<u>7,051</u>	<u>6,050</u>	<u>2,566</u>	<u>3,484</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>7,051</u>	<u>6,050</u>	<u>2,566</u>	<u>3,484</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,428)	255	2,570	2,315
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>1,837</u>	<u>1,837</u>
Net change in fund balance	<u>\$ (3,428)</u>	<u>\$ 255</u>	<u>4,407</u>	<u>\$ 4,152</u>
Fund Balance (budget basis):				
Beginning of year			<u>(4,198)</u>	
End of year			<u>\$ 209</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Central City Sales Tax
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 10,450	\$ 10,450	\$ 10,513	\$ 63
Other	-	-	77	77
Total revenues	<u>10,450</u>	<u>10,450</u>	<u>10,590</u>	<u>140</u>
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ 10,450</u>	<u>\$ 10,450</u>	<u>\$ 10,590</u>	<u>\$ 140</u>
Expenditures				
City Planning and Development	\$ 10,450	\$ 9	\$ 9	\$ -
Total expenditures	<u>10,450</u>	<u>9</u>	<u>9</u>	<u>-</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>10,450</u>	<u>9</u>	<u>9</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	10,441	10,581	140
Net change in encumbrances, reserves and prior year adjustments	-	-	(908)	(908)
Net change in fund balance	<u>\$ -</u>	<u>\$ 10,441</u>	9,673	<u>\$ (768)</u>
Fund Balance (budget basis):				
Beginning of year			<u>4,149</u>	
End of year			<u>\$ 13,822</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Other Governmental Grants - Health
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 5,720	\$ 6,108	\$ 4,979	\$ (1,129)
Total revenues	<u>5,720</u>	<u>6,108</u>	<u>4,979</u>	<u>(1,129)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 5,720</u>	<u>\$ 6,108</u>	<u>\$ 4,979</u>	<u>\$ (1,129)</u>
Expenditures				
Health	\$ 6,932	\$ 5,929	\$ 4,800	\$ 1,129
Total expenditures	<u>6,932</u>	<u>5,929</u>	<u>4,800</u>	<u>1,129</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>6,932</u>	<u>5,929</u>	<u>4,800</u>	<u>1,129</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,212)	179	179	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>162</u>	<u>162</u>
Net change in fund balance	<u>\$ (1,212)</u>	<u>\$ 179</u>	<u>341</u>	<u>\$ 162</u>
Fund Balance (budget basis):				
Beginning of year			<u>(1,809)</u>	
End of year			<u>\$ (1,468)</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Other Governmental Grants -
 Ryan White HIV/AIDS
 Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 6,511	\$ 4,669	\$ 4,470	\$ (199)
Total revenues	<u>6,511</u>	<u>4,669</u>	<u>4,470</u>	<u>(199)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 6,511</u>	<u>\$ 4,669</u>	<u>\$ 4,470</u>	<u>\$ (199)</u>
Expenditures				
Health	\$ 8,246	\$ 4,780	\$ 4,581	\$ 199
Total expenditures	<u>8,246</u>	<u>4,780</u>	<u>4,581</u>	<u>199</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>8,246</u>	<u>4,780</u>	<u>4,581</u>	<u>199</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,735)	(111)	(111)	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(1,635)</u>	<u>(1,635)</u>
Net change in fund balance	<u>\$ (1,735)</u>	<u>\$ (111)</u>	<u>(1,746)</u>	<u>\$ (1,635)</u>
Fund Balance (budget basis):				
Beginning of year			<u>(1,862)</u>	
End of year			<u>\$ (3,608)</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Other Governmental Grants -
 Housing Opportunities for person with AIDS
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 1,561	\$ 1,649	\$ 1,524	\$ (125)
Total revenues	<u>1,561</u>	<u>1,649</u>	<u>1,524</u>	<u>(125)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 1,561</u>	<u>\$ 1,649</u>	<u>\$ 1,524</u>	<u>\$ (125)</u>
Expenditures				
Health	\$ 2,245	\$ 1,693	\$ 1,568	\$ 125
Total expenditures	<u>2,245</u>	<u>1,693</u>	<u>1,568</u>	<u>125</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>2,245</u>	<u>1,693</u>	<u>1,568</u>	<u>125</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(684)	(44)	(44)	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>104</u>	<u>104</u>
Net change in fund balance	<u>\$ (684)</u>	<u>\$ (44)</u>	<u>60</u>	<u>\$ 104</u>
Fund Balance (budget basis):				
Beginning of year			<u>(1,006)</u>	
End of year			<u>\$ (946)</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Other Governmental Grants -
 HUD Lead-Based Paint
 Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 1,148	\$ 1,173	\$ 1,173	\$ -
Total revenues	<u>1,148</u>	<u>1,173</u>	<u>1,173</u>	<u>-</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 1,148</u>	<u>\$ 1,173</u>	<u>\$ 1,173</u>	<u>\$ -</u>
Expenditures				
Health	\$ 1,237	\$ 1,172	\$ 1,172	\$ -
Total expenditures	<u>1,237</u>	<u>1,172</u>	<u>1,172</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>1,237</u>	<u>1,172</u>	<u>1,172</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(89)	1	1	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(97)</u>	<u>(97)</u>
Net change in fund balance	<u>\$ (89)</u>	<u>\$ 1</u>	<u>(96)</u>	<u>\$ (97)</u>
Fund Balance (budget basis):				
Beginning of year			<u>(58)</u>	
End of year			<u>\$ (154)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Liberty Memorial Endowment
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ 152	\$ 152	\$ 148	\$ (5)
Total revenues	<u>152</u>	<u>152</u>	<u>148</u>	<u>(5)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 152</u>	<u>\$ 152</u>	<u>\$ 148</u>	<u>\$ (5)</u>
Expenditures				
Parks and Recreation	\$ 68	\$ 68	\$ 1,405	\$ (1,336)
Total expenditures	<u>68</u>	<u>68</u>	<u>1,405</u>	<u>(1,336)</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>68</u>	<u>68</u>	<u>1,405</u>	<u>(1,336)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	84	84	(1,257)	(1,341)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>1,332</u>	<u>1,332</u>
Net change in fund balance	<u>\$ 84</u>	<u>\$ 84</u>	<u>75</u>	<u>\$ (9)</u>
Fund Balance (budget basis):				
Beginning of year			<u>9,446</u>	
End of year			<u>\$ 9,521</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Justice Assistance Grant
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenues	\$ 821	\$ 686	\$ 683	\$ (3)
Total revenues	<u>821</u>	<u>686</u>	<u>683</u>	<u>(3)</u>
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ 821</u>	<u>\$ 686</u>	<u>\$ 683</u>	<u>\$ (3)</u>
Expenditures				
Finance	\$ -	\$ 53	\$ -	\$ 53
Neighborhood and Housing Services	306	243	243	-
Police	(64)	118	118	-
Total expenditures	<u>242</u>	<u>414</u>	<u>361</u>	<u>53</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>242</u>	<u>414</u>	<u>361</u>	<u>53</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	579	272	322	50
Net change in encumbrances, reserves and prior year adjustments	-	-	(127)	(127)
Net change in fund balance	<u>\$ 579</u>	<u>\$ 272</u>	195	<u>\$ (77)</u>
Fund Balance (budget basis):				
Beginning of year			<u>305</u>	
End of year			<u>\$ 500</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Arterial Street Impact Fee
Year Ended April 30, 2019
(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income and interest	\$ 39	\$ 39	\$ 84	\$ 45
Charges for services	-	-	1,741	1,741
Other	-	-	20	20
Total revenues	<u>39</u>	<u>39</u>	<u>1,845</u>	<u>1,806</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 39</u>	<u>\$ 39</u>	<u>\$ 1,845</u>	<u>\$ 1,806</u>
Expenditures				
City Planning and Development	\$ 112	\$ 112	\$ 111	\$ 1
Public Works	619	369	369	-
Parks and Recreation	255	201	201	-
Total expenditures	<u>986</u>	<u>682</u>	<u>681</u>	<u>1</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>986</u>	<u>682</u>	<u>681</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(947)	(643)	1,164	1,807
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>599</u>	<u>599</u>
Net change in fund balance	<u>\$ (947)</u>	<u>\$ (643)</u>	<u>1,763</u>	<u>\$ 2,406</u>
Fund Balance (budget basis):				
Beginning of year			<u>3,666</u>	
End of year			<u>\$ 5,429</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Inmate Security
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ 1,059	\$ 1,059	\$ 1,441	\$ 382
Charges for services	968	968	1,066	98
Intergovernmental revenues	4,721	2,593	720	(1,873)
Total revenues	<u>6,748</u>	<u>4,620</u>	<u>3,227</u>	<u>(1,393)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 6,748</u>	<u>\$ 4,620</u>	<u>\$ 3,227</u>	<u>\$ (1,393)</u>
Expenditures				
General Services	\$ 210	\$ 210	\$ 210	\$ -
Municipal Court	7,643	4,406	3,382	1,024
Finance	51	380	50	330
Neighborhood and Housing Services	81	381	343	38
Total expenditures	<u>7,985</u>	<u>5,377</u>	<u>3,985</u>	<u>1,392</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>7,985</u>	<u>5,377</u>	<u>3,985</u>	<u>1,392</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,237)	(757)	(758)	(1)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>323</u>	<u>323</u>
Net change in fund balance	<u>\$ (1,237)</u>	<u>\$ (757)</u>	<u>(435)</u>	<u>\$ 322</u>
Fund Balance (budget basis):				
Beginning of year			<u>585</u>	
End of year			<u>\$ 150</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Other - CID/NID Revolving Loan
 Year Ended April 30, 2019
 (In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Finance	\$ -	\$ 27	\$ -	\$ 27
City Planning and Development	27	-	-	-
Total expenditures	<u>27</u>	<u>27</u>	<u>-</u>	<u>27</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>27</u>	<u>27</u>	<u>-</u>	<u>27</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(27)	(27)	-	27
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>
Net change in fund balance	<u>\$ (27)</u>	<u>\$ (27)</u>	<u>27</u>	<u>\$ 54</u>
Fund Balance (budget basis):				
Beginning of year			<u>47</u>	
End of year			<u>\$ 74</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Police Grant
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, permits and franchises	\$ 1,104	\$ 1,625	\$ 521	\$ (1,104)
Charges for services	829	2,066	1,346	(720)
Intergovernmental revenues	7,746	9,502	7,182	(2,320)
Total revenues	<u>9,679</u>	<u>13,193</u>	<u>9,049</u>	<u>(4,144)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 9,679</u>	<u>\$ 13,193</u>	<u>\$ 9,049</u>	<u>\$ (4,144)</u>
Expenditures				
Police	\$ 7,090	\$ 10,422	\$ 7,501	\$ 2,921
Total expenditures	<u>7,090</u>	<u>10,422</u>	<u>7,501</u>	<u>2,921</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>7,090</u>	<u>10,422</u>	<u>7,501</u>	<u>2,921</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,589	2,771	1,548	(1,223)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 2,589</u>	<u>\$ 2,771</u>	1,548	<u>\$ (1,223)</u>
Fund Balance (budget basis):				
Beginning of year			<u>(3,428)</u>	
End of year			<u>\$ (1,880)</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Economic Development
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other	\$ 3,495	\$ 3,495	\$ 3,462	\$ (33)
Total revenues	<u>3,495</u>	<u>3,495</u>	<u>3,462</u>	<u>(33)</u>
Other financing sources:				
Transfers in	<u>2,243</u>	<u>2,243</u>	<u>1,930</u>	<u>(313)</u>
Total revenues and other financing sources	<u>\$ 5,738</u>	<u>\$ 5,738</u>	<u>\$ 5,392</u>	<u>\$ (346)</u>
Expenditures				
City Manager	\$ 4,206	\$ 4,183	\$ 4,082	\$ 101
Finance	1,221	1,170	999	171
Law	125	144	143	1
Human Relations	147	147	78	69
Neighborhood and Housing Services	91	91	87	4
Total expenditures	<u>5,790</u>	<u>5,735</u>	<u>5,389</u>	<u>346</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>5,790</u>	<u>5,735</u>	<u>5,389</u>	<u>346</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(52)	3	3	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>(3)</u>
Net change in fund balance	<u>\$ (52)</u>	<u>\$ 3</u>	<u>-</u>	<u>\$ (3)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - General Debt and Interest
Year Ended April 30, 2019
(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 22,472	\$ 22,472	\$ 23,167	\$ 695
Investment income and interest	94	94	552	458
Total revenues	<u>22,566</u>	<u>22,566</u>	<u>23,719</u>	<u>1,153</u>
Other financing sources:				
Transfers in	<u>18,989</u>	<u>18,989</u>	<u>16,727</u>	<u>(2,262)</u>
Total revenues and other financing sources	<u>\$ 41,555</u>	<u>\$ 41,555</u>	<u>\$ 40,446</u>	<u>\$ (1,109)</u>
Expenditures				
Finance	\$ 41,277	\$ 41,277	\$ 40,420	\$ 857
Law	28	28	-	28
Total expenditures	<u>41,305</u>	<u>41,305</u>	<u>40,420</u>	<u>885</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>41,305</u>	<u>41,305</u>	<u>40,420</u>	<u>885</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	250	250	26	(224)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 250</u>	<u>\$ 250</u>	26	<u>\$ (224)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ 26</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Convention and Sports Complex
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ 3	\$ 3	\$ 124	\$ 121
Intergovernmental revenues	2,000	2,000	2,000	-
Total revenues	<u>2,003</u>	<u>2,003</u>	<u>2,124</u>	<u>121</u>
Other financing sources:				
Transfers in	<u>24,479</u>	<u>24,479</u>	<u>25,717</u>	<u>1,238</u>
Total revenues and other financing sources	<u>\$ 26,482</u>	<u>\$ 26,482</u>	<u>\$ 27,841</u>	<u>\$ 1,359</u>
Expenditures				
General Services	\$ 2,535	\$ 248	\$ 248	\$ -
Finance	25,427	25,427	24,793	634
Convention and Entertainment Facilities	1,087	1,087	1,078	9
Convention & Tourism	2,000	2,000	2,000	-
Total expenditures	<u>31,049</u>	<u>28,762</u>	<u>28,119</u>	<u>643</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Total expenditures and other financing uses	<u>31,049</u>	<u>28,765</u>	<u>28,122</u>	<u>643</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,567)	(2,283)	(281)	2,002
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>248</u>	<u>248</u>
Net change in fund balance	<u>\$ (4,567)</u>	<u>\$ (2,283)</u>	<u>(33)</u>	<u>\$ 2,250</u>
Fund Balance (budget basis):				
Beginning of year			<u>5,699</u>	
End of year			<u>\$ 5,666</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF-12th and Wyandotte
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,617	\$ 2,617	\$ 2,429	\$ (188)
Investment income and interest	-	-	44	44
Other	198	198	(271)	(469)
Total revenues	<u>2,815</u>	<u>2,815</u>	<u>2,202</u>	<u>(613)</u>
Other financing sources:				
Transfers in	<u>870</u>	<u>870</u>	<u>874</u>	<u>4</u>
Total revenues and other financing sources	<u>\$ 3,685</u>	<u>\$ 3,685</u>	<u>\$ 3,076</u>	<u>\$ (609)</u>
Expenditures				
Finance	\$ 4,938	\$ 4,938	\$ 4,934	\$ 4
Total expenditures	<u>4,938</u>	<u>4,938</u>	<u>4,934</u>	<u>4</u>
Transfers out	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total expenditures and other financing uses	<u>9,938</u>	<u>9,938</u>	<u>9,934</u>	<u>4</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(6,253)	(6,253)	(6,858)	(605)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>3,697</u>	<u>3,697</u>
Net change in fund balance	<u>\$ (6,253)</u>	<u>\$ (6,253)</u>	<u>(3,161)</u>	<u>\$ 3,092</u>
Fund Balance (budget basis):				
Beginning of year			<u>3,172</u>	
End of year			<u>\$ 11</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF-Midtown
 Year Ended April 30, 2019
 (In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 5,882	\$ 5,882	\$ 5,183	\$ (699)
Investment income and interest	18	18	179	161
Intergovernmental revenues	1,716	1,716	1,788	72
Other	706	706	230	(476)
Total revenues	<u>8,322</u>	<u>8,322</u>	<u>7,380</u>	<u>(942)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues and other financing sources	<u>\$ 8,322</u>	<u>\$ 8,322</u>	<u>\$ 7,381</u>	<u>\$ (941)</u>
Expenditures				
Finance	\$ 4,040	\$ 4,040	\$ 4,039	\$ 1
City Planning and Development	600	1,000	1,000	-
Public Works	-	30	30	-
Neighborhood and Housing Services	409	342	193	149
Total expenditures	<u>5,049</u>	<u>5,412</u>	<u>5,262</u>	<u>150</u>
Other financing uses:				
Transfers out	<u>3,456</u>	<u>3,456</u>	<u>3,456</u>	<u>-</u>
Total expenditures and other financing uses	<u>8,505</u>	<u>8,868</u>	<u>8,718</u>	<u>150</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(183)	(546)	(1,337)	(791)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>187</u>	<u>187</u>
Net change in fund balance	<u>\$ (183)</u>	<u>\$ (546)</u>	<u>(1,150)</u>	<u>\$ (604)</u>
Fund Balance (budget basis):				
Beginning of year			<u>7,804</u>	
End of year			<u>\$ 6,654</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - STIF-Uptown
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Other financing uses:				
Transfers out	\$ 736	\$ 736	\$ 722	\$ 14
Total expenditures and other financing uses	<u>736</u>	<u>736</u>	<u>722</u>	<u>14</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(736)	(736)	(722)	14
Net change in encumbrances, reserves and prior year adjustments	-	-	-	-
Net change in fund balance	<u>\$ (736)</u>	<u>\$ (736)</u>	(722)	<u>\$ 14</u>
Fund Balance (budget basis):				
Beginning of year			<u>722</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF-909 Walnut Tower
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 446	\$ 446	\$ 390	\$ (56)
Investment income and interest	-	-	6	6
Charges for services	203	203	168	(35)
Intergovernmental revenues	3,012	3,012	3,012	-
Other	-	-	2	2
Total revenues	<u>3,661</u>	<u>3,661</u>	<u>3,578</u>	<u>(83)</u>
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ 3,661</u>	<u>\$ 3,661</u>	<u>\$ 3,578</u>	<u>\$ (83)</u>
Expenditures				
Finance	\$ 861	\$ 5,703	\$ 4,413	\$ 1,290
Total expenditures	<u>861</u>	<u>5,703</u>	<u>4,413</u>	<u>1,290</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>861</u>	<u>5,703</u>	<u>4,413</u>	<u>1,290</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,800	(2,042)	(835)	1,207
Net change in encumbrances, reserves and prior year adjustments	-	-	-	-
Net change in fund balance	<u>\$ 2,800</u>	<u>\$ (2,042)</u>	(835)	<u>\$ 1,207</u>
Fund Balance (budget basis):				
Beginning of year			<u>852</u>	
End of year			<u>\$ 17</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - STIF-Hotel President
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 836	\$ 836	\$ 747	\$ (89)
Investment income and interest	-	-	14	14
Special assessments	155	155	159	4
Other	648	648	681	33
Total revenues	<u>1,639</u>	<u>1,639</u>	<u>1,601</u>	<u>(38)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 1,639</u>	<u>\$ 1,639</u>	<u>\$ 1,601</u>	<u>\$ (38)</u>
Expenditures				
Finance	\$ 1,468	\$ 2,047	\$ 1,812	\$ 235
Total expenditures	<u>1,468</u>	<u>2,047</u>	<u>1,812</u>	<u>235</u>
Total expenditures and other financing uses	<u>1,468</u>	<u>2,047</u>	<u>1,812</u>	<u>235</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	171	(408)	(211)	197
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 171</u>	<u>\$ (408)</u>	<u>(211)</u>	<u>\$ 197</u>
Fund Balance (budget basis):				
Beginning of year			<u>950</u>	
End of year			<u>\$ 739</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF-Brush Creek/Blue Parkway/Town Center
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 532	\$ 532	\$ 542	\$ 10
Investment income and interest	-	-	6	6
Other	198	198	204	6
Total revenues	<u>730</u>	<u>730</u>	<u>752</u>	<u>22</u>
Other financing sources:				
Transfers in	410	410	383	(27)
Total revenues and other financing sources	<u>\$ 1,140</u>	<u>\$ 1,140</u>	<u>\$ 1,135</u>	<u>\$ (5)</u>
Expenditures				
Finance	\$ 1,136	\$ 1,136	\$ 1,135	\$ 1
Total expenditures	<u>1,136</u>	<u>1,136</u>	<u>1,135</u>	<u>1</u>
Total expenditures and other financing uses	<u>1,136</u>	<u>1,136</u>	<u>1,135</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4	4	-	(4)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 4</u>	<u>\$ 4</u>	<u>-</u>	<u>\$ (4)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF-HOK Sport Garage
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 43	\$ 43	\$ 40	\$ (3)
Investment income and interest	-	-	(4)	(4)
Total revenues	<u>43</u>	<u>43</u>	<u>36</u>	<u>(7)</u>
Other financing sources:				
Transfers in	<u>595</u>	<u>595</u>	<u>598</u>	<u>3</u>
Total revenues and other financing sources	<u>\$ 638</u>	<u>\$ 638</u>	<u>\$ 634</u>	<u>\$ (4)</u>
Expenditures				
Finance	\$ 636	\$ 636	\$ 634	\$ 2
Total expenditures	<u>636</u>	<u>636</u>	<u>634</u>	<u>2</u>
Total expenditures and other financing uses	<u>636</u>	<u>636</u>	<u>634</u>	<u>2</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2	2	-	(2)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 2</u>	<u>\$ 2</u>	<u>-</u>	<u>\$ (2)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - STIF-East Village
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 707	\$ 707	\$ 950	\$ 243
Investment income and interest	-	-	11	11
Intergovernmental revenues	930	930	1,240	310
Other	245	245	241	(4)
Total revenues	<u>1,882</u>	<u>1,882</u>	<u>2,442</u>	<u>560</u>
Other financing sources:				
Transfers in	<u>1,410</u>	<u>1,410</u>	<u>846</u>	<u>(564)</u>
Total revenues and other financing sources	<u>\$ 3,292</u>	<u>\$ 3,292</u>	<u>\$ 3,288</u>	<u>\$ (4)</u>
Expenditures				
Finance	\$ 3,293	\$ 3,293	\$ 3,288	\$ 5
Total expenditures	<u>3,293</u>	<u>3,293</u>	<u>3,288</u>	<u>5</u>
Total expenditures and other financing uses	<u>3,293</u>	<u>3,293</u>	<u>3,288</u>	<u>5</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1)	(1)	-	1
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>-</u>	<u>\$ 1</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - STIF Linwood Shopping Center
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 170	\$ 170	\$ -	\$ (170)
Other	122	122	-	(122)
Total revenues	<u>292</u>	<u>292</u>	<u>-</u>	<u>(292)</u>
Other financing sources:				
Transfers in	<u>1,056</u>	<u>1,056</u>	<u>1,344</u>	<u>288</u>
Total revenues and other financing sources	<u>\$ 1,348</u>	<u>\$ 1,348</u>	<u>\$ 1,344</u>	<u>\$ (4)</u>
Expenditures				
Finance	\$ 1,348	\$ 1,348	\$ 1,344	\$ 4
Total expenditures	<u>1,348</u>	<u>1,348</u>	<u>1,344</u>	<u>4</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>1,348</u>	<u>1,348</u>	<u>1,344</u>	<u>4</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Streetlight Debt
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Other financing sources:				
Transfers in	<u>769</u>	<u>769</u>	<u>768</u>	<u>(1)</u>
Total revenues and other financing sources	<u>\$ 769</u>	<u>\$ 769</u>	<u>\$ 768</u>	<u>\$ (1)</u>
Expenditures				
Finance	\$ 769	\$ 769	\$ 768	\$ 1
Total expenditures	<u>769</u>	<u>769</u>	<u>768</u>	<u>1</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>769</u>	<u>769</u>	<u>768</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI

