



Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2014



City of Blue Springs, Missouri

Comprehensive Annual Financial Report
Year Ended September 30, 2014

Prepared by:
Finance Department

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City of Blue Springs, Missouri

Principal Officials September 30, 2014

Mayor and City Council

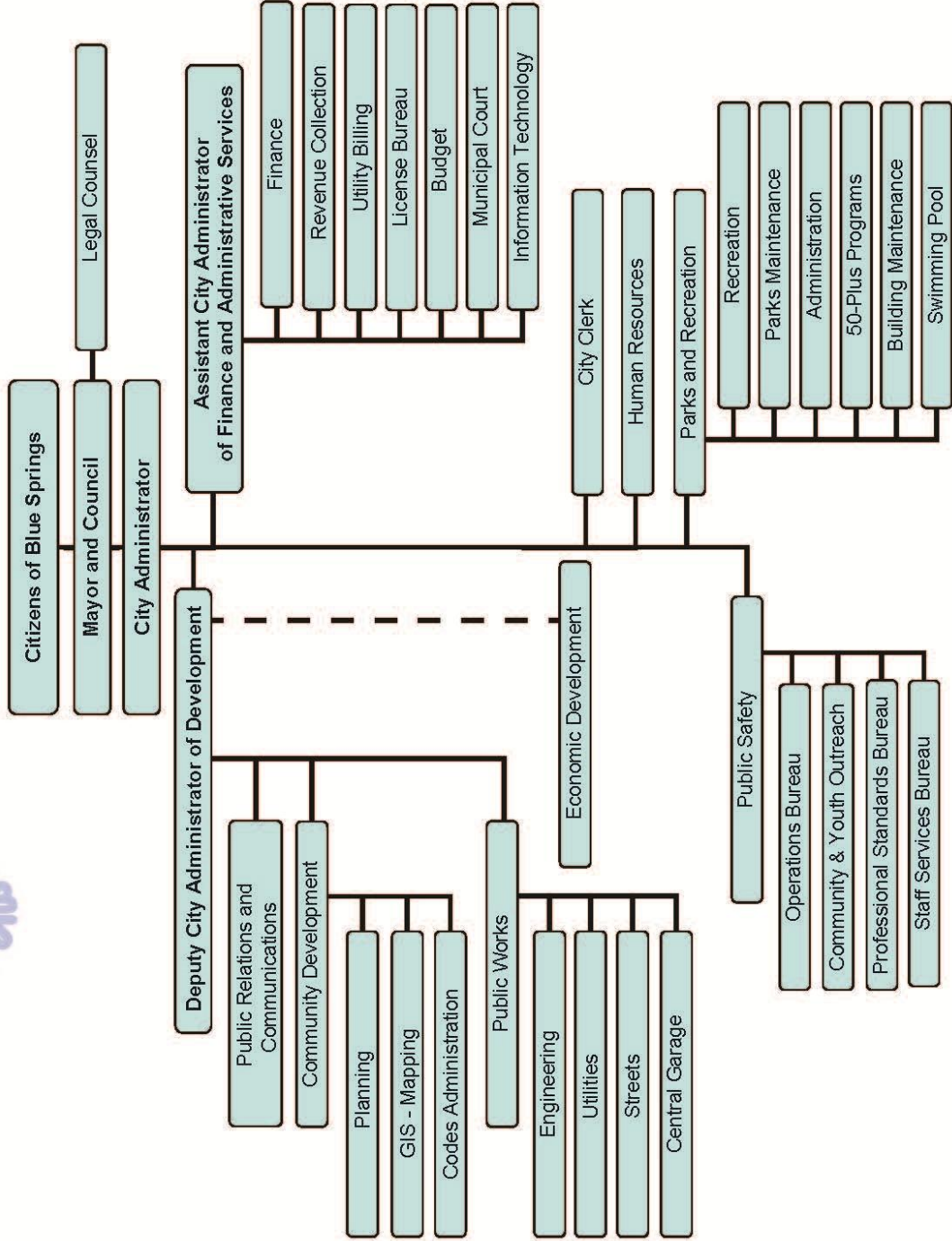
Honorable Carson Ross	Mayor
Honorable Dale Carter	District I
Honorable Jeff Quibell	District I
Honorable Kent Edmondson	District II
Honorable Chris Lievsay	District II
Honorable Susan Culpepper	District III
Honorable Ronald Fowler	District III

Administration

Eric Johnson	City Administrator
Todd Pelham / Adam Norris	Deputy City Administrator
Christine Cates	Assistant City Administrator
Bob McDonald / Nancy Yendes	City Attorney
Karen Van Winkle	Director of Finance
Dan Hood	Director of Information Technology
Sue Heiman	Director of Human Resources
Wayne McCoy	Chief of Police
Chris Sandie	Director of Public Works
Dennis Dovel	Director of Parks and Recreation
Scott Allen	Director of Community Development



City of Blue Springs Organizational Chart





February 6, 2015

Honorable Mayor, Members of the City Council, and Citizens of the City of Blue Springs:

The Comprehensive Annual Financial Report of the City of Blue Springs, Missouri for the fiscal year ended September 30, 2014, is hereby submitted for your review. This report is submitted for your review in compliance with the provisions of Article V, Section 5.4 (f) of the City Charter.

The responsibility for the accuracy of the data and the completeness and fairness of its presentation, including all disclosures, rests with the City of Blue Springs. To the best of our knowledge and belief, the financial statements are accurate in all material aspects and are presented in a manner that fairly depicts the financial position and results of operations of the various activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The report was prepared by the City's Finance Department staff in accordance with generally accepted accounting principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. This report is intended to provide sufficient information to permit the assessment of stewardship and accountability and to demonstrate legal compliance.

The City of Blue Springs' financial statements, as required by the Charter, have been audited by McGladrey LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit that there was reasonable basis for rendering an unmodified opinion that the City of Blue Springs' financial statements for the fiscal year ended September 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Blue Springs was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in the City of Blue Springs' separately issued Compliance Report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the City

The City of Blue Springs was incorporated in 1880 and became a fourth-class city in 1904. Under the provisions of the Missouri State Statutes governing fourth-class cities, a Mayor/Board of Alderman/ City Administrator form of government was adopted. On April 6, 1993, the citizens of Blue Springs voted to create a Charter Commission that was charged with the task of drafting a Home Rule Charter. The Commission submitted their proposed Charter to the citizens on April 5, 1994, which recommended the establishment of a Mayor/City Council/City Administrator form of government. Upon approval of the voters, the new City Charter became effective with the first meeting of the City Council on April 18, 1994. In accordance with the newly adopted Home Rule Charter, the registered voters within the City elect a Mayor

for a four-year term and six Council members, two from each of three geographic districts, to serve staggered three-year terms as representatives on the City Council.

All policy making and legislative authority are vested in the City Council. This body is responsible for passing ordinances, adopting the budget, appointing committees and hiring the City Administrator. The City Administrator, as chief administrative officer of the City, is responsible for carrying out the policies and ordinances adopted by the Governing Body, overseeing the day-to-day operations of the City and for appointing the directors of the various City departments. This position serves at the discretion of the City Council.

The City of Blue Springs provides a full range of municipal services including police protection; water and sanitary sewerage utilities; planning, construction and maintenance of highways, streets and infrastructure; community planning and development; planning, maintenance and construction of parks facilities; recreational activities; youth outreach programs; "50-Plus" social services; and general administrative oversight.

In fulfilling its responsibilities for reliable financial statements, management depends on the City's system of internal control. This system is designed to provide reasonable assurance that assets are effectively safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded.

The City Council is required to adopt a final budget no later than the close of the fiscal year. The annual budget serves as the foundation for the City of Blue Springs' financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department directors may transfer resources within a department as they see fit. Transfers between departments, however, need approval from the City Administrator. All funds are annually appropriated.

Factors affecting Financial Condition

Local Economy

Blue Springs is strategically located near the center of Jackson County, Missouri at the eastern edge of the Kansas City metropolitan region and covers 22.26 square miles of territory. The community is served by two state highways (7 and 40) and one Interstate highway (I-70), providing convenient commuter access to the various cultural, educational, social, legal, financial and marketing institutions of the region. The community is also served by Kansas City Southern Railroad, which provides efficient rail service connections for several industrial sites within the City.

Blue Springs has proven to be one of the fastest growing cities in Missouri over the last 30 years. In the 1970's, its total population quadrupled over the previous decade. Following the 1990 census, it was reported that, during the previous decade, Blue Springs was one of the top ten fastest growing cities in the state of Missouri with the population increasing by 54.8% to a total of 40,153 residents. The results of the 2000 Census revealed that the City again increased in population during the last decade by another 20% to a total of 48,050. The final results of the 2010 Census revealed a slight decrease in population from 2009 to 52,575; however this is an increase of 9.42% over 2000. The estimated population for 2014 is 53,294.

Long-term financial planning

The City of Blue Springs prepares a six-year financial projection of financial condition, which includes capital outlay projections as well as a six-year Capital Improvement Program (CIP). The CIP includes proposed budgets for constructing, maintaining, upgrading and replacing the City's physical infrastructure, including Water and Sewer capital improvements. The fiscal year 2014-15 budget includes projects totaling an estimated \$4.26 million on capital projects. In preparing the budget, needs are assessed, public improvements are prioritized and costs are projected. This budget is reviewed annually and projects are re-prioritized and the financial condition of the City is evaluated.

During fiscal year 2011, the City Council adopted a stabilization arrangement that sets aside 30% of budgeted General Fund expenditures of the prior fiscal year. The 30% of operating expenditures are divided into two reserve categories, the Emergency Reserve and the Budget Stabilization Reserve. The fund balance in the general fund falls within the policy guidelines set by the Council for budgetary and planning process.

Relevant financial policies

The City's Stabilization Arrangement Policy indicates that the City will maintain thirty percent of general operating expenditures and obligated debt service transfers as emergency reserve and budget stabilization balance. At the end of the current fiscal year, unassigned fund balance for the general fund was \$213,769 or 1.0% of total general fund expenditures. In compliance with the City's Enterprise Fund Policy, a comprehensive rate study was performed in 2013 for both the Water and Sewer Utilities. The study was completed and adopted in July 2013 with increases in rates in October 2013, 2014 and 2015.

Major initiatives

The City continues to work with the Blue Springs Economic Development Corporation and the Blue Springs Growth Initiative on the development of a knowledge based science and technology Innovation Park. Progress continues to be made at the Adams Dairy Landing Shopping Center. The City completed several projects funded by American Recovery and Reinvestment Act funds. Included is the expansion of the Sni-a-bar Wastewater Treatment Plant. In addition, the City completed Phase 1 of the Woods Chapel Road improvement project (Duncan Rd. to Briarwood) and has begun work on Phase 2. Construction continues on the Public Safety Building project which is scheduled for completion in the summer of 2015. The Woods Chapel project is being funded by the 2008 voter approved bond issue and the Public Safety Building project is being funded by the 2012 voter approved half cent Public Safety Sales Tax. The City has also purchased the Sports City building which will be renovated and used for Parks Department recreation programs beginning fall 2015.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Blue Springs, Missouri for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013. The City has been the recipient of this award since 1982.

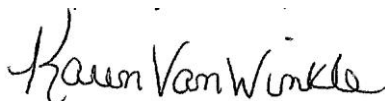
In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our 2014 report continues to conform to the Certificate of Achievement program requirements, and we will submit this report to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriation budget dated October 1, 2013. In order to qualify for this Award, the City's budget document must be judged to be proficient in several categories including policy documentation, financial planning and organization.

During this fiscal year, the City received the GFOA's Award of Outstanding Achievement for its Popular Annual Financial Reporting. This is the third consecutive year the City has received this award.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the finance department. I wish to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Due credit should also be given to the Mayor and the members of the City Council for their continued interest and support in planning and conducting the affairs of the City in a responsible and progressive manner.

Respectfully submitted,



Karen Van Winkle
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Blue Springs
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO



Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Blue Springs, Missouri
Blue Springs, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Blue Springs, Missouri (the City), as of and for the year ended September 30, 2014, and the related notes to the 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 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 of material misstatement.

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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Blue Springs, Missouri, as of September 30, 2014, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 14, the schedules of funding progress on pages 62 and 63, and the budgetary comparison information on pages 64 through 66 be presented to supplement the basic financial statements. Such information, although not a 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 combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are 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. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2015 on our consideration of the City of Blue Springs, Missouri'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 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 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.



Kansas City, Missouri
February 5, 2015

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

This discussion and analysis of the City of Blue Springs (City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

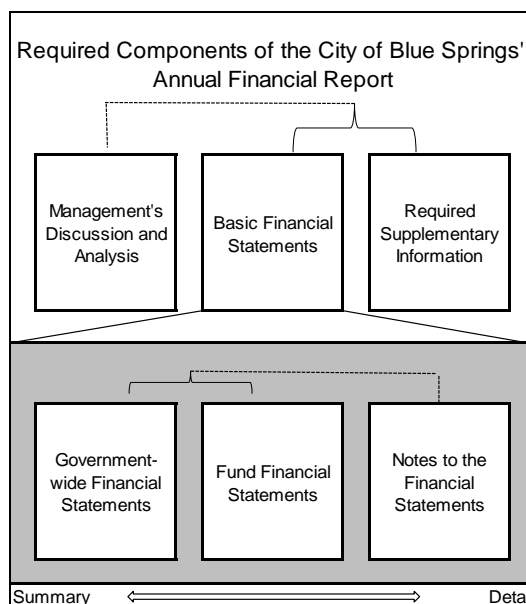
Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$130,828,377 (net position). Of this amount, \$12,398,541 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$11.9 million. Business-type activities account for a decrease of \$1.7 million in net position while governmental activities net position decreased by \$10.2 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$53,622,274 an increase of \$17.4 million in comparison with the prior year.
- Approximately 39 percent or \$20,720,836 of the combined governmental fund balances of \$53,622,274 is available for discretionary spending by the City. The remaining fund balance is either restricted by outside parties or not in spendable form. The general fund decreased by \$1,786,821, public safety sales tax fund increased by \$15,342,044, the capital projects fund increased by \$2,665,903 and the TIF fund increased by \$1,479,289.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$213,769 or 1 percent of total general fund expenditures.
- The City's total long-term liabilities increased by \$27,551,641 or 22 percent during the current fiscal year. The key factors in this increase were the issuance of \$20.9 million in certificates of participations and \$13.3 million in developer agreements offset by \$5.9 million in retirement of outstanding long-term liabilities.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

1. The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
2. The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operation in more detail than the government-wide statements.



3. Notes to the statements are included which provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

The Basic Financial Statements are followed by a section of required supplementary information which explains and supports the information in the financial statements. In addition to this required information, the City has included a section that provides other supplementary information.

Major Features of the City of Blue Springs' Government-wide and Fund Financial Statements				
	Fund Statements			
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary, such as police, public works, and parks	Activities the City operates similar to private business; water, sewer, and golf course	Instances in which the City is the trustee or agent for someone else's resources
Required Financial Statements	*Statement of Net Position *Statement of Activities	*Balance Sheet *Statement of Revenues, Expenditures and *Changes in Fund Balances	*Statement of Net Position *Statement of Revenues, Expenses, and Changes in Fund Net Position *Statement of Cash Flows	*Statement of Fiduciary Net Position *Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resource focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resource focus	Accrual accounting and economic resource focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when good or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the assets/deferred outflows of resources and the liabilities/deferred inflows of resources reported as net position.

- Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Blue Springs is improving or deteriorating.
- Other nonfinancial factors to consider are changes in the City's property tax base and the condition of the City's capital assets (roads, buildings and water and sewer lines) to assess the overall health of the City.

The statement of activities presents information showing 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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements of the City can be divided into two categories:

- **Governmental activities**—Most of the City's basic services are reported in this category, including General Government, Public Works, Highways and Streets, Public Safety, Parks & Recreation and Economic Development. Property taxes, sales taxes, gross receipts taxes, user fees, interest income, and state and federal grants finance these activities.
- **Business-type activities**—The City charges a fee to customers to cover all or most of the cost of certain services it provides. The Water Fund, Sewer Fund and Golf Course Fund are included here.

The government-wide financial statements can be found on pages 15 – 17 of this report.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Blue Springs, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The City uses three types of funds to manage resources: governmental funds, proprietary funds, and fiduciary funds.

- Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found on pages 18 – 25 of this report.

- Proprietary funds - Business operations for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - The City's enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
 - The City uses one internal service fund, Central Garage, to report activities that provide supplies and services for the City's other programs and activities.

The basic proprietary fund financial statements can be found on pages 26 – 29 of this report.

- Fiduciary funds – 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 of Blue Springs own programs. The City is the fiduciary for the Jackson County Tax, Employees Flex Benefits, Eastern Jackson County Betterment Council, Adams Dairy Landing Community Improvement District (CID), Woods Chapel CID, Coronado Drive Transportation Development District (Wal-Mart TDD) and Adams Farm Transportation Development District agency funds. The City also discloses the activity of the Blue Springs Land Bank Agency Trust Fund.

The basic fiduciary fund financial statements can be found on pages 30 – 31 of this report.

Notes to basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are on pages 32 – 61 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning budgetary comparison schedules for the general fund. Required and other supplementary information, including combining statements, individual fund schedules and individual fund budgetary comparison schedules for non-major governmental funds can be found on pages 62 – 88 of this report. Statistical Information can be found beginning on page 89.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

Government-Wide Financial Analysis

The following table reflects the condensed statement of net position:

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Blue Springs, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$100,914,505 at September 30, 2014.

	City of Blue Springs Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 66,035,288	\$ 47,380,458	\$ 46,682,598	\$ 47,640,408	\$ 112,717,886	\$ 95,020,866
Capital assets	97,236,428	95,631,371	88,421,380	91,366,669	185,657,808	186,998,040
Total assets	163,271,716	143,011,829	135,103,978	139,007,077	298,375,694	282,018,906
Deferred outflows of resources, deferred charge on refunding	176,057	207,465	188,287	119,117	364,344	326,582
Long-term liabilities outstanding	112,230,273	83,002,185	41,495,052	43,171,499	153,725,325	126,173,684
Other liabilities	5,267,931	4,165,286	1,750,763	2,230,797	7,018,694	6,396,083
Total liabilities	117,498,204	87,167,471	43,245,815	45,402,296	160,744,019	132,569,767
Deferred inflows of resources, unavailable revenue	7,167,642	7,052,631	-	-	7,167,642	7,052,631
Net position:						
Net investment in capital assets	56,974,743	56,916,375	47,321,113	48,485,162	104,295,856	105,401,537
Restricted	11,962,522	14,074,282	2,171,458	2,488,531	14,133,980	16,562,813
Unrestricted (deficit)	(30,155,338)	(21,991,465)	42,553,879	42,750,205	12,398,541	20,758,740
Total net position	\$ 38,781,927	\$ 48,999,192	\$ 92,046,450	\$ 93,723,898	\$ 130,828,377	\$ 142,723,090

The largest portion of the City's net position \$104,295,856 (80 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any outstanding related debt used to acquire those assets. The City of Blue Springs uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$14,133,980 (11 percent) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position totals \$12,398,541 (9 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

The following table reflects the revenues and expenses from the City's activities:

	City of Blue Springs' Changes in Net Position					
	Governmental Activities 2014	Governmental Activities 2013	Business-Type Activities 2014	Business-Type Activities 2013	2014 Total	2013 Total
Revenues:						
Program revenues:						
Charges for services	\$ 5,667,549	\$ 5,990,771	\$ 16,353,824	\$ 15,463,087	\$ 22,021,373	\$ 21,453,858
Operating grants and contributions	575,817	799,005	-	-	575,817	799,005
Capital grants and contributions	5,837,853	9,569,123	763,153	3,065,333	6,601,006	12,634,456
General revenues:						
Property taxes	5,543,977	5,273,295	-	-	5,543,977	5,273,295
General sales and use tax	15,136,972	14,128,049	-	-	15,136,972	14,128,049
Franchise tax	5,250,496	5,414,939	-	-	5,250,496	5,414,939
Intergovernmental activity taxes	3,851,865	3,867,998	-	-	3,851,865	3,867,998
Motor vehicle tax	1,764,838	1,672,082	-	-	1,764,838	1,672,082
Hotel tax	575,237	536,199	-	-	575,237	536,199
Other taxes	394,499	404,923	-	-	394,499	404,923
Unrestricted investment earnings	371,085	352,556	928,488	923,456	1,299,573	1,276,012
Other	778,639	812,952	-	-	778,639	812,952
Total revenues	45,748,827	48,821,892	18,045,465	19,451,876	63,794,292	68,273,768
Expenses:						
General government	6,494,979	6,682,189	-	-	6,494,979	6,682,189
Public works	729,879	1,082,539	-	-	729,879	1,082,539
Highways and streets	14,428,795	13,469,975	-	-	14,428,795	13,469,975
Public safety	12,815,066	13,362,419	-	-	12,815,066	13,362,419
Parks and recreation	4,166,939	3,869,602	-	-	4,166,939	3,869,602
Economic development	13,549,379	2,336,825	-	-	13,549,379	2,336,825
Water	-	-	8,819,587	8,472,236	8,819,587	8,472,236
Sewer	-	-	9,585,897	7,829,235	9,585,897	7,829,235
Golf Course	-	-	1,717,978	1,667,800	1,717,978	1,667,800
Interest on long-term debt	3,380,506	2,960,575	-	-	3,380,506	2,960,575
Total expenses	55,565,543	43,764,124	20,123,462	17,969,271	75,689,005	61,733,395
Excess (deficiency) before transfers	(9,816,716)	5,057,768	(2,077,997)	1,482,605	(11,894,713)	6,540,373
Transfers	(400,549)	(262,696)	400,549	262,696	-	-
Change in net position	(10,217,265)	4,795,072	(1,677,448)	1,745,301	(11,894,713)	6,540,373
Net position, beginning	48,999,192	44,204,120	93,723,898	91,978,597	142,723,090	136,182,717
Net position, ending	\$ 38,781,927	\$ 48,999,192	\$ 92,046,450	\$ 93,723,898	\$ 130,828,377	\$ 142,723,090

Governmental activities. Several factors caused net position for governmental activities to decrease by \$10,217,265. Key elements of these changes are as follows:

Overall revenues decreased by \$3,073,065 due to increases in some revenue categories and decreases in other revenue categories. Changes in revenue from 2014 are as follows:

- Sales taxes increased in total by \$1,008,923 or 7 percent from 2013 primarily due to Senate bill 182 which allows the City to reinstate the Motor Vehicle sales tax on the condition that the City put a "repeal" vote on the ballot sometime between November 2014 and November 2016, in which voters would be asked whether they want to keep the local tax.
- Property taxes increased by \$270,682 or 5 percent during the year due to a slight increase in both assessed valuation and collections.
- Charges for Services decreased by \$323,222 or 5 percent in 2014 due to a one-time write-off adjustment necessary to transfer the accounts receivable to Central Jackson County Fire Protection District as a result of the EMS license transfer which occurred in fiscal year 2013.

City of Blue Springs, Missouri

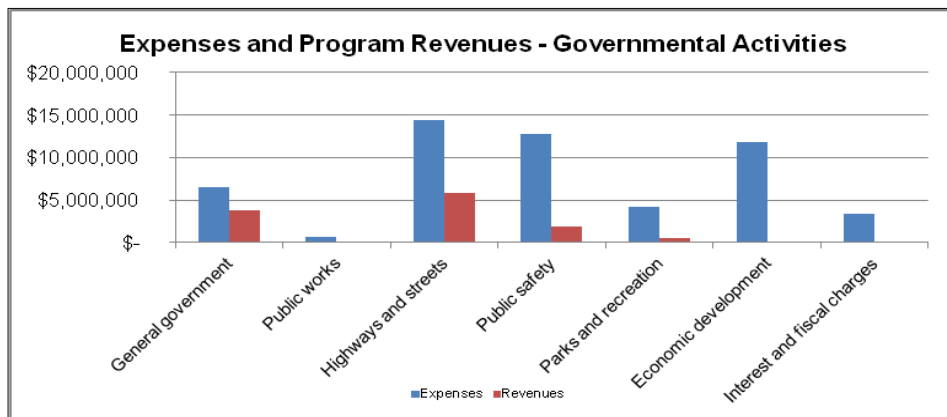
**Management’s Discussion and Analysis
Fiscal Year Ended September 30, 2014**

- Franchise taxes decreased by \$164,443 or 3 percent. This decrease is primarily due to the one-time settlement of \$330,000 with Comcast in fiscal year 2013. In addition, MGE and KCP&L showed slight increases and cable and phone revenues decreased for the year.
- Capital Grants and Contributions decreased by \$3,731,270 or 39 percent due primarily to a substantial reduction in contributed capital related to subdivision development for fiscal year 2014.
- Investment interest earnings increased in 2014 by \$18,529 or 5 percent. Interest rates continue to remain low with the average yield for the City's portfolio ending the year at 0.61 percent for 2014 up from 0.58 percent in 2013. The slight increase in revenue is due to a combination in the slight increase in average yield and the funds available for investment.

