

2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

City of Blue Springs, Missouri

Comprehensive Annual Financial Report
Year Ended September 30, 2020

Prepared by:
Finance Department

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City of Blue Springs, Missouri

Principal Officials
September 30, 2020

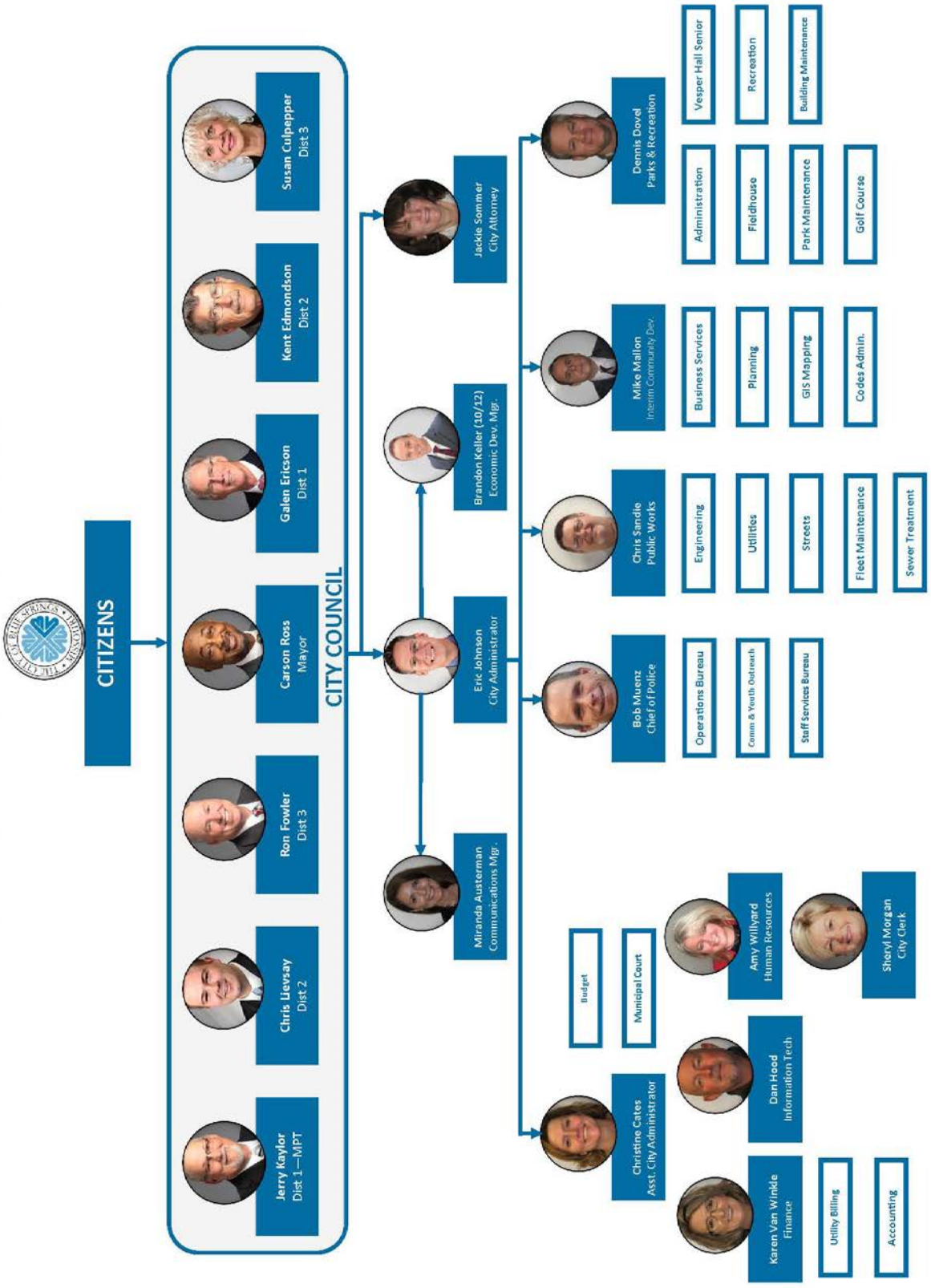
Mayor and City Council

Honorable Carson Ross	Mayor
Honorable Galen Ericson	District I
Honorable John "Jerry" Kaylor	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
Christine Cates	Assistant City Administrator of Finance and Administrative Services
Jacqueline Sommer	City Attorney
Karen Van Winkle	Director of Finance
Dan Hood	Director of Information Technology
Sue Heiman	Director of Human Resources
Bob Muenz	Chief of Police
Christopher Sandie	Director of Public Works
Dennis Dovel	Director of Parks and Recreation
Mike Mallon	Director of Community Development

BLUE SPRINGS CITY COUNCIL & LEADERSHIP TEAM





February 5, 2021

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, 2020, 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 RSM US 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, 2020, 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 Single Audit 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 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 objective of a system of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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.

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 22.27 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 2020 is 55,829.

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 2020-21 budget includes projects totaling an estimated \$10.8 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. Highlights of the approved amount include: \$2.8 million for the Pavement Management Program; \$2.3 million for Water and Sewer system improvements, \$384,000 for sidewalks and \$1.1 million for capital outlay. In addition, the Parks Sales Tax will fund \$2.7 million in projects for FY 2020-21.

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 8,113,165 or 32% of total general fund expenditures. In compliance with the City's Enterprise Fund Policy, a comprehensive rate study was performed in 2019 for both the Water and Sewer Utilities. The study was completed and adopted in July 2019 with increases in rates in October 2019, 2020 and 2021. During 2022, the City will perform another rate study to be implemented over the following three fiscal years.

Major initiatives

In 2015, the City implemented a five-year Strategic Plan that sets forth values, goals and objectives that align with the City's mission to provide high quality core services as well as partner with community and regional organizations to enhance the quality of life for Blue Springs citizens. While the City continues to utilize this document as well as the 2018 Citizen Survey in planning and approving municipal service projects, the COVID-19 pandemic has drastically changed our world over the last year. During the preparation of the 2020-21 budget, estimates have been made about the impact the pandemic will have on city operations over the next year. This is very likely to change as we continue to navigate the situation. In the short-term, the City has taken a very conservative approach to the budget by focusing on maintaining operations of basic municipal services, minimizing the impact to the workforce, taking advantage of the savings related to insurance costs and monitoring revenues closely to identify temporary and long-term changes in the economy and the impact on the City.

The City Council plans to undertake a strategic planning session in the next fiscal year to review the 2015 Strategic Plan Framework and to develop goals and priorities for the next five years. In addition, Council will review the local use tax issue in fiscal year 2021.

The Parks and Recreation Department implemented an Open Space Master Plan to provide guidance and strategic direction for managing the 816 acres of park land located throughout the Blue Springs community as well as addressing programs for both youth and adults. In April 2017 voters approved a five-year ½ cent Parks sales tax to fund approximately \$15 million of the projects identified in the Plan. The City has budgeted \$2.6 million in 2021 for various parks improvements including \$678,700 for Wilbur Young Park, \$601,000 for Hidden Valley Park, \$542,000 for Vesper Hall, \$290,000 for Blue Springs Park and \$500,000 for various other parks.

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, 2019. The City has been the recipient of this award since 1982.

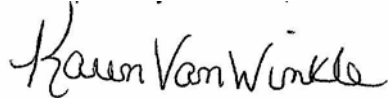
In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our 2020 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, 2019. 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. The City has received this award since 2012.

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,

A handwritten signature in black ink that reads "Karen Van Winkle". The signature is written in a cursive, flowing style.

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, 2019

Christopher P. Morrill

Executive Director/CEO



Independent Auditor's Report

RSM US LLP

To the Honorable Mayor and
Members of the City Council
City of 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 remaining fund information of the City of Blue Springs, Missouri (the City), as of and for the year ended September 30, 2020, 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. 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 remaining fund information of the City of Blue Springs, Missouri, as of September 30, 2020, 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, the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of City Contributions for the Local Government Employees Retirement System, and the budgetary comparison information, as listed in the table of contents, 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.

RSM US LLP

Kansas City, Missouri
February 5, 2021

City of Blue Springs, Missouri

Management's Discussion and Analysis Fiscal Year Ended September 30, 2020

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, 2020. 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.

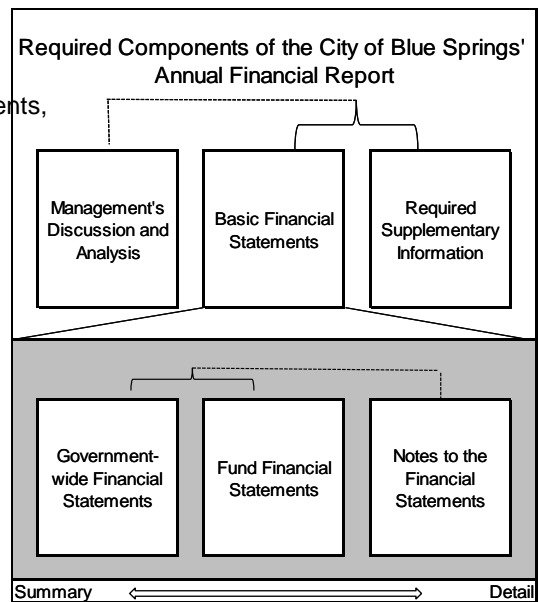
Financial Highlights

- 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 \$176,226,408 (net position). Of this amount, \$18,099,114 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$18.86 million. Business-type activities account for an increase of \$3.57 million in net position while governmental activities net position increased by \$15.3 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$40,634,240, an increase of \$3.1 million in comparison with the prior year.
- Approximately 48.6% or \$19,699,945 of the combined governmental fund balances of \$40,634,240, 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 increased by \$3,299,689, the capital projects fund decreased by \$380,677, TIF funds increased by \$722,000 and other non-major governmental funds decreased by \$553,504.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,113,165 or 32.4% of total general fund expenditures.
- The City's total long-term liabilities decreased by \$2,535,272 or 8.5% during the current fiscal year. The key factor in this decrease was the payoff of principal on debt.

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, 2020

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 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, Golf Course Fund and Fieldhouse Fund are included here.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

The government-wide financial statements can be found on pages 16–18 of this report.

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 19–23 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, Fleet Maintenance, 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 24–31 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 Employees Flexible Benefits, Eastern Jackson County Betterment Council, Adams Dairy Landing Community Improvement District (CID), Woods Chapel CID, White Oak CID, Fall Creek CID, Sunset Plaza CID, North Blue Springs 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 32–33 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 34–69 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, pension schedules, individual fund schedules and individual fund budgetary comparison schedules for non-major governmental funds can be found on pages 70–98 of this report. Statistical Information can be found beginning on page 99.

City of Blue Springs, Missouri

**Management's Discussion and Analysis
Fiscal Year Ended September 30, 2020**

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 \$176,830,539 at September 30, 2020.

	City of Blue Springs Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 60,073,601	\$ 58,288,833	\$ 47,509,822	\$ 46,057,418	\$ 107,583,423	\$ 104,346,251
Capital assets	123,237,492	114,385,994	79,053,944	79,286,164	202,291,436	193,672,158
Total assets	183,311,093	172,674,827	126,563,766	125,343,582	309,874,859	298,018,409
Deferred outflows of resources	3,868,275	2,916,451	330,761	229,959	4,199,036	3,146,410
Long-term liabilities outstanding	93,124,657	97,844,594	26,154,241	28,538,071	119,278,898	126,382,665
Other liabilities	5,744,061	4,325,269	1,643,219	1,438,851	7,387,280	5,764,120
Total liabilities	98,868,718	102,169,863	27,797,460	29,976,922	126,666,178	132,146,785
Deferred inflows of resources	10,755,559	11,158,628	425,750	493,305	11,181,309	11,651,933
Net position:						
Net investment in capital assets	78,330,229	67,324,094	52,889,750	51,053,164	131,219,979	118,377,258
Restricted	25,519,150	25,743,995	1,388,165	1,545,511	26,907,315	27,289,506
Unrestricted (deficit)	(26,294,288)	(30,805,302)	44,393,402	42,504,639	18,099,114	11,699,337
Total net position	\$ 77,555,091	\$ 62,262,787	\$ 98,671,317	\$ 95,103,314	\$ 176,226,408	\$ 157,366,101

The largest portion of the City's net position \$131,219,979 (74%) 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 \$26,907,315 (15%) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position totals \$18,099,114 (11%) 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, 2020

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

	City of Blue Springs' Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 5,112,022	\$ 6,191,079	\$ 22,646,791	\$ 22,210,432	\$ 27,758,813	\$ 28,401,511
Operating grants and contributions	1,833,776	901,885	-	-	1,833,776	901,885
Capital grants and contributions	10,392,626	2,378,011	144,739	276,103	10,537,365	2,654,114
General revenues:						
Property taxes	6,303,805	6,356,809	-	-	6,303,805	6,356,809
General sales and use tax	22,598,463	21,791,422	-	-	22,598,463	21,791,422
Franchise tax	4,428,829	4,591,354	-	-	4,428,829	4,591,354
Intergovernmental activity taxes	4,687,553	5,222,871	-	-	4,687,553	5,222,871
Motor vehicle tax	1,826,151	1,896,881	-	-	1,826,151	1,896,881
Hotel tax	423,550	548,466	-	-	423,550	548,466
Other taxes	445,081	411,062	-	-	445,081	411,062
Unrestricted investment earnings	598,571	952,152	1,160,779	1,223,338	1,759,350	2,175,490
Gain on sale of assets	541,444	-	-	-	541,444	-
Other	610,253	555,846	-	-	610,253	555,846
Total revenues	59,802,124	51,797,838	23,952,309	23,709,873	83,754,433	75,507,711
Expenses:						
General government	6,657,046	7,269,330	-	-	6,657,046	7,269,330
Public works	935,938	700,843	-	-	935,938	700,843
Highways and streets	9,327,948	11,198,828	-	-	9,327,948	11,198,828
Public safety	15,878,979	15,706,926	-	-	15,878,979	15,706,926
Parks and recreation	5,607,363	4,845,702	-	-	5,607,363	4,845,702
Economic development	813,949	945,637	-	-	813,949	945,637
Water	-	-	10,692,410	11,037,502	10,692,410	11,037,502
Sewer	-	-	8,331,954	9,959,618	8,331,954	9,959,618
Golf Course	-	-	1,702,350	1,747,726	1,702,350	1,747,726
Non-major: Fieldhouse	-	-	1,273,061	1,228,526	1,273,061	1,228,526
Interest on long-term debt	3,673,128	4,050,603	-	-	3,673,128	4,050,603
Total expenses	42,894,351	44,717,869	21,999,775	23,973,372	64,894,126	68,691,241
Excess (deficiency) before transfers	16,907,773	7,079,969	1,952,534	(263,499)	18,860,307	6,816,470
Transfers	(1,615,469)	(381,393)	1,615,469	381,393	-	-
Change in net position	15,292,304	6,698,576	3,568,003	117,894	18,860,307	6,816,470
Net position, beginning	62,262,787	55,564,211	95,103,314	94,985,420	157,366,101	150,549,631
Net position, ending	\$ 77,555,091	\$ 62,262,787	\$ 98,671,317	\$ 95,103,314	\$ 176,226,408	\$ 157,366,101

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

Governmental activities. Several factors caused net position for governmental activities to increase by \$15,292,304 or 24.7% with revenues in excess of expenses.

Overall revenues increased from fiscal year 2019 by \$8,004,286 due to increases in some revenue categories and decreases in other revenue categories.

- Charges for Services decreased by \$1,079,057 or 17.4% in 2020 due to impacts of the coronavirus pandemic including parks programs being canceled and the reduction in municipal court fines, public works fees, building permits and plan review fees.
- Operating Grants and Contributions increased by \$931,891 or 103%. This increase was primarily due to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding received for salaries and personal protective equipment in the amount of \$749,454. The City also received a new cyber-crimes grant and a parks recycling grant totaling \$70,000.
- Capital Grants and Contributions increased by \$8,014,615 or 337% primarily due to an increase in contributed capital of \$7.4 million for infrastructure required for various subdivision development throughout the City. The City received \$9.5 million in contributed capital in 2020, with approximately 90% of the infrastructure being related to subdivisions in the City's Neighborhood Improvement District in the southern portion of Blue Springs.
- General Sales and Use Taxes increased by \$807,041 or 3.7%. Though the City saw decreases in taxes for restaurants, bars, and entertainment venues due to the impacts of the Covid-19 pandemic, grocery stores and home improvement stores saw significant increases in FY2020.
- Franchise Tax decreased by \$162,525 or 3.5% primarily due to continued decreases in wireless telecommunications tax revenue and a mild winter that resulted in decreases in taxes related to natural gas utilities.
- Intergovernmental activity taxes decreased by \$535,318 or 10.2% due to the closeout of the Mall at Fall Creek TIF and the closeout of the Coronado Drive TDD where the net TDD revenues were pledged to the Adams Farm TIF.
- Motor vehicle taxes decreased by \$70,730 or 3.7% due to a decline in motor vehicle sales in the spring of 2020 resulting from the coronavirus pandemic.
- Hotel tax decreased by \$124,916 or 22.8% due to decrease in travel and tourism related to the Covid-19 pandemic.
- Unrestricted investment earnings decreased by \$353,581 or 37% due to decreased interest rates resulting from the Covid-19 pandemic.
- Gain on sale of assets increased by \$541,444 due to the sale of a perpetual easement in the amount of \$615,000 for which the City previously held as an annual wireless communications antenna lease.

Overall expenses decreased from fiscal year 2019 by \$1,823,518 due to increases in some functions and decreases in others.

There were significant savings in the following functions and in most categories. Each department reduced expenditures wherever possible throughout the year due to the uncertainty surrounding the Covid-19 pandemic. This included delaying purchases, delaying projects, and leaving vacant positions open until the end of the fiscal year.

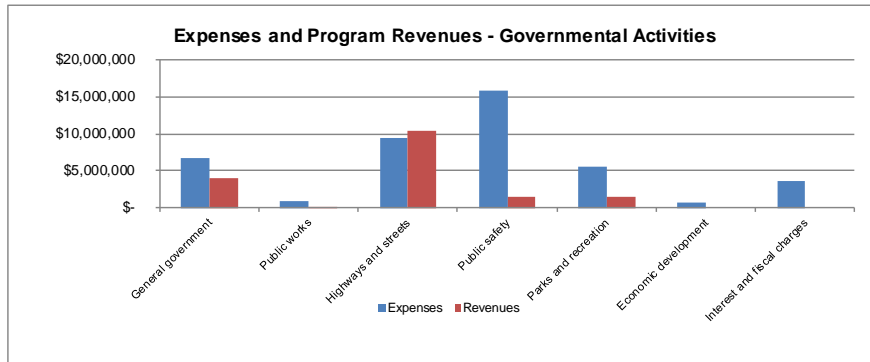
- General Government decreased by \$612,284 or 8.4% from 2019.
- Highways and Streets decreased by \$1.9 million or 17.7% from 2019.
- Parks and Recreation increased \$761,661 or 15.7% from 2019.
- Economic Development decreased \$131,688 or 14% from 2019.

City of Blue Springs, Missouri

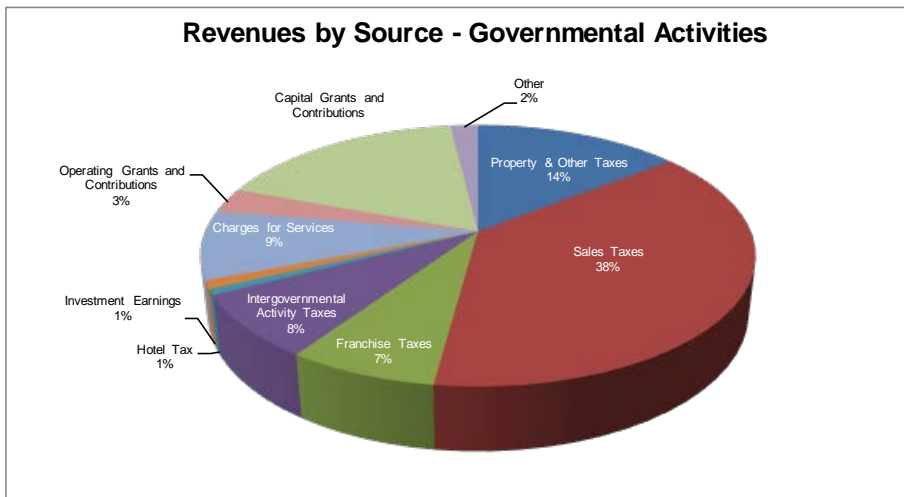
**Management’s Discussion and Analysis
Fiscal Year Ended September 30, 2020**

Public Works increased by \$235,095 or 33.5% from 2019 due to an increase in depreciation. Public Safety increased by \$172,053 or 1% from 2019 primarily due to the purchase of patrol vehicles in fiscal year 2020. Interest and Fiscal Charges decreased by \$377,475 or 9.3% from 2019 primarily due to an increase in interest for the 2015A Special Obligation Bonds.

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



The following table reflects the revenues by source from the City's governmental activities:



Business-type activities. Business-type activities net position increased by \$3,568,003 or 3.8%. Key elements of this increase are as follows:

- Net position for the Water Utility Fund increased by \$749,300. This is primarily due to an increase in revenues related to rate increases, the operating transfer in from the Sewer Utility Fund and a decrease in materials and supplies expenses resulting from projects put on hold due to the coronavirus pandemic.
- Net position for the Sewer Utility Fund increased by \$1,701,058 due to an increase in revenues related to rate increases, a decrease in contractual services for the service agreement with Little Blue Valley Sewer District, a decrease in interest expense related to the 2018 limited obligation bonds refunding and the operating transfer to the Water Utility Fund.