Budgetary Comparison Schedule - Kansas City Downtown Redevelopment District Debt

Year Ended April 30, 2019

(In thousands of dollars)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 4,994	\$ 4,994	\$ 5,056	\$ 62
Investment income and interest	-	-	46	46
Intergovernmental revenues	1,079	1,079	968	(111)
Other	789	789	576	(213)
Total revenues	<u>6,862</u>	<u>6,862</u>	<u>6,646</u>	<u>(216)</u>
Other financing sources:				
Transfers in	<u>13,064</u>	<u>13,064</u>	<u>13,359</u>	<u>295</u>
Total revenues and other financing sources	<u>\$ 19,926</u>	<u>\$ 19,926</u>	<u>\$ 20,005</u>	<u>\$ 79</u>
Expenditures				
Finance	\$ 19,033	\$ 19,033	\$ 19,032	\$ 1
City Planning and Development	974	974	973	1
Total expenditures	<u>20,007</u>	<u>20,007</u>	<u>20,005</u>	<u>2</u>
Total expenditures and other financing uses	<u>20,007</u>	<u>20,007</u>	<u>20,005</u>	<u>2</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(81)	(81)	-	81
Net change in encumbrances, reserves and prior year adjustments	-	-	-	-
Net change in fund balance	<u>\$ (81)</u>	<u>\$ (81)</u>	-	<u>\$ 81</u>
Fund Balance (budget basis):				
Beginning of year			-	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - N.I.D. GO Bond
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ 1	\$ 1	\$ 1	\$ -
Special assessments	50	50	54	4
Total revenues	<u>51</u>	<u>51</u>	<u>55</u>	<u>4</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 51</u>	<u>\$ 51</u>	<u>\$ 55</u>	<u>\$ 4</u>
Expenditures				
Finance	\$ 49	\$ 49	\$ 47	\$ 2
Total expenditures	<u>49</u>	<u>49</u>	<u>47</u>	<u>2</u>
Total expenditures and other financing uses	<u>49</u>	<u>49</u>	<u>47</u>	<u>2</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2	2	8	6
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 2</u>	<u>\$ 2</u>	8	<u>\$ 6</u>
Fund Balance (budget basis):				
Beginning of year			<u>73</u>	
End of year			<u>\$ 81</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Downtown Arena Debt
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses, permits and franchises	\$ 15,500	\$ 15,500	\$ 16,049	\$ 549
Rents and concessions	-	-	277	277
Investment income and interest	-	-	225	225
Total revenues	<u>15,500</u>	<u>15,500</u>	<u>16,551</u>	<u>1,051</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>
Total revenues and other financing sources	<u>\$ 15,500</u>	<u>\$ 15,500</u>	<u>\$ 16,583</u>	<u>\$ 1,083</u>
Expenditures				
Finance	\$ 13,996	\$ 13,996	\$ 13,995	\$ 1
City Planning and Development	200	200	200	-
Public Works	243	243	125	118
Convention and Entertainment Facilities	125	125	75	50
Convention and Tourism	1,442	1,280	1,280	-
Total expenditures	<u>16,006</u>	<u>15,844</u>	<u>15,675</u>	<u>169</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>16,006</u>	<u>15,844</u>	<u>15,675</u>	<u>169</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(506)	(344)	908	1,252
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>(45)</u>	<u>(45)</u>
Net change in fund balance	<u>\$ (506)</u>	<u>\$ (344)</u>	<u>863</u>	<u>\$ 1,207</u>
Fund Balance (budget basis):				
Beginning of year			<u>13,510</u>	
End of year			<u>\$ 14,373</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Sewer Special Assessment
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ 11	\$ 11	\$ 10	\$ (1)
Special assessments	339	339	-	(339)
Total revenues	<u>350</u>	<u>350</u>	<u>10</u>	<u>(340)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 350</u>	<u>\$ 350</u>	<u>\$ 10</u>	<u>\$ (340)</u>
Expenditures				
Finance	\$ 31	\$ 31	\$ 3	\$ 28
Total expenditures	<u>31</u>	<u>31</u>	<u>3</u>	<u>28</u>
Total expenditures and other financing uses	<u>31</u>	<u>31</u>	<u>3</u>	<u>28</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	319	319	7	(312)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 319</u>	<u>\$ 319</u>	<u>7</u>	<u>\$ (312)</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ 7</u>	

CITY OF KANSAS CITY, MISSOURI
 Budgetary Comparison Schedule - Sewer Sp Assessments Bond 1991
 Year Ended April 30, 2019
 (In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Other financing sources:				
Transfers in	-	-	-	-
Total revenues and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Water	\$ 4	\$ 3	\$ 3	\$ -
Total expenditures	<u>4</u>	<u>3</u>	<u>3</u>	<u>-</u>
Other financing uses:				
Transfers out	-	-	-	-
Total expenditures and other financing uses	<u>4</u>	<u>3</u>	<u>3</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4)	(3)	(3)	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Net change in fund balance	<u>\$ (4)</u>	<u>\$ (3)</u>	<u>-</u>	<u>\$ 3</u>
Fund Balance (budget basis):				
Beginning of year			<u>6</u>	
End of year			<u>\$ 6</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - GO Recovery Zone Bonds
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income and interest	\$ -	\$ -	\$ 222	\$ 222
Total revenues	<u>-</u>	<u>-</u>	<u>222</u>	<u>222</u>
Other financing sources:				
Transfers in	<u>528</u>	<u>528</u>	<u>306</u>	<u>(222)</u>
Total revenues and other financing sources	<u>\$ 528</u>	<u>\$ 528</u>	<u>\$ 528</u>	<u>\$ -</u>
Expenditures				
Finance	\$ 528	\$ 528	\$ 528	\$ -
Total expenditures	<u>528</u>	<u>528</u>	<u>528</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>528</u>	<u>528</u>	<u>528</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - TIF Debt
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 741	\$ 741	\$ 783	\$ 42
Investment income and interest	-	-	32	32
Other	782	782	505	(277)
Total revenues	<u>1,523</u>	<u>1,523</u>	<u>1,320</u>	<u>(203)</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 1,523</u>	<u>\$ 1,523</u>	<u>\$ 1,320</u>	<u>\$ (203)</u>
Expenditures				
Finance	\$ 1,411	\$ 2,151	\$ 1,968	\$ 183
Total expenditures	<u>1,411</u>	<u>2,151</u>	<u>1,968</u>	<u>183</u>
Total expenditures and other financing uses	<u>1,411</u>	<u>2,151</u>	<u>1,968</u>	<u>183</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	112	(628)	(648)	(20)
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 112</u>	<u>\$ (628)</u>	<u>(648)</u>	<u>\$ (20)</u>
Fund Balance (budget basis):				
Beginning of year			<u>2,990</u>	
End of year			<u>\$ 2,342</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - General Improvements
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Special assessments	\$ -	\$ -	\$ 3	\$ 3
Total revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	3	3
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>3</u>	<u>\$ 3</u>
Fund Balance (budget basis):				
Beginning of year			<u>16</u>	
End of year			<u>\$ 19</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Land Bank
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 37	\$ 37	\$ 154	\$ 117
Charges for services	15	15	8	(7)
Other	290	290	293	3
Total revenues	<u>342</u>	<u>342</u>	<u>455</u>	<u>113</u>
Other financing sources:				
Transfers in	<u>2,186</u>	<u>2,186</u>	<u>1,804</u>	<u>(382)</u>
Total revenues and other financing sources	<u>\$ 2,528</u>	<u>\$ 2,528</u>	<u>\$ 2,259</u>	<u>\$ (269)</u>
Expenditures				
Neighborhood and Housing Services	\$ 2,565	\$ 2,546	\$ 2,259	\$ 287
Total expenditures	<u>2,565</u>	<u>2,546</u>	<u>2,259</u>	<u>287</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>2,565</u>	<u>2,546</u>	<u>2,259</u>	<u>287</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(37)	(18)	-	18
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>19</u>	<u>19</u>
Net change in fund balance	<u>\$ (37)</u>	<u>\$ (18)</u>	<u>19</u>	<u>\$ 37</u>
Fund Balance (budget basis):				
Beginning of year			<u>-</u>	
End of year			<u>\$ 19</u>	

CITY OF KANSAS CITY, MISSOURI
Budgetary Comparison Schedule - Homesteading Authority
Year Ended April 30, 2019
(In thousands of dollars)

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other	\$ 301	\$ 301	\$ 319	\$ 18
Total revenues	<u>301</u>	<u>301</u>	<u>319</u>	<u>18</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 301</u>	<u>\$ 301</u>	<u>\$ 319</u>	<u>\$ 18</u>
Expenditures				
Neighborhood and Housing Services	\$ 301	\$ 301	\$ 282	\$ 19
Total expenditures	<u>301</u>	<u>301</u>	<u>282</u>	<u>19</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses	<u>301</u>	<u>301</u>	<u>282</u>	<u>19</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	37	37
Net change in encumbrances, reserves and prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	37	<u>\$ 37</u>
Fund Balance (budget basis):				
Beginning of year			<u>415</u>	
End of year			<u>\$ 452</u>	

CITY OF KANSAS CITY, MISSOURI

Nonmajor Governmental Funds

Trust and Agency Funds

April 30, 2019

Trust funds are used to account for assets held by the City in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, or other City funds.

Pension Trust Funds

Employees' Retirement System - Provides pension and benefits for City employees excluding firefighters, police and civilian employees in the Police Department.

Firefighters' Pension System - Provides pension and benefits for City firefighters.

Police Retirement System - Provides pension and benefits for police employees.

Civilian Employees' Retirement System - Provides pension and benefits for civilian employees of the Police Department.

Private Purpose Trust Funds

Employee Memorial - Contributions are collected to construct a memorial to the City's employees.

Inmate Canteen - Used to account for fees and income generated from inmates for canteen use and telephone charges at the Municipal Correction Institution.

Gifts-Board of Trustees - The City receives contributions from various outside sources; the Parks Board of Commissioners approves expenditures to ensure they meet the requirements of the contributors.

Tri-Centennial - The City received donations for a tri-centennial celebration.

Agency Funds

Payroll Clearing - Used to account for cash transferred from other funds to pay City payroll, accounts payable and other expenditures.

Special Deposits - Used to account for various moneys held in trust by the City.

Municipal Court Appearance Bond - Used to account for the holding of deposits made from court appearance bonds.

TIF Special Allocation Agency - Used to account for payments in lieu of taxes and economic activity taxes.

EMS Escrow - Used to account for employer and employee pension contributions for former MAST employees until they can be distributed to an approved pension plan.

Health Insurance - Used to account for moneys held by the City until disbursements are made for employees' insurance.

Police Grant - Used to account for moneys held by the City until disbursements are made for law enforcement activities.

Other - Accounts for various moneys held in trust by the City treasurer.

CITY OF KANSAS CITY, MISSOURI
Pension Trust Funds
Combining Statement of Fiduciary Net Position
April 30, 2019
(in thousands of dollars)

	Employees’ Retirement System	Firefighters’ Pension System	Police Retirement System	Civilian Employees’ Retirement System	Total
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ 352	\$ 25	\$ 377
Investments					
U.S. treasuries	14,645	-	-	-	14,645
U.S. government securities	-	-	73,921	13,366	87,287
Municipal bonds	2,972	-	-	-	2,972
Corporate bonds and notes	-	-	92,138	15,441	107,579
Corporate bonds-domestic	36,251	-	-	-	36,251
Corporate bonds-foreign	28,336	-	-	-	28,336
Common and preferred stock	-	-	82,212	7,140	89,352
Domestic common equities	173,828	76,616	-	-	250,444
Domestic preferred equities	1,233	-	-	-	1,233
All country world index fund	-	-	127,619	21,453	149,072
Equity funds	-	-	48,521	20,376	68,897
U.S. government-backed mortgages	53,684	-	5,146	722	59,552
Asset-backed securities	8,051	-	-	-	8,051
Partnerships	42,514	14,980	-	-	57,494
Partnerships-equity	-	-	12,714	1,575	14,289
Partnerships-fixed income	-	-	119,789	21,623	141,412
Real estate funds	-	-	125,752	18,245	143,997
Short-term investment funds	19,631	10,406	17,495	2,346	49,878
Foreign equities	2,200	1,993	56,786	4,133	65,112
Foreign debt obligations	2,610	-	-	-	2,610
Emerging market equities	-	-	27,287	4,164	31,451
Collective trusts-equities	405,087	182,764	-	-	587,851
Collective trusts-fixed income	238,882	161,203	-	-	400,085
Collective trusts-hedge funds	-	52,599	-	-	52,599
Collective trust-real estate	115,372	53,826	-	-	169,198
International small cap equity funds	-	-	8,405	1,328	9,733
Hedge fund of funds	23,207	-	91,486	14,058	128,751
Receivables					
Interest and dividends	1,163	195	2,240	364	3,962
Other	1,485	1,373	1,429	-	4,287
Contributions	1,635	1,422	278	-	3,335
Securities lending collateral	60,724	23,834	62,999	15,019	162,576
Other assets	-	-	7	-	7
Total assets	\$ 1,233,510	\$ 581,211	\$ 956,576	\$ 161,378	\$ 2,932,675
Liabilities and Net Position					
Liabilities					
Accounts payable	\$ 3,515	\$ 1,507	\$ 2,351	\$ 171	\$ 7,544
Securities lending collateral	60,724	23,834	62,999	15,019	162,576
Total liabilities	64,239	25,341	65,350	15,190	170,120
Net position					
Restricted for pensions	1,169,271	552,266	891,226	146,188	2,758,951
Held interest for health care subsidy	-	3,604	-	-	3,604
Total net position	1,169,271	555,870	891,226	146,188	2,762,555
Total liabilities and net position	\$ 1,233,510	\$ 581,211	\$ 956,576	\$ 161,378	\$ 2,932,675

CITY OF KANSAS CITY, MISSOURI
Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
April 30, 2019
(in thousands of dollars)

	Employees’ Retirement System	Firefighters’ Pension System	Police Retirement System	Civilian Employees’ Retirement System	Total
Additions					
City contributions	\$ 26,032	\$ 20,015	\$ 32,281	\$ 4,779	\$ 83,107
City contributions-health subsidy	-	1,352	-	-	1,352
City contributions-health subsidy-supplement	-	1,587	-	-	1,587
Employee contributions	8,514	7,109	11,413	1,416	28,452
Employee contributions-health subsidy	-	676	-	-	676
Total contributions	<u>34,546</u>	<u>30,739</u>	<u>43,694</u>	<u>6,195</u>	<u>115,174</u>
Investment income (expense)					
Investment income	21,258	4,676	21,110	3,285	50,329
Net appreciation in fair value of investments	41,855	22,196	18,895	3,258	86,204
Investment expense	(3,853)	(2,587)	(5,233)	(850)	(12,523)
Securities lending income	1,689	702	1,328	249	3,968
Securities lending expense	(1,496)	(599)	(1,184)	(221)	(3,500)
Net investment income	<u>59,453</u>	<u>24,388</u>	<u>34,916</u>	<u>5,721</u>	<u>124,478</u>
Total additions	<u>93,999</u>	<u>55,127</u>	<u>78,610</u>	<u>11,916</u>	<u>239,652</u>
Deductions					
Pension benefits	71,411	42,035	65,505	7,975	186,926
Employee refunds	4,393	863	573	221	6,050
Administrative expense	585	415	803	137	1,940
Total deductions	<u>76,389</u>	<u>43,313</u>	<u>66,881</u>	<u>8,333</u>	<u>194,916</u>
Net decrease	<u>17,610</u>	<u>11,814</u>	<u>11,729</u>	<u>3,583</u>	<u>44,736</u>
Net position restricted for pensions and other purposes, beginning of year	<u>1,151,661</u>	<u>544,056</u>	<u>879,497</u>	<u>142,605</u>	<u>2,717,819</u>
Net position restricted for pensions and other purposes, end of year	<u>\$ 1,169,271</u>	<u>\$ 555,870</u>	<u>\$ 891,226</u>	<u>\$ 146,188</u>	<u>\$ 2,762,555</u>

