

2021 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT



The City of
Blue Springs
Missouri

City of Blue Springs, Missouri

Annual Comprehensive Financial Report
Year Ended September 30, 2022

Prepared by:
Finance Department

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City of Blue Springs, Missouri

Principal Officials September 30, 2022

Mayor and City Council

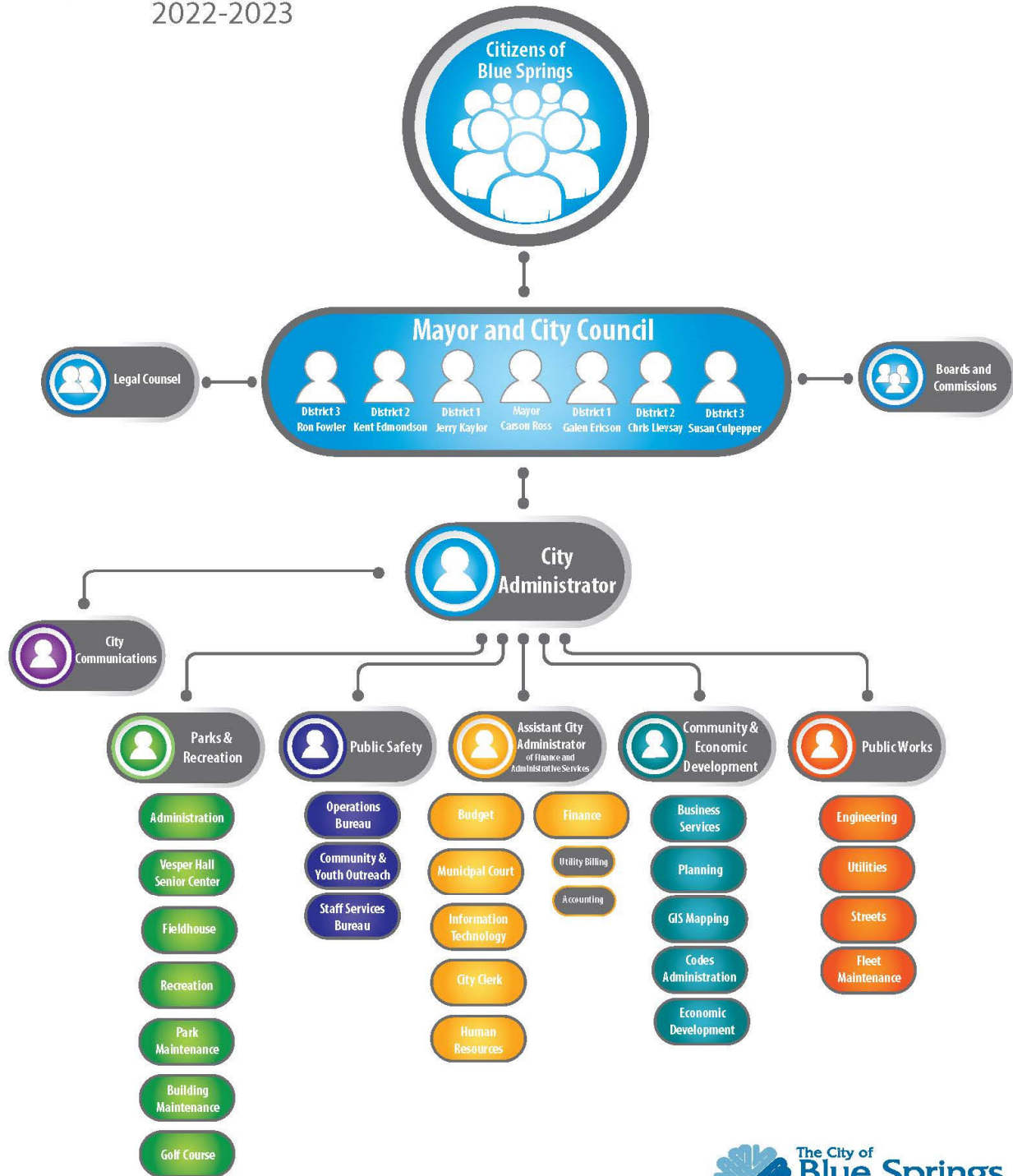
| | |
|-------------------------------|--------------|
| Honorable Carson Ross | Mayor |
| Honorable Galen Ericson | District I |
| Honorable John "Jerry" Kaylor | District I |
| Honorable Kent Edmondson | District II |
| Honorable Chris Lievsay | District II |
| Honorable Susan Culpepper | District III |
| Honorable Ronald Fowler | District III |

Administration

| | |
|-------------------|------------------------------------|
| Christine Cates | Acting City Administrator |
| Jacqueline Sommer | City Attorney |
| Karen Van Winkle | Director of Finance |
| Dan Hood | Director of Information Technology |
| Amy Willyard | Director of Human Resources |
| Bob Muenz | Chief of Police |
| Vacant | Director of Public Works |
| Dennis Dovel | Director of Parks and Recreation |
| Mike Mallon | Director of Community Development |

City of Blue Springs Organizational Chart

2022-2023





March 9, 2023

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

The Annual Comprehensive Financial Report of the City of Blue Springs, Missouri for the fiscal year ended September 30, 2022, 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, 2022, 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; senior social services; and general administrative oversight.

In fulfilling its responsibilities for reliable financial statements, management depends on the City's system of internal controls. 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 control 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.

In 1970, Blue Springs had a total population of 6,779. By 1980, the City had almost quadrupled, boasting a population of 25,936. 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. The Census continues to report growth in population for the City with 2000 reporting 48,050, 2010 reporting 52,575, 2020 reporting 58,603. The current population is estimated at 59,430.

Long-term financial planning.

The City of Blue Springs prepares a five -year financial projection of financial condition, which includes capital outlay projections as well as a five-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 2022-23 budget includes projects totaling an estimated \$46.4 million in 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: \$4.8 million for the Pavement Management Program; \$2.6 million for Water and Sewer system improvements, and \$2 million for capital outlay. In addition, the Parks Sales Tax will fund \$35.3 million in projects, including \$34.4 million for an Aquatics Facility.

During fiscal year 2021, the City Council adopted a stabilization arrangement that sets aside 25% of budgeted General Fund expenditures of the prior fiscal year and includes a provision for allocation of 50% of unassigned fund balance to the next year's Pavement Management Program. This policy reduced the fund balance reserves from 30%, which had been in place since 2011. The 25% of operating expenditures are divided into two reserve categories, the Emergency Reserve is set at 17% and the Budget Stabilization Reserve is set at 8%.

Relevant financial policies

The City's Stabilization Arrangement Policy indicates that the City will maintain twenty-five 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 \$1,972,025 or 6.9% of total general fund expenditures. In compliance with the City's Enterprise Fund Policy, a comprehensive rate study was performed in 2022 for both the Water and Sewer Utilities. The study was completed and adopted in July 2022 with increases in rates in October 2022, 2023, and 2024. During 2025, the City will perform another rate study to be implemented over the following three fiscal years.

Major initiatives

As an update to the 2015 Strategic Plan Framework, the City Council adopted a new Plan on January 18, 2022, which sets goals, objectives, and vision for the City. Goal areas include Public Safety, Infrastructure, Housing, Neighborhood Preservation, Parks and Recreation, Revenue Stability, Development and Redevelopment, and Internal Operations and City Workforce. This plan aligns 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.

The American Rescue Plan Act included \$6,190,665 for the City of Blue Springs. These funds were not appropriated in the original FY 2021-22 budget, however, the budget was amended and approved by Council on December 20, 2021. The amendment included \$861,167 for revenue replacement, \$3.5 million for investment in water and sewer infrastructure, \$1,477,498 investment for broadband infrastructure and \$352,000 for negative economic impacts. As of September 30, 2022, the revenue replacement funds were used for retention payments for City employees in the amount of \$356,727 in the general fund and \$504,440 was used to fund operating expenses in the fieldhouse fund. The police department has purchased an APEX trainer and has completed 85% of the purchase and outfitting of a police incident command vehicle. In addition, the upgrades to the emergency operations center are 46% complete. Total cost to date for these projects is \$341,831. Several storm water projects with total budget of \$2.8 million have just begun construction. The parks surveillance cameras project is 26% complete with a total spent of \$262,531 and the demolition of the lumber yard for new downtown development was completed with a cost of \$150,425. The City continues to move forward with the budgeted projects with planned completion prior to the grant deadline of December 31, 2024.

With the legalization of recreational marijuana in Missouri, the City Council plans to present the three percent marijuana tax issue to the voters in April 2023. If passed, the taxes generated will be recognized as general fund revenues.