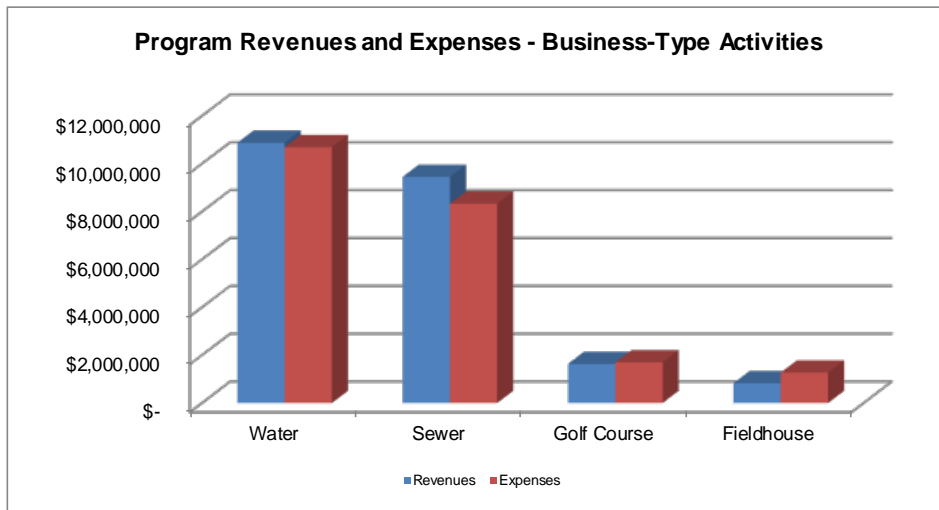
City of Blue Springs, Missouri

Management's Discussion and Analysis

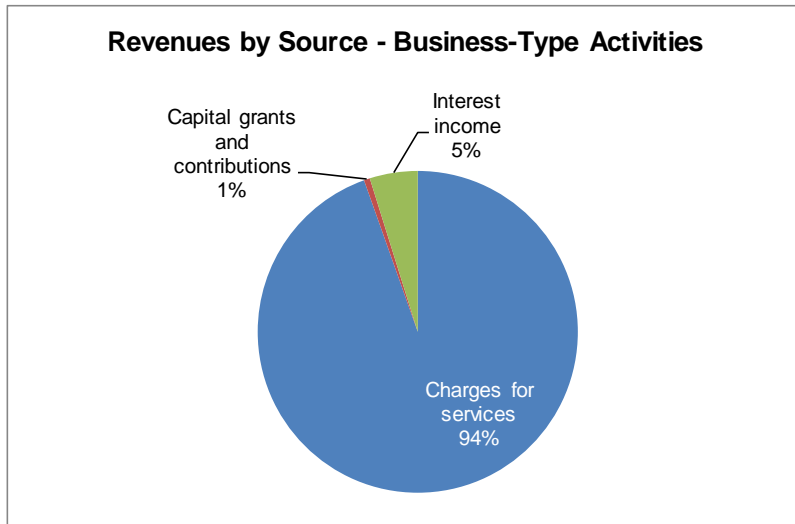
Fiscal Year Ended September 30, 2020

- Net position for the Golf Course increased by \$1,374,287 primarily due to an increase in revenues since golfing was one of the few recreational activities in which residents participate during the coronavirus pandemic. There was also a transfer in from parks sales tax fund of \$1.3 million for parking lot and cart path resurfacing.
- Net position of the Fieldhouse Fund decreased by \$256,642 due to revenues being down due to canceled programs and a decrease in membership revenue.

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:



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.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

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 \$40,634,240 an increase of \$3,087,508 in comparison with the prior year. Approximately 48% or \$19,699,945 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 increased by \$3,299,689, the capital projects fund decreased by \$380,677 and the TIF funds increased by \$722,000.

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 Emergency Reserve is set at 20% 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% 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% 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 increased by \$3,299,689 during the current fiscal year primarily due to expenditures coming in below budget by \$3.4 million. Of this amount \$481,747 is encumbered and will be spent in the next fiscal year.

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 \$3,109,151, which is a decrease of \$380,677 from last year. The fund balance decrease is related to projects being budgeted in previous years but completed in the current year.

The TIF funds are 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 \$7,947,402, which is an increase of \$722,000 from last year. The primary reason for the increase is revenues exceeding debt service expenditures for the Adams Farm and White Oak TIF projects.

The encumbrances for the General Fund decreased to \$481,747 from \$905,177 for a difference of \$423,430. The notable purchase orders carried over for 2020 for Downtown CID. Public Safety Sales Tax Fund encumbrances decreased to \$291,088 from \$354,280 for a difference of \$63,192. The notable purchase orders carried over are for door and camera security upgrades for the public safety building and new radios. Capital Projects Fund encumbrances increased to \$3,006,728 from \$1,389,672 for a difference of \$1,617,056. The notable purchase orders carried over are for 7 Hwy. sidewalks and traffic signal and the streets and pavement management program.

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

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

Unrestricted net position of the water and sewer funds at the end of the year amounted to \$14,237,801 and \$32,894,656 respectively. The golf course fund has an unrestricted net deficit of \$1,819,903 for an increase in the unrestricted deficit of \$62,591 from last year and the fieldhouse fund has an unrestricted net deficit of \$919,152 for an increase in the unrestricted deficit of \$180,811 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, 2020 were \$28,270,949 or \$253,135 under budget. Expenditures ended the year at \$24,586,311 or \$3,480,146 below the final budget amount of \$28,066,477.

General Fund Revenues came in under budget by \$253,135:

- Taxes exceeded budget by \$407,843 or 2.3%. Sales taxes exceeded budget by \$764,329 while total franchise taxes were \$308,974 below budget.
- Licenses and permits exceeded budget by \$175,169 or 16%. Building permits for the fiscal year was reduced in anticipation of a slowing in construction with the City. Even with the pandemic, new construction remained strong.
- Intergovernmental revenues were below budget by \$90,814 due to a decrease in motor vehicle fuel tax due to people working from home and in general traveling less due to the pandemic.
- Charges for services revenues were below budget by \$459,610 or 35% and was related to all departments with the Parks department being under budget by \$282,304 mostly due to cancellation of programs and events and the closing of the Vesper Hall senior center.
- Administrative Charges were budgeted in the amount of \$1,170,487 from the water fund and \$833,765 from the sewer fund.
- Municipal Court fines and forfeits were below budget by \$331,857 due to the decrease in tickets written throughout the year along with the closure of Municipal Court for several months due to the Covid-19 pandemic and in compliance with orders from the Circuit Court.
- Interest revenue exceeded budget by \$53,364 because the budget number was not adjusted for where we ended the prior year.
- The City received a one-time payment of \$615,000 for the sale of an easement for a cell tower that was not budgeted.

General Fund Expenditures were under budget by \$3,480,146. Of this amount, \$481,747 is encumbered and will be spent in the next fiscal year. Other key factors are noted below:

There were significant savings in every function as well as in every category. Each department reduced expenditures wherever possible throughout the year due to the uncertainty surrounding the Covid-19 pandemic.

- Personal Services were under budget by \$945,245.
- Materials & Supplies were under budget by \$369,495.
- Contractual Services were under budget by \$563,750.
- Capital Outlay was under budget \$178,226.

During the fiscal year, the City Council revised the budget as expenditures were increased \$1,162,165 in the General Fund. Funds appropriation from fund balance was requested resulting in the following budget amendments:

- Increase in appropriations for expenditures related to the Covid-19 pandemic.
- Increase in appropriations for replacement of a police vehicle damaged in the prior fiscal year.
- Carry-over encumbrances from fiscal year 2019 account for \$905,177 of the increase.

Outstanding General Fund encumbrances as of September 30, 2020 totaled \$481,747.

City of Blue Springs, Missouri

**Management's Discussion and Analysis
Fiscal Year Ended September 30, 2020**

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, 2020, amounts to \$202,291,436, 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 increase in the City's investment in capital assets for the current fiscal year was \$8,619,278 or 4.5% (a 0.3% decrease for business-type activities and a 7.7% increase for governmental activities). The increase in governmental activities is primarily due to infrastructure contributed capital of \$9.5 million. For business-type activities, depreciation of \$4.27 million exceeded asset additions (net of retirements) of \$4,021,802.

City of Blue Springs' Capital Assets (Net of Depreciation)						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land and land rights	\$ 18,985,132	\$ 19,001,029	\$ 3,972,531	\$ 4,006,031	\$ 22,957,663	\$ 23,007,060
Construction-in-progress	5,836,537	928,267	1,673,638	-	7,510,175	928,267
Buildings and improvements	24,936,631	26,667,237	10,418,429	10,932,342	35,355,060	37,599,579
Equipment and vehicles	7,775,596	8,899,368	1,155,045	1,361,626	8,930,641	10,260,994
Infrastructure	65,703,596	58,890,093	61,834,301	62,986,165	127,537,897	121,876,258
	\$ 123,237,492	\$ 114,385,994	\$ 79,053,944	\$ 79,286,164	\$ 202,291,436	\$ 193,672,158

Additional information on the City's capital assets can be found in Note 5 on pages 49 – 50 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 \$119,278,898. Of this amount, \$17,515,000 comprises debt backed by the full faith and credit of the government and \$8,925,000 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 \$20,875,000 is subject to annual appropriation by the City and was used to finance the City's golf course and conference center. This debt was refunded in 2014 with new money issued to also fund the new Public Safety building. During 2019, the conference center debt was fully paid. The total Special Obligation Bond debt related to the Adams Farm and White Oak TIFs is \$45,596,530. Subject to annual appropriation, the City collects TIF revenues on behalf of the districts and transfers those revenues for repayment of this debt. The development agreement outstanding debt listed below represents the certified developer costs associated with the 'pay as you go', Hwy 7 & 40 Hwy, Woods Chapel and Copperleaf Village TIFs. 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 of just over \$24.2 million less principal payments of \$9,889,600 resulted in a loan balance of \$14.3 million.

The City's total debt decreased by \$7,103,767 or 6% during the current fiscal year as a result of scheduled debt service payments.

City of Blue Springs' Outstanding Debt Capital Leases, General Obligation Bonds, Revenue Bonds and Long-Term Debt						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Capitalized leases	\$ 986,624	\$ 1,584,931	\$ 171,811	\$ 258,676	\$ 1,158,435	\$ 1,843,607
General obligation bonds	17,515,000	18,580,000	-	-	17,515,000	18,580,000
Compensated absences	1,771,853	1,619,631	155,988	144,474	1,927,841	1,764,105
Development agreements	7,063,833	7,847,426	-	-	7,063,833	7,847,426
Certificates of participation	19,375,000	19,375,000	1,500,000	1,765,000	20,875,000	21,140,000
Neighborhood improvement	-	-	8,925,000	9,625,000	8,925,000	9,625,000
Total OPEB liability	-	500,433	-	57,895	-	558,328
Special obligation bonds	45,596,530	47,441,530	-	-	45,596,530	47,441,530
Discount/premium on issuance	815,817	895,643	1,079,841	1,209,425	1,895,658	2,105,068
LAGERS obligation	-	-	-	-	-	-
State revolving fund	-	-	14,321,601	15,477,601	14,321,601	15,477,601
	\$ 93,124,657	\$ 97,844,594	\$ 26,154,241	\$ 28,538,071	\$ 119,278,898	\$ 126,382,665

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

Missouri statutes limit the amount of general obligation debt that a unit of government can issue to 20% of the total assessed value of taxable property located within the City's boundaries. The legal debt limit for the City is \$204,856,353.

Additional information regarding the City's long-term debt can be found in Note 6 on pages 51–58 of this report.

Economic Factors and Next Year's Budgets and Rates

Over the past five years, the annual budget has been developed based upon Strategic Plan Framework the Council adopted in 2015. While the vision, values, guiding principles, and strategic goals and objectives defined in the plan are still relevant and guide our day to day decisions, the COVID-19 pandemic has drastically changed our world over the last five months. During the preparation of this budget, we have made estimates and drawn conclusions about the impact the pandemic will have on city operations over the next year. This is very likely to change as we continue to navigate these life changing events. In the short-term, we have taken a very conservative approach to the budget by focusing on these core areas:

- Maintain operations of basic municipal services
- Minimize the impact to the work force
- Take advantage of the savings in healthcare, work comp, property & casualty, liability
- Monitor revenues closely to identify temporary and long-term changes in the economy and the impact on the city's various sources and funds

In June 2020, the Jackson County legislature approved an allocation of \$3.3 million to the city from the Coronavirus Aid, Relief, and Economic Security (CARES) act to assist the city in responding to the COVID-19 pandemic. These funds must be under contract and/or spent by December 31, 2021. Both the FY 2019-20 and FY 2020-21 budgets have been/will be amended.

The City Council plans to undertake a strategic planning session in the next fiscal year to review the 2015 Strategic Plan Framework and to develop goals and priorities for the next five years.

The FY 2020-21 budget totals \$68,153,913 representing a decrease of 13% or \$10,217,119 over the FY 2019-20 adopted budget. This decrease is primarily due to a decrease in capital projects and capital outlay. The overall operating budget decreases by 1.72% from the FY 2019-20 adopted budget.

Capital outlay was reduced by 47.66% to allow for planning and being able to react quickly to any emerging trends in declining revenues. The budgets for all funds except debt service fund are reduced as compared the adopted budgets for FY 2019-20. All reductions in planned expenditures are a result of an expected reduction in revenues because of COVID-19.

The revenue budget totals \$69,003,747 less \$849,834 of cash reserves totals \$68,153,913 for planned expenditures. The growth in cash reserves comes primarily from the Parks Sales Tax Fund where revenues are expected to exceed planned improvements in the next fiscal year.

Revenues are expected to decrease in nearly every category in the budget next year in varying amounts and percentages. In the current fiscal year, revenues have primarily declined in the areas of court fines, parks program fees, Fieldhouse fees, water and sewer penalty and reconnection fees, franchise taxes, and licenses and permits.

The City's budget includes a 2.5% salary increase for employees and continues the longevity plan for non-represented employees which rewards employees for their years of service. Employees will receive a 2.5% pay increase upon completion of each five-year increment of employment. The City currently has collective bargaining agreement with the Fraternal Order of Police and the Communications Workers of America.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2020

General fund: Total budgeted expenditures and transfers in the General Fund are estimated at \$26,693,046, a decrease of \$711,263 (2.6%) from the adopted FY 2019-20 expenditures and transfers. The General fund budget projects expenditures will exceed revenues by \$515,572. Unassigned fund balance will be used to fund this difference and can also be used if revenues decline more than anticipated.

General Fund revenues are projected to decrease by 4.48% or \$1,226,834. Taxes are projected to decrease by 5.86% or \$1,036,900 and the largest percentage decrease is in other revenue due to a one-time payment received from the Midwest Public Risk insurance pool in FY 2019-20.

During the current fiscal year, unassigned fund balance in the general fund increased to \$8,113,165. The City has not appropriated this amount in the 2021 fiscal year, but the budget will be amended to appropriate additional funds for capital outlay and to reestablish the Economic Development Department.

Public safety sales tax fund: The voter approved ½ cent public safety sales tax went into effect October 1, 2011 and generates more than \$3 million annually. The total budgeted public safety sales tax expenditures for fiscal year 2021 are \$3,570,393. 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 Sales tax fund has reserves established for mobile data terminal and radio replacements and a \$2.2 million building maintenance fund.

Parks sales tax fund: The voters also approved a five-year ½ cent Parks Sales Tax on April 1, 2017. This tax will fund \$4.2 million in projects for FY 2020-21 and is forecasted to complete more than \$15 million in projects over the five-year term of the sales tax. These revenues are not subject to the current TIF projects.

Utility funds: The City performs water and sewer rate studies every three years with the most recent being completed in 2019. This study resulted in incremental rate increases over the subsequent three years. The rate increases provide funding for ongoing operating costs and capital improvements as well as plans to repay debt. The City will perform another rate study in 2022.

Capital improvements: The adopted budget for capital improvements and outlay for FY 2020-21 recommends capital expenditures totaling \$11,786,332. Highlights of the approved amount include: \$3,800,000 for the Pavement Management Program; \$2.3 million for Water and Sewer system improvements; \$384,000 for sidewalks, and \$1.1 million for capital outlay. In addition, the Parks Sales Tax will fund \$2.7 million in projects for FY 2020-21.

Debt service: The FY 2020-21 budget includes \$14 million for debt service. Of this amount, there is \$5.2 budgeted in TIF funds, \$1.8 in general obligation bonds, \$5.1 in the utility funds and the remaining \$1.9 million in the Fieldhouse, Golf Course and Public Safety Sales Tax Fund. There are no debt issues planned for FY 2020-21

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, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 27,958,761	\$ 24,620,881	\$ 52,579,642
Receivables (net of allowances for uncollectibles):			
Property taxes	9,357,168	-	9,357,168
Other taxes	4,335,279	-	4,335,279
Accounts	508,475	2,749,960	3,258,435
Accrued interest	56,732	72,253	128,985
Miscellaneous	70,668	-	70,668
Internal balances	2,000,350	(2,000,055)	295
Inventories	170,884	378,300	549,184
Prepaid items	736,600	468,796	1,205,396
Special assessments:			
Due in one year	-	2,629,039	2,629,039
Due in more than one year	-	10,275,000	10,275,000
Due from other governments:			
Due in one year	1,537,627	749,498	2,287,125
Due in more than one year	-	6,248,937	6,248,937
Restricted cash and investments	7,963,478	581,883	8,545,361
Net pension asset	5,377,579	735,330	6,112,909
Capital assets:			
Land and construction-in-progress, nondepreciable	24,821,669	5,646,169	30,467,838
Other capital assets, net of depreciation	98,415,823	73,407,775	171,823,598
Total assets	183,311,093	126,563,766	309,874,859
Deferred Outflows of Resources			
Deferred charge on refunding	517,678	85,585	603,263
Pension-related amounts	3,350,597	245,176	3,595,773
Total deferred outflows of resources	3,868,275	330,761	4,199,036
Liabilities			
Accounts payable	2,442,709	951,435	3,394,144
Accrued liabilities	736,015	74,758	810,773
Court bonds	181,654	-	181,654
Accrued interest	974,945	67,191	1,042,136
Customer deposits	1,345,185	509,257	1,854,442
Unearned revenue	63,553	36,260	99,813
Due to other governments	-	4,318	4,318
Noncurrent liabilities:			
Due in one year	3,145,272	2,391,237	5,536,509
Due in more than one year	89,979,385	23,763,004	113,742,389
Total liabilities	98,868,718	27,797,460	126,666,178
Deferred Inflows of Resources			
Property taxes	9,357,168	-	9,357,168
Deferred charge on refunding	-	251,526	251,526
Pension-related amounts	1,398,391	174,224	1,572,615
Total deferred inflows of resources	10,755,559	425,750	11,181,309
Net Position			
Net investment in capital assets	78,330,229	52,889,750	131,219,979
Restricted for:			
Debt service	9,351,898	581,883	9,933,781
Pension	7,329,785	806,282	8,136,067
Public safety building improvements	5,474,018	-	5,474,018
Parks	2,794,379	-	2,794,379
Tourism	447,281	-	447,281
Other	121,789	-	121,789
Unrestricted (deficit)	(26,294,288)	44,393,402	18,099,114
Total net position	\$ 77,555,091	\$ 98,671,317	\$ 176,226,408

See notes to basic financial statements.

City of Blue Springs, Missouri

**Statement of Activities
Year Ended September 30, 2020**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 6,657,046	\$ 3,914,728	\$ 33,375	\$ -
Public works	935,938	82,737	-	-
Highways and streets	9,327,948	-	-	10,388,839
Public safety	15,878,979	909,864	509,567	3,787
Parks and recreation	5,607,363	204,693	1,290,834	-
Economic development	813,949	-	-	-
Interest and fiscal charges	3,673,128	-	-	-
Total governmental activities	42,894,351	5,112,022	1,833,776	10,392,626
Business-type activities:				
Water	10,692,410	10,876,477	-	-
Sewer	8,331,954	9,304,720	-	144,739
Golf course	1,702,350	1,635,983	-	-
Fieldhouse	1,273,061	829,611	-	-
Total business-type activities	21,999,775	22,646,791	-	144,739
Total primary government	\$ 64,894,126	\$ 27,758,813	\$ 1,833,776	\$ 10,537,365

General Revenues

- Taxes:
 - Sales
 - Property
 - Franchise
 - Intergovernmental activity taxes—unrestricted
 - Motor vehicle
 - Hotel
 - Other taxes
- Interest
- Gain on sale of assets
- 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 Activities	Business-Type Activities	Total
\$ (2,708,943)	\$ -	\$ (2,708,943)
(853,201)	-	(853,201)
1,060,891	-	1,060,891
(14,455,761)	-	(14,455,761)
(4,111,836)	-	(4,111,836)
(813,949)	-	(813,949)
(3,673,128)	-	(3,673,128)
<u>(25,555,927)</u>	<u>-</u>	<u>(25,555,927)</u>
-	184,067	184,067
-	1,117,505	1,117,505
-	(66,367)	(66,367)
-	<u>(443,450)</u>	<u>(443,450)</u>
-	<u>791,755</u>	<u>791,755</u>
<u>(25,555,927)</u>	<u>791,755</u>	<u>(24,764,172)</u>
22,598,463	-	22,598,463
6,303,805	-	6,303,805
4,428,829	-	4,428,829
4,687,553	-	4,687,553
1,826,151	-	1,826,151
423,550	-	423,550
445,081	-	445,081
598,571	1,160,779	1,759,350
541,444	-	541,444
610,253	-	610,253
<u>(1,615,469)</u>	<u>1,615,469</u>	<u>-</u>
<u>40,848,231</u>	<u>2,776,248</u>	<u>43,624,479</u>
15,292,304	3,568,003	18,860,307
<u>62,262,787</u>	<u>95,103,314</u>	<u>157,366,101</u>
<u>\$ 77,555,091</u>	<u>\$ 98,671,317</u>	<u>\$ 176,226,408</u>

City of Blue Springs, Missouri

**Balance Sheet
Governmental Funds
September 30, 2020**

	General	Capital Projects	TIF Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 16,293,324	\$ 3,203,425	\$ 1,027,623	\$ 7,434,389	\$ 27,958,761
Receivables, (net of allowances for uncollectibles):					
Property taxes	5,632,488	-	2,356,300	1,368,380	9,357,168
Other taxes	2,198,276	673,732	30,744	1,432,527	4,335,279
Accounts	131,490	363,657	-	-	495,147
Accrued interest	43,447	5,697	7,588	-	56,732
Miscellaneous	-	-	70,668	-	70,668
Due from other funds	3,693	-	312,131	-	315,824
Due from other governments	1,022,193	-	515,434	-	1,537,627
Advances to other funds	2,014,925	326,911	-	-	2,341,836
Prepaid items	662,635	-	-	67,370	730,005
Restricted cash and investments	19,532	-	6,462,599	1,481,347	7,963,478
Total assets	\$ 28,022,003	\$ 4,573,422	\$ 10,783,087	\$ 11,784,013	\$ 55,162,525

(Continued)

City of Blue Springs, Missouri

Balance Sheet (Continued)
 Governmental Funds
 September 30, 2020

	General	Capital Projects	TIF Fund	Other Governmental Funds	Total Governmental Funds
Liabilities, Deferred Inflows of Resources and Fund Balance					
Liabilities:					
Accounts payable	\$ 513,620	\$ 1,389,918	\$ 296,552	\$ 163,215	\$ 2,363,305
Accrued liabilities	666,126	-	-	36,843	702,969
Due to other funds	163,005	74,353	3,398	74,773	315,529
Court bonds	181,654	-	-	-	181,654
Customer deposits	1,345,185	-	-	-	1,345,185
Unearned revenue	63,553	-	-	-	63,553
Total liabilities	2,933,143	1,464,271	299,950	274,831	4,972,195
Deferred inflows of resources:					
Unavailable revenue—property taxes	5,619,230	-	2,356,300	1,366,276	9,341,806
Unavailable revenue—other	15,297	-	179,435	19,552	214,284
Unavailable revenue—intergovernmental	-	-	-	-	-
Total deferred inflows of resources	5,634,527	-	2,535,735	1,385,828	9,556,090
Fund balance:					
Nonspendable:					
Prepaid items	662,635	-	-	67,370	730,005
Interfund advances	2,014,925	-	-	-	2,014,925
Restricted:					
Debt service	-	-	7,947,402	1,404,496	9,351,898
Tourism	-	-	-	447,281	447,281
Public safety building improvements	64,190	-	-	5,409,828	5,474,018
Parks	-	-	-	2,794,379	2,794,379
Other purposes	1,789	120,000	-	-	121,789
Committed:					
Budget stabilization reserve	2,655,556	-	-	-	2,655,556
Emergency reserve	5,311,112	-	-	-	5,311,112
Other purposes	108,682	1,829,228	-	-	1,937,910
Assigned:					
Capital projects	-	1,159,923	-	-	1,159,923
Public safety	6,736	-	-	-	6,736
Other purposes	515,543	-	-	-	515,543
Unassigned	8,113,165	-	-	-	8,113,165
Total fund balance	19,454,333	3,109,151	7,947,402	10,123,354	40,634,240
Total liabilities, deferred inflows of resources and fund balance	\$ 28,022,003	\$ 4,573,422	\$ 10,783,087	\$ 11,784,013	\$ 55,162,525

See notes to basic financial statements.