CITY OF KANSAS CITY, MISSOURI
Private Purpose Trusts Funds
Combining Statement of Net Position
April 30, 2019
(in thousands of dollars)

	Employee Memorial	Inmate Canteen	Gifts - Board of Trustees	Tricentennial	Totals
Assets					
Cash and cash equivalents	\$ 30	\$ 315	\$ 538	\$ 3	\$ 886
Receivables					
Interest and dividends	-	-	3	-	3
Total assets	<u>\$ 30</u>	<u>\$ 315</u>	<u>\$ 541</u>	<u>\$ 3</u>	<u>\$ 889</u>
Liabilities and Net Position					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Net Position					
Unrestricted	<u>30</u>	<u>315</u>	<u>541</u>	<u>3</u>	<u>889</u>
Total net position	<u>30</u>	<u>315</u>	<u>541</u>	<u>3</u>	<u>889</u>
Total liabilities and net position	<u>\$ 30</u>	<u>\$ 315</u>	<u>\$ 541</u>	<u>\$ 3</u>	<u>\$ 889</u>

CITY OF KANSAS CITY, MISSOURI
Private Purpose Trusts Funds
Combining Statement of Changes in Net Position
Year Ended April 30, 2019
(in thousands of dollars)

	Employee Memorial	Inmate Canteen	Gifts - Board of Trustees	Tricentennial	Totals
Additions					
Investment income	\$ -	\$ -	\$ 17	\$ -	\$ 17
Contributions	-	-	-	-	-
Total additions	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>
Deductions					
Current					
Nondepartmental	-	-	-	-	-
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease)	-	-	17	-	17
Net position, beginning of year	<u>30</u>	<u>315</u>	<u>524</u>	<u>3</u>	<u>872</u>
Net position, end of year	<u>\$ 30</u>	<u>\$ 315</u>	<u>\$ 541</u>	<u>\$ 3</u>	<u>\$ 889</u>

CITY OF KANSAS CITY, MISSOURI
 Agency Funds
 Combining Statement of Changes in Fiduciary Assets and Liabilities
 Year Ended April 30, 2019
 (in thousands of dollars)

Payroll Clearing	April 30, 2018	Additions	Deductions	April 30, 2019
Assets				
Cash and cash equivalents	\$ 766	\$ 26,906	\$ 26,696	\$ 976
Liabilities				
Accounts payable	\$ 766	\$ 35,466	\$ 35,256	\$ 976
Special Deposits				
Assets				
Cash and cash equivalents	\$ 2,673	\$ 3,690	\$ 3,661	\$ 2,702
Liabilities				
Deposits	\$ 2,673	\$ 3,690	\$ 3,661	\$ 2,702
Municipal Court Appearance Bond				
Assets				
Cash and cash equivalents	\$ 948	\$ 3,481	\$ 3,773	\$ 656
Liabilities				
Deposits	\$ 948	\$ 188	\$ 480	\$ 656
TIF Special Allocation				
Assets				
Cash and cash equivalents	\$ 47	\$ 96,201	\$ 96,182	\$ 66
Due from other funds	27,728	25,176	27,728	25,176
Total assets	\$ 27,775	\$ 121,377	\$ 123,910	\$ 25,242
Liabilities				
Accounts payable	\$ 27,775	\$ 160,894	\$ 163,427	\$ 25,242
EMS Escrow				
Assets				
Cash and cash equivalents	\$ -	\$ 105,966	\$ 105,966	\$ -
Liabilities				
Deposits	\$ -	\$ 5,268	\$ 5,268	\$ -
Health Insurance				
Assets				
Cash and cash equivalents	\$ 256	\$ 198	\$ 149	\$ 305
Liabilities				
Accounts payable	\$ 256	\$ 1,581	\$ 1,532	\$ 305

CITY OF KANSAS CITY, MISSOURI
Agency Funds
Combining Statement of Changes in Fiduciary Assets and Liabilities
Year Ended April 30, 2019
(in thousands of dollars)

Police Grant	April 30, 2018	Additions	Deductions	April 30, 2019
Assets				
Cash and cash equivalents	\$ -	\$ 14,081	\$ 14,081	\$ -
Accounts receivable	3,468	1,920	3,468	1,920
Total assets	<u>\$ 3,468</u>	<u>\$ 16,001</u>	<u>\$ 17,549</u>	<u>\$ 1,920</u>
Liabilities				
Due to other funds	\$ 3,428	1,880	3,428	\$ 1,880
Deposits	40	-	-	40
Total liabilities	<u>\$ 3,468</u>	<u>\$ 1,880</u>	<u>\$ 3,428</u>	<u>\$ 1,920</u>
 Other				
Assets				
Cash and cash equivalents	\$ 1,272	\$ 133	\$ 748	\$ 657
Special assessments receivable	12	69	48	33
Total assets	<u>\$ 1,284</u>	<u>\$ 202</u>	<u>\$ 796</u>	<u>\$ 690</u>
Liabilities				
Deposits	<u>\$ 1,284</u>	<u>\$ 91</u>	<u>\$ 685</u>	<u>\$ 690</u>
 Total Agency Funds				
Assets				
Cash and cash equivalents	\$ 5,962	\$ 250,656	\$ 251,256	\$ 5,362
Due from other funds	27,728	25,176	27,728	25,176
Special assessments receivable	12	69	48	33
Accounts receivable	3,468	1,920	3,468	1,920
Total assets	<u>\$ 37,170</u>	<u>\$ 277,821</u>	<u>\$ 282,500</u>	<u>\$ 32,491</u>
Liabilities				
Accounts payable	\$ 28,797	\$ 197,941	\$ 200,215	\$ 26,523
Due to other funds	3,428	1,880	3,428	1,880
Deposits	4,945	9,237	10,094	4,088
Total liabilities	<u>\$ 37,170</u>	<u>\$ 209,058</u>	<u>\$ 213,737</u>	<u>\$ 32,491</u>

CITY OF KANSAS CITY, MISSOURI

Other Component Units

April 30, 2019

Economic Development Corporation (EDC) - Strategic Initiatives Fund merges public and private funds and development incentives to acquire, construct, maintain and operate redevelopment projects.

Maintenance Reserve Corporation (MRC) administers a home maintenance program provided to certain homeowners participating in loan programs formerly administered for the City by the Housing and Economic Development Financial Corporation.

Downtown Economic Stimulus Authority of Kansas City, Missouri (DESA) reviews development projects wishing to use the state revenues authorized by the Missouri DESA and makes formal recommendations to the City Council and the Missouri Development Finance Board.

Kansas City International Airport-Community Improvement District (KCICID) collects sales and use taxes within the district to address economic, social and infrastructure needs within the district as well as providing management, operational and ownership duties for all real and personal property either owned, leased to, or from the KCICID.

Performing Arts Community Improvement District (PACID) collects sales taxes and fees, rents and other charges within the district for the purpose of funding the expansion and improvements of the downtown Kansas City, Missouri area surrounding Bartle Hall and the Performing Arts Center.

The American Jazz Museum (AJM) is responsible for overseeing the construction/renovation and maintenance of the Jazz Hall of Fame, the GEM Theatre, the Negro Baseball Hall of Fame (Cultural Facility) and the Museum.

Land Bank of Kansas City, Missouri (Land Bank) manages, sales, transfers and disposes of interest in real estate in accordance with Chapter 74, Code of Ordinances of Kansas City, Missouri.

Kansas City, Missouri Homesteading Authority (Homesteading Authority) acts as a recipient of federal, state, local or private funds and real estate to be used for housing, community development, economic activities and other related activities within Kansas City, Missouri.

CITY OF KANSAS CITY, MISSOURI
 Other Component Units
 Combining Statement of Net Position
 April 30, 2019
(in thousands of dollars)

	EDC Strategic Initiative Fund	Maintenance Reserve Corporation	Downtown Economic Stimulus Authority	KCI Airport Community Improvement District	Performing Arts Community Improvement District
Assets					
Cash and short-term investments	\$ 979	\$ 954	\$ -	\$ 2	\$ 620
Receivables					
Accounts	-	-	-	-	-
Notes	-	-	-	-	-
Interest	-	5	-	-	-
Other	94	-	321	47	35
Due from primary government	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted assets					
Cash and short-term investments	-	-	-	-	-
Capital assets, net					
Land	-	-	-	-	-
Buildings and improvements	-	-	-	-	-
Furniture and equipment	-	-	-	-	-
Assets held for redevelopment	-	-	-	-	-
Other assets	-	69	-	-	-
Total assets	<u>\$ 1,073</u>	<u>\$ 1,028</u>	<u>\$ 321</u>	<u>\$ 49</u>	<u>\$ 655</u>
Liabilities and Net Position					
Liabilities					
Current maturities of long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	7	-	-	47	-
Other accrued expense	-	-	321	-	-
Due to primary government	-	-	-	-	-
Unearned revenue	1	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>8</u>	<u>-</u>	<u>321</u>	<u>47</u>	<u>-</u>
Net position					
Net investment in capital assets	-	-	-	-	-
Restricted - expendable	-	-	-	-	-
Unrestricted (deficit)	1,065	1,028	-	2	655
Total net position	<u>\$ 1,065</u>	<u>\$ 1,028</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 655</u>

CITY OF KANSAS CITY, MISSOURI
 Other Component Units
 Combining Statement of Net Position
 April 30, 2019
(in thousands of dollars)

American Jazz Museum	Land Bank of Kansas City, Missouri	Kansas City, Missouri Homesteading Authority	Total
\$ 357	\$ 110	\$ 453	\$ 3,475
-	-	-	-
-	-	-	-
-	-	-	5
12	-	-	509
-	-	-	-
33	-	-	33
713	-	-	713
-	-	-	-
-	-	-	-
-	-	-	-
-	15,720	2,144	17,864
14	-	-	83
<u>\$ 1,129</u>	<u>\$ 15,830</u>	<u>\$ 2,597</u>	<u>\$ 22,682</u>
\$ -	\$ -	\$ -	\$ -
46	126	1	227
51	-	-	372
-	-	-	-
1	-	-	2
-	-	-	-
<u>98</u>	<u>126</u>	<u>1</u>	<u>601</u>
-	-	-	-
-	-	-	-
803	-	-	803
228	15,704	2,596	21,278
<u>\$ 1,031</u>	<u>\$ 15,704</u>	<u>\$ 2,596</u>	<u>\$ 22,081</u>

CITY OF KANSAS CITY, MISSOURI

Other Component Units
Statement of Activities
Year Ended April 30, 2019
(in thousands of dollars)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Component units				
EDC Strategic Initiative Fund	\$ 146	\$ 3	\$ 180	\$ -
Maintenance Reserve Corporation	10	-	-	-
Downtown Economic Stimulus Authority	884	-	12	-
KCI Airport Community Improvement District	1,074	139	-	-
Performing Arts Community Improvement District	213	-	-	-
American Jazz Museum	1,316	699	863	-
Land Bank of Kansas City, Missouri	11,209	728	1,804	-
Kansas City, Missouri Homesteading Authority	699	308	10	-
Total other component units	<u>\$ 15,551</u>	<u>\$ 1,877</u>	<u>\$ 2,869</u>	<u>\$ -</u>
General revenues				
Sales and use taxes				
Investment income				
Tax increment financing revenues				
Other				
Total general revenues and transfers				
Change in net position				
Net Position-Beginning of Year				
Net Position-End of Year				

CITY OF KANSAS CITY, MISSOURI

Other Component Units
Statement of Activities
Year Ended April 30, 2019
(in thousands of dollars)

Net (Expenses) Revenues and Changes in Net Position

EDC Strategic Initiative Fund	Maintenance Reserve Corporation	Downtown Economic Stimulus Authority	KCI Airport Community Improvement District	Performing Arts Community District	American Jazz Museum	Land Bank of Kansas City, Missouri	Kansas City, Missouri Homesteading Authority	Net Revenues (Expenses) and Changes in Net Position
\$ 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37
-	(10)	-	-	-	-	-	-	(10)
-	-	(872)	-	-	-	-	-	(872)
-	-	-	(935)	-	-	-	-	(935)
-	-	-	-	(213)	-	-	-	(213)
-	-	-	-	-	246	-	-	246
-	-	-	-	-	-	(8,677)	-	(8,677)
-	-	-	-	-	-	-	(381)	(381)
<u>37</u>	<u>(10)</u>	<u>(872)</u>	<u>(935)</u>	<u>(213)</u>	<u>246</u>	<u>(8,677)</u>	<u>(381)</u>	<u>(10,805)</u>
-	-	-	935	212	-	-	-	1,147
11	28	-	-	-	45	-	-	84
-	-	872	-	-	-	-	-	872
-	(212)	-	-	-	-	-	-	(212)
<u>11</u>	<u>(184)</u>	<u>872</u>	<u>935</u>	<u>212</u>	<u>45</u>	<u>-</u>	<u>-</u>	<u>1,891</u>
48	(194)	-	-	(1)	291	(8,677)	(381)	(8,914)
1,017	1,222	-	2	656	740	24,381	2,977	30,995
<u>\$ 1,065</u>	<u>\$ 1,028</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 655</u>	<u>\$ 1,031</u>	<u>\$ 15,704</u>	<u>\$ 2,596</u>	<u>\$ 22,081</u>

CITY OF KANSAS CITY, MISSOURI

Statistical Section

April 30, 2019

The statistical section of the Comprehensive Annual Financial Report contains supplementary information to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to the financial statements and required supplementary information to understand and assess the City's economic condition. The statistical section includes the following five categories of information.

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.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the earnings and profits tax. Additionally, information is presented on property taxes.

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.

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.

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.

CITY OF KANSAS CITY, MISSOURI
Net Position by Category - Ten Year Trend
(in thousands)

Table 1

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities:				
Net investment in capital assets	\$ 2,731,392	\$ 2,856,618	\$ 2,850,604	\$ 2,965,824
Restricted	18,077	17,937	56,360	50,090
Unrestricted	20,517	(20,004)	(24,469)	(170,226)
Total governmental activities net position	<u>\$ 2,769,986</u>	<u>\$ 2,854,551</u>	<u>\$ 2,882,495</u>	<u>\$ 2,845,688</u>
Business-type activities:				
Net investment in capital assets	\$ 1,374,511	\$ 1,404,624	\$ 1,449,692	\$ 1,491,356
Restricted	98,922	119,715	114,600	113,766
Unrestricted	132,802	155,367	197,445	243,581
Total business-type activities net position	<u>\$ 1,606,235</u>	<u>\$ 1,679,706</u>	<u>\$ 1,761,737</u>	<u>\$ 1,848,703</u>
Primary government:				
Net investment in capital assets	\$ 4,105,903	\$ 4,261,242	\$ 4,300,296	\$ 4,457,180
Restricted	116,999	137,652	170,960	163,856
Unrestricted	153,319	135,363	172,976	73,355
Total primary governmental net position	<u>\$ 4,376,221</u>	<u>\$ 4,534,257</u>	<u>\$ 4,644,232</u>	<u>\$ 4,694,391</u>

Source: Comprehensive Annual Financial Report.

Years 2012 through 2013 have been restated as disclosed in the FY 2014 Comprehensive Annual Financial Report.

CITY OF KANSAS CITY, MISSOURI
Net Position by Category - Ten Year Trend
(in thousands)

Table 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 3,036,560	\$ 3,053,850	\$ 3,077,258	\$ 3,091,641	\$ 3,130,996	\$ 2,922,850
53,074	48,944	60,215	58,953	73,931	209,636
<u>(240,020)</u>	<u>(638,824)</u>	<u>(679,775)</u>	<u>(721,166)</u>	<u>(840,910)</u>	<u>(956,934)</u>
\$ 2,849,614	\$ 2,463,970	\$ 2,457,698	\$ 2,429,428	\$ 2,364,017	\$ 2,175,552
\$ 1,561,121	\$ 1,625,502	\$ 1,701,705	\$ 1,790,953	\$ 1,917,563	\$ 2,013,790
143,560	179,105	215,266	231,744	225,591	213,117
<u>259,348</u>	<u>277,356</u>	<u>330,394</u>	<u>396,546</u>	<u>425,096</u>	<u>521,135</u>
\$ 1,964,029	\$ 2,081,963	\$ 2,247,365	\$ 2,419,243	\$ 2,568,250	\$ 2,748,042
\$ 4,597,681	\$ 4,679,352	\$ 4,778,963	\$ 4,882,594	\$ 5,048,559	\$ 4,936,640
196,634	228,049	275,481	290,697	299,522	422,753
<u>19,328</u>	<u>(361,468)</u>	<u>(349,381)</u>	<u>(324,620)</u>	<u>(415,814)</u>	<u>(435,799)</u>
\$ 4,813,643	\$ 4,545,933	\$ 4,705,063	\$ 4,848,671	\$ 4,932,267	\$ 4,923,594

CITY OF KANSAS CITY, MISSOURI
Changes in Net Position - Ten Year Trend
(in thousands)

Table 2

	2010	2011	2012	2013
Expenses:				
Governmental activities:				
General government	\$ 107,350	\$ 121,989	\$ 139,636	\$ 126,641
Public safety	314,546	350,145	354,495	388,478
Public works	152,661	129,398	161,870	212,726
Neighborhood development	90,620	99,172	66,847	60,992
Health	66,924	52,844	54,489	55,501
Culture and recreation	51,318	54,601	57,211	57,783
Convention facilities	35,543	42,942	46,653	45,314
Economic development	49,359	13,591	2,003	2,372
Unallocated depreciation	1,195	1,205	1,232	1,407
Interest on long-term debt and amortization	74,349	73,400	78,194	79,780
Total governmental activities expenses	<u>943,865</u>	<u>939,287</u>	<u>962,630</u>	<u>1,030,994</u>
Business-type activities:				
Water	80,226	84,305	97,010	102,975
Kansas City airports	154,376	147,155	147,722	150,338
Sewer	86,176	86,576	92,288	99,699
Nonmajor enterprise	1,628	5,911	-	-
Total business-type activities	<u>322,406</u>	<u>323,947</u>	<u>337,020</u>	<u>353,012</u>
Total primary government expenses	<u>\$ 1,266,271</u>	<u>\$ 1,263,234</u>	<u>\$ 1,299,650</u>	<u>\$ 1,384,006</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 190,834	\$ 208,540	\$ 186,653	\$ 178,534
Public safety	29,058	61,342	37,790	35,681
Public works	18,531	22,390	27,611	23,839
Neighborhood development	20,527	15,854	18,850	17,794
Health	3,283	3,247	3,277	3,518
Culture and recreation	9,646	7,302	8,068	7,778
Convention facilities	6,267	6,785	7,324	7,793
Economic Development	-	-	160	125
Other	-	-	-	-
Operating grants and contributions	81,669	138,770	114,875	129,564
Capital grants and contributions	16,748	15,843	36,739	13,731
Total governmental activities program revenues	<u>376,563</u>	<u>480,073</u>	<u>441,347</u>	<u>418,357</u>
Business-type activities:				
Charges for services:				
Water	88,177	114,994	125,247	149,643
Kansas City airports	122,711	126,948	133,844	132,856
Sewer	91,929	108,769	116,336	135,008
Nonmajor enterprise	1,575	882	-	-
Operating grants and contributions	316	265	155	628
Capital grants and contributions	52,723	38,482	35,920	18,343
Total business-type activities program revenues	<u>357,431</u>	<u>390,340</u>	<u>411,502</u>	<u>436,478</u>
Total primary government program revenues	<u>\$ 733,994</u>	<u>\$ 870,413</u>	<u>\$ 852,849</u>	<u>\$ 854,835</u>
Net (expenses) revenues:				
Governmental activities	\$ (567,302)	\$ (459,214)	\$ (521,283)	\$ (612,637)
Business-type activities	35,025	66,393	74,482	83,466
Total primary government net expenses	<u>\$ (532,277)</u>	<u>\$ (392,821)</u>	<u>\$ (446,801)</u>	<u>\$ (529,171)</u>
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 109,661	\$ 123,155	\$ 121,189	\$ 122,395
Earnings and profits taxes	178,950	191,425	183,662	198,146
Sales taxes	139,076	137,820	150,941	154,527
Local option use taxes	24,482	24,432	26,364	32,943
Hotel and restaurant taxes	31,864	34,751	36,244	37,689
Gaming taxes	17,144	17,588	16,873	15,505
Railroad and utility taxes	4,388	4,794	5,404	5,789
Cigarette taxes	2,691	2,711	2,781	2,512
PILOTS and business replacement taxes	54,345	-	-	-
Investment earnings	8,299	7,103	5,769	4,174
Miscellaneous	-	-	-	-
Transfers	-	-	-	-
Intergovernmental transfers	-	-	-	-
Total governmental activities	<u>570,900</u>	<u>543,779</u>	<u>549,227</u>	<u>573,680</u>
Business-type activities:				
Investment earnings	9,798	7,078	7,549	4,322
Miscellaneous	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	<u>9,798</u>	<u>7,078</u>	<u>7,549</u>	<u>4,322</u>
Total primary government	<u>\$ 580,698</u>	<u>\$ 550,857</u>	<u>\$ 556,776</u>	<u>\$ 578,002</u>
Change in net position:				
Governmental activities	\$ 3,598	\$ 84,565	\$ 27,944	\$ (38,957)
Business-type activities	44,823	73,471	82,031	87,788
Total primary government	<u>\$ 48,421</u>	<u>\$ 158,036</u>	<u>\$ 109,975</u>	<u>\$ 48,831</u>

Source: Comprehensive Annual Financial Report.
Years 2012 through 2013 have been restated as disclosed in the FY 2014 Comprehensive Annual Financial Report.

