

**May 2012
Report to**

The City of
Kansas City
Missouri

APPENDICES

CITIZENS' COMMISSION ON MUNICIPAL REVENUE

*Report to the Mayor, City Council, and City Manager with
recommendations for optimal revenue structure*

Appendix A

Commission Members

Chairwoman Susan Stanton has held senior executive positions in both the public and private sector including President and Chief Operating Officer of Payless Cashways, a Fortune 500 company. Ms. Stanton served as Interim President and CEO for the United Way of Greater Kansas City and KCPT-Channel 19, as well as Vice President of H&R Block and the Ewing Marion Kauffman Foundation. She began her career serving as Director of Administration and Chief Operating Officer for Jackson County, Missouri. A life-long Kansas City resident, Ms. Stanton has served on numerous boards and commissions and holds a master's degree from the University of Texas. She has completed executive programs at both Harvard's Kennedy School of Government and the Wharton School at the University of Pennsylvania.

Commission Member Rev. Thomas Curran is the President of Rockhurst University. Father Curran is an ordained Roman Catholic priest and previously served as Vice President of Regis University in Denver where he was responsible for the University's annual fund and capital campaign. He has served on the Board of Directors for the Civic Council, the Midwest Research Institute, and the Association of Catholic Colleges and Universities.

Commission Member Steve Glorioso is a professional political and media consultant with local, national and international experience. Mr. Glorioso served as Chief of Staff to Mayor Barnes and has served on many City Boards and Commissions including the Commission for Kansas City Tax Reform. Mr. Glorioso received degrees from Villanova University (BA) and University of Missouri at Kansas City (MA).

Commission Member Kathleen Hauser is with the law firm of Lathrop & Gage LLP. She practices primarily in real estate and local government matters. Previously Ms. Hauser served in the City Attorney's office for over 20 years and served as City Attorney for the City of Kansas City during Mayor Cleaver's term. During her tenure with the City she provided legal services to a number of City Boards and Commissions. She attended Avila University and the University of Missouri-Kansas City School of Law.

Commission Member Tim Kristl is President of Mitchell, Kristl & Lieber, P. C., a local law firm and currently serves as an Executive Board Member of the Clay County Economic Development Council. He is a former Chair of the Kansas City Tax Increment Financing Commission and a former member of the Board of Parks and Recreation Commissioners, appointed in 1999 by Mayor Kay Barnes. He served on the Board for eight years, two as Board President. Tim earned his Juris Doctor and his bachelors of Business Administration from Notre Dame, and his L.L.M. in Taxation from the University of Missouri-Kansas.

Commission Member Gregory Lever is the Business Development Manager of Taliaferro & Browne, Inc., with an extensive history in working for municipal interests, including on the staff of Mayor Cleaver. Mr. Lever is the former Executive Director of the Regional Transit Alliance. He has received a Lifetime Board Member Award from the Avila University Alumni Association Board of Directors, where he received his B.A. in Political Science.

Commission Member Merley McMurry is the Governmental and Community Affairs Business Manager for Kansas City Power & Light. Prior to joining KCP&L, she served as Vice President of Member Services and Strategic Initiatives for the Greater Kansas City Chamber of Commerce for over 15 years. A life-long resident Kansas City, Mrs. McMurry is active in the Santa Fe Neighborhood Association and has held leadership positions at the Grandview Chamber, the South Kansas City Chamber of Commerce, the Urban League, the Guadalupe Center and Kansas City's Wet Weather Panel. She holds a bachelor's from the University of Missouri and a master's from Central Michigan University.

Commission Member Dr. Brent Never is an Assistant Professor in the Department of Public Affairs in the Henry W. Block School of Management at the University of Missouri- Kansas City, and is actively involved in nonprofit service and collaboration in the nonprofit sector. Dr. Never received his Doctorate from Indiana University at Bloomington in Public Policy, and as a two-time Fullbright Scholar most recently attended the University of Ulster in Northern Ireland.

Commission Member Donna Wilson Peters is an attorney at the Husch Blackwell law firm. She was formerly Vice President and General Counsel for Kauffman Scholars, Inc. and previously served in the real estate and public law department of Polsinelli Shalton Welte Suelthaus PC in Kansas City. Mrs. Peters is chairperson of the Kansas City Downtown Minority Development Corporation, and served as Secretary/Board Attorney for the Kansas City Board of Police Commissioners and on the Kansas City Landmarks Commission. She began her career in the office of Congressman Alan Wheat after receiving her bachelor's, and then received her Juris Doctorate from Howard University.

Commission Member Wayne Powell is the Vice President and Chief of Staff of Blue Cross Blue Shield of Kansas City. Mr. Powell previously served as Assistant Vice President of the Federal Reserve Bank of Kansas City and as the Assistant Secretary to its Board of Directors. He serves as the Board of Directors Vice President for the Hope Leadership Academy Charter School and on the board of NonProfit Connect. Mr. Powell received his B.A. in Political Science from Gettysburg College, his master's from the University of Michigan, and received his Executive Education from the Booth School of Business at the University of Chicago.

Commission Member Jeanette Prenger is President of ECCO Select, a Kansas City human enterprise solutions provider. She is the Chair of Junior Achievement of Mid America, recently appointed to the Latino Coalition, and serves on the United Missouri Bank Board of Directors. Among her service on boards on some of Kansas City's most prominent civic organizations, Mrs. Prenger serves as a Trustee for the United Way of Kansas City and Park University.