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. In April 2021 voters approved the extension of the five-year ½ cent sales tax with no expiration date. The City has budgeted \$35.3 million in parks projects. In addition to funding just under \$1 million for various parks improvements, the City issued \$34 million in special obligation bonds to fund an aquatics center.

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 Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. The City has been the recipient of this award since 1982.

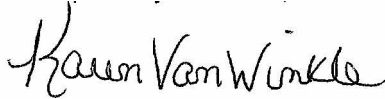
To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our 2022 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, 2021. 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 style with a large initial 'K'.

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO



Independent Auditor's Report

RSM US LLP

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

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, the City of Blue Springs, Missouri adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Accordingly net position of the governmental activities, business-type activities, general fund, water utility fund and golf course fund was restated as of October 1, 2021. Our opinions are not modified with respect to this matter.

As explained in Note 14 to the basic financial statements, the City restated the October 1, 2021 beginning net position of the Sewer Utility Fund and Business-Type Activities to correct an error related to capital assets. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the pension schedules, and the budgetary comparison schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 accompanying combining nonmajor governmental fund financial statements and other schedules, listed in the table of contents as supplemental 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. The 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 accompanying combining nonmajor governmental fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Kansas City, Missouri
March 9, 2023

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

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, 2022. 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.

The City adopted GASB Statement No. 87 during the current fiscal year. Leases which were considered capital leases are now considered financing leases and have been redetermined. Net position for Governmental Activities increased by \$13,121. Business-type Activities decreased by \$17,788, including a decrease of \$18,109 for the Golf Fund and an increase of \$321 for the Water Fund. Fund balance for the general fund increased by \$25,631 due to this restatement. These changes are reflected in the discussion and analysis of the City's financial activities.

Financial Highlights

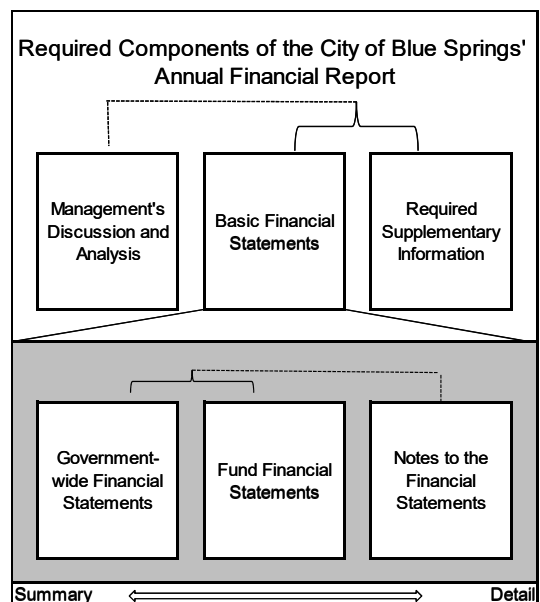
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$200,764,051 (net position). Of this amount, \$27,104,797 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$14.8 million. Business-type activities account for an increase of \$1.6 million in net position while governmental activities net position increased by \$13.20 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$38,432,314, a decrease of \$1,931,911 in comparison with the prior year.
- Approximately 45.6% or \$17,513,417 of the combined governmental fund balances of \$38,432,314, is available for discretionary spending by the City. The remaining fund balance is either restricted by outside parties or not in spendable form. The general fund decreased by \$1,251,940, the capital projects fund increased by \$1,488,146, TIF funds decreased by \$1,215,915 and other non-major governmental funds decreased by \$952,202.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,972,025 or 7% of total general fund expenditures.
- The City's total long-term liabilities decreased by \$10,192,430 or 9% 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, 2022

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 | | | | |
|---|--|---|--|---|
| | Government-Wide Statements | Governmental Funds | Fund Statements | |
| | | | 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, 2022

The government-wide financial statements can be found on pages 18–20 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 21–25 of this report.

- Proprietary funds - Business operations, for which the City charges customers a fee, are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - The City's enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
 - The City uses one internal service fund, 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 26–33 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 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, Downtown Blue Springs CID, 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 34–35 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 36–73 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 74–104 of this report. Statistical Information can be found beginning on page 105.

City of Blue Springs, Missouri

**Management’s Discussion and Analysis
Fiscal Year Ended September 30, 2022**

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 \$201,098,110 on September 30, 2022.

| | City of Blue Springs Net Position | | | | | |
|-----------------------------------|-----------------------------------|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 71,213,070 | \$ 79,485,265 | \$ 51,278,731 | \$ 50,779,529 | \$ 122,491,801 | \$ 130,264,794 |
| Capital assets | 130,523,612 | 122,347,567 | 74,280,674 | 76,669,077 | 204,804,286 | 199,016,644 |
| Total assets | 201,736,682 | 201,832,832 | 125,559,405 | 127,448,606 | 327,296,087 | 329,281,438 |
| Deferred outflows of resources | 3,207,965 | 1,689,614 | 334,675 | 111,080 | 3,542,640 | 1,800,694 |
| Long-term liabilities outstanding | 80,966,421 | 88,638,167 | 21,141,931 | 23,662,615 | 102,108,352 | 112,300,782 |
| Other liabilities | 10,685,606 | 9,637,215 | 1,618,335 | 1,613,137 | 12,303,941 | 11,250,352 |
| Total liabilities | 91,652,027 | 98,275,382 | 22,760,266 | 25,275,752 | 114,412,293 | 123,551,134 |
| Deferred inflows of resources | 15,072,616 | 20,231,459 | 589,767 | 1,384,006 | 15,662,383 | 21,615,465 |
| Net position: | | | | | | |
| Net investment in capital assets | 90,632,320 | 79,204,024 | 53,129,887 | 54,001,343 | 143,762,207 | 133,205,367 |
| Restricted | 28,088,525 | 30,734,242 | 1,808,522 | 1,744,335 | 29,897,047 | 32,478,577 |
| Unrestricted (deficit) | (20,500,841) | (24,922,661) | 47,605,638 | 45,154,250 | 27,104,797 | 20,231,589 |
| Total net position | \$ 98,220,004 | \$ 85,015,605 | \$ 102,544,047 | \$ 100,899,928 | \$ 200,764,051 | \$ 185,915,533 |

The largest portion of the City's net position \$143,762,207 (72%) 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 \$29,897,047 (15%) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position totals \$27,104,797 (13%) 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, 2022

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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 6,169,031 | \$ 5,908,696 | \$ 25,759,357 | \$ 24,291,418 | \$ 31,928,388 | \$ 30,200,114 |
| Operating grants and contributions | 1,581,931 | 3,277,891 | - | - | 1,581,931 | 3,277,891 |
| Capital grants and contributions | 6,478,815 | 3,882,101 | 627,310 | 451,068 | 7,106,125 | 4,333,169 |
| General revenues: | | | | | | |
| Property taxes | 7,107,137 | 6,894,685 | - | - | 7,107,137 | 6,894,685 |
| General sales and use tax | 26,255,118 | 24,950,480 | - | - | 26,255,118 | 24,950,480 |
| Franchise tax | 4,722,375 | 4,397,357 | - | - | 4,722,375 | 4,397,357 |
| Intergovernmental activity taxes | 5,421,502 | 5,072,645 | - | - | 5,421,502 | 5,072,645 |
| Motor vehicle tax | 2,194,397 | 1,980,766 | - | - | 2,194,397 | 1,980,766 |
| Hotel tax | 765,984 | 597,422 | - | - | 765,984 | 597,422 |
| Other taxes | 2,263,717 | 433,681 | - | - | 2,263,717 | 433,681 |
| Unrestricted investment income (loss) | (170,976) | 261,382 | 140,612 | 618,452 | (30,364) | 879,834 |
| Gain on sale of assets | 110,610 | - | - | - | 110,610 | - |
| Other | 702,276 | 443,489 | - | - | 702,276 | 443,489 |
| Total revenues | 63,601,917 | 58,100,595 | 26,527,279 | 25,360,938 | 90,129,196 | 83,461,533 |
| Expenses: | | | | | | |
| General government | 8,008,240 | 6,503,511 | - | - | 8,008,240 | 6,503,511 |
| Public works | 1,414,310 | 583,301 | - | - | 1,414,310 | 583,301 |
| Highways and streets | 10,661,731 | 14,382,488 | - | - | 10,661,731 | 14,382,488 |
| Public safety | 17,642,896 | 18,867,545 | - | - | 17,642,896 | 18,867,545 |
| Parks and recreation | 8,435,631 | 4,724,075 | - | - | 8,435,631 | 4,724,075 |
| Economic development | 787,342 | 1,662,054 | - | - | 787,342 | 1,662,054 |
| Water | - | - | 11,605,650 | 11,269,956 | 11,605,650 | 11,269,956 |
| Sewer | - | - | 10,121,704 | 9,298,038 | 10,121,704 | 9,298,038 |
| Golf Course | - | - | 2,214,435 | 1,936,774 | 2,214,435 | 1,936,774 |
| Non-major: Fieldhouse | - | - | 1,197,813 | 993,036 | 1,197,813 | 993,036 |
| Interest on long-term debt | 3,190,926 | 3,546,963 | - | - | 3,190,926 | 3,546,963 |
| Total expenses | 50,141,076 | 50,269,937 | 25,139,602 | 23,497,804 | 75,280,678 | 73,767,741 |
| Excess (deficiency) before transfers | 13,460,841 | 7,830,658 | 1,387,677 | 1,863,134 | 14,848,518 | 9,693,792 |
| Transfers | (256,442) | (383,265) | 256,442 | 383,265 | - | - |
| Change in net position | 13,204,399 | 7,447,393 | 1,644,119 | 2,246,399 | 14,848,518 | 9,693,792 |
| Net position, beginning, as restated | 85,015,605 | 77,568,212 | 100,899,928 | 98,653,529 | 185,915,533 | 176,221,741 |
| Net position, ending | \$ 98,220,004 | \$ 85,015,605 | \$ 102,544,047 | \$ 100,899,928 | \$ 200,764,051 | \$ 185,915,533 |