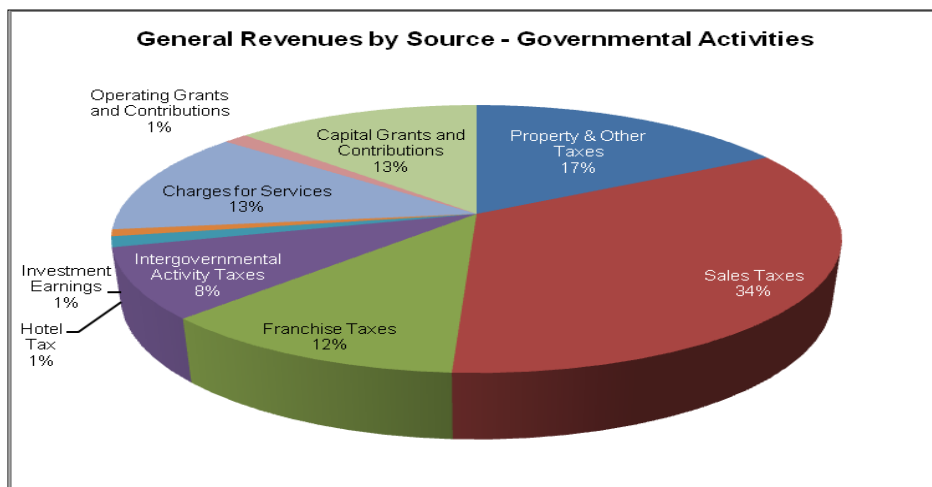
Overall expenses increased by \$11,801,419 due to increases in functions and decreases in other functions. Changes in expenses from 2014 are as follows:

- Economic development expenses are higher in 2014 by \$11.2 million from 2013 due to having significant development cost certifications in 2014.

The following table reflects the expenses and revenues from the City's governmental activities:



The following table reflects the revenues by source form the City’s governmental activities:



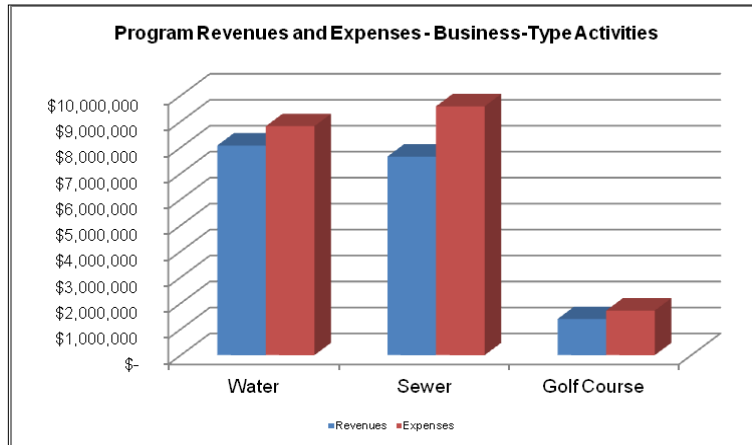
City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

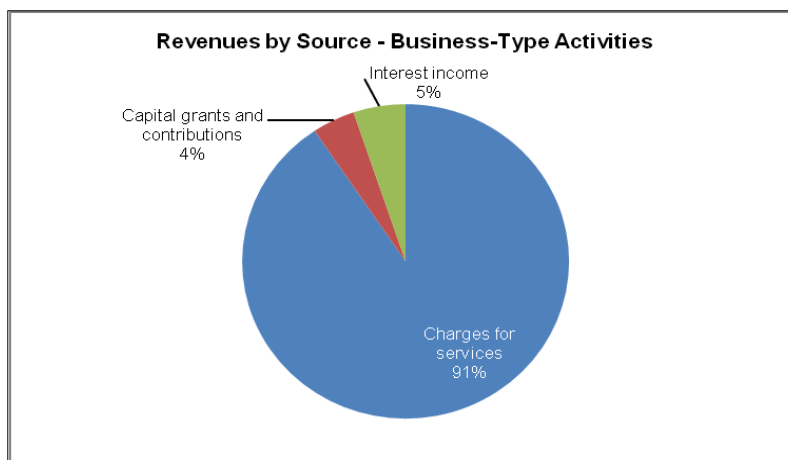
Business-type activities. Business-type activities net position decreased by \$1,677,448 or 2 percent. Key elements of this decrease are as follows:

- Net position for the Sewer Utility Fund decreased by \$1,329,522 due to an increase in depreciation related mostly to the Sni-A-Bar Wastewater Treatment Plant which was completed in late 2013, a write-off of uncollectible Neighborhood Improvement District (NID) special assessments and a decrease in capital contributions related to subdivision infrastructure.
- Net position for the Water Utility Fund decreased by \$424,575 due to operating expenses exceeding operating revenues and capital contributions in 2013 of \$1.12 million with none in 2014.
- Net position for the Golf Course increased by \$76,649 due to the completion of improvements at the golf course. Golf Course expenses continue to exceed revenues causing the need for an operating transfer of \$400,549 from the general fund to assist in covering the cost of debt service for the year.

The following table reflects the expenses and revenues from the City's business-type activities:



The following table reflects the revenues by source from the City's business-type activities:



City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

Financial Analysis of the City's Funds

As noted earlier, the City of Blue Springs uses fund accounting to ensure and demonstrate compliance with finance-related legal 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. Specifically, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$53,622,274 an increase of \$17,379,737 in comparison with the prior year. Approximately 39 percent or \$20,720,836 of the combined governmental fund balance is available for discretionary spending and is made up of the committed, assigned and unassigned categories. The general fund decreased by \$1,786,821, public safety sales tax fund increased by \$15,342,044, the capital projects fund increased by \$2,665,903 and the TIF fund increased by \$1,479,289.

During fiscal year 2011, the City Council adopted a stabilization arrangement that sets aside 30 percent of budgeted General Fund expenditures of the prior fiscal year. The 30 percent of operating expenditures are divided into two reserve categories, the Emergency Reserve and the Budget Stabilization Reserve.

The Emergency Reserve is set at 20 percent of budgeted General Fund expenditures of the prior fiscal year and shall only be used if one of the following three things occurs: (1) the City directly experiences a natural disaster or urgent event that jeopardizes public safety; (2) the Federal Government and/or State of Missouri formally declare a disaster or emergency; or (3) no reasonable budget adjustments are available to continue providing essential services to the public.

The Budget Stabilization Reserve is set at 10 percent of budgeted General Fund expenditures of the prior fiscal year. The Budget Stabilization Reserve shall only be used if one of the following four things occurs: (1) the City experiences a sudden and unexpected decline in ongoing revenues greater than 10 percent of General Fund operating revenues; (2) short term stabilization is needed to minimize significant changes in insurance rates or premiums; (3) funds are needed as part of a matching grant for a major project or (4) sudden or unexpected capital outlay replacement is needed (this includes equipment or facility failures).

The fund balance of the City's general fund decreased by \$1,786,821 during the current fiscal year. The key factor is a transfer of \$2,000,000 to the Public Safety Sales Tax Fund for costs associated with the construction of the new public safety building.

The public safety sales tax fund is used to account for the collection of the City's public safety sales tax and related expenditures including equipment, additional personnel and facility renovations. At the end of the current fiscal year the fund balance of the fund is \$18,114,140 which is an increase of \$15,342,044 from last year. The fund balance increase is related to the issuance of \$19,375,000 in certificates of participation.

The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds.) These projects are reported separately from ongoing operating activities to enhance the understanding of the City's capital activities and to avoid distortions in financial resources trend information. At the end of the current fiscal year the fund balance of the capital projects fund is \$9,241,407, which is an increase of \$2,665,903 from last year. The fund balance increase is related funds which were not spent in 2014 for the Woods Chapel Road Phase II project, but were set aside at year end to spend in 2015.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

The TIF fund is used to account for resources of the City's tax increment financing activities. At the end of the current fiscal year the fund balance of the TIF fund is \$9,174,010, which is an increase of \$1,479,289 from last year. The fund balance increase is related primarily to Adams Farm TIF revenues continue to exceed expenditures. The revenues are being collected at a higher rate than currently required for debt service.

The Encumbrances for the General Fund increased to \$1,305,488 from \$798,320 for a difference of \$507,168. This includes \$75,000 for outside legal services, \$181,538 for police vehicles and other projects that have been started but not completed at year end. Public Safety Sales Tax Fund increased to \$15,143,170 from \$3,492,349 for a difference of \$11,650,821 which is the remaining balance on the Public Safety building project. Capital Projects Fund increased to \$6,321,278 from \$2,025,084 for a difference of \$4,296,194 primarily related to the Woods Chapel Phase II project.

Proprietary Funds. The City's proprietary fund statements provide the same type of information found in the government-wide statements but in more detail.

Unrestricted net position of the water and sewer funds at the end of the year amounted to \$6,528,744 and \$37,865,994, respectively. The golf course fund has an unrestricted net position deficit of \$1,840,859 for a decrease in the unrestricted deficit of \$11,305 from last year. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The general fund revenues for the year ended September 30, 2014 were \$26,161,604 or \$3,092,794 over budget. Expenditures ended the year at \$24,217,779 or \$1,405,837 below the final budget amount of \$25,623,616.

During the fiscal year, the City Council revised the budget as expenditures were increased \$1,190,116 in the General Fund. Two times during the year funds appropriation from fund balance were requested resulting in the following budget amendments:

- Increase in appropriations to replenish the supply of salt due to unplanned use in 2013.
- Increase in appropriations for the City's compensation study.
- Approval of the purchase of two pieces of public art.
- Increase in appropriations for the Blue Springs Economic Development Corporation to enter into an agreement for development work related to the Blue Springs Growth Initiative (formerly the Missouri Innovation Park).
- Approval to fund two new Codes Inspector positions added in the summer of 2014.
- Funded through Peace Officers Standards Training (POST) funds; payment to the Association of Police Chiefs for the testing and assessment for the Police Department's promotional process.

Outstanding General Fund encumbrances as of September 30, 2014 totaled \$1,305,488.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounts to \$185,657,808, net of accumulated depreciation. This investment in capital assets includes land and other non-depreciable assets, buildings, improvements, machinery and equipment, park facilities, and infrastructure. The total decrease in the City's investment in capital assets for the current fiscal year was \$1,340,232 or 0.7 percent (a 3.2 percent decrease for business-type activities and a 1.6 percent increase for governmental activities). The decrease is a result of current year depreciation expense exceeding capital asset additions. Significant capital asset additions include contributed capital infrastructure assets of streets and storm sewers in the amount of \$1million, the completion of Woods Chapel Phase I in the amount of \$10 million and in the Sewer fund, substantial completion of the Sni-A-Bar Wastewater Treatment Plant in the amount of \$27 million.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and land rights	\$ 16,035,291	\$ 15,728,403	\$ 3,750,440	\$ 3,750,440	\$ 19,785,731	\$ 19,478,843
Construction-in-progress	9,073,153	22,087,001	109,731	29,688,465	9,182,884	51,775,466
Buildings and improvements	4,131,037	4,438,379	7,549,584	5,623,139	11,680,621	10,061,518
Equipment and vehicles	6,882,038	2,192,875	741,387	743,756	7,623,425	2,936,631
Infrastructure	61,114,909	51,184,713	76,270,238	51,560,869	137,385,147	102,745,582
	\$ 97,236,428	\$ 95,631,371	\$ 88,421,380	\$ 91,366,669	\$ 185,657,808	\$ 186,998,040

Additional information on the City's capital assets can be found in Note 6 on pages 45 – 47 of this report.

Long-term debt. At the end of the current fiscal year, the City of Blue Springs had total outstanding debt obligations of \$153,725,325. Of this amount, \$23,645,000 comprises debt backed by the full faith and credit of the government and \$16,575,000 is Neighborhood Improvement District debt for which the government is liable in the event of default by the property owners subject to the assessment. The Certificates of Participation debt outstanding total of \$23,660 is subject to annual appropriation by the City and was used to finance the City's golf course and conference center. The total Special Obligation Bond debt related to the Adams Farm TIF is \$28,585,000. Subject to annual appropriation, the City collects TIF revenues on behalf of the district and transfers those revenues for repayment of this debt. The development agreement outstanding debt listed below represents the outstanding bonds for the Fall Creek Tax Increment Financing District and the certified developer costs associated with the 'pay as you go', Hwy 7 & 40 Hwy & Copperleaf Village TIFs and additional certified costs for the Adams Farm TIF. In 2010, the City obtained a direct loan through the Department of Natural Resources to fund the Sni-a-bar Sewer Plant expansion. As of the end of the fiscal year, the total loan amount was just over \$ 24.2 million less principal payments of \$3.3 million resulting in a loan balance of \$20.9 million. The loan was expected to be approximately \$27 million; however the project came in under budget.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

The City's total debt increased by \$27,551,641 or 21.8 percent during the current fiscal year. The key factors were the issuance of \$13,320,648 in Development Agreements, \$20,960,000 in Certificates of Participation and \$608,246 in Sewer Revenue Bonds for the Sni-A-Bar Waste-Water Treatment Plant expansion, offset by scheduled payments.

	City of Blue Springs' Outstanding Debt Capital Leases, General Obligation Bonds, Revenue Bonds and Long-Term Debt					
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Capitalized leases	\$ 4,471,199	\$ 4,985,534	\$ 133,402	\$ 197,511	\$ 4,604,601	\$ 5,183,045
General obligation bonds	23,645,000	24,555,000	-	-	23,645,000	24,555,000
Compensated absences	1,262,925	1,218,702	142,126	138,001	1,405,051	1,356,703
Development agreements	32,594,749	20,419,568	-	-	32,594,749	20,419,568
Certificates of participation	20,675,000	1,825,000	2,985,000	3,650,000	23,660,000	5,475,000
Neighborhood improvement	-	-	16,575,000	17,025,000	16,575,000	17,025,000
Net OPEB obligation	392,842	330,934	30,866	23,991	423,708	354,925
Special obligation bonds	28,585,000	29,475,000	-	-	28,585,000	29,475,000
Discount/premium on issuance	293,899	(142,867)	663,924	455,831	957,823	312,964
LAGERS obligation	309,659	335,314	33,506	8,883	343,165	344,197
State revolving fund	-	-	20,931,228	21,672,282	20,931,228	21,672,282
	\$ 112,230,273	\$ 83,002,185	\$ 41,495,052	\$ 43,171,499	\$ 153,725,325	\$ 126,173,684

Missouri statutes limit the amount of general obligation debt that a unit of government can issue to twenty percent of the total assessed value of taxable property located within the City's boundaries. The legal debt limit for the City is \$146,211,257.

Additional information regarding the City's long-term debt can be found in Note 7 on pages 48 – 54 of this report.

Economic Factors and Next Year's Budgets and Rates

General Fund revenues for fiscal year 2015 are projected to total \$24,053,132. This represents an overall increase of 4.3% percent. General Fund budgeted expenditures are projected to total \$24,480,292 compared to \$24,433,500 in fiscal year 2013; an increase of 4.3%. The increases in both revenues and expenditures are primarily a result of an increase in taxes and the expenditures increase is a result of additional personnel services. This will be the first year the City will fund a full year as a result of hiring two new positions in Community Development and a new position was added in Administration/Communications. In addition the City is hiring a Police Dispatch Supervisor by reclassifying a current dispatch position.

During the current fiscal year, unassigned fund balance in the general fund decreased to \$213,769. The City has not appropriated this amount in the 2015 fiscal year.

In April 2011, the citizens of Blue Springs voted to enact a new 1/2 cent sales tax dedicated to public safety. This sales tax went into effect October 1, 2011 and is projected to raise approximately \$3.0 million annually. The total budgeted public safety sales tax expenditures for fiscal year 2015 are \$2,820,280. Included in this amount is funding for supplies, contractual services and capital outlay, personal service costs, building improvements and debt service including a capital lease. The public safety building improvements are underway. Construction began in spring 2014 and the project is scheduled for completion in August 2015.

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2014

The City performed another water and sewer rate study in 2013 which resulted in incremental rate increases over the next three years. The rate increases provide funding for ongoing operating costs and capital improvements as well as plans to repay debt. During August 2008, the voters approved bond issuances in the amount of \$35 million for sewer improvements and a no tax increase issue of \$28 million for street projects. The City has completed the Moreland School Road extension, the Hwy 7 & Colbern Road intersection project and Phase 1 of the Woods Chapel Road project. Woods Chapel phase 2 began in 2014 with an expected completion date of April 2015. In addition to these street projects, the Sni-a-Bar wastewater treatment plant expansion, which was completed in summer 2014.

The City's budget includes a 1.5 to 2.0 percent salary increase for all employees and continues the longevity plan which rewards employees for their years of service. Employees will receive a 2.5 percent pay increase upon completion of each five-year increment of employment. In 2014, all employees who had been employed for a minimum of five years received the first 2.5 percent increase.

In 2012 the City Council voted to eliminate the EMS subsidy over a three-year period and to transfer the EMS license to Central Jackson County Fire Protection District (CJCFPD). Fiscal Year 2015 is the third and final year of this process which officially took effect on October 1, 2013; and will result in a decrease in the subsidy provided to CJCFPD from \$750,000 in 2013 to \$500,000 in 2014 and \$250,000 in 2015.

During fiscal year 2014, the City performed a salary compensation study. In 2015, the City will complete and implement recommended changes related to the 2014 compensation study.

In October 2014, the City with authorization from Council through resolution 61-2014 purchased the Sports City building with the intent to use the facility for Parks recreation programs. Demolition work began in December 2014 and construction is scheduled to begin in March 2015 with completion scheduled for August 2015.

The City has contracted with the Missouri Department of Revenue (DOR) since 1975 to operate the License Bureau. Due to requirements imposed by the DOR, the City has determined that it no longer makes financial or operational sense for the City to operate the service on behalf of the state and will therefore close the office in February 2015. This will lower both Charges for Services and general government expenditures in the general fund for the remainder of fiscal year 2015 and entirely for 2016.

The City is currently working with the developer of the Adams Dairy Landing Shopping Center to issue additional bonds to fund this project. It is intended that the new issue will both refund the existing 2009 and 2010 Special Obligation bonds and remove the City's backing of the bonds.

Senate bill 23 was approved in 2014 which allows the City to reinstate the Motor Vehicle sales tax. The City has seen an increase in tax revenue due to this bill. However, a condition of this bill requires that the City put a "repeal" vote on the ballot sometime between November 2014 and November 2016, in which voters would be asked whether they want to keep the local tax. The City will adhere to this requirement by implementing a ballot initiative before the required deadline.

The only 2015 election will be to amend the City's Charter. No municipal election will be held this year.

Requests for Information

This report is designed to provide an overview of the City of Blue Springs' finances for all those with an interest in the government's finances. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, City of Blue Springs, 903 W. Main St., Blue Springs, Missouri 64015 or by visiting the City's website at www.bluespringsgov.com.

City of Blue Springs, Missouri

Statement of Net Position
September 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and investments	\$ 23,121,596	\$ 16,536,883	\$ 39,658,479	\$ 34,464
Receivables (net of allowances for uncollectibles):				
Property taxes	7,380,583	-	7,380,583	-
Other taxes	2,937,963	-	2,937,963	-
Accounts	267,268	1,796,498	2,063,766	76
Accrued interest	16,964	19,081	36,045	-
Internal balances	2,000,055	(2,000,055)	-	-
Inventories	177,548	360,045	537,593	-
Prepaid items	587,969	396,608	984,577	3,474
Special assessments:				
Due in one year	-	1,850,954	1,850,954	-
Due in more than one year	-	15,775,000	15,775,000	-
Due from other governments:				
Due in one year	1,474,601	718,602	2,193,203	-
Due in more than one year	-	9,288,781	9,288,781	-
Restricted cash and investments	28,070,741	1,940,201	30,010,942	-
Capital assets:				
Land and construction-in-progress, nondepreciable	25,108,444	3,860,171	28,968,615	-
Other capital assets, net of depreciation	72,127,984	84,561,209	156,689,193	4,766
Total assets	163,271,716	135,103,978	298,375,694	42,780
Deferred Outflows of Resources				
Deferred charge on refunding	176,057	188,287	364,344	-
Liabilities				
Accounts payable	2,966,692	1,077,868	4,044,560	29,799
Accrued liabilities	964,291	29,996	994,287	23,043
Court bonds	98,748	-	98,748	-
Accrued interest	581,639	116,076	697,715	-
Customer deposits	616,702	496,471	1,113,173	-
Unearned revenue	39,859	30,352	70,211	-
Noncurrent liabilities:				
Due in one year	4,045,617	2,280,850	6,326,467	50,000
Due in more than one year	108,184,656	39,214,202	147,398,858	-
Total liabilities	117,498,204	43,245,815	160,744,019	102,842
Deferred Inflows of Resources				
Property taxes	7,167,642	-	7,167,642	-
Net Position (Deficit)				
Net investment in capital assets	56,974,743	47,321,113	104,295,856	4,766
Restricted for:				
Debt service	10,130,815	2,171,458	12,302,273	-
Tourism	566,070	-	566,070	-
Parks	1,047,493	-	1,047,493	-
Other	218,144	-	218,144	-
Unrestricted	(30,155,338)	42,553,879	12,398,541	(64,828)
Total net position	\$ 38,781,927	\$ 92,046,450	\$ 130,828,377	\$ (60,062)

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

**Statement of Activities
Year Ended September 30, 2014**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 6,494,979	\$ 3,826,423	\$ 8,845	\$ -
Public works	729,879	21,205	-	-
Highways and streets	14,428,795	-	-	5,805,546
Public safety	12,815,066	1,405,762	541,972	6,922
Parks and recreation	4,166,939	414,159	25,000	25,385
Economic development	13,549,379	-	-	-
Interest and fiscal charges	3,380,506	-	-	-
Total governmental activities	55,565,543	5,667,549	575,817	5,837,853
Business-type activities:				
Water	8,819,587	8,074,733	-	-
Sewer	9,585,897	6,885,033	-	763,153
Golf course	1,717,978	1,394,058	-	-
Total business-type activities	20,123,462	16,353,824	-	763,153
Total primary government	\$ 75,689,005	\$ 22,021,373	\$ 575,817	\$ 6,601,006
Component unit - economic development	\$ 522,610	\$ -	\$ 459,957	\$ -

General Revenues

- Taxes:
 - Sales
 - Property
 - Franchise
 - Intergovernmental activity taxes
 - Motor vehicle
 - Hotel
 - Other taxes
- Interest
- Miscellaneous

