

The following Appendix A Report  
is dated as of December 24, 2008 and was submitted to the  
NRMSIR as of the same date.

**THE CITY OF KANSAS CITY**

The City of Kansas City is a constitutional home rule city located in parts of Jackson, Clay, Platte and Cass counties on the western border of the State of Missouri

As of December 20, 2008, Kansas City has \$172,590,000 principal amount of sewerage system revenue bonds outstanding \$40,170,000 of Kansas City's outstanding Clean Water Master Trust Participant Obligations (the "Outstanding Senior Bonds") stand on a parity with respect to net revenues of its sewerage system, which includes both sewer user charges and stormwater charges. \$49,410,000 of Kansas City's outstanding Clean Water Master Trust Participant Obligations and \$83,010,000 of Kansas City's outstanding non-Program bonds are subordinate to the Outstanding Senior Bonds with respect to revenues from sewer user charges and therefore do not have a lien on revenues from stormwater charges. In addition, \$2,670,000 of Kansas City's outstanding Clean Water Master Trust Participant Obligations are a general obligation of Kansas City.

**Financial Information Concerning Kansas City**

This APPENDIX A incorporates by reference the audited financial statements provided by Kansas City to NRMSIR's and to the appropriate SID, if any. The following table sets out revenues and expenses for only the sanitary sewer revenues deposited into Kansas City's Sewer Enterprise Fund for the years indicated:

	(For Fiscal Year ended April 30)				
	(In Thousands)				
	(Sanitary Sewer Only)				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Revenue:					
Sewer	51,604	52,747	56,638	60,782	64,849
Other	2,388	3,115	2,514	3,393	3,613
Interest Income	833	941	2,288	1,850	2,779
Total Revenue	<u>54,825</u>	<u>56,803</u>	<u>61,440</u>	<u>66,025</u>	<u>71,241</u>
Expenses:					
Sewage treatment and pumping	\$12,997	\$14,992	\$16,059	\$16,109	\$17,932
Sewer Maintenance	8,173	9,633	11,664	11,677	13,419
Administration and general	6,932	8,141	9,568	10,607	13,193
Industrial Waste Control	934	1,846	1,827	2,029	2,021
Other	-	-	-	-	-
Total Expenses*	<u>29,036</u>	<u>34,612</u>	<u>39,118</u>	<u>40,422</u>	<u>46,565</u>
Available Debt Service	25,789	22,191	22,321	25,603	24,676
Annual Debt Service	15,198	16,635	18,574	16,750	17,892
Gross Debt Service Coverage	1 70x	1 33x	1 2x	1 53x	1 38x
Less: SRF Subsidy	3,015	3,163	3,266	3,458	3,381
Net Current Debt Service	12,183	13,472	15,308	13,292	14,511
**Net Debt Service Coverage	2 12x	1 65x	1 46x	1 93x	1 70x

\*Does not include Depreciation, Interest Expense and Fiscal Agents Fees

\*\*Per the City's Parity Bond Ordinances, Debt Service Requirement can be reduced by SRF Subsidies for the purposes of calculating debt service coverage ratio

Source: City of Kansas City, Missouri