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

Governmental activities. Several factors caused net position for governmental activities to increase by \$13,204,399 or 15.5% with revenues in excess of expenses.

Overall revenues increased from fiscal year 2021 by \$5,501,322 due to increases in some revenue categories and decreases in other revenue categories.

- Charges for Services increased by \$260,335 or 4.4% in 2022 with increases in parks youth program revenues and building permits and plan review fees.
- Operating Grants and Contributions decreased by \$1,695,960 or 51.7%. This decrease was primarily due to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding received in fiscal year 2021 in the amount of \$1,599,717 for technology and facility improvements to maintain social distancing precautions, provide economic support to the Community Services League, fund payroll expenses and for personal protective supplies.
- Capital Grants and Contributions increased by \$2,596,714 or 66.9%. The City received \$6.45 million in contributed capital in 2022, which is an increase of \$2.6 million over 2021. The contributed assets for both years relate primarily to subdivisions in the City's Neighborhood Improvement District in the southern portion of Blue Springs.
- Property Taxes increased by \$212,452 or 3.1% due to new construction.
- General Sales and Use Taxes increased by \$1,304,638 or 5.2%. The increase is a result of sales in all retail categories being up over the prior year and increased costs due to inflation. The increase experienced by the City is consistent with the national average of 5.3%.
- Franchise taxes increased by \$325,018 or 7.4% for both gas and electric utilities.
- Intergovernmental activity taxes increased by \$348,857 or 6.9% primarily due to increase in sales for the businesses located in the Adams Farm TIF.
- Motor vehicle taxes increased by \$213,631 or 10.8%. Gallons purchased in Missouri were up only about 0.4%. The increase was primarily due to an increase in the Missouri motor fuel tax from 17 cents to 19.5 cents per gallon. Purchased gallons were up about 0.4%.
- Hotel tax increased by \$168,562 or 28.2% due to the continued increase in travel and tourism in 2022 after a decrease in 2020 related to the Covid-19 pandemic.
- Unrestricted investment earnings decreased by \$432,358 or 165% due to decreased interest rates resulting from the Covid-19 pandemic. Interest rates have recently increased, and idle cash is now being reinvested at higher interest rates.
- Gain on sale of assets increased by \$110,610 due to the proceeds from the sale of assets in excess of the net book value of assets disposed.
- Other revenue increased by \$258,787 or 58.4% due to the sale of City property, including a piece of land that sold for \$350,000.

Overall expenses decreased from fiscal year 2021 by \$128,861 due to increases in some functions and decreases in others.

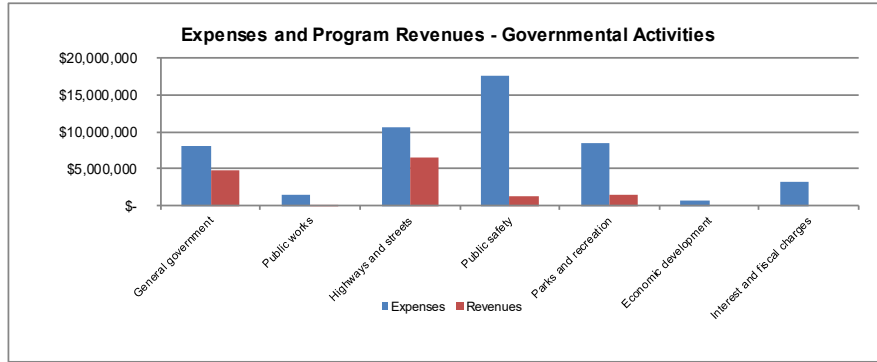
- General Government increased by \$1,504,729 or 23.1% from 2021 primarily due to salary savings.
- Public Works increased by \$831,009 or 142% due to the adjustment in FY 2021 for the City's net pension asset and additional storm water projects in FY2022 which utilized ARPA funding.
- Highways and Streets decreased by \$3,720,757 or 25.9% from 2021 as there were fewer maintenance projects this year that were expensed as opposed to capitalized.
- Public Safety decreased by \$1,224,649 or 6.5% primarily due to the LAGERS prior service cost paid in FY 2021.
- Parks and Recreation increased \$3,711,556 or 78% from 2021 due to work on the new Aquatics Facility and improvements to Pink Hill Park.
- Economic Development decreased \$874,712 or 52.6% primarily due to costs certified during FY 2021 related to the 2016 Special Obligation Bonds for the White Oak TIF.
- Interest on Long-term Debt decreased by \$356,037 or 10% from 2021 due to decreases in interest on several bond issues with the majority, \$226,231, being related to the 2015A Special Obligation Bonds.

City of Blue Springs, Missouri

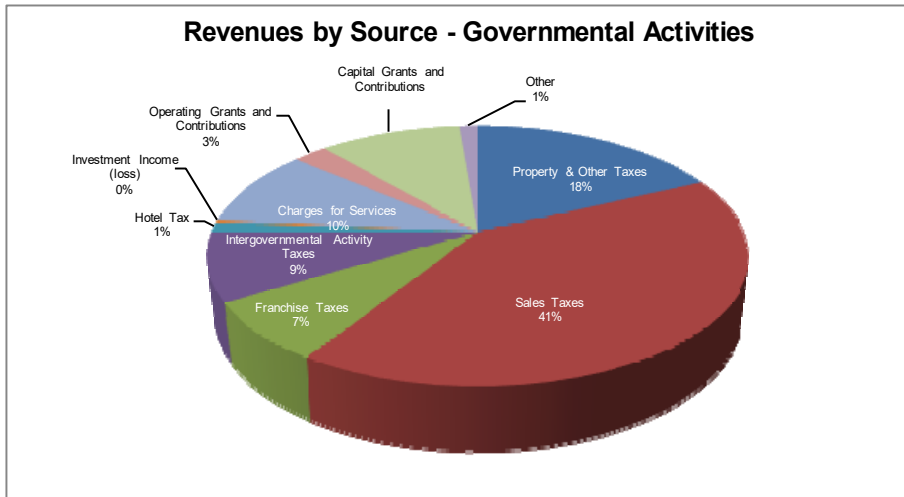
Management’s Discussion and Analysis

Fiscal Year Ended September 30, 2022

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:



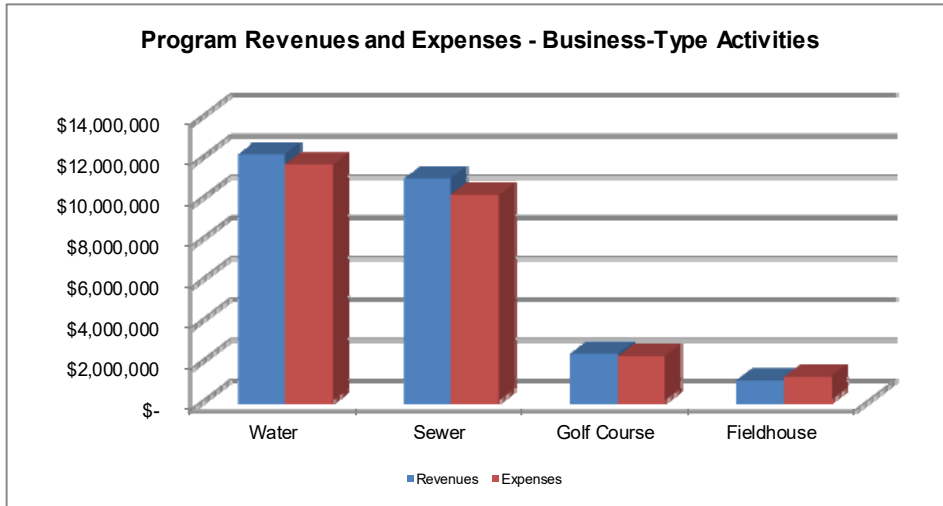
Business-type activities. Business-type activities net position increased by \$1,644,119 or 1.63%. Key elements of this increase are as follows:

- Net position for the Water Utility Fund increased by \$643,839. This is primarily due to an increase in revenues related to rate increases and the operating transfer in from the Sewer Utility Fund.
- Net position for the Sewer Utility Fund increased by \$276,396 primarily due to an increase in revenues related to rate increases.
- Net position for the Golf Course increased by \$203,665 primarily due to additional increases in revenues as golfers who came out during the pandemic continue to utilize the golf course and related amenities.
- Net position of the Fieldhouse Fund increased by \$520,219 due to funds received from the American Rescue Plan Act for prior year losses resulting from the coronavirus pandemic.