City of Blue Springs, Missouri

**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
September 30, 2020**

Total governmental fund balances	\$	40,634,240
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Amounts reported for governmental activities in the statement of net position are different because:

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.		123,217,261
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Net pension asset not reported in the funds		5,377,579
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Long-term assets are not available to pay for current period expenditures and are therefore deferred inflows of resources in the fund statements.		198,922
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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. Other long-term liabilities, including accrued compensated absences, are not due and payable in the current period and therefore, are not reported as liabilities in the governmental funds. This amount is the net effect of these differences in the treatment of long-term debt liabilities:

Accrued interest payable	\$ (974,945)	
Accrued compensated absences	(1,771,853)	
Deferred charge on refunding	517,678	
Net discount/premium on bond issues	(815,817)	
Development agreements	(7,063,833)	
Capital lease obligations	(986,624)	
Bonds and certificates of participation	<u>(82,486,530)</u>	(93,581,924)

Pension-related deferred outflows and inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:

Deferred outflows of resources—pension-related amounts		3,350,597
Deferred inflows of resources—pension-related amounts		(1,398,391)

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.

		<u>(243,193)</u>
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Net position of governmental activities

	\$	<u><u>77,555,091</u></u>
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See notes to basic financial statements.

City of Blue Springs, Missouri

Statement of Revenues, Expenditures and Changes in Fund Balances—
Governmental Funds
Year Ended September 30, 2020

	General	Capital Projects	TIF Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 18,115,793	\$ 4,047,326	\$ 1,595,600	\$ 10,274,946	\$ 34,033,665
Intergovernmental activity taxes	-	-	4,687,553	-	4,687,553
Licenses and permits	1,283,648	-	-	-	1,283,648
Intergovernmental revenues	4,309,232	99,900	-	30,000	4,439,132
Charges for services	993,667	-	-	-	993,667
Administrative charges	2,004,252	-	-	-	2,004,252
Fines and forfeits	580,544	-	-	-	580,544
Interest	340,185	56,514	47,418	154,454	598,571
Donations	33,375	-	-	-	33,375
Other	610,253	-	-	-	610,253
Total revenues	28,270,949	4,203,740	6,330,571	10,459,400	49,264,660
Expenditures:					
Current:					
General government	5,770,013	-	-	148,297	5,918,310
Public works	689,064	-	-	-	689,064
Highways and streets	2,650,963	-	-	-	2,650,963
Public safety	11,644,660	-	-	1,795,932	13,440,592
Parks and recreation	3,540,630	-	-	-	3,540,630
Economic development	-	-	450,368	-	450,368
Capital outlay	714,435	5,698,197	-	3,883,080	10,295,712
Debt service:					
Principal retirement	61,490	-	2,992,172	1,663,317	4,716,979
Interest and fiscal charges	-	-	2,136,001	1,452,774	3,588,775
Total expenditures	25,071,255	5,698,197	5,578,541	8,943,400	45,291,393
Excess (deficiency) of revenues over expenditures	3,199,694	(1,494,457)	752,030	1,516,000	3,973,267
Other financing sources (uses):					
Issuance of capital lease	61,500	-	-	-	61,500
Proceeds from sales of capital assets	635,732	-	-	-	635,732
Transfers in	77,849	1,613,780	-	500,000	2,191,629
Transfers out	(675,086)	(500,000)	(30,030)	(2,569,504)	(3,774,620)
Total other financing sources (uses)	99,995	1,113,780	(30,030)	(2,069,504)	(885,759)
Net change in fund balance	3,299,689	(380,677)	722,000	(553,504)	3,087,508
Fund balances, beginning	16,154,644	3,489,828	7,225,402	10,676,858	37,546,732
Fund balances, ending	\$ 19,454,333	\$ 3,109,151	\$ 7,947,402	\$ 10,123,354	\$ 40,634,240

See notes to basic financial statements.

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, 2020**

Total net change in fund balances—governmental funds	\$ 3,087,508
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Amounts reported for governmental activities in the statement of activities are different because:

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	7,873,526
Depreciation expense	(9,213,738)
Proceeds from sale of capital assets	(635,732)
Gain on disposal of capital assets	541,444
Capital assets contributed	10,288,939

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	(292,919)
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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:

Capital lease issuance	(61,500)
Principal payments	3,569,807
Certified developer obligations	(363,579)
Reduction of amount owed for certified developer obligations	1,147,172
Amortization of premium, discount and deferred charges on refunding	52,580
Change in accrued interest payable	(136,933)

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	(152,222)
Pension-related amount, pension expense	(781,577)
OPEB-related amount, OPEB liability write-off	468,832

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.

(99,304)

Change in net position of governmental activities

<u>\$ 15,292,304</u>

See notes to basic financial statements.

City of Blue Springs, Missouri

Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Golf Course
Assets			
Current assets:			
Cash and investments	\$ 13,535,275	\$ 10,377,003	\$ 117,300
Receivables, (net of allowances for uncollectibles):			
Accounts	1,488,120	1,253,645	5,496
Accrued interest	38,179	34,074	-
Special assessments	-	2,629,039	-
Due from other governments	-	749,498	-
Inventory	210,454	37,177	130,669
Prepaid items	236,862	214,915	-
Total current assets	15,508,890	15,295,351	253,465
Noncurrent assets:			
Restricted cash and investments	-	347,696	234,187
Due from other governments	-	6,248,937	-
Noncurrent special assessments	-	10,275,000	-
Advances to other funds	-	1,500,000	-
Net pension asset	371,039	310,695	-
Capital assets:			
Land and construction in progress, nondepreciable	461,622	2,367,196	2,250,443
Other capital assets, net of depreciation	15,956,798	46,353,716	6,574,316
Total noncurrent assets	16,789,459	67,403,240	9,058,946
Total assets	32,298,349	82,698,591	9,312,411
Deferred Outflows of Resources			
Deferred charge on refunding	-	-	85,585
Pension related amounts	123,713	103,593	-
Total deferred outflows of resources	123,713	103,593	85,585
Liabilities			
Current liabilities:			
Accounts payable	673,699	266,293	-
Accrued liabilities	34,493	26,567	-
Accrued interest	-	61,920	5,271
Customer deposits	477,475	-	31,782
Unearned revenue	-	-	36,260
Due to other governments	4,318	-	-
Long-term debt due in one year	17,846	2,004,713	368,678
Total current liabilities	1,207,831	2,359,493	441,991
Noncurrent liabilities:			
Advances from other funds	-	-	2,000,055
Long-term debt	63,258	22,283,550	1,411,164
Total noncurrent liabilities	63,258	22,283,550	3,411,219
Total liabilities	1,271,089	24,643,043	3,853,210
Deferred Inflows of Resources			
Deferred charge on refunding	-	251,526	-
Pension related amounts	87,911	73,614	-
Total deferred inflows of resources	87,911	325,140	-
Net Position			
Net investment in capital assets	16,418,420	24,250,975	7,130,502
Restricted for debt service	-	347,696	234,187
Restricted for pension	406,841	340,674	-
Unrestricted (deficit)	14,237,801	32,894,656	(1,819,903)
Total net position (deficit)	\$ 31,063,062	\$ 57,834,001	\$ 5,544,786

See notes to basic financial statements.

Business-Type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund	
Nonmajor, Fieldhouse	Total		
\$ 591,303	\$ 24,620,881	\$ -	
2,699	2,749,960	13,328	
-	72,253	-	
-	2,629,039	-	
-	749,498	-	
-	378,300	170,884	
17,019	468,796	6,595	
<u>611,021</u>	<u>31,668,727</u>	<u>190,807</u>	
-	581,883	-	
-	6,248,937	-	
-	10,275,000	-	
-	1,500,000	-	
53,596	735,330	-	
566,908	5,646,169	-	
<u>4,522,945</u>	<u>73,407,775</u>	<u>20,231</u>	
<u>5,143,449</u>	<u>98,395,094</u>	<u>20,231</u>	
<u>5,754,470</u>	<u>130,063,821</u>	<u>211,038</u>	
-	85,585	-	
<u>17,870</u>	<u>245,176</u>	<u>-</u>	
<u>17,870</u>	<u>330,761</u>	<u>-</u>	
11,443	951,435	79,404	
13,698	74,758	33,046	
-	67,191	-	
-	509,257	-	
-	36,260	-	
-	4,318	-	
-	2,391,237	-	
<u>25,141</u>	<u>4,034,456</u>	<u>112,450</u>	
1,500,000	3,500,055	341,781	
5,032	23,763,004	-	
<u>1,505,032</u>	<u>27,263,059</u>	<u>341,781</u>	
<u>1,530,173</u>	<u>31,297,515</u>	<u>454,231</u>	
-	251,526	-	
<u>12,699</u>	<u>174,224</u>	<u>-</u>	
<u>12,699</u>	<u>425,750</u>	<u>-</u>	
5,089,853	52,889,750	20,231	
-	581,883	-	
58,767	806,282	-	
<u>(919,152)</u>	<u>44,393,402</u>	<u>(263,424)</u>	
<u>\$ 4,229,468</u>	<u>\$ 98,671,317</u>	<u>\$ (243,193)</u>	

City of Blue Springs, Missouri

Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds		
	Major Funds		
	Water Utility	Sewer Utility	Golf Course
Revenues:			
Charges for services	\$ 10,785,338	\$ 9,288,470	\$ 1,632,553
Other	91,139	16,250	3,430
Total operating revenues	10,876,477	9,304,720	1,635,983
Operating expenses:			
Personnel services	1,235,857	965,286	563,032
Administrative and support services	1,170,487	833,765	-
Materials and supplies	233,545	692,203	267,135
Purchased water and sewer services	6,114,223	2,081,668	-
Contractual services	867,643	113,035	503,245
Utilities	48,706	427,889	-
Depreciation	1,013,299	2,575,696	289,200
Total operating expenses	10,683,760	7,689,542	1,622,612
Operating income (loss)	192,717	1,615,178	13,371
Nonoperating revenues (expenses):			
Interest income	284,744	398,596	1,653
Interest income—special assessments	-	465,446	-
Interest expense and fiscal charges	-	(609,920)	(79,738)
Loss on sale of capital assets	(8,650)	(32,492)	-
Total nonoperating revenues (expenses)	276,094	221,630	(78,085)
Income (loss) before capital contributions and transfers	468,811	1,836,808	(64,714)
Capital contributions	-	144,739	-
Transfers in	280,489	-	1,439,001
Transfers out	-	(280,489)	-
Change in net position	749,300	1,701,058	1,374,287
Net position (deficit), beginning of year	30,313,762	56,132,943	4,170,499
Net position (deficit), end of year	\$ 31,063,062	\$ 57,834,001	\$ 5,544,786

See notes to basic financial statements.

Business-Type Activities - Enterprise Fund		Total	Governmental
Nonmajor, Fieldhouse	Activities - Internal Service Fund		
\$ 804,810	\$ 22,511,171	\$ 1,012,295	
24,801	135,620	-	
829,611	22,646,791	1,012,295	
422,122	3,186,297	233,082	
-	2,004,252	-	
100,674	1,293,557	551,740	
-	8,195,891	-	
74,574	1,558,497	283,513	
110,556	587,151	1,511	
389,289	4,267,484	9,275	
1,097,215	21,093,129	1,079,121	
(267,604)	1,553,662	(66,826)	
10,340	695,333	-	
-	465,446	-	
(175,846)	(865,504)	-	
-	(41,142)	-	
(165,506)	254,133	-	
(433,110)	1,807,795	(66,826)	
-	144,739	-	
176,468	1,895,958	-	
-	(280,489)	(32,478)	
(256,642)	3,568,003	(99,304)	
4,486,110	95,103,314	(143,889)	
\$ 4,229,468	\$ 98,671,317	\$ (243,193)	

City of Blue Springs, Missouri

**Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Golf Course
Cash flows from operating activities:			
Receipts from customers and users	\$ 10,706,219	\$ 9,210,134	\$ 1,665,162
Payments to suppliers and service providers	(8,405,233)	(3,942,576)	(738,442)
Payments to employees	(1,223,948)	(954,402)	(563,032)
Net cash provided by (used in) operating activities	1,077,038	4,313,156	363,688
Cash flows from noncapital financing activities:			
Increase in interfund advances	-	-	-
Transfers in	280,489	-	1,439,001
Transfers out	-	(280,489)	-
Net cash provided by (used in) noncapital financing activities	280,489	(280,489)	1,439,001
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(205,807)	(2,169,293)	(1,371,900)
Proceeds on sale of capital assets	-	-	-
Intergovernmental grants	-	558,035	-
Special assessments received	-	1,250,121	-
Principal payments on debt	-	(1,856,000)	(349,508)
Interest payments on debt and interfund loans	-	(753,805)	(85,109)
Net cash used in capital and related financing activities	(205,807)	(2,970,942)	(1,806,517)
Cash flows from investing activities:			
Sale of investments	2,758,000	905,000	-
Interest on special assessments	-	465,446	-
Interest on investments	211,816	351,788	1,653
Net cash provided by investing activities	2,969,816	1,722,234	1,653
Net increase (decrease) in cash and cash equivalents	4,121,536	2,783,959	(2,175)
Cash and cash equivalents, beginning of year	1,126,153	1,385,394	353,662
Cash and cash equivalents, end of year	<u>\$ 5,247,689</u>	<u>\$ 4,169,353</u>	<u>\$ 351,487</u>

(Continued)

Business-Type Activities - Enterprise Fund		Total	Governmental Activities - Internal Service Fund		
Nonmajor, Fieldhouse					
\$	826,912	\$	22,408,427	\$	1,008,556
	(303,671)		(13,389,922)		(820,044)
	(411,005)		(3,152,387)		(238,160)
	112,236		5,866,118		(49,648)
	-		-		88,460
	176,468		1,895,958		-
	-		(280,489)		(32,478)
	176,468		1,615,469		55,982
	(380,685)		(4,127,685)		(6,334)
	51,279		51,279		-
	-		558,035		-
	-		1,250,121		-
	(2,357)		(2,207,865)		-
	(175,846)		(1,014,760)		-
	(507,609)		(5,490,875)		(6,334)
	-		3,663,000		-
	-		465,446		-
	10,340		575,597		-
	10,340		4,704,043		-
	(208,565)		6,694,755		-
	799,868		3,665,077		-
\$	591,303	\$	10,359,832	\$	-

City of Blue Springs, Missouri

**Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Golf Course
Reconciliation of amounts reported on the statement of net position:			
Cash and cash equivalents	\$ 5,247,689	\$ 4,169,353	\$ 351,487
Investments	8,287,586	6,555,346	-
Total cash and investments	\$ 13,535,275	\$ 10,724,699	\$ 351,487
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 192,717	\$ 1,615,178	\$ 13,371
Adjustments to reconcile operating (loss) to net cash provided by operating activities:			
Depreciation	1,013,299	2,575,696	289,200
(Increase) decrease in accounts receivable	(180,131)	(94,586)	(5,496)
(Increase) decrease in inventories	(66,765)	(8,987)	29,725
(Increase) decrease in prepaid items	72,793	62,083	2,213
Increase (decrease) in accounts payable	23,343	152,888	-
Increase (decrease) in accrued expenses	12,679	5,458	-
Increase (decrease) in customer deposits	14,375	-	22,345
Increase (decrease) in unearned revenue	(4,502)	-	12,330
Increase (decrease) in other postemployment benefits	(33,878)	(21,226)	-
Decrease (increase) in LAGERS net pension asset	33,108	26,652	-
Net cash provided by (used in) operating activities	\$ 1,077,038	\$ 4,313,156	\$ 363,688
Supplemental Information, noncash capital and related financing activities, capital assets included in accounts payable at year end	\$ -	\$ 53,690	\$ -
Supplemental Information, noncash capital and related financing activities, capital contributions	\$ 63,844	\$ 654,354	\$ -

See notes to basic financial statements.

Business-Type Activities - Enterprise Fund		Total	Governmental Activities - Internal Service Fund	
Nonmajor, Fieldhouse				
\$ 591,303	\$ 10,359,832	\$ -		
-	14,842,932	-		
<u>\$ 591,303</u>	<u>\$ 25,202,764</u>	<u>\$ -</u>		
\$ (267,604)	\$ 1,553,662	\$ (66,826)		
389,289	4,267,484	9,275		
(2,699)	(282,912)	(3,739)		
-	(46,027)	(16,934)		
1,206	138,295	3,623		
(19,073)	157,158	30,031		
2,030	20,167	3,691		
-	36,720	-		
-	7,828	-		
(151)	(55,255)	(8,769)		
9,238	68,998	-		
<u>\$ 112,236</u>	<u>\$ 5,866,118</u>	<u>\$ (49,648)</u>		
<u>\$ -</u>	<u>\$ 53,690</u>	<u>\$ -</u>		
<u>\$ -</u>	<u>\$ 718,198</u>	<u>\$ -</u>		

City of Blue Springs, Missouri

**Statement of Net Position—Fiduciary Funds
September 30, 2020**

	Blue Springs Land Bank Agency Trust Fund	Agency Funds
Assets		
Cash and investments	\$ 86,477	\$ 850,550
Taxes receivable	-	657,119
Land held for resale	296,405	-
	<hr/>	<hr/>
Total assets	\$ 382,882	\$ 1,507,669
Liabilities		
Trade accounts payable	\$ -	\$ 1,968
Due to other funds	-	295
Due to other governments	-	1,441,094
Customer deposits	28,170	-
Membership and employee flexible benefits deposits	-	64,312
	<hr/>	<hr/>
Total liabilities	\$ 28,170	\$ 1,507,669
Net Position		
Restricted for land	<hr/> \$ 354,712 <hr/>	

See notes to basic financial statements.

City of Blue Springs, Missouri

Statement of Changes in Net Position—Fiduciary Funds
Year Ended September 30, 2020

	Blue Springs Land Bank Agency Trust Fund
Additions	
Property taxes	\$ 48,835
Interest income	1,444
Other income	12,864
Contributed capital	51,739
Gain on sale of capital assets	161,901
Total additions	<u>276,783</u>
Deductions	
Administrative expenses	18,169
Remittance of special assessment collections on land sale to Sewer Fund	686,931
Total deductions	<u>705,100</u>
Change in net position	(428,317)
Net position held in trust for Land Bank, beginning	<u>783,029</u>
Net position held in trust for Land Bank, ending	<u>\$ 354,712</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 Accounting 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, and provides services exclusively to the City. The TIF has been reported as a major capital projects fund within the City's financial statements. 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, because the Agency provides services entirely to the City. 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 Accounting Policies (Continued)

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.

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.

Capital Projects Fund accounts for resources used for the acquisition and/or construction of capital facilities, except those accounted for in proprietary funds.

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

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 Accounting Policies (Continued)

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.

The City reports one nonmajor proprietary fund:

Fieldhouse Fund: Accounts for indoor recreational space related to all recreation activity services. All activities to provide these services are accounted for in this fund, including, but not limited to, administration, operations, maintenance and financing.

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.

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 Jackson County.

Agency Funds: The City maintains ten agency funds, the 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, Woods Chapel CID, Sunset Plaza CID, Fall Creek CID, White Oak CID and North Blue Springs 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.

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 Accounting Policies (Continued)

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 and pensions, 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.

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.

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 Accounting Policies (Continued)

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 and investment 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, and pooled cash and investments are considered cash equivalents.

Most of the City's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. See Note 2 for additional information regarding fair value measures.

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 \$69,376 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, 2020, the City had \$13,394,039 in special assessments receivable in the Sewer Utility 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 Accounting Policies (Continued)

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.

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 acquisition value at the time received. Capital assets are defined by the City 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 costs associated with constructed assets are expensed as incurred.

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 Accounting Policies (Continued)

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

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 City 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) until then. The City has two items that qualify for reporting in this category. The first 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. The second deferred outflow item consists of unrecognized items not yet charged to pension expense related to the net pension asset and contributions paid by the City after the measurement date but before the end of the City's reporting period.

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, 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. The City's government-wide and proprietary fund statements include the unamortized portion of the difference between expected and actual experience, changes in assumptions and the change in proportion and differences between the City's contributions and proportionate share of contributions all related to the net pension asset. They also include a deferred charge on refunding, as previously defined.

Pensions: For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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 Accounting Policies (Continued)

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% of the hours up to 500 hours and 20% 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.

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 exclude \$20,197,500 of the Special Obligation bonds as they were for purposes other than capital asset additions for 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 \$447,281 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.

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 Accounting Policies (Continued)

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 unassign amounts in this category.

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% of the prior year's budgeted General Fund expenditures. The 30% is divided into two reserve categories, the emergency reserve at 20% and the budget stabilization reserve at 10%. These reserves were established as committed fund balance by the City Council with Resolution 60-2011. 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% 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, all of which are considered sufficiently specific and nonroutine. 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.

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 Accounting Policies (Continued)

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 amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Note 2. Deposits and Investments

As of September 30, 2020, the carrying values of deposits and investments are summarized as follows:

Investments:	
Short-term investments (money market mutual fund)	\$ 8,995,905
U.S. agency securities	20,666,096
Repurchase agreement	<u>26,541,000</u>
Total investments	56,203,001
Deposits*	(303,971)
Certificates of deposit	<u>6,163,000</u>
Total	<u><u>\$ 62,062,030</u></u>

* Deposits were overdrawn due to outstanding checks are year-end.

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

	Government- Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Cash and investments	\$ 52,579,642	\$ 937,027	\$ 53,516,669
Restricted cash and investments	8,545,361	-	8,545,361
Cash and investments	<u>\$ 61,125,003</u>	<u>\$ 937,027</u>	<u>\$ 62,062,030</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 2. Deposits and Investments (Continued)

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% 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 reported at 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, 2020 consisted of Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association investments.

Fair value measurements: The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input: Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input: Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input: Inputs that are unobservable for the asset or liability which are typically based upon the City's own assumptions as there is little, if any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Government agency securities: U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out to 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading, and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium-term notes.

The City has no assets reported at fair value on a nonrecurring basis and no other investments meeting the fair value disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 72.