Transfers

Total general revenues and transfers

- Changes in net position
- Net position, beginning
- Net position, ending

See Notes to Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Governmental	Business-Type			Component Unit
Activities	Activities	Total		
\$ (2,659,711)	\$ -	\$ (2,659,711)	\$ -	-
(708,674)	-	(708,674)	-	-
(8,623,249)	-	(8,623,249)	-	-
(10,860,410)	-	(10,860,410)	-	-
(3,702,395)	-	(3,702,395)	-	-
(13,549,379)	-	(13,549,379)	-	-
(3,380,506)	-	(3,380,506)	-	-
(43,484,324)	-	(43,484,324)	-	-
-	(744,854)	(744,854)	-	-
-	(1,937,711)	(1,937,711)	-	-
-	(323,920)	(323,920)	-	-
-	(3,006,485)	(3,006,485)	-	-
(43,484,324)	(3,006,485)	(46,490,809)	-	-
-	-	-	(62,653)	-
15,136,972	-	15,136,972	-	-
5,543,977	-	5,543,977	-	-
5,250,496	-	5,250,496	-	-
3,851,865	-	3,851,865	-	-
1,764,838	-	1,764,838	-	-
575,237	-	575,237	-	-
394,499	-	394,499	-	-
371,085	928,488	1,299,573	122	-
778,639	-	778,639	-	-
(400,549)	400,549	-	-	-
33,267,059	1,329,037	34,596,096	122	-
(10,217,265)	(1,677,448)	(11,894,713)	(62,531)	-
48,999,192	93,723,898	142,723,090	2,469	-
\$ 38,781,927	\$ 92,046,450	\$ 130,828,377	\$ (60,062)	-

City of Blue Springs, Missouri

**Balance Sheet
Governmental Funds
September 30, 2014**

	Public Safety			
	General	Sales Tax	Capital Projects	TIF Fund
Assets				
Cash and investments	\$ 13,130,107	\$ 19,046,584	\$ 8,551,010	\$ 506,856
Receivables, (net of allowances for uncollectibles):				
Property taxes	4,459,857	-	-	1,805,541
Other taxes	1,731,698	565,272	565,452	1,349
Accounts	258,418	-	-	-
Accrued interest	12,631	-	4,333	-
Due from other funds	-	-	-	233,164
Due from other governments	445,649	-	332,468	696,484
Advances to other funds	1,834,141	-	326,911	-
Prepaid items	556,272	26,513	-	-
Restricted cash and investments	48,086	283,733	-	8,144,875
Total assets	\$ 22,476,859	\$ 19,922,102	\$ 9,780,174	\$ 11,388,269

(Continued)

Other Governmental Funds	Total Governmental Funds
\$ 1,360,807	\$ 42,595,364
1,115,185	7,380,583
74,192	2,937,963
-	258,418
-	16,964
-	233,164
-	1,474,601
-	2,161,052
-	582,785
120,279	8,596,973
<u>\$ 2,670,463</u>	<u>\$ 66,237,867</u>

City of Blue Springs, Missouri

Balance Sheet (Continued)
Governmental Funds
September 30, 2014

	General	Public Safety Sales Tax	Capital Projects	TIF Fund
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 539,570	\$ 1,734,560	\$ 480,145	\$ 157,594
Accrued liabilities	928,795	13,667	-	-
Due to other funds	114,807	59,735	58,622	-
Court bonds	98,748	-	-	-
Customer deposits	616,702	-	-	-
Unearned revenue	39,859	-	-	-
Total liabilities	2,338,481	1,807,962	538,767	157,594
Deferred inflows of resources:				
Unavailable revenue - property taxes	4,431,414	-	-	1,805,541
Unavailable revenue - other	33,273	-	-	251,124
Unavailable revenue - intergovernmental	139,499	-	-	-
Total deferred inflows of resources	4,604,186	-	-	2,056,665
Fund balance:				
Nonspendable:				
Prepaid items	556,272	26,513	-	-
Interfund advances	1,834,141	-	326,911	-
Restricted:				
Capital projects	-	-	71,802	-
Debt service	-	-	-	9,174,010
Tourism	-	-	-	-
Public safety building improvements	-	18,087,627	-	-
Parks	1,047,493	-	-	-
Other purposes	63,188	-	154,956	-
Committed:				
Budget stabilization reserve	2,369,670	-	-	-
Emergency reserve	4,739,341	-	-	-
Other purposes	506,703	-	-	-
Woods Chapel construction encumbrances	-	-	6,056,075	-
Assigned:				
Capital projects	-	-	2,631,663	-
Information technology	1,000,000	-	-	-
Public safety	2,500,000	-	-	-
Other purposes	703,615	-	-	-
Unassigned	213,769	-	-	-
Total fund balance	15,534,192	18,114,140	9,241,407	9,174,010
Total liabilities, deferred inflows of resources and fund balance	\$ 22,476,859	\$ 19,922,102	\$ 9,780,174	\$ 11,388,269

See Notes to Basic Financial Statements.

Other Governmental Funds		Total Governmental Funds	
\$	4,017	\$	2,915,886
	-		942,462
	-		233,164
	-		98,748
	-		616,702
	-		39,859
	4,017		4,846,821
	1,107,921		7,344,876
	-		284,397
	-		139,499
	1,107,921		7,768,772
	-		582,785
	-		2,161,052
	-		71,802
	992,455		10,166,465
	566,070		566,070
	-		18,087,627
	-		1,047,493
	-		218,144
	-		2,369,670
	-		4,739,341
	-		506,703
	-		6,056,075
	-		2,631,663
	-		1,000,000
	-		2,500,000
	-		703,615
	-		213,769
	1,558,525		53,622,274
\$	2,670,463	\$	66,237,867

City of Blue Springs, Missouri

**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
September 30, 2014**

Total governmental fund balances \$ 53,622,274

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of those assets is capitalized and shown at cost, net of accumulated depreciation. This is the amount of net capital assets reported in the statement of net position. 97,228,061

Long-term assets are not available to pay for current period expenditures and are therefore deferred inflows of resources in the fund statements. 601,130

The issuance of long-term debt 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. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Accrued interest payable	\$	(581,639)	
Accrued compensated absences		(1,262,925)	
LAGERS and OPEB obligations		(698,272)	
Deferred charge on refunding		176,057	
Net discount/premium on bond issues		(293,899)	
Development agreements		(32,594,749)	
Capital lease obligations		(4,471,199)	
Bonds and certificates of participation		(72,905,000)	(112,631,626)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service fund are reported with governmental activities in the statement of net position. (37,912)

Net position of governmental activities \$ 38,781,927

See Notes to Basic Financial Statements.

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City of Blue Springs, Missouri

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended September 30, 2014

	Public Safety			
	General	Sales Tax	Capital Projects	TIF Fund
Revenues:				
Taxes	\$ 17,064,320	\$ 3,312,658	\$ 3,393,073	\$ 1,226,566
Intergovernmental activity taxes	-	-	-	3,851,865
Licenses and permits	865,546	-	-	-
Intergovernmental revenues	2,995,392	-	515,397	-
Charges for services	1,512,856	-	-	-
Administrative charges	1,764,935	-	-	-
Fines and forfeits	1,114,347	-	-	-
Interest	107,874	1,018	22,464	6,384
Donations	41,152	-	-	-
Other	695,182	-	25,094	95,396
Total revenues	26,161,604	3,313,676	3,956,028	5,180,211
Expenditures:				
Current:				
General government	5,950,976	-	-	-
Public works	721,738	-	-	-
Highways and streets	2,722,410	-	-	-
Public safety	10,668,246	8,482,875	-	-
Parks	3,647,241	-	-	-
Economic development	-	-	-	305,241
Capital outlay	-	-	2,774,635	-
Debt service:				
Principal retirement	-	514,335	-	1,855,247
Interest and fiscal charges	-	362,687	-	1,438,051
Bond issuance costs	-	377,411	-	-
Total expenditures	23,710,611	9,737,308	2,774,635	3,598,539
Excess (deficiency) of revenues over expenditures	2,450,993	(6,423,632)	1,181,393	1,581,672
Other financing sources (uses):				
Transfers in	585,787	2,000,000	2,499,562	-
Transfers out	(4,823,601)	-	(1,015,052)	(102,383)
Bond premium	-	390,676	-	-
Bond issuance	-	19,375,000	-	-
Payments to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	(4,237,814)	21,765,676	1,484,510	(102,383)
Net change in fund balance	(1,786,821)	15,342,044	2,665,903	1,479,289
Fund balances, beginning	17,321,013	2,772,096	6,575,504	7,694,721
Fund balances, ending	\$ 15,534,192	\$ 18,114,140	\$ 9,241,407	\$ 9,174,010

See Notes to Basic Financial Statements.

	Other Governmental Funds		Total Governmental Funds
\$	1,685,841	\$	26,682,458
	-		3,851,865
	-		865,546
	-		3,510,789
	-		1,512,856
	-		1,764,935
	-		1,114,347
	233,536		371,276
	-		41,152
	-		815,672
	<u>1,919,377</u>		<u>40,530,896</u>
	166,317		6,117,293
	-		721,738
	-		2,722,410
	-		19,151,121
	-		3,647,241
	-		305,241
	-		2,774,635
	1,195,000		3,564,582
	1,130,000		2,930,738
	30,821		408,232
	<u>2,522,138</u>		<u>42,343,231</u>
	(602,761)		(1,812,335)
	915,660		6,001,009
	(428,044)		(6,369,080)
	69,701		460,377
	1,585,000		20,960,000
	<u>(1,860,234)</u>		<u>(1,860,234)</u>
	282,083		19,192,072
	(320,678)		17,379,737
	1,879,203		36,242,537
\$	<u>1,558,525</u>	\$	<u>53,622,274</u>

City of Blue Springs, Missouri

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2014**

Total net change in fund balances - governmental funds \$ 17,379,737

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. This is the effect of capital outlay, depreciation expense and other capital asset transactions in the current period:

Capital outlays	13,356,324
Depreciation expense	(7,822,824)
Loss on disposal of capital assets	(4,907,845)
Capital assets contributed	986,097

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Deferred inflows of resources	104,795
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The issuance of long-term debt 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. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Bond issuance	(20,960,000)
Payment to escrow agent	1,860,234
Principal payments	3,564,582
Certified developer obligations	(13,320,648)
Amortization of premium, discount and deferred charges on refunding	(323,188)
Change in accrued interest payable	(50,350)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences	(44,223)
Change in LAGERS net pension obligation	25,655
Change in other postemployment benefit obligations	(62,158)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service fund is reported with governmental activities.

	(3,453)
Change in net position of governmental activities	\$ (10,217,265)

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

Statement of Net Position
 Proprietary Funds
 September 30, 2014

Assets	Business-Type Activities - Enterprise Funds			Total	Governmental
	Water Utility	Sewer Utility	Golf Course		Activities - Internal Service Fund
Current assets:					
Cash and investments	\$ 6,355,971	\$ 9,832,455	\$ 117,200	\$ 16,305,626	\$ -
Receivables, (net of allowances for uncollectibles):					
Accounts	927,121	869,377	-	1,796,498	8,850
Accrued interest	7,227	11,854	-	19,081	-
Special assessments	-	1,850,954	-	1,850,954	-
Due from other governments	-	718,602	-	718,602	-
Inventory	235,144	38,746	86,155	360,045	177,548
Prepaid items	198,331	198,277	-	396,608	5,184
Total current assets	7,723,794	13,520,265	203,355	21,447,414	191,582
Noncurrent assets:					
Restricted cash and investments	-	1,923,311	248,147	2,171,458	-
Due from other governments	-	9,288,781	-	9,288,781	-
Noncurrent special assessments	-	15,775,000	-	15,775,000	-
Capital assets:					
Land and construction in progress, nondepreciable	343,205	1,266,522	2,250,444	3,860,171	-
Other capital assets, net of depreciation	20,797,399	57,878,113	5,885,697	84,561,209	8,367
Total noncurrent assets	21,140,604	86,131,727	8,384,288	115,656,619	8,367
Total assets	28,864,398	99,651,992	8,587,643	137,104,033	199,949
Deferred Outflows of Resources					
Deferred charge on refunding	-	-	188,287	188,287	-
Liabilities					
Current liabilities:					
Accounts payable	572,312	502,489	3,067	1,077,868	50,806
Accrued liabilities	16,917	13,079	-	29,996	21,829
Accrued interest	-	107,072	9,004	116,076	-
Customer deposits	494,735	-	1,736	496,471	-
Unearned revenue	-	-	30,352	30,352	-
Long-term debt due in one year	53,818	1,922,923	304,109	2,280,850	-
Total current liabilities	1,137,782	2,545,563	348,268	4,031,613	72,635
Noncurrent liabilities:					
Advances from other funds	-	-	2,000,055	2,000,055	160,997
Long-term debt	57,268	36,104,980	3,051,954	39,214,202	4,229
Total noncurrent liabilities	57,268	36,104,980	5,052,009	41,214,257	165,226
Total liabilities	1,195,050	38,650,543	5,400,277	45,245,870	237,861
Net Position					
Net investment in capital assets	21,140,604	21,212,144	4,968,365	47,321,113	8,367
Restricted for debt service	-	1,923,311	248,147	2,171,458	-
Unrestricted (deficit)	6,528,744	37,865,994	(1,840,859)	42,553,879	(46,279)
Total net position (deficit)	\$ 27,669,348	\$ 61,001,449	\$ 3,375,653	\$ 92,046,450	\$ (37,912)

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 Year Ended September 30, 2014

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Water Utility	Sewer Utility	Golf Course		Activities - Internal Service Fund
Revenues:					
Charges for services	\$ 8,063,341	\$ 6,879,206	\$ 1,376,840	\$ 16,319,387	\$ 1,191,477
Other	11,392	5,827	17,218	34,437	-
Total operating revenues	8,074,733	6,885,033	1,394,058	16,353,824	1,191,477
Operating expenses:					
Personnel services	956,487	967,454	540,873	2,464,814	201,438
Administrative and support services	970,020	794,915	-	1,764,935	-
Materials and supplies	470,809	1,044,293	404,504	1,919,606	718,761
Purchased water and sewer services	4,541,505	1,544,964	-	6,086,469	-
Contractual services	919,848	852,126	330,255	2,102,229	235,559
Utilities	50,288	477,482	-	527,770	-
Depreciation	902,747	2,386,943	294,066	3,583,756	6,694
Total operating expenses	8,811,704	8,068,177	1,569,698	18,449,579	1,162,452
Operating income (loss)	(736,971)	(1,183,144)	(175,640)	(2,095,755)	29,025
Nonoperating revenues (expenses):					
Interest income	45,600	111,588	20	157,208	-
Interest income - special assessments	-	771,280	-	771,280	-
Interest expense and fiscal charges	-	(949,130)	(148,280)	(1,097,410)	-
Loss on sale of capital assets	(7,883)	(18,018)	-	(25,901)	-
Total nonoperating revenues (expenses)	37,717	(84,280)	(148,260)	(194,823)	-
Income (loss) before contributions, special assessments and transfers	(699,254)	(1,267,424)	(323,900)	(2,290,578)	29,025
Capital contributions	-	449,433	-	449,433	-
Special assessments, net of write-offs	-	(236,852)	-	(236,852)	-
Transfers in	274,679	-	400,549	675,228	-
Transfers out	-	(274,679)	-	(274,679)	(32,478)
Change in net position	(424,575)	(1,329,522)	76,649	(1,677,448)	(3,453)
Net position (deficit), beginning of year	28,093,923	62,330,971	3,299,004	93,723,898	(34,459)
Net position (deficit), end of year	\$ 27,669,348	\$ 61,001,449	\$ 3,375,653	\$ 92,046,450	\$ (37,912)

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2014

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Water Utility	Sewer Utility	Golf Course		Activities - Internal Service Fund
Cash flows from operating activities:					
Receipts from customers and users	\$ 8,160,890	\$ 6,914,420	\$ 1,396,388	\$ 16,471,698	\$ 1,203,796
Payments to suppliers and service providers	(6,982,109)	(5,275,955)	(744,823)	(13,002,887)	(955,593)
Payments to employees	(934,219)	(952,680)	(540,873)	(2,427,772)	(198,691)
Net cash provided by operating activities	244,562	685,785	110,692	1,041,039	49,512
Cash flows from noncapital financing activities:					
Increase (decrease) in interfund advances	-	-	-	-	(17,034)
Transfers in	274,679	-	400,549	675,228	-
Transfers out	-	(274,679)	-	(274,679)	(32,478)
Net cash provided by (used in) noncapital financing activities	274,679	(274,679)	400,549	400,549	(49,512)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(108,416)	(325,585)	(38,566)	(472,567)	-
Intergovernmental grants	-	707,106	-	707,106	-
Proceeds from issuance of debt	-	608,246	3,340,979	3,949,225	-
Special assessments received	-	209,183	-	209,183	-
Principal payments on debt	-	(1,799,300)	(3,999,109)	(5,798,409)	-
Interest payments on debt	-	(1,130,576)	(54,341)	(1,184,917)	-
Net cash (used in) capital and related financing activities	(108,416)	(1,730,926)	(751,037)	(2,590,379)	-
Cash flows from investing activities:					
Purchases of investments	(1,960,741)	(2,985,923)	-	(4,946,664)	-
Sale of investments	3,000,000	3,650,000	-	6,650,000	-
Interest on special assessments	-	771,299	-	771,299	-
Interest on investments	46,015	110,635	20	156,670	-
Net cash provided by investing activities	1,085,274	1,546,011	20	2,631,305	-
Net increase (decrease) in cash and cash equivalents	1,496,099	226,191	(239,776)	1,482,514	-
Cash and cash equivalents, beginning of year	(111,250)	2,331,071	605,123	2,824,944	-
Cash and cash equivalents, end of year	\$ 1,384,849	\$ 2,557,262	\$ 365,347	\$ 4,307,458	\$ -

(Continued)

City of Blue Springs, Missouri

Statement of Cash Flows (Continued)
 Proprietary Funds
 Year Ended September 30, 2014

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Golf Course		
Reconciliation of amounts reported on the statement of net position:					
Cash and cash equivalents	\$ 1,384,849	\$ 2,557,262	\$ 365,347	\$ 4,307,458	\$ -
Investments	4,971,122	9,198,504	-	14,169,626	-
Total cash and investments	\$ 6,355,971	\$ 11,755,766	\$ 365,347	\$ 18,477,084	\$ -
Reconciliation of operating (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ (736,971)	\$ (1,183,144)	\$ (175,640)	\$ (2,095,755)	\$ 29,025
Adjustments to reconcile operating (loss) to net cash provided by operating activities:					
Depreciation	902,747	2,386,943	294,066	3,583,756	6,694
Decrease in accounts receivable	75,672	29,387	1,279	106,338	12,319
(Increase) decrease in inventories	(65,519)	(2,846)	(10,064)	(78,429)	2,773
Decrease in prepaid items	(4,896)	(18,475)	-	(23,371)	(1,849)
Increase (decrease) in accounts payable	40,776	(540,854)	-	(500,078)	(2,197)
Increase (decrease) in accrued expenses	7,660	(2,116)	-	5,544	2,997
Increase (decrease) in customer deposits	10,485	-	(4,807)	5,678	-
Increase in unearned revenue	-	-	5,858	5,858	-
Increase (decrease) in other postemployment benefits and LAGERS obligation	14,608	16,890	-	31,498	(250)
Net cash provided by operating activities	\$ 244,562	\$ 685,785	\$ 110,692	\$ 1,041,039	\$ 49,512
Supplemental Information, noncash capital and related financing activities:					
Capital contributions	\$ -	\$ 29,278	\$ -	\$ 29,278	\$ -
Capitalized interest	-	162,540	-	162,540	-
Special assessment receivable write-off for uncollectibles	-	550,571	-	550,571	-

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

**Statement of Net Position - Fiduciary Funds
September 30, 2014**

	Blue Springs	
	Land Bank Agency Trust Fund	Agency Funds
	<hr/>	
Assets		
Cash and investments	\$ 941	\$ 971,493
Taxes receivable	-	254,733
Capital assets, land, nondepreciable	207,352	-
Total assets	<hr/> \$ 208,293	<hr/> \$ 1,226,226 <hr/>
Liabilities		
Due to other governments	\$ -	\$ 1,198,287
Membership and employee flexible benefits deposits	-	27,939
Total liabilities	<hr/> \$ -	<hr/> \$ 1,226,226 <hr/>
Net Position		
Investment in capital assets	\$ 207,352	
Restricted for land	941	
	<hr/> \$ 208,293 <hr/>	

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

Statement of Changes in Net Position - Fiduciary Funds

September 30, 2014

	Blue Springs Land Bank Agency Trust Fund
	<u> </u>
Additions	
Capital contributions	\$ 45,396
Other	1,225
Total additions	<u>46,621</u>
Deductions	
Licenses, fees and permits	284
Loss on disposal	35,615
Total deductions	<u>35,899</u>
Net increase in net position	10,722
Net position, beginning	<u>197,571</u>
Net position, ending	<u>\$ 208,293</u>

See Notes to Basic Financial Statements.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies

Nature of operations:

The City of Blue Springs, Missouri (City) was incorporated in 1904 and covers an area of approximately 22.0 square miles in Jackson County, Missouri. The City is a home rule chartered city and operates under the mayor/council/administrator form of government. The City Administrator is the chief administrative officer of the City. The City provides services to approximately 53,000 residents in many areas, including law enforcement, water and sewer services, community enrichment and development, and various social services. Elementary, secondary, and junior college education services are provided by various school districts, fire protection services are provided by a separate fire protection district, all of which are separate governmental entities.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following represent the more significant accounting and reporting policies and practices of the City.

Reporting entity:

Blue Springs, Missouri is a home rule chartered city in which citizens elect the Mayor and six council members from three districts. In evaluating the City's financial reporting entity, management has considered all potential component units. The accompanying basic financial statements present the City and the 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).

The following component units are blended in the City's basic financial statements:

The Tax Increment Financing (TIF) Commission: is governed by an eleven-member board of which six members are appointed by the City Council. The remaining five members are appointed by the respective taxing districts' boards. Although it is legally separate from the City, the TIF is reported as if it were part of the primary government because its sole function is to use TIF as a method to finance infrastructure improvements through payments in lieu of taxes and economic activity taxes. The TIF Commission does not issue separate financial statements.

Blue Springs Land Bank Agency: Legislation which became effective August 28, 2012, authorized the City to create a Land Bank Agency (the Agency). That legislation provided that any property owned by the County's Land Trust to be transferred to the Land Bank Agency and provided that any properties located in the City limits of Blue Springs which were sold for back taxes where the bid was not sufficient to pay the judgment would be transferred to the Blue Springs Land Bank Agency rather than the Jackson County Land Trust. This is specifically important for the properties that are located in the City's Neighborhood Improvement District.

The purpose of the Agency is to return nonrevenue generating and nontax producing land to usefulness. The Land Bank Agency is composed of a Board of Commissioners consisting of five members, all of whom are residents of the City. Three Commissioners are appointed by the Mayor of the City, one Commissioner is appointed by Jackson County and the other Commissioner by the School District. The Agency has been reported as a Trust Fund within the City's financial statements. The Agency does not issue separate financial statements.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

The following component unit is discretely presented in the City's basic financial statements:

The Blue Springs Economic Development Corporation (EDC): is a not-for-profit business development organization funded by both public and private sector monies. Although it is legally separate from the City, the EDC is reported as a component unit because the City is financially accountable for the EDC as it provides a major source of revenue. The EDC is governed by a twelve-member board of which five members are appointed by the City Council. The EDC does not issue separate financial statements. Included within EDC is the Blue Springs Growth Initiatives, Inc. (BSGI) which is a not-for-profit business development organization funded by both public and private sector monies. The board of the BSGI is comprised entirely of board members of the EDC. Although it is legally separate from the EDC, the BSGI has been consolidated in the accompanying financial statements as it is financially interrelated to the EDC.

Basis of presentation:

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Government-wide financial statements: The statement of net position and the statement of activities display information about the City, the primary government, as a whole, with the exclusion of fiduciary funds. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Internal activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Therefore, each of the governmental fund financial statements includes a reconciliation with brief explanations to better identify the relationship between the governmental fund statements and the government-wide statements.

The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and 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 are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Fund financial statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column.

Governmental Fund Types: Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (other than those in proprietary funds) are accounted for through governmental funds. The following are the City's major governmental funds:

General Fund is the principal 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.

Public Safety Sales Tax Fund, a special revenue fund, accounts for the collection of the City's public safety sales tax and related expenditures including equipment, additional personnel and facility renovations.

Capital Projects Fund accounts for resources used for the acquisition and/or construction of capital facilities, except those accounted for in proprietary funds. This fund is presented as a major fund for public interest purposes.