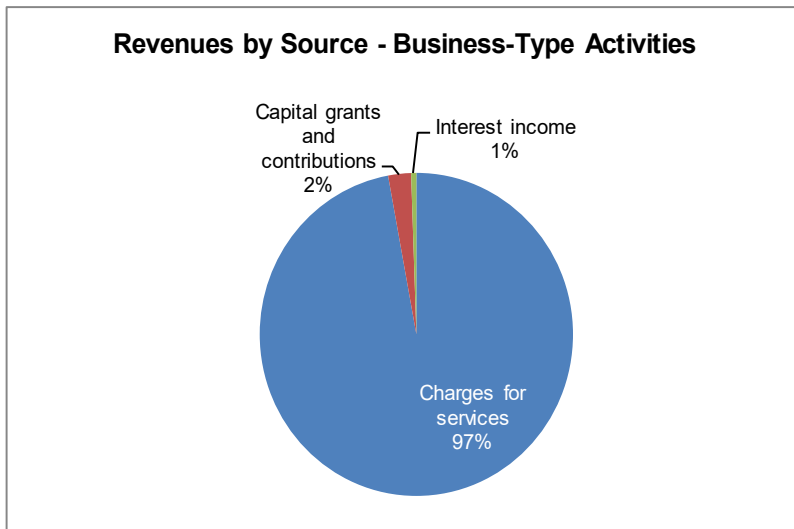
City of Blue Springs, Missouri

**Management’s Discussion and Analysis
Fiscal Year Ended September 30, 2022**

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.

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 \$38,432,314 a decrease of \$1,931,911 in comparison with the prior year. Approximately 45% or \$17,513,417 of the combined governmental fund balance is available for discretionary spending and is made up of the committed, assigned, and unassigned categories. The general fund decreased by \$1,251,940, the capital projects fund increased by \$1,488,146, the TIF funds decreased by \$1,215,915 and other governmental funds decreased by \$952,202.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

In 2021, City Council adopted a resolution directing staff to amend the fund balance policy to reduce reserves from 30% to 25% and to include a provision for allocation of 50% of unassigned fund balance to the next year's Pavement Management Program. The 25% of operating expenditures are divided into two reserve categories, the Emergency Reserve and the Budget Stabilization Reserve.

The Emergency Reserve is set at 17% 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 8% 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 decreased by \$1,251,940 during the current fiscal year due to revenues in excess of budget.

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 \$2,372,855, which is an increase of \$1,488,146 from last year. The fund balance increase is related to the transfer in of \$4 million for street improvements.

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 \$6,936,446, which is a decrease of \$1,215,915 from last year. The primary reason for the decrease is related to prior year PILOT revenue being held as cash with the Trustee. This cash was paid as principal, on the 2015 Special Obligation super-sinker bonds for the Adams Farm TIF project in fiscal year 2022.

The Other Funds decrease of \$952,202 is primarily due to the decrease in the Parks Sales Tax Fund of \$2,098,047 exceeding the increases in Hotel/Motel, Public Safety and GO Bond Funds. The Parks Sales Tax Fund decrease is a result of survey and architectural expenditures for the aquatics facility.

The encumbrances for the General Fund increased to \$1,215,665 from \$2,075,141 for a difference of \$859,475. The notable purchase orders carried over are for the purchase of police vehicles, IT network infrastructure, contracted animal control services, mowing services and personnel equipment for police officers. Public Safety Sales Tax Fund encumbrances decreased to \$521,769 from \$869,975 for a difference of \$348,206. The notable purchase orders carried over are for an armored vehicle, software updates and new portable radios. Capital Projects Fund encumbrances increased to \$2,715,343 from \$2,508,511 for a difference of \$206,832. The notable purchase orders carried over are for two heavy-duty dump trucks, Wyatt Road improvements, and the streets and pavement management program. Parks Sales Tax Fund encumbrances increased to \$1,541,997 from \$85,340 for a difference of \$1,456,657. The notable purchase orders carried over are for architectural services related to the expansion of the Fieldhouse for the new aquatics center, and signage and restroom construction at various parks.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

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

Unrestricted net position of the water and sewer funds at the end of the year amounted to \$16,883,755 and \$32,099,658 respectively. The golf course fund has an unrestricted net deficit of \$1,705,900 for a decrease in the unrestricted deficit of \$36,785 from last year. The fieldhouse fund has an unrestricted net position of \$328,125.

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, 2022, were \$31,002,672 or \$1,439,722 over budget. Expenditures ended the year at \$27,523,494 or \$3,956,999 below the final budget amount of \$31,480,493.

General Fund Revenues came in over budget by \$1,439,722:

- Taxes exceeded budget by \$949,318 or 5%, sales taxes exceeded budget by \$969,284, property taxes were below budget by \$377,977 and total franchise taxes were \$356,620 over budget.
- Licenses and permits exceeded budget by \$333,319 or 23%. The budget for building permits was reduced in anticipation of a slowing of construction within the City. Even with the pandemic, new construction remained strong and ended \$310,131 over budget.
- Intergovernmental revenues exceeded budget by \$425,467 or 10% due to higher than budgeted state motor vehicles fuel tax and federal grants.
- Charges for services revenues exceeded budget by \$314,851 or 24% primarily due to revenues for plan review fees and youth sports leagues.
- Administrative Charges were budgeted in the amount of \$1,166,964 from the water fund and \$849,296 from the sewer fund.
- Municipal Court fines and forfeits were below budget by \$186,967 due to the lower volume of fines paid and decrease in tickets.
- Fines and forfeits were under budget by \$186,967 due to a decrease in court collections and fewer tickets being issued.
- Investment income was under budget by \$419,710 due to the economy and the adjustment to record the City's investments at market value. The City intends to hold the securities to maturity.

General Fund Expenditures were under budget by \$3,956,999. Of this amount, \$1,215,665 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. The major savings categories were:

- Personal Services were under budget by \$830,642.
- Materials & Supplies were under budget by \$326,726.
- Contractual Services were under budget by \$1,254,480.
- Capital Outlay was under budget \$638,275.

During the fiscal year, the City Council revised the budgeted expenditures by \$203,148 in the General Fund.

Funds appropriation from fund balance was requested resulting in the following budget amendments:

- Increase in appropriations for expenditures related to legal services.
- Increase in appropriations for contracted court costs.
- Increase in appropriations for public art.
- Increase in appropriations for parks maintenance building construction.
- Increase in appropriations for recruitment services.
- Increase in appropriations for development and training for new GIS software.