CITY OF KANSAS CITY, MISSOURI
Changes in Net Position - Ten Year Trend
(in thousands)

Table 2

2014	2015	2016	2017	2018	2019
\$ 125,180	\$ 121,623	\$ 121,497	\$ 132,060	\$ 124,782	\$ 214,243
404,352	407,290	461,866	461,962	467,937	449,507
187,827	182,674	209,041	161,808	159,853	374,511
58,225	55,880	56,294	92,583	100,521	75,062
56,697	54,054	54,356	57,916	60,656	57,049
65,411	66,107	66,167	72,866	77,054	74,071
44,911	43,678	45,447	50,703	131,115	47,387
8,001	11,684	12,213	10,104	9,873	10,600
1,407	1,345	1,283	1,282	1,281	1,281
73,649	73,741	75,141	69,175	66,970	71,392
<u>1,025,660</u>	<u>1,018,076</u>	<u>1,103,305</u>	<u>1,110,459</u>	<u>1,200,042</u>	<u>1,375,103</u>
109,241	107,320	103,390	118,352	123,221	126,609
146,200	148,575	143,386	144,994	147,410	149,737
104,036	117,582	133,821	141,062	170,893	174,387
-	-	-	-	-	-
<u>359,477</u>	<u>373,477</u>	<u>380,597</u>	<u>404,408</u>	<u>441,524</u>	<u>450,733</u>
<u>\$ 1,385,137</u>	<u>\$ 1,391,553</u>	<u>\$ 1,483,902</u>	<u>\$ 1,514,867</u>	<u>\$ 1,641,566</u>	<u>\$ 1,825,836</u>
\$ 182,500	\$ 169,454	\$ 165,303	\$ 173,971	\$ 187,232	\$ 183,863
49,773	44,667	60,192	29,346	39,166	43,380
10,103	13,490	13,723	11,732	16,194	12,662
22,974	22,712	25,197	25,103	28,055	29,013
3,450	3,552	3,780	4,038	4,055	5,442
7,824	9,123	9,386	9,873	10,038	11,913
8,565	8,997	9,058	9,157	8,928	9,812
124	5,517	5,029	5,124	5,079	5,180
-	-	-	-	-	-
99,550	102,484	99,209	96,684	96,109	93,982
44,751	19,096	39,257	26,297	21,880	13,716
<u>429,614</u>	<u>399,092</u>	<u>430,134</u>	<u>391,325</u>	<u>416,736</u>	<u>408,963</u>
144,238	150,381	155,209	165,358	172,814	170,945
136,440	157,908	155,885	162,031	158,807	167,049
151,495	169,494	193,608	209,898	225,489	251,837
-	-	-	-	-	-
-	-	-	-	-	-
40,397	42,811	23,962	32,273	34,449	23,910
<u>472,570</u>	<u>520,594</u>	<u>528,664</u>	<u>569,560</u>	<u>591,559</u>	<u>613,741</u>
<u>\$ 902,184</u>	<u>\$ 919,686</u>	<u>\$ 958,798</u>	<u>\$ 960,885</u>	<u>\$ 1,008,295</u>	<u>\$ 1,022,704</u>
\$ (596,046)	\$ (618,984)	\$ (673,171)	\$ (719,134)	\$ (783,306)	\$ (966,140)
113,093	147,117	148,067	165,152	150,035	163,008
<u>\$ (482,953)</u>	<u>\$ (471,867)</u>	<u>\$ (525,104)</u>	<u>\$ (553,982)</u>	<u>\$ (633,271)</u>	<u>\$ (803,132)</u>
\$ 113,395	\$ 116,502	\$ 118,373	\$ 123,811	\$ 127,138	\$ 148,308
203,305	221,617	220,451	236,637	241,714	271,686
185,719	207,699	217,301	215,673	230,391	239,742
34,192	39,358	38,144	37,856	39,783	42,942
39,537	44,397	47,836	50,010	51,557	56,236
14,290	13,896	13,494	12,772	12,071	11,815
6,020	6,065	6,766	7,025	7,110	8,579
2,568	2,557	2,585	2,561	2,389	2,378
-	-	-	-	-	-
843	3,008	1,949	1,558	1,345	12,769
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,961	4,397	6,400
<u>599,869</u>	<u>655,099</u>	<u>666,899</u>	<u>690,864</u>	<u>717,895</u>	<u>800,855</u>
2,089	6,713	5,172	4,760	3,369	28,941
-	-	-	-	-	-
-	-	-	(2,961)	(4,397)	(6,400)
<u>2,089</u>	<u>6,713</u>	<u>5,172</u>	<u>1,799</u>	<u>(1,028)</u>	<u>22,541</u>
<u>\$ 601,958</u>	<u>\$ 661,812</u>	<u>\$ 672,071</u>	<u>\$ 692,663</u>	<u>\$ 716,867</u>	<u>\$ 823,396</u>
\$ 3,823	\$ 36,115	\$ (6,272)	\$ (28,270)	\$ (65,411)	\$ (165,285)
115,182	153,830	153,239	166,951	149,007	185,549
<u>\$ 119,005</u>	<u>\$ 189,945</u>	<u>\$ 146,967</u>	<u>\$ 138,681</u>	<u>\$ 83,596</u>	<u>\$ 20,264</u>

CITY OF KANSAS CITY, MISSOURI
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in thousands)

Table 3

	2010	2011	2012	2013
General fund:				
Reserved	\$ 14,058	\$ 11,164	\$ -	\$ -
Unreserved	26,499	35,106	-	-
Restricted	-	-	800	800
Committed	-	-	38,385	41,150
Assigned	-	-	5,499	7,386
Unassigned	-	-	-	-
Total general fund	<u>\$ 40,557</u>	<u>\$ 46,270</u>	<u>\$ 44,684</u>	<u>\$ 49,336</u>
All other governmental funds:				
Reserved	\$ 247,158	\$ 218,221	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	33,863	17,980	-	-
Capital projects funds	145,344	132,371	-	-
Debt service funds	45,874	45,280	-	-
Permanent funds	1,539	1,352	-	-
Restricted	-	-	300,109	230,599
Committed	-	-	105,207	85,463
Assigned	-	-	50,855	49,406
Unassigned	-	-	(5,318)	(27,874)
Total all other governmental funds	<u>\$ 473,778</u>	<u>\$ 415,204</u>	<u>\$ 450,853</u>	<u>\$ 337,594</u>

Effective May 1, 2011, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Statement No. 54). The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The adoption of this statement required a re-statement of beginning of the year fund balance for certain

Source: Comprehensive Annual Financial Report.

CITY OF KANSAS CITY, MISSOURI
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in thousands)

Table 3

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
800	800	800	800	831	800
32,568	41,230	45,200	46,584	51,729	56,817
4,777	10,180	19,502	27,534	46,430	49,900
-	-	-	-	3,118	7,359
<u>\$ 38,145</u>	<u>\$ 52,210</u>	<u>\$ 65,502</u>	<u>\$ 74,918</u>	<u>\$ 102,108</u>	<u>\$ 114,876</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
280,710	212,377	248,753	234,796	241,400	208,836
59,068	52,544	49,620	49,136	61,021	40,228
44,583	54,911	75,733	71,315	65,773	84,789
<u>(9,924)</u>	<u>(234)</u>	<u>(275)</u>	<u>(203)</u>	<u>(27,037)</u>	<u>(28,327)</u>
<u>\$ 374,437</u>	<u>\$ 319,598</u>	<u>\$ 373,831</u>	<u>\$ 355,044</u>	<u>\$ 341,157</u>	<u>\$ 305,526</u>

CITY OF KANSAS CITY, MISSOURI
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in thousands)

Table 4

	2010	2011	2012	2013
Revenues:				
Taxes	\$ 527,477	\$ 534,656	\$ 543,326	\$ 570,305
Licenses, permits, and franchises	141,352	149,488	137,754	134,646
Fines and forfeitures	18,307	17,027	15,809	13,678
Rents and concessions	12,751	14,949	19,230	15,006
Investment earnings	8,299	6,711	(2,085)	4,119
Charges for services	67,809	84,497	80,377	78,453
Intergovernmental	132,043	110,460	105,080	95,321
Special assessments	7,513	7,000	7,231	6,978
Contributions	10,277	26,206	27,313	23,891
Other revenues	17,240	17,396	21,508	17,447
Total revenues	<u>943,068</u>	<u>968,390</u>	<u>955,543</u>	<u>959,844</u>
Expenditures:				
General government	110,901	97,544	114,800	122,827
Fire	97,486	124,810	128,851	142,029
Public works	62,494	73,216	85,871	100,787
Neighborhood development	72,068	66,970	65,070	58,519
Health	65,227	51,431	52,778	53,097
Culture and recreation	35,763	37,191	38,582	38,933
Convention facilities	16,429	26,642	30,478	29,628
Economic development	61,401	20,816	2,486	-
Police	186,186	186,431	192,747	205,089
Intergovernmental	42,441	42,450	44,746	46,158
Capital Improvement Expenditures	192,834	225,682	221,417	100,399
Debt service:				
Principal retirement	68,083	72,084	72,544	80,777
Interest	65,141	59,686	62,522	65,047
Fiscal agent fees	6,722	5,026	2,249	1,923
Bond issuance costs	1,623	421	3,640	-
Swap settlement payment	-	-	5,306	-
Payment to refunding bond escrow agent	-	-	-	-
Total expenditures	<u>1,084,799</u>	<u>1,090,400</u>	<u>1,124,087</u>	<u>1,045,213</u>
Excess of revenues over (under) expenditures	<u>(141,731)</u>	<u>(122,010)</u>	<u>(168,544)</u>	<u>(85,369)</u>
Other financing sources (uses):				
Issuance of debt	141,721	66,347	191,873	2,282
Issuance of refunding debt	35,845	6,470	285,639	-
Premium on bond issue	-	-	10,512	-
Discount on bond issue	-	-	-	-
Premium/discount on bond issue	1,496	3,487	-	-
Payment to bond escrow agent	-	-	-	-
Payment to refund bond escrow agent	(39,792)	(7,155)	(304,776)	-
Premium on refunding bond issue	-	-	19,359	-
Discount on refunding bond issue	-	-	-	-
Fund removal of variable rate demand bonds	-	-	-	-
Fund recognition of variable rate demand bonds	-	-	-	(25,520)
Proceeds of capital leases	-	-	-	-
Transfers in	167,711	142,761	160,387	153,502
Transfers out	(167,711)	(142,761)	(160,387)	(153,502)
Payment-in-lieu of taxes	-	-	-	-
Intergovernmental transfers	-	-	-	-
Total other financing sources (uses)	<u>139,270</u>	<u>69,149</u>	<u>202,607</u>	<u>(23,238)</u>
Restatement of beginning fund balance	-	-	-	-
Net change in fund balance	<u>\$ (2,461)</u>	<u>\$ (52,861)</u>	<u>\$ 34,063</u>	<u>\$ (108,607)</u>
Debt service expenditures (principal and interest only)	\$ 133,224	\$ 131,770	\$ 135,066	\$ 145,824
Capital Improvement Expenditures	192,834	225,682	221,417	100,399
Net operating expenditures	891,965	864,718	902,670	944,814
Debt service as a percentage of net operating expenditures	14.9%	15.2%	15.0%	15.4%

Source: Comprehensive Annual Financial Report.

CITY OF KANSAS CITY, MISSOURI
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in thousands)

Table 4

	2014	2015	2016	2017	2018	2019
\$	596,715	\$ 647,423	\$ 668,756	\$ 680,445	\$ 715,523	\$ 764,171
	139,441	142,381	141,291	147,582	154,293	151,564
	15,158	19,586	16,199	13,627	9,972	12,079
	14,734	15,586	16,088	16,401	16,270	17,874
	827	2,951	1,903	1,529	1,336	13,040
	88,320	88,231	89,221	91,694	93,302	95,439
	91,168	73,965	89,522	67,721	59,235	59,485
	9,888	10,549	10,129	9,768	9,511	10,153
	11,155	7,959	7,770	13,684	10,314	14,194
	16,431	19,094	14,561	16,195	15,357	12,005
	<u>983,837</u>	<u>1,027,725</u>	<u>1,055,440</u>	<u>1,058,646</u>	<u>1,085,113</u>	<u>1,150,004</u>
	115,493	114,117	124,103	126,801	120,291	123,777
	141,345	152,202	152,949	160,797	163,290	176,890
	117,007	93,450	89,198	73,823	63,856	60,383
	52,706	52,407	53,486	83,869	89,579	94,984
	53,067	52,913	53,286	54,353	55,388	57,200
	44,113	45,470	45,128	49,494	45,025	51,924
	30,285	30,013	31,423	35,581	68,978	32,753
	8,001	11,684	12,212	10,104	9,872	10,600
	211,196	214,923	218,604	224,426	224,319	232,106
	47,807	46,610	56,386	61,213	62,543	59,930
	131,578	135,453	165,446	92,862	108,349	154,442
	75,354	77,626	82,029	93,135	97,567	116,059
	63,258	65,042	61,696	61,998	65,037	64,819
	1,674	1,352	1,828	1,859	1,790	1,403
	1,489	160	1,714	890	350	303
	-	-	-	-	-	-
	6,200	501	-	-	-	-
	<u>1,100,573</u>	<u>1,093,923</u>	<u>1,149,488</u>	<u>1,131,205</u>	<u>1,176,234</u>	<u>1,237,573</u>
	<u>(116,736)</u>	<u>(66,198)</u>	<u>(94,048)</u>	<u>(72,559)</u>	<u>(91,121)</u>	<u>(87,569)</u>
	115,934	19,334	150,854	58,558	95,886	58,351
	65,485	13,295	276,055	107,040	42,065	-
	6,705	-	8,814	1,316	3,935	4,168
	(94)	-	(67)	(53)	(128)	(274)
	-	-	-	-	-	-
	-	-	-	-	-	(3,949)
	(67,621)	(13,295)	(312,627)	(119,430)	(48,758)	-
	3,090	-	38,902	13,134	7,028	-
	(541)	-	(358)	(338)	-	-
	25,520	6,090	-	-	-	-
	(6,090)	-	-	-	-	-
	-	-	-	-	-	-
	159,363	156,017	172,288	177,328	236,471	221,445
	(159,363)	(156,017)	(172,288)	(177,328)	(236,471)	(221,445)
	-	-	-	2,961	4,396	6,400
	-	-	-	-	-	-
	<u>142,388</u>	<u>25,424</u>	<u>161,573</u>	<u>63,188</u>	<u>104,424</u>	<u>64,696</u>
	-	-	-	-	-	-
\$	<u>25,652</u>	<u>(40,774)</u>	<u>67,525</u>	<u>(9,371)</u>	<u>13,303</u>	<u>(22,873)</u>
\$	138,612	\$ 142,668	\$ 143,725	\$ 155,133	\$ 162,604	\$ 180,878
	131,578	135,453	165,446	92,862	108,349	154,442
	968,995	958,470	984,042	1,038,343	1,067,885	1,083,131
	14.3%	14.9%	14.6%	14.9%	15.2%	16.7%

CITY OF KANSAS CITY, MISSOURI
Program Revenues by Function/Program
Last Ten Fiscal Years
(in thousands)

Table 5

Function/Program	2010	2011	2012	2013
Function/program:				
Governmental activities:				
Charges for services	\$ 278,146	\$ 325,460	\$ 289,733	\$ 275,062
Operating grants and contributions	81,669	138,770	114,875	129,564
Capital grants and contributions	16,748	15,843	36,739	13,731
Subtotal governmental activities	<u>376,563</u>	<u>480,073</u>	<u>441,347</u>	<u>418,357</u>
Business-type activities:				
Water	96,036	119,603	129,762	152,260
Kansas City airports	149,793	143,860	151,074	143,517
Sewer	110,027	125,995	130,666	140,701
Nonmajor enterprise funds	1,575	882	-	-
Subtotal business-type activities	<u>357,431</u>	<u>390,340</u>	<u>411,502</u>	<u>436,478</u>
Total primary government	<u>\$ 733,994</u>	<u>\$ 870,413</u>	<u>\$ 852,849</u>	<u>\$ 854,835</u>

CITY OF KANSAS CITY, MISSOURI
Program Revenues by Function/Program
Last Ten Fiscal Years
(in thousands)

Table 5

2014	2015	2016	2017	2018	2019
\$ 285,313	\$ 277,512	\$ 291,668	\$ 268,344	\$ 298,747	\$ 301,265
99,550	102,484	99,209	96,684	96,109	93,982
44,751	19,096	39,257	26,297	21,880	13,716
<u>429,614</u>	<u>399,092</u>	<u>430,134</u>	<u>391,325</u>	<u>416,736</u>	<u>408,963</u>
146,376	159,142	158,398	168,822	177,579	175,251
143,843	169,741	169,941	183,292	177,642	179,060
182,351	191,711	200,325	217,446	236,338	259,430
-	-	-	-	-	-
<u>472,570</u>	<u>520,594</u>	<u>528,664</u>	<u>569,560</u>	<u>591,559</u>	<u>613,741</u>
<u>\$ 902,184</u>	<u>\$ 919,686</u>	<u>\$ 958,798</u>	<u>\$ 960,885</u>	<u>\$ 1,008,295</u>	<u>\$ 1,022,704</u>