Commission Member Jim Rice is Senior Associate for Planning and Development at Northland Neighborhoods, Inc. Mr. Rice has forty-seven years of government and health care management experience. He served as Executive Assistant to Mayor Berkley after serving at Truman Medical Center and the City Manager's office in Kansas City. In 1970, Mr. Rice became the first Assistant to the City Council in the history of Kansas City. He served for 23 years as Vice President, Community Affairs for Health Midwest before joining Northland Neighborhoods. Mr. Rice holds a Master's Degree in Public Administration from the University of Missouri-Kansas City.

Commission Member James Stacy directs special real estate projects and community relations for DST Systems, Inc. Prior to joining DST, Mr. Stacy was the Founding President and CEO of Lioness Realty Group and MC Lioness Realty Group. He is a member of the KC Metro and National Association of Realtors. Mr. Stacy has served as Alumni Board President and as a Regent of Rockhurst University, Board President of the Broadway Westport Council, board member of Operation Breakthrough, Brush Creek Community Partners and Christmas in October among other civic boards and associations.

Commission Member Reginald Thomas is the President and Business Manager of the Kansas City Local Laborers Union #264, has had a long history of working for Local and National Labor organizations as well as worker advocacy. He has served as Chairman of the Laborers Health and Welfare Fund, President of the Construction Benefits Audit Corporation and Executive Board Member and Delegate to the AFL-CIO District Council.

Commission Member Peter Yelorda served as the Executive Vice President and Chief Community Affairs Officer for Blue Cross and Blue Shield of Kansas City. Mr. Yelorda previously served as Assistant City Manager for the City of Kansas City under Mayor Cleaver. In his 26 years of public service he has served on the UMKC Board of Trustees, Chair of the Jazz District Redevelopment Corporation, chairperson for the Full Employment Council and Chair of the TIF Commission. Mr. Yelorda earned an undergraduate degree from Eastern Michigan University and a master's degree from the University of Michigan.

Appendix B

Charter Statement

The Citizens' Commission on Municipal Revenue will analyze the City's current revenue structure and provide the Mayor and City Council with innovative recommendations to improve the City's long-term financial position. The Commission's recommendations will focus on designing an optimal revenue structure that will ensure growth, fund basic services, and enable the City to fund dynamic projects.

Issues for consideration

When examining the City's various revenue sources, initial questions for the Commission's consideration should be similar to those of the original Commission, outlined below. However, these are not exclusive, and the Commission should use them as guideposts to address additional revenue issues it identifies as most significantly affecting the economic health of the City.

- What did this source of revenue represent in terms of dollars during the last fiscal year?
- What percentage of the total revenues of the city did this amount to?
- Has this source of revenue increased proportionately with the growth of the City or has it lagged behind or gone ahead of the growth?
- Is this source of revenue difficult to collect?
- Is this source of revenue expensive to collect?
- What are the costs of collection of this source of revenue, dollars and percentages?
- Is there a sound legal basis for this source of revenue?
- Is this source of revenue accepted by the public or resented, or is there general attempt made at avoidance?
- In the event of future growth of the City, will the source of revenue increase proportionately?
- In the event of future serious inflation, will source of revenue increase with inflation?
- In the event of deflation, will this source of revenue decrease faster or slower than the general deflationary movement?
- Does this source of revenue tend to keep people or businesses from moving into Kansas City, and does it tend to cause people and businesses to move out of Kansas City?
- Would an increase in the rate of this revenue have any substantial effect on people or businesses moving into or out of Kansas City?
- Would a decrease in the rate of this source of revenue have any effect on people or businesses moving into or out of Kansas City?
- From your examination of the source of revenue, is it fairly enforced and levied, or are there discriminatory factors in its levy and its collection that should be remedied?
- If this source of revenue is a direct charge for services, is it an adequate charge and does it bear any relation to the costs of the services?
- Is this source of revenue in use in other cities of our size?
- If so, does it bear a similar relationship to the tax structure of other cities:
 - Is it a smaller factor in the tax picture?
 - Is it a larger factor in the tax picture?
- Who finally pays this source of revenue?
- What is the general economic impact of this revenue?

Appendix C

Revenue Policy *Draft*

City of Kansas City, Missouri

Revenue Policy

(a) ***Policy.***

It is the policy of the city to maintain a revenue system that meets the city's immediate and long-term service delivery needs, protects the city's creditworthiness, and follows best practices for administration and collection. The city's revenue policy is the official guideline to be used by the City Council and city management in conjunction with the city's budgeting and financial planning efforts.

(b) ***Authority.***

Authority to execute and manage the collection and administration of the city's taxes, fees and assessments is derived from the Missouri Constitution, Revised Statutes of Missouri, Charter of Kansas City Missouri, and Kansas City, Missouri Code of Ordinances. Management responsibility for the city's revenue policy is hereby delegated to the Director of Finance.

(c) ***Scope.***

The revenue policy shall be inclusive of all revenue sources of the city. The policy incorporates recommended best practices of the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB).

(d) ***Objectives.***

- (1) To establish policies for reviewing existing and potential revenue streams.
- (2) To maintain a revenue structure that meets the operational and capital requirements of the city.
- (3) To set basic guidelines for revenue sources other than taxes and fees.
- (4) To establish review processes that provide early warning signals regarding revenue fluctuations.
- (5) To create a structure that is fair, equitable and sufficiently attractive for business and residents.

(e) ***Revenue Structure.***

The city shall consider, at minimum, the following seven characteristics when weighing any changes to its revenue structure or when evaluating the continued levy of any tax. Dependability shall be the city's primary review consideration followed closely by equity

and diversity. Other characteristics including potential for growth, renewal periods, dedication and ease of administration shall be considered secondary.