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, 2020
Federal Home Loan Banks (FHLB)	\$ 8,109,225	Aaa
Federal National Mortgage Association (FNMA)	2,652,848	Aaa
Federal Home Loan Mortgage Corporation (FHLMC)	2,020,934	Aaa
Short-term investments (money market mutual fund)	8,995,905	Aaa
Federal Farm Credit Banks Funding Corp (FFCB)	7,883,089	Aaa
Repurchase agreement	26,541,000	Aaa
	<u>\$ 56,203,001</u>	

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, 2020, 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, 2020. Investments in government agency securities and U.S. treasuries are registered in the name of the City, or held in money market mutual funds, and therefore, are not exposed to custodial credit risk.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 2. Deposits and Investments (Continued)

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, 2020, the City's investments had the following maturities:

	Investment Maturities (in years)			Fair Value Hierarchy Level
	Fair Value	Less Than 1	1 - 5	
Investments recorded at fair value:				
Debt securities, U.S. agencies				
FHLB	\$ 8,109,225	\$ 5,791,667	\$ 2,317,558	2
FNMA	2,652,848	2,652,848	-	2
FHLMC	2,020,934	2,020,934	-	2
FFCB	7,883,089	6,349,084	1,534,005	2
Investments recorded at cost:				
Short-term investments (money market mutual fund)	8,995,905	8,995,905	-	
Repurchase agreement	26,541,000	26,541,000	-	
Total	<u>\$ 56,203,001</u>	<u>\$ 52,351,438</u>	<u>\$ 3,851,563</u>	

The short-term investments (money market mutual fund) are presented as an investment with a maturity of less than one-year because they are redeemable in full immediately.

Concentration of credit risk: As of September 30, 2020, approximately 28% of the City's investments were issued by Federal Farm Credit Banks Funding Corp and Federal Home Loan Banks. These securities represent 14% each of the City's total investments.

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. On January 1, a lien attaches to all property. Property taxes are billed in total by November 1 following the levy date and considered delinquent after December 31. Property taxes are recognized as a receivable at the time they become an enforceable legal claim (the lien date), and revenue is recognized in the year for which the property tax is levied. 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, 2019 on which the fiscal year ended September 30, 2020, levy was based, was \$1,024,281,766. During the year ended September 30, 2020, the City collected approximately 98% of property taxes which were levied in the period.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 3. Tax Revenues and Taxes Receivable (Continued)

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, 2020 were as follows:

	Levy (Dollars)
General Fund	\$ 0.4963
Debt Service Fund	0.1500
Total	\$ 0.6463

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. Interfund Activity

Interfund transfers for the year were as follows:

Transfers To	Transfers From						Total
	General Fund	TIF Fund	Capital Projects Fund	Nonmajor Governmental Funds	Sewer Fund	Internal Service Fund	
General Fund	\$ -	\$ 30,030	\$ -	\$ 15,341	\$ -	\$ 32,478	\$ 77,849
Capital Projects Fund	607,362	-	-	1,006,418	-	-	1,613,780
Nonmajor Governmental Funds	-	-	500,000	-	-	-	500,000
Water Fund	-	-	-	-	280,489	-	280,489
Golf Course Fund	67,102	-	-	1,371,899	-	-	1,439,001
Fieldhouse Fund	622	-	-	175,846	-	-	176,468
Total	\$ 675,086	\$ 30,030	\$ 500,000	\$ 2,569,504	\$ 280,489	\$ 32,478	\$ 4,087,587

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 \$1,170,487 and \$833,765, respectively. In the General fund, these charges are reported as administrative charges revenue. In the Water and Sewer funds these charges are reported as administrative and support services expenses.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 4. Interfund Activity (Continued)

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

Interfund Receivables	Interfund Payables					Total
	General	Capital Projects	TIF	Nonmajor Governmental Fund	Agency Fund	
General Fund	\$ -	\$ -	\$ 3,398	\$ -	\$ 295	\$ 3,693
TIF	163,005	74,353	-	74,773	-	312,131
Total	\$ 163,005	\$ 74,353	\$ 3,398	\$ 74,773	\$ 295	\$ 315,824

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

Advance to Other Funds	Advance From Other Funds			Total
	Golf Course	Central Garage	Fieldhouse Fund	
General Fund	\$ 1,673,144	\$ 341,781	\$ -	\$ 2,014,925
Capital Projects Fund	326,911	-	-	326,911
Sewer Fund	-	-	1,500,000	1,500,000
Total	\$ 2,000,055	\$ 341,781	\$ 1,500,000	\$ 3,841,836

The advances payable of the Golf Course Fund represent advances to the General 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 \$2,014,925. The City Council has passed a resolution requiring the advanced funds to be repaid when the corresponding debt has been paid off. Repayment will begin in 2025. The advances payable of the Fieldhouse represent a loan payable to the Sewer Fund. In May 2014, the City Council approved the purchase of the Sports City building to be renovated into a recreation center for the residents of Blue Springs. On June 16, 2014 Council made an offer to purchase the facility for \$1.9 million. On July 7, 2014 Council approved the funding of the \$4.5 million project budget as follows: \$3 million from existing fund balances in the General and Capital Projects Funds and \$1.5 million through an inter-fund loan from the Sewer Fund. The loan from the Sewer Fund will be repaid by the Hotel/Motel Tax Fund over a maximum of 15 years at a rate of 3% interest. The borrowing rate of 3% allows the Sewer Fund to receive a rate of return higher than current investment and allows the Fieldhouse project funds to be borrowed below market rates of at least 4%. Staff will evaluate additional revenue sources that might become available to expedite early loan payoff. Such sources could include unreserved fund balances from the General Fund or Capital Projects Fund identified during year-end audits, grants, private donations dedicated for parks/parks facilities and proceeds from the sale of property and/or facilities.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 5. Capital Assets

Capital assets activity for the year ended September 30, 2020, was as follows:

Governmental activities	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land and easements	\$ 19,001,029	\$ 34,801	\$ 50,698	\$ 18,985,132
Construction in progress	928,267	6,940,060	2,031,790	5,836,537
Total capital assets, not being depreciated	<u>19,929,296</u>	<u>6,974,861</u>	<u>2,082,488</u>	<u>24,821,669</u>
Capital assets, being depreciated:				
Buildings and building improvements	44,007,990	170,063	46,835	44,131,218
Equipment and vehicles	22,598,058	790,727	277,207	23,111,578
Infrastructure	213,071,517	12,264,935	-	225,336,452
Total capital assets being depreciated	<u>279,677,565</u>	<u>13,225,725</u>	<u>324,042</u>	<u>292,579,248</u>
Less accumulated depreciation for:				
Buildings and building improvements	17,340,753	1,871,398	17,564	19,194,587
Equipment and vehicles	13,698,690	1,900,183	262,891	15,335,982
Infrastructure	154,181,424	5,451,432	-	159,632,856
Total accumulated depreciation	<u>185,220,867</u>	<u>\$ 9,223,013</u>	<u>\$ 280,455</u>	<u>194,163,425</u>
Total capital assets being depreciated, net	<u>94,456,698</u>			<u>98,415,823</u>
Governmental activities capital assets, net	<u><u>\$ 114,385,994</u></u>			<u><u>\$ 123,237,492</u></u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 5. Capital Assets (Continued)

Business-type activities	Beginning Balance	Increases	Transfers/ Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,006,031	\$ -	\$ 33,500	\$ 3,972,531
Construction in progress	-	1,673,638	-	1,673,638
Total capital assets, not being depreciated	<u>4,006,031</u>	<u>1,673,638</u>	<u>33,500</u>	<u>5,646,169</u>
Capital assets, being depreciated:				
Buildings and building improvements	18,687,285	126,623	-	18,813,908
Equipment and vehicles	4,888,311	156,441	21,104	5,023,648
Infrastructure	115,064,463	2,119,704	-	117,184,167
Total capital assets being depreciated	<u>138,640,059</u>	<u>2,402,768</u>	<u>21,104</u>	<u>141,021,723</u>
Less accumulated depreciation for:				
Buildings and building improvements	7,754,943	640,536	-	8,395,479
Equipment and vehicles	3,526,685	355,380	13,462	3,868,603
Infrastructure	52,078,298	3,271,568	-	55,349,866
Total accumulated depreciation	<u>63,359,926</u>	<u>\$ 4,267,484</u>	<u>\$ 13,462</u>	<u>67,613,948</u>
Total capital assets being depreciated, net	<u>75,280,133</u>			<u>73,407,775</u>
Business-type activities capital assets, net	<u>\$ 79,286,164</u>			<u>\$ 79,053,944</u>

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

Governmental activities:	
General government	\$ 428,922
Highways and streets	5,463,773
Public safety	2,153,757
Parks and recreation	1,167,286
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the asset	<u>9,275</u>
Total depreciation expense for governmental activities	<u>\$ 9,223,013</u>
Business-type activities:	
Water utility	\$ 1,013,299
Sewer utility	2,575,696
Golf course	289,200
Fieldhouse	<u>389,289</u>
Total depreciation expense for business-type activities	<u>\$ 4,267,484</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations

The following is a summary of changes in long-term debt and other obligations of the City for the year ended September 30, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences*	\$ 1,619,631	\$ 1,448,418	\$ 1,296,196	\$ 1,771,853	\$ 1,296,196
General obligation bonds	18,580,000	-	1,065,000	17,515,000	1,105,000
Certificates of participation	19,375,000	-	-	19,375,000	-
Special obligation bonds	47,441,530	-	1,845,000	45,596,530	115,000
Net discount/premium on issuances	895,643	-	79,826	815,817	-
Development agreements	7,847,426	363,579	1,147,172	7,063,833	-
Capital lease obligations	1,584,931	61,500	659,807	986,624	629,076
Total OPEB liability*	500,433	-	500,433	-	-
	<u>97,844,594</u>	<u>1,873,497</u>	<u>6,593,434</u>	<u>93,124,657</u>	<u>3,145,272</u>
Business-type activities:					
Compensated absences	144,474	163,496	151,982	155,988	33,859
Certificates of participation	1,765,000	-	265,000	1,500,000	280,000
Special assessment-neighborhood improvement bonds	9,625,000	-	700,000	8,925,000	810,000
Net discount/premium on issuances	1,209,425	-	129,584	1,079,841	-
Capital lease obligations	258,676	-	86,865	171,811	88,678
Sewer revenue bonds (direct borrowing)	15,477,601	-	1,156,000	14,321,601	1,178,700
Total OPEB liability	57,895	-	57,895	-	-
	<u>28,538,071</u>	<u>163,496</u>	<u>2,547,326</u>	<u>26,154,241</u>	<u>2,391,237</u>
Total primary government	\$ 126,382,665	\$ 2,036,993	\$ 9,140,760	\$ 119,278,898	\$ 5,536,509

* Primarily liquidated by the General Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations (Continued)

Governmental activities, general obligation bonds, certificates of participation and special obligation bonds as of September 30, 2020 are comprised of the following:

General obligation bonds:

\$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%	\$ 6,505,000
\$11,915,000 - 2017 General Obligation Refunding Bonds due in installments of \$905,000 to \$1,465,000 through March 1, 2029; interest at 2.3% to 5.0%	11,010,000
Total general obligation bonds	<u>\$ 17,515,000</u>

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%; subject to acceleration if the City defaults; collateral includes remainder of the term of the ground lease in City Hall, City Hall Annex and Public Safety building	<u>\$ 19,375,000</u>
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Special obligation bonds:

\$9,566,530 - 2015B - Adams Farm Project due in full June 1, 2039; interest at 5.25%	\$ 9,566,530
\$38,050,000 - 2015A special obligation bonds - Adams Farm Project in installments of \$5,500,000 to \$18,525,000 through June 1, 2039; interest at 4.00% to 5.25%	26,930,000
\$9,265,000 - 2016 special obligation bonds - White Oak Marketplace Project in installments of \$1,635,000 to \$7,630,000 through May 1, 2040; interest at 3.75% to 5.15%	9,100,000
	<u>\$ 45,596,530</u>

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.

On August 18, 2015, the City also issued \$9,566,530 in Subordinate Special Obligation Tax Increment and Special Districts Bonds, Series 2015B, maturing June 1, 2039 with an interest rate of 5.25%. The Series 2015B Bonds are subordinate to the Series 2015A Bonds and are only paid after certain conditions are met. These bonds are being held by Blue Springs Development Three, LLC and are paid according to the simplified version of the revenue waterfall below:

1. To the Interest Account of the debt service fund to pay interest on the next interest payment date for the 2015A Bonds.
2. To the Principal Account of the debt service fund to pay principal due on the next principal payment date for the 2015A Bonds.
3. To the Redemption Account to redeem bonds up to the amounts shown in Case 1 Scenario of the 2015A Bond repayment schedule.
4. To the Debt Service Reserve Fund, if the DSRF isn't full (*the DSRF Fund is full as of year-end*).
5. 50% of remaining revenues to pay interest on the Series B developer bonds.
6. 50% of remaining revenues to redeem additional Series A Bonds over and above Case 1 Scenario of the 2015A Bond repayment schedule.
7. If the Series 2015A Bonds are fully paid off and there are no Additional Parity Bonds outstanding, all remaining revenues flow to the Series B developer bonds.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. 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 \$38.05 million in Series 2015A and \$9.566 million in Series 2015B 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.

On December 29, 2016, the City issued \$9,265,000 in Special Obligation Revenue Bonds, Series 2016, maturing May 1, 2040 with interest rates of 3.75 and 7.15%. The Series 2016 bond proceeds were used for the White Oak Marketplace Project which was completed as of December 31, 2017.

Additionally, the City has entered into certain developer agreements (four as of September 30, 2020) 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, 2020, total principal remaining on the Special Obligation Bonds was \$45,596,530 million and the outstanding developer obligations was \$7,063,833. The bonds are scheduled to mature at varying amounts through 2039 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 \$5,128,173. Incremental revenues from the City included \$1,595,600 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, 2020 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%; subject to acceleration if the City defaults; collateral includes remainder of the term of the ground lease in City Hall, City Hall Annex and Public Safety building

\$ 1,500,000

Special assessments - neighborhood improvement bonds:

Sewer fund, \$9,625,000 - 2018A refunding neighborhood improvement district bonds in installments of \$700,000 to \$1,205,000 through February 15, 2029; interest at 4.0% to 5.0%

\$ 8,925,000

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations (Continued)

On December 10, 2018, the City issued \$9,625,000 in Series 2018A Neighborhood Improvement District Limited General Obligation Refunding Bonds. The proceeds of the issue were used to currently refund the City's Series 2009 Neighborhood Improvement District Limited General Obligation Bonds.

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. These borrowings were used for the upgrade and expansion of the Sni-A-Bar Wastewater Treatment Plant. 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%. 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, 2020, the City has drawn \$24,255,728 from these funds and the outstanding balance of the bonds was \$14,321,601. 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 \$15,616,029. Principal and interest paid for the current year and sewer net revenues for the current year were \$1,386,156 and \$5,544,916, 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% of the annual debt service requirement.

The project was completed during fiscal year 2015, and no additional funds are expected to be drawn. 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% of the debt issued for the expansion. The amount due from the City of Grain Valley as of September 30, 2020 is \$6,998,435 and is recorded as due from other governments on the Sewer Utility Fund statement of net position.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations (Continued)

Debt service requirements on long-term debt with scheduled maturities as of September 30, 2020 are as follows:

Governmental Activities	General Obligation Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
Years ending September 30:				
2021	\$ 1,105,000	\$ 562,494	\$ -	\$ 798,913
2022	1,170,000	510,044	230,000	798,912
2023	1,225,000	464,593	580,000	789,713
2024	1,265,000	415,644	605,000	766,512
2025	1,335,000	364,819	630,000	742,313
2026 - 2030	7,535,000	1,256,644	3,640,000	3,207,812
2031 - 2035	3,880,000	126,503	4,480,000	2,370,813
2036 - 2040	-	-	5,415,000	1,425,800
2041 - 2043	-	-	3,795,000	307,600
	<u>\$ 17,515,000</u>	<u>\$ 3,700,741</u>	<u>\$ 19,375,000</u>	<u>\$ 11,208,388</u>

	Special Obligation Bonds **		Total Governmental Activities	
	Principal	Interest *	Principal	Interest
Years ending September 30:				
2021	\$ 115,000	\$ 448,070	\$ 1,220,000	\$ 1,809,477
2022	145,000	443,757	1,545,000	1,752,713
2023	175,000	438,320	1,980,000	1,692,626
2024	210,000	431,758	2,080,000	1,613,914
2025	240,000	423,882	2,205,000	1,531,014
2026 - 2030	13,490,000	1,998,288	24,665,000	6,462,744
2031 - 2035	-	1,964,725	8,360,000	4,462,041
2036 - 2040	31,221,530	1,964,725	36,636,530	3,390,525
2041 - 2043	-	-	3,795,000	307,600
	<u>\$ 45,596,530</u>	<u>\$ 8,113,525</u>	<u>\$ 82,486,530</u>	<u>\$ 23,022,654</u>

* The interest payment schedule represents estimated future payments. Interest will be calculated every six months with no significant differences expected from the above schedule.

** The 2015B Special Obligation bonds do not have a specified principal and interest maturity schedule. Debt service payments will be made in accordance with the terms of the agreement.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations (Continued)

Business-Type Activities	Certificates of Participation		Neighborhood Improvement Bonds	
	Principal	Interest	Principal	Interest
	Years ending September 30:			
2021	\$ 280,000	\$ 63,250	\$ 810,000	\$ 402,550
2022	285,000	52,050	845,000	361,175
2023	300,000	40,650	885,000	317,925
2024	310,000	28,650	935,000	272,425
2025	325,000	16,250	985,000	224,425
2026 - 2029	-	-	4,465,000	389,950
	<u>\$ 1,500,000</u>	<u>\$ 200,850</u>	<u>\$ 8,925,000</u>	<u>\$ 1,968,450</u>

Business-Type Activities	Sewer Revenue Bonds		Total Business-Type Activities	
	Principal	Interest	Principal	Interest
	Years ending September 30:			
2021	\$ 1,178,700	\$ 213,231	\$ 2,268,700	\$ 679,031
2022	1,201,900	195,227	2,331,900	608,452
2023	1,225,600	176,869	2,410,600	535,444
2024	1,249,700	158,148	2,494,700	459,223
2025	1,274,400	139,059	2,584,400	379,734
2026 - 2030	6,758,400	395,531	11,223,400	785,481
2031	1,432,901	16,363	1,432,901	16,363
	<u>\$ 14,321,601</u>	<u>\$ 1,294,428</u>	<u>\$ 24,746,601</u>	<u>\$ 3,463,728</u>

Business-Type Activities	Total Primary Government	
	Principal	Interest
	Years ending September 30:	
2021	\$ 3,488,700	\$ 2,488,508
2022	3,876,900	2,361,165
2023	4,390,600	2,228,070
2024	4,574,700	2,073,137
2025	4,789,400	1,910,748
2026 - 2030	35,888,400	7,248,225
2031 - 2035	9,792,901	4,478,404
2036 - 2040	36,636,530	3,390,525
2041 - 2043	3,795,000	307,600
	<u>\$ 107,233,131</u>	<u>\$ 26,486,382</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Long-Term Debt and Other Obligations (Continued)

Capital lease obligations: The City has entered into several capital leasing agreements as of September 30, 2020. Governmental activities capital lease agreements are for a narrow banded public safety radio system and a paint machine. The scheduled minimum lease payment under the radio system agreement includes interest of 3.47%. The cumulative amount of assets acquired under the capital lease described above amounted to \$6,061,650 with \$4,251,841 of accumulated depreciation as of September 30, 2020.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020 were as follows:

Years ending September 30:	
2021	\$ 656,018
2022	333,009
2023	10,000
2024	10,000
2025	10,000
Less imputed interest	(32,403)
Present value of minimum lease payments	<u>\$ 986,624</u>

Business-type activities have entered into capital lease agreements for golf carts, mowers and a GPS. The cumulative amount of assets acquired under the capital lease agreements described above amount to \$420,858 with accumulated depreciation of \$279,150 as of September 30, 2020.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020 were as follows:

Years ending September 30:	
2021	\$ 95,537
2022	39,856
2023	18,541
2024	18,541
2025	12,362
Less imputed interest	(13,026)
Present value of minimum lease payments	<u>\$ 171,811</u>

Restricted assets: 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/statement of net position as restricted cash and investments as follows:

Account	TIF Fund	Sewer Fund	Golf Course Fund	Total
Debt service and other reserve funds	\$ 6,462,599	\$ 347,696	\$ 234,187	<u>\$ 7,044,482</u>

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. 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% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% 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% of the assessed valuation of taxable property.

At September 30, 2020, based on the assessed valuation as of January 1, 2019, of \$1,024,281,766, the constitutional total general obligation debt limit for "City purposes" was \$204,856,353, which, after reduction for outstanding general obligation bonds of \$18,242,401, net of amounts available in the General Obligation Bond Debt Service fund of \$1,404,496, provides a general obligation debt margin of \$188,018,448.

Adams Farm Project Special Obligation Special Assessment Bonds: On August 18, 2015, the City issued \$3,910,000 in Taxable Special Obligation Special Assessment Bonds for the Adams Farm Project. The City is not obligated in any manner for the special assessment debt and is only acting as agent for the Community Improvement District in collection of the assessments and forwarding to the bond Trustee for payment of the debt.

Conduit debt: The City has issued taxable industrial revenue bonds to provide financial assistance to private business for economic development. Under related agreements, the City will lease the projects to the businesses and the rental therefrom shall be applied to pay the debt service on the bonds. The bonds and the interest thereon are special obligations of the City payable solely from the rental payments and shall not constitute obligations of the City. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. As of September 30, 2020, there were five series of taxable industrial revenue bonds outstanding, with an aggregate principal amount payable of \$86,739,666.

Note 7. 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 \$605,757 for the year ended September 30, 2020 and were recorded as charges for services in the Sewer Utility Fund.

Note 8. Employees' Retirement System and Other Postemployment Benefits

Plan description: The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSM. 70.600-70.755. As such, it is LAGERS 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 is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 8. Employees' Retirement System and Other Postemployment Benefits (Continued)

Benefits provided: LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	2020 Valuation
Benefit multiplier	1.5%
Final average salary	3 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees covered by benefit terms: At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	181
Inactive employees entitled to but not yet receiving benefits	124
Active employees	263
	568

Contributions: The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employees do not contribute to the pension plan. Employer contribution rates are 5.3% (General) and 7.8% (Police) of annual covered payroll.

Net pension asset: The City's net pension asset was measured as of June 30, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 29, 2020. Standard update procedures were used to roll forward the total pension liability to June 30, 2020.

Actuarial assumptions: The total pension liability in the February 29, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.50% price inflation
Salary Increase	3.25% to 6.55% including wage inflation
Investment Rate of Return	7.25%, net of investment expenses

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality table for males and females.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 8. Employees' Retirement System and Other Postemployment Benefits (Continued)

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 29, 2020 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class:	Target Allocation	Long-Term Expected Real Rate of Return
Equity	35.00%	4.78%
Fixed Income	31.00	1.41
Real Assets	36.00	3.29
Alpha	15.00	3.67
Strategic Assets	8.00	5.25
Cash/Leverage	(25.00)	(0.29)
	<u>100.00%</u>	

Discount rate: The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 8. Employees' Retirement System and Other Postemployment Benefits (Continued)

Changes in the net pension liability (asset):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at September 30, 2019	\$ 64,953,198	\$ 73,632,804	\$ (8,679,606)
Changes for the year:			
Service cost	1,278,838	-	1,278,838
Interest	4,663,484	-	4,663,484
Difference between expected and actual experience	(1,730,599)	-	(1,730,599)
Contributions—employer	-	934,921	(934,921)
Net investment income	-	936,826	(936,826)
Benefit payments, including refunds	(2,559,823)	(2,559,823)	-
Administrative expense	-	(68,172)	68,172
Other changes	-	(158,549)	158,549
Net changes	1,651,900	(914,797)	2,566,697
Balances at September 30, 2020	\$ 66,605,098	\$ 72,718,007	\$ (6,112,909)

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower or one percentage point higher than the current rate.