TIF Fund, a capital projects fund, accounts for resources of the City's tax increment financing activities.

Proprietary Fund Types: Proprietary funds are used to account for the City's ongoing activities that are similar to those often found in the private sector. The following are the City's major proprietary funds:

Water Utility Fund accounts for the provision of water services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Sewer Utility Fund accounts for the provision of sewer services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Golf Course Fund accounts for all golf activity services related to the City golf course plus professional shop sales. All activities to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

In addition, the City reports an Internal Service Fund which accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost reimbursement basis. The City's internal service fund is the Central Garage Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Fiduciary Fund Types: Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City has the following fiduciary fund types:

Private-Purpose Trust Fund: The Blue Springs Land Bank Agency Trust Fund accounts for foreclosed properties taken by the County.

Agency Funds: The City maintains seven agency funds, the Jackson County Tax Agency Fund, which accounts for property taxes collected and remitted to Jackson County, Missouri; Employee Flex Benefit Agency Fund, which accounts for funds contributed by City employees to a tax-exempt flexible benefits plan; Eastern Jackson County Betterment Council Agency Fund, which accounts for membership deposits of the Council; Adams Dairy Landing CID and Woods Chapel CID which account for funds received by the community improvement districts; Coronado Drive TDD Fund and Adams Farm TDD Fund account for funds received by these transportation development districts. Fiduciary funds are used to report assets held in a trustee or agency capacity for others. Since by definition these assets are being held for the benefit of a third party and cannot be used to support activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Measurement focus and basis of accounting:

All governmental funds utilize the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet of the fund financial statements. Under the modified accrual basis of accounting, revenues are recorded as collected unless susceptible to accrual, i.e., amounts measurable and available to finance the City's operations or of a material amount and not received at the normal time of receipt. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current period.

Significant revenues that are considered susceptible to accrual include sales taxes, interest, and certain state and federal grants and entitlements. Expenditures, other than interest on long-term debt, are recorded when the fund liability is incurred. However, debt service expenditures, as well as those related to compensated absences, are recorded in the governmental funds only when payment is due.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or on the specific project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and nearly irrevocable, i.e. revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the available and measurable criteria.

Property tax revenue is recognized independent of receivable recognition in the fiscal year for which the taxes have been levied (budgeted). Delinquent taxes expected to be received later than 60 days after the close of the fiscal year are classified as deferred inflows of resources within the governmental fund financial statements. Licenses and permits, fines and forfeitures, charges for services and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

The economic resources measurement focus and the accrual basis of accounting are utilized by the proprietary funds. Under this basis of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred. All assets, liabilities and deferred inflows/outflows of resources (whether current or noncurrent) associated with a proprietary fund's activities are included on its statement of net position. Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. All other revenues and expenses are considered nonoperating.

Summary of significant accounting policies:

The significant accounting policies followed by the City include the following:

Cash, cash equivalents and investments: The City maintains and controls a cash pool in which a majority of the City's funds share. Each fund's portion of the pool is displayed on their respective balance sheet/statement of net position as "cash and investments." The City's cash and cash equivalents are primarily considered to be cash on hand, amounts in demand deposits and certificates of deposits. For purposes of the statement of cash flows, short-term investments held in proprietary funds with a maturity date within three months of the date acquired by the City, if any, are considered cash equivalents.

Investments are recorded on the financial statements at fair value, based on quoted market prices, except for non-negotiable certificates of deposit which are stated at amortized cost, which approximates fair value.

Inventories and prepaid items: Inventories are valued at cost using the first-in, first-out method. Inventory quantities are determined by physical count at each year-end. Inventory in the Water Utility Fund consists primarily of water meters and water line maintenance materials. Inventory in the Sewer Utility Fund consists primarily of sewer line maintenance materials. Inventory in the Central Garage Fund consists of vehicle maintenance materials. Inventory in the Golf Course Fund consists of pro-shop merchandise and food supplies. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Accounts receivable: Accounts receivable result primarily from sales of water and sewer services accounted for in the Water Utility and Sewer Utility Funds, respectively. An estimated amount has been recorded for services rendered, but not yet billed, as of the close of the fiscal year. Accounts receivable are expressed net of allowances for doubtful accounts of \$81,344 for the business-type activities. Allowances for doubtful accounts are based on historical collection trends for the related receivables.

Special assessments receivable: Special assessments receivable reflects the property taxes collectable by the City for the purpose of repaying the Special Assessment debt held by the City. The amount collectable by the City is reduced each year as the taxes are levied against the property and, subsequently, collected by the City. Special assessments receivable is expressed net of allowances for doubtful accounts, based on foreclosed properties. At September 30, 2014, the City had \$17,625,954 in special assessments receivable in the Sewer Utility Fund.

Interfund activity: Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The City has the following types of interfund activity:

Advances to/from other funds – amounts provided with a requirement for repayment. Advances to other funds are reported as receivables in lender funds and payables in borrower funds, and are considered long-term in nature.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Capital assets: Capital assets acquired for general governmental purposes are recorded as expenditures in the governmental fund financial statements and are capitalized at cost or estimated historical cost in the governmental activities column in the government-wide financial statements. Capital assets owned by the proprietary funds are stated at cost or estimated historical cost in the proprietary fund financial statements and in the business-type activities column in the government-wide financial statements. All contributed capital assets received from federal, state or local sources are recorded at fair value at the time received. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Additions, improvements and costs that significantly extend the useful life of an asset are capitalized. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirement and any resulting gain or loss is reflected in the basic financial statements. Fully depreciated assets are included in the capital asset accounts until their disposal.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. A total of \$162,540 of interest expense was included as part of the cost of the capital assets under construction in connection with sewer plant expansion projects.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Infrastructure - water and sewer lines, storm sewers, reservoirs, wells, roads and bridges	20 to 60 years
Buildings and improvements	20 to 60 years
Equipment and vehicles	5 to 15 years
Computer equipment and software	3 years

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Unearned revenue: Unearned revenue arises when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized.

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources: In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from several sources: property taxes, other and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the City's government-wide statements, only the property tax revenues remain as a deferred inflow of resources and will become an inflow in the year for which the taxes are levied.

Bond premiums, discounts and issuance costs: In the government-wide and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are recognized as an expense in the year in which the costs were incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and any related premiums or discounts are reported as other financing sources/uses. Issuance costs are reported as a debt service expenditure in the year in which the costs were incurred.

Compensated absences: Under terms of the City's personnel policy, City employees are granted Paid Time Off (PTO) and Extended Illness Bank (EIB) in varying amounts. In the event of termination, an employee is paid for accumulated unused PTO days. Employees with five years of service and a minimum of 100 hours of accumulated, unused EIB time are paid 15 percent of the hours up to 500 hours and 20 percent of the hours between 501 and 1,000.

Vested or accumulated PTO and EIB is accounted for as follows:

Governmental funds: The accumulated liabilities for employee PTO and EIB are recorded in the governmental activities column of the government-wide financial statements. Certain amounts may be recorded in the governmental fund financial statements as part of accrued liabilities, when such amounts come due (mature) during the current fiscal year.

Proprietary funds: The costs of PTO and EIB are accrued in the respective funds as earned by City employees and recorded in the proprietary fund financial statements and the business-type activities column of the government-wide financial statements.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Net position classifications: In the government-wide and proprietary fund financial statements, net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is classified into three components:

Net investment in capital assets—consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets for the governmental activities excludes unspent bond proceeds of \$71,802 restricted for capital projects in the Capital Projects Fund and \$18,103,554 for the community center in the Public Safety Sales Tax Fund. \$19,057,000 of the special obligation bonds have been excluded as they were issued for purposes other than capital asset additions by the City.

Restricted net position—consisting of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities for which restricted and unrestricted net position is available. Net position restricted through enabling legislation consists of \$10,130,815 for debt service, \$18,078,541 for public safety and \$566,070 for tourism.

Unrestricted net position—all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund balances: In the fund financial statements, governmental funds report the following fund balance classifications:

Nonspendable—This consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted—This consists of amounts where constraints are placed on the use of those resources which are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed—This consists of amounts which can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council through ordinance approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified amounts by use of the same formal action that it employed to previously commit the funds.

Assigned—This consists of amounts which are constrained by City management's intent to be used for a specific purpose but are neither formally restricted by external sources nor committed by City Council action. It is the City's Governmental Fund Balance Policy (as approved by Resolution 60-2011) that the Authority to assign fund balance has been delegated by the City Council to the City Administrator. Likewise, the City Administrator has the authority to take necessary actions to un-assign amounts in this category.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Policies (Continued)

Unassigned—This consists of the residual fund balance that does not meet the requirements for the nonspendable, restricted, committed or assigned classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

The City has a fund balance policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The City has stabilization arrangements that set aside 30 percent of the prior year's budgeted General Fund expenditures. The 30 percent is divided into two reserve categories, the emergency reserve at 20 percent and the budget stabilization reserve at 10 percent. The emergency reserve shall only be used if the City directly experiences a natural disaster that jeopardizes public safety, the Federal Government or State of Missouri formally declare a disaster or emergency or if no reasonable budget adjustments are available to continue providing essential services to the public. The budget stabilization reserve shall only be used if there is a sudden or unexpected decline in ongoing revenues greater than 10 percent of General Fund operating revenues, short term stabilization is needed to minimize significant changes in insurance rates or premiums, funds are needed as part of a matching grant for a major project for which budgeted funds are not available or for sudden or unexpected capital outlay replacement needs such as a facility failure. If the reserves are spent below the minimum required level, the City will develop and implement a plan to replenish the reserves. This plan will restore the reserves within 2 years for the emergency reserve and 5 years for the budget stabilization reserve. During an economic downturn, the timeline for restoring the reserves will not begin until revenues have stabilized.

Budgetary data: The City Council follows these procedures in establishing the budget:

1. Prior to September 1, the City Administrator submits to the City council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. The legal level of control is at the fund level. City management cannot amend the budget without receiving the approval of the City Council. The City Administrator is authorized to approve overspending of budgeted line items within any fund as long as the total expenditures within the fund do not exceed the total approved budgeted expenditures for that fund. However, overspending of total expenditures of any fund requires approval by the City Council.

Use of estimates: The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 2. Deposits and Investments

As of September 30, 2014, the carrying values of deposits and investments are summarized as follows:

Investments:	
Short-term investments held in trust (mutual fund)	\$ 28,066,607
U.S. agency securities	27,753,934
Repurchase agreement	10,224,000
Total investments	<u>66,044,541</u>
Deposits	891,391
Certificates of deposit	3,730,000
Petty cash	10,387
Total	<u><u>\$ 70,676,319</u></u>

Deposits and investments are reflected in the financial statements as follows:

	Government- Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total Primary Government	Component Unit	Total
Cash and investments	<u>\$ 69,669,421</u>	<u>\$ 972,434</u>	<u>\$ 70,641,855</u>	<u>\$ 34,464</u>	<u>\$ 70,676,319</u>

Investment policy: Missouri State Statutes authorize the City to deposit funds in open accounts and certificates of deposit. Statutes also require that collateral pledged must have a fair value equal to 100 percent of the funds on deposit, less insured amounts. Collateral securities must be held by the City or a disinterested third party and must be of the kind prescribed by State Statutes and approved by the State.

The City maintains a cash and investment pool, which is available for use by most funds. Each fund type's portion of this pool is displayed as "Cash and investments." Interest earned is allocated to the funds on the basis of average monthly cash and investment balances. Funds with overdrawn balances are charged for interest. All investments are carried at amortized cost, which approximates fair value. Cash and investments are held separately by some of the City's funds. Additionally, certain restricted assets, related to bond ordinances and indentures and capital lease certificates, are held in escrow by financial institutions' trust departments.

The City's repurchase agreement invests in U.S. government agency securities, which as of September 30, 2014 consisted of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Government National Mortgage Association investments.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Credit risk: The credit risk for deposits and investments is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. It is the City's policy to limit its investments to certificates of deposit and bonds or other obligations of the United States. Presented below is the actual rating by Moody's Investor Service as of year-end for the City's debt securities:

Investment Type	Fair Value	Rating as of September 30, 2014
Federal Home Loan Banks	\$ 3,203,630	Aaa
Federal National Mortgage Association	19,576,959	Aaa
Federal Home Loan Mortgage Corporation	4,973,345	Aaa
Short-term investments held in trust (mutual fund)	28,066,607	Aaa
Repurchase agreement	10,224,000	Aaa
	\$ 66,044,541	

Custodial credit risk: The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name.

At September 30, 2014, the City's deposits and repurchase obligations were insured by Federal depository insurance and uninsured deposits and repurchase obligations were fully collateralized by securities held in the City's name by their financial institution's agent. Accordingly, management has determined that none of the City's deposits or investments was exposed to custodial credit risk as of September 30, 2014. Investments in government agency securities are registered in the name of the City, or held in money market mutual funds, and therefore, are not exposed to custodial credit risk.

Interest rate risk: The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of September 30, 2014, the City's investments had the following maturities:

	Fair Value	Investment Maturities (in years)	
		Less Than 1	1 - 5
Investment type:			
Debt securities, U.S. agencies	\$ 27,753,934	\$ 1,503,741	\$ 26,250,193
Short-term investments held in trust (mutual fund)	28,066,607	28,066,607	-
Repurchase agreement	10,224,000	10,224,000	-
Total	\$ 66,044,541	\$ 39,794,348	\$ 26,250,193

Concentration of credit risk: As of September 30, 2014, more than 42 percent of the City's investments were issued by Federal Home Loan Banks, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation. These securities represent 5 percent, 30 percent and 7 percent of the City's total investments, respectively.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 3. Tax Revenues and Taxes Receivable

The City's property tax is levied each September 1 on the assessed value as of the prior January 1 for all real and personal property located in the City. Property taxes are billed in total by November 1 following the levy date and considered delinquent after December 31. On January 1, a lien attaches to all property for which taxes are unpaid. Taxes remaining unpaid for two years after that date are submitted to Jackson County for collection through foreclosure proceedings.

Assessed values are established by the Jackson County Assessor subject to review by the County's Board of Equalization. The assessed value for property, including railroad and utility properties located in the City as of January 1, 2013, on which the fiscal year ended September 30, 2014, levy was based, was \$731,056,283. During the year ended September 30, 2014, the City collected approximately 97 percent of property taxes which were levied in the period.

The City is permitted by Missouri State Statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services (General Fund), other than the payment of principal and interest on long-term debt, and in unlimited amounts for the payment of principal and interest on long-term debt. Property tax levies per \$100 assessed valuation for the year ended September 30, 2014 were as follows:

	Levy (Dollars)
General Fund	\$ 0.5989
Debt Service Fund	0.1500
Total	\$ 0.7489

The City has established TIF Districts that allow the City to provide public improvements by encouraging developers to construct and make new investments within blighted, conservation, or economic areas. Through the use of TIF Districts, the City can utilize the taxes generated by the incremental increase in property values and economic activities from the date the TIF District was established and the combined levies of all taxing jurisdictions for infrastructure improvements. Tax revenue collected in the current year for the Districts is recorded in the TIF Fund.

Note 4. Tax Collection Services

Jackson County, Missouri prepares and mails the City's property tax bills. The County and City collect property and other taxes on behalf of each other. The County and City receive a fee equal to 1.00 percent of the gross amount of current taxes collected. The City also has the County bill the motor vehicle licenses fee on the City's behalf. The County receives a fee of 1.00 percent of the gross amount collected.

The County collected approximately \$8,625,174 of the City's taxes, PILOTS, City sticker fees and Special Assessments, resulting in a collection charge of \$86,251 paid by the City to the County for the year ended September 30, 2014.

The City accounts for its collection of County taxes in the Jackson County Tax Fund (an Agency Fund). The City collected and remitted approximately \$17 million of County taxes resulting in collection fees of \$170,939 for the year ended September 30, 2014.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 5. Interfund Activity

Interfund transfers for the year were as follows:

Transfers To	Transfers From						Total
	General	TIF	Capital Projects	Other Governmental	Sewer Fund	Internal Service	
General Fund	\$ -	\$ 25,873	\$ 515,052	\$ 12,384	\$ -	\$ 32,478	\$ 585,787
Public Safety Sales Tax Fund	2,000,000	-	-	-	-	-	2,000,000
Capital Projects Fund	2,423,052	76,510	-	-	-	-	2,499,562
Nonmajor Governmental Funds	-	-	500,000	415,660	-	-	915,660
Water Fund	-	-	-	-	274,679	-	274,679
Golf Course Fund	400,549	-	-	-	-	-	400,549
Total	\$ 4,823,601	\$ 102,383	\$ 1,015,052	\$ 428,044	\$ 274,679	\$ 32,478	\$ 6,676,237

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Any transfers within the governmental funds or within the proprietary funds have been eliminated in the government-wide statement of activities.

Charges for services: The General Fund provides administrative and other support services for Water and Sewer enterprise funds. Amounts charged to these funds for such services were \$970,020 and \$794,915, respectively.

Interfund receivable and payable balances at year-end were as follows:

Interfund Receivables	Interfund Payables			Total
	General	Public Safety Sales Tax	Capital Projects	
TIF	\$ 114,807	\$ 59,735	\$ 58,622	\$ 233,164

Advances to and from other funds at year-end were as follows:

Advance to Other Funds	Advance From Other Funds		
	Golf Course	Central Garage	Total
General Fund	\$ 1,673,144	\$ 160,997	\$ 1,834,141
Capital Projects Fund	326,911	-	326,911
Total	\$ 2,000,055	\$ 160,997	\$ 2,161,052

The advances payable of the Golf Course Fund represent advances to the Golf Course Fund for operating expenses and debt service payments and is not expected to be repaid within the next fiscal year. The City has reported a nonspendable fund balance in the General Fund in the amount of \$1,834,141. The City Council has passed a resolution requiring the advanced funds to be paid when the corresponding debt has been paid off.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Capital Assets

Capital assets activity for the year ended September 30, 2014, was as follows:

Governmental activities	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land and easements	\$ 15,728,403	\$ 306,888	\$ -	\$ 16,035,291
Construction in progress	22,087,001	7,784,522	20,798,370	9,073,153
Total capital assets, not being depreciated	37,815,404	8,091,410	20,798,370	25,108,444
Capital assets, being depreciated:				
Buildings and building improvements	21,634,679	308,416	3,656,783	18,286,312
Equipment and vehicles	10,134,477	6,026,807	526,468	15,634,816
Infrastructure	171,628,619	15,946,937	2,354	187,573,202
Total capital assets being depreciated	203,397,775	22,282,160	4,185,605	221,494,330
Less accumulated depreciation for:				
Buildings and building improvements	17,196,300	512,389	3,553,414	14,155,275
Equipment and vehicles	7,941,602	1,301,810	490,634	8,752,778
Infrastructure	120,443,906	6,015,319	932	126,458,293
Total accumulated depreciation	145,581,808	\$ 7,829,518	\$ 4,044,980	149,366,346
Total capital assets being depreciated, net	57,815,967			72,127,984
Governmental activities capital assets, net	\$ 95,631,371			\$ 97,236,428

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Capital Assets (Continued)

	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 3,750,440	\$ -	\$ -	\$ 3,750,440
Construction in progress	29,688,465	133,758	29,712,492	109,731
Total capital assets, not being depreciated	33,438,905	133,758	29,712,492	3,860,171
Capital assets, being depreciated:				
Buildings and building improvements	10,720,278	2,160,340	-	12,880,618
Equipment and vehicles	3,687,768	243,858	54,116	3,877,510
Infrastructure	85,147,458	27,838,902	51,666	112,934,694
Total capital assets being depreciated	99,555,504	30,243,100	105,782	129,692,822
Less accumulated depreciation for:				
Buildings and building improvements	5,097,139	233,895	-	5,331,034
Equipment and vehicles	2,944,012	228,212	36,101	3,136,123
Infrastructure	33,586,589	3,121,649	43,782	36,664,456
Total accumulated depreciation	41,627,740	\$ 3,583,756	\$ 79,883	45,131,613
Total capital assets being depreciated, net	57,927,764			84,561,209
Business-type activities capital assets, net	<u>\$ 91,366,669</u>			<u>\$ 88,421,380</u>
Component unit				
Capital assets, being depreciated:				
Leasehold improvements	\$ 6,035	\$ -	\$ -	\$ 6,035
Equipment	18,257	-	-	18,257
Total capital assets being depreciated	24,292	-	-	24,292
Less accumulated depreciation for:				
Leasehold improvements	1,050	219	-	1,269
Equipment	17,994	263	-	18,257
Total accumulated depreciation	19,044	\$ 482	\$ -	19,526
Total capital assets being depreciated, net	\$ 5,248			\$ 4,766

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government and component unit as follows:

Governmental activities:	
General government	\$ 413,355
Highways and streets	6,093,272
Public safety	790,948
Parks and recreation	531,943
Total depreciation expense for governmental activities	<u><u>\$ 7,829,518</u></u>
Business-type activities:	
Water utility	\$ 902,747
Sewer utility	2,386,943
Golf course	294,066
Total depreciation expense for business-type activities	<u><u>\$ 3,583,756</u></u>
Component unit:	
Economic development	<u><u>\$ 482</u></u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations

The following is a summary of changes in long-term debt transactions of the City for the year ended September 30, 2014:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences*	\$ 1,218,702	\$ 1,222,659	\$ 1,178,436	\$ 1,262,925	\$ 1,178,436
General obligation bonds	24,555,000	-	910,000	23,645,000	785,000
Certificates of participation	1,825,000	20,960,000	2,110,000	20,675,000	250,000
Special obligation bonds	29,475,000	-	890,000	28,585,000	960,000
Net discount/premium on issuances	(142,867)	460,377	23,611	293,899	-
Development agreements	20,419,568	13,320,648	1,145,467	32,594,749	340,000
Capital lease obligations	4,985,534	-	514,335	4,471,199	532,181
LAGERS obligation*	335,314	-	25,655	309,659	-
Net OPEB obligation*	330,934	61,908	-	392,842	-
	<u>83,002,185</u>	<u>36,025,592</u>	<u>6,797,504</u>	<u>112,230,273</u>	<u>4,045,617</u>
Business-type activities:					
Compensated absences	138,001	132,038	127,913	142,126	127,914
Certificates of participation	3,650,000	3,270,000	3,935,000	2,985,000	240,000
Special assessment-neighborhood improvement bonds	17,025,000	-	450,000	16,575,000	800,000
Net discount/premium on issuances	455,831	259,266	51,173	663,924	-
Capital lease obligations	197,511	-	64,109	133,402	64,109
Sewer revenue bonds	21,672,282	608,246	1,349,300	20,931,228	1,048,827
LAGERS obligation	8,883	24,623	-	33,506	-
Net OPEB obligation	23,991	6,875	-	30,866	-
	<u>43,171,499</u>	<u>4,301,048</u>	<u>5,977,495</u>	<u>41,495,052</u>	<u>2,280,850</u>
Total primary government	<u>\$ 126,173,684</u>	<u>\$ 40,326,640</u>	<u>\$ 12,774,999</u>	<u>\$ 153,725,325</u>	<u>\$ 6,326,467</u>

* Primarily liquidated by the General Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

Governmental activities, general obligation bonds, certificates of participation and special obligation bonds as of September 30, 2014 are comprised of the following:

General obligation bonds:

\$1,110,000 - 2004A General Obligation Bonds due in installments of \$20,000 to \$110,000 through March 1, 2019; interest at 2.4% to 4.4%	\$ 520,000
\$2,440,000 - 2009A General Obligation Bonds due in installments of \$520,000 to \$700,000 through March 1, 2019; interest at 3.0% to 3.5%	2,440,000
\$12,560,000 - 2009B General Obligation Build America Bonds due in installments of \$880,000 to \$1,695,000 through March 1, 2019; interest at 5.39% to 5.89%	12,560,000
\$3,590,000 - 2010 General Obligation Refunding Bonds due in installments of \$435,000 to \$825,000 through March 1, 2015; interest at 2.375% to 5.0%	435,000
\$7,690,000 - 2012 General Obligation Bonds due in installments of \$25,000 to \$1,995,000 through March 1, 2032; interest at 2.0% to 3.5%	7,690,000
Total general obligation bonds	\$ 23,645,000

Certificates of participation:

\$20,960,000 - 2014 refunding certificates of participation in installments of \$250,000 to \$1,315,000 through September 1, 2043; interest at 2.0% to 5.0%	\$ 20,675,000
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Special obligation bonds:

\$14,500,000 - 2009 special obligation bonds - Adams Farm Project in installments of \$230,000 to \$1,005,000 through December 1, 2039; interest at 3.0% to 6.375%	\$ 12,515,000
\$16,805,000 - 2010 special obligation bonds - Adams Farm Project in installments of \$60,000 to \$1,065,000 through December 1, 2039; interest at 3.0% to 5.0%	16,070,000
Total special obligation bonds	\$ 28,585,000

On May 20, 2014, the City issued \$24,230,000 in Refunding and Improvement Certificates of Participation, Series 2014 maturing September 1, 2014 through September 1, 2043 with an interest rate ranging from 2 percent to 5 percent to refund \$1,585,000 of the Conference Center 2005 COPS and \$3,270,000 of the Golf Course 2005 COPS with an interest rate of 3.6 percent to 4.4 percent.