- (1) **Dependability.** The city shall include taxes and fees in its revenue structure that produce a consistent level of revenue from period to period.
 - (2) **Equity.** The city shall consider the fair distribution of tax burden on businesses and residents when considering new, renewing and continuing revenue sources. Horizontal and vertical equity should be considered when evaluating the distribution of taxes.
 - (3) **Diversity.** The city shall strive to maintain a diversified mix of taxes and fees to protect it from short-term fluctuations in any of its various revenue sources. The city should also support economic policies designed to attract businesses that grow and increase the diversity of its tax base.
 - (4) **Growth.** The city shall seek to include revenue streams in its mix of taxes and fees that grow over time at a rate that exceeds the rate of inflation.
 - (5) **Renewals.** In order to reduce volatility, the city shall strive to limit both the dollar amount and number of taxes and fees subject to renewal periods of 10 years or less. Any newly authorized revenue stream with a sunset ideally shall not be used to fund recurring service delivery costs.
 - (6) **Dedicated/Non Dedicated Revenue.** Whenever possible, the city shall not dedicate a revenue stream to a specific use or program. Dedication or earmarking of revenue streams does not allow the city to respond to changing economic conditions or service expectations and is dispositive to the city's general credit.
 - (7) **Ease of Administration.** The city revenue mix should facilitate taxpayer compliance and be applied uniformly. Efficiency in administering taxes and fees should also be considered including source and cost of collection.
- (f) **Revenue Estimates.**
- (1) Revenues estimates shall be prepared annually using an objective and analytical approach based on local, regional and national economic trends and their impact on revenue. This process should assist the city in achieving consensus on revenue estimates for the budget.
 - (2) To assist in determining if current programs and service levels can be sustained in the future and to identify potential problems that need to be addressed, the city should also prepare multi-year revenue projections. The forecast period should be three to five years.
 - (3) The city should maintain an in-depth understanding of its major revenue sources to both decrease potential gaps between revenue estimates and actual collections and evaluate potential changes to revenue source rates and bases.
 - (4) The city should periodically estimate the impact of potential foregone revenue due to policies that exempt certain taxpayers or service users from fee or tax payments, provide discounts or credits or otherwise favor particular categories of taxpayers or

service users and any proposed federal, state and local legislative requests impacting taxes and fees.

- (5) The city shall prepare and maintain a revenue manual that documents revenue sources and factors relevant to present and projected revenue collections.
- (6) The city should evaluate revenue and expenditure options together, including redirection of tax revenue, and consider the implications for other financial indicators prior to making specific choices with regard to the proposed budget.

(g) ***One-Time and Unpredictable Revenue.***

One-time, limited term resources or unpredictable revenue such as proceeds from asset sales, debt refinancing, one-time grants, legal settlements, revenue spikes, budget savings and similar nonrecurring resources shall not be used for current or new ongoing operating expenses. Appropriate uses of one-time and unpredictable include building and maintaining the unallocated reserves in the general fund or other city funds, the early retirement of debt, capital improvements, or capital maintenance expenditures and other non recurring expenditures.

(h) ***User Fees and Service Charges.***

- (1) For services that benefit specific users rather than the community as a whole, the city shall establish and collect fees to recover the costs of those services so long as the cost of collection from specific users is not burdensome to the city.
- (2) User fees and charges should reflect the service costs. Components of the user charge shall include operating and capital costs, as well as the direct and indirect costs of providing the service. Full cost charges shall be imposed unless it is determined that policy, legal, hardship on specific users, or market factors would suggest lower fees.
- (3) In circumstances where full charges are not imposed, non residents shall pay the full cost charge to minimize the tax burden on city residents so long as the cost of collection from non residents at a different rate is not burdensome to the city.
- (4) User fees shall not exceed the full cost of providing the service.
- (5) Fee increases must be approved prior to or at the time of the adoption of the budget.

(i) ***Intergovernmental Revenue.***

- (1) The city will seek available state and federal grants unless conditions attached to the assistance are contrary to the city's interests.
- (2) The city will avoid using grants to meet ongoing service delivery needs. The city shall review all grant requirements to ensure any grant awarded funds assist the city in fulfilling its primary goals and objectives.
- (3) Grants awarded to the city shall be considered unfunded mandates if the award ceases. Unfunded mandates will undergo review in the context of the city's budget process to determine how well they continue to fulfill the city's primary goals and objectives and if general municipal funds are warranted for continued support.
- (4) The city will budget expenditures for grant funded programs after receipt of the grant award.

(j) ***Parking Fees.***

Hourly, daily, and monthly contract rates for city-owned parking facilities, meters, etc. shall be reviewed and, if necessary, adjusted annually to reflect market prices of privately-owned parking facilities and location of those facilities. Fee adjustments shall also consider downtown objectives, such as development incentives, space availability, business promotion, traffic control, and mass transit patronage.

(k) ***Fines and Forfeitures.***

Fines shall be set according to legal guidelines, deterrent effect, administrative costs and revenue potential.

(l) ***Enterprise Operations.***

(1) User charges for enterprise services such as airports, water, sewer, and stormwater shall be set at rates sufficient to finance all direct and indirect operating, capital, reserve/working capital and debt service costs. Rates will be set such that these enterprise funds are not in a cash deficit during the year and so that debt covenants and reserve policy requirements are met.

(2) The general fund will assess an administrative service charge for overhead expenses and general government services provided to the enterprise activities.