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 76,286,185	\$ 66,605,098	\$ 58,666,706
Plan fiduciary net position	72,718,007	72,718,007	72,718,007
Net pension liability (asset)	\$ 3,568,178	\$ (6,112,909)	\$ (14,051,301)

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 8. Employees' Retirement System and Other Postemployment Benefits (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended September 30, 2020 the employer recognized pension expense of \$1,769,655. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 1,277,826	\$ (1,572,615)
Assumption changes	1,905,560	-
Net difference between projected and actual earnings on pension plan investments	162,043	-
Contributions subsequent to the measurement date*	250,344	-
Total	<u>\$ 3,595,773</u>	<u>\$ (1,572,615)</u>

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an increase in the net pension asset for the year ending September 30, 2021.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended:	
2021	\$ (214,891)
2022	291,782
2023	834,317
2024	898,232
2025	(7,601)
Thereafter	(29,025)
	<u>\$ 1,772,814</u>

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience and assumption changes are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred inflows of resources related to the difference between expected and actual investment returns is being amortized over a closed five-year period as of the beginning of each measurement period.

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

Plan description: The City's defined benefit OPEB plan, a single-employer health care plan provides OPEB for employees that retire from City employment and who participate in the Missouri Local Government Employees Retirement System (LAGERS). The plan is administered by Midwest Public Risk (MPR) who has the authority to establish or amend the plan provisions or contribution requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a stand-alone financial report.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 8. Employees' Retirement System and Other Postemployment Benefits (Continued)

Health benefits after retirement: During fiscal year 2020, the City conducted a thorough analysis of the market and determined that the City's insurance needs were best served by leaving the Midwest Public Risk Pool. As part of this transition, to Humana, the City also made the decision to terminate retiree health benefits effective July 1, 2021. Each of the two retired employees currently participating in the plan will reach age 65 and qualify for Medicare prior to the termination date. There will be no future retirees eligible for the plan, as such the City deemed this liability to be immaterial to the financial statements, and therefore has written off the OPEB liability.

Note 9. Risk Management

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.

Note 10. Commitments and Contingencies

Contractual commitments: The City has commitments resulting from construction contracts totaling \$23,915, \$934,439, \$48,789, \$152,334 and \$1,275,727 in the General, Capital Project, Parks Sales Tax Water Utility and Sewer Utility Funds, respectively. The City expects to receive the contracted services during fiscal year 2021.

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, 2020 totaled \$1,409,708.

The City has 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, 2020 totaled \$1,288,710.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. Commitments and Contingencies (Continued)

In 2012, the City had entered into an agreement with the City of Grain Valley to purchase a maximum of 2,000,000 gallons of water per day from Tri-County Water Authority. In July 2013, the City entered directly into a new agreement with Tri-County Water Authority to move forward on a project to upgrade the TCWA treatment plant; upon substantial completion of this project in 2016, the City entered into another 20-year agreement to purchase an additional 6 million gallons per day. The total amount paid under this agreement for the year ended September 30, 2020 totaled \$1,078,745. The total amount paid under the agreement for capital project charges for the year ended September 30, 2020, totaled \$2,337,060, \$1,052,908 for the 2005 agreement and \$1,284,152 for the 2016 agreement.

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 or 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 \$481,747, \$291,088 and \$3,006,728, 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.

Note 11. Tax Abatements

Missouri State Statutes provide for several economic development tools that State and local governments can offer as incentives for businesses to locate, build and/or expand operations in a target area.

Chapter 100 – Industrial Revenue Bonds: Pursuant to Chapter 100 of the Revised Statutes of Missouri (RSMo), a municipality can issue Industrial Revenue Bonds to finance the cost of the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facility, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such municipality, buildings, fixtures and machinery.

In a Chapter 100 agreement, the municipality holds fee title to the project once the revenue bonds are issued and leases the project to the private company. Because the municipality is the legal owner of the property while the revenue bonds are outstanding, the project is exempt from ad valorem taxes.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Tax Abatements (Continued)

Under Chapter 100, the City has five agreements:

1. In March 2017, the City issued Industrial Revenue Bonds in an amount not to exceed \$7,550,000 to provide 100% tax abatement to Kohl's Department Stores, Inc. for the capital investment in equipment and mechanical controls at the Blue Springs Distribution Center. The Bond Purchase Agreement and Lease Agreement allow the City to maintain ownership of the project equipment, making it exempt from taxation for the term of the Lease Agreement, producing twelve years of tax abatement, starting with tax year 2018. During the term of the Lease Agreement, Kohl's will make annual payments in lieu of taxes (PILOTS) at 50% of the value of taxes otherwise due on the project equipment. Total projected value of abatement is \$305,808. Value of abatement for FY 2020 is \$75,478.
2. In March 2018, the City issued Industrial Revenue Bonds in an amount not to exceed \$36,000,000 to provide tax abatement to Faurecia Interior Systems, Inc. for acquiring, constructing and installing an approximately 262,000 square foot automobile component manufacturing facility, including buildings, structure, improvements and fixtures on the project site. The Project Site and associated Project Improvements will be given 100% tax abatement for 10 years and 50% for the next 5 years. The Developer will be required to make a payment in lieu of taxes equal to 100% of the taxes that would otherwise be due for 2018 for the Project Site. For the period 2019 and continuing through 2028, the Developer will not be required to make PILOTS. For the period 2029 and continuing through 2033, the Developer will be required to make PILOTS in an amount equal to 50% of the amount of ad valorem real property taxes which would have been paid in each year with respect to the Project Site and Project Improvements had the Project Site and the Project Improvements not been exempt from such taxes. Total projected value of abatement is \$11,335,193. Value of abatement for FY 2020 is \$857,904.
3. In March 2018, the City issued Industrial Revenue Bonds in an amount not to exceed \$33,000,000 to provide tax abatement to Faurecia Interior Systems, Inc. for the purpose of furnishing and equipping the Project Improvements with furnishings, equipment, electronics and other related personal property. It is expected that the Company will purchase Project Equipment in the amount of approximately \$13,181,332 in 2018, \$14,122,332 in 2019, and \$2,148,970 in 2020. The Company will convey the Project Equipment to the City and the Project Equipment will be leased to the Company. The 2018 Project Equipment will be given 100% tax exemption with no PILOTS for the first 10 years (2019 to 2028) and 100% tax exemption for the next 5 years (2029 to 2033) with PILOTS equal to 50% of the Personal Property tax otherwise due. The 2019 Project Equipment will be given 100% tax exemption with no PILOTS for the first 10 years (2020 to 2029) and 100% tax exemption for the next 5 years (2030 to 2034) with PILOTS equal to 50% of the Personal Property Taxes otherwise due. The 2020 Project Equipment will be given 100% tax exemption with no PILOTS for the first 10 years (2021 to 2030) and 100% tax exemption for the next 5 years (2031 to 2035) with PILOTS equal to 50% of the Personal Property Taxes otherwise due. Total projected value of abatement is \$3,808,006. Value of abatement for FY 2020 is \$340,252.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Tax Abatements (Continued)

4. In June 2019, the City issued Industrial Revenue Bonds in an amount not to exceed \$23,000,000 to provide tax abatement to Novel Place Blue Springs, LLC Project for the purpose of purchasing, designing, constructing and installing of an approximately 109,179 square-foot, 3-story senior living facility with approximately 134 units. Pursuant to the Bond Documents, the City will take legal title to the Project at closing, and as long as the City owns title to the Project, the Project will be exempt from ad valorem property taxes. The Bond Purchase Agreement and Lease Agreement allow the City to maintain ownership of the project site, making it exempt from taxation for the term of the Lease Agreement, producing two years of tax abatement, starting with tax year 2019. During the term of the Lease Agreement, Novel Place Blue Springs will make annual payments in lieu of taxes (PILOTS) in the aggregate amount of taxes otherwise due that has been abated. Total projected value of abatement is \$0. Value of abatement for FY 2020 is \$0.

The gross dollar amount by which the City's tax revenues were reduced during FY 2020 as a result of Chapter 100 agreements was \$1,273,634.

Chapter 353 – Redevelopment Corporations: Under Chapter 353, RSMo, real property tax abatement is available within “blighted areas.” An Urban Redevelopment Corporation is created under the general corporations laws of Missouri and, once created, it has the power to operate one or more redevelopment projects pursuant to a city-approved redevelopment plan.

With this program, an eligible city may approve a redevelopment plan that provides for tax abatement for up to 25 years, thus encouraging the redevelopment of the blighted area. To be eligible for the abatement, the Urban Redevelopment Corporation must take title to the property to be redeveloped. During the first 10 years of tax abatement, (1) 100% of the incremental increase in real property taxes on the land are abated, (2) 100% of the real property taxes on all improvements are abated, and (3) the property owner continues to pay real property taxes on the land in the amount of such taxes in the year before the redevelopment corporations takes title.

During the next 15 years, between 50% and 100% of the incremental real property taxes on all land and all improvements are abated. Payments in lieu of taxes (PILOTS) may be imposed on the Urban Redevelopment Corporation by contract with the city, as applicable, to achieve an effective tax abatement that is less than the abatement established by statute. PILOTS are paid on an annual basis and allocated to each taxing district according to their proportionate share of ad valorem property taxes.

Under Chapter 353, the City has eleven projects as of September 30, 2020:

1. In 1994, the City approved a redevelopment project with the Blue Springs Adams Dairy Parkway Corridor Phase I Redevelopment Corporation for the construction of a new 70,000 sq. foot corporate headquarters/manufacturing facility, providing 100% tax abatement for the first 10 years and 50% tax abatement for the next 15 years. Full taxation resumes in 2020. Total projected value of abatement is \$1,085,588. Value of abatement for FY 2020 is \$31,125.
2. In 1997, the City approved a redevelopment project with the Adams Pointe Redevelopment Corporation for the construction of a new 40,519 sq. foot corporate headquarters building, providing 100% tax abatement for the first 10 years and 50% tax abatement for the next 15 years. This agreement was amended in 2014, authorizing a 50% tax abatement for 5 years followed by a 25% tax abatement for another 5 years. Full taxation resumes in 2024. Total projected value of abatement is \$1,666,240. Value of abatement for FY 2020 is \$37,394.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Tax Abatements (Continued)

3. In 1997, the City approved a redevelopment project with the Adams Pointe Redevelopment Corporation for the construction of a 5-story Courtyard Marriott hotel, providing a 100% tax abatement for 10 years. This agreement was amended in 2011, providing an additional 10-year 100% tax abatement from 2011 to 2020. Full taxation resumes in 2021. Total projected value of abatement is \$2,590,221. Value of abatement for FY 2020 is \$193,603.
4. In 2006, the City approved a redevelopment project with the Village Gardens Redevelopment Corporation for the construction of a two-story, 8,600 sq. foot retail building, providing 100% tax abatement for the first 10 years and 50% tax abatement for the next 15 years. Full taxation resumes in 2032. Total projected value of abatement is \$371,062. Value of abatement for FY 2020 is \$16,513.
5. In 2010, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of an office building located at 901 West Main Street, providing 100% tax abatement for 10 years. Full taxation resumes in 2021. Total projected value of abatement is \$136,457. Value of abatement for FY 2020 is \$19,074.
6. In 2013, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of 1105 West Main Street for Pizza Shoppe, providing 50% tax abatement for 15 years. Full taxation resumes in 2029. Total projected value of abatement is \$57,916. Value of abatement for FY 2020 is \$4,574.
7. In 2013, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of the America's Community Bank building at 1100 West Main Street, providing 100% tax abatement for 10 years and 50% tax abatement for the next 15 years. Full taxation resumes in 2039. Total projected value of abatement is \$154,030. Value of abatement for FY 2020 is \$13,426.
8. In 2015, the City approved a redevelopment project with Target Time Defense Redevelopment Corporation for the renovation and conversion of a vacant fitness center and swimming pool to a 12,700-sq. foot indoor shooting range and firearms store, providing 100% tax abatement for 10 years. Payments in lieu of taxes (PILOTS) based on the 2015 property tax amount, less any taxes actually paid on the basis of the assessed value of the land exclusive of improvements, during those 10 years of tax abatement. Full taxation resumes in 2026. Per Ordinance 4897, dated March 16, 2020, the 353 contract between the City of Blue Springs and Target Time Defense Redevelopment Corporation was terminated. Total projected value of abatement is \$296,264. Value of abatement amount prior to termination is \$131,696, with \$35,930 in FY 2020.
9. In 2016, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of an apartment complex at 903 SW Jones Street, providing 100% tax abatement for 5 years. Full taxation resumes in 2021. Total projected value of abatement is \$10,576. Value of abatement for FY 2020 is \$3,207.
10. In 2017, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the addition of an alleyway extending from 8th Street to 9th Street, the extension of sewer and water mains, and the construction of eight two-story single-family homes on the property. Lots may be transferred from the Corporation when the Improvements are constructed on each such Lot and when Owner seeks to initiate the tax abatement, providing 100% tax abatement for five years. Total projected value of abatement is \$97,309. Value of abatement for FY 2020 is \$9,959.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Tax Abatements (Continued)

11. In 2017, the City approved a redevelopment project with the Main Center Redevelopment corporation for the renovation and conversion of the property at 1201 W. Main Street into a brewery and taproom, East Forty Brewing, providing 100% tax abatement for 10 years and 50% tax abatement for the next 15 years. Full taxation resumes in 2044. Total projected value of abatement is \$294,861. Value of abatement for FY 2020 is \$11,153.

The gross dollar amount by which the City's tax revenues were reduced during FY 2020 as a result of Chapter 353 agreements was \$375,958.

Tax Increment Financing: The Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, as amended, commonly referred to as the TIF Act, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city to be a "blighted area", "conservation area", or "economic development area", each as defined in the TIF Act. Tax Increment Financing does not diminish the amount of property tax revenues currently collected by the City in an affected area, but instead acts to freeze such revenues at current levels and deprives the City and other taxing districts of future increases (in whole or in part, depending on the terms of the agreement) in ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid or the reimbursable project costs have been reimbursed.

Note 12. 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. 84, *Fiduciary Activities*, issued February 2017, will be effective for the City beginning with its fiscal year ending September 30, 2021. The objective of Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 12. Pending Governmental Accounting Standards Board (GASB) Statements (Continued)

- GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the City beginning with its fiscal year ending September 30, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.
- GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for the City beginning with its fiscal year ending September 30, 2023.

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

Note 13. Subsequent Events

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have a significant impact on the economies and financial markets of many countries and all states of the United States of America.

It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be on the City. To date, the City is monitoring fiscal year 2021 revenue and expenditures very closely and reacting accordingly.

City of Blue Springs, Missouri

**Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Local Government Employees Retirement System**

Fiscal year ending September 30,	2020	2019
Total Pension Liability		
Service cost	\$ 1,278,838	\$ 1,223,544
Interest on the total pension liability	4,663,484	4,348,452
Benefit changes	-	-
Difference between expected and actual experience	(1,730,599)	1,195,911
Assumption changes	-	-
Benefit payments, including refunds	(2,559,823)	(2,343,569)
Net change in total pension liability	1,651,900	4,424,338
Total pension liability, beginning	64,953,198	60,528,860
Total pension liability, ending	\$ 66,605,098	\$ 64,953,198
Plan Fiduciary Net Position		
Contributions-employer	\$ 934,921	\$ 951,682
Contributions-employee	-	-
Pension plan net investment income	936,826	4,547,256
Benefit payments, including refunds	(2,559,823)	(2,343,569)
Pension plan administrative expense	(68,172)	(61,224)
Other	(158,549)	76,420
Net change in plan fiduciary net position	(914,797)	3,170,565
Plan fiduciary net position, beginning	73,632,804	70,462,239
Plan fiduciary net position, ending	\$ 72,718,007	\$ 73,632,804
Employer net pension liability (asset)	\$ (6,112,909)	\$ (8,679,606)
Plan fiduciary net position as a percentage of the total pension liability	109%	\$ 8,679,606
Covered payroll	\$ 14,277,162	\$ 14,519,579
Employer's net pension liability (asset) as a percentage of covered payroll	(42.82)%	(59.78)%

Ultimately 10 fiscal years will be displayed. Information for prior years is not available. Amounts presented for the year-end were determined as of June 30, the measurement date.

Note: Changes in assumptions—In 2016, amounts reported as changes in assumptions resulted primarily from the changes in the mortality table, inflation rate and salary increase.

	2018	2017	2016	2015
\$	1,187,702	\$ 1,174,608	\$ 1,125,184	\$ 1,079,631
	4,085,559	3,901,187	3,545,150	3,377,170
	-	-	-	-
	559,428	(405,769)	369,842	(135,197)
	-	-	1,918,944	-
	(2,108,905)	(2,157,053)	(1,990,945)	(2,062,203)
	3,723,784	2,512,973	4,968,175	2,259,401
	56,805,076	54,292,103	49,323,928	47,064,527
\$	60,528,860	\$ 56,805,076	\$ 54,292,103	\$ 49,323,928
\$	913,339	\$ 908,467	\$ 977,911	\$ 1,078,892
	-	-	-	-
	7,879,838	6,846,631	(114,992)	1,120,945
	(2,108,905)	(2,157,053)	(1,990,945)	(2,062,203)
	(42,258)	(39,868)	(40,384)	(43,154)
	618,737	(44,350)	973,177	151,943
	7,260,751	5,513,827	(195,233)	246,423
	63,201,488	57,687,661	57,882,894	57,636,471
\$	70,462,239	\$ 63,201,488	\$ 57,687,661	\$ 57,882,894
\$	(9,933,379)	\$ (6,396,412)	\$ (3,395,558)	\$ (8,558,966)
	116%	96%	97%	104%
\$	13,432,600	\$ 13,391,262	\$ 13,200,061	\$ 12,622,334
	(73.95)%	(47.77)%	(25.72)%	(67.81)%

City of Blue Springs, Missouri

**Required Supplementary Information
Schedule of Contributions
Last Ten Fiscal Years**

	2020	2019	2018	2017
Actuarially determined contribution	\$ 924,037	\$ 968,812	\$ 916,999	\$ 893,308
Contributions in relation to the actuarially determined contribution	924,036	968,812	916,999	893,308
Contribution deficiency (excess)	\$ 1	\$ -	\$ -	\$ -
Covered payroll	\$ 14,382,778	\$ 14,470,138	\$ 13,899,354	\$ 13,776,909
Contributions as a percentage of covered payroll	6.42%	6.70%	6.60%	6.48%

Actuarial Assumptions: See Note 8 to the basic financial statements for summary of actuarial assumptions.

2016	2015	2014	2013	2012	2011
\$ 985,036	\$ 1,071,473	\$ 1,113,110	\$ 1,177,037	\$ 1,086,646	\$ 1,126,274
985,036	1,071,473	1,113,110	1,116,633	968,153	850,885
\$ -	\$ -	\$ -	\$ 60,404	\$ 118,493	\$ 275,389
\$ 14,033,009	\$ 12,999,252	\$ 12,529,095	\$ 11,891,443	\$ 11,600,167	\$ 11,577,175
7.02%	8.24%	8.88%	9.39%	8.35%	7.35%

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, 2020

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 17,707,951	\$ 17,707,951	\$ 18,115,794	\$ 407,843
Licenses and permits	1,108,479	1,108,479	1,283,648	175,169
Intergovernmental revenues	3,384,288	4,542,523	4,451,709	(90,814)
Charges for services	1,310,801	1,310,801	851,191	(459,610)
Administrative charges	2,004,252	2,004,252	2,004,252	-
Fines and forfeits	912,401	912,401	580,544	(331,857)
Interest	286,821	286,821	340,185	53,364
Donations	46,706	42,562	33,375	(9,187)
Other	599,150	608,294	610,251	1,957
Total revenues	27,360,849	28,524,084	28,270,949	(253,135)
Expenditures:				
General government:				
City Council	296,428	260,292	245,089	(15,203)
Legal services	233,040	265,360	255,742	(9,618)
City prosecutor	144,618	144,618	120,945	(23,673)
Municipal court	433,802	404,142	415,985	11,843
City administration	736,603	807,336	649,395	(157,941)
Public relations and communications	274,223	236,109	214,556	(21,553)
Human resources	679,406	590,206	628,138	37,932
Economic development	163,250	210,159	219,323	9,164
Community development	861,230	2,020,576	765,463	(1,255,113)
Business services	151,128	142,820	129,291	(13,529)
Codes administration	824,069	812,732	727,406	(85,326)
Geographic information systems	105,434	101,934	68,958	(32,976)
Finance—accounting and budget	613,011	599,990	608,700	8,710
Information systems	758,951	905,851	695,209	(210,642)
Public works, engineering and administration	782,882	765,965	708,779	(57,186)
Highways and streets, street maintenance	2,989,859	2,873,579	2,624,578	(249,001)
Public safety:				
Police administration	467,524	462,902	456,885	(6,017)
Staff services	2,356,115	2,451,705	2,291,207	(160,498)
Operations	6,927,377	7,295,765	6,195,450	(1,100,315)
Community youth outreach unit	2,556,917	2,512,667	2,351,530	(161,137)
Parks:				
Parks administration	438,776	468,076	441,068	(27,008)
Recreation	506,168	467,776	500,675	32,899
Parks maintenance	1,876,073	1,878,430	1,462,913	(415,517)
Vesper hall (50+ programs)	578,782	540,769	470,855	(69,914)
Building maintenance	799,896	773,218	623,737	(149,481)
Capital outlay	348,750	73,500	714,454	640,954
Total expenditures	26,904,312	28,066,477	24,586,331	(3,480,146)
Excess (deficiency) of revenues over expenditures	456,537	457,607	3,684,618	3,227,011

(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, 2020**

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Other financing sources (uses):				
Proceeds from capital lease	\$ -	\$ -	\$ 61,500	\$ 61,500
Proceeds from sales of capital assets	-	-	635,732	635,732
Principal retirement	-	-	(61,490)	(61,490)
Transfers in	43,463	43,463	77,849	34,386
Transfers out	(500,000)	(500,000)	(675,086)	(175,086)
Total other financing sources (uses)	(456,537)	(456,537)	38,505	495,042
Net change in fund balance	\$ -	\$ 1,070	3,723,123	\$ 3,722,053
Fund balance, beginning of year			<u>16,154,644</u>	
Fund balance, end of year—budget basis			19,877,767	
Adjustments, encumbrances			<u>(423,434)</u>	
Fund balance, end of year—GAAP basis			<u>\$ 19,454,333</u>	
Net change in fund balance - budget basis			\$ 3,723,123	
Adjustments:				
Encumbrances—beginning of year			(905,181)	
Encumbrances—end of year			<u>481,747</u>	
Net change in fund balance—GAAP basis			<u>\$ 3,299,689</u>	

See note to required supplementary information.