City of Blue Springs, Missouri

Management’s Discussion and Analysis

Fiscal Year Ended September 30, 2022

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, 2022, amounts to \$204,804,286, net of accumulated depreciation. This investment in capital assets includes land and other non-depreciable assets, buildings, improvements, machinery and equipment, park facilities, infrastructure, and leases. The total increase in the City's investment in capital assets for the current fiscal year was \$4,433,073 or 2.2% (a 3.2% decrease for business-type activities and a 6.7% increase for governmental activities). The increase in governmental activities is primarily due to contributed capital of \$6.7 million and asset additions (net of retirements) exceeding depreciation

| City of Blue Springs' Capital Assets (Net of Depreciation) | | | | | | |
|--|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land and land rights | \$ 20,584,839 | \$ 20,710,916 | \$ 3,994,031 | \$ 3,990,031 | \$ 24,578,870 | \$ 24,700,947 |
| Construction-in-progress | 3,670,912 | 1,517,987 | 53,866 | 1,726,126 | 3,724,778 | 4,214,338 |
| Buildings and improvements | 25,785,216 | 26,029,149 | 10,529,849 | 11,140,539 | 36,315,065 | 37,169,688 |
| Equipment and vehicles | 8,976,624 | 8,406,594 | 1,101,692 | 972,360 | 10,078,316 | 9,713,013 |
| Infrastructure | 71,390,208 | 65,165,494 | 58,555,701 | 58,831,074 | 129,945,909 | 123,996,568 |
| Leased equipment | 115,813 | 500,798 | 45,535 | 75,861 | 161,348 | 576,659 |
| | \$ 130,523,612 | \$ 122,330,938 | \$ 74,280,674 | \$ 76,735,991 | \$ 204,804,286 | \$ 200,371,213 |

Additional information on the City's capital assets can be found in Note 6 on pages 51–53 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 \$102,108,352. Of this amount, \$15,240,000 comprises debt backed by the full faith and credit of the government and \$7,270,000 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 \$20,080,000 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 \$38,646,530. 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, Copperleaf Village TIFs and the White Oak TIF costs in excess of bonds. 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 \$12,314,726 resulted in a loan balance of \$11.9 million.

The City's total debt increased by \$10,192,430 or 9.1% 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Leased asset liability | \$ 115,813 | \$ 500,798 | \$ 45,535 | \$ 75,861 | \$ 161,348 | \$ 576,659 |
| General obligation bonds | 15,240,000 | 16,410,000 | - | - | 15,240,000 | 16,410,000 |
| Compensated absences | 1,400,490 | 1,708,960 | 129,721 | 158,596 | 1,530,211 | 1,867,556 |
| Development agreements | 5,762,423 | 6,390,888 | - | - | 5,762,423 | 6,390,888 |
| Certificates of participation | 19,145,000 | 19,375,000 | 935,000 | 1,220,000 | 20,080,000 | 20,595,000 |
| Neighborhood improvement | - | - | 7,270,000 | 8,115,000 | 7,270,000 | 8,115,000 |
| Special obligation bonds | 38,646,530 | 43,516,530 | - | - | 38,646,530 | 43,516,530 |
| Discount/premium on issuance | 656,165 | 735,991 | 820,674 | 950,257 | 1,476,839 | 1,686,248 |
| State revolving fund | - | - | 11,941,001 | 13,142,901 | 11,941,001 | 13,142,901 |
| | \$ 80,966,421 | \$ 88,638,167 | \$ 21,141,931 | \$ 23,662,615 | \$ 102,108,352 | \$ 112,300,782 |

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

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 \$208,332,733.

Additional information regarding the City's long-term debt can be found in Note 7 on pages 54–61 of this report.

Economic Factors and Next Year's Budgets and Rates

As an update to the 2015 Strategic Plan Framework, the City Council adopted a new Plan on January 18, 2022, which sets goals, objectives, and vision for the City. Goal areas include Public Safety, Infrastructure, Housing, Neighborhood Preservation, Parks and Recreation, Revenue Stability, Development and Redevelopment, and Internal Operations and City Workforce. This plan aligns 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. During the last year, the City has experienced turnover at the leadership level. Due to the vacant positions and the learning curve for newly hired employees, there are not as many projects planned for fiscal year 2023.

The City anticipates continued growth in both residential and commercial development. Still, there exists ongoing concerns around inflation, uncertainty about the future of the housing market and the possibility of higher borrowing rates that could change our economic outlook during this upcoming budget year. However, our community enjoys strong relationships with our business community and anticipate continued home building and expansion of our community light-industrial and logistics sector. The City will continue to see strong interest in business investment in our City with the hiring of our new Economic Development Director who will bolster those relationships and our overall growth efforts to support on-going City Services.

The budget focuses on the following core areas:

- Maintain operations of basic municipal services.
- Focus on infrastructure enhancements, specifically in the street overlay program.
- Implement and maintain a competitive pay and benefit system for all employees.
- Focus on employee retention and recruitment efforts.
- Manage healthcare benefits, worker's compensation, property & casualty, and liability to ensure we have the most appropriate, cost-effective systems in place.
- Monitor revenues closely to identify temporary and long-term changes in the economy and the impact on the City's various sources and funds.

The FY 2022-23 budget totals \$109,834,284 representing an increase of 31.49% or \$26,303,111 over the FY 2021-22 adopted budget. This increase is primarily due to the issuance of special obligation bonds in the amount of \$35 million for the construction of an aquatic facility. Construction is underway with an expected completion date of May 2024.

The American Rescue Plan Act included \$6,190,665 for the City of Blue Springs. These funds were not appropriated in the original FY 2021-22 budget, however, the budget was amended and approved by Council on December 20, 2021. The amendment included \$861,167 for revenue replacement, \$3.5 million for investment in water and sewer infrastructure, \$1,477,498 investment for broadband infrastructure and \$352,000 for negative economic impacts. As of September 30, 2022, the revenue replacement funds were used for retention payments for City employees in the amount of \$356,727 in the general fund and \$504,440 was used to fund operating expenses in the fieldhouse fund. The police department has purchased an APEX trainer and has completed 85% of the purchase and outfitting of a police incident command vehicle. In addition, the upgrades to the emergency operations center are 46% complete. Total cost to date for these projects is \$341,831. Several storm water projects with total budget of \$2.8 million have just begun construction. The parks surveillance cameras project is 26% complete with a total spent of \$262,531 and the demolition of the lumber yard for new downtown development was completed with a cost of \$150,425. The City continues to move forward with the budgeted projects with planned substantial completion during fiscal year 2023.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

With the legalization of recreational marijuana in Missouri, the City Council plans to present the three percent marijuana tax issue to the voters in April 2023. If passed, the taxes generated will be recognized as general fund revenues.

The FY2023 budget totals \$112,770,817 less \$2,936,532 of cash reserves totals \$109,834,284 for planned expenditures. The increase in cash reserves is primarily for capital projects in the Parks Sales Tax Fund that will be completed in a future year.

Revenues are expected to increase in nearly every category in the budget next year in varying amounts and percentages. Intergovernmental revenues and fines are projected to decrease 7.5% compared to the adopted FY2022 budget.

The City's personnel budget is \$25.2 million which is a \$1.3% increase over 2022. For the first time, a vacancy allowance has been budgeted in the police department. Based upon the current labor market and the time it takes to fill vacant positions, funds are not included for four police officer positions. The budget continues year seven of the longevity plan where all full-time and part-time employees will receive a 2.5% pay increase at each 5-year service anniversary. The City currently has collective bargaining agreements with the Fraternal Order of Police, the Communications Workers of America, and the International Association of Machinists.

General fund: Total budgeted expenditures and transfers in the General Fund are estimated at \$31,347,562, a decrease of \$1,354,638 (4.14%) from the adopted FY 2022 expenditures and transfers. Most of this decrease is due to the \$3 million transfer in FY2022 to the Capital Projects fund for the pavement management program, a reduction in the transfer to the Golf Course Fund and the elimination of the transfer to the Capital Projects Fund for Debt Service. The General fund budget projects expenditures will exceed revenues by \$1,150,000. 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 be \$30,197,562, an increase of 1.34% or \$400,195. The largest increases are in Taxes and Charges for Services.

During the current fiscal year, unassigned fund balance in the general fund decreased to \$1,972,025.

Public safety sales tax fund: The voter approved ½ cent public safety sales tax went into effect October 1, 2011, and generates more than \$4 million annually. The total budgeted public safety sales tax expenditures for fiscal year 2023 are \$3,973,460. Included in this amount is funding for supplies, contractual services, capital outlay, personal service costs, building improvements and debt service. The Public Safety Sales tax fund has reserves established for mobile data terminal, radio replacements and a \$2.2 million building maintenance fund.

Parks sales tax fund: In April 2021, voters approved a ½ cent Parks Sales Tax with no sunset that will replace the previous ½ cent tax which expired in September 2022. In FY2023, the City issued Special Obligation Bonds of \$35 million to fund construction of an aquatics facility. These revenues are not subject to the current TIF projects.

Utility funds: As required by policy every three years, in 2022, the City performed a water and sewer rate study. The incremental rate increases over the subsequent three years will range from 1.3% to 1.55% for the Water Fund and 8.4% to 9.15% for the Sewer Fund. The rate increases provide funding for ongoing operating costs and capital improvements as well as plans to repay debt.

Capital improvements: The adopted budget for capital improvements and outlay for FY 2022-23 recommends capital expenditures totaling \$46,420,514. Highlights of the approved amount include: \$35.4 million for the aquatic facility; \$176,822 for public safety equipment; \$6.2 million for streets; \$2.6 million for Water and Sewer system improvements; and \$2 million for capital outlay.