(m) ***Pooled Investment Portfolio Interest Earnings Allocation.***

(1) It shall be the policy of the city to allocate pooled investment portfolio interest earnings (interest earnings) in a manner that best serves the interests of the city consistent with applicable laws, ordinances, bond covenants and contractual commitments.

(2) For funds with legal or contractual requirements, interest earnings will be distributed monthly in arrears proportionate to each funds ending cash balance for the previous month compared with the total cash balances of all funds in the pooled investment portfolio. Absent a clear mandate to the contrary, interest earnings will be credited to the general fund. The director of finance or his/her designee shall be responsible for budget preparation and execution of the annual interest earnings allocation.

(3) To support the costs of managing the city's pooled investment portfolio, the director of finance may charge a management fee to funds participating in the investment pool. The management fee would be stated as a percentage of the interest earnings and deducted from the interest earnings prior to any allocation. Such percentage would be calculated annually so as to fully recover all costs relating to pooled investment operations including staff time, safekeeping, analysis tools, subscriptions and other costs.

Appendix D

Acknowledgements

We thank Mayor Sylvester James Jr. for the invitation to serve on this important commission and for his input to, and support of, our work. We thank City Manager Troy Shulte, and in particular want to acknowledge his staff whose dedication, in-depth knowledge, organizational expertise, and presentation skills were critical to the Commission's understanding of these complex issues:

Director of Finance Randall Landes
Assistant City Attorney Stephen Walsh
Deputy Director of Finance Wanda Gunter
City Treasurer Tammy Queen
Commissioner of Revenue Mari Ruck
Manager of Administration & Analysis Cemal Umut Gungor
Development Finance Manager Dan Bagunu

We thank the City Council members, other city staff, and business and civic leaders who took time to participate in panel discussions, providing the Commission with critical information to guide our decisions (listed in order of meeting date):

Councilwoman Jan Marcason, 4th District
Mayor Pro Tem Cindy Circo, 5th District At-Large
Councilman Jim Glover, 4th District At-Large
Councilman Russ Johnson, 2nd district
Frank Lenk, Mid-America Regional Council
Councilman John Sharp, 6th District
Ken Hager, Greater Kansas City Chamber of Commerce
Dan Cofran, former City Councilmember
Mike Burke, former City Councilmember
Mark McHenry, Director of Parks and Recreation, Kansas City MO
Tom McDonnell, DST Systems, Inc., representing Advance KC
Madeline Romious, AT&T, Inc., representing Advance KC
John Bluford III, President/CEO, Truman Medical Center
Landon Rowland, Chair of the Kansas City Health Commission
Dr. Rex Archer, Director of Health, Kansas City MO

The Commission thanks the Kauffman Foundation for use of its facilities for regular meetings, as well as the City of Kansas City Parks Department and the Northland Regional Chamber of Commerce for hosting two public hearings.

Appendix E

Tax Burden Comparison

The District of Columbia prepares an annual study comparing its tax burden with that of the largest city in each state.¹ The study measures state and local tax burden for a family of three (two wage earning adults and a school-aged child) across five income levels. The four major taxes used in the comparison are income, property, sales and use tax, and automobile taxes. The tables below show results for Kansas City and rankings of peer cities included in the study. A rank of 1 indicates the highest tax burden, 51 the lowest.

ESTIMATED BURDEN OF MAJOR TAXES FOR A FAMILY OF THREE, 2010

Income Level	Taxes				Burden	
	Income	Property	Sales	Auto	Amount	Percent
\$ 25,000	447	1,555	911	338	3,246	13.0%
\$ 50,000	1,523	1,702	1,301	541	5,067	10.1%
\$ 75,000	2,838	2,253	1,740	1,105	7,906	10.5%
\$ 100,000	4,290	2,514	2,103	1,130	10,037	10.0%
\$ 150,000	7,352	3,200	2,555	1,634	14,741	9.8%

Tax Burdens – Kansas City and Peer Cities							
Year		25,000	50,000	75,000	100,000	150,000	Combined Income Levels
2009	Kansas City	8	14	12	12	15	12
	Denver	19	39	38	37	38	38
	Memphis	24	45	45	45	45	45
	Milwaukee	38	8	7	9	11	10
	Minneapolis	22	16	13	13	14	13
	Oklahoma City	25	29	33	31	32	34
	Omaha	39	23	20	14	16	17
	2010	Kansas City	7	12	6	11	13
Denver		23	38	37	38	39	38
Memphis		24	44	44	46	46	46
Milwaukee		36	9	10	8	14	11
Minneapolis		21	17	16	16	17	16
Oklahoma City		34	33	35	35	34	35
Omaha		41	26	26	18	16	18

¹“Tax Rates and Tax Burdens in the District of Columbia – A Nationwide Comparison, 2010”. (2011).