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.

NONMAJOR GOVERNMENTAL FUNDS

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

Public Safety Sales Tax Fund—established to account for the collection of the City's public safety sales tax and related expenditures including equipment, additional personnel and facility renovations.

Park Sales Tax Fund—established to account for the financial activity related to the collection of the dedicated 5-year ½ cent sales tax for parks deferred maintenance.

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

City of Blue Springs, Missouri

Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2020

	Hotel Motel Tax	Public Safety Sales Tax	Park Sales Tax	General Obligation Debt Service	Total Nonmajor Governmental Funds
Assets					
Cash and investments	\$ 393,255	\$ 3,387,664	\$ 2,251,078	\$ 1,402,392	\$ 7,434,389
Receivables, net of allowance for uncollectibles:					
Property taxes	-	-	-	1,368,380	1,368,380
Other taxes	78,377	679,981	674,169	-	1,432,527
Prepaid items	-	67,370	-	-	67,370
Restricted cash and investments	-	1,481,347	-	-	1,481,347
Total assets	\$ 471,632	\$ 5,616,362	\$ 2,925,247	\$ 2,770,772	\$ 11,784,013
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ 4,799	\$ 27,548	\$ 130,868	\$ -	\$ 163,215
Accrued liabilities	-	36,843	-	-	36,843
Due to other funds	-	74,773	-	-	74,773
Total liabilities	4,799	139,164	130,868	-	274,831
Deferred inflows of resources:					
Unavailable revenue—property taxes	-	-	-	1,366,276	1,366,276
Unavailable revenue—other	19,552	-	-	-	19,552
Total deferred inflows of resources	19,552	-	-	1,366,276	1,385,828
Fund balance:					
Nonspendable:					
Prepaid items	-	67,370	-	-	67,370
Restricted:					
Debt service	-	-	-	1,404,496	1,404,496
Tourism	447,281	-	-	-	447,281
Public safety building improvements	-	5,409,828	-	-	5,409,828
Parks	-	-	2,794,379	-	2,794,379
Total fund balance	447,281	5,477,198	2,794,379	1,404,496	10,123,354
Total liabilities and fund balance	\$ 471,632	\$ 5,616,362	\$ 2,925,247	\$ 2,770,772	\$ 11,784,013

City of Blue Springs, Missouri

Combining Statement of Revenues, Expenditures and
Changes In Fund Balances—Nonmajor Governmental Funds
Year Ended September 30, 2020

	Hotel Motel Tax	Public Safety Sales Tax	Park Sales Tax	General Obligation Debt Service	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 423,550	\$ 3,966,854	\$ 4,406,815	\$ 1,477,727	\$ 10,274,946
Intergovernmental revenues	-	-	30,000	-	30,000
Interest	18,285	72,956	45,473	17,740	154,454
Total revenues	441,835	4,039,810	4,482,288	1,495,467	10,459,400
Expenditures:					
Current:					
General government	123,099	-	-	25,198	148,297
Public safety	-	1,795,932	-	-	1,795,932
Capital outlay	-	402,285	3,480,795	-	3,883,080
Debt service:					
Principal retirement	-	598,317	-	1,065,000	1,663,317
Interest and fiscal charges	-	849,140	-	603,634	1,452,774
Total expenditures	123,099	3,645,674	3,480,795	1,693,832	8,943,400
Excess (deficiency) of revenues over expenditures	318,736	394,136	1,001,493	(198,365)	1,516,000
Other financing sources (uses):					
Transfers in	-	-	-	500,000	500,000
Transfers out	(1,197,605)	-	(1,371,899)	-	(2,569,504)
Total other financing sources (uses)	(1,197,605)	-	(1,371,899)	500,000	(2,069,504)
Net change in fund balances	(878,869)	394,136	(370,406)	301,635	(553,504)
Fund balances, beginning	1,326,150	5,083,062	3,164,785	1,102,861	10,676,858
Fund balances, ending	\$ 447,281	\$ 5,477,198	\$ 2,794,379	\$ 1,404,496	\$ 10,123,354

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, 2020

	Original Budget	Final Budget	Actual (Budget basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 580,312	\$ 580,312	\$ 423,550	\$ (156,762)
Fines and forfeits	5,334	5,334	-	(5,334)
Interest	10,467	10,467	18,285	7,818
Total revenues	<u>596,113</u>	<u>596,113</u>	<u>441,835</u>	<u>(154,278)</u>
Expenditures, current, general government	<u>168,500</u>	<u>168,500</u>	<u>123,099</u>	<u>(45,401)</u>
Excess of revenues over expenditures	<u>427,613</u>	<u>427,613</u>	<u>318,736</u>	<u>(108,877)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(425,846)	(425,846)	(1,197,605)	(771,759)
Total other financing sources (uses)	<u>(425,846)</u>	<u>(425,846)</u>	<u>(1,197,605)</u>	<u>(771,759)</u>
Net change in fund balances	<u>\$ 1,767</u>	<u>\$ 1,767</u>	<u>(878,869)</u>	<u>\$ (880,636)</u>
Fund balance, beginning of year			<u>1,326,150</u>	
Fund balance, end of year—budget basis			<u>447,281</u>	
Adjustments, encumbrances			<u>-</u>	
Fund balance, end of year—GAAP basis			<u>\$ 447,281</u>	
Net change in fund balance—budget basis			\$ (878,869)	
Adjustments:				
Encumbrances—beginning of year			-	
Encumbrances—end of year			<u>-</u>	
Net change in fund balance—GAAP basis			<u>\$ (878,869)</u>	

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, 2020

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 3,687,977	\$ 3,706,365	\$ 3,966,854	\$ 260,489
Interest	104,111	50,000	72,956	22,956
Total revenues	3,792,088	3,756,365	4,039,810	283,445
Expenditures:				
Current:				
Public safety	2,001,917	1,863,771	1,765,920	(97,851)
Capital outlay	594,454	757,778	369,095	(388,683)
Debt service:				
Principal retirement	578,254	578,254	598,317	20,063
Interest and fiscal charges	866,976	866,976	849,150	(17,826)
Total expenditures	4,041,601	4,066,779	3,582,482	(484,297)
Excess of revenues over expenditures	\$ (249,513)	\$ (310,414)	457,328	\$ 767,742
Fund balance, beginning of year			5,083,062	
Fund balance, end of year—budget basis			5,540,390	
Adjustments, encumbrances			(63,192)	
Fund balance, end of year—GAAP basis			\$ 5,477,198	
Net change in fund balance—budget basis			\$ 457,328	
Adjustments:				
Encumbrances—beginning of year			(354,280)	
Encumbrances—end of year			291,088	
Net change in fund balance—GAAP basis			\$ 394,136	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual—Park Sales Tax Fund
 Year Ended September 30, 2020

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 4,138,174	\$ 4,138,174	\$ 4,406,815	\$ 268,641
Interest	53,390	53,390	45,473	(7,917)
Intergovernmental revenues	-	-	30,000	30,000
Total revenues	4,191,564	4,191,564	4,482,288	290,724
Expenditures, current, capital outlay	3,479,000	3,700,450	3,444,566	(255,884)
Excess (deficiency) of revenues over expenditures	712,564	491,114	1,037,722	546,608
Other financing (uses), transfers out	(1,300,000)	(1,300,000)	(1,371,899)	(71,899)
Net change in fund balances	\$ (587,436)	\$ (808,886)	(334,177)	\$ 474,709
Fund balance, beginning of year			2,957,668	
Fund balance, end of year—budget basis			2,623,491	
Adjustments, encumbrances			170,888	
Fund balance, end of year—GAAP basis			<u>\$ 2,794,379</u>	
Net change in fund balance—budget basis			\$ (334,177)	
Adjustments:				
Encumbrances—beginning of year			(207,117)	
Encumbrances—end of year			170,888	
Net change in fund balance—GAAP basis			<u>\$ (370,406)</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, 2020**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 1,319,855	\$ 1,319,855	\$ 1,477,727	\$ 157,872
Interest income	31,769	31,769	17,740	(14,029)
Total revenues	1,351,624	1,351,624	1,495,467	143,843
Expenditures:				
Current, general government	-	-	-	-
Debt service:				
Principal retirement	1,065,000	1,065,000	1,065,000	-
Interest and fiscal charges	626,037	626,037	628,832	2,795
Total expenditures	1,691,037	1,691,037	1,693,832	2,795
Excess (deficiency) of revenues over expenditures	(339,413)	(339,413)	(198,365)	141,048
Other financing sources, transfers in	500,000	500,000	500,000	-
Net change in fund balances	\$ 160,587	\$ 160,587	301,635	\$ 141,048
Fund balance, beginning of year			1,102,861	
Fund balance, end of year			\$ 1,404,496	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Capital Projects Fund
Year Ended September 30, 2020

	Original Budget	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues:				
Taxes	\$ 3,769,633	\$ 3,769,633	\$ 4,047,326	\$ 277,693
Intergovernmental revenues	1,134,000	1,134,000	99,900	(1,034,100)
Interest	75,000	75,000	56,514	(18,486)
Total revenues	4,978,633	4,978,633	4,203,740	(774,893)
Expenditures:				
Current:				
Land/Buildings	500,000	1,266,212	480,774	(785,438)
Streets and Highways	4,432,000	6,659,328	6,920,057	260,729
Capital outlay	376,667	508,677	(85,578)	(594,255)
Total expenditures	5,308,667	8,434,217	7,315,253	(1,118,964)
Excess (deficiency) of revenues over expenditures	(330,034)	(3,455,584)	(3,111,513)	344,071
Other financing sources (uses):				
Transfers in	500,000	1,380,000	1,613,780	233,780
Transfers out	(500,000)	(500,000)	(500,000)	-
Total other financing sources (uses)	-	880,000	1,113,780	233,780
Net change in fund balances	\$ (330,034)	\$ (2,575,584)	(1,997,733)	\$ 577,851
Fund balance, beginning of year			3,489,828	
Fund balance, end of year—budget basis			1,492,095	
Adjustments, encumbrances			1,617,056	
Fund balance, end of year—GAAP basis			\$ 3,109,151	
Net change in fund balance—budget basis			\$ (1,997,733)	
Adjustments:				
Encumbrances—beginning of year			(1,389,672)	
Encumbrances—end of year			3,006,728	
Net change in fund balance—GAAP basis			\$ (380,677)	

City of Blue Springs, Missouri

**Combining Balance Sheet—
TIF Fund Projects
September 30, 2020**

	Copperleaf Village TIF	Highway 7 & 40 Project B TIF	Woods Chapel TIF
Assets			
Cash and investments	\$ 3,455	\$ 68,473	\$ 5,313
Receivables:			
Property taxes	56,923	130,112	109,452
Other taxes	-	-	3,120
Interest	-	-	-
Miscellaneous	-	-	234
Due from other funds	7,507	13,567	3,083
Due from other governments	4,702	21,284	8,437
Restricted cash and investments	-	-	-
Total assets	\$ 72,587	\$ 233,436	\$ 129,639
Liabilities			
Accounts payable	\$ 3,455	\$ 69,092	\$ 5,313
Due to other funds	59	106	48
Total liabilities	3,514	69,198	5,361
Deferred inflows of resources			
Unavailable revenue—property taxes	56,923	130,112	109,452
Unavailable revenue—other	4,434	8,619	1,836
Total deferred inflows of resources	61,357	138,731	111,288
Fund balance			
Restricted, debt service	7,716	25,507	12,990
Total liabilities, deferred inflows of resources and fund balance	\$ 72,587	\$ 233,436	\$ 129,639

Adams Farm TIF	Highway 7 & 40 Project C TIF	Highway 7 & 40 Project A TIF	White Oaks TIF	White Oak A Novel Place TIF	Total
\$ 777,912	\$ -	\$ 88,513	\$ 70,160	\$ 13,797	\$ 1,027,623
1,546,795	143,211	47,044	322,763	-	2,356,300
-	-	-	27,624	-	30,744
2,752	-	-	4,836	-	7,588
66,478	-	3,956	-	-	70,668
154,410	79,100	11,556	42,908	-	312,131
366,294	84,540	12,349	17,828	-	515,434
4,257,858	-	-	2,204,741	-	6,462,599
<u>\$ 7,172,499</u>	<u>\$ 306,851</u>	<u>\$ 163,418</u>	<u>\$ 2,690,860</u>	<u>\$ 13,797</u>	<u>\$ 10,783,087</u>
\$ 122,828	\$ 7,351	\$ 88,513	\$ -	\$ -	\$ 296,552
1,207	1,236	152	590	-	3,398
124,035	8,587	88,665	590	-	299,950
1,546,795	143,211	47,044	322,763	-	2,356,300
93,510	47,804	6,893	16,339	-	179,435
1,640,305	191,015	53,937	339,102	-	2,535,735
5,408,159	107,249	20,816	2,351,168	13,797	7,947,402
<u>\$ 7,172,499</u>	<u>\$ 306,851</u>	<u>\$ 163,418</u>	<u>\$ 2,690,860</u>	<u>\$ 13,797</u>	<u>\$ 10,783,087</u>

City of Blue Springs, Missouri

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances—
TIF Fund Projects
Year Ended September 30, 2020**

	Mall at Fall Creek TIF	Copperleaf Village TIF	Highway 7 & 40 Project B TIF	Woods Chapel TIF
Revenues:				
Taxes	\$ -	\$ 17,047	\$ 99,353	\$ 23,761
Intergovernmental activity taxes	-	63,449	182,391	158,250
Interest	-	292	897	-
Total revenues	-	80,788	282,641	182,011
Expenditures:				
Current, economic development	2,598	4,153	17,559	14,881
Debt service:				
Principal retirement	-	72,482	364,713	165,735
Interest and fiscal charges	-	-	-	-
Total expenditures	2,598	76,635	382,272	180,616
Excess (deficiency) of revenues over expenditures	(2,598)	4,153	(99,631)	1,395
Other financing sources (uses):				
Transfers in	-	-	96,698	-
Transfers out	-	(410)	(2,015)	(735)
Total other financing sources (uses)	-	(410)	94,683	(735)
Net change in fund balances	(2,598)	3,743	(4,948)	660
Fund balances, beginning of year	2,598	3,973	30,455	12,330
Fund balances, end of year	\$ -	\$ 7,716	\$ 25,507	\$ 12,990

Adams Farm TIF	Highway 7 & 40 Project C TIF	Highway 7 & 40 Project A TIF	White Oaks TIF	White Oak A Novel Place TIF	Eliminations	Total
\$ 948,447	\$ 334,913	\$ 39,565	\$ 132,514	\$ -	\$ -	\$ 1,595,600
3,225,685	285,631	65,635	691,672	14,840	-	4,687,553
32,745	1,481	605	11,398	-	-	47,418
4,206,877	622,025	105,805	835,584	14,840	-	6,330,571
328,769	31,943	10,017	39,474	974	-	450,368
1,755,000	-	544,242	90,000	-	-	2,992,172
1,679,776	-	-	456,225	-	-	2,136,001
3,763,545	31,943	554,259	585,699	974	-	5,578,541
443,332	590,082	(448,454)	249,885	13,866	-	752,030
-	-	449,664	-	-	(546,362)	-
(14,775)	(552,766)	(1,016)	(4,606)	(69)	546,362	(30,030)
(14,775)	(552,766)	448,648	(4,606)	(69)	-	(30,030)
428,557	37,316	194	245,279	13,797	-	722,000
4,979,602	69,933	20,622	2,105,889	-	-	7,225,402
\$ 5,408,159	\$ 107,249	\$ 20,816	\$ 2,351,168	\$ 13,797	\$ -	\$ 7,947,402

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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current, economic development	-	-	2,598	2,598
Total expenditures	<u>-</u>	<u>-</u>	<u>2,598</u>	<u>2,598</u>
Excess of revenues over expenditures	-	-	(2,598)	(2,598)
Other financing (uses), transfers out	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(2,598)</u>	<u>\$ (2,598)</u>
Fund balances, beginning of year			<u>2,598</u>	
Fund balances, end of year			<u>\$ -</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 58,264	\$ 83,264	\$ 80,496	\$ (2,768)
Interest	343	343	292	(51)
Total revenues	58,607	83,607	80,788	(2,819)
Expenditures:				
Current, economic development	3,474	3,474	4,153	679
Debt service, principal retirement	54,733	79,733	72,482	(7,251)
Total expenditures	58,207	83,207	76,635	(6,572)
Excess (deficiency) of revenues over expenditure:	400	400	4,153	3,753
Other financing (uses), transfers out	(400)	(400)	(410)	(10)
Net change in fund balances	\$ -	\$ -	3,743	\$ 3,743
Fund balances, beginning of year			3,973	
Fund balances, end of year			\$ 7,716	

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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 259,499	\$ 295,012	\$ 281,744	\$ (13,268)
Interest	1,349	1,349	897	(452)
Total revenues	<u>260,848</u>	<u>296,361</u>	<u>282,641</u>	<u>(13,720)</u>
Expenditures:				
Current, economic development	18,886	18,886	17,559	(1,327)
Debt service, principal retirement	240,762	376,275	364,713	(11,562)
Total expenditures	<u>259,648</u>	<u>395,161</u>	<u>382,272</u>	<u>(12,889)</u>
Excess (deficiency) of revenues over expenditures	1,200	(98,800)	(99,631)	(831)
Other financing sources (uses):				
Transfers in	-	100,000	96,698	(3,302)
Transfers out	(1,200)	(1,200)	(2,015)	(815)
Total other financing sources (uses)	<u>(1,200)</u>	<u>98,800</u>	<u>94,683</u>	<u>(4,117)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(4,948)</u>	<u>\$ (4,948)</u>
Fund balances, beginning of year			<u>30,455</u>	
Fund balances, end of year			<u>\$ 25,507</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 168,434	\$ 188,865	\$ 182,011	\$ (6,854)
Expenditures,				
Current, economic development	15,139	15,139	14,881	(258)
Debt service:				
Principal retirement	151,613	172,044	165,735	(6,309)
Total expenditures	<u>166,752</u>	<u>187,183</u>	<u>180,616</u>	<u>(6,567)</u>
Excess of revenues over expenditures	<u>1,682</u>	<u>1,682</u>	<u>1,395</u>	<u>(287)</u>
Other financing (uses), transfers out	<u>(1,684)</u>	<u>(1,684)</u>	<u>(735)</u>	<u>949</u>
Net change in fund balances	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>660</u>	<u>\$ 662</u>
Fund balances, beginning of year			<u>12,330</u>	
Fund balances, end of year			<u>\$ 12,990</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 4,784,104	\$ 4,784,581	\$ 4,174,132	\$ (610,449)
Interest	53,887	53,410	32,745	(20,665)
Total revenues	<u>4,837,991</u>	<u>4,837,991</u>	<u>4,206,877</u>	<u>(631,114)</u>
Expenditures:				
Current, economic development	302,449	302,449	328,769	26,320
Debt service:				
Principal retirement	2,695,000	2,695,000	1,755,000	(940,000)
Interest and fiscal charges	1,840,542	1,840,542	1,679,776	(160,766)
Total expenditures	<u>4,837,991</u>	<u>4,837,991</u>	<u>3,763,545</u>	<u>(1,074,446)</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>443,332</u>	<u>443,332</u>
Other financing (uses), transfers (out)	<u>-</u>	<u>-</u>	<u>(14,775)</u>	<u>(14,775)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>428,557</u>	<u>\$ 428,557</u>
Fund balances, beginning of year			<u>4,979,602</u>	
Fund balances, end of year			<u>\$ 5,408,159</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 537,136	\$ 537,136	\$ 620,544	\$ 83,408
Interest	1,888	1,888	1,481	(407)
Total revenues	<u>539,024</u>	<u>539,024</u>	<u>622,025</u>	<u>83,001</u>
Expenditures, current, economic development	<u>32,855</u>	<u>32,855</u>	<u>31,943</u>	<u>(912)</u>
Excess (deficiency) of revenues over expenditures	506,169	506,169	590,082	83,913
Other financing (uses), transfers out	<u>(6,000)</u>	<u>(589,862)</u>	<u>(552,766)</u>	<u>37,096</u>
Net change in fund balances	<u>\$ 500,169</u>	<u>\$ (83,693)</u>	<u>37,316</u>	<u>\$ 121,009</u>
Fund balances, beginning of year			<u>69,933</u>	
Fund balances, end of year			<u>\$ 107,249</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 83,546	\$ 186,250	\$ 105,200	\$ (81,050)
Interest	354	354	605	251
Total revenues	<u>83,900</u>	<u>186,604</u>	<u>105,805</u>	<u>(80,799)</u>
Expenditures,				
Current, economic development	4,094	4,094	10,017	5,923
Debt service, principal retirement	79,106	665,672	544,242	(121,430)
Total expenditures	<u>83,200</u>	<u>669,766</u>	<u>554,259</u>	<u>(115,507)</u>
Excess of revenues over expenditures	<u>700</u>	<u>(483,162)</u>	<u>(448,454)</u>	<u>34,708</u>
Other financing sources (uses):				
Transfers in	-	483,862	449,664	(34,198)
Transfers out	(700)	(700)	(1,016)	(316)
Total other financing sources (uses)	<u>(700)</u>	<u>483,162</u>	<u>448,648</u>	<u>(34,514)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>194</u>	<u>\$ 194</u>
Fund balances, beginning of year			<u>20,622</u>	
Fund balances, end of year			<u>\$ 20,816</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—White Oaks TIF
Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ 842,336	\$ 978,078	\$ 824,186	\$ (153,892)
Interest	28,413	28,413	11,398	(17,015)
Total revenues	<u>870,749</u>	<u>1,006,491</u>	<u>835,584</u>	<u>(170,907)</u>
Expenditures,				
Current, economic development	265,492	265,492	39,474	(226,018)
Debt service:				
Principal retirement	75,000	90,000	90,000	-
Interest and fiscal charges	529,258	650,000	456,225	(193,775)
Total expenditures	<u>869,750</u>	<u>1,005,492</u>	<u>585,699</u>	<u>(419,793)</u>
Excess (deficiency) of revenues over expenditures	<u>999</u>	<u>999</u>	<u>249,885</u>	<u>248,886</u>
Other financing sources (uses), transfers (out)	<u>(1,000)</u>	<u>(1,000)</u>	<u>(4,606)</u>	<u>(3,606)</u>
Net change in fund balances	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>245,279</u>	<u>\$ 245,280</u>
Fund balances, beginning of year			<u>2,105,889</u>	
Fund balances, end of year			<u>\$ 2,351,168</u>	

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances—
 Budget and Actual—White Oaks A Novel Place TIF
 Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes and intergovernmental activity taxes	\$ -	\$ -	\$ 14,840	\$ 14,840
Interest	-	-	-	-
Total revenues	-	-	14,840	14,840
Expenditures,				
Current, economic development	-	-	974	974
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	974	974
Excess (deficiency) of revenues over expenditures	-	-	13,866	13,866
Other financing sources (uses), transfers (out)	-	-	(69)	(69)
Net change in fund balances	\$ -	\$ -	13,797	\$ 13,797
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ 13,797</u>	

AGENCY FUNDS

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

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.