Debt service: The FY 2022-23 budget includes \$15 million for debt service. Of this amount, there is \$6.27 budgeted in TIF funds, \$1.7 in general obligation bonds, \$5.2 in the utility funds and the remaining \$1.8 million in the Fieldhouse, Golf Course and Public Safety Sales Tax Fund. In December 2022, the City issued \$34 million in special obligation bonds to fund the new aquatics center.

City of Blue Springs, Missouri

Management's Discussion and Analysis

Fiscal Year Ended September 30, 2022

The City Council adopted a new Strategic Plan Framework on January 18, 2022, which sets goals, objectives, and vision for the City. In addition, Council plans to present the recreational marijuana sales tax to the voters in April 2023.

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, 2022

| | Primary Government | | |
|---|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Assets | | | |
| Cash and investments | \$ 32,338,446 | \$ 30,659,052 | \$ 62,997,498 |
| Receivables (net of allowances for uncollectibles): | | | |
| Property taxes | 10,084,228 | - | 10,084,228 |
| Other taxes | 5,160,389 | - | 5,160,389 |
| Accounts | 61,637 | 3,017,237 | 3,078,874 |
| Accrued interest | 77,084 | 65,064 | 142,148 |
| Miscellaneous | 1,877 | - | 1,877 |
| Internal balances | 2,000,055 | (2,000,055) | - |
| Inventories | 188,409 | 407,208 | 595,617 |
| Prepaid items | 734,811 | 489,756 | 1,224,567 |
| Special assessments: | | | |
| Due in one year | - | 2,770,216 | 2,770,216 |
| Due in more than one year | - | 8,075,000 | 8,075,000 |
| Due from other governments: | | | |
| Due in one year | 844,442 | 769,709 | 1,614,151 |
| Due in more than one year | - | 5,100,507 | 5,100,507 |
| Lease receivable: | | | |
| Due in one year | 160,151 | 26,689 | 186,840 |
| Due in more than one year | 1,689,141 | 21,118 | 1,710,259 |
| Restricted cash and investments | 7,180,069 | 584,473 | 7,764,542 |
| Net pension asset | 10,692,331 | 1,292,757 | 11,985,088 |
| Capital assets: | | | |
| Land and construction-in-progress, nondepreciable | 24,255,751 | 4,047,897 | 28,303,648 |
| Other capital assets, net of depreciation | 106,267,861 | 70,232,777 | 176,500,638 |
| Total assets | 201,736,682 | 125,559,405 | 327,296,087 |
| Deferred Outflows of Resources | | | |
| Deferred charge on refunding | 463,186 | 51,351 | 514,537 |
| Pension-related amounts | 2,744,779 | 283,324 | 3,028,103 |
| Total deferred outflows of resources | 3,207,965 | 334,675 | 3,542,640 |
| Liabilities | | | |
| Accounts payable | 2,691,503 | 859,802 | 3,551,305 |
| Accrued liabilities | 1,066,793 | 105,967 | 1,172,760 |
| Court bonds | 189,135 | - | 189,135 |
| Accrued interest | 727,217 | 53,457 | 780,674 |
| Customer deposits | 1,478,010 | 499,004 | 1,977,014 |
| Unearned revenue | 4,532,948 | 70,516 | 4,603,464 |
| Due to other governments | - | 29,589 | 29,589 |
| Noncurrent liabilities: | | | |
| Due in one year | 3,434,022 | 2,457,611 | 5,891,633 |
| Due in more than one year | 77,532,399 | 18,684,320 | 96,216,719 |
| Total liabilities | 91,652,027 | 22,760,266 | 114,412,293 |
| Deferred Inflows of Resources | | | |
| Property taxes | 10,084,228 | - | 10,084,228 |
| Deferred charge on refunding | - | 189,928 | 189,928 |
| Pension-related amounts | 3,139,096 | 352,032 | 3,491,128 |
| Leases | 1,849,292 | 47,807 | 1,897,099 |
| Total deferred inflows of resources | 15,072,616 | 589,767 | 15,662,383 |
| Net Position | | | |
| Net investment in capital assets | 90,632,320 | 53,129,887 | 143,762,207 |
| Restricted for: | | | |
| Debt service | 8,439,747 | 584,473 | 9,024,220 |
| Pension | 10,298,014 | 1,224,049 | 11,522,063 |
| Public safety building improvements | 6,075,420 | - | 6,075,420 |
| Parks | 2,122,984 | - | 2,122,984 |
| Tourism | 1,028,796 | - | 1,028,796 |
| Other | 123,564 | - | 123,564 |
| Unrestricted (deficit) | (20,500,841) | 47,605,638 | 27,104,797 |
| Total net position | \$ 98,220,004 | \$ 102,544,047 | \$ 200,764,051 |

See notes to basic financial statements.

City of Blue Springs, Missouri

**Statement of Activities
Year Ended September 30, 2022**

| Functions/Programs | Expenses | Program Revenues | | |
|---------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government | | | | |
| Governmental activities: | | | | |
| General government | \$ 8,008,240 | \$ 4,728,947 | \$ 57,047 | \$ - |
| Public works | 1,414,310 | 190,652 | - | - |
| Highways and streets | 10,661,731 | - | - | 6,474,234 |
| Public safety | 17,642,896 | 825,393 | 497,537 | 4,581 |
| Parks and recreation | 8,435,631 | 424,039 | 1,027,347 | - |
| Economic development | 787,342 | - | - | - |
| Interest and fiscal charges | 3,190,926 | - | - | - |
| Total governmental activities | 50,141,076 | 6,169,031 | 1,581,931 | 6,478,815 |
| Business-type activities: | | | | |
| Water | 11,605,650 | 12,111,004 | - | - |
| Sewer | 10,121,704 | 10,294,794 | - | 627,310 |
| Golf course | 2,214,435 | 2,333,283 | - | - |
| Fieldhouse | 1,197,813 | 1,020,276 | - | - |
| Total business-type activities | 25,139,602 | 25,759,357 | - | 627,310 |
| Total primary government | \$ 75,280,678 | \$ 31,928,388 | \$ 1,581,931 | \$ 7,106,125 |

General Revenues

Taxes:

- Sales
- Property
- Franchise
- Intergovernmental property taxes—unrestricted
- Intergovernmental sales taxes—unrestricted
- Motor vehicle
- Hotel
- Other taxes
- Investment income (loss)
- Gain on disposal of capital assets
- Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position
 Net position, beginning, as restated
 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 |
| \$ (3,222,246) | \$ - | \$ (3,222,246) |
| (1,223,658) | - | (1,223,658) |
| (4,187,497) | - | (4,187,497) |
| (16,315,385) | - | (16,315,385) |
| (6,984,245) | - | (6,984,245) |
| (787,342) | - | (787,342) |
| (3,190,926) | - | (3,190,926) |
| (35,911,299) | - | (35,911,299) |
| - | 505,354 | 505,354 |
| - | 800,400 | 800,400 |
| - | 118,848 | 118,848 |
| - | (177,537) | (177,537) |
| - | 1,247,065 | 1,247,065 |
| (35,911,299) | 1,247,065 | (34,664,234) |
| 26,255,118 | - | 26,255,118 |
| 7,107,137 | - | 7,107,137 |
| 4,722,375 | - | 4,722,375 |
| 2,366,781 | - | 2,366,781 |
| 3,054,721 | - | 3,054,721 |
| 2,194,397 | - | 2,194,397 |
| 765,984 | - | 765,984 |
| 2,263,717 | - | 2,263,717 |
| (170,976) | 140,612 | (30,364) |
| 110,610 | - | 110,610 |
| 702,276 | - | 702,276 |
| (256,442) | 256,442 | - |
| 49,115,698 | 397,054 | 49,512,752 |
| 13,204,399 | 1,644,119 | 14,848,518 |
| 85,015,605 | 100,899,928 | 185,915,533 |
| \$ 98,220,004 | \$ 102,544,047 | \$ 200,764,051 |