Appendix F Summary of Financial Model Results

General Municipal Expenditures (GME) by Program

General Municipal Programs	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
General Fund Supported Programs	\$ 546,810,588	\$ 566,017,561	\$ 585,899,189	\$ 606,479,168	\$ 627,782,028	\$ 649,833,160	\$ 672,658,849	\$ 696,286,301	\$ 720,743,678	\$ 746,060,132
Personal Services	346,353,376	358,519,197	371,112,349	384,147,841	397,641,211	411,608,542	426,066,481	441,032,263	456,523,724	472,559,330
Contractual Services	108,352,286	112,158,210	116,097,819	120,175,808	124,397,039	128,766,542	133,289,526	137,971,382	142,817,990	147,834,227
Commodities	15,655,724	16,203,588	16,772,726	17,361,876	17,971,720	18,602,985	19,256,423	19,932,814	20,632,963	21,357,706
Capital Outlay/Equipment	637,533	659,927	683,107	707,102	731,939	757,649	784,261	811,809	840,324	869,841
Pass Through Payments	-	-	-	-	-	-	-	-	-	-
Debt Service	52,918,260	54,777,038	56,701,107	58,692,760	60,754,370	62,888,395	65,097,379	67,383,954	69,750,847	72,200,877
Capital Improvements	17,859,430	18,486,751	19,136,106	19,808,271	20,504,046	21,224,260	21,969,772	22,741,470	23,540,275	24,367,138
Contingent Appropriation	5,035,978	5,212,869	5,395,974	5,585,510	5,781,703	5,984,788	6,195,007	6,412,609	6,637,855	6,871,013
Dedicated Revenue Fund Programs	382,784,116	396,229,585	410,147,331	408,553,945	422,904,591	437,759,309	453,135,806	469,052,410	485,528,092	502,582,490
Personal Services	81,840,197	84,714,871	87,690,520	74,770,690	77,397,045	80,115,652	82,929,751	85,842,697	88,857,961	91,979,138
Contractual Services	53,775,742	55,664,639	57,619,885	59,643,810	61,738,827	63,907,431	66,152,209	68,475,836	70,881,081	73,370,812
Commodities	5,175,986	5,357,795	5,545,990	5,740,795	5,942,443	6,151,174	6,367,237	6,590,889	6,822,397	7,062,037
Capital Outlay/Equipment	5,864,104	6,070,083	6,283,298	6,504,002	6,732,458	6,968,938	7,213,726	7,467,111	7,729,397	8,000,895
Pass Through Payments	88,856,325	91,977,444	95,208,194	98,552,426	102,014,125	105,597,418	109,306,576	113,146,020	117,120,326	121,234,231
Debt Service	73,641,310	76,227,995	78,905,539	81,677,132	84,546,079	87,515,799	90,589,832	93,771,841	97,065,620	100,475,095
Capital Improvements	73,630,453	76,216,757	78,893,905	81,665,090	84,533,614	87,502,896	90,576,475	93,758,016	97,051,309	100,460,281
Assessment Programs	2,509,782	2,597,939	2,689,193	2,783,652	2,881,429	2,982,640	3,087,407	3,195,853	3,308,109	3,424,308
General Municipal Expenditures *	\$ 932,104,485	\$ 964,845,085	\$ 998,735,713	\$ 1,017,816,764	\$ 1,053,568,047	\$ 1,090,575,110	\$ 1,128,882,062	\$ 1,168,534,565	\$ 1,209,579,879	\$ 1,252,066,930
+ Bonds to cover Mayor's plan	\$ 13,655,000	\$ 20,688,025	\$ 27,859,300	\$ 35,174,050	\$ 42,633,750	\$ 50,233,700	\$ 57,983,675	\$ 62,957,200	\$ 63,588,325	\$ 64,225,850
General Municipal Expenditures *	\$ 945,759,485	\$ 985,533,110	\$ 1,026,595,013	\$ 1,052,990,814	\$ 1,096,201,797	\$ 1,140,808,810	\$ 1,186,865,737	\$ 1,231,491,765	\$ 1,273,168,204	\$ 1,316,292,780
Billion Debt Program										
General Municipal Expenditures *	\$ 920,842,706	\$ 947,411,976	\$ 974,747,856	\$ 986,872,463	\$ 1,015,346,504	\$ 1,044,642,924	\$ 1,074,784,229	\$ 1,105,795,207	\$ 1,137,700,951	\$ 1,170,527,279