CITY OF KANSAS CITY, MISSOURI
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years
(in thousands)

Table 6

Fiscal Year	Property	Earnings and Profits	Sales	Local Option Use	Hotel and Restaurant	Gaming	Railroad and Utility	Cigarette	Total
2010	\$ 127,165	\$ 181,074	\$ 138,586	\$ 24,481	\$ 31,907	\$ 17,144	\$ 4,430	\$ 2,690	\$ 527,477
2011	120,659	191,674	138,122	24,430	34,702	17,588	4,769	2,712	534,656
2012	121,644	182,967	150,942	26,363	36,226	16,874	5,529	2,781	543,326
2013	123,068	198,175	154,527	32,945	37,688	15,505	5,885	2,512	570,305
2014	113,096	201,183	185,717	34,193	39,565	14,290	6,103	2,568	596,715
2015	117,263	216,030	207,698	39,358	44,427	13,896	6,194	2,557	647,423
2016	118,801	223,824	217,301	38,142	47,822	13,494	6,787	2,585	668,756
2017	124,028	230,841	215,674	37,856	49,986	12,772	6,726	2,562	680,445
2018	130,114	241,805	230,388	39,782	51,375	12,071	7,600	2,389	715,524
2019	141,657	262,793	239,740	42,942	54,651	11,815	8,195	2,378	764,171

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Employees' Pension System
Last Ten Fiscal Years
(in thousands)

Table 7

	2010	2011	2012	2013
Additions				
City contributions	\$ 19,186	\$ 18,589	\$ 18,421	\$ 25,675
Employee contributions	<u>6,332</u>	<u>6,431</u>	<u>6,612</u>	<u>6,652</u>
Total contributions	<u>25,518</u>	<u>25,020</u>	<u>25,033</u>	<u>32,327</u>
Investment income (expense)				
Investment income	16,343	13,893	16,107	13,617
Net appreciation in fair value of investments	163,588	104,860	(7,322)	94,935
Investment expense	(2,937)	(3,236)	(3,017)	(2,845)
Securities lending income	193	225	220	274
Securities lending expense	8	(20)	135	16
Net investment income	<u>177,195</u>	<u>115,722</u>	<u>6,123</u>	<u>105,997</u>
Total additions	<u>202,713</u>	<u>140,742</u>	<u>31,156</u>	<u>138,324</u>
Deductions				
Pension benefits	44,532	46,984	49,575	52,346
Employee refunds	2,765	2,618	3,137	3,348
Administrative expense	<u>151</u>	<u>140</u>	<u>166</u>	<u>166</u>
Total deductions	<u>47,448</u>	<u>49,742</u>	<u>52,878</u>	<u>55,860</u>
Net increase	155,265	91,000	(21,722)	82,464
Net position available for benefits, beginning of year	<u>640,063</u>	<u>795,328</u>	<u>886,328</u>	<u>864,606</u>
Net position available for benefits, end of year	<u>\$ 795,328</u>	<u>\$ 886,328</u>	<u>\$ 864,606</u>	<u>\$ 947,070</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Employees' Pension System
Last Ten Fiscal Years
(in thousands)

Table 7

2014	2015	2016	2017	2018	2019
\$ 25,988	\$ 27,569	\$ 24,578	\$ 23,701	\$ 24,530	\$ 26,032
<u>6,850</u>	<u>8,611</u>	<u>8,235</u>	<u>7,966</u>	<u>8,623</u>	<u>8,514</u>
<u>32,838</u>	<u>36,180</u>	<u>32,813</u>	<u>31,667</u>	<u>33,153</u>	<u>34,546</u>
12,225	15,519	16,163	16,079	18,055	21,258
98,357	73,340	(38,431)	92,517	84,644	41,855
(3,501)	(4,201)	(4,357)	(3,632)	(4,154)	(3,853)
205	229	438	461	1,306	1,689
(18)	(60)	(180)	(138)	(1,085)	(1,496)
<u>107,268</u>	<u>84,827</u>	<u>(26,367)</u>	<u>105,287</u>	<u>98,766</u>	<u>59,453</u>
<u>140,106</u>	<u>121,007</u>	<u>6,446</u>	<u>136,954</u>	<u>131,919</u>	<u>93,999</u>
55,374	58,651	63,007	64,198	68,328	71,411
3,745	4,499	4,596	3,680	3,666	4,393
402	379	366	387	563	585
<u>59,521</u>	<u>63,529</u>	<u>67,969</u>	<u>68,265</u>	<u>72,557</u>	<u>76,389</u>
80,585	57,478	(61,523)	68,689	59,362	17,610
<u>947,070</u>	<u>1,027,655</u>	<u>1,085,133</u>	<u>1,023,610</u>	<u>1,092,299</u>	<u>1,151,661</u>
<u>\$ 1,027,655</u>	<u>\$ 1,085,133</u>	<u>\$ 1,023,610</u>	<u>\$ 1,092,299</u>	<u>\$ 1,151,661</u>	<u>\$ 1,169,271</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Firefighters' Pension System
Last Ten Fiscal Years
(in thousands)

Table 7

	2010	2011	2012	2013
Additions				
City contributions	\$ 11,505	\$ 11,662	\$ 12,748	\$ 11,521
City contributions-health subsidy	-	-	-	1,173
City contributions-health subsidy-supplement	-	-	-	1,552
Employee contributions	5,622	5,497	5,649	5,620
Employee contributions-health subsidy	-	-	-	586
Total contributions	<u>17,127</u>	<u>17,159</u>	<u>18,397</u>	<u>20,452</u>
Investment income (expense)				
Investment income	1,618	1,802	1,903	2,084
Net appreciation in fair value of investments	95,720	51,676	3,548	43,953
Investment expense	(1,881)	(1,963)	(1,854)	(2,117)
Securities lending income	98	9	97	103
Securities lending expense	5	(4)	5	(2)
Net investment income	<u>95,560</u>	<u>51,520</u>	<u>3,699</u>	<u>44,021</u>
Total additions	<u>112,687</u>	<u>68,679</u>	<u>22,096</u>	<u>64,473</u>
Deductions				
Pension benefits	27,211	28,999	30,923	33,233
Employee refunds	796	1,105	1,113	1,466
Administrative expense	86	110	160	136
Total deductions	<u>28,093</u>	<u>30,214</u>	<u>32,196</u>	<u>34,835</u>
Net increase	84,594	38,465	(10,100)	29,638
Net position available for benefits, beginning of year, as restated	<u>291,546</u>	<u>376,140</u>	<u>414,605</u>	<u>404,505</u>
Net position available for benefits, end of year	<u>\$ 376,140</u>	<u>\$ 414,605</u>	<u>\$ 404,505</u>	<u>\$ 434,143</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Firefighters' Pension System
Last Ten Fiscal Years
(in thousands)

Table 7

2014	2015	2016	2017	2018	2019
\$ 11,796	\$ 16,258	\$ 16,632	\$ 16,750	\$ 17,436	\$ 20,015
1,188	1,187	1,192	1,238	1,361	1,352
1,542	1,553	1,446	1,663	1,595	1,587
5,689	6,258	6,173	6,532	6,883	7,109
594	594	596	619	680	676
<u>20,809</u>	<u>25,850</u>	<u>26,039</u>	<u>26,802</u>	<u>27,955</u>	<u>30,739</u>
2,331	2,696	2,685	2,864	4,200	4,676
46,235	32,900	(7,111)	58,255	45,734	22,196
(2,606)	(2,848)	(3,016)	(2,308)	(2,501)	(2,588)
98	97	175	182	451	702
(7)	6	(62)	(55)	(371)	(599)
<u>46,051</u>	<u>32,851</u>	<u>(7,329)</u>	<u>58,938</u>	<u>47,513</u>	<u>24,387</u>
<u>66,860</u>	<u>58,701</u>	<u>18,710</u>	<u>85,740</u>	<u>75,468</u>	<u>55,126</u>
34,142	35,700	37,448	39,169	40,728	42,035
1,424	1,956	1,933	1,017	532	863
221	264	300	345	387	415
<u>35,787</u>	<u>37,920</u>	<u>39,681</u>	<u>40,531</u>	<u>41,647</u>	<u>43,313</u>
31,073	20,781	(20,971)	45,209	33,821	11,813
<u>434,143</u>	<u>465,216</u>	<u>485,997</u>	<u>465,026</u>	<u>510,235</u>	<u>544,056</u>
<u>\$ 465,216</u>	<u>\$ 485,997</u>	<u>\$ 465,026</u>	<u>\$ 510,235</u>	<u>\$ 544,056</u>	<u>\$ 555,869</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Police Retirement System
Last Ten Fiscal Years
(in thousands)

Table 7

	2010	2011	2012	2013
Additions				
City contributions	\$ 16,645	\$ 16,532	\$ 16,477	\$ 16,934
Employee contributions	8,935	9,224	8,894	9,343
Total contributions	<u>25,580</u>	<u>25,756</u>	<u>25,371</u>	<u>26,277</u>
Investment income (expense)				
Investment income	14,004	14,265	13,564	12,869
Net appreciation in fair value of investments	131,435	70,822	(13,250)	46,322
Investment expense	(2,978)	(3,279)	(4,118)	(3,917)
Securities lending income	400	434	385	446
Securities lending expense	(96)	(240)	(165)	(178)
Net investment income	<u>142,765</u>	<u>82,002</u>	<u>(3,584)</u>	<u>55,542</u>
Total additions	<u>168,345</u>	<u>107,758</u>	<u>21,787</u>	<u>81,819</u>
Deductions				
Pension benefits	46,291	46,377	48,578	50,979
Employee refunds	232	557	549	816
Administrative expense	565	631	553	577
Total deductions	<u>47,088</u>	<u>47,565</u>	<u>49,680</u>	<u>52,372</u>
Net increase	121,257	60,193	(27,893)	29,447
Net position available for benefits, beginning of year	<u>534,314</u>	<u>655,571</u>	<u>715,764</u>	<u>687,871</u>
Net position available for benefits, end of year	<u>\$ 655,571</u>	<u>\$ 715,764</u>	<u>\$ 687,871</u>	<u>\$ 717,318</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Police Retirement System
Last Ten Fiscal Years
(in thousands)

Table 7

2014	2015	2016	2017	2018	2019
\$ 22,242	\$ 28,933	\$ 30,272	\$ 30,980	\$ 32,103	\$ 32,281
<u>10,199</u>	<u>10,875</u>	<u>10,748</u>	<u>11,751</u>	<u>11,391</u>	<u>11,413</u>
<u>32,441</u>	<u>39,808</u>	<u>41,020</u>	<u>42,731</u>	<u>43,494</u>	<u>43,694</u>
12,393	13,089	15,378	14,968	19,222	21,110
58,184	38,084	(13,769)	62,159	60,272	18,895
(4,031)	(4,348)	(4,704)	(4,679)	(5,509)	(5,233)
399	186	212	419	694	1,328
<u>(103)</u>	<u>(60)</u>	<u>(76)</u>	<u>(236)</u>	<u>(577)</u>	<u>(1,184)</u>
<u>66,842</u>	<u>46,951</u>	<u>(2,959)</u>	<u>72,631</u>	<u>74,102</u>	<u>34,916</u>
<u>99,283</u>	<u>86,759</u>	<u>38,061</u>	<u>115,362</u>	<u>117,596</u>	<u>78,610</u>
52,627	55,006	57,971	59,554	63,777	65,505
362	399	618	609	954	573
<u>536</u>	<u>550</u>	<u>561</u>	<u>643</u>	<u>715</u>	<u>803</u>
<u>53,525</u>	<u>55,955</u>	<u>59,150</u>	<u>60,806</u>	<u>65,446</u>	<u>66,881</u>
<u>45,758</u>	<u>30,804</u>	<u>(21,089)</u>	<u>54,556</u>	<u>52,150</u>	<u>11,729</u>
<u>717,318</u>	<u>763,076</u>	<u>793,880</u>	<u>772,791</u>	<u>827,347</u>	<u>879,497</u>
<u>\$ 763,076</u>	<u>\$ 793,880</u>	<u>\$ 772,791</u>	<u>\$ 827,347</u>	<u>\$ 879,497</u>	<u>\$ 891,226</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Civilian Employees' Retirement System
Last Ten Fiscal Years
(in thousands)

Table 7

	2010	2011	2012	2013
Additions				
City contributions	\$ 3,330	\$ 3,185	\$ 3,146	\$ 3,283
Employee contributions	1,312	1,384	1,225	1,297
Total contributions	<u>4,642</u>	<u>4,569</u>	<u>4,371</u>	<u>4,580</u>
Investment income (expense)				
Investment income	2,135	2,353	2,900	1,989
Net appreciation in fair value of investments	17,797	9,944	(2,979)	6,979
Investment expense	(439)	(481)	(577)	(637)
Securities lending income	73	83	71	93
Securities lending expense	(21)	(46)	(29)	(39)
Net investment income	<u>19,545</u>	<u>11,853</u>	<u>(614)</u>	<u>8,385</u>
Total additions	<u>24,187</u>	<u>16,422</u>	<u>3,757</u>	<u>12,965</u>
Deductions				
Pension benefits	4,520	4,875	4,786	5,250
Employee refunds	270	131	184	249
Administrative expense	117	117	117	141
Total deductions	<u>4,907</u>	<u>5,123</u>	<u>5,087</u>	<u>5,640</u>
Net increase	19,280	11,299	(1,330)	7,325
Net position available for benefits, beginning of year	<u>71,944</u>	<u>91,224</u>	<u>102,523</u>	<u>101,193</u>
Net position available for benefits, end of year	<u>\$ 91,224</u>	<u>\$ 102,523</u>	<u>\$ 101,193</u>	<u>\$ 108,518</u>

CITY OF KANSAS CITY, MISSOURI
Combining Statement of Changes in Pension Trust Net Position
Civilian Employees' Retirement System
Last Ten Fiscal Years
(in thousands)

Table 7

2014	2015	2016	2017	2018	2019
\$ 4,122	\$ 4,931	\$ 5,048	\$ 5,063	\$ 4,994	\$ 4,779
<u>1,314</u>	<u>1,323</u>	<u>1,287</u>	<u>1,253</u>	<u>1,272</u>	<u>1,416</u>
<u>5,436</u>	<u>6,254</u>	<u>6,335</u>	<u>6,316</u>	<u>6,266</u>	<u>6,195</u>
1,929	1,930	2,270	2,265	2,913	3,285
8,415	5,502	(2,327)	9,880	9,599	3,259
(640)	(676)	(759)	(761)	(850)	(850)
82	34	34	84	144	248
<u>(22)</u>	<u>(11)</u>	<u>(12)</u>	<u>(47)</u>	<u>(119)</u>	<u>(221)</u>
<u>9,764</u>	<u>6,779</u>	<u>(794)</u>	<u>11,421</u>	<u>11,687</u>	<u>5,721</u>
<u>15,200</u>	<u>13,033</u>	<u>5,541</u>	<u>17,737</u>	<u>17,953</u>	<u>11,916</u>
5,930	6,185	6,887	6,889	7,425	7,975
322	135	333	297	341	222
<u>125</u>	<u>113</u>	<u>127</u>	<u>120</u>	<u>148</u>	<u>136</u>
<u>6,377</u>	<u>6,433</u>	<u>7,347</u>	<u>7,306</u>	<u>7,914</u>	<u>8,333</u>
8,823	6,600	(1,806)	10,431	10,039	3,583
<u>108,518</u>	<u>117,341</u>	<u>123,941</u>	<u>122,135</u>	<u>132,566</u>	<u>142,605</u>
<u>\$ 117,341</u>	<u>\$ 123,941</u>	<u>\$ 122,135</u>	<u>\$ 132,566</u>	<u>\$ 142,605</u>	<u>\$ 146,188</u>

CITY OF KANSAS CITY, MISSOURI
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years*
(in thousands)

Table 8

Fiscal Year	Real Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2010	\$5,372,466	\$1,507,749	\$6,880,215	\$29,018,324	23.71	0.0146780
2011	5,412,663	1,464,297	6,876,960	29,093,406	23.64	0.0146780
2012	5,352,712	1,488,480	6,841,192	28,923,054	23.65	0.0152940
2013	5,341,906	1,465,705	6,807,611	28,814,637	23.63	0.0155090
2014	5,320,033	1,486,460	6,806,493	28,680,718	23.73	0.0158750
2015	5,355,304	1,527,037	6,882,341	28,971,795	23.76	0.0159320
2016	5,577,639	1,621,792	7,199,431	30,278,212	23.78	0.0159970
2017	5,673,941	1,686,285	7,360,226	30,937,215	23.79	0.0158060
2018	6,258,953	1,734,404	7,993,357	33,310,792	24.00	0.0159060
2019	6,326,328	1,767,528	8,093,856	33,837,199	23.92	0.0167830

* Information was taken from aggregate assessed valuation reports provided by each county clerk every August and on file with the State of Missouri.

CITY OF KANSAS CITY, MISSOURI
Earnings and Profits Tax by Filing Period - Ten Year Trend
(in thousands)

Table 9

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Wage earner:				
Annual	\$ 7,878	\$ 8,692	\$ 8,261	\$ 7,971
Profits:				
May	992	615	1,388	1,250
June	1,807	982	669	620
July	638	554	670	471
August	426	630	1,032	686
September	1,939	1,393	1,482	1,299
October	2,678	2,002	1,556	1,766
November	360	513	381	465
December	1,553	1,281	2,673	1,054
January	973	1,086	1,357	1,475
February	931	626	1,056	683
March	8,916	7,545	9,696	8,733
April	16,054	13,331	18,647	20,912
Subtotal profits	<u>37,267</u>	<u>30,558</u>	<u>40,607</u>	<u>39,414</u>
Withholding:				
May	11,068	12,121	12,009	12,247
June	11,132	11,012	10,390	12,028
July	9,799	9,570	9,874	16,442
August	17,997	18,844	18,461	12,459
September	9,739	9,329	10,199	11,091
October	10,085	10,336	16,439	16,911
November	17,567	18,483	12,060	12,936
December	11,763	11,453	11,852	13,362
January	10,751	17,935	18,555	18,541
February	18,944	12,259	12,898	13,843
March	11,791	11,390	11,828	12,026
April	12,567	14,289	13,294	13,983
Subtotal withholding	<u>153,203</u>	<u>157,021</u>	<u>157,859</u>	<u>165,869</u>
Gross earnings and profits tax	198,348	196,271	206,727	213,254
Redirection of Economic Activity Tax (Earnings Tax) to TIF Special Allocation Agency Fund*	(17,274)	(4,597)	(23,760)	(15,079)
Total earnings and profits tax, net	<u>\$ 181,074</u>	<u>\$ 191,674</u>	<u>\$ 182,967</u>	<u>\$ 198,175</u>
Total revenue base	\$ 19,834,800	\$ 19,627,100	\$ 20,672,700	\$ 21,325,400
Earnings and profits tax rate	1.00%	1.00%	1.00%	1.00%

* Beginning in fiscal year 2010, the TIF redirection portion of economic activity taxes has been recorded as a reduction in revenue and presented as net revenues. In prior years, the economic activity taxes were treated as gross revenues and recorded as a transfer out to a special allocation fund. For comparative purposes, the reduction in revenues has been disclosed separately.