City of Blue Springs, Missouri

**Balance Sheet
Governmental Funds
September 30, 2022**

| | General | American Rescue Plan Act | Capital Projects | TIF Fund | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|-----------------------------|---------------------|---------------------|--------------------------------|--------------------------------|
| Assets | | | | | | |
| Cash and investments | \$ 15,536,780 | \$ 4,481,647 | \$ 1,809,243 | \$ 716,228 | \$ 9,794,548 | \$ 32,338,446 |
| Receivables, (net of allowances for uncollectibles): | | | | | | |
| Property taxes | 6,204,914 | - | - | 2,363,873 | 1,515,441 | 10,084,228 |
| Other taxes | 2,594,833 | - | 792,841 | 89,565 | 1,683,150 | 5,160,389 |
| Accounts | 45,836 | - | - | - | - | 45,836 |
| Accrued interest | 61,926 | - | 10,322 | 4,836 | - | 77,084 |
| Miscellaneous | - | - | - | 1,877 | - | 1,877 |
| Due from other funds | 215,683 | - | - | 305,147 | - | 520,830 |
| Due from other governments | 374,576 | - | - | 469,866 | - | 844,442 |
| Advances to other funds | 1,673,144 | - | 326,911 | - | - | 2,000,055 |
| Prepaid items | 658,023 | - | - | - | 70,002 | 728,025 |
| Lease receivable | 1,849,292 | - | - | - | - | 1,849,292 |
| Restricted cash and investments | 19,532 | - | - | 5,674,766 | 1,485,771 | 7,180,069 |
| Total assets | \$ 29,234,539 | \$ 4,481,647 | \$ 2,939,317 | \$ 9,626,158 | \$ 14,548,912 | \$ 60,830,573 |

(Continued)

City of Blue Springs, Missouri

Balance Sheet (Continued)
 Governmental Funds
 September 30, 2022

| | General | American Rescue Plan Act | Capital Projects | TIF Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|-----------------------------|---------------------|---------------------|--------------------------------|--------------------------------|
| Liabilities, Deferred Inflows of Resources and Fund Balance | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 493,981 | \$ 63,206 | \$ 487,334 | \$ 142,460 | \$ 1,451,238 | \$ 2,638,219 |
| Accrued liabilities | 972,093 | - | - | - | 73,584 | 1,045,677 |
| Due to other funds | 218,940 | - | 69,128 | 2,888 | 69,419 | 360,375 |
| Court bonds | 189,135 | - | - | - | - | 189,135 |
| Customer deposits | 1,468,010 | - | 10,000 | - | - | 1,478,010 |
| Unearned revenue | 114,507 | 4,418,441 | - | - | - | 4,532,948 |
| Total liabilities | 3,456,666 | 4,481,647 | 566,462 | 145,348 | 1,594,241 | 10,244,364 |
| Deferred inflows of resources: | | | | | | |
| Unavailable revenue—property taxes | 6,205,593 | - | - | 2,363,873 | 1,523,073 | 10,092,539 |
| Leases | 1,849,292 | - | - | - | - | 1,849,292 |
| Unavailable revenue—other | 31,573 | - | - | 180,491 | - | 212,064 |
| Total deferred inflows of resources | 8,086,458 | - | - | 2,544,364 | 1,523,073 | 12,153,895 |
| Fund balance: | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid items | 658,023 | - | - | - | 70,002 | 728,025 |
| Interfund advances | 1,673,144 | - | - | - | - | 1,673,144 |
| Restricted: | | | | | | |
| Debt service | - | - | - | 6,943,797 | 2,223,167 | 9,166,964 |
| Tourism | - | - | - | - | 1,028,796 | 1,028,796 |
| Public safety building improvements | 88,771 | - | - | - | 5,986,649 | 6,075,420 |
| Parks | - | - | - | - | 2,122,984 | 2,122,984 |
| Other purposes | 3,564 | - | 120,000 | - | - | 123,564 |
| Committed: | | | | | | |
| Budget stabilization reserve | 2,351,081 | - | - | - | - | 2,351,081 |
| Emergency reserve | 4,966,047 | - | - | - | - | 4,966,047 |
| Other purposes | 55,055 | - | 1,097,248 | - | - | 1,152,303 |
| Assigned: | | | | | | |
| Capital projects | 4,000,000 | - | 1,682,926 | - | - | 5,682,926 |
| Other purposes | 1,923,705 | - | - | - | - | 1,923,705 |
| Unassigned | 1,972,025 | - | (527,319) | (7,351) | - | 1,437,355 |
| Total fund balance | 17,691,415 | - | 2,372,855 | 6,936,446 | 11,431,598 | 38,432,314 |
| Total liabilities, deferred inflows of resources and fund balance | \$ 29,234,539 | \$ 4,481,647 | \$ 2,939,317 | \$ 9,626,158 | \$ 14,548,912 | \$ 60,830,573 |

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, 2022**

| | | |
|----------------------------------|----|------------|
| Total governmental fund balances | \$ | 38,432,314 |
|----------------------------------|----|------------|

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. | | 130,518,681 |
|--|--|-------------|

| | | |
|---|--|------------|
| Net pension asset not reported in the funds | | 10,692,331 |
|---|--|------------|

| | | |
|---|--|---------|
| Long-term assets are not available to pay for current period expenditures and are therefore deferred inflows of resources in the fund statements. | | 220,375 |
|---|--|---------|

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 | \$ | (727,217) | |
| Accrued compensated absences | | (1,400,490) | |
| Deferred charge on refunding | | 463,186 | |
| Net discount/premium on bond issues | | (656,165) | |
| Development agreements | | (5,762,423) | |
| Leased assets liability | | (115,813) | |
| Bonds and certificates of participation | | (73,031,530) | (81,230,452) |

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 | | 2,744,779 |
| Deferred inflows of resources—pension-related amounts | | (3,139,096) |

| | | |
|--|--|----------|
| 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. | | (18,928) |
|--|--|----------|

| | | |
|--|-----------|-------------------|
| Net position of governmental activities | \$ | 98,220,004 |
|--|-----------|-------------------|

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, 2022

| | General | American Rescue Plan Act | Capital Projects | TIF Fund | Other Governmental Funds | Total Governmental Funds |
|--|--------------------|-----------------------------|--------------------|--------------------|--------------------------------|--------------------------------|
| Revenues: | | | | | | |
| Taxes | \$ 20,289,774 | \$ - | \$ 4,719,697 | \$ 1,722,970 | \$ 12,171,690 | \$ 38,904,131 |
| Intergovernmental activity taxes | - | - | - | 5,421,502 | - | 5,421,502 |
| Licenses and permits | 1,766,913 | - | - | - | - | 1,766,913 |
| Intergovernmental revenues | 4,529,995 | 911,057 | 824,757 | - | 40,000 | 6,305,809 |
| Charges for services | 1,627,182 | - | - | - | - | 1,627,182 |
| Administrative charges | 2,016,260 | - | - | - | - | 2,016,260 |
| Fines and forfeits | 492,342 | - | - | - | - | 492,342 |
| Investment income (loss) | (164,586) | - | (18,703) | 17,165 | (4,852) | (170,976) |
| Donations | 57,047 | - | - | - | - | 57,047 |
| Other | 387,745 | - | 314,395 | 90 | 46 | 702,276 |
| Total revenues | 31,002,672 | 911,057 | 5,840,146 | 7,161,727 | 12,206,884 | 57,122,486 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | 6,499,080 | - | 7,988 | - | 241,226 | 6,748,294 |
| Public works | 919,180 | - | - | - | - | 919,180 |
| Highways and streets | 2,705,607 | - | - | - | - | 2,705,607 |
| Public safety | 12,500,150 | - | - | - | 2,079,706 | 14,579,856 |
| Parks and recreation | 4,144,321 | - | - | - | - | 4,144,321 |
| Economic development | - | - | - | 448,302 | - | 448,302 |
| Capital outlay | 1,614,632 | 911,057 | 8,094,012 | - | 8,109,949 | 18,729,650 |
| Debt service: | | | | | | |
| Principal retirement | 75,561 | - | - | 5,837,507 | 1,717,547 | 7,630,615 |
| Interest and fiscal charges | 9,358 | - | - | 2,063,583 | 1,317,521 | 3,390,462 |
| Total expenditures | 28,467,889 | 911,057 | 8,102,000 | 8,349,392 | 13,465,949 | 59,296,287 |
| Excess (deficiency) of revenues over expenditures | 2,534,783 | - | (2,261,854) | (1,187,665) | (1,259,065) | (2,173,801) |
| Other financing sources (uses): | | | | | | |
| Issuance of leases | 8,123 | - | - | - | - | 8,123 |
| Proceeds from sales of capital assets | 457,731 | - | - | - | - | 457,731 |
| Transfers in | 423,500 | - | 4,595,481 | - | 500,000 | 5,518,981 |
| Transfers out | (4,676,077) | - | (845,481) | (28,250) | (193,137) | (5,742,945) |
| Total other financing sources (uses) | (3,786,723) | - | 3,750,000 | (28,250) | 306,863 | 241,890 |
| Net change in fund balances | (1,251,940) | - | 1,488,146 | (1,215,915) | (952,202) | (1,931,911) |
| Fund balances, beginning, as restated | 18,943,355 | - | 884,709 | 8,152,361 | 12,383,800 | 40,364,225 |
| Fund balances, ending | \$ 17,691,415 | \$ - | \$ 2,372,855 | \$ 6,936,446 | \$ 11,431,598 | \$ 38,432,314 |