General Municipal Expenditures

Historical Exp Growth + \$1 Billion Bond Program

Avg Historical Expenditure Growth

Avg Historical Revenue Growth

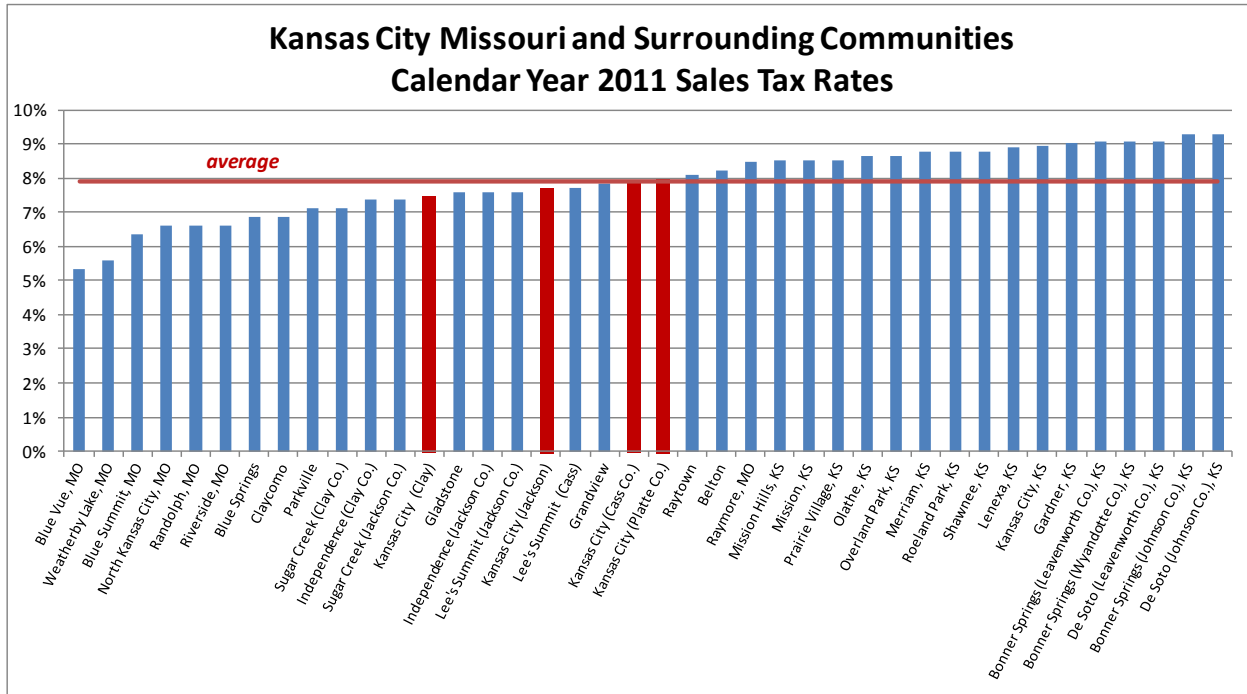
Appendix G

Earnings Tax Rate Comparisons

City	Earnings Tax Rate	City	Earnings Tax Rate
Kansas City, MO	1.00%	Cincinnati, OH	2.10%
St. Louis, MO *	1.00%	Louisville, KY	2.20/1.45%