CITY OF KANSAS CITY, MISSOURI
Top Ten Companies for Withholdings of Earnings - Current Year
and Ten Years Ago By Industry Classification
(in thousands)

Table 10

	Fiscal Year 2019		Fiscal Year 2010
	<u> </u>		<u> </u>
Information technology	\$ 7,314	Government	\$ 4,242
Healthcare	5,182	Healthcare	3,023
Healthcare	4,799	Manufacturing/Retail	2,696
Government	4,776	Business Services	2,536
Engineering	4,302	Information technology	2,439
Information technology	3,328	Engineering	2,088
Healthcare	3,318	Government	2,078
Manufacturing/Retail	3,181	Government	2,065
Manufacturing/Retail	3,161	Government	2,019
Manufacturing/Retail	3,004	Manufacturing	1,672
	<u> </u>		<u> </u>
Total top ten companies by industry classification	<u>\$ 42,365</u>		<u>\$ 24,858</u>
Total withholding tax	\$ 205,328		\$ 153,203
Percentage of top ten companies to total withholding tax	20.63%		16.23%

Taxpayer confidentiality prevents the disclosure of amounts by company name.

CITY OF KANSAS CITY, MISSOURI
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 11

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage
2010	\$ 99,987,436	\$95,397,312	95.41	\$ 4,590,124	\$99,987,436	100.00
2011	105,234,537	96,394,935	91.60	7,649,257	104,044,192	98.87
2012	105,208,148	99,284,461	94.37	5,923,688	105,208,149	100.00
2013	108,182,593	102,091,241	94.37	6,091,352	108,182,593	100.00
2014	109,208,635	102,295,652	93.67	5,829,869	108,125,521	99.01
2015	109,799,591	104,046,643	94.76	5,270,219	109,316,862	99.56
2016	113,653,073	107,818,348	94.87	5,121,939	112,940,287	99.37
2017	117,637,746	111,765,405	95.01	4,942,331	116,707,736	99.21
2018	126,712,985	119,506,320	94.31	5,991,443	125,497,763	99.04
2019	135,729,698	127,907,474	94.24	-	127,907,474	94.24

The prior year taxes levied and collected have been restated to present the amounts net of tax increment financing arrangements (TIF) activities. The amounts have also been adjusted to include billings and collection activities associated with railroad taxes.

CITY OF KANSAS CITY, MISSOURI
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands)

Table 12

Governmental Activities									
Fiscal Year	MDFB and KCMAC	PIEA and IDA	Other Bonds	General Obligation Bonds	Special Assessment Full Faith and Credit	Contract Payments	Notes Payable (Various)		
2010	\$ 244,376	\$ 370,385	\$ 545,255	\$ 308,405	\$ 1,380	\$ -	\$ 63,956		
2011	230,351	360,545	537,295	341,540	700	-	66,910		
2012 ⁽⁴⁾	201,633 ⁽⁵⁾	343,459	571,726	467,572	-	-	51,171		
2013 ⁽³⁾	190,114	330,541	575,373	457,582	-	-	37,167		
2014 ⁽³⁾	157,324	288,235	728,690	426,085	-	-	27,286		
2015 ⁽³⁾	131,904	282,513	731,360	393,524	-	-	22,992		
2016 ⁽³⁾	102,159	275,661	853,252	363,645	-	-	68,479		
2017 ⁽³⁾	101,931	154,687	967,551	329,149	-	-	69,900		
2018	90,861	150,464	944,747	347,523	-	34,775	80,266		
2019	74,778	144,747	912,254	376,722	-	-	70,701		

Business-Type Activities										
Fiscal Year	Water Revenue Bonds/Leases	Kansas City Airports Revenue Bonds	Sewer/ Stormwater Revenue Bonds	Non-Major Enterprise Bonds	Total Primary Government	Personal Income	Percentage of Personal Income¹	Per Capita²		
2010	\$ 257,387	\$ 332,400	\$ 228,692	\$ 29,275	\$ 2,381,511	\$ 11,382,487	20.92%	\$ 5,180		
2011	240,847	313,755	219,691	-	2,311,634	12,056,416	19.17%	5,003		
2012 ⁽⁴⁾	278,657	294,758	301,603	-	2,510,579	12,107,944	20.73%	5,405		
2013 ⁽³⁾	323,957	274,670	360,047	-	2,549,451	12,242,911	20.82%	5,456		
2014 ⁽³⁾	304,946	248,308	344,281	-	2,525,155	12,712,872	19.86%	5,363		
2015 ⁽³⁾	407,290	233,810	324,083	-	2,527,476	13,900,994 ⁽⁵⁾	18.18% ⁽⁵⁾	5,320 ⁽⁶⁾		
2016 ⁽³⁾	374,702	209,281	466,877	-	2,714,056	14,219,526 ⁽⁵⁾	19.09% ⁽⁵⁾	5,635 ⁽⁶⁾		
2017 ⁽³⁾	442,372	183,657	443,806	-	2,693,053	15,510,746 ⁽⁵⁾	17.36% ⁽⁵⁾	5,516 ⁽⁶⁾		
2018	421,368	156,824	603,465	-	2,830,293	16,328,726 ⁽⁵⁾	17.33% ⁽⁵⁾	5,754 ⁽⁶⁾		
2019	400,349	229,034	571,931	-	2,780,516	17,119,067	16.24%	5,625		

Sources: Bond values are from Mun-Ease database, adjusted for calculated unamortized premium and discount; Actual Value of Property from Revenue Division, Department of Finance; Population is from City Planning and Development

¹ The percentage of personal income is a ratio of total primary government debt to total personal income.

Total personal income is derived from an estimate of population and estimate of per capita income from the American Community Survey.

² The Per Capita statistic is a ratio of Total Government debt to population.

³ These numbers are net of unamortized premium, discount.

⁴ These numbers are net of unamortized premium, discount and deferred gain and loss.

⁵ As restated from changes in estimations of Personal Income. See Table 17.

⁶ As restated from changes in estimations of Population. See Table 17.

CITY OF KANSAS CITY, MISSOURI
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands)

Table 13

Fiscal Year	General Obligation Bonds	Other Bonds/Notes/ Contract Payments	Total	Actual Value	Percentage of Actual Taxable Value of Property (1)	Per Capita
2010	\$ 309,785	\$ 1,223,972	\$ 1,533,757	\$ 29,018,324	5.29%	\$ 3,336
2011	342,240	1,195,101	1,537,341	29,093,406	5.28%	3,327
2012 ⁽³⁾	467,572	1,167,989	1,635,561	28,923,054	5.65%	3,521
2013 ⁽²⁾	457,582	1,133,195	1,590,777	28,814,637	5.52%	3,405
2014 ⁽²⁾	426,085	1,201,535	1,627,620	28,680,718	5.67%	3,457
2015 ⁽²⁾	393,524	1,168,769	1,562,293	28,971,795	5.39%	3,289 (4)
2016 ⁽²⁾	363,645	1,299,551	1,663,196	30,278,212	5.49%	3,453 (4)
2017 ⁽²⁾	329,149	1,294,069	1,623,218	30,937,215	5.25%	3,324 (4)
2018 ⁽²⁾	347,523	1,301,113	1,648,636	33,310,792	4.95%	3,351 (4)
2019 ⁽²⁾	376,722	1,202,480	1,579,202	33,837,199	4.67%	3,195

Sources: Bond values are from Mun-Ease database, adjusted for calculated unamortized premium and discount; Actual Value of Proper Revenue Division, Department of Finance; Population is from City Planning and Development

- (1) Fiscal year 2012 and earlier actual valuations have been restated to reduce the values by the incremental increase over initial value property for tax increment financing (TIF) arrangements.
- (2) These numbers are net of unamortized premium, discount.
- (3) These numbers are net of unamortized premium, discount and deferred gain and loss.
- (4) As restated for changes in population estimates. See Table 17.

CITY OF KANSAS CITY, MISSOURI
Direct and Overlapping Debt
General Obligation and Other Net Direct Debt
As of April 30, 2019

Table 14

	General Obligation and Other Net Direct Debt(3)	Percentage Applicable to this Municipality (1)	Municipality's Share of Debt
City of Kansas City	\$ 1,579,202,959 (2)	100.0%	\$ 1,579,202,959
Clay County	55,114,818	46.4%	25,573,276
Jackson County	421,675,406	44.6%	188,067,231
Platte County	22,085,711	50.4%	11,131,198
Cass County	48,365,194	0.1%	48,365
Metropolitan Junior College District	49,597,475	46.6%	23,112,423
Platte County School Districts:			
A. Park Hill Reorganized No. 5	167,910,000	43.0%	72,201,300
B. Platte County Reorganized No. 3	86,544,273	40.0%	34,617,709
Clay County School Districts:			
C. Smithville No. 27	38,580,000	3.4%	1,311,720
D. North Kansas City No. 74	279,232,329	73.6%	205,514,994
E. Liberty No. 53	184,224,891	10.0%	18,422,489
Jackson County School Districts:			
F. Kansas City No. 33	92,980,320	100.0%	92,980,320
G. Raytown No. 2	67,834,700	43.5%	29,508,095
H. Independence No. 30	218,790,000	2.3%	5,032,170
I. Lee's Summit Reorganized No. 7	153,751,178	1.0%	1,537,512
J. Center No. 58	22,582,791	100.0%	22,582,791
K. Hickman Mills Consolidated No. 1	46,621,159	87.3%	40,700,272
L. Grandview Consolidated No. 4	35,413,847	53.0%	18,769,339
M. Blue Springs School Dist	146,577,099	0.0%	-
Subtotal Overlapping Debt	<u>\$ 2,137,881,191</u>		<u>791,111,204</u>
Total direct and overlapping debt			<u>\$ 2,370,314,163</u>

- (1) Percentage is derived by dividing total assessed valuation of taxing jurisdiction within Kansas City by total assessed valuation of taxing jurisdiction.
- (2) Consists of \$376,721,594 of general obligation bonds payable and \$1,202,481,365 of leasehold revenue bonds, lease purchase agreements, limited obligation notes and bonds, and contractual payments. These numbers are net of unamortized premium, discount.
- (3) All debt figures are not net of available balance in the sinking fund.

CITY OF KANSAS CITY, MISSOURI

Legal Debt Margin Information

Last Ten Fiscal Years

Table 15

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed valuation for City, county, and state purposes (see Table 8) (5)	\$ 6,880,215,000	\$ 6,876,960,000	\$ 6,841,192,000	\$ 6,807,611,000
Constitutional debt limit (1) (2)	1,376,043,000	1,375,392,000	1,368,238,400	1,361,522,200
General obligation bonds payable (3)	309,785,000	342,240,000	449,290,000	434,835,000
Less debt service fund balances available for retirement of bonds	<u>2,305,177</u>	<u>2,850,169</u>	<u>2,440,753</u>	<u>2,601,419</u>
Total amount of bonds payable applicable to debt limit	<u>307,479,823</u>	<u>339,389,831</u>	<u>446,849,247</u>	<u>432,233,581</u>
Legal debt margin	<u>\$ 1,068,563,177</u>	<u>\$ 1,036,002,169</u>	<u>\$ 921,389,153</u>	<u>\$ 929,288,619</u>

- (1) Section 26(b) and (c) of the state constitution permits the City, by a vote of the qualified electors, to incur an indebtedness for City purposes not to exceed 10% of assessed valuation.
- (2) Section 26(d) and (e) of the state constitution provides that any City may become indebted not exceeding in the aggregate an additional 10% for the purposes of acquiring the rights-of-way constructing, extending, and improving streets, avenues and sanitary or storm sewer systems, purchasing or constructing waterworks, electric, or light plants, provided the total general obligation indebtedness does not exceed 20% of assessed valuation.
- (3) The total general obligation bonds for Fiscal Year 2019 includes \$2,075,000 general obligation bonds for streetlight projects, \$354,560,000 for capital projects, and \$120,000 general obligation bonds for neighborhood improvement district projects. Amounts are not net of unamortized premium and discount.
- (4) 2012, 2013, 2014 and 2015 fund balances of general debt and interest, special assessment sewer and neighborhood improvement district funds. 2016, 2017, 2018 and 2019 fund balances of general debt and interest, and neighborhood improvement district funds.
- (5) Assessed valuation restated.

CITY OF KANSAS CITY, MISSOURI**Legal Debt Margin Information****Last Ten Fiscal Years**

Table 15

2014	2015	2016	2017	2018	2019
\$ 6,806,493,000	\$ 6,882,341,000	\$ 7,199,431,000	\$ 7,360,226,000	\$ 7,993,357,000	\$ 8,093,856,000
1,361,298,600	1,376,468,200	1,439,886,200	1,472,045,200	1,598,671,400	1,618,771,200
407,515,000	378,785,000	346,915,000	316,255,000	327,275,000	356,755,000
<u>1,850,150</u>	<u>1,262,986</u>	<u>875,241</u> ⁽⁴⁾	<u>306,574</u> ⁽⁴⁾	<u>263,426</u> ⁽⁴⁾	<u>466,055</u> ⁽⁴⁾
<u>405,664,850</u>	<u>377,522,014</u>	<u>346,039,759</u>	<u>315,948,426</u>	<u>327,011,574</u>	<u>356,288,945</u>
<u>\$ 955,633,750</u>	<u>\$ 998,946,186</u>	<u>\$ 1,093,846,441</u>	<u>\$ 1,156,096,774</u>	<u>\$ 1,271,659,826</u>	<u>\$ 1,262,482,255</u>

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

A1.

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Available for Debt Service (3)	Water Fund Senior Bonds Only			
				Debt Service Requirements (4)			Coverage
				Principal	Interest	Total	
2010	\$ 91,794	\$ 56,790	\$ 35,004	\$ 9,405	\$ 6,190	\$ 15,595	2.24
2011	117,399	59,398	58,001	12,045	8,415	20,460	2.83
2012	127,216	68,588	58,628	12,740	7,933	20,673	2.84
2013	151,305	74,979	76,326	13,265	8,828	22,093	3.45
2014 ⁽⁷⁾	145,478	80,718	64,760	13,200	10,306	23,506	2.76
2015	152,727	75,953	76,774	13,810	11,347	25,157	3.05
2016	157,183	72,187	84,996	13,380	13,238	26,618	3.19
2017 ⁽⁷⁾	167,093	83,353	83,740	14,850	13,688	28,538	2.93
2018	169,077	84,923	84,154	17,900	15,610	33,510	2.51
2019	180,009	84,981	95,028	17,840	15,612	33,452	2.84

A2.

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Available for Debt Service (3)	Water Fund All Water Revenue Bonds			
				Debt Service Requirements (5)			Coverage
				Principal	Interest	Total	
2010	\$ 91,794	\$ 56,790	\$ 35,004	\$ 10,505	\$ 7,821	\$ 18,326	1.91
2011	117,399	59,398	58,001	13,290	9,995	23,285	2.49
2012	127,216	68,588	58,628	14,040	9,455	23,495	2.50
2013	151,305	74,979	76,326	14,625	10,289	24,914	3.06
2014 ⁽⁷⁾	145,478	80,718	64,760	14,625	11,704	26,329	2.46
2015	152,727	75,953	76,774	15,300	12,678	27,978	2.74
2016	157,183	72,187	84,996	14,940	14,500	29,440	2.89
2017 ⁽⁷⁾	167,093	83,353	83,740	16,485	14,877	31,362	2.67
2018	169,077	84,923	84,154	19,610	16,723	36,333	2.32
2019	180,009	84,981	95,028	19,625	16,645	36,270	2.62

A3.

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Available for Debt Service (3)	Water Fund All Water Revenue Bonds and Other Water System Obligations			
				Debt Service Requirements (6)			Coverage
				Principal	Interest	Total	
2010	\$ 91,794	\$ 56,790	\$ 35,004	\$ 12,059	\$ 8,532	\$ 20,591	1.70
2011	117,399	59,398	58,001	16,539	11,257	27,796	2.09
2012	127,216	68,588	58,628	17,385	10,590	27,975	2.10
2013	151,305	74,979	76,326	18,100	11,294	29,394	2.60
2014 ⁽⁷⁾	145,478	80,718	64,760	18,236	12,573	30,809	2.10
2015	152,727	75,953	76,774	19,053	13,406	32,459	2.37
2016 ⁽⁸⁾	157,183	72,187	84,996	16,872	14,808	31,680	2.68
2017 ⁽⁷⁾	167,093	83,353	83,740	16,485	14,877	31,362	2.67
2018	169,077	84,923	84,154	19,610	16,723	36,333	2.32
2019	180,009	84,981	95,028	19,625	16,645	36,270	2.62

- (1) Operating revenues includes all income and revenues derived and accrued by the City from the operation of the water system, including capital repayments and interest on investments.
- (2) Operating expenses means all reasonable and necessary expenses of operating and maintaining the water system but, excluding administrative services fees, capital lease payments, depreciation and amortization charges, interest paid on water revenue bonds, any non-cash OPEB obligations and other items listed in Section 4.3 (a)(2)-(11) of the master bond ordinance.
- (3) Net operating revenues are adjusted to exclude revenues or expenses resulting from gain or loss, or mark-to-market change to any hedge agreements.
- (4) Debt service includes senior bonds only.
- (5) Debt service includes all water revenue bonds.
- (6) Debt service includes all water revenue bonds and other water system obligations.
- (7) Restated.
- (8) Debt Service on all Water Obligations includes AMR obligations. On October 25, 2015, \$14,612,688 in remaining principal on AMR obligations were paid off. Debt Service-All Water Obligations does not reflect this final un-scheduled payment. This year has been restated to reflect only the scheduled AMR obligation payments for 2016.

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

B.

Fiscal Year	Sewer Fund (1)							Gross Coverage	Net Coverage (5)
	Gross Revenues (2)	Direct Operating Expenses (3)	Available for Debt Service	Debt Service requirements (4)			SRF subsidy		
				Principal	Interest	Total			
2010	\$ 82,492	\$ 54,221	\$ 28,271	\$ 11,155	\$ 10,257	\$ 21,412	\$ 2,612	1.32	1.50
2011	100,486	50,803	49,683	13,679	10,609	24,288	2,612	2.05	2.29
2012	107,541	54,253	53,288	14,635	10,413	25,048	2,352	2.13	2.35
2013	123,522	60,414	63,108	16,045	13,166	29,211	2,245	2.16	2.34
2014 ⁽⁶⁾	139,231	62,525	76,706	18,425	14,954	33,379	1,947	2.30	2.44
2015	158,252	71,588	86,664	18,726	14,194	32,920	1,585	2.63	2.77
2016	181,742	82,623	99,119	17,886	13,351	31,237	1,240	3.17	3.30
2017 ⁽⁶⁾	198,493	88,017	110,476	21,090	17,040	38,130	963	2.90	2.97
2018	212,613	110,507	102,106	19,550	17,035	36,585	746	2.79	2.85
2019	253,406	103,314	150,092	22,430	21,958	44,388	594	3.38	3.43

- (1) The gross revenues and direct operating expenses only reflect that of the sewer fund and do not include the stormwater fund.
- (2) Generally, the gross revenues include retail sewer charges, intermunicipal sewer charges, other operating revenues and interest income on investments derived from the sewer system.
- (3) Generally, direct operating expenses include sewage treatment and pumping, sewer maintenance, administrative and general, and industrial waste control. Excluded from direct operating expenses are depreciation and amortization.
- (4) The numbers reflect the total annual fiscal year's debt service requirements on all the outstanding senior and junior sewer revenue bonds.
- (5) The Sewer Parity Bond ordinance allows the interest earnings subsidy received under the Revolving Fund Agreement to reduce debt service requirements for the purpose of calculating annual debt service coverage.
- (6) Restated.

C.