The City completed the 2014C refunding to reduce its total debt service payments over the next 12 years by \$940,366 and to obtain an economic gain (difference between the present values of old and new debt service payments) of \$411,841.

Special obligation bonds and development agreements: The City's Special Obligation Bonds are recorded as a liability of the City to match revenue streams to the related debt for which they have been pledged.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

The City and other taxing districts and governmental entities have pledged a portion of future property tax and sales tax revenues to repay the \$14.5 million in Series 2009 Special Obligation Bonds and \$16.805 million in Series 2010 Special Obligation Bonds issued to finance redevelopment projects within the Adams Farm Tax Increment Financing (TIF) project. The bonds are payable solely from the incremental increase in property taxes and sales taxes generated within the TIF plan as well as revenues pledged by other taxing districts through cooperative agreements. TIF revenues and other pledged revenues were projected to produce sufficient funds to meet debt service requirements over the life of the bonds. Should these revenues not be sufficient to meet the required debt service obligations, the City, subject to annual appropriation, is obligated to make such debt service payments from any other sources of its revenues. However, the City intends to annually appropriate funds sufficient to make all payments required by the bonds for the next fiscal year. Management does not anticipate that any of the City's funds will be required to make up any deficiency in bond payments during the next fiscal year.

Additionally, the City has entered into certain developer agreements (seven as of September 30, 2014) whereby developer financed project costs that have been certified by the City as eligible are reimbursed from tax increment financing revenues attributable to each respective project. Under tax increment financing plans, the developer may be reimbursed up to the certified cost amount from incremental taxes during a period not to exceed 23 years. Accordingly, certified project costs in excess of amounts reimbursed to date are reflected as a long-term obligation of the City. TIF revenues were projected to produce sufficient funds to reimburse the developer for certified costs. The developer obligations are limited solely to the amount of incremental taxes received attributable to each respective project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the Commission or of the City.

At September 30, 2014, total principal and interest remaining on the Special Obligation Bonds was \$46.2 million and the outstanding developer obligations was \$32.6 million. The bonds are scheduled to mature at varying amounts through 2040 and the developer obligations are payable to the extent incremental taxes are available for a period not to exceed 23 years.

For the current year, principal and interest paid on the bonds and developer obligations totaled \$3,293,298. Incremental revenues from the City included \$1,236,812 in sales taxes. The remaining funds necessary to meet the current year debt service requirements were derived from incremental tax revenues from the Adams Farm TDD, the Coronado Drive TDD, as well as taxes from other districts and governmental entities, developer contributions, and debt trust funds.

Business-type activities, certificates of participation and special assessments as of September 30, 2014 are comprised of the following:

Certificates of participation:

Golf course fund, \$3,270,000 - 2014 refunding certificates of participation in installments of \$240,000 to \$325,000 through September 1, 2025; interest at 3.0% to 4.0%

\$ 2,985,000

Special assessments - neighborhood improvement bonds:

Sewer fund, \$18,725,000 - 2009 neighborhood improvement district bonds installments of \$400,000 to \$1,530,000 through February 15, 2029; interest at 3.0% to 5.0%

\$ 16,575,000

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

Sewer revenue bonds: In 2010, the City issued its not to exceed \$30,789,000 Sewage System Revenue Bonds (State of Missouri-Direct Loan Program), Series 2010. The City is participating in the State of Missouri's Direct Loan Program of the DNR and the Clean Water Commission of the State of Missouri. The 2010 revenue bonds mature through 2030 with interest at 1.52 percent. As eligible project costs are incurred, the City requests reimbursements from project funds held by the bond trustee. As the City receives reimbursements, the outstanding balance of the bonds increases. The City anticipates utilizing the full amount of the bonds to fund current and future projects. As of September 30, 2014, the outstanding balance of the bonds was \$20,931,228. The City has pledged future sewer revenues, net of operating expenses to repay the Sewage System Revenue Bonds. The bonds are to be paid solely from sewer net revenues and are payable through 2031. The total principal and interest remaining to be paid on the bonds is \$23,864,128. Principal and interest paid for the current year and sewer net revenues for the current year were \$1,431,068 and \$2,086,667, respectively. The revenue bonds contain certain covenants. The covenants require that net revenues of the sewer system, as defined by the debt agreement, are not less than 110 percent of the annual debt service requirement.

Debt service requirements on long-term debt with scheduled maturities as of September 30, 2014 are as follows:

Governmental Activities

Year Ending September 30:	General Obligation Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
2015	\$ 785,000	\$ 1,055,018	\$ 250,000	\$ 835,413
2016	310,000	1,032,880	265,000	830,413
2017	305,000	1,007,922	255,000	822,463
2018	295,000	979,763	260,000	814,813
2019	285,000	948,270	270,000	807,013
2020-2024	8,270,000	3,968,074	1,415,000	3,952,963
2025-2029	7,710,000	2,130,144	3,470,000	3,381,313
2030-2034	5,685,000	286,409	4,315,000	2,532,625
2035-2039	-	-	5,210,000	1,634,200
2040-2044	-	-	4,965,000	506,200
	<u>\$ 23,645,000</u>	<u>\$ 11,408,480</u>	<u>\$ 20,675,000</u>	<u>\$ 16,117,416</u>

Year Ending September 30:	Special Obligation Bonds		Total Governmental Activities	
	Principal	Interest	Principal	Interest
2015	\$ 960,000	\$ 1,238,446	\$ 1,995,000	\$ 3,128,877
2016	1,015,000	1,208,821	1,590,000	3,072,114
2017	1,090,000	1,176,843	1,650,000	3,007,228
2018	1,155,000	1,140,599	1,710,000	2,935,175
2019	1,205,000	1,099,568	1,760,000	2,854,851
2020-2024	4,835,000	4,917,143	14,520,000	12,838,180
2025-2029	6,505,000	3,717,819	17,685,000	9,229,276
2030-2034	6,205,000	2,041,194	16,205,000	4,860,228
2035-2039	3,790,000	976,625	9,000,000	2,610,825
2040-2044	1,825,000	46,881	6,790,000	553,081
	<u>\$ 28,585,000</u>	<u>\$ 17,563,939</u>	<u>\$ 72,905,000</u>	<u>\$ 45,089,835</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

Business-Type Activities	Certificates of Participation		Neighborhood Improvement Bonds	
	Principal	Interest	Principal	Interest
	Year Ending September 30:			
2015	\$ 240,000	\$ 108,050	\$ 800,000	\$ 750,530
2016	225,000	103,250	825,000	720,030
2017	240,000	96,500	850,000	686,530
2018	255,000	89,300	900,000	651,530
2019	260,000	81,650	925,000	615,030
2020-2024	1,440,000	258,450	5,385,000	2,380,585
2025-2029	325,000	16,250	6,890,000	891,340
	<u>\$ 2,985,000</u>	<u>\$ 753,450</u>	<u>\$ 16,575,000</u>	<u>\$ 6,695,575</u>

Business-Type Activities	Sewer Revenue Bonds		Total Business-Type Activities	
	Principal	Interest	Principal	Interest
	Year Ending September 30:			
2015	\$ 1,048,827	\$ 314,188	\$ 2,088,827	\$ 1,172,768
2016	1,069,200	298,169	2,119,200	1,121,449
2017	1,090,300	281,838	2,180,300	1,064,868
2018	1,111,700	265,185	2,266,700	1,006,015
2019	1,133,600	248,204	2,318,600	944,884
2020-2024	6,011,900	974,363	12,836,900	3,613,398
2025-2029	6,627,900	496,768	13,842,900	1,404,358
2030-2034	2,837,801	54,185	2,837,801	54,185
	<u>\$ 20,931,228</u>	<u>\$ 2,932,900</u>	<u>\$ 40,491,228</u>	<u>\$ 10,381,925</u>

Business-Type Activities	Total Primary Government	
	Principal	Interest
	Year Ending September 30:	
2015	\$ 4,083,827	\$ 4,301,645
2016	3,709,200	4,193,563
2017	3,830,300	4,072,096
2018	3,976,700	3,941,190
2019	4,078,600	3,799,735
2020-2024	27,356,900	16,451,578
2025-2029	31,527,900	10,633,634
2030-2034	19,042,801	4,914,413
2035-2039	9,000,000	2,610,825
2040-2044	6,790,000	553,081
	<u>\$ 113,396,228</u>	<u>\$ 55,471,760</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

Capital lease obligations: The City has entered into several capital leasing agreements as of September 30, 2014. Governmental activities capital lease agreement is for a narrow banded public safety radio system. The scheduled minimum lease payment under the agreement includes interest of 3.470 percent. The cumulative amount of assets acquired under the capital lease described above amounted to \$5,626,893 with \$536,229 of accumulated depreciation as of September 30, 2014.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2014 were as follows:

Year ending September 30:	
2015	\$ 681,452
2016	681,452
2017	681,452
2018	681,452
2019	681,452
2020 - 2022	1,703,630
Less imputed interest	(639,691)
Present value of minimum lease payments	\$ 4,471,199

Business-type activities have entered into capital lease agreements for golf carts and GPS. The cumulative amount of assets acquired under the capital lease agreements described above amount to \$256,434 with accumulated depreciation of \$99,891 as of September 30, 2014.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2014 were as follows:

Year ending September 30:	
2015	\$ 74,477
2016	74,477
2017	10,368
Less imputed interest	(25,920)
Present value of minimum lease payments	\$ 133,402

Line of credit: The EDC has a \$100,000 line of credit agreement with a bank, interest is due monthly at a variable rate equal to Prime rate plus 5.00 percent, with all principal due on November 5, 2014. At September 30, 2014, \$50,000 was outstanding on this line of credit.

Restricted assets: The 2009 Special Obligation Bonds, 2009 Neighborhood Improvement Bonds, and the 2014 Certificates of Participation trust indentures require the City to establish certain special trust funds in the name of the City restricted for future debt service payments. Assets of these special funds consist of cash and investments stated at fair value, and are reported in the accompanying balance sheet as restricted cash and investments as follows:

Account	TIF Fund	Sewer Fund	Golf Course Fund	C.O.P. Debt Service Fund	Total
Debt service and other reserve funds	\$ 8,144,875	\$ 1,923,311	\$ 248,147	\$ 120,279	\$ 10,436,612

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations (Continued)

Legal debt margin: The State Constitution permits a City, by vote of four-sevenths of the voting electorate in a general election or by vote of two-thirds of the voting electorate in a special election, to incur general obligation indebtedness for "City purposes" not to exceed 10 percent of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10 percent of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, constructing, extending, and improving streets and avenues and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric, or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20 percent of the assessed valuation of taxable property.

At September 30, 2014, based on the assessed valuation as of January 1, 2013, of \$731,056,283, the constitutional total general obligation debt limit for "City purposes" was \$146,211,257, which, after reduction for outstanding general obligation bonds of \$23,645,000 and neighborhood improvement bonds of \$16,575,000, net of amounts available in the General Obligation Bond Debt Service fund of \$725,235, provides a general obligation debt margin of \$106,716,492.

Note 8. Leases

Conference Center: In 1998, the City entered into a lease agreement with RMT of Blue Springs for the lease of the property on which the hotel portion of the building housing the conference center stands. The lease term began in the 2000 fiscal year when construction of the conference center was completed.

The capital lease is a 15-year lease with annual rental payments of \$32,689. The lease contains an option for RMT of Blue Springs to purchase the property at the end of the lease term for \$150. If the tenant opts to exercise the purchase option, the annual rental payments for the first three years of the lease term may be deferred until the purchase option is exercised. At this time, the annual rental payments deferred from the first three years will be due plus interest calculated at 4 percent per year. However, the tenant will not be required to pay the interest accrued if the lease payments deferred from the first three years are paid in the sixth, seventh, and eighth years of the lease agreement.

During 2004, the agreement was amended. A new provision was added deferring the payment of rent, whereby RMT is to pay the City the base rent plus the amount in arrears at such time that RMT achieves a profit. Should RMT exercises the purchase option, the provision for payment in lieu of base rent in the event of a profit shall survive and be in full force for thirty-six months after the exercise of the option.

As of September 30, 2014, the total future minimum lease payments were \$490,335 and are not recorded on the City's fund financial statements. The original lease term of 15 years expired during the current fiscal year and based upon past performance, the likelihood of collecting these lease payments is very small. The purchase option will be exercised by RMT for \$150, when the related property tax abatement ends in 2020, and the City is then allowed to release the property.

Note 9. Sewerage Service Agreement

In 1971, the City entered into an agreement to provide sewer service to the City of Grain Valley. In return, the City of Grain Valley is billed for operating costs incurred by the City of Blue Springs based on percentages of users. Service charges for the City of Grain Valley were \$351,487 for the year ended September 30, 2014 and were recorded as charges for services in the Sewer Utility Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies

Employees' retirement system:

Plan description: The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability and death benefits to plan members and beneficiaries. LAGERS was created and is governed by Statute, Section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax-exempt.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334.

Funding status: The City's full-time employees do not contribute to the pension plan. The City is required by State Statute to contribute at an actuarially determined rate; the current rate is 8.1 percent (General) and 10.0 percent (Police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by State Statute.

Annual pension cost: The City's annual pension cost and net pension obligation (NPO) were as follows:

Annual required contribution	\$ 1,117,814
Interest on net pension obligation	24,954
Adjustment to annual required contribution	<u>(29,339)</u>
Annual pension cost	1,113,429
Actual contributions	<u>1,114,461</u>
Increase in NPO	(1,032)
NPO beginning of year	344,197
NPO end of year	<u><u>\$ 343,165</u></u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies (Continued)

The required annual contribution (ARC) was determined as part of the February 28, 2011 and February 28, 2012 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included (a) a rate of return on the investment of present and future assets of 7.25 percent per year, compounded annually, (b) projected salary increases of 3.5 percent per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0.0 percent to 6.0 percent per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75 percent of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women and (e) postretirement mortality based on 105 percent of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2011 was 30 years for the General division and 30 years for the Police division. The amortization period as of February 29, 2012 was 15 years for the General division and 15 years for the Police division.

Fiscal Year Ending	Three-Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/2012	\$ 1,060,161	87.7%	\$ 315,256
09/30/2013	1,117,776	97.4	344,197
09/30/2014	1,113,429	100.1	343,165

As of February 28, 2014, the most recent actuarial valuation date, the plan was 108 percent funded. The actuarial accrued liability for benefits was \$29,359,497 and the actuarial value of assets was \$31,790,222, resulting in an unfunded actuarial accrued liability (UAAL) of \$(2,430,725). The covered payroll (annual payroll of active employees covered by the plan) was \$12,345,685, and the ratio of the UAAL to the covered payroll was (20) percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Postemployment health benefits:

In addition to providing pension benefits the City provides the postemployment health care benefits described below:

Plan description: The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to employees that retire from City employment and who participate in the Missouri Local Government Employees Retirement System (LAGERS). The City provides retiree health care benefits through the Midwest Public Risk (MPR), which is a risk pool comprised of approximately 115 entity members. It has been determined that MPR functions as an agent multiple-employer plan. The plan does not issue separate financial statements.

The City requires the retirees to pay 125 percent of the premiums charged to active employees. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. (The retiree insurance is guaranteed; no medical questionnaire is required.) The difference between these amounts is the implicit rate subsidy, which is considered other postemployment benefits (OPEB) under GASB Statement No. 45.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies (Continued)

Retirees and spouses have the same benefits as active employees. However, all retiree coverage terminates upon Medicare entitlement or if payment is not received on a timely basis. When the retiree attains Medicare eligibility age, it may be a COBRA qualifying event for the spouse.

Funding policy: GASB Statement No. 45 does not require funding of the OPEB liability, and the City has chosen not to fund it. City policy dictates the payment of retiree claims as they become due.

Annual OPEB cost and net OPEB obligation: The City's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, which represents an amount that is actuarially determined in accordance with the requirements of GASB Statement No. 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year plus the amortization of the unfunded actuarial liability over a period of time that the City has selected as being thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount of expected employer contributions to the plan and changes in the City's net OPEB obligation:

Annual required contribution	\$ 80,793
Interest on net OPEB obligation	15,621
Adjustment to annual required contribution	(20,631)
Annual OPEB cost (expense)	<u>75,783</u>
Less net employer contributions	<u>7,000</u>
Increase in net OPEB obligation	68,783
Net OPEB obligation, October 1, 2013	354,925
Net OPEB obligation, September 30, 2014	<u><u>\$ 423,708</u></u>

The City's annual OPEB cost, the percentage of annual OPEB costs estimated to be contributed to the plan and the net OPEB obligation for the fiscal year ending September 30, 2014 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
September 30, 2012	\$ 72,333	8.3%	\$ 288,592
September 30, 2013	72,333	8.3	354,925
September 30, 2014	75,783	9.2	423,708

Funded status and funding progress: As of July 1, 2013, which represents the most recent actuarial valuation date, the actuarial accrued liability for benefits within the plan for the City was \$546,907. There are no assets set aside for funding the plan as of that date, thus the entire amount is unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$12,129,017, which results in a ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll of 4.5 percent.

Note 10. Commitments and Contingencies (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The projected unit credit actuarial cost method is used in the July 1, 2013 actuarial valuation. At this valuation date, actuarial present value of benefits is determined for each participant. The sum of these actuarial present values of benefits allocated to the current valuation year is the normal cost for the plan year. The sum of actuarial present values of benefits allocated to all valuation years preceding the valuation date represents the actuarial accrued liability.

The actuarial assumptions include a 4.5 percent investment rate of return. The actuarial assumptions for healthcare cost trend is a growth factor of 7.0 percent for the first year and then declining by 0.25 percent per year until 5.0 percent is reached. The UAAL will be amortized over a period of 30 years using an open level-dollar basis.

Deferred compensation plan:

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan was approved to comply with IRC Section 457(g) which allows for the plan to hold its assets in trust. Under these requirements, the assets of the plan are not subject to the general creditors of the City, the City does not own the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies (Continued)

Insurance:

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 a member of the Midwest Public Risk (MPR), formerly Mid-America Regional Council Insurance Trust (MARCIT), a not-for-profit corporation consisting of local governments and political subdivisions. MPR was formed as a public entity risk retention pool to cover health and dental, workers' compensation and property and casualty claims for its members. MPR has been established as assessable pools and accounting records are maintained for each line of coverage on a policy-year basis. The City pays annual premiums to MPR for all coverages. The agreement with MPR provides that MPR will be self-sustaining through member premiums. MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. MPR has not had deficiencies in any of the past three fiscal years.

Street, wastewater treatment plant and water treatment plant improvements:

In 1981, the voters approved a revenue bond issue in the amount of \$19 million to finance the construction of a water treatment plant and for improvements to the City's water system. In 1984, the City issued \$3.8 million in revenue bonds to construct a water line to Kansas City, Missouri. The City has no immediate plans to issue the remaining \$15.3 million bonds and construct the plant.

In August 2008, the voters of Blue Springs approved a no tax increase bond issue for \$28 million for improvements to Woods Chapel Road, Moreland School Road and the intersection of Colbern Road and Highway 7. In December 2009, the City issued \$15 million in General Obligation and Build America Bonds to begin work on these projects. The remaining bonds will be issued in the future as needed for the completion of these projects.

In November 2009, the City authorized the issuance of \$30,789,000 of revenue bonds from the State Revolving Fund of Missouri for the upgrade and expansion of the Sni-A-Bar Wastewater Treatment Plant. As of September 30, 2014, the City has drawn \$24,255,728 from these funds, and the outstanding balance as of September 30, 2014 is \$20,931,228 as recorded on the Sewer Utility Fund statement of net position. The remaining funds are expected to be drawn and the project completed by the end of 2014. In November 2009, the City entered into an agreement with the City of Grain Valley, Missouri which provides that the City of Grain Valley will pay for 47.5 percent of the debt issued for the expansion. The amount due from the City of Grain Valley as of September 30, 2014 is \$10,007,383 and is recorded as due from other governments on the Sewer Utility Fund statement of net position.

Contractual commitments:

The City has commitments resulting from construction contracts totaling approximately \$111,153, \$5,786,500, \$11,878,067 and \$203,310 in the General, Capital Project, Public Safety Sales Tax and Enterprise Funds, respectively. The City expects to receive the contracted services during fiscal year 2014.

The City has entered into a contract to purchase a maximum of 2,000,000 gallons of water per day from the City of Kansas City, Missouri. The contract expires in November 2033. The total amount paid for purchased water under this agreement for the year ended September 30, 2014 totaled \$1,325,147.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies (Continued)

The City had entered into a contract to purchase a maximum of 2,300,000 gallons of water per day from the City of Independence, Missouri. The contract expires in November 2032. The total amount paid for purchased water under this agreement for the year ended September 30, 2014 totaled \$1,301,844.

The City entered into a contract to purchase a minimum of 1,000,000 gallons of water per day from the City of Grain Valley, Missouri. This contract runs through February 2025. The total amount paid for purchased water under this agreement for the year ended September 30, 2014 totaled \$864,157. In addition, under the agreement the City is to pay charges for capital projects associated with the water contract not to exceed the monthly amortization of the project costs of \$19,100,000. The total amount paid under this agreement for capital project charges for the year ended September 30, 2014, totaled \$1,050,357.

The City has entered into an agreement with RMT of Blue Springs for the operation of the Conference Center. Under the agreement, the City is to pay RMT \$140,000 each year through 2025 until such time that RMT achieves a profit on the operation of the Center. In any year that RMT achieves a profit, the City is to negotiate with RMT to pay an amount deemed to allow RMT to operate the Center on a "break even" basis. If no such amount can be agreed upon, the City is not obligated to pay RMT for the operation of the Center.

Encumbrances:

The City utilizes encumbrances for budgetary reporting purposes. Encumbrances relating to certain contractual agreements, supplies and equipment that have been ordered but not received are reported in the year the commitment arises for budgetary reporting purposes. However, for financial reporting purposes, the goods or services are reported when they are received. The City had encumbrances in the General fund, Public Safety Sales Tax fund, and Capital Projects fund of \$1,305,488, \$15,143,170 and \$6,321,278, respectively.

Litigation:

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding construction contract issues, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

Federal assistance:

The City has received financial assistance from various federal and state agencies in the form of grants and entitlements. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the City.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Pending Governmental Accounting Standards Board (GASB) Statements

The GASB has issued several statements that are not yet effective and have not yet been implemented by the City of Blue Springs, Missouri. The statements which might impact the City are as follows:

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012, will be effective for the City beginning with its year ending September 30, 2015. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.
- GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, issued November 2013, will be effective for the City beginning with its year ending September 30, 2015. This Statement eliminates a potential source of understatement of restated beginning net position and expense in a government's first year of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. To correct this potential understatement, Statement 71 requires a state or local government, when transitioning to the new pension standards, to recognize a beginning deferred outflow of resources for its pension contributions made during the time between the measurement date of the beginning net pension liability and the beginning of the initial fiscal year of implementation. This amount will be recognized regardless of whether it is practical to determine the beginning amounts of all other deferred outflows of resources and deferred inflows of resources related to pensions.