Allentown, PA	1.00%	Lexington, KY	2.25%
Grand Rapids, MI	1.30%	Dayton, OH	2.25%
Indianapolis, IN *	1.65/0.405%	Toledo, OH	2.51%
Columbus, OH	2.00%	Detroit, MI	2.5/1.25%
Cleveland, OH	2.00%	Pittsburg, PA	3.00/1.00%
Portland, OR	2.08%	Philadelphia, PA	3.98/3.70%

Appendix H

Sales Tax Rate Comparisons

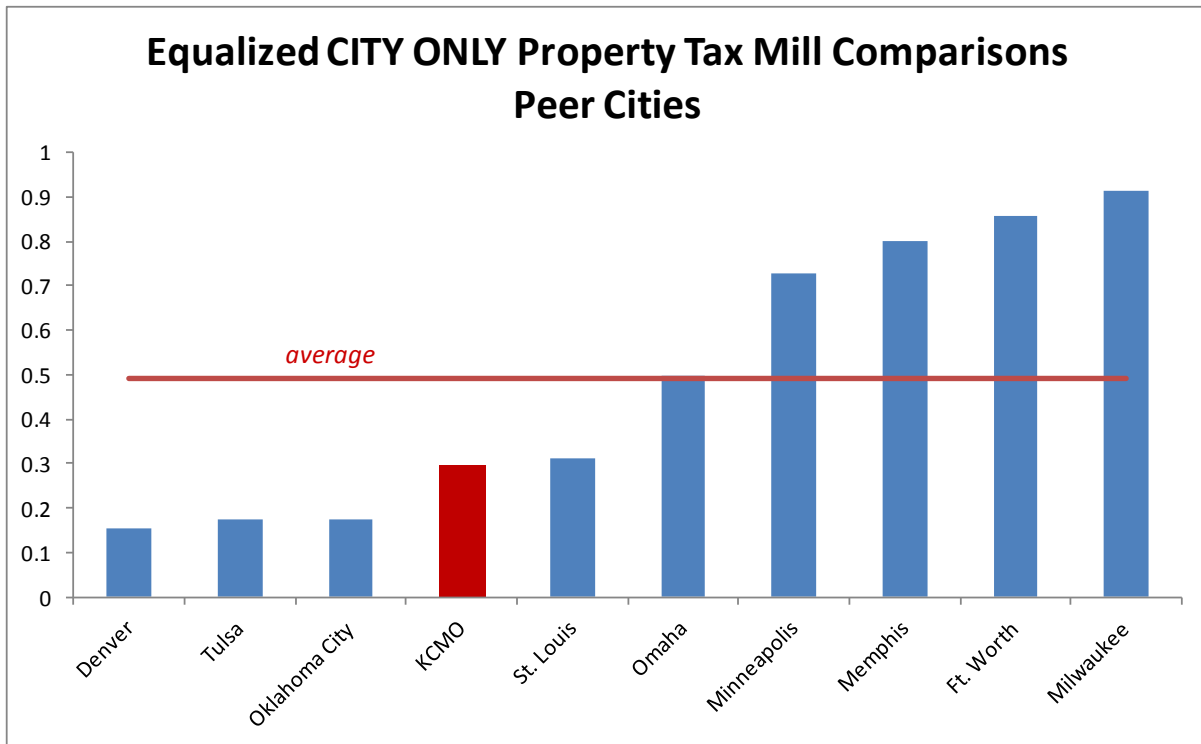
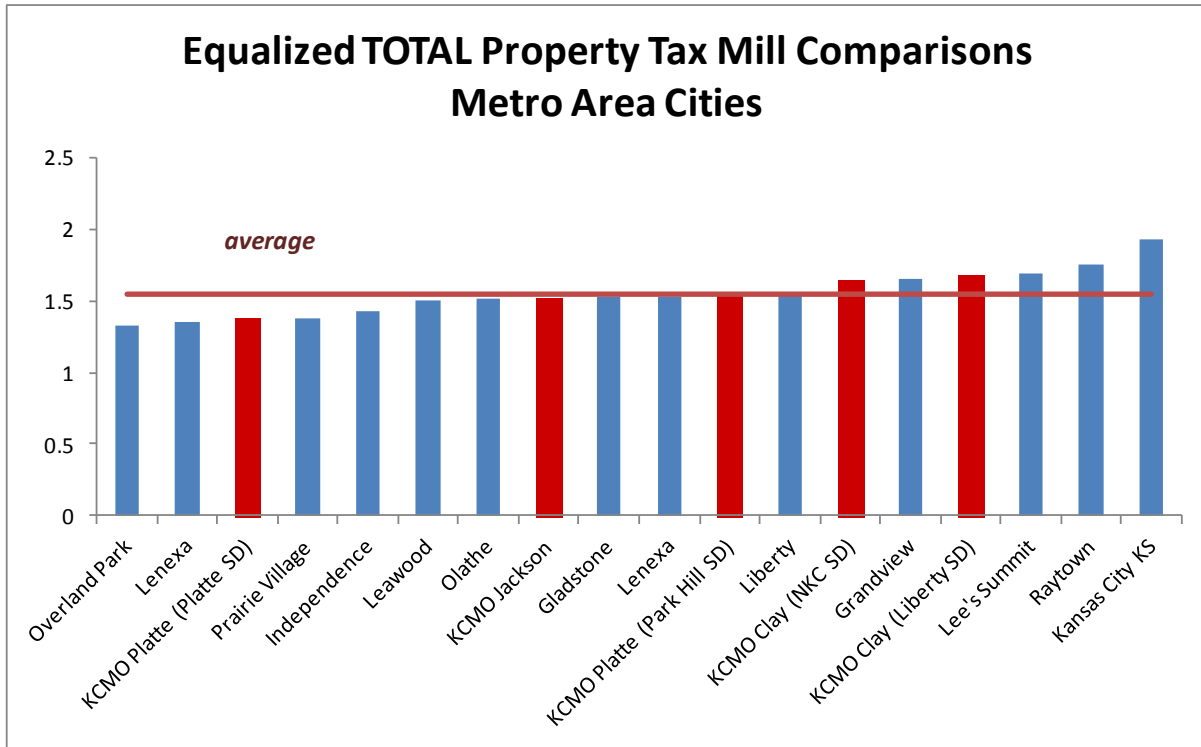