Fiscal Year	Storm Water Fund						
	Gross Revenues (1)	Direct Operating Expenses (2)	Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2010	\$ 12,548	\$ 9,097	\$ 3,451	\$ 366	\$ 85	\$ 451	7.65
2011	11,288	8,524	2,764	371	79	450	6.13
2012	11,707	9,581	2,126	378	73	451	4.70
2013	13,263	9,955	3,308	463	66	529	6.25
2014	13,093	10,750	2,343	383	60	443	5.29
2015	13,854	11,703	2,151	390	53	443	4.86
2016	13,918	11,812	2,106	397	47	444	4.74
2017 ⁽⁴⁾	13,571	13,391	180	403	41	444	0.41
2018	14,302	14,381	(79)	410	34	444	(0.18)
2019	14,113	13,504	609	416	28	444	1.37

- (1) Generally, the gross revenues include storm water fees and other operating revenues.
- (2) Generally, direct operating expenses include sewage treatment and pumping, sewer maintenance and administrative and general expenses.
- (3) Excluded from direct expenses are depreciation and amortization.
- (4) Restated.

D.

Fiscal Year	Airport Fund						
	Gross Revenues (1)	Direct Operating Expenses (2)	Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2010	\$ 104,628	\$ 78,451	\$ 26,177	\$ 14,460	\$ 11,270	\$ 25,730	1.02
2011	108,862	78,364	30,498	13,975	10,538	24,513	1.24
2012	115,372	76,514	38,858	14,680	9,817	24,497	1.59
2013	113,954	76,578	37,376	15,155	9,098	24,253	1.54
2014 (4)	117,294	79,522	37,772	3,910	5,089	8,999	4.20
2015	136,341	83,569	52,772	7,205	7,158	14,363	3.67
2016	140,174	82,646	57,528	16,995	6,615	23,610	2.44
2017	144,691	85,829	58,862	17,810	5,793	23,603	2.49
2018	146,107	88,084	58,023	18,725	4,877	23,602	2.46
2019	149,590	94,016	55,574	14,740	3,227	17,967	3.09

- (1) Generally, gross revenues include airfield, terminal, parking, rental cars, aviation services area, other property rentals, customer facility charges, transportation facility charge, interest revenues, operating grants, cash provided by capitalized interest, and other miscellaneous revenues derived from the Airport System.
- (2) Generally, direct operating expenses include, salaries, wages and benefits, contractual services, utilities, commodities and supplies, property and liability insurance, and other miscellaneous expenses. Excluded from direct operating expenses are depreciation and amortization expenditures.
- (3) The numbers reflect the total annual fiscal year's debt service requirements on all outstanding senior and subordinate bonds.
- (4) Starting Fiscal Year 2014, the annual debt coverage ratio is calculated based on the rate covenant established under Committee Substitute for ordinance No. 130081.

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

E.

Fiscal Year	(1)	(2)	(3)	PFC Fund	(5)	(6)	(7)	(8)	(9)
	PFC Authority	Less Cost Paid to Date	Less Contractual Commitment	(4) Less Debt Service Paid to Date	Plus Jr. Lien Bonds	Plus Jr. Lien Deposit	Net PFC Authority	Debt Service Requirements	Sufficiency Test Covenant
2010	\$ 404,116	\$ 130,663	\$ -	\$ 86,901	\$ -	\$ -	\$ 186,552	\$ 149,246	1.25
2011	404,116	133,914	-	96,904	-	-	173,298	139,154	1.24
2012	404,116	149,189	-	106,970	-	-	147,957	129,091	1.15
2013	428,360	171,411	-	117,007	-	-	139,942	119,056	1.18
2014 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A
2015 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A
2016 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A
2017 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A
2018 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A
2019 ⁽¹⁰⁾	N/A	N/A	-	N/A	-	-	N/A	N/A	N/A

- (1) PFC Authority approved by the FAA.
- (2) Includes PFC Pay-As-You-Go costs related to approved PFC applications.
- (3) PFC Pay-As-You-Go contractual commitments that have not yet been paid. For purposes of this analysis, it is assumed that all contractual commitments are paid as incurred.
- (4) Debt service paid to date on the Series 2001 Bonds.
- (5) Projected debt service on any junior lien bonds.
- (6) Funds on deposit on any junior lien bonds.
- (7) Net PFC Authority.
- (8) Debt service requirements. (less Debt Service Reserves)
- (9) Sufficiency Test Covenant must be at least 1.05.
- (10) There are no longer any PFC Revenue Bonds Outstanding.

F.

KCMAC (Zona Rosa Project) (2)
(Spec. Ob. 2010B Issuance-Zona Rosa Portion, Spec. Ob. 2013B Issuance Refunding the KCMAC 2003C Issuance-Zona Rosa Portion)

Fiscal Year	Revenues (1)		Debt Service Requirements			Coverage
	Available for Debt Service	Principal	Interest	Total		
2010	\$ 1,744	\$ 735	\$ 609	\$ 1,344	1.30	
2011	1,576	485	448	933	1.69	
2012	1,825	805	485	1,290	1.40	
2013	1,857	850	447	1,297	1.43	
2014	1,637	340	349	689	2.38	
2015	1,870	795	338	1,133	1.65	
2016	1,814	825	317	1,142	1.59	
2017	1,890	855	289	1,144	1.65	
2018	1,690	900	254	1,154	1.46	
2019	1,525	950	213	1,163	1.31	

- (1) Revenues consist of capital improvement and TDD sales taxes.
- (2) The original KCMAC Series 2001B-1 Zona Rosa Project was refunded by Series 2010B Special Obligation bonds in FY 2010. The KCMAC Series 2003C Zona Rosa portion was refunded by Series 2013B Special Obligation Bonds in FY 2014.

G.

KCMAC (Prospect North Project) (2)
(Spec. Ob. 2010B Issuance-Prospect North Portion, Series 2004-B2 Issuance-Prospect North Portion, Spec. Ob. Series 2015A Refunding the KCMAC 2004B-2 Prospect North Portion)

Fiscal Year	Revenues (1)		Debt Service Requirements			Coverage
	Available for Debt Service	Principal	Interest	Total		
2010	\$ 151	\$ 460	\$ 511	\$ 971	0.16	
2011	-	45	276	321	-	
2012	-	595	363	958	-	
2013	2	665	340	1,005	-	
2014	-	715	320	1,035	-	
2015	-	760	298	1,058	-	
2016	-	740	242	982	-	
2017	-	885	219	1,104	-	
2018	253	935	192	1,127	0.22	
2019	125	995	161	1,156	0.11	

- (1) Revenues consist of TIF Revenues.
- (2) The original KCMAC Series 2001B-1 Prospect North Project was refunded by Series 2010B Special Obligation bonds in FY 2010. A portion of the KCMAC Series 2004B-2 bonds were refunded by the Special Obligation Bonds Series 2015A in April 2015.

CITY OF KANSAS CITY, MISSOURI

Revenue Bond Coverage Ratios

Last Ten Fiscal Years

(in thousands)

Table 16

H.

**KCMAC and LCRA and Special Obligation (Auditorium Plaza Garage Project)
(KCMAC 2006A Issuance-Auditorium Plaza Garage Portion and LCRA Series 2005E-Auditorium
Plaza Garage Portion, Special Obligation Series 2015A Refunding the KCMAC 2006A Bonds)(2)**

Fiscal Year	Revenues (1)		Debt Service Requirements			Coverage
	Available for Debt Service		Principal	Interest	Total	
2010	\$ 563	\$	350	\$ 276	\$ 626	0.90
2011	624		380	261	641	0.97
2012	351		415	247	662	0.53
2013	767		455	229	684	1.12
2014	782		495	209	704	1.11
2015	897		535	188	723	1.24
2016	812		590	144	734	1.11
2017	953		650	115	765	1.25
2018	1,188		695	94	789	1.51
2019	1,019		745	64	809	1.26

(1) Revenues consist of Auditorium Plaza Garage net parking revenues.

(2) A portion of the KCMAC Series 2006A were refunded by the Special Obligation Series 2015A in April 2015.

I.

**KCMO Special Obligation VRDO Refunding and Improvement Revenue Bonds (I-35 and Chouteau Project)
KCMO Special Obligation Series 2009C (Tax-Exempt) and 2009D (Taxable) Issuance (3)**

Fiscal Year	Revenues (1)		Debt Service Requirements			Coverage
	Available for Debt Service		Principal	Interest (2)	Total	
2010	\$ 1,169	\$	530	\$ 294	\$ 824	1.42
2011	990		550	267	817	1.21
2012	915		595	207	802	1.14
2013	915		640	196	836	1.09
2014	1,014		690	182	872	1.16
2015	1,058		735	108	843	1.26
2016	1,013		800	103	903	1.12
2017	1,085		850	132	982	1.10
2018	1,087		910	148	1,058	1.03
2019 ⁽⁴⁾	1,184		1,700	132	1,832	0.65

(1) Revenues consist of TIF revenues.

(2) Includes variable rate bond support costs.

(3) The original TIFC Series 2003A and 2003B Chouteau Redevelopment Project was refunded by Series 2009C and 2009D Special Obligation Bonds in Fiscal 2009.

(4) \$480,000 of Series 2009C and \$1,220,000 of Series 2009D were redeemed on September 1, 2018 using trustee held TIF Revenues. The amounts that would have otherwise would have been scheduled redemptions for the year were \$480,000 of Series 2009C bonds and \$480,000 of Series Series 2009D bonds. The pledged revenues recognized were only what was collected during the fiscal year and does not include amounts on hand with the trustee that were used for the redemptions on September 1, 2018.

CITY OF KANSAS CITY, MISSOURI

Revenue Bond Coverage Ratios

Last Ten Fiscal Years

(in thousands)

Table 16

J.

**KCMO Special Obligation Improvement Refunding and Revenue Bonds
(Blue Parkway Town Center Project) (2) Series 2013B**

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	\$ 907	\$ 245	\$ 730	\$ 975	0.93
2011	736	270	720	990	0.74
2012	671	300	708	1,008	0.67
2013	670	450	693	1,143	0.59
2014	665	475	516	991	0.67
2015	835	545	527	1,072	0.78
2016	511	570	513	1,083	0.47
2017	911	615	492	1,107	0.82
2018	801	645	464	1,109	0.72
2019	753	705	430	1,135	0.66

- (1) Revenues consist of TIF/STIF/Community Improvement District Sales tax revenues.
- (2) The original TIFC Series 2004 was refunded by KCMO Special Obligation refundings and improvements bonds, Series 2013B in FY 2014.

K.

**KCMO Special Obligation VRDO Improvement Revenue Bonds (909 Walnut Project)
KCMO Special Obligation Taxable Refunding (Series 2009A) Issuance (3)**

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest (2)	Total	
2010	\$ 299	\$ 215	\$ 157	\$ 372	0.80
2011	404	250	153	403	1.00
2012	394	280	144	424	0.93
2013	446	310	116	426	1.05
2014	499	345	99	444	1.12
2015	646	390	93	483	1.34
2016	965	430	98	528	1.83
2017	626	470	105	575	1.09
2018	746	515	127	642	1.16
2019 ⁽⁴⁾	3,587	4,285	128	4,413	0.81

- (1) Revenues consist of TIF/STIF/Garage Parking Revenues/Special Assessments
- (2) Includes variable rate bond support costs.
- (3) The original TIFC Series 2005 909 Walnut Redevelopment Project was refunded by Series 2019A Special Obligation Bond in Fiscal 2009.
- (4) Special Obligation 2009A debt was defeased on December 27, 2018, upon the sale of the 909 Walnut Building. Revenues included a \$3.021 million in sale proceeds as well as project revenues held by the trustee.

CITY OF KANSAS CITY, MISSOURI

Revenue Bond Coverage Ratios

Last Ten Fiscal Years

(in thousands)

Table 16

L.

**KCMO Special Obligation VRDO Improvement Revenue Bonds (President Hotel Project)
KCMO Special Obligation Taxable Refunding (Series 2009B) Issuance (3)**

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest (2)	Total	
2010	\$ 1,397	\$ 385	\$ 425	\$ 810	1.72
2011	1,243	430	384	814	1.53
2012	1,406	470	318	788	1.78
2013	1,388	525	306	831	1.67
2014	1,438	570	291	861	1.67
2015	1,398	625	184	809	1.73
2016	1,672	680	191	871	1.92
2017	1,619	740	235	975	1.66
2018	1,649	795	290	1,085	1.52
2019	1,601	865	368	1,233	1.30

- (1) Revenues consist of TIF/STIF/Convention and Visitor Assn. reimbursement/minimum property assessment value payments.
- (2) Includes variable rate bond support costs.
- (3) The original TIFC Series 2004 President Hotel Improvement Project was refunded by Series 2009B Special Obligation Bonds in FY 2009.

M.

**IDA Improvement Revenue and Special Obligation Bonds (KC Live Project)
(IDA Series 2005A and Special Obligation Series 2017C) (3)**

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest (2)	Total	
2012	\$ 840	\$ 1,575	\$ 5,370	\$ 6,945	0.12
2013	1,142 (4)	1,815	5,307	7,122	0.16
2014	335 (5)	2,065	5,234	7,299	0.05
2015	1,302 (4)	-	4,669	4,669	0.28
2016	894	320	4,669	4,989	0.18
2017	1,047	845	4,651	5,496	0.19
2018	910	-	4,039	4,039	0.23
2019	968	-	4,302	4,302	0.23

- (1) Revenues consist solely of DESA revenues.
- (2) Includes variable rate bond support costs (FY 2012).
- (3) IDA VRDO Series 2005B, 2006A and 2006B were refunded by IDA Refunding and Revenue Series 2005A and 2011A. IDA Series 2005A and 2011A was partially refunded by KCMO Special Obligation bonds, Series 2014C. The remainder of the IDA Series 2005A bonds were refunded by KCMO Special Obligation Series 2017C bonds. No debt service was paid on the Series 2017C bonds in fiscal year 2017. This section discloses information for fiscal year's 2012 through 2016 that is consistent with the information displayed on page twenty-three of the official statement with respect to the Series 2017C bonds. The information in the official statement and in this section sets forth historical information on DESA Revenues and debt service on the IDA Series 2005A bonds.
- (4) Includes DESA reimbursements for three semi-annual periods.
- (5) Includes DESA reimbursement for one semi-annual period.

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

N.

IDA Improvement Revenue and Special Obligation Bonds (KC Live Project)
(IDA Series 2011A and Special Obligation 2014C Issuance) ⁽³⁾

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest (2)	Total	
2010	\$ 4,733 ⁽⁴⁾	\$ 1,875 ⁽⁴⁾	\$ 13,950 ⁽⁴⁾	\$ 15,825	0.30
2011	5,597 ⁽⁴⁾	5,230 ⁽⁴⁾	13,349 ⁽⁴⁾	18,579	0.30
2012	3,654	2,125	7,736	9,861	0.37
2013	4,158	2,120	8,995	11,115	0.37
2014	4,366	3,460	8,896	12,356	0.35
2015	5,819	-	9,292	9,292	0.63
2016	5,176	685	9,379	10,064	0.51
2017	5,414	1,715	9,328	11,043	0.49
2018	6,150	2,970	9,226	12,196	0.50
2019	5,677	4,465	9,049	13,514	0.42

- (1) Revenues consist of TIF/STIF, DESA, and Transportation Development District (TDD) revenues for fiscal years 2008 through 2011. Revenues consist of TIF/STIF and Transportation Development District (TDD) revenues for fiscal years 2012 through 2017.
- (2) Includes variable rate bond support costs (FY 2007-2012).
- (3) IDA VRDO Series 2005B, 2006A and 2006B were refunded by IDA Refunding and Revenue Series 2005A and 2011A. IDA Series 2005A and 2011A was partially refunded by KCMO Special Obligation bonds, Series 2014C. The remainder of the IDA Series 2005A bonds were refunded by KCMO Special Obligation Series 2017C bonds.
- (4) Revenues and Debt Service Requirements for fiscal years ending 2008 through 2011 are combined for IDA 2005A, 2005B, 2006A and 2006B bonds. The IDA Series 2011A bonds were issued in June of 2011 and therefore had no debt service in fiscal year 2011.

O.

KCMO Special Obligation Improvement Revenue Bonds (Sprint Arena Project)
Special Obligation (Series 2008C, 2016E and taxable 2008D) Issuance (2)

Fiscal Year	User Fees	Net Car Rental & License Fees	Net Cash Flow Pmt. Contributions	Total Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
					Principal	Interest	Total	
2011	\$ 1,147	\$ 11,603	\$ 124	\$ 12,874 ⁽³⁾	\$ 2,455	\$ 11,352	\$ 13,807	0.93
2012	1,023	12,278	124	13,425 ⁽³⁾	2,560	11,250	13,810	0.97
2013	1,181	12,403	192	13,777 ⁽³⁾	2,790	11,143	13,933	0.99
2014	577	12,709	-	13,286	3,050	11,014	14,064	0.94
2015	423	13,247	-	13,670	3,320	10,873	14,193	0.96
2016	392	14,442	-	14,834	3,600	10,720	14,320	1.04
2017	174	13,835	-	14,009	4,725	9,254	13,979	1.00
2018	307	14,218	-	14,526	4,495	9,492	13,987	1.04
2019	251	14,795	-	15,046	4,720	9,264	13,984	1.08

- (1) Total Revenues consist of car rental and hotel fees (collectively, the license fees) used to pay debt service on both the Series 2008C Bonds and the Series 2008D Bonds, and user fees used to pay debt service only on the taxable Series 2008D Bonds.
- (2) IDA VRDO Series 2005C, 2005D and 2006E were refunded by KCMO Special Obligation Bonds Series 2008C ("Series 2008C") and 2008D in FY 2009. KCMO Special Obligation Bonds Series 2016E ("Series 2016E") refunded the Series 2008C Bonds and financed \$6,794,101.00 in additional improvements to the Sprint Arena. No debt service was paid on the Series 2016E Bonds in fiscal year 2016.
- (3) Partial contributions were made to pledged license fees, from net cash flow payments made by the Sprint Arena manager of \$124,042.96, \$123,753.36 and \$191,501.97 in 2011, 2012, and 2013 respectively. Revenues for these prior years were restated to reflect these contributions.

P.

LCRA Leasehold Revenue Refunding Bonds and KCMO Special Obligation Taxable Revenue Bonds (Muehlebach Hotel Project)
LCRA (Series 2005E) and Special Obligation taxable (Series 2010C) Issuance (2)

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	\$ 6,384	\$ 2,350	\$ 981	\$ 3,331	1.92
2011	2,504	2,440	1,074	3,514	0.71
2012	2,578	2,575	1,003	3,578	0.72
2013	2,620	2,675	900	3,575	0.73
2014	2,759	2,840	793	3,633	0.76
2015	3,167	2,590	680	3,270	0.97
2016	3,062	2,755	550	3,305	0.93
2017	4,259	2,105	413	2,518	1.69
2018	4,169	2,195	324	2,519	1.66
2019 ⁽³⁾	3,072	4,700	230	4,930	0.62

- (1) Revenues consist of TIF/STIF/Convention and Visitor Assn. reimbursement revenues.
- (2) The original LCRA 1995A Muehlebach Hotel Redevelopment Project was refunded by LCRA Series 2005E in FY 2006.
- (3) Both the LCRA Series 2005E and the Special Obligation Series 2010C bonds were paid off in FY 2019. Debt service reserves on both series of bonds, established in FY 2010, covered 89% of the final debt service payments. The debt service reserves are reflected in the revenues listed in 2010 and 2019.

CITY OF KANSAS CITY, MISSOURI

Revenue Bond Coverage Ratios

Last Ten Fiscal Years

(in thousands)

Table 16

Q.