The City's management has not yet determined the effect these statements will have on the City's financial statements.

City of Blue Springs, Missouri

**Required Supplementary Information
Employee Retirement System**

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (Asset) (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
02/29/2012	\$ 26,290,750	\$ 26,405,620	\$ 114,870	99.6%	\$ 11,474,005	1%
02/28/2013	28,146,525	27,384,807	(761,718)	102.8	11,680,864	(7)
02/28/2014	31,790,222	29,359,497	(2,430,725)	108.3	12,345,685	(20)

Note: The above assets and actuarial liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

City of Blue Springs, Missouri

**Required Supplementary Information
Other Postemployment Benefit Plan**

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
09/30/2012	07/01/2011	\$ -	\$ 527,810	\$ 527,810	-	\$ 10,260,190	5.1%
09/30/2013	07/01/2011	-	527,810	527,810	-	10,260,190	5.1
09/30/2014	07/01/2013	-	546,907	546,907	-	12,129,017	4.5

The information presented above was determined as part of the actuarial valuation date as of July 1, 2013. Additional information is as follows:

- a. The actuarial method used to determine the ARC is the projected unit credit method.
- b. There are no plan assets.
- c. The actuarial assumptions included: a) 4.5 percent annual discount rate and b) a health care cost trend rate of 7.0 percent for the first year and then declining by 0.25 percent per year until 5.0 is reached.
- d. The amortization method is level-dollar on an open basis over 30 years.

City of Blue Springs, Missouri

**Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended September 30, 2014**

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 16,708,860	\$ 16,708,860	\$ 17,064,320	\$ 355,460
Licenses and permits	561,681	561,681	865,546	303,865
Intergovernmental revenues	2,870,591	2,870,591	2,995,392	124,801
Charges for services	1,489,985	1,489,985	1,512,856	22,871
Administrative charges	-	-	1,764,935	1,764,935
Fines and forfeits	948,581	948,581	1,114,347	165,766
Interest	61,321	61,321	107,874	46,553
Donations	-	-	41,152	41,152
Other	427,791	427,791	695,182	267,391
Total revenue	23,068,810	23,068,810	26,161,604	3,092,794
Expenditures:				
General government:				
City Council	406,424	438,249	452,595	14,346
Municipal court	437,627	437,627	390,255	(47,372)
Legal services	270,514	270,514	350,388	79,874
City administration	642,078	642,078	606,279	(35,799)
Public relations and communications	209,604	225,805	200,348	(25,457)
Human resources	374,941	456,906	352,362	(104,544)
Economic development	305,000	681,452	357,920	(323,532)
Community development	867,567	887,567	789,292	(98,275)
Codes administration	645,344	682,341	681,156	(1,185)
Geographic information systems	139,486	175,441	134,733	(40,708)
Finance - accounting and budget	505,315	505,315	467,433	(37,882)
License bureau	328,769	328,769	319,901	(8,868)
Revenue collections	239,187	239,187	229,994	(9,193)
Information systems	759,590	813,158	770,049	(43,109)
Public works, engineering and administration	835,733	835,733	721,738	(113,995)
Highways and streets, street maintenance	2,618,347	2,896,845	2,936,932	40,087
Public safety:				
Police administration	383,932	430,932	424,162	(6,770)
Staff services	1,973,822	1,978,642	1,813,347	(165,295)
Operations	5,950,392	6,010,481	6,064,250	53,769
Community youth outreach unit	2,321,968	2,329,606	2,055,039	(274,567)
Emergency medical services	500,000	500,000	501,271	1,271
Parks:				
Parks administration	416,487	416,487	427,230	10,743
Recreation	406,888	406,888	439,915	33,027
Swimming pools	8,250	8,250	7,462	(788)
Parks maintenance	1,745,639	1,828,776	1,806,585	(22,191)
Vesper hall (50+ programs)	379,073	379,073	340,273	(38,800)
Building maintenance	761,523	817,494	576,870	(240,624)
Total expenditures	24,433,500	25,623,616	24,217,779	(1,405,837)
Excess (deficiency) of revenues over expenditures	(1,364,690)	(2,554,806)	1,943,825	4,498,631

(Continued)

City of Blue Springs, Missouri

Required Supplementary Information
 Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
 Budget and Actual - General Fund
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Other financing sources (uses):				
Transfers in	-	-	585,787	585,787
Transfers out	(4,485,996)	(4,485,996)	(4,823,601)	(337,605)
Total other financing sources (uses)	(4,485,996)	(4,485,996)	(4,237,814)	248,182
Net change in fund balance	\$ (5,850,686)	\$ (7,040,802)	(2,293,989)	\$ 4,746,813
Fund balance, beginning of year			16,522,693	
Fund balance, end of year - budget basis			14,228,704	
Adjustments, encumbrances			1,305,488	
Fund balance, end of year - GAAP basis			<u>\$ 15,534,192</u>	
Net change in fund balance - budget basis			\$ (2,293,989)	
Adjustments:				
Encumbrances - beginning of year			(798,320)	
Encumbrances - end of year			1,305,488	
Net change in fund balance - GAAP basis			<u>\$ (1,786,821)</u>	

See Note to Required Supplementary Information.

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual - Public Safety Sales Tax Fund
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 3,148,928	\$ 3,148,928	\$ 3,312,658	\$ 163,730
Interest	1,500	1,500	1,018	(482)
Total revenues	3,150,428	3,150,428	3,313,676	163,248
Expenditures:				
Current, public safety	21,927,113	21,927,113	20,133,696	(1,793,417)
Debt service:				
Principal retirement	-	-	514,335	514,335
Interest and fiscal charges	-	-	362,687	362,687
Bond issuance cost	-	-	377,411	377,411
Total expenditures	21,927,113	21,927,113	21,388,129	(538,984)
Excess (deficiency) of revenues over expenditures	(18,776,685)	(18,776,685)	(18,074,453)	702,232
Other financing sources (uses):				
Transfers in	-	-	2,000,000	2,000,000
Bond premium	-	-	390,676	390,676
Issuance of long-term debt	18,000,000	18,000,000	19,375,000	1,375,000
Total other financing sources (uses)	18,000,000	18,000,000	21,765,676	3,765,676
Net change in fund balances	\$ (776,685)	\$ (776,685)	3,691,223	\$ 4,467,908
Fund balance, beginning of year			(720,253)	
Fund balance, end of year - budget basis			2,970,970	
Adjustments:				
Encumbrances			15,143,170	
Fund balance, end of year - GAAP basis			<u>\$ 18,114,140</u>	
Net change in fund balance - budget basis			\$ 3,691,223	
Adjustments:				
Encumbrances - beginning of year			(3,492,349)	
Encumbrances - end of year			15,143,170	
Net change in fund balance - GAAP basis			<u>\$ 15,342,044</u>	

See Note to Required Supplementary Information.

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City of Blue Springs, Missouri

Note to Required Supplementary Information

The legal level of control is at the fund level. City management cannot amend the budget without receiving the approval of the City Council. The City Administrator is authorized to approve overspending of budgeted line items within any fund as long as the total expenditures within the fund do not exceed the total approved budgeted expenditures for that fund. However, overspending of total expenditures of any fund requires approval by the City Council.

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NON-MAJOR GOVERNMENTAL FUNDS

Hotel Motel Tax Fund – established to account for the financial activity related to the collection of the hotel occupancy taxes.

General Obligation Bond Debt Service Fund – established to account for the accumulation of resources for, and the payment of, principal, interest, and other related costs of the City's general obligation bonds.

COP Debt Service Fund – established to account for the accumulation of resources for, and the payment of, principal, interest, and other related costs of the City's certificates of participation debt.

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City of Blue Springs, Missouri

**Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2014**

	Hotel Motel Tax	General Obligation Debt Service	C.O.P. Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 491,878	\$ 718,238	\$ 150,691	\$ 1,360,807
Receivables, net of allowance for uncollectibles:				
Property taxes	-	1,115,185	-	1,115,185
Other taxes	74,192	-	-	74,192
Restricted cash and investments	-	-	120,279	120,279
Total assets	\$ 566,070	\$ 1,833,423	\$ 270,970	\$ 2,670,463
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities, accounts payable	\$ -	\$ 267	\$ 3,750	\$ 4,017
Deferred inflows of resources:				
Unavailable revenue - property taxes	-	1,107,921	-	1,107,921
Fund balance:				
Restricted:				
Debt service	-	725,235	267,220	992,455
Tourism	566,070	-	-	566,070
Total fund balance	566,070	725,235	267,220	1,558,525
Total liabilities, deferred inflows of resources and fund balance	\$ 566,070	\$ 1,833,423	\$ 270,970	\$ 2,670,463

City of Blue Springs, Missouri

**Combining Statement of Revenues, Expenditures and
Changes In Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2014**

	Hotel Motel Tax	General Obligation Debt Service	C.O.P. Debt Service	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 575,237	\$ 1,110,604	\$ -	\$ 1,685,841
Interest	355	233,150	31	233,536
Total revenues	575,592	1,343,754	31	1,919,377
Expenditures:				
Current, general government	147,548	18,769	-	166,317
Debt service:				
Principal retirement	-	910,000	285,000	1,195,000
Interest and fiscal charges	-	1,080,383	49,617	1,130,000
Bond issuance costs	-	-	30,821	30,821
Total expenditures	147,548	2,009,152	365,438	2,522,138
Excess (deficiency) of revenues over expenditures	428,044	(665,398)	(365,407)	(602,761)
Other financing sources (uses):				
Transfers in	-	500,000	415,660	915,660
Transfers out	(428,044)	-	-	(428,044)
Bond premium	-	-	69,701	69,701
Bond issuance	-	-	1,585,000	1,585,000
Payments to refunded bond escrow agent	-	-	(1,860,234)	(1,860,234)
Total other financing sources (uses)	(428,044)	500,000	210,127	282,083
Net change in fund balances	-	(165,398)	(155,280)	(320,678)
Fund balances, beginning	566,070	890,633	422,500	1,879,203
Fund balances, ending	\$ 566,070	\$ 725,235	\$ 267,220	\$ 1,558,525

City of Blue Springs, Missouri

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Hotel Motel Tax Fund
Year Ended September 30, 2014**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 504,031	\$ 504,031	\$ 575,237	\$ 71,206
Fines and forfeits	7,724	7,724	-	(7,724)
Interest	445	445	355	(90)
Total revenues	512,200	512,200	575,592	63,392
Expenditures,				
current, general government	145,000	145,000	147,548	2,548
Excess of revenues over expenditures	367,200	367,200	428,044	60,844
Other financing (uses), transfers out	(360,938)	(360,938)	(428,044)	(67,106)
Net change in fund balances	\$ 6,262	\$ 6,262	-	\$ (6,262)
Fund balance, beginning of year			566,070	
Fund balance, end of year			<u>\$ 566,070</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual - General Obligation Debt Service Fund
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 1,131,542	\$ 1,131,542	\$ 1,110,604	\$ (20,938)
Interest income	202,266	202,266	233,150	30,884
Total revenues	1,333,808	1,333,808	1,343,754	9,946
Expenditures:				
Current, general government	-	-	18,769	18,769
Debt service:				
Principal retirement	910,000	910,000	910,000	-
Interest and fiscal charges	1,096,175	1,096,175	1,080,383	(15,792)
Total expenditures	2,006,175	2,006,175	2,009,152	2,977
Excess (deficiency) of revenues over expenditures	(672,367)	(672,367)	(665,398)	6,969
Other financing sources, transfers in	500,000	500,000	500,000	-
Net change in fund balances	\$ (172,367)	\$ (172,367)	(165,398)	\$ 6,969
Fund balance, beginning of year			890,633	
Fund balance, end of year			<u>\$ 725,235</u>	

City of Blue Springs, Missouri

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - COP Debt Service Fund
Year Ended September 30, 2014**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues, interest	\$ 45	\$ 45	\$ 31	\$ (14)
Expenditures:				
Debt service:				
Principal retirement	275,000	275,000	285,000	10,000
Interest and fiscal charges	73,599	73,599	49,617	(23,982)
Bond issuance costs	-	-	30,821	30,821
Total expenditures	348,599	348,599	365,438	16,839
Excess (deficiency) of revenues over expenditures	(348,554)	(348,554)	(365,407)	(16,853)
Other financing sources (uses):				
Transfers in	348,554	348,554	415,660	67,106
Bond premium	-	-	69,701	69,701
Refunding bonds issued	-	-	1,585,000	1,585,000
Payments to refunded bond escrow agent	-	-	(1,860,234)	(1,860,234)
Total other financing sources (uses)	348,554	348,554	210,127	(138,427)
Net change in fund balances	\$ -	\$ -	(155,280)	\$ (155,280)
Fund balance, beginning of year			422,500	
Fund balance, end of year			<u>\$ 267,220</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual - Capital Projects Fund
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 3,169,263	\$ 3,169,263	\$ 3,393,073	\$ 223,810
Intergovernmental revenues	-	-	515,397	515,397
Interest	17,000	17,000	22,464	5,464
Other	3,020,000	3,020,000	25,094	(2,994,906)
Total revenues	6,206,263	6,206,263	3,956,028	(2,250,235)
Expenditures, capital outlay	8,753,685	9,503,285	7,070,829	(2,432,456)
Excess (deficiency) of revenues over expenditures	(2,547,422)	(3,297,022)	(3,114,801)	182,221
Other financing sources (uses):				
Transfers in	2,267,000	2,267,000	2,499,562	232,562
Transfers out	(859,000)	(859,000)	(1,015,052)	(156,052)
Total other financing sources (uses)	1,408,000	1,408,000	1,484,510	76,510
Net change in fund balances	\$ (1,139,422)	\$ (1,889,022)	(1,630,291)	\$ 258,731
Fund balance, beginning of year			4,550,420	
Fund balance, end of year - budget basis			2,920,129	
Adjustments, encumbrances			6,321,278	
Fund balance, end of year - GAAP basis			<u>\$ 9,241,407</u>	
Net change in fund balance - budget basis			\$ (1,630,291)	
Adjustments:				
Encumbrances - beginning of year			(2,025,084)	
Encumbrances - end of year			6,321,278	
Net change in fund balance - GAAP basis			<u>\$ 2,665,903</u>	

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City of Blue Springs, Missouri

**Combining Balance Sheet -
TIF Fund Projects
September 30, 2014**

	Mall at Fall Creek TIF	Copperleaf Village TIF	Highway 7 & 40 Project B TIF
Assets			
Cash and investments	\$ 18,746	\$ 60,063	\$ 17,736
Property taxes receivable	252,274	71,400	236,880
Other taxes receivable	-	-	-
Due from other funds	8,395	860	4,466
Due from other governments	17,827	839	10,012
Restricted cash and investments	-	-	-
Total assets	\$ 297,242	\$ 133,162	\$ 269,094
Liabilities			
Accounts payable	-	-	17,736
Deferred inflows of resources			
Unavailable revenue - property taxes	252,274	71,400	236,880
Unavailable revenue - other	8,299	405	5,206
Total deferred inflows of resources	260,573	71,805	242,086
Fund balance			
Restricted, debt service	36,669	61,357	9,272
Total liabilities, deferred inflows of resources and fund balance	\$ 297,242	\$ 133,162	\$ 269,094

Woods Chapel TIF	Adams Farm TIF	Highway 7 & 40 Project C TIF	Highway 7 & 40 Project A TIF	Total
\$ 76,510	\$ 194,843	\$ 119,283	\$ 19,675	\$ 506,856
63,459	1,181,528	-	-	1,805,541
1,349	-	-	-	1,349
2,651	138,673	71,724	6,395	233,164
4,643	566,041	87,163	9,959	696,484
-	8,144,875	-	-	8,144,875
<u>\$ 148,612</u>	<u>\$ 10,225,960</u>	<u>\$ 278,170</u>	<u>\$ 36,029</u>	<u>\$ 11,388,269</u>
\$ -	\$ 900	\$ 119,283	\$ 19,675	\$ 157,594
63,459	1,181,528	-	-	1,805,541
2,284	124,346	102,928	7,656	251,124
<u>65,743</u>	<u>1,305,874</u>	<u>102,928</u>	<u>7,656</u>	<u>2,056,665</u>
82,869	8,919,186	55,959	8,698	9,174,010
<u>\$ 148,612</u>	<u>\$ 10,225,960</u>	<u>\$ 278,170</u>	<u>\$ 36,029</u>	<u>\$ 11,388,269</u>

City of Blue Springs, Missouri

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
TIF Fund Projects
Year Ended September 30, 2014

	Mall at Fall Creek TIF	Copperleaf Village TIF	Highway 7 & 40 Project B TIF
Revenues:			
Taxes	\$ 68,977	\$ 6,831	\$ 36,158
Intergovernmental activity taxes	298,962	40,359	110,726
Interest	27	5,342	18
Other	95,396	-	-
Total revenues	463,362	52,532	146,902
Expenditures:			
Current, economic development	4,123	3,469	14,569
Debt service:			
Principal retirement	305,000	-	131,366
Interest and fiscal charges	162,900	-	-
Total expenditures	472,023	3,469	145,935
Excess (deficiency) of revenues over expenditures	(8,661)	49,063	967
Other financing sources (uses), transfers (out)	(6,996)	(260)	(746)
Net change in fund balances	(15,657)	48,803	221
Fund balances, beginning of year	52,326	12,554	9,051
Fund balances, end of year	\$ 36,669	\$ 61,357	\$ 9,272

Woods Chapel TIF	Adams Farm TIF	Highway 7 & 40 Project C TIF	Highway 7 & 40 Project A TIF	Total
\$ 14,098	\$ 802,826	\$ 265,368	\$ 32,308	\$ 1,226,566
42,051	3,112,183	229,976	17,608	3,851,865
246	709	39	3	6,384
-	-	-	-	95,396
56,395	3,915,718	495,383	49,919	5,180,211
4,868	246,059	31,528	625	305,241
-	890,000	478,073	50,808	1,855,247
-	1,275,151	-	-	1,438,051
4,868	2,411,210	509,601	51,433	3,598,539
51,527	1,504,508	(14,218)	(1,514)	1,581,672
(76,790)	(11,736)	(5,301)	(554)	(102,383)
(25,263)	1,492,772	(19,519)	(2,068)	1,479,289
108,132	7,426,414	75,478	10,766	7,694,721
\$ 82,869	\$ 8,919,186	\$ 55,959	\$ 8,698	\$ 9,174,010

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Mall at Fall Creek TIF
Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 397,415	\$ 397,415	\$ 367,939	\$ (29,476)
Interest	40	40	27	(13)
Other	-	-	95,396	95,396
Total revenues	397,455	397,455	463,362	65,907
Expenditures:				
Current, economic development	4,382	4,382	4,123	(259)
Debt service:				
Principal retirement	305,000	305,000	305,000	-
Interest and fiscal charges	162,900	162,900	162,900	-
Total expenditures	472,282	472,282	472,023	(259)
Excess (deficiency) of revenues over expenditures	(74,827)	(74,827)	(8,661)	66,166
Other financing (uses), transfers out	(6,900)	(6,900)	(6,996)	(96)
Net change in fund balances	\$ (81,727)	\$ (81,727)	(15,657)	\$ 66,070
Fund balances, beginning of year			52,326	
Fund balances, end of year			<u>\$ 36,669</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Copperleaf Village TIF
Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 35,610	\$ 35,610	\$ 47,190	\$ 11,580
Interest	8	800	5,342	4,542
Total revenues	35,618	36,410	52,532	16,122
Expenditures,				
current, economic development	409	88,051	3,469	(84,582)
Excess (deficiency) of revenues over expenditures	35,209	(51,641)	49,063	100,704
Other financing (uses), transfers out	(450)	(450)	(260)	190
Net change in fund balances	\$ 34,759	\$ (52,091)	48,803	\$ 100,894
Fund balances, beginning of year			12,554	
Fund balances, end of year			<u>\$ 61,357</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Highway 7 and 40 Project B TIF
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 142,941	\$ 142,941	\$ 146,884	\$ 3,943
Interest	25	25	18	(7)
Total revenues	142,966	142,966	146,902	3,936
Expenditures:				
Current, economic development	13,073	13,073	14,569	1,496
Debt service, principal retirement	129,179	143,962	131,366	(12,596)
Total expenditures	142,252	157,035	145,935	(11,100)
Excess (deficiency) of revenues over expenditures	714	(14,069)	967	15,036
Other financing (uses), transfers out	(800)	(800)	(746)	54
Net change in fund balances	\$ (86)	\$ (14,869)	221	\$ 15,090
Fund balances, beginning of year			9,051	
Fund balances, end of year			<u>\$ 9,272</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Woods Chapel TIF
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 41,887	\$ 41,887	\$ 56,149	\$ 14,262
Interest	52	52	246	194
Total revenues	41,939	41,939	56,395	14,456
Expenditures,				
current, economic development	670	9,398	4,868	(4,530)
Excess of revenues over expenditures	41,269	32,541	51,527	18,986
Other financing (uses), transfers out	(206)	(206)	(76,790)	(76,584)
Net change in fund balances	\$ 41,063	\$ 32,335	(25,263)	\$ (57,598)
Fund balances, beginning of year			108,132	
Fund balances, end of year			<u>\$ 82,869</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Adams Farm TIF
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 3,645,892	\$ 3,874,395	\$ 3,915,009	\$ 40,614
Interest	2,417	2,576	709	(1,867)
Total revenues	3,648,309	3,876,971	3,915,718	38,747
Expenditures:				
Current, economic development	28,751	368,817	246,059	(122,758)
Debt service:				
Principal retirement	890,000	1,118,503	890,000	(228,503)
Interest and fiscal charges	1,276,321	1,276,321	1,275,151	(1,170)
Total expenditures	2,195,072	2,763,641	2,411,210	(352,431)
Excess of revenues over expenditures	1,453,237	1,113,330	1,504,508	391,178
Other financing (uses), transfers out	(8,000)	(8,000)	(11,736)	(3,736)
Net change in fund balances	\$ 1,445,237	\$ 1,105,330	1,492,772	\$ 387,442
Fund balances, beginning of year			7,426,414	
Fund balances, end of year			<u>\$ 8,919,186</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Highway 7 and 40 Project C TIF
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 400,111	\$ 511,111	\$ 495,344	\$ (15,767)
Interest	45	45	39	(6)
Total revenues	400,156	511,156	495,383	(15,773)
Expenditures,				
Current, general government	30,847	32,566	31,528	(1,038)
Debt service, principal retirement	365,308	547,196	478,073	(69,123)
Total expenditures	396,155	579,762	509,601	(70,161)
Excess (deficiency) of revenues over expenditures	4,001	(68,606)	(14,218)	54,388
Other financing (uses), transfers out	(260)	(5,260)	(5,301)	(41)
Net change in fund balances	\$ 3,741	\$ (73,866)	(19,519)	\$ 54,347
Fund balances, beginning of year			75,478	
Fund balances, end of year			<u>\$ 55,959</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual - Highway 7 and 40 Project A TIF
 Year Ended September 30, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 4,610	\$ 48,110	\$ 49,916	\$ 1,806
Interest	-	-	3	3
Total revenues	4,610	48,110	49,919	1,809
Expenditures,				
Current, general government	-	623	625	2
Debt service, principal retirement	-	42,427	50,808	8,381
Total expenditures	-	43,050	51,433	8,383
Excess of revenues over expenditures	-	5,060	(1,514)	(6,574)
Other financing (uses), transfers out	-	-	(554)	(554)
Net change in fund balances	\$ -	\$ 5,060	(2,068)	\$ (7,128)
Fund balances, beginning of year			10,766	
Fund balances, end of year			<u>\$ 8,698</u>	

AGENCY FUNDS

Agency Funds are used to account for resources received by the City as agent.

Jackson County Tax Fund – accounts for Jackson County, Missouri property taxes collected on behalf of the County.

Employees Flexible Benefit Fund – accounts for funds contributed by employees to a tax-exempt flexible benefit plan.

Eastern Jackson County Betterment Council Fund – accounts for membership deposits of the Council.

Adams Dairy Landing Community Improvement District – accounts for amounts collected on behalf of the District.