Woods Chapel Community Improvement District—accounts for amounts collected on behalf of the District.

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.

White Oaks Community Improvement District—accounts for amounts collected on behalf of the District.

Fall Creek Community Improvement District—accounts for amounts collected on behalf of the District.

Sunset Plaza Community Improvement District— accounts for amounts collected on behalf of the District.

North Blue Springs Community Improvement District— accounts for amounts collected on behalf of the District.

City of Blue Springs, Missouri

Statement of Changes in Assets and Liabilities—Agency Funds
Year Ended September 30, 2020

	Balance September 30, 2019		Additions	Deletions	Balance September 30, 2020	
Employees Flexible Benefit Fund						
Assets, cash	\$	(7,553)	\$ 25,980	\$ 18,323	\$	104
Liabilities:						
Employee flexible benefits deposits	\$	(7,553)	\$ 82,780	\$ 75,227	\$	-
Due to other funds		-	295	-		295
Accounts payable		-	18,131	18,322		(191)
Total liabilities	\$	(7,553)	\$ 101,206	\$ 93,549	\$	104
Eastern Jackson County Betterment Council Fund						
Assets:						
Cash	\$	71,063	\$ -	\$ 4,592	\$	66,471
Taxes receivable		375	-	375		-
Total assets	\$	71,438	\$ -	\$ 4,967	\$	66,471
Liabilities:						
Accounts payable	\$	1,776	\$ 4,974	\$ 4,591	\$	2,159
Membership deposits		69,662	-	5,350		64,312
Total liabilities	\$	71,438	\$ 4,974	\$ 9,941	\$	66,471
Woods Chapel CID						
Assets:						
Cash	\$	2,559	\$ 100,657	\$ 102,797	\$	419
Taxes receivable		8,896	6,240	8,896		6,240
Total assets	\$	11,455	\$ 106,897	\$ 111,693	\$	6,659
Liabilities, due to other governments	\$	11,455	\$ 98,001	\$ 102,797	\$	6,659
Adams Dairy Landing CID						
Assets:						
Cash	\$	546,038	\$ 1,239,618	\$ 1,250,976	\$	534,680
Taxes receivable		394,317	394,317	394,317		394,317
Total assets	\$	940,355	\$ 1,633,935	\$ 1,645,293	\$	928,997
Liabilities, due to other governments	\$	940,355	\$ 1,239,618	\$ 1,250,976	\$	928,997
Coronado Drive TDD						
Assets:						
Cash	\$	15,000	\$ 1,519	\$ 7,417	\$	9,102
Taxes receivable		1,069	-	1,069		-
Total assets	\$	16,069	\$ 1,519	\$ 8,486	\$	9,102
Liabilities, due to other governments	\$	16,069	\$ 450	\$ 7,417	\$	9,102
Adams Farm TDD						
Assets:						
Cash	\$	-	\$ 1,258,158	\$ 1,258,158	\$	-
Taxes receivable		191,545	192,282	191,545		192,282
Total assets	\$	191,545	\$ 1,450,440	\$ 1,449,703	\$	192,282
Liabilities, due to other governments	\$	191,545	\$ 1,258,895	\$ 1,258,158	\$	192,282

(Continued)

City of Blue Springs, Missouri

Statement of Changes in Assets and Liabilities—Agency Funds (Continued)
Year Ended September 30, 2020

	Balance September 30, 2019	Additions	Deletions	Balance September 30, 2020
White Oak CID				
Assets:				
Cash	\$ -	\$ 428,498	\$ 428,498	\$ -
Taxes receivable	27,276	27,903	27,276	27,903
Total assets	\$ 27,276	\$ 456,401	\$ 455,774	\$ 27,903
Liabilities, due to other governments	\$ 27,276	\$ 429,125	\$ 428,498	\$ 27,903
Fall Creek CID				
Assets:				
Cash	\$ 54,803	\$ 100,209	\$ 92,446	\$ 62,566
Taxes receivable	9,396	19,231	14,615	14,012
Total assets	\$ 64,199	\$ 119,440	\$ 107,061	\$ 76,578
Liabilities, due to other governments	\$ 64,199	\$ 104,825	\$ 92,446	\$ 76,578
Sunset Plaza CID				
Assets:				
Cash	\$ 9,006	\$ 36,873	\$ 4,129	\$ 41,750
Taxes receivable	6,485	6,135	6,485	6,135
Total assets	\$ 15,491	\$ 43,008	\$ 10,614	\$ 47,885
Liabilities, due to other governments	\$ 15,491	\$ 36,523	\$ 4,129	\$ 47,885
North Blue Springs CID				
Assets:				
Cash	\$ -	\$ 136,827	\$ 1,369	\$ 135,458
Taxes receivable	-	16,230	-	16,230
Total assets	\$ -	\$ 153,057	\$ 1,369	\$ 151,688
Liabilities, due to other governments	\$ -	\$ 153,057	\$ 1,369	\$ 151,688
Total - All Agency Funds				
Assets:				
Cash	\$ 690,916	\$ 3,328,339	\$ 3,168,705	\$ 850,550
Taxes receivable	639,359	662,338	644,578	657,119
Total assets	\$ 1,330,275	\$ 3,990,677	\$ 3,813,283	\$ 1,507,669
Liabilities:				
Due to other governments	\$ 1,266,390	\$ 3,320,494	\$ 3,145,790	\$ 1,441,094
Accounts payable	1,776	23,105	22,913	1,968
Due to other funds	-	295	-	295
Membership and employee flexible benefit deposits	62,109	82,780	80,577	64,312
Total liabilities	\$ 1,330,275	\$ 3,426,674	\$ 3,249,280	\$ 1,507,669

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.

Contents	Page
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.	100-103
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.	104-110
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	111-115
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	116-117
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	118-120

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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Net investment in capital assets	\$ 48,629,336	\$ 52,611,903	\$ 56,916,375	\$ 56,974,743	\$ 52,660,972	\$ 50,935,498	\$ 48,088,930	\$ 63,608,289	\$ 67,324,094	\$ 78,330,229
Restricted	17,423,528	12,530,535	14,074,282	11,962,522	777,874	10,961,851	17,419,058	16,400,993	25,743,995	25,519,150
Unrestricted (deficit)	(12,768,225)	(19,806,791)	(21,991,465)	(30,155,338)	(10,051,448)	(18,022,927)	(26,327,731)	(24,445,071)	(30,805,302)	(26,294,288)
Total governmental activities net position	\$ 53,284,639	\$ 45,335,647	\$ 48,999,192	\$ 38,781,927	\$ 43,387,398	\$ 43,874,422	\$ 39,180,257	\$ 55,564,211	\$ 62,262,787	\$ 77,555,091
Business-type activities:										
Net investment in capital assets	\$ 48,753,483	\$ 48,535,736	\$ 48,485,162	\$ 47,321,113	\$ 52,642,617	\$ 51,265,320	\$ 50,407,815	\$ 50,424,392	\$ 51,053,164	\$ 52,889,750
Restricted	2,072,904	2,478,007	2,488,531	2,171,458	2,727,185	1,575,649	1,575,505	1,571,849	1,545,511	1,388,165
Unrestricted	38,610,277	41,628,468	42,750,205	42,553,879	39,206,646	40,936,386	41,071,883	42,989,179	42,504,639	44,393,402
Total business-type activities net position	\$ 89,436,664	\$ 92,642,211	\$ 93,723,898	\$ 92,046,450	\$ 94,576,448	\$ 93,777,355	\$ 93,055,203	\$ 94,985,420	\$ 95,103,314	\$ 98,671,317
Primary government:										
Net investment in capital assets	\$ 97,382,819	\$ 101,147,639	\$ 105,401,537	\$ 104,295,856	\$ 105,303,589	\$ 102,200,818	\$ 98,496,745	\$ 114,032,681	\$ 118,377,258	\$ 131,219,979
Restricted	19,496,432	15,008,542	16,562,813	14,133,980	3,505,059	12,537,500	18,994,563	17,972,842	27,289,506	26,907,315
Unrestricted	25,842,052	21,821,677	20,758,740	12,398,541	29,155,198	22,913,459	14,744,152	18,544,108	11,699,337	18,099,114
Total primary government net position	\$ 142,721,303	\$ 137,977,858	\$ 142,723,090	\$ 130,828,377	\$ 137,963,846	\$ 137,651,777	\$ 132,235,460	\$ 150,549,631	\$ 157,366,101	\$ 176,226,408

Notes: 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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
General government	\$ 5,747,148	\$ 6,173,185	\$ 6,682,189	\$ 6,494,979	\$ 6,732,979	\$ 6,420,523	\$ 7,257,755	\$ 6,389,183	\$ 7,269,330	\$ 6,657,046
Public works	1,165,906	1,235,515	1,082,539	729,879	758,851	701,230	735,017	706,567	700,843	935,938
Highways and streets	14,911,575	8,492,791	13,469,975	14,428,795	6,262,685	8,365,757	10,975,662	8,385,717	11,198,828	9,327,948
Public safety	12,475,129	17,032,328	13,362,419	12,815,066	18,032,520	16,788,117	15,198,731	15,581,118	15,706,926	15,878,979
Parks and recreation	4,059,046	4,036,137	3,869,602	4,166,939	4,141,149	4,269,900	4,514,983	4,320,343	4,845,702	5,607,363
Economic development	625,859	6,577,745	2,336,825	13,549,379	2,416,435	267,098	5,324,067	5,314,852	945,637	813,949
Interest and fiscal charges	2,809,800	2,759,693	2,960,575	3,380,506	5,251,068	4,064,700	4,829,799	4,143,672	4,050,603	3,673,128
Total governmental activities expenses	41,794,463	46,307,394	43,764,124	55,565,543	43,595,687	40,877,325	48,836,014	44,841,452	44,717,869	42,894,351
Business-type activities:										
Water	8,215,144	8,322,203	8,472,236	8,819,587	8,608,200	9,424,854	10,317,418	10,877,316	11,037,502	10,692,410
Sewer	7,315,040	7,348,680	7,829,235	9,585,897	11,455,986	9,599,824	9,713,317	9,650,812	9,959,618	8,331,954
Golf course	1,670,943	2,019,349	1,667,800	1,717,978	1,654,733	1,658,105	1,736,689	1,682,473	1,747,726	1,702,350
Non-major: Fieldhouse					149,777	1,012,307	1,122,838	1,214,815	1,228,526	1,273,061
Total business-type activities expenses	17,201,127	17,690,232	17,969,271	20,123,462	21,868,696	21,695,090	22,890,262	23,425,416	23,973,372	21,999,775
Total primary government expenses	58,995,590	63,997,626	61,733,395	75,689,005	65,464,383	62,572,415	71,726,276	68,266,868	68,691,241	64,894,126
Program revenue:										
Governmental activities:										
Charges for services:										
General government	3,095,525	3,171,600	3,569,233	3,826,423	3,456,917	3,598,475	3,838,541	4,156,925	4,305,466	3,914,728
Public works	54,941	332,068	92,490	21,205	69,054	162,531	208,751	41,511	228,626	82,737
Highways and streets	-	-	-	-	-	-	-	-	-	-
Public safety	2,971,402	2,915,982	1,947,267	1,405,762	1,428,023	1,332,713	1,197,668	1,373,040	1,160,475	909,864
Parks and recreation	626,200	398,451	381,691	414,159	444,931	449,467	490,733	513,432	496,512	204,693
Operating grants and contributions	567,701	574,895	799,005	575,817	581,258	471,559	642,130	762,087	901,885	1,833,776
Capital grants and contributions	4,535,142	124,686	9,569,123	5,837,853	2,449,429	609,823	2,245,519	13,509,858	2,378,011	10,392,626
Total governmental activities program revenue	11,850,911	7,517,682	16,358,809	12,081,219	8,429,612	6,624,568	8,623,342	20,356,853	9,470,975	17,338,424
Business-type activities:										
Charges for services:										
Water	7,052,276	7,886,884	7,215,657	8,074,733	8,102,186	9,797,233	10,516,119	11,146,296	10,691,171	10,876,477
Sewer	6,800,171	6,773,648	6,777,957	6,885,033	7,273,979	7,482,274	7,814,538	8,894,100	8,946,731	9,304,720
Golf course	1,367,495	1,520,568	1,469,473	1,394,058	1,432,673	1,458,922	1,497,416	1,530,581	1,459,303	1,635,983
Non-major: Fieldhouse					105,705	664,541	978,482	1,037,866	1,113,227	829,611
Capital grants and contributions	7,169,853	3,413,162	3,065,333	763,153	280,865	230,991	248,589	1,149,415	276,103	144,739
Total business-type activities program revenues	22,389,795	19,594,262	18,528,420	17,116,977	17,195,408	19,633,961	21,055,144	23,758,258	22,486,535	22,791,530
Total primary government program revenues	\$ 34,240,706	\$ 27,111,944	\$ 34,887,229	\$ 29,198,196	\$ 25,625,020	\$ 26,258,529	\$ 29,678,486	\$ 44,115,111	\$ 31,957,510	\$ 40,129,954

(Continued)

City of Blue Springs, Missouri

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (expense) revenue:										
Governmental activities	\$ (29,943,552)	\$ (27,405,315)	\$ (27,405,225)	\$ (43,484,324)	\$ (35,166,075)	\$ (34,252,757)	\$ (40,212,672)	\$ (24,484,599)	\$ (35,246,894)	\$ (25,555,927)
Business-type activities	5,188,668	559,149	(3,006,485)	(3,006,485)	(4,673,288)	(2,061,129)	(1,835,118)	332,842	(1,486,837)	791,755
Total primary government net expense	\$ (24,754,884)	\$ (26,846,166)	\$ (30,411,710)	\$ (46,490,809)	\$ (39,839,363)	\$ (36,313,886)	\$ (42,047,790)	\$ (24,151,757)	\$ (36,733,731)	\$ (24,764,172)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Sales taxes	\$ 10,227,290	\$ 13,710,170	\$ 14,128,049	\$ 15,136,972	\$ 15,971,904	\$ 16,518,994	\$ 16,573,548	\$ 21,502,149	\$ 21,791,422	\$ 22,598,463
Property taxes	5,345,937	5,675,553	5,273,295	5,543,977	5,610,797	6,122,937	5,940,624	6,146,648	6,356,809	6,303,805
Franchise tax	5,311,660	5,062,742	5,414,939	5,250,496	5,187,482	4,860,305	4,766,919	4,970,652	4,591,354	4,428,829
Intergovernmental activity taxes	2,598,427	2,910,479	3,867,998	3,851,865	4,360,020	3,952,005	4,590,028	5,151,086	5,222,871	4,687,553
Motor Vehicle		1,785,850	1,672,082	1,764,838	1,833,354	1,844,525	1,889,309	1,885,785	1,896,881	1,826,151
Hotel	573,835	544,620	536,199	575,237	591,718	591,123	613,430	544,598	548,466	423,550
Other taxes	2,064,588	409,592	404,923	394,499	334,958	364,960	383,330	414,475	411,062	445,081
Interest	419,579	410,317	352,556	371,085	385,668	386,448	442,397	540,230	952,152	598,571
Miscellaneous	588,977	581,404	812,952	778,639	526,698	410,308	534,546	566,742	555,846	610,253
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	541,444
Transfers	(363,869)	(250,007)	(262,696)	(400,549)	(5,152,426)	(311,824)	(215,624)	(710,113)	(381,393)	(1,615,469)
Total governmental activities	26,766,424	30,840,720	32,200,297	33,267,059	29,650,173	34,739,781	35,518,507	41,012,252	41,945,470	40,848,231
Business-type activities:										
Interest	137,601	1,051,510	923,456	928,488	996,622	950,212	897,342	902,509	1,223,338	1,650,779
Transfers	363,869	250,007	262,696	400,549	5,152,426	311,824	215,624	710,113	381,393	1,615,469
Total business-type activities	501,470	1,301,517	1,186,152	1,329,037	6,149,048	1,262,036	1,112,966	1,612,622	1,604,731	3,266,248
Total primary government	\$ 27,267,894	\$ 32,142,237	\$ 33,386,449	\$ 34,596,096	\$ 35,799,221	\$ 36,001,817	\$ 36,631,473	\$ 42,624,874	\$ 43,550,201	\$ 44,114,479
Changes in net position:										
Governmental activities	(3,177,128)	3,435,405	4,795,072	(10,217,265)	(5,515,902)	487,024	(4,694,165)	16,527,653	6,698,576	15,292,304
Business-type activities	5,690,138	1,860,666	(1,820,333)	(1,677,448)	1,475,760	(799,093)	(722,152)	1,945,464	117,894	3,568,003
Total primary government	\$ 2,513,010	\$ 5,296,071	\$ 2,974,739	\$ (11,894,713)	\$ (4,040,142)	\$ (312,069)	\$ (5,416,317)	\$ 18,473,117	\$ 6,816,470	\$ 18,860,307

City of Blue Springs, Missouri

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	2,069,873	2,124,185	2,250,484	2,390,413	2,444,821	2,389,927	2,436,877	2,649,026	2,872,873	2,677,560
Restricted	131,654	107,265	1,143,677	1,110,681	61,804	66,897	77,917	150,050	93,442	65,979
Committed	7,174,859	7,145,032	7,431,610	7,615,714	7,876,539	7,841,276	10,969,379	7,680,711	8,244,564	8,075,350
Assigned	2,042,797	32,217	4,931,586	4,203,615	1,532,656	1,542,188	474,644	729,539	644,144	522,279
Unassigned	4,060,154	6,041,570	1,563,656	213,769	850,231	2,217,410	1,337,706	3,160,724	4,299,621	8,113,165
Total General Fund	\$ 15,479,337	\$ 15,450,269	\$ 17,321,013	\$ 15,534,192	\$ 12,766,051	\$ 14,057,698	\$ 15,296,523	\$ 14,370,050	\$ 16,154,644	\$ 19,454,333
All other governmental funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Nonspendable,										
Special revenue funds	58,169	340,394	15,415	353,424	29,857	67,619	53,015	164,692	88,132	67,370
Capital projects funds	-	-	-	-	-	326,911	-	-	-	-
Restricted/Committed/Assigned:										
Capital projects funds	16,053,845	14,628,781	14,270,225	8,914,496	5,024,611	4,704,131	5,637,222	6,437,127	3,489,828	3,109,151
Public Safety Sales Tax fund (2)	-	3,673,183	2,756,681	18,087,627	6,926,542	4,496,847	4,744,824	-	-	-
Debt Service fund (2)	-	-	-	-	-	-	-	894,421	-	-
Other governmental funds	7,382,340	8,150,087	1,879,203	10,732,535	6,055,534	7,065,198	12,503,696	15,238,059	17,814,128	18,003,386
Unassigned	-	-	-	-	-	-	(29,750)	-	-	-
Total all other government funds	\$ 23,494,354	\$ 26,792,445	\$ 18,921,524	\$ 38,088,082	\$ 18,036,544	\$ 16,660,706	\$ 22,909,007	\$ 22,734,299	\$ 21,392,088	\$ 21,179,907

(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.

(2) Public Safety Sales Tax fund is not recognized as a major fund in FY2018; Debt Service fund is recognized as a major fund in FY2018 due to 2017 GO Bonds refunding of the 2009 Build America Bonds

City of Blue Springs, Missouri

Changes In Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Taxes	\$ 23,005,968	\$ 24,686,823	\$ 25,839,079	\$ 26,682,458	\$ 27,506,137	\$ 27,837,343	\$ 27,987,328	\$ 33,222,499	\$ 33,229,356	\$ 34,033,665
Intergovernmental activity taxes	2,598,425	2,843,750	3,775,528	3,851,865	4,360,020	3,949,611	5,018,954	5,295,540	5,417,477	4,687,553
Licenses, fees and permits	629,447	639,179	688,903	865,546	777,265	977,939	1,135,665	1,385,463	1,495,370	1,283,648
Intergovernmental	6,676,347	2,979,681	2,960,671	3,510,789	5,366,824	3,326,434	3,454,177	3,499,500	3,678,198	4,581,609
Charges for services	4,982,338	3,559,085	2,322,751	1,512,856	1,305,934	1,361,123	1,437,539	1,324,601	1,461,165	851,190
Administrative charges		1,382,522	1,676,501	1,764,935	1,840,000	1,839,701	1,874,568	1,930,456	1,930,456	2,004,252
Fines, forfeitures and court costs	884,777	882,785	870,291	1,114,347	1,127,246	1,033,510	902,432	1,061,126	882,616	580,544
Interest	419,578	410,317	352,555	371,276	404,276	386,448	442,397	540,229	952,152	598,571
Donations	55,672	87,409	1,237,690	41,152	34,427	37,383	72,023	104,528	64,202	33,375
Other	904,226	581,904	812,123	815,672	597,656	412,066	525,709	555,150	590,016	610,253
Total revenues	40,156,778	38,053,455	40,536,092	40,530,896	43,319,785	41,161,558	42,850,792	48,919,092	49,701,008	49,264,660
Expenditures:										
General government	5,471,625	5,676,363	5,832,150	6,117,293	6,327,993	6,017,583	6,197,037	6,006,634	6,146,384	5,918,310
Public works	844,437	820,337	692,584	721,738	758,851	701,230	676,063	717,984	667,293	689,064
Highways and streets	2,407,243	2,487,103	2,690,517	2,722,410	2,999,767	2,792,470	2,581,952	3,100,881	5,784,931	2,650,963
Public safety	11,742,075	16,335,463	15,191,037	19,151,121	24,489,006	14,963,894	13,168,457	13,534,211	13,572,670	13,440,592
Parks and recreation	3,680,470	3,378,523	3,357,255	3,647,241	3,649,129	3,685,781	3,753,671	5,185,979	7,500,496	3,540,630
Economic development	383,397	431,682	298,302	305,241	325,695	267,098	3,743,117	4,062,286	575,907	450,368
Capital outlay	10,310,341	13,994,620	12,066,688	2,774,635	8,886,778	4,375,399	3,829,446	6,997,406	4,612,171	10,295,712
Debt service:										
Principal	1,893,905	2,254,897	3,266,049	3,564,582	18,659,554	4,682,255	5,936,176	18,025,120	6,001,963	4,716,979
Interest	2,694,128	2,625,145	2,911,469	2,930,738	3,694,548	3,480,693	4,259,195	4,277,205	4,047,895	3,588,775
Bond Issuance Costs		158,350	-	408,232	1,615,270	-	300,406	174,335		-
Total expenditures	39,427,621	48,162,483	46,306,051	42,343,231	71,406,591	40,966,403	44,445,520	62,082,041	48,909,710	45,291,393
Excess of revenues over (under) expenditures	729,157	(10,109,028)	(5,769,959)	(1,812,335)	(28,086,806)	195,155	(1,594,728)	(13,162,949)	791,298	3,973,267
Other financing sources (uses):										
Bond proceeds	-	13,409,490	-	20,960,000	38,050,000	-	9,265,000	-	-	-
Refunded bond proceeds	-	-	-	-	-	-	-	11,915,000	-	-
Premium/(Discount) on issuance	-	185,701	-	460,377	(287,875.00)	-	-	824,403	-	-
Payment to refunded bond escrow agent	-	-	-	(1,860,234.00)	(27,625,000.00)	-	-	-	-	-
Capital lease issuance	-	-	-	-	249,950.00	-	-	-	-	61,500
Transfers in	4,035,359	4,975,087	2,401,594	6,001,009	2,575,957	1,745,057	2,057,902	9,597,611	1,733,243	2,191,629
Transfers out	(4,366,750)	(5,192,227)	(2,631,812)	(6,369,080)	(7,695,905)	(2,024,403)	(2,241,048)	(10,275,246)	(2,082,158)	(3,774,620)
Sale of capital assets	-	-	-	-	-	-	-	-	-	635,732.00
Total other financing sources (uses)	(331,391)	13,378,051	(230,218)	19,192,072	5,267,127	(279,346)	9,081,854	12,061,768	(348,915)	(885,759)
Net changes in fund balances	\$ 397,766	\$ 3,269,023	\$ (6,000,177)	\$ 17,379,737	\$ (22,819,679)	\$ (84,191)	\$ 7,487,126	\$ (1,101,181)	\$ 442,383	\$ 3,087,508
Debt service as a percentage of noncapital expenditures	12.9%	14.5%	16.3%	23.8%	42.1%	22.5%	24.4%	42.0%	24.8%	22.2%

City of Blue Springs, Missouri

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

Sales by Retail Category:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Retail	\$ 626,092	\$ 641,420	633,517	\$ 689,106	\$ 734,889	\$ 760,521	\$ 588,608	\$ 611,365	\$ 596,911	\$ 654,800
Manufacturing	3,208	3,650	3,862	9	9	9	14,550	20,549	19,951	11,987
Restaurants	29,592	29,773	29,632	35,843	37,676	39,186	93,942	108,330	104,610	107,053
Services	25,458	25,519	23,464	30,308	32,029	33,807	105,500	101,604	108,221	95,623
All other outlets	2,532	22,004	47,604	30,624	25,843	24,686	58,141	61,535	73,543	73,983
Total	\$ 686,883	\$ 722,366	738,079	\$ 785,890	\$ 830,446	\$ 858,209	\$ 860,741	\$ 903,383	\$ 903,236	\$ 943,446

Note: Amounts are in thousands of dollars. NAICS codes were updated in 2017 reflecting changes in some categories.

