

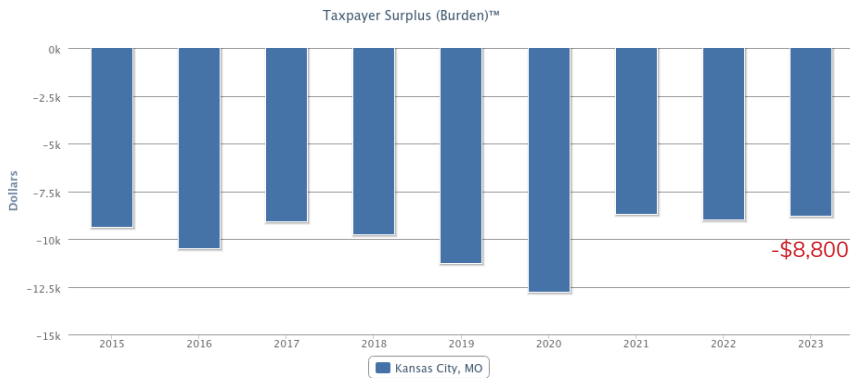


\$1.6 billion
MONEY NEEDED TO PAY
BILLS



\$8,800
TAXPAYER BURDEN™

Kansas City’s financial condition worsened. Based on our analysis of its audited financial report for fiscal year 2023, its financial hole deepened with a need for \$1.6 billion to cover its bills. This created a Taxpayer Burden™ of \$8,800, earning the city a “D” grade from Truth in Accounting and solidifying its status as a Sinkhole City.



Kansas City reported an operating surplus, but rising unfunded pension liabilities caused a reduction in its available funds. Two of the city’s three pension systems faced financial strain due to unrealized investment losses and actuarial adjustments, including revised salary growth projections and updated mortality rates. These changes increased long-term pension costs, putting pressure on the city’s budget.

Despite fiscal pressures, Kansas City benefited from the NFL Draft, generating a \$164.3 million economic impact, including \$108.8 million in direct spending and \$55.5 million in indirect contributions. The event boosted businesses, tourism, and jobs, strengthening the local economy. However, balancing economic growth with sustainable financial planning remains essential for the city’s long-term fiscal stability.



D
FINANCIAL GRADE



57 out of 75
RANKING

FINANCIAL FACTS

- Kansas City, MO, had \$2.4 billion available to pay \$4 billion worth of bills.
- The outcome was a \$1.6 billion shortfall, which breaks down to a burden of \$8,800 per taxpayer.
- Kansas City’s operating surplus was offset by rising pension liabilities, while the NFL Draft boosted the economy.

The City’s Bills Exceeded Its Assets

Total Assets	\$11,988,336,000
Minus: Capital Assets	-\$8,641,711,000
Restricted Assets	-\$929,041,000
Assets Available to Pay Bills	\$2,417,584,000
Minus: Total Bills*	-\$4,005,716,000
Money needed to pay bills	\$1,588,132,000
Each taxpayer’s share of this burden	\$8,800

*Breakdown of Total Bills

Bonds	\$4,694,297,000
Other Liabilities	\$1,764,823,000
Minus: Debt Related to Capital Assets	-\$3,821,952,000
Unfunded Pension Benefits	\$1,246,141,000
Unfunded Retiree Health Care Benefits	\$122,407,000
Total Bills	\$4,005,716,000

Grade:	Bottom line: Kansas City, MO, would need \$8,800 from each of its taxpayers to pay all of its outstanding bills and received a “D” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between \$5,000 and \$20,000 is given a “D” grade.
D	