Coronado Drive Transportation Development District – accounts for amounts collected on behalf of the District.

Adams Farm Transportation Development District – accounts for amounts collected on behalf of the District.

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City of Blue Springs, Missouri

Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended September 30, 2014

	Balance September 30, 2013	Additions	Deletions	Balance September 30, 2014
Jackson County Tax Fund				
Assets:				
Cash	\$ 37,577	\$ 17,618,949	\$ 17,583,027	\$ 73,499
Liabilities, due to other governments	\$ 37,577	\$ 35,275,002	\$ 35,239,080	\$ 73,499
Employees Flexible Benefit Fund				
Assets, cash				
	\$ 760	\$ -	\$ 7,513	\$ (6,753)
Liabilities, Employee flexible benefit deposits	\$ 760	\$ 77,844	\$ 85,357	\$ (6,753)
Eastern Jackson County Betterment Council Fund				
Assets:				
Cash	\$ 29,058	\$ 9,525	\$ 8,166	\$ 30,417
Taxes receivable	-	13,800	9,525	4,275
Total assets	\$ 29,058	\$ 23,325	\$ 17,691	\$ 34,692
Liabilities, membership deposits	\$ 29,058	\$ 21,227	\$ 15,593	\$ 34,692
Woods Chapel CID				
Assets:				
Cash	\$ -	\$ 1,212	\$ 950	\$ 262
Taxes receivable	-	2,698	-	2,698
Total assets	\$ -	\$ 3,910	\$ 950	\$ 2,960
Liabilities, due to other governments	\$ -	\$ 5,286	\$ 2,326	\$ 2,960
Adams Dairy Landing CID				
Assets:				
Cash	\$ 533,392	\$ 343,276	\$ 2,600	\$ 874,068
Taxes receivable	597	-	597	-
Total assets	\$ 533,989	\$ 343,276	\$ 3,197	\$ 874,068
Liabilities, due to other governments	\$ 533,989	\$ 353,435	\$ 13,356	\$ 874,068
Coronado Drive TDD				
Assets:				
Cash	\$ -	\$ 550,994	\$ 550,994	\$ -
Taxes receivable	73,745	73,887	73,745	73,887
Total assets	\$ 73,745	\$ 624,881	\$ 624,739	\$ 73,887
Liabilities, due to other governments	\$ 73,745	\$ 153,674	\$ 153,532	\$ 73,887
Adams Farm TDD				
Assets:				
Cash	\$ -	\$ 1,248,586	\$ 1,248,586	\$ -
Taxes receivable	144,037	173,873	144,037	173,873
Total assets	\$ 144,037	\$ 1,422,459	\$ 1,392,623	\$ 173,873
Liabilities, due to other governments	\$ 144,037	\$ 352,755	\$ 322,919	\$ 173,873

(Continued)

City of Blue Springs, Missouri

Statement of Changes in Assets and Liabilities - Agency Funds (Continued)
 Year Ended September 30, 2014

	Balance September 30, 2013	Additions	Deletions	Balance September 30, 2014
Total - All Agency Fund				
Assets:				
Cash	\$ 600,787	\$ 19,772,542	\$ 19,401,836	\$ 971,493
Taxes receivable	218,379	264,258	227,904	254,733
Total assets	\$ 819,166	\$ 20,036,800	\$ 19,629,740	\$ 1,226,226
Liabilities:				
Due to other governments	\$ 789,348	\$ 36,140,152	\$ 35,731,213	\$ 1,198,287
Membership and employee flexible benefit deposits	29,818	99,071	100,950	27,939
Total liabilities	\$ 819,166	\$ 36,239,223	\$ 35,832,163	\$ 1,226,226

City of Blue Springs, Missouri

Combining Statement of Net Position (Deficit)

Discretely Presented Component Unit - Blue Springs Economic Development Corporation

September 30, 2014

	Program			Total Consolidated Component Unit
	Blue Springs Economic Development Corporation	Missouri Innovation Park, Inc.	Inter- Organization Activity	
Assets				
Cash and investments	\$ 6,643	\$ 27,821	\$ -	\$ 34,464
Receivables:				
Accounts	76	-	-	76
Notes	119,352	-	(119,352)	-
Prepaid items	3,474	-	-	3,474
Depreciable capital assets, net	4,766	-	-	4,766
Total assets	134,311	27,821	(119,352)	42,780
Liabilities				
Accounts payable	2,299	27,500	-	29,799
Accrued liabilities	23,043	-	-	23,043
Short-term line of credit	50,000	-	-	50,000
Short-term note payable	-	119,352	(119,352)	-
Total liabilities	75,342	146,852	(119,352)	102,842
Net Position (Deficit)				
Investment in capital assets	4,766	-	-	4,766
Unrestricted	54,203	(119,031)	-	(64,828)
Total net position (deficit)	\$ 58,969	\$ (119,031)	\$ -	\$ (60,062)

City of Blue Springs, Missouri

Combining Statement of Activities

Discretely Presented Component Unit - Blue Springs Economic Development Corporation

Year Ended September 30, 2014

	Program			Total Consolidated Component Unit
	Blue Springs Economic Development Corporation	Missouri Innovation Park, Inc.	Inter-Organization Activity	
Revenues:				
Intergovernmental revenues	\$ 310,000	\$ 41,250	\$ -	\$ 351,250
Contributions	93,072	-	-	93,072
In-kind contributions	14,135	1,500	-	15,635
Interest	122	-	-	122
Total revenues	417,329	42,750	-	460,079
Expenses:				
Current, economic development	475,099	47,511	-	522,610
Change in net position	(57,770)	(4,761)	-	(62,531)
Net position (deficit), beginning of year	116,739	(114,270)	-	2,469
Net position (deficit), end of year	\$ 58,969	\$ (119,031)	\$ -	\$ (60,062)

City of Blue Springs, Missouri

Statistical Section

Contents

The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

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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.	90 - 94
Revenue Capacity	
These schedules contain information to help the reader assess the City's two most significant local revenue sources: sales tax and property tax.	95 - 100
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

City of Blue Springs, Missouri

**Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net investment in capital assets	\$ 78,487,890	\$ 78,680,058	\$ 75,421,297	\$ 73,392,096	\$ 68,013,508	\$ 59,694,748	\$ 48,629,338	\$ 52,611,903	\$ 56,916,375	\$ 56,974,743
Restricted	8,056,155	8,086,101	9,363,978	9,141,264	9,902,864	6,793,655	17,423,528	12,530,535	14,074,282	11,962,522
Unrestricted	7,020,847	8,188,902	9,442,255	6,129,460	(14,846,756)	(10,206,636)	(12,766,225)	(19,806,791)	(21,991,465)	(30,155,338)
Total governmental activities net position	\$ 93,564,892	\$ 94,955,061	\$ 94,227,530	\$ 88,662,820	\$ 63,069,616	\$ 56,281,767	\$ 53,284,639	\$ 45,335,647	\$ 48,999,192	\$ 38,781,927
Business-type activities:										
Net investment in capital assets	\$ 51,366,319	\$ 51,532,431	\$ 53,298,946	\$ 49,883,666	\$ 47,144,204	\$ 47,749,588	\$ 48,753,483	\$ 48,535,736	\$ 48,485,162	\$ 47,321,113
Restricted	486,630	491,173	504,990	489,099	487,923	2,077,870	2,072,904	2,478,007	2,488,531	2,171,458
Unrestricted	6,765,826	8,244,184	9,657,585	12,289,968	32,003,698	33,919,068	38,610,277	41,628,468	42,750,205	42,553,879
Total business-type activities net position	\$ 58,618,775	\$ 60,267,788	\$ 63,461,521	\$ 62,662,733	\$ 79,635,825	\$ 83,746,526	\$ 89,436,664	\$ 92,642,211	\$ 93,723,898	\$ 92,046,450
Primary government:										
Net investment in capital assets	\$ 129,854,209	\$ 130,212,489	\$ 128,720,243	\$ 123,275,762	\$ 115,157,712	\$ 107,444,336	\$ 97,382,819	\$ 101,147,639	\$ 105,401,537	\$ 104,295,856
Restricted	8,542,785	8,577,274	9,868,968	9,630,363	10,390,787	9,051,525	19,496,432	15,008,542	16,562,813	14,133,980
Unrestricted	13,786,673	16,433,086	19,099,840	18,419,428	17,156,942	23,712,432	25,942,052	21,821,677	20,758,740	12,398,541
Total primary government net position	\$ 152,183,667	\$ 155,222,849	\$ 157,689,051	\$ 151,325,553	\$ 142,705,441	\$ 140,208,293	\$ 142,721,303	\$ 137,977,858	\$ 142,723,090	\$ 130,828,377

Notes: In 2006, the City implemented GASB Statement No. 46, which changed the reporting for restricted net assets
In 2013, the City implemented GASB Statement No. 63 which changed the reporting of net assets to net position

City of Blue Springs, Missouri

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
General government	\$ 5,162,402	\$ 5,872,381	\$ 7,241,811	\$ 9,417,156	\$ 6,722,852	\$ 5,952,221	\$ 5,747,148	\$ 6,173,185	\$ 6,682,189	\$ 6,494,979
Public works	1,061,284	1,182,225	1,114,645	1,085,815	1,150,617	1,157,261	1,165,906	1,235,515	1,082,539	729,879
Highways and streets	8,909,445	10,682,407	18,328,434	12,583,751	12,091,281	13,175,169	14,911,575	8,492,791	13,469,975	14,428,795
Public safety	9,903,600	10,853,511	10,844,451	11,387,848	11,308,429	11,855,976	12,475,129	17,032,328	13,362,419	12,815,066
Parks and recreation	3,451,261	3,697,637	3,644,910	3,926,097	3,808,823	3,926,898	4,059,046	4,036,137	3,869,602	4,166,939
Economic development	-	-	-	-	22,120,492	3,023,924	625,859	6,577,745	2,336,825	13,549,379
Interest and fiscal charges	1,248,918	834,021	807,943	768,656	720,823	1,921,555	2,809,800	2,759,693	2,960,575	3,390,506
Total governmental activities expenses	29,736,910	33,122,182	41,982,194	39,169,323	57,923,317	41,013,004	41,794,463	46,307,394	43,764,124	55,565,543
Business-type activities:										
Water	6,231,010	6,707,118	7,133,548	7,028,585	7,691,581	7,378,974	8,215,144	8,322,203	8,472,236	8,819,587
Sewer	4,966,863	6,173,085	6,365,722	7,248,223	7,438,288	6,991,779	7,315,040	7,348,680	7,829,235	9,585,897
Golf course	1,869,774	1,840,266	1,851,144	1,920,248	1,850,615	1,836,939	1,670,943	2,019,349	1,867,800	1,717,978
Total business-type activities expenses	13,067,647	14,720,469	15,350,414	16,197,056	16,980,484	16,207,692	17,201,127	17,690,232	17,969,271	20,123,462
Total primary government expenses	42,804,557	47,842,651	57,332,608	55,366,379	74,903,801	57,220,696	58,995,590	63,997,626	61,733,395	75,689,005
Program revenue:										
Governmental activities:										
Charges for services:										
General government	3,317,649	3,280,500	3,438,438	3,192,776	3,526,012	3,050,375	3,095,525	3,171,600	3,569,233	3,826,423
Public works	107,735	336,522	240,110	303,539	50,586	26,376	54,941	332,068	92,490	21,205
Highways and streets	600	5,023	5,200	5,200	-	-	-	-	-	-
Public safety	1,857,024	1,962,360	2,020,941	2,448,292	2,826,024	2,732,433	2,971,402	2,915,982	1,947,267	1,405,762
Parks and recreation	595,549	596,353	679,237	670,760	645,069	633,235	626,200	398,451	381,691	414,159
Operating grants and contributions	729,039	960,638	718,617	684,440	649,095	457,455	567,701	574,895	799,005	575,817
Capital grants and contributions	5,947,809	6,516,879	10,522,467	1,529,944	1,573,255	1,248,938	4,535,142	124,686	9,569,123	5,837,853
Total governmental activities program revenue	12,555,405	13,654,452	17,624,833	8,834,951	9,275,041	8,148,812	11,850,911	7,517,682	16,358,809	12,081,219
Business-type activities:										
Charges for services:										
Water	6,744,738	7,629,315	7,208,618	6,454,183	6,459,597	6,651,551	7,052,276	7,886,884	7,215,657	8,074,733
Sewer	5,555,895	5,812,493	5,995,606	6,141,450	6,821,395	6,731,206	6,800,171	6,773,648	6,777,957	6,885,033
Golf course	1,384,868	1,482,474	1,698,689	1,750,262	1,516,109	1,433,111	1,367,495	1,520,568	1,469,473	1,394,058
Capital grants and contributions	2,459,503	620,600	2,572,073	289,624	18,812,221	5,054,010	7,169,853	3,413,162	3,065,333	763,153
Total business-type activities program revenues	16,145,004	15,544,882	17,434,986	14,635,519	33,403,322	19,869,878	22,389,795	19,594,262	18,528,420	17,116,977
Total primary government program revenues	28,700,409	29,199,334	35,059,819	23,470,470	42,684,363	28,018,690	34,240,706	27,111,944	34,887,229	29,198,196

(Continued)

City of Blue Springs, Missouri

Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (expense) revenue:										
Governmental activities	\$ (17,181,505)	\$ (19,467,730)	\$ (24,357,361)	\$ (30,334,372)	\$ (48,648,276)	\$ (32,864,192)	\$ (29,943,552)	\$ (38,789,712)	\$ (27,405,225)	\$ (43,484,324)
Business-type activities	3,077,357	824,413	2,084,572	(1,561,537)	16,428,838	3,662,186	5,188,668	1,904,030	559,149	(3,006,485)
Total primary government net expense	\$ (14,104,148)	\$ (18,643,317)	\$ (22,272,789)	\$ (31,895,909)	\$ (32,219,438)	\$ (29,202,006)	\$ (24,754,884)	\$ (36,885,682)	\$ (26,846,076)	\$ (46,490,809)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Sales taxes	\$ 9,587,464	\$ 9,690,850	\$ 10,057,093	\$ 10,119,903	\$ 8,843,215	\$ 9,639,673	\$ 10,227,290	\$ 13,710,170	\$ 14,128,049	\$ 15,136,972
Property taxes	4,716,407	4,975,870	5,153,731	5,421,561	5,288,096	5,373,148	5,345,937	5,675,553	5,273,295	5,543,977
Franchise tax	3,097,345	3,254,497	3,705,535	5,413,715	5,096,487	6,111,034	5,311,660	5,062,742	5,414,939	5,290,496
Intergovernmental activity taxes	-	-	-	-	662,481	1,981,710	2,598,427	2,910,479	3,867,998	3,851,865
Motor Vehicle	-	-	-	-	-	-	-	1,765,850	1,672,082	1,764,838
Hotel	524,755	548,352	586,635	591,127	493,983	572,571	573,835	544,620	536,199	575,237
Other taxes	1,939,272	1,747,842	1,802,724	1,759,356	1,995,432	2,054,909	2,064,588	409,592	404,923	394,489
Interest	408,735	705,272	966,719	894,555	367,671	334,885	419,579	410,317	352,556	371,085
Miscellaneous	-	192,206	1,500,396	718,366	611,431	504,639	588,977	581,404	812,952	776,639
Gain on disposal of capital assets	124,315	-	-	-	-	-	-	-	-	-
Transfers	(452,353)	(256,990)	(143,003)	(148,921)	(303,724)	(316,026)	(363,869)	(250,007)	(262,696)	(400,549)
Total governmental activities	19,945,940	20,857,899	23,629,830	24,769,662	23,055,072	26,256,343	26,766,424	30,840,720	32,200,297	33,267,059
Business-type activities:										
Interest	210,139	567,610	966,158	613,828	237,530	135,489	137,601	1,051,510	923,456	928,488
Transfers	452,353	256,990	143,003	148,921	303,724	316,026	363,869	250,007	262,696	400,549
Total business-type activities	662,492	824,600	1,109,161	762,749	541,254	451,515	501,470	1,301,517	1,186,152	1,329,037
Total primary government	\$ 20,608,432	\$ 21,682,499	\$ 24,738,991	\$ 25,532,411	\$ 23,596,326	\$ 26,707,858	\$ 27,267,894	\$ 32,142,237	\$ 33,386,449	\$ 34,596,096
Changes in net position:										
Governmental activities	2,764,435	1,390,169	(727,531)	(5,564,710)	(25,593,204)	(6,607,849)	(3,177,128)	(7,948,992)	4,795,072	(10,217,265)
Business-type activities	3,739,849	1,649,013	3,193,733	(798,788)	16,970,092	4,113,701	5,690,138	3,205,547	1,745,301	(1,677,448)
Total primary government	\$ 6,504,284	\$ 3,039,182	\$ 2,466,202	\$ (6,363,498)	\$ (8,623,112)	\$ (2,494,148)	\$ 2,513,010	\$ (4,743,445)	\$ 6,540,373	\$ (11,894,713)

City of Blue Springs, Missouri

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund:										
Reserved	\$ 2,453,085	\$ 2,570,622	\$ 2,758,255	\$ 2,505,963	\$ 2,680,486	\$ 2,585,922	\$ -	\$ -	\$ -	\$ -
Unreserved	6,852,457	7,846,412	9,112,054	8,635,056	9,700,183	11,143,726	-	-	-	-
Nonspendable	-	-	-	-	-	-	2,069,873	2,124,185	2,250,484	2,390,413
Restricted	-	-	-	-	-	-	131,654	107,265	1,143,677	1,110,681
Committed	-	-	-	-	-	-	7,174,859	7,145,032	7,431,610	7,615,714
Assigned	-	-	-	-	-	-	2,042,797	32,217	4,931,586	4,203,615
Unassigned	-	-	-	-	-	-	4,060,154	6,041,570	1,563,656	213,769
Total General Fund	\$ 9,305,542	\$ 10,417,034	\$ 11,870,309	\$ 11,141,019	\$ 12,380,669	\$ 13,729,648	\$ 15,479,337	\$ 15,450,269	\$ 17,321,013	\$ 15,534,192
All other governmental funds:										
Unreserved	\$ 5,215,662	\$ 9,185,884	\$ 3,528,551	\$ 2,148,966	\$ 7,095,640	\$ 9,822,955	\$ -	\$ -	\$ -	\$ -
Special revenue funds	49,536	161,217	262,018	358,830	363,631	436,280	-	-	-	-
Capital projects funds	2,733,941	(1,325,929)	5,331,632	6,593,008	2,479,359	14,587,042	-	-	-	-
Nonspendable,	-	-	-	-	-	-	-	-	-	-
Special revenue funds	-	-	-	-	-	-	58,169	340,394	15,415	353,424
Restricted/Committed/Assigned:										
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Public Safety Sales Tax fund	-	-	-	-	-	-	16,053,845	14,628,781	14,270,225	8,914,496
Other governmental funds	-	-	-	-	-	-	3,673,183	8,150,087	2,756,681	18,087,627
Total all other government funds	\$ 7,999,139	\$ 8,021,172	\$ 9,122,201	\$ 9,100,804	\$ 9,938,630	\$ 24,846,277	\$ 23,494,354	\$ 26,792,445	\$ 18,921,524	\$ 38,088,082

(1) GASB 54 was implemented during fiscal year 2011. The City did not restate fund balance in prior years to comply with the new presentation format.

City of Blue Springs, Missouri

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes	18,117,769	18,670,374	19,704,229	21,755,056	19,248,967	21,148,583	23,005,988	24,686,823	25,839,079	26,682,458
Intergovernmental activity taxes	-	-	-	-	662,481	1,981,709	2,598,425	2,843,750	3,775,528	3,851,865
Licenses, fees and permits	760,058	777,131	772,510	746,020	917,980	572,183	629,447	639,179	688,903	865,546
Intergovernmental	6,243,461	7,948,706	8,055,156	3,576,748	3,893,513	3,935,449	6,676,347	2,979,681	2,960,671	3,510,789
Charges for services	4,156,716	5,114,710	4,515,378	4,870,792	4,981,920	4,697,653	4,982,338	3,559,085	2,322,751	1,512,856
Administrative charges										
Fines, forfeitures and court costs	722,021	748,320	753,650	777,911	924,640	957,684	884,777	882,785	870,291	1,114,347
Interest	411,450	705,272	966,722	894,555	367,671	334,685	419,578	410,317	352,555	371,276
Donations	137,971	133,924	153,479	41,003	82,816	56,735	55,672	87,409	1,237,690	41,152
Other	282,247	268,160	1,641,225	803,366	687,218	559,601	904,226	581,904	812,123	815,672
Total revenues	30,831,693	34,366,597	36,562,349	33,465,451	31,767,206	34,244,282	40,156,778	38,053,455	40,536,092	40,530,896
Expenditures:										
General government	4,757,672	5,451,595	6,815,363	6,242,211	6,195,290	5,602,502	5,471,625	5,676,363	5,832,150	6,117,293
Public works	1,022,693	983,707	1,036,256	938,675	888,418	848,364	844,437	820,337	692,584	721,738
Highways and streets	1,848,000	1,774,500	2,203,282	2,144,303	2,067,920	2,206,235	2,407,243	2,487,103	2,690,517	2,722,410
Public safety	9,659,194	10,241,806	10,623,207	10,919,674	10,821,665	11,649,900	11,742,075	16,335,463	15,191,037	19,151,121
Parks and recreation	3,237,531	3,392,075	3,415,753	3,621,081	3,545,496	3,549,907	3,680,470	3,378,523	3,357,255	3,647,241
Economic development	-	-	-	-	12,660,575	14,212,124	383,397	431,682	298,302	305,241
Capital outlay	8,325,707	8,920,232	7,893,555	7,993,896	5,305,272	7,777,445	10,310,341	13,994,620	12,066,688	2,774,635
Debt service:										
Principal	873,436	1,440,000	1,140,000	1,109,587	1,278,955	1,316,011	1,893,905	2,254,897	3,266,049	3,564,582
Interest	1,413,570	791,517	764,868	704,544	1,010,720	2,083,257	2,694,128	2,625,145	2,911,469	2,930,738
Bond Issuance Costs								158,350	-	408,232
Total expenditures	31,137,803	32,995,432	33,892,284	33,673,961	43,774,311	49,245,745	39,427,621	48,162,483	46,306,051	42,343,231
Excess of revenues over (under) expenditures	(306,110)	1,371,165	2,670,065	(208,510)	(12,007,105)	(15,001,463)	729,157	(10,109,028)	(5,769,959)	(1,812,335)
Other financing sources (uses):										
Bond proceeds	4,225,000	-	-	-	14,500,000	31,805,000	-	13,409,490	-	20,960,000
Refunded bond proceeds	-	-	-	-	-	3,590,000	-	-	-	-
Premium/(Discount) on issuance	-	-	-	-	(144,034)	(3,643,181)	-	185,701	-	460,377.00
Payment to refunded bond escrow agent	(5,084,537)	-	-	(421,330)	-	(210,274)	-	-	-	(1,860,234.00)
Transfers in	1,173,324	741,274	381,232	3,993,280	1,676,368	2,418,388	4,035,359	4,975,087	2,401,594	6,001,009
Transfers out	(1,606,327)	(978,914)	(496,993)	(4,114,127)	(1,947,753)	(2,701,844)	(4,366,750)	(5,192,227)	(2,631,812)	(6,369,080)
Sale of capital assets	124,315	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,168,225)	(237,640)	(115,761)	(542,177)	14,084,581	31,258,089	(331,391)	13,378,051	(230,218)	19,192,072
Net changes in fund balances	\$(1,474,335)	\$1,133,525	\$2,554,304	\$(750,687)	\$2,077,476	\$16,256,626	\$397,766	\$3,269,023	\$(6,000,177)	\$17,379,737
Debt service as a percentage of noncapital expenditures	9.9%	8.4%	5.9%	6.3%	6.0%	9.0%	12.9%	14.5%	16.3%	23.8%

City of Blue Springs, Missouri

Total City Taxable Sales by Category
Current Fiscal Year and Prior Seven Years

Sales by Retail Category:	2007	2008	2009	2010	2011	2012	2013	2014
Retail	\$ 595,309	\$ 605,917	\$ 530,141	\$ 585,204	626,092	\$ 641,420	\$ 633,517	\$ 689,106
Manufacturing	3,739	2,717	2,947	1,952	3,208	3,650	3,862	9
Restaurants	20,176	21,618	20,583	24,640	29,592	29,773	29,632	35,843
Services	24,337	24,237	22,701	25,361	25,458	25,519	23,464	30,308
All other outlets	923	2,769	11,158	2,333	2,532	22,004	47,604	30,624
Total	\$ 644,484	\$ 657,258	\$ 587,530	\$ 639,490	\$ 686,883	\$ 722,366	\$ 738,079	\$ 785,890

Note: Amounts are in thousands of dollars. This schedule is intended to show the current year and nine years ago; however, amounts for years prior to 2007 are not available.