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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	0.500	0.500	0.500	0.500	0.500	0.500
Parks	-	-	-	-	-	-	-	0.500	0.500	0.500
Direct sales tax rate City of Blue Springs	1.500	2.000	2.000	2.000	2.000	2.000	2.000	2.500	2.500	2.500
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	1.125	1.125	1.125	1.125	1.125	1.125	1.250	1.250	1.250	1.250
City of Blue Springs	1.500	2.000	2.000	2.000	2.000	2.000	2.000	2.500	2.500	2.500
Central Jackson County Fire Protection District	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Zoo	-	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Total direct and overlapping sales tax rate	7.350	7.975	7.975	7.975	7.975	7.975	8.100	8.600	8.600	8.600
Transportation Development Districts & Community Improvement Districts										
Adams Farm Transportation Development District	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Home Depot Transportation Development District	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	-	-
Coronado Drive Transportation Development District	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	-
Oaks at Woods Chapel Community Improvement District	-	-	-	1.000	1.000	1.000	1.000	1.000	1.000	1.000
White Oak Community Improvement District	-	-	-	-	-	-	1.000	1.000	1.000	1.000
Fall Creek Community Improvement District	-	-	-	-	-	-	-	-	1.000	1.000
Sunset Plaza Community Improvement District	-	-	-	-	-	-	-	-	1.000	1.000
North Blue Springs Community Improvement District	-	-	-	-	-	-	-	-	1.000	1.000

Note: The rates shown for the Transportation Development Districts and Community Improvement Districts are in addition to the direct and overlapping rates and 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				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	Total	Personal Property	Railroads & Utilities				
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
2015	479,712,354	173,478	109,136,575	589,022,407	131,036,206	12,569,227	732,627,840	0.7489	3,300,080,265	22.20
2016	515,457,495	176,724	114,610,010	630,244,229	134,012,963	14,284,738	778,541,930	0.7281	3,519,644,302	22.12
2017	523,141,324	179,919	122,135,174	645,456,417	141,360,112	14,391,221	801,207,750	0.7281	3,606,024,540	22.22
2018	553,128,990	175,489	137,007,429	690,311,908	142,107,728	13,665,988	846,085,624	0.7184	3,810,271,981	22.21
2019	567,284,999	166,284	137,657,977	705,109,260	150,784,513	14,164,124	870,057,897	0.7175	3,914,346,632	22.23
2020	665,200,915	167,342	191,837,168	857,205,425	152,796,151	14,280,190	1,024,281,766	0.6463	4,605,416,008	22.24

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
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
2015	0.5989	0.1500	0.7489	1.1607	0.2374	5.7286	1.0317	0.0300	8.1884
2016	0.5781	0.1500	0.7281	1.1731	0.2343	5.7286	1.0038	0.0300	8.1698
2017	0.5781	0.1500	0.7281	1.1762	0.2339	5.7286	1.0117	0.0300	8.1804
2018	0.5684	0.1500	0.7184	1.1566	0.2297	5.7286	1.0685	0.0300	8.2134
2019	0.5675	0.1500	0.7175	1.1519	0.2305	5.7286	1.2867	0.0300	8.4277
2020	0.4963	0.1500	0.6463	1.0292	0.2047	5.5500	1.1371	0.0300	7.9510

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	0.1801
General Fund	0.2446
Road & Bridge Fund	0.0660
Park Fund	0.1203
Mid-Continent Public Library	0.3633
Handicap	0.0620
Mental Health	0.1008
Total County	<u>1.1371</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	4.9970
Lee's Summit Reorganized #7	5.3280

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	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Evergy West (KCPL / Aquila)	\$ 16,465,299	1	26.88	\$ 4,952,141	2	19.62
MPT of Blue Springs LLC	10,240,000	2	16.72			-
Wal-Mart Stores, Inc.	9,563,973	3	15.61	5,026,091	1	19.91
Kohl's Department Store	6,026,655	4	9.84			-
Fike Metal Products Corp.	3,841,071	5	6.27	1,567,707	8	6.21
Blue Springs Senior Community LLC	3,407,160	6	5.56			-
PI BVT LLC	3,130,887	7	5.11			-
Southern Union Co dba Mo Gas Energy	3,084,279	8	5.04	1,753,311	5	6.95
WI Eagle Crossing Townhomes	2,744,918	9	4.48			-
Sunnyside Gardens Apts. - Blue Springs	2,744,674	10	4.48			-
George T Ward Builders, Inc.				3,856,340	3	15.28
Blue Springs Development Three, Inc				1,599,235	7	6.34
HD Development of Maryland Inc.				2,014,811	4	7.98
St. Mary's Hospital				1,600,001	6	6.34
Akers Apartment LLC				1,529,975	9	6.06
Royal Investments Group Inc				1,344,000	10	5.32
Total	\$ 61,248,916		100.00	\$ 25,243,612		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		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	6,239,956	6,009,470	96.31	209,658	6,219,128	99.67
2012	6,637,020	6,425,351	96.81	186,467	6,611,818	99.62
2013	6,889,963	6,658,528	96.64	207,671	6,866,199	99.66
2014	7,052,632	6,834,975	96.91	191,764	7,026,738	99.63
2015	7,168,365	6,961,356	97.11	181,283	7,142,639	99.64
2016	7,424,315	7,267,788	97.89	130,813	7,398,601	99.65
2017	7,605,288	7,442,336	97.86	132,236	7,532,169	99.04
2018	8,051,212	7,881,226	97.89	130,274	8,011,499	99.51
2019	8,452,816	8,281,118	97.97	95,879	8,376,997	99.10
2020	9,196,613	9,031,772	98.21			

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			
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	7.06	1937.87
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	8.13	2357.42
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	8.19	2335.32
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	9.99	2843.72
2015	23,040,812	-	47,340,170	4,188,968	20,845,445	9,818,417	69,293	2,961,056	16,171,696	19,882,400	144,318,257	9.53	2754.11
2016	22,195,204		45,796,685	3,412,143	20,555,474	8,745,327	54,542	2,714,450	15,317,127	18,813,200	137,604,152	8.87	2541.26
2017	21,304,597		52,323,200	2,822,029	20,275,500	8,860,208	61,931	2,452,846	14,437,559	17,722,900	140,260,770	8.50	2576.85
2018	20,454,693		49,969,715	2,213,175	19,990,528	8,826,501	243,322	2,176,241	13,507,991	16,611,201	133,993,367	8.15	2438.68
2019	19,385,388		47,211,230	1,584,931	19,695,557	7,847,426	258,675	1,894,636	10,704,789	15,477,601	124,060,233	7.17	2251.38
2020	18,242,401		45,377,745	986,624	19,682,201	7,063,833	171,811	1,608,031	9,896,810	14,321,601	117,351,057	6.38	2101.97

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			Percentage of Est. Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Less Amounts Available in Debt Service	Total		
2011	18,605,000	(1,053,965)	17,551,035	0.54	674.29
2012	25,445,000	(1,101,576)	24,343,424	0.75	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
2015	23,040,812	(719,158)	22,321,654	0.68	418.84
2016	22,195,204	(768,675)	21,426,529	0.61	395.70
2017	21,304,597	(837,157)	20,467,440	0.57	376.03
2018	20,454,693	(891,692)	19,563,001	0.51	356.05
2019	19,385,388	(1,102,861)	18,282,527	0.47	331.78
2020	18,242,401	(1,404,496)	16,837,905	0.37	301.60

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, 2020
(Unaudited)**

Name of Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
City of Blue Springs	91,352,804	100.00%	91,352,804
Total direct debt	91,352,804		91,352,804
Blue Springs Reorganized #4 School District	184,575,000	92.20%	170,178,150
Grain Valley Reorganized #5 School District	55,059,277	4.85%	2,670,375
Central Jackson County Fire Protection District	18,860,000	90.00%	16,974,000
Lee's Summit School District	113,660,000	0.004%	4,205
Total overlapping debt	372,154,277		189,826,730
Total direct and overlapping debt	\$ 463,507,081		\$ 281,179,534

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

**Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit (1)	\$ 144,938,547	\$ 143,664,929	\$ 145,306,368	\$ 146,211,257	\$ 146,525,568	\$ 155,708,386	\$ 160,241,550	\$ 169,217,125	\$ 174,011,579	\$ 204,856,353
Total net debt applicable to limit	17,551,035	24,343,424	23,664,367	23,116,184	22,321,654	21,426,529	20,467,440	19,560,272	18,282,527	16,837,905
Legal debt margin	\$ 127,387,512	\$ 119,321,505	\$ 121,642,001	\$ 123,095,073	\$ 124,203,914	\$ 134,281,857	\$ 139,774,110	\$ 135,254,441	\$ 155,729,052	\$ 188,018,448
Total net debt to the limit as a percentage of debt limit	12.11%	16.94%	16.29%	15.81%	15.23%	13.76%	12.77%	20.07%	10.51%	8.22%

Legal Debt Margin Calculation for Fiscal Year 2020	
Assessed Value	\$ 1,024,281,766
Debt Limit (20% of assessed value)	<u>204,856,353</u>
General obligation:	
City-wide	<u>18,242,401</u>
Total Bonded Debt	<u>18,242,401</u>
Less:	
Debt Service Fund Balance	<u>1,404,496</u>
Total net debt applicable to limit	<u>16,837,905</u>
Legal debt margin	<u><u>\$ 188,018,448</u></u>

Notes:

1 - Article 6, Section 26(b) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors voting thereon, to incur an indebtedness for city purposes not to exceed 5 percent of the value of the taxable tangible property therein, as shown by the last assessment.

1 - Article 6, Section 26(c) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed 5 percent of the value of the taxable tangible property therein, as shown by the last assessment.

1 - Article 6, Section 26(d) & (e) of the Missouri Constitution provides that any city may become indebted not exceeding in the aggregate an additional 10 percent of the value of the taxable tangible property for the purpose of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary or storm sewer systems and an additional 10 percent for purchasing or construction of waterworks, electric or other light plants provided the total general obligated indebtedness of the city does not exceed 20 percent of the assessed valuation.

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)	
2011	13,852,447	12,338,827	1,513,620	-	-	-
2012	14,660,532	12,498,037	2,162,495	652,000	-	-
2013	13,993,614	13,087,683	905,931	1,323,200	-	-
2014	14,959,766	13,590,191	1,369,575	1,349,300	95,024	0.95
2015	15,376,165	15,452,891	(76,726)	1,048,827	313,523	(0.06)
2016	17,279,507	14,664,073	2,615,434	1,069,200	297,492	1.91
2017	18,330,657	15,507,334	2,823,323	1,090,300	281,626	2.06
2018	20,040,396	16,006,996	4,033,400	1,111,700	264,384	2.93
2019	19,637,902	16,444,642	3,193,260	1,133,600	248,204	2.31
2020	20,181,197	14,784,307	5,396,890	1,156,000	230,888	3.89

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.

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)
2011	52,575	1,524,464,700	27,440	34.80	14,174	7.80%
2012	52,749	1,529,510,004	28,996	34.70	14,447	5.20%
2013	53,014	1,511,005,028	28,502	33.10	14,586	6.30%
2014	53,294	1,516,587,358	28,457	35.60	14,524	5.60%
2015	52,401	1,501,969,863	28,908	36.20	14,383	5.10%
2016	54,148	1,641,875,656	28,663	35.60	14,382	4.90%
2017	54,431	1,650,456,782	30,322	35.40	14,738	4.90%
2018	54,945	1,644,339,015	29,927	35.90	14,880	3.70%
2019	55,104	1,729,604,352	31,388	34.50	15,067	2.10%
2020	55,829	1,839,788,866	32,954	34.50	15,087	3.30%

- Sources: 1 Information provided by KCADC through the Blue Springs Economic Development Council - Claritas report
 2 Information provided by school districts. In 2017, numbers were updated to include all 3 private schools
 3 The information shown is for fiscal years.

City of Blue Springs, Missouri

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Blue Springs School District	2,050	1	6.81%	1,613	1	6.03%
St. Mary's Hospital of Blue Springs	550	2	1.83%	615	2	2.30%
Hy-Vee	500	3	1.66%	340	7	1.27%
Fike Corporation	458	4	1.52%	350	6	1.31%
Price Chopper	352	5	1.17%	402	4	1.50%
Wal-Mart Stores, Inc.	340	6	1.13%	392	5	1.47%
City of Blue Springs	309	7	1.03%	268	9	1.00%
Faurecia Interiors Systems Inc	300	8	1.00%			
Target	300	8	1.00%			
Kohl's Distribution Center	225	10	0.75%	450	3	1.68%
GPI (Formerly Gemaco)				225	10	0.84%
Haldex				338	8	1.26%
Total	5,384		17.88%	4,993		18.66%

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government:										
Administration	4.00	5.00	5.00	5.00	5.00	6.00	7.00	10.50	9.50	8.50
Legal	1.50	1.50	1.50	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Public relations and communications	1.00	1.00	1.00	1.00	2.00	3.00	2.00	2.00	2.00	2.00
Human resources	2.00	2.00	2.00	2.00	2.00	2.00	2.50	2.50	3.00	3.00
Information services	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Community development	6.00	6.00	6.00	6.00	6.00	8.65	8.25	8.25	8.25	8.25
Codes administration	8.46	8.46	8.46	8.46	10.46	10.46	10.46	10.46	10.46	10.46
Geographic information systems	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Economic development	N/A	N/A	N/A	N/A	N/A	N/A	2.00	2.00	1.00	-
Finance	23.90	22.90	22.90	22.90	22.90	10.50	10.50	10.50	10.50	10.50
Municipal court	6.12	6.12	6.62	6.62	6.62	6.62	5.62	5.62	5.62	5.62
Public Works	9.00	9.00	9.00	9.00	8.00	7.00	7.00	7.00	7.00	6.00
Highways and streets	15.30	15.30	15.30	15.30	16.80	16.80	16.80	16.80	16.80	16.80
Public Safety:										
Administration	1.00	2.00	2.00	2.00	3.00	3.00	4.00	4.00	4.00	4.00
Operations	67.00	78.00	78.00	78.00	79.00	81.00	81.00	81.00	79.00	79.00
Staff services	18.00	30.00	30.00	30.00	30.00	28.00	28.00	28.00	30.00	30.00
Professional standards	16.00	-	-	-	-	-	-	-	-	-
Community/youth outreach	20.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Parks and recreation										
Administration	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Building maintenance	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
50-Plus Programs	7.24	7.24	7.24	7.24	7.24	7.47	7.47	7.47	7.47	7.47
Parks maintenance	19.71	19.71	19.71	20.21	20.21	21.21	15.46	15.46	15.46	15.46
Recreation	2.00	2.00	3.00	3.00	5.30	5.30	5.30	5.30	8.08	7.08
Swimming pool	-	-	-	-	-	-	-	-	-	-
Fieldhouse	-	-	-	-	-	23.78	23.78	23.78	16.36	16.35
Water:										
Operations	5.00	5.00	4.00	4.00	4.50	4.50	4.50	4.50	4.50	4.50
Maintenance	7.00	7.00	8.00	8.00	8.00	12.00	12.00	12.00	12.00	12.00
Sewer:										
Operations	5.00	5.00	4.00	4.00	4.50	4.50	4.50	4.50	4.50	4.50
Maintenance	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Sni-A-Bar treatment plant	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Fleet Maintenance Fund	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total	268.23	285.23	286.73	289.73	298.53	318.79	315.14	318.64	313.50	309.49

Source: City of Blue Springs Budget

City of Blue Springs, Missouri

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

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police,										
Number of citations issued	12,198	10,506	10,714	10,988	10,816	10,562	10,542	11,443	8,031	6,903
Public Works:										
Street overlay (lane miles)	38.00	36.00	27.00	-	28.00	21.00	23.00	-	-	3.50
Potholes repaired	3,199	7,888	10,973	6,990	8,341	4,273	3,700	3,588	6,499	8,509
Crack sealing (lane miles)	133.04	171.85	136.94	74.19	66.66	39.00	70.00	79.84	16.42	4.00
Slurry seal (sq. yds.)	-	-	-	-	-	-	-	-	-	-
Parks and Recreation:										
Park shelter reservations	1,201	1,123	1,111	1,023	1,096	941	899	949	815	290
Vesper Hall rentals	64	67	68	88	132	104	144	78	168	50
Number of participants in recreation programs	180,700	164,464	167,894	172,674	177,854	156,560	164,388	172,607	173,000	69,170
Community Development:										
Building permits issued	544	648	699	806	920	914	1,009	1,164	1,268	1,303
Number of nuisance violations cited	3,912	4,400	4,180	3,781	3,512	3,621	3,226	3,405	2,441	2,258
Water:										
Number of customers	20,377	20,376	20,475	20,528	20,622	21,458	21,265	21,361	21,462	22,372
Water main breaks	90	196	67	79	54	54	74	73	123	67
New water connections	56	42	51	75	88	83	126	217	155	115
Sewer:										
Number of customers	20,148	20,205	20,395	20,540	20,663	20,923	21,315	21,446	21,717	21,862
New sewer connections	76	88	127	136	159	161	145	145	363	365

Source: City of Blue Springs, Missouri Budget

City of Blue Springs, Missouri

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

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police:										
Police stations	1	1	1	1	1	1	1	1	1	1
Police sub-stations	2	2	2	3	2	3	3	3	3	3
Vehicles	22	24	24	24	24	24	24	24	24	24
Motorcycles	-	-	-	-	-	-	2	2	2	2
Public Works:										
Total area (square miles)	22.21	22.21	22.21	22.26	22.26	22.26	22.26	22.26	22.26	22.27
Paved miles (lane miles-previously line miles) (1)	252.00	252.00	599.72	599.72	599.72	599.72	599.72	614.00	614.00	616.35
Street lights	2,535	2,527	2,527	2,527	2,556	2,670	2,735	2,735	2,810	3,005
Storm sewers (miles)	118.00	125.00	122.71	121.05	121.10	123.00	123.00	126.00	126.00	131.91
Parks and Recreation:										
Park acreage - developed & golf course	594.00	594.00	603.00	603.00	603.00	558.00	558.00	554.00	554.00	554.00
Park acreage - undeveloped & preserved	262.00	262.00	266.00	266.00	266.00	271.00	271.00	291.00	291.00	291.00
Parks - developed (2)	14	15	15	15	15	16	16	16	16	16
Parks - undeveloped (2)	7	6	7	7	7	6	6	6	6	6
Swimming pools	2	2	2	2	2	2	2	2	2	-
Splash pad	-	-	-	-	-	-	-	-	1	1
Soccer fields	12	12	12	12	12	12	12	12	12	12
Tennis courts	20	20	20	20	21	20	20	20	20	20
Skate parks	2	2	2	2	2	2	2	2	2	2
Baseball fields	8	8	8	8	8	8	8	8	8	8
Softball fields	15	15	15	15	15	15	15	15	15	15
Miles of walking/bike trails	17	15	17	17	17	18	18	18	18	18
Community centers	1	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	2	2	2	2	2
Football fields	3	3	3	3	3	3	3	3	3	3
BMX race track	1	1	1	1	1	1	1	1	1	1
Basketball courts	7	7	7	7	7	7	7	7	7	7
Sand volleyball courts	11	14	11	10	10	11	11	11	11	11
Picnic shelters	18	18	18	18	18	18	18	18	18	18
Playgrounds	15	15	15	15	15	15	15	15	15	15
Dog park facility	1	1	1	1	1	1	1	1	1	1
Fieldhouse	-	-	-	-	-	-	1	1	1	1
Water:										
Water mains (miles)	277.00	275.50	275.80	276.36	277.04	277.04	277.04	278.00	279.00	279.00
Fire hydrants	2,429.00	2,434.00	2,349.00	2,369.00	2,479.00	2,481.00	2,497.00	2,518.00	2,528.00	2,539.00
Average daily consumption (millions of gallons)	4.60	5.70	5.76	4.50	4.20	5.10	4.50	4.40	4.50	4.20
Sewer:										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Sewer mains (miles)	277.00	272.00	272.45	272.49	272.26	273.00	273.00	278.74	281.00	283.46
Average daily treatment (millions of gallons)	4.70	4.40	4.30	3.87	4.15	4.70	4.30	4.20	3.90	5.37
Manhole lined	27	13	-	-	5	21	56	13	55	-
Mains lined	107	198	122	119	104	147	134	129	133	27
Main point repairs	8	9	5	8	6	3	2	2	2	2
Chimney seal installed on manhole	18	7	-	-	-	-	-	-	-	-

Source: City of Blue Springs, Missouri Budget

Note (1): Advances in GIS technology have enabled us to more specifically identify total paved miles. These numbers have been restated for 2013 through 2017 to be reflected in Lane Miles.

Note (2): Developed and Undeveloped Parks were updated as part of the Parks Open Space Master Plan that was completed in fiscal year 2016.