**PIEA Taxable Industrial Revenue Bonds (300 Wyandotte Parking Garage Project)
(PIEA Series 2005 Issuance)**

<u>Fiscal Year</u>	<u>Revenues (1) Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2010	\$ 528	\$ 290	\$ 381	\$ 671	0.79
2011	558	320	366	686	0.81
2012	263	345	350	695	0.38
2013	308	375	332	707	0.44
2014	325	405	312	717	0.45
2015	388	435	291	726	0.53
2016	325	345	268	613	0.53
2017	30	370	249	619	0.05
2018	28	395	228	623	0.04
2019	36	425	207	632	0.06

- (1) Revenues consist of Non-TIF redirection revenues, net parking garage revenues and neighborhood improvement district (NID) special assessments.

R.

**IDA Refunding Revenue Bonds (MDFB Series 2000A Midtown Retail District Project)
(IDA Series 2007A Issuance) and KCMO Special Obligation Refunding Bonds Series 2017D (2)**

<u>Fiscal Year</u>	<u>Revenues (1) Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2010	\$ 6,709	\$ 2,060	\$ 1,732	\$ 3,792	1.77
2011	6,255	2,185	1,649	3,834	1.63
2012	5,110	2,315	1,562	3,877	1.32
2013	6,618	2,470	1,463	3,933	1.68
2014	6,563	2,635	1,365	4,000	1.64
2015	7,259	2,825	1,233	4,058	1.79
2016	7,736	3,000	1,120	4,120	1.88
2017	8,156	3,205	551	3,756	2.17
2018	8,388	3,155	827	3,982	2.11
2019	7,385	3,385	652	4,037	1.83

- (1) Revenues consist of state TIF and City TIF/STIF.
- (2) The original MDFB Series 2000A Midtown Retail District Project was refunded by IDA Series 2007A in FY 2007. The IDA Series 2007A bonds were refunded by the KCMO Special Obligation Series 2017D bonds on March 23, 2017. There was no debt service on the Series 2017D bonds in FY 2017.

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

S.

City of Kansas City, Missouri Special Obligation Improvement and Refunding Bonds
(Second Street Project) (Series 2016C issuance)

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	\$ 2,012	\$ 1,765	\$ 114	\$ 1,879	1.07
2011	173	15	50	65	2.68
2012	158	20	50	70	2.26
2013	135	20	49	69	1.96
2014	148	20	48	68	2.18
2015	138	25	48	73	1.89
2016	191	30	47	77	2.48
2017	410	85	41	126	3.25
2018	353	85	40	125	2.82
2019	721	100	36	136	5.30

- (1) Revenues include TIF revenues from the redevelopment area.
- (2) Special Obligation Refunding Bonds Series 2016C refunded the Series 2008A bonds in April of 2016. No debt service was paid on the Series 2016C bonds in fiscal year 2016.

T.

City of Kansas City, Missouri Special Obligation Improvement and Refunding Bonds
(Hodge Park/Shoal Creek Golf Course) (Series 2016C issuance) (2)

Fiscal Year	Revenues (1) Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	\$ 727 ⁽⁴⁾	\$ 305	\$ 231	\$ 536	1.36
2011	448	320	221	541	0.83
2012	639	330	210	540	1.18
2013	605	340	199	539	1.12
2014	552 ⁽⁴⁾	350	186	536	1.03
2015	432	365	172	537	0.80
2016	544 ⁽⁴⁾	385	158	543	1.00
2017	323 ⁽³⁾	385	128	513	0.63
2018	556 ⁽⁵⁾	390	120	510	1.09
2019	502 ⁽⁶⁾	420	80	500	1.00

- (1) Revenues include net revenues from golf courses.
- (2) Special Obligation Refunding Bonds Series 2016C refunded the Series 2008A bonds in April of 2016. No debt service was paid on the Series 2016C bonds in fiscal year 2016.
- (3) Net revenues of golf courses included a transfer of \$425,000 in cash from the Parks and Recreation Fund during FYE 2017 to cover expenses.
- (4) Net revenues of golf courses included a transfer of \$ 260,834, \$520,000 and \$222,891 in expenditures during fiscal year's 2016, 2014 and 2010 respectively to other Parks and Recreation operating funds.
- (5) Net revenues of golf courses included a transfer of \$321,948 in cash from the Parks and Recreation Fund during FYE 2018 to cover expenses.
- (6) Net revenues of golf courses included a transfer of \$288,398 in cash from the Parks and Recreation Fund during FYE 2019 to cover expenses.

CITY OF KANSAS CITY, MISSOURI
Revenue Bond Coverage Ratios
Last Ten Fiscal Years
(in thousands)

Table 16

U.

City of Kansas City, Missouri Special Obligation Improvement and Refunding Bonds
(East Village Project) (Series 2008B, 2010A & 2016D) (3)

<u>Fiscal Year</u>	<u>Revenues (1)</u> <u>Available</u> <u>for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2010	\$ 302	\$ -	\$ 1,383	\$ 1,383	0.22
2011	1,622	395	1,610	2,005	0.81
2012	1,787	450	1,606	2,056	0.87
2013	1,810	530	1,592	2,122	0.85
2014	1,726	610	1,574	2,184	0.79
2015	1,599	705	1,551	2,256	0.71
2016 ⁽³⁾	1,896	795	1,525	2,320	0.82
2017	1,899	875	1,302	2,177	0.87
2018	2,006	960	1,293	2,253	0.89
2019	2,855 ⁽⁴⁾	1,070	1,263	2,333	1.22

- (1) Revenues include TIF/State TIF Revenues
- (2) The City issued its Special Obligation Bonds, Series 2008B in April 2008 and Series 2010A in April 2010.
- (3) Special Obligation Refunding Bonds Series 2016D refunded the Series 2008B bonds in April of 2016. No debt service was paid on the Series 2016D bonds in fiscal year 2016.
- (4) Revenues include approximately \$411,000 in project proceeds from a closed project fund transferred to Series 2010A debt service account to fund the FY 2019 debt service.

V.

City of Kansas City, Missouri Special Obligation (Downtown Streetcar Project) (Series 2014A) Issuance

<u>Fiscal Year</u>	<u>Revenues (1)</u> <u>Available</u> <u>for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2014	\$ 8,836	\$ -	\$ -	\$ -	-
2015	10,347	1,640	2,793	4,433	2.33
2016	11,101	1,470	2,963	4,433	2.50
2017	11,612	1,510	2,925	4,435	2.62
2018	12,587	1,555	2,879	4,434	2.84
2019	13,830	1,610	2,824	4,434	3.12

- (1) Revenues consist of retail sales tax and real property assessments within the Downtown Streetcar District.
- (2) Bonds were issued on March 25, 2014 but no debt service payments were made in 2014.

W.

City of Kansas City, Missouri Taxable Special Obligation (Linwood Shopping Center Project)
(Series 2017A) Issuance

<u>Fiscal Year</u>	<u>Revenues (1)</u> <u>Available</u> <u>for Debt Service</u>	<u>Debt Service Requirements (2)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2017	\$ -	\$ -	\$ -	\$ -	-
2018 ⁽³⁾	5	-	701	701	0.01
2019	-	525	681	1,206	-

- (1) Revenues consist of TIF/STIF revenues associated with the redevelopment areas.
- (2) Bonds were issued on March 23, 2017 but no debt service payments were made in 2017.
- (3) Bond proceed funded capitalized interest paid the FY 2018 debt service.

CITY OF KANSAS CITY, MISSOURI
Demographic and Economic Statistics
Last Ten Calendar Years

Table 17

Year	Population	Personal Income ⁽⁶⁾ (in Thousands)	Per Capita Personal Income ⁽⁷⁾	School Enrollment	Unemployment Rate ⁽⁹⁾
2010	459,787 ⁽¹⁾	\$ 11,382,487	\$ 24,756	56,391	10.0
2011	462,091 ⁽²⁾	12,056,416	26,091	56,764	8.9
2012	464,511 ⁽²⁾	12,107,944	26,066	57,549	7.3
2013	467,251 ⁽²⁾	12,242,911	26,202	57,042	7.3
2014	470,882 ⁽²⁾	12,712,872	26,998	55,360	6.9
2015	475,069 ⁽²⁾	13,900,994 ⁽²⁾	29,261 ⁽¹¹⁾	55,077	5.7
2016	481,626 ⁽²⁾	14,219,526 ⁽²⁾	29,524 ⁽¹¹⁾	55,039	4.9
2017	488,266 ⁽²⁾	15,510,746 ⁽²⁾	31,767 ⁽¹¹⁾	56,711	4.3 ⁽¹²⁾
2018	491,918 ⁽²⁾	16,328,726 ⁽²⁾	33,194 ⁽¹¹⁾	61,855 ⁽⁸⁾	3.5 ⁽¹²⁾
2019	494,285 ⁽³⁾	17,119,067	34,634	62,958 ⁽⁸⁾	3.8 ⁽¹⁰⁾

Sources:

- ¹ The 2010 Calendar Year population numbers are from the 2010 Census.
- ² Census Bureau's 2011 to 2018 Population Estimates Program. The 2015, 2016, 2017, and 2018 numbers have been restated.
- ³ The Calendar Year 2019 estimates were provided by the City Planning and Development Department using extrapolation of the change from 2010 to 2018.
- ⁵ Derived from population and per capita income, provided by City Planning and Development Department
- ⁶ Fiscal Year 2010-2018 American Community Survey.
- ⁷ For 2018 and 2019 the estimates are based upon averaging two figures: (1) the 2017 American Community Survey adjusted for CPI change from 2017 to 2018 and (2) City Planning and Development Department using extrapolation of the change from 2016 to 2017, forward to 2018 and 2019.
- ⁸ niche.com was used for schools in Kansas City.
- ⁹ Kansas City, MO (city not MSA) Bureau of Labor Statistics Rpt: LAUCT293800000000003, not seasonally adjusted.
- ¹⁰ Kansas City, MO (city not MSA) Bureau of Labor Statistics Rpt: LAUCT293800000000003, not seasonally adjusted average monthly rates from January
- ¹¹ The 2015, 2016, 2017, and 2018 numbers have been restated due to a restatement of the population estimates.
- ¹² Restated from prior years

CITY OF KANSAS CITY, MISSOURI

**Top 10 Principal Employers
Current Year and Ten Years Ago**

Table 18

Employer¹	2019		Employer	2010	
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment
Public School System ³	39,048	3.51%	Federal Government	37,070	3.82%
State/County/City Government ²	21,547	1.94%	Public School System	29,566	3.05%
Federal Government	20,846	1.87%	State/County/City Government	27,371	2.82%
Cerner Corp.	14,000	1.26%	HCA Midwest Health Systems	8,127	0.84%
HCA Midwest Health System	9,963	0.90%	Sprint Nextel Corp.	7,300	0.75%
The University of Kansas Hospital	10,489	0.94%	Saint Luke's Health System	6,622	0.68%
Saint Luke's Health System	9,700	0.87%	McDonald's USA LLC	5,700	0.59%
Ford Motor Co. Kansas City Assembly Plant	7,030	0.63%	Cerner Corp	4,980	0.51%
Children's Mercy	7,189	0.65%	Children's Mercy	4,812	0.50%
Hallmark	5,200	0.47%	Truman Medical Center	4,081	0.42%
Total employment Kansas City MSA⁴	1,113,000	13.03%	Total employment Kansas City MSA	969,900	13.98%

Sources:

¹ Top Public-Sector Employers, Kansas City Business Journal, July 2019 and Top 100 Area Private Sector Employers, Kansas City Business Journal, July 2019.

² The number of local employees for the State/County/City Government is made up of seven (7) employers for 2019.

³ The number of local employees for the public school systems is made up of twelve (12) public school systems and school districts for 2019 and sixteen (16) for 2008.

⁴ Bureau of Labor Statistics, <https://www.bls.gov/sae/#tables> as of July 2019

**The information presented in this table speaks only as of the date indicated in the source.

Layoffs or developments after this date are not presented, and they can render some information in the table to be inaccurate. In general, job losses have occurred across most major industry sectors.

CITY OF KANSAS CITY, MISSOURI
Full-Time Equivalent City Government Employees
by Functions/Program
Last Ten Fiscal Years

Table 19

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government				
Offices of Mayor and Council	38	38	41	41
City Clerk	6	6	6	6
City Auditor	13	11	12	12
Office of City Manager	110	67	80	80
Finance	115	108	104	104
Law	59	62	71	70
Human Resources	42	40	38	37
Information Technology**	97	93	87	-
General services	205	182	171	259
Public Safety				
Emergency Management Service	2	-	-	-
Firefighters	1,003	1,331	1,286	1,286
Municipal Court	77	81	70	80
Capital Improvements Management***	89	34	44	-
Health Department	190	198	192	236
Neighborhood Development				
Human Relations	-	11	12	12
Housing and Community Dev****	33	35	24	-
Neighborhood and Housing Services	249	192	191	202
City Development	193	153	137	137
Convention and Entertainment Centers	78	104	98	98
Culture and Recreation	369	312	335	335
Public Works	394	391	427	427
Aviation	562	540	538	538
Water Services	1,000	910	951	951
Total	<u>4,924</u>	<u>4,899</u>	<u>4,915</u>	<u>4,911</u>
Percentage increase (decrease)				
from prior year	-7.0%	-0.5%	0.3%	-0.1%
Change prior year	(372)	(25)	16	(4)

Source: All figures were taken from the Actual/Adopted Budget.

* Information provided by Budget Office

** Information Technology Department merged with General Services in 2013.

***Capital Improvements Department merged with Public Works Department in 2013.

****Housing and Community Development Department merged with the Neighborhood and Community Services Department in 2013. The new department name is Neighborhood and Housing Services.

Notes - Data excludes employees of the Kansas City, Missouri Police Department

CITY OF KANSAS CITY, MISSOURI
Full-Time Equivalent City Government Employees
by Functions/Program
Last Ten Fiscal Years

Table 19

2014	2015	2016	2017	2018	2019
48	51	53	55	43	41
6	6	6	6	5	5
12	12	12	12	10	11
88	89	94	96	94	93
103	99	98	96	101	104
43	69	67	80	69	76
35	35	35	42	40	42
-	-	-	-	-	-
139	233	223	227	218	212
-	-	-	-	-	-
1,318	1,318	1,303	1,319	1,287	1,310
77	82	78	78	76	76
-	-	-	-	-	-
190	190	189	215	195	213
8	12	13	13	11	28
-	-	-	-	-	-
182	174	166	253	253	339
127	135	148	157	152	160
100	95	94	95	95	95
351	345	362	367	362	383
339	369	376	313	308	310
511	514	543	516	516	520
<u>1,026</u>	<u>1,031</u>	<u>1,040</u>	<u>1,089</u>	<u>1,038</u>	<u>1,074</u>
<u>4,703</u>	<u>4,859</u>	<u>4,900</u>	<u>5,029</u>	<u>4,873</u>	<u>5,092</u>
-4.2%	3.3%	0.9%	2.7%	-3.1%	4.5%
(208)	156	41	129	(156)	219

CITY OF KANSAS CITY, MISSOURI
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 20

Function/program	2010	2011	2012	2013
Police				
Physical arrests	320,223	301,720	238,459	193,026
General arrests	37,171	30,546	28,373	16,479
Traffic violations *	283,052	271,174	210,086	176,547
Major crimes reported	33,888	31,122	31,546	31,714
Fire				
Emergency incidents	54,885	56,337	61,692	73,172
Fires extinguished	2,453	2,582	1,986	3,063
Inspections	19,676	20,064	19,122	18,764
Aviation				
Airline Passengers **	10,087,891	10,190,351	10,326,411	9,785,936
Water				
Water main breaks	911	1,214	1,700	1,894
Water customers served	159,000	160,000	167,051	168,603
Water consumption (millions of gallons)	31,359	34,367	38,780	40,945
Average daily production (thousands of gallons)	95,420	103,000	102,180	112,000
Peak daily production (thousands of gallons)	143,000	176,000	176,890	197,000
Wastewater				
Average daily sewage treatment (millions of gallons)	117	115	103	91

* Includes parking violations

** Includes revenue and nonrevenue passengers

Police data obtained from the Kansas City Police Department, Applications Development Section.

Fire data obtained from the Kansas City Fire Department, Quality Control Division.

Water data obtained from the Kansas City Water Services Department, Performance Metrics Division.

Airline data obtained from Kansas City Aviation Department, Marketing and Air Service Development Division.

CITY OF KANSAS CITY, MISSOURI
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 20

2014	2015	2016	2017	2018	2019
186,603	267,550	213,431	160,846	159,864	163,258
26,328	26,369	22,670	21,606	19,777	20,541
160,275	241,181	190,761	139,240	124,672	152,423
29,024	28,323	27,854	29,804	30,092	28,074
99,442	106,483	94,547	106,725	111,022	116,422
2,527	2,685	1,918	2,459	1,844	NA
17,832	16,228	15,838	15,802	16,332	16,360
9,968,245	10,274,026	10,662,464	11,235,887	11,570,442	11,889,535
1,400	857	837	750	723	864
168,000	168,000	171,500	172,000	172,283	173,107
38,920	31,616	31,336	34,043	31,011	31,921
113,000	96,270	95,200	113,000	94,417	99,800
240,000	146,600	141,000	159,000	147,630	158,100
72	93	111	96	72	114

CITY OF KANSAS CITY, MISSOURI
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 21

	2010	2011	2012	2013
Function/program				
Public safety				
Stations	8	8	9	9
Zone offices	6	6	6	6
Fire stations	35	35	35	34
Public works				
Streets (miles)	2,498	2,500	2,500	2,700
Streetlights	91,138	91,408	91,825	92,961
Refuse collected (tons)	96,277	95,455	94,560	87,321
Recyclables collected (tons)	19,404	20,261	20,563	20,297
Culture and recreation				
Acreage	11,921	11,921	12,111	12,114
Parks and playgrounds	219	219	220	220
Baseball/softball diamonds	144	144	145	148
Soccer/football fields	45	45	51	58
Walking trails and bikeways (miles)	50	53	61	119
Community centers	10	10	10	10
Memorials and fountains	152	152	152	152
Water				
Water mains (miles)	2,772	2,780	2,781	2,797
Fire hydrants	22,732	23,103	23,181	23,662
Storage capacity (thousands of gallons)	128,230	133,400	141,000	155,000
Sewer				
Sanitary sewers (miles)	2,258	2,826	2,535	2,543
Treatment capacity (millions of gallons)	153	154	155	155

Source:

- Public Safety data obtained from the Kansas City Police Department, Applications Development Section and the Kansas City Fire Department, Quality Control Division.
- Public Works data obtained from the Public Works Department, Capital Projects and Solid Waste Divisions.
- Culture and Recreation data obtained from the Parks and Recreation Department, Planning and Design Services Division.
- Water and Sewer data obtained from the Kansas City Water Services Department, Performance Metrics Division.

CITY OF KANSAS CITY, MISSOURI
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 21

2014	2015	2016	2017	2018	2019
9	9	9	9	9	9
6	6	6	6	6	6
33	33	33	33	33	33
2,400	2,400	2,400	2,400	2,400	2,500
93,935	94,310	94,712	95,165	94,715	95,172
89,750	90,003	92,614	88,955	88,460	83,147
20,587	20,121	20,208	18,105	19,038	16,981
12,135	12,243	12,243	12,364	12,364	12,242
220	220	220	221	221	221
148	133	133	125	126	126
60	59	59	56	56	56
120	120	120	192	116	158
10	10	10	10	10	10
152	166	166	170	172	170
2,800	2,800	2,800	2,824	2,833	2,824
23,000	23,801	23,801	24,348	24,777	24,750
120,000	141,000	141,000	155,000	155,000	155,000
2,800	2,800	2,800	2,974	2,709	2,551
155	155	155	150	155	155