Source: Missouri Department of Revenue

City of Blue Springs, Missouri

Sales Tax Rates
Direct and Overlapping Governments
Last Ten Calendar Years
(in percent)

Direct Sales Tax Rate City of Blue Springs	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General fund	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Transportation	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Public Safety	-	-	-	-	-	-	-	0.500	0.500	0.500
Direct sales tax rate City of Blue Springs	1.500	1.500	1.500	1.500	1.500	1.500	1.500	2.000	2.000	2.000
Transportation Development District										
Adams Farm TDD	-	-	-	-	1.000	1.000	1.000	1.000	1.000	1.000
Home Depot TDD	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Coronado Drive TDD	-	-	-	-	0.500	0.500	0.500	0.500	0.500	0.500
Total direct sales tax rate	2.000	2.000	2.000	2.000	3.500	3.500	3.500	4.000	4.000	4.000
Total Local Option Sales Tax Rate										
State of Missouri	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Mo. State Conservation	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Mo. State Parks and Soil	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Jackson County	0.750	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125
City of Blue Springs	1.500	1.500	1.500	1.500	1.500	1.500	1.500	2.000	2.000	2.000
Central Jackson County Fire Protection District	-	-	-	-	0.500	0.500	0.500	0.500	0.500	0.500
Zoo	-	-	-	-	-	-	-	0.125	0.125	0.125
Total direct and overlapping sales tax rate	6.475	6.850	6.850	6.850	7.350	7.350	7.350	7.975	7.975	7.975

Note: The rates shown for the Transportation Development Districts apply within those districts only.

Source: Missouri Department of Revenue.

City of Blue Springs, Missouri

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Real Property			Total	Other Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Market Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Agricultural Property	Commercial Property		Personal Property	Railroads & Utilities				
2005	401,285,697	180,788	99,568,477	501,034,962	117,035,906	6,528,205	624,599,073	0.7140	2,796,547,859	22.33
2006	446,162,760	182,141	103,291,773	549,636,674	120,162,987	5,507,669	675,307,330	0.7027	3,050,590,961	22.14
2007	456,882,349	184,193	107,901,822	564,968,364	124,234,987	5,507,022	694,710,373	0.7029	3,133,659,560	22.17
2008	493,629,422	181,943	115,500,336	609,311,701	129,576,528	5,360,046	744,248,275	0.6971	3,366,373,178	22.11
2009	499,748,063	172,367	121,072,121	620,992,551	130,285,814	4,879,636	756,158,001	0.6989	3,416,537,286	22.13
2010	474,190,733	170,782	121,505,173	595,866,688	121,476,300	4,560,413	721,893,401	0.7259	3,255,881,283	22.17
2011	476,649,966	165,812	121,890,009	598,705,787	119,506,303	6,480,646	724,692,736	0.7259	3,270,101,882	22.16
2012	474,054,725	170,838	110,865,876	585,091,439	125,435,676	7,797,528	718,324,643	0.7489	3,243,955,368	22.14
2013	475,193,138	178,203	111,893,539	587,264,880	129,559,419	9,707,540	726,531,839	0.7489	3,271,572,237	22.21
2014	477,024,751	177,905	109,710,301	586,912,957	131,401,691	12,741,635	731,056,283	0.7489	3,289,401,099	22.22

Note: The assessed value is set at 19% for residential property; 12% for agricultural property; and 32% for commercial property of the estimated fair market value.

Source: Jackson County Assessor's Office

City of Blue Springs, Missouri
Direct and Overlapping Governments
Last Ten Fiscal Years
(rate per \$100 assessed value)

Fiscal Year	City Direct Rates (1)				Overlapping Rates (2 & 3)					
	Basic/ General Rate	Debt Service	Total Direct	Central Jackson County Fire	Metropolitan Junior College	Blue Springs School District	Jackson County	State	Total Overlapping	
2005	0.5640	0.1500	0.7140	1.1350	0.2300	5.3893	1.1070	0.0300	7.8913	
2006	0.5527	0.1500	0.7027	1.1146	0.2171	5.3893	1.0598	0.0300	7.8108	
2007	0.5529	0.1500	0.7029	1.1146	0.2172	5.3893	1.0632	0.0300	7.8143	
2008	0.5471	0.1500	0.6971	1.1029	0.2132	5.3893	1.0523	0.0300	7.7877	
2009	0.5489	0.1500	0.6989	1.1058	0.2143	5.5307	1.0610	0.0300	7.9418	
2010	0.5759	0.1500	0.7259	1.0974	0.2266	5.5307	1.0596	0.0300	7.9443	
2011	0.5759	0.1500	0.7259	1.0497	0.2329	5.7286	1.0596	0.0300	8.1008	
2012	0.5988	0.1501	0.7489	1.0692	0.2335	5.7286	1.0464	0.0300	8.1077	
2013	0.5989	0.1500	0.7489	1.0746	0.2349	5.7286	1.0464	0.0300	8.1145	
2014	0.5989	0.1500	0.7489	1.1203	0.2369	5.7286	1.0464	0.0300	8.1622	

Notes: 1 The General Fund levy rates are limited by Missouri Statutes to \$1.00 per \$100.00 assessed valuation.

There is no limit on the levy rates for General Debt and Interest.

2 County Tax Breakdown for Current Year:

Health & Welfare Fund	0.1526
General Fund	0.1487
Road & Bridge Fund	0.1387
Park Fund	0.0898
Mid-Continent Public Library	0.3200
Handicap	0.0748
Mental Health	0.1218
Total County	<u>1.0464</u>

3 Two other school districts are in the City of Blue Springs. School tax rates for the current year in these districts are:

Grain Valley Reorganized #5	5.5299
Lee's Summit Reorganized #7	6.0627

Note: Taxes are due November 1, delinquent after December 31. Interest of 1.5% per month, up to a maximum of 18% annually is added for each month of delinquency. Collections are enforced through the attachment and sale of the property. Commercial real property is also assessed an additional "replacement tax" of 1.437 per \$100 assessed value.

City of Blue Springs, Missouri

**Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

Taxpayer	2014				2005			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Percentage of Total Taxable Assessed Value
KCPL - Greater MO Oper. Co. (Aquila)	\$ 11,785,907	1	28.93	19.71	\$ 4,809,124	1	19.71	19.71
Wal-Mart Stores, Inc.	6,073,903	2	14.91	12.68	3,093,059	3	12.68	12.68
Kohl's Department Store	5,127,328	3	12.59	-	-	-	-	-
George & Jeanette Ward	3,666,951	4	9.00	14.28	3,484,574	2	14.28	14.28
Kingsridge	3,235,495	5	7.94					
Fike Metal Products Corp.	2,601,413	6	6.39	7.22	1,760,632	8	7.22	7.22
Blue Springs Partners LP	2,245,284	7	5.51					
Enterprise Real Estate LLC	2,175,494	8	5.34	5.74	1,400,342	9	5.74	5.74
Southern Union Company	1,995,607	9	4.90	9.28	2,263,231	5	9.28	9.28
HD Development of Maryland Inc.	1,827,840	10	4.49	10.09	2,462,347	4	10.09	10.09
Blue Springs 1 LLC				7.56	1,844,462	7	7.56	7.56
Southwestern Bell				7.88	1,922,260	6	7.88	7.88
St. Mary's Hospital				5.55	1,354,733	10	5.55	5.55
Total	\$ 40,735,222		100.00	100.00	\$ 24,394,764		100.00	100.00

Source: Jackson County Collection Department

City of Blue Springs, Missouri

**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended September 30:	Taxes Levied for the Fiscal Year		Collected Within the Fiscal Year of the Levy		Total Collections to Date	
	Fiscal Year	Amount	Amount	Percentage of Levy	Amount	Percentage of Levy
2005	4,430,699	4,258,261	96.11	152,239	4,410,500	99.54
2006	4,762,600	4,588,481	96.34	150,629	4,739,110	99.51
2007	4,939,713	4,751,744	96.19	166,160	4,917,904	99.56
2008	5,195,766	5,071,884	97.62	97,413	5,169,297	99.49
2009	5,754,504	5,513,233	95.81	214,967	5,728,200	99.54
2010	5,825,726	5,633,240	96.70	167,207	5,800,447	99.57
2011	6,239,956	6,009,470	96.31	202,016	6,211,486	99.54
2012	6,637,020	6,425,351	96.81	164,285	6,589,636	99.29
2013	6,889,963	6,658,528	96.64	146,394	6,804,922	98.77
2014	7,052,632	6,834,975	96.91		6,834,975	96.91

City of Blue Springs, Missouri

Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities					Business-type Activities					Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	Leasehold Revenue Bonds	Special Obligation Bonds	Capital Leases	Certifications of Participation	Development Agreement	Capital Leases	Certificates of Participation	Neighborhood Improvements	State Revolving Fund Loan			
2005	8,760,000	-	-	-	3,925,000	2,987,500	132,532	5,300,000	-	-	21,105,032	1.59	406.57
2006	7,860,000	-	-	-	3,510,000	2,862,500	283,340	5,115,000	10,475,000	-	30,105,840	2.21	566.98
2007	7,065,000	-	-	-	3,300,000	2,727,500	215,239	4,925,000	17,490,000	-	35,722,739	2.39	662.94
2008	5,970,000	-	-	-	3,075,000	5,332,892	278,350	4,725,000	17,490,000	-	36,871,242	2.44	670.01
2009	5,219,470	-	14,500,000	-	2,835,000	17,640,689	188,617	4,515,000	18,725,000	-	63,623,776	3.95	1,142.30
2010	19,450,000	-	31,305,000	-	2,595,000	13,591,502	92,570	4,305,000	18,325,000	2,411,481	92,075,553	6.01	1,649.60
2011	18,605,000	-	30,845,000	-	2,350,000	13,386,972	7,472	4,100,000	17,900,000	14,689,221	101,883,665	6.68	1,937.87
2012	25,445,000	-	30,310,000	5,482,622	2,095,000	19,155,005	-	3,880,000	17,475,000	20,509,149	124,351,776	8.26	2,357.42
2013	24,555,000	-	29,475,000	4,985,534	1,825,000	20,419,568	197,511	3,650,000	17,025,000	21,672,282	123,804,895	8.23	2,347.06
2014	23,841,419	-	28,237,059	4,471,199	21,120,421	32,594,749	133,402	3,222,661	17,001,263	20,931,228	151,553,401	9.84	2,843.72

Notes: See Table 16 for personal income and population data. The 2006 ratios are calculated using personal income and population data from table 16 which is an estimate.

City of Blue Springs, Missouri

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Bonded Debt Outstanding			Total	Percentage of Est. Actual Taxable Value of Property (1)		Per Capita (2)
	General Obligation Bonds	Less Amounts Available in Debt Service			Value of Property (1)	Per Capita (2)	
2005	8,760,000	(458,436)		8,301,564	0.30	159.92	
2006	7,860,000	(1,112,774)		6,747,226	0.56	324.34	
2007	7,065,000	(1,126,322)		5,938,678	0.75	434.79	
2008	5,970,000	(906,079)		5,063,921	0.67	409.84	
2009	5,219,470	(1,053,475)		4,165,995	0.67	410.98	
2010	19,450,000	(1,053,965)		18,396,035	1.13	657.88	
2011	18,605,000	(1,053,965)		17,551,035	1.08	674.29	
2012	25,445,000	(1,101,576)		24,343,424	1.29	792.78	
2013	24,555,000	(890,633)		23,664,367	0.72	767.52	
2014	23,841,419	(725,235)		23,116,184	0.70	433.75	

Notes: 1 See Table 7 for property value data.

2 See Table 16 for population data.

City of Blue Springs, Missouri

**Direct and Overlapping Governmental Activities Debt
For the Year Ended September 30, 2014
(Unaudited)**

Name of Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
City of Blue Springs	110,264,847	100.00%	110,264,847
Total direct debt	110,264,847		110,264,847
Blue Springs Reorganized #4 School District	137,380,000	89.10%	122,405,580
Grain Valley Reorganized #5 School District	40,945,000	5.04%	2,063,628
Central Jackson County Fire Protection District	12,325,000	90.00%	11,092,500
Lee's Summit School District	176,815,000	0.17%	300,586
Total overlapping debt	367,465,000		135,862,294
Total direct and overlapping debt	\$ 477,729,847		\$ 246,127,141

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Blue Springs. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: The debt outstanding data and applicable percentages provided by each governmental entity.

City of Blue Springs, Missouri

**Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Revenues	Less Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest (2)	
2005	13,527,396	3 9,368,387	4,159,009	-	-	-
2006	13,744,338	4 10,977,950	2,766,388	-	-	-
2007	13,232,926	5 11,040,024	2,192,902	-	-	-
2008	12,595,633	11,526,280	1,069,353	-	-	-
2009	13,080,992	11,815,907	1,265,085	-	-	-
2010	13,382,757	11,106,770	2,275,987	-	-	-
2011	13,852,447	12,338,827	1,513,620	-	-	-
2012	14,660,532	12,498,037	2,162,495	-	-	-
2013	13,993,614	13,087,683	905,931	-	-	-
2014	14,959,766	13,590,191	1,369,575	-	-	-

Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

- Notes: 1 Operating expenses excludes depreciation, interest expense, amortization and non-operating expenses.
 2 Includes estimated fiscal charges.
 3 Includes intergovernmental grants for Adams Dairy Parkway for \$1,226,763.
 4 Includes intergovernmental grants for Adams Dairy Parkway for \$302,530.
 5 Includes intergovernmental grants for Adams Dairy Parkway for \$28,702.

City of Blue Springs, Missouri

Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended September 30, (3)	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (1)
2005	51,910	1,323,979,351	25,505	35.90	13,286	3.50%
2006	53,099	1,364,803,597	25,703	35.10	13,608	3.70%
2007	53,885	1,493,692,200	27,720	33.10	13,871	3.40%
2008	55,031	1,508,674,865	27,415	35.26	13,951	3.40%
2009	55,698	1,609,727,898	28,901	33.10	14,085	6.30%
2010	55,817	1,531,618,480	27,440	35.50	14,162	7.60%
2011	52,575	1,524,464,700	28,996	34.80	14,174	7.80%
2012	52,749	1,503,451,998	28,502	34.70	14,447	5.20%
2013	53,014	1,508,619,398	28,457	33.10	14,586	6.30%
2014	53,294	1,540,622,952	28,908	35.60	14,524	5.60%

Note: The information for 2006 is an estimate.

- Sources: 1 Information provided by KCADC through the Blue Springs Economic Development Council - Claritas report
 2 Information provided by school districts.
 3 The information shown is for fiscal years.

City of Blue Springs, Missouri

Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Blue Springs School District	1,998	1	7.04%	1,700	1	6.91%
St. Mary's Hospital of Blue Springs	545	2	1.92%	618	2	2.51%
Fike Corporation	460	3	1.62%	338	6	1.37%
Hy-Vee	460	4	1.62%	330	7	1.34%
Wal-Mart Stores, Inc.	355	5	1.25%	425	4	1.73%
Price Chopper	335	6	1.18%	406	5	1.65%
City of Blue Springs	289	7	1.02%	258	8	1.05%
Home Depot	147	8	0.52%			
Target	135	9	0.48%			
Texas Roadhouse	130	10	0.46%			
Haldex, Inc.				250	9	1.02%
Kohl's Distribution Center				555	3	2.26%
Gemaco				175	10	0.71%
Total	4,854		17.11%	5,055		20.55%

Source: Blue Springs Chamber of Commerce

City of Blue Springs, Missouri

Full-Time Equivalent City Government Employees by Functions/Programs
Last Ten Fiscal Years
(Unaudited)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government:										
Administration	5.00	5.00	5.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00
Legal	-	-	-	-	1.00	1.00	1.50	1.50	1.50	2.00
Public relations and communications	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Human resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Information services	3.00	3.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Community development	7.20	7.20	7.20	7.20	7.20	7.20	6.00	6.00	6.00	6.00
Codes administration	8.00	9.00	10.00	10.46	11.46	10.46	8.46	8.46	8.46	8.46
Geographic information systems	0.20	0.20	1.20	1.20	1.20	1.20	1.00	1.00	1.00	1.00
Economic development	2.00	2.00	2.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Finance	21.90	21.90	21.90	22.90	22.90	22.90	23.90	22.90	22.90	22.90
Municipal court	4.62	5.62	5.62	5.62	5.62	5.62	6.12	6.12	6.62	6.62
Public Works	12.94	12.94	12.54	12.54	12.14	10.00	9.00	9.00	9.00	9.00
Highways and streets	15.30	15.30	17.30	16.30	16.30	16.30	15.30	15.30	15.30	15.30
Public Safety:										
Administration	2.00	2.00	2.00	2.00	2.00	1.00	1.00	2.00	2.00	2.00
Operations	59.23	59.23	63.00	63.00	66.00	71.00	67.00	78.00	78.00	78.00
Staff services	26.20	26.20	26.20	18.00	17.00	18.00	18.00	30.00	30.00	30.00
Professional standards	7.65	7.65	8.65	15.20	16.20	17.20	16.00	-	-	-
Community/youth outreach	17.50	17.50	17.00	18.65	20.15	20.15	20.00	28.00	28.00	28.00
Parks and recreation										
Administration	5.00	5.00	5.00	5.00	5.50	5.50	5.00	5.00	4.00	4.00
Building maintenance	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
50-Plus Programs	7.47	7.47	7.47	7.99	7.99	7.99	7.24	7.24	7.24	7.24
Parks maintenance	19.60	19.60	20.33	20.33	20.33	20.33	19.71	19.71	19.71	20.21
Recreation	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Swimming pool	-	-	-	-	-	-	-	-	-	-
Water:										
Operations	4.50	5.00	5.00	5.33	5.33	5.33	5.00	5.00	4.00	4.00
Maintenance	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00
Sewer:										
Operations	4.50	5.00	5.00	5.33	5.33	5.33	5.00	5.00	4.00	4.00
Maintenance	4.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Shi-A-Bar treatment plant	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
Central Garage Fund	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Total	258.81	263.81	272.41	272.05	278.65	281.51	268.23	285.23	286.73	289.73

Source: City of Blue Springs Budget

City of Blue Springs, Missouri

Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Police:											
Number of citations issued	9,777	10,162	9,691	10,800	13,296	13,402	12,188	10,506	10,714	10,988	
Public Works:											
Street overlay (lane miles)	8.76	4.50	-	55.00	48.00	36.00	38.00	36.00	27.00	-	
Potholes repaired	8,045	7,181	10,561	6,129	3,650	7,503	3,199	7,888	10,973	6,990	
Crack sealing (sq. yds.)	831,734	1,360,234	717,795	621,927	560,475	273,950	936,577	1,209,825	964,037	522,323	
Slurry seal (sq. yds.)	140,157	199,700	208,517	-	-	-	-	-	-	-	
Parks and Recreation:											
Park shelter reservations	1,117	1,075	1,000	1,222	955	1,243	1,201	1,123	1,111	1,023	
Vesper Hall rentals	142	118	105	62	90	50	64	67	68	88	
Number of participants in recreation programs	173,112	166,991	183,116	160,400	181,675	182,100	180,700	164,464	167,894	172,674	
Community Development:											
Building permits issued	518	507	491	527	460	490	544	648	699	806	
Number of nuisance violations cited	1,537	3,174	2,353	3,051	2,571	3,660	3,912	4,400	4,180	3,781	
Water:											
Number of customers	19,972	19,959	20,134	20,427	20,439	20,356	20,377	20,376	20,475	20,528	
Water main breaks	57	87	84	51	60	76	90	196	67	79	
New water connections	386	391	217	138	48	58	56	42	51	75	
Sewer:											
Number of customers	19,225	19,414	19,742	19,887	19,932	20,073	20,148	20,205	20,395	20,540	
New sewer connections	328	227	212	231	66	68	76	88	127	136	

Source: City of Blue Springs, Missouri

City of Blue Springs, Missouri

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Police:											
Police stations	1	1	1	1	1	1	1	1	1	1	
Police sub-stations	1	2	1	1	2	2	2	2	2	3	
Vehicles	17	17	17	18	18	22	22	24	24	24	
Public Works:											
Total area (square miles)	21.67	22.01	22.01	22.11	22.11	22.11	22.21	22.21	22.21	22.26	
Paved miles	227.00	232.67	239.06	240.31	252.00	252.00	252.00	252.00	300.00	300.00	
Street lights	2,418	2,570	2,613	2,409	2,531	2,535	2,527	2,527	2,527	2,527	
Storm sewers (miles)	82.00	82.60	87.61	88.79	120.00	122.00	118.00	125.00	122.71	121.05	
Parks and Recreation:											
Park acreage - developed & golf course	376.00	376.00	416.00	515.00	515.00	594.00	594.00	594.00	603.00	603.00	
Park acreage - undeveloped & preserved	323.00	323.00	302.00	341.00	341.00	262.00	262.00	262.00	266.00	266.00	
Parks - developed	14	14	14	14	14	14	14	15	15	15	
Parks - undeveloped	4	4	5	7	7	7	7	6	7	7	
Swimming pools	2	2	2	2	2	2	2	2	2	2	
Soccer fields	12	12	11	12	12	12	12	12	12	12	
Tennis courts	20	20	20	20	20	20	20	20	20	20	
Skate parks	1	2	2	2	2	2	2	2	2	2	
Baseball fields	6	6	8	8	8	8	8	8	8	8	
Softball fields	15	15	14	15	15	15	15	15	15	15	
Miles of walking/bike trails	10	15	15	15	17	17	17	15	17	17	
Community centers	2	1	1	1	1	1	1	1	1	1	
Conference centers	1	1	1	1	1	1	1	1	1	1	
Public golf courses	1	1	1	1	1	1	1	1	1	1	
Football fields	-	-	3	3	3	3	3	3	3	3	
BMX race track	-	-	1	1	1	1	1	1	1	1	
Basketball courts	-	-	7	7	7	7	7	7	7	7	
Sand volleyball courts	-	-	14	14	11	11	11	14	11	10	
Picnic shelters	-	-	18	18	18	18	18	18	18	18	
Playgrounds	-	-	15	15	15	15	15	15	15	15	
Dog park facility	-	-	1	1	1	1	1	1	1	1	
Water:											
Water mains (miles)	229.00	230.00	230.10	232.50	275.00	277.00	277.00	275.50	275.80	276.36	
Fire hydrants	2,213.00	2,280.00	2,305.00	2,350.00	2,377.00	2,406.00	2,429.00	2,434.00	2,349.00	2,369.00	
Average daily consumption (millions of gallons)	5.60	4.50	5.33	4.80	4.70	4.40	4.60	5.70	5.76	4.50	
Sewer:											
Number of treatment plants	2	2	2	2	2	1	1	1	1	1	
Sewer mains (miles)	332.00	332.90	348.01	350.69	274.00	275.00	277.00	272.00	272.45	272.49	
Average daily treatment (millions of gallons)	5.03	3.08	3.35	4.97	5.08	5.90	4.70	4.40	4.30	3.87	
Manhole lined	N/A	N/A	10	96	-	25	27	13	-	-	
Mains line	N/A	N/A	50	88	46	107	198	122	119	119	
Main point repairs	N/A	N/A	14	23	10	8	9	5	8	8	
Chimney seal installed on manhole	N/A	N/A	38	21	-	1	18	7	-	-	

Source: City of Blue Springs, Missouri