Sales Tax Rates - Peer Cities *(includes county and state taxes)*

Peer City	Sales Tax Rate	% of Total General Municipal Revenues	Peer City	Sales Tax Rate	% of Total General Municipal Revenues
Milwaukee, WI	5.60%	Data not available	Ft. Worth, TX	8.25%	14%
Omaha, NE	7.00%	22%	Oklahoma City, OK	8.37%	23%
Kansas City, MO	7.85%	17%	St. Louis, MO	8.49%	11%
Denver, CO	7.72%	Data not available	Tulsa, OK	8.51%	54%
Minneapolis, MN	7.77%	5%	Memphis, TN	9.25%	15%

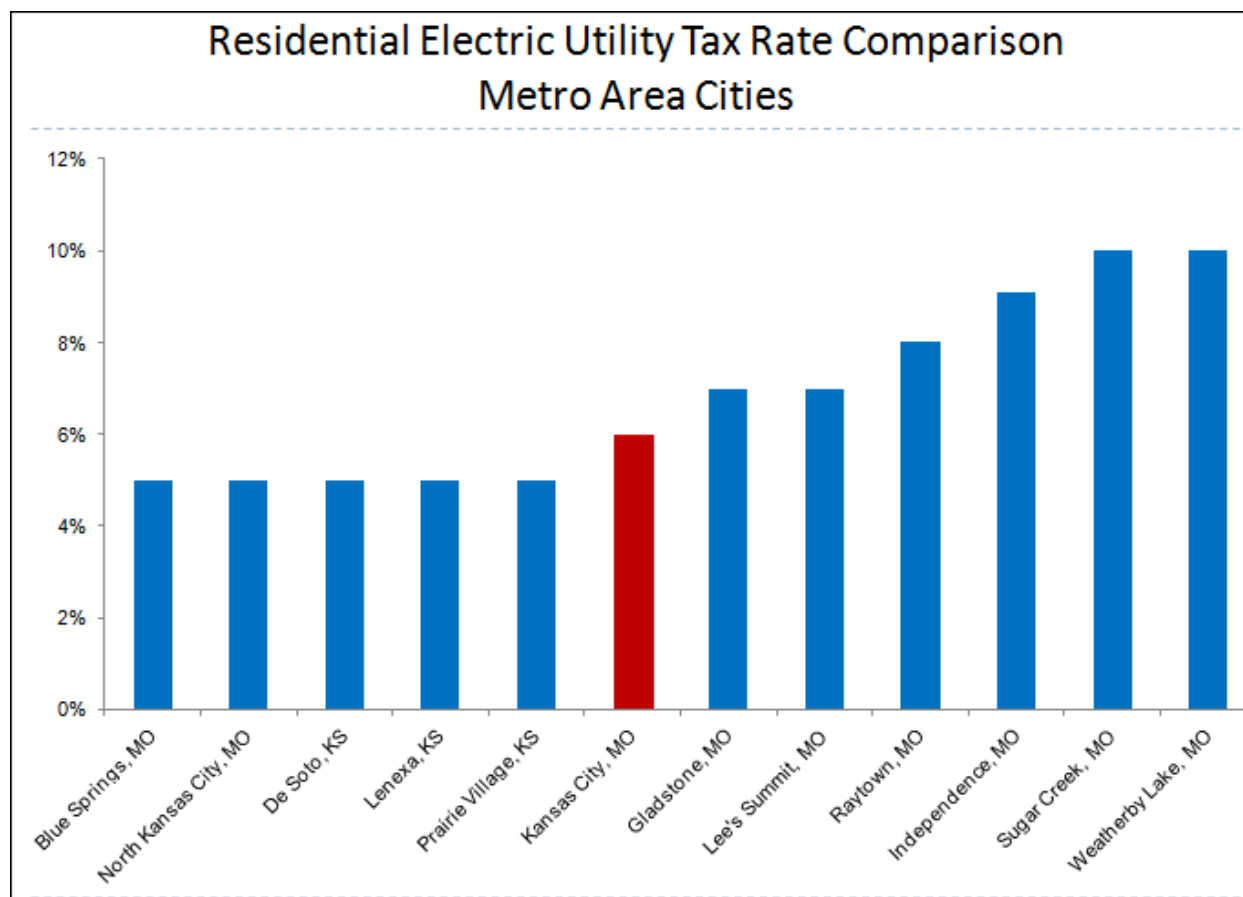
Appendix I

Property Tax Rate Comparisons



Appendix J

Utility Tax Rate Comparisons



Peer City	Electric Tax	Natural Gas	Steam Tax	Cable Tax	Telephone Tax
Milwaukee, WI	NA	NA	NA	NA	NA
Omaha, NE	5%	2%	NA	5%	6.25%
Kansas City, MO	4%-6%	4%-6%	1.6%-2.4%	5%	4%-6%
Denver, CO	3%	NA	NA	5%	NA
Minneapolis, MN	3-5%	3-4.25-5%	NA	5%	NA
Ft. Worth, TX	NA	5%	NA	5%	NA
Oklahoma City, OK	3%	3%	4.50%	5%	2-5%
St. Louis, MO	4%-10%	4%-10%	10%	5%	7.50%
Tulsa, OK	2%	3%	NA	NA	5%
Memphis, TN	5%	5%	NA	NA	5%

Appendix K

Business License Fee Comparisons

Business License Tax – Metro Area Rate Comparison

Metro Area City	Business License Tax Rate	Metro Area City	Business License Tax Rate
Gladstone, MO	Gross receipts	Kansas City, KS	Based on business type and Sq. footage
Grandview, MO	Gross receipts	Merriam, KS	Flat fee, gross receipts and sq. footage
Kansas City, MO	Flat fee and gross receipts	Mission Hills, KS	Flat fee
Independence, MO	Gross receipts	Mission, KS	Flat fee and Sq. footage
North Kansas City, MO	Flat fee and gross receipts	Shawnee, KS	Flat fee and Sq. footage
Parkville, MO	Flat fee based on industry	Topeka, KS	Flat fee and per unit

Business License Tax – Peer Cities Rates

Peer City	Business License Tax Rate	% of Total General Municipal Revenues	Peer City	Business License Tax Rate	% of Total General Municipal Revenues
Milwaukee, WI	Flat fee based on industry	Data not available	Oklahoma City, OK	Flat fee based on industry	0.1%
Omaha, NE	Flat fee per employee	1.4%	St. Louis, MO	Flat fee per employee	0.9%
Kansas City, MO	Flat fee and gross receipts	2.4%	Tulsa, OK	Flat fee based on industry	0.3%
Denver, CO	Flat fee per employee	3.3%	Memphis, TN	Gross receipts	0.9%
Minneapolis, MN	Flat fee based on industry	Data not available			

Appendix L

Employee, Debt, Service Level Comparisons

Employee Comparisons

Peer City	City Population	Municipal Employees	Fire	Police	Employees per 1,000 Pop	Employees per square mile
Kansas City, MO	459,787	3,422	1,369	2,174	15	22
Denver, CO	600,158	6,878	956	2,722	18	69
Ft. Worth, TX	741,206	3,750	950	1,725	9	19
Memphis, TN	646,889	2,997	1,876	2,755	12	24
Minneapolis, MN	382,578	3,620	438	999	13	94
Oklahoma City, OK	579,999	2,133	977	1,316	8	7
Omaha, NE	408,958	1,128	636	981	7	22
St. Louis, MO	319,294	3,561	1,604	1,937	22	115
Tulsa, OK	391,906	2,566	708	888	11	21

Service Level Comparisons

Peer City	Utilities	Airport	Health Dept	Library	Zoo	Public Transit
Kansas City, MO						
Denver, CO						
Ft. Worth, TX						
Memphis, TN						
Minneapolis, MN						
Oklahoma City, OK						
Omaha, NE						
St. Louis, MO						
Tulsa, OK						

Debt Level Comparisons

Peer City	Direct Debt Per Capita	Overlapping Debt Per Capita	Direct Debt as % of Property Value	Overlapping Debt as a % of Property Value	Debt Service as a % of Exp's	Debt per capita/Per Capita Income
National Median	\$1,948	\$3,311	2.3	5.0	15.3	8.1
Kansas City, MO	\$3,310	\$5,028	5.1	7.8	23.5	13.4
Denver, CO	\$2,807	\$5,415	2.0	3.9	10.6	9.3
Ft. Worth, TX	\$1,109	\$3,997	2.0	7.2	11.4	4.9
Memphis, TN	\$1,948	\$3,555	3.3	6.0	11.4	8.5
Minneapolis, MN	\$1,862	\$3,019	2.3	4.9	19.4	6.3
Oklahoma City, OK	\$1,176	\$1,793	1.8	2.8	15.3	4.8
Omaha, NE	\$2,029	\$3,311	3.1	5.0	21.3	8.1
St. Louis, MO	\$3,015	\$4,192	5.3	7.4	10.4	14.3
Tulsa, OK	\$1,024	\$1,302	1.4	1.8	14.2	4.2