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, 2022**

| | |
|--|----------------|
| Total net change in fund balances—governmental funds | \$ (1,931,911) |
|--|----------------|

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 | 12,460,196 |
| Depreciation and amortization expense | (10,349,832) |
| Proceeds from sale of capital assets | (457,731) |
| Gain on disposal of capital assets | 110,610 |
| Capital assets contributed | 6,445,082 |

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 | (76,261) |
|-------------------------------|----------|

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:

| | |
|---|-----------|
| Issuance of leases | (8,123) |
| Principal payments | 6,663,108 |
| Certified developer obligations | (339,042) |
| Reduction of amount owed for certified developer obligations | 967,507 |
| Amortization of premium, discount and deferred charges on refunding | 52,580 |
| Change in accrued interest payable | 146,958 |

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 | 308,470 |
| Pension-related amount, pension expense | (651,786) |

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.

| |
|-----------|
| (135,426) |
|-----------|

Change in net position of governmental activities

| |
|----------------------|
| <u>\$ 13,204,399</u> |
|----------------------|

See notes to basic financial statements.

City of Blue Springs, Missouri

Statement of Net Position
Proprietary Funds
September 30, 2022

| | Business-Type Activities - Enterprise Funds | | |
|--|---|----------------------|---------------------|
| | Water Utility | Sewer Utility | Golf Course |
| Assets | | | |
| Current assets: | | | |
| Cash and investments | \$ 15,927,966 | \$ 12,986,000 | \$ 344,921 |
| Receivables, (net of allowances for uncollectibles): | | | |
| Accounts | 1,704,955 | 1,312,282 | - |
| Accrued interest | 37,887 | 27,177 | - |
| Special assessments | - | 2,770,216 | - |
| Due from other governments | - | 769,709 | - |
| Lease receivable: | | | |
| Due in one year | 8,569 | - | - |
| Due in more than one year | 8,783 | - | - |
| Inventory | 246,694 | 37,657 | 122,857 |
| Prepaid items | 224,992 | 247,653 | - |
| Total current assets | 18,159,846 | 18,150,694 | 467,778 |
| Noncurrent assets: | | | |
| Restricted cash and investments | - | 350,499 | 233,974 |
| Due from other governments | - | 5,100,507 | - |
| Noncurrent special assessments | - | 8,075,000 | - |
| Advances to other funds | - | 1,050,000 | - |
| Net pension asset | 645,831 | 579,708 | - |
| Capital assets: | | | |
| Land and construction in progress, nondepreciable | 361,488 | 1,170,173 | 2,250,443 |
| Other capital assets, net of depreciation | 14,741,699 | 45,200,163 | 6,178,603 |
| Total noncurrent assets | 15,749,018 | 61,526,050 | 8,663,020 |
| Total assets | 33,908,864 | 79,676,744 | 9,130,798 |
| Deferred Outflows of Resources | | | |
| Deferred charge on refunding | - | - | 51,351 |
| Pension related amounts | 141,542 | 127,050 | - |
| Total deferred outflows of resources | 141,542 | 127,050 | 51,351 |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 681,443 | 118,293 | 43,852 |
| Accrued liabilities | 45,780 | 41,228 | - |
| Accrued interest | - | 50,069 | 3,388 |
| Customer deposits | 443,137 | - | 55,867 |
| Unearned revenue | - | - | 70,516 |
| Due to other governments | 29,589 | - | - |
| Due to other funds | - | - | - |
| Long-term debt due in one year | 14,107 | 2,126,791 | 316,713 |
| Total current liabilities | 1,214,056 | 2,336,381 | 490,336 |
| Noncurrent liabilities: | | | |
| Advances from other funds | - | - | 2,000,055 |
| Long-term debt | 44,683 | 17,907,016 | 728,643 |
| Total noncurrent liabilities | 44,683 | 17,907,016 | 2,728,698 |
| Total liabilities | 1,258,739 | 20,243,397 | 3,219,034 |
| Deferred Inflows of Resources | | | |
| Deferred charge on refunding | - | 189,928 | - |
| Pension related amounts | 175,867 | 157,861 | - |
| Leases | 17,352 | - | - |
| Total deferred inflows of resources | 193,219 | 347,789 | - |
| Net Position | | | |
| Net investment in capital assets | 15,103,187 | 26,213,554 | 7,435,041 |
| Restricted for debt service | - | 350,499 | 233,974 |
| Restricted for pension | 611,506 | 548,897 | - |
| Unrestricted (deficit) | 16,883,755 | 32,099,658 | (1,705,900) |
| Total net position | \$ 32,598,448 | \$ 59,212,608 | \$ 5,963,115 |

See notes to basic financial statements.

| Business-Type Activities - Enterprise Fund | | | Governmental Activities - Internal Service Fund |
|--|-----------------------|-----------|---|
| Nonmajor, Fieldhouse | Total | | |
| \$ 1,400,165 | \$ 30,659,052 | \$ | - |
| - | 3,017,237 | | 15,801 |
| - | 65,064 | | - |
| - | 2,770,216 | | - |
| - | 769,709 | | - |
| 18,120 | 26,689 | | - |
| 12,335 | 21,118 | | - |
| - | 407,208 | | 188,409 |
| 17,111 | 489,756 | | 6,786 |
| <u>1,447,731</u> | <u>38,226,049</u> | | <u>210,996</u> |
| - | 584,473 | | - |
| - | 5,100,507 | | - |
| - | 8,075,000 | | - |
| - | 1,050,000 | | - |
| 67,218 | 1,292,757 | | - |
| 265,793 | 4,047,897 | | - |
| <u>4,112,312</u> | <u>70,232,777</u> | | <u>4,931</u> |
| <u>4,445,323</u> | <u>90,383,411</u> | | <u>4,931</u> |
| <u>5,893,054</u> | <u>128,609,460</u> | | <u>215,927</u> |
| - | 51,351 | | - |
| <u>14,732</u> | <u>283,324</u> | | <u>-</u> |
| <u>14,732</u> | <u>334,675</u> | | <u>-</u> |
| 16,214 | 859,802 | | 53,284 |
| 18,959 | 105,967 | | 21,116 |
| - | 53,457 | | - |
| - | 499,004 | | - |
| - | 70,516 | | - |
| - | 29,589 | | - |
| - | - | | 160,455 |
| - | 2,457,611 | | - |
| <u>35,173</u> | <u>4,075,946</u> | | <u>234,855</u> |
| 1,050,000 | 3,050,055 | | - |
| <u>3,978</u> | <u>18,684,320</u> | | <u>-</u> |
| <u>1,053,978</u> | <u>21,734,375</u> | | <u>-</u> |
| <u>1,089,151</u> | <u>25,810,321</u> | | <u>234,855</u> |
| - | 189,928 | | - |
| 18,304 | 352,032 | | - |
| <u>30,455</u> | <u>47,807</u> | | <u>-</u> |
| <u>48,759</u> | <u>589,767</u> | | <u>-</u> |
| 4,378,105 | 53,129,887 | | 4,931 |
| - | 584,473 | | - |
| 63,646 | 1,224,049 | | - |
| <u>328,125</u> | <u>47,605,638</u> | | <u>(23,859)</u> |
| <u>\$ 4,769,876</u> | <u>\$ 102,544,047</u> | <u>\$</u> | <u>(18,928)</u> |

City of Blue Springs, Missouri

Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 Year Ended September 30, 2022

| | Business-Type Activities - Enterprise Funds | | |
|---|---|----------------------|---------------------|
| | Major Funds | | |
| | Water Utility | Sewer Utility | Golf Course |
| Operating revenues: | | | |
| Charges for services | \$ 12,035,444 | \$ 10,290,914 | \$ 2,322,348 |
| Other | 75,560 | 3,880 | 10,935 |
| Total operating revenues | 12,111,004 | 10,294,794 | 2,333,283 |
| Operating expenses: | | | |
| Personnel services | 1,164,219 | 1,058,925 | 715,641 |
| Administrative and support services | 1,166,964 | 849,296 | - |
| Materials and supplies | 466,040 | 774,859 | 360,816 |
| Purchased water and sewer services | 6,609,180 | 2,453,956 | - |
| Contractual services | 1,170,754 | 1,386,017 | 790,263 |
| Utilities | 51,413 | 425,694 | - |
| Depreciation and amortization | 977,080 | 2,692,215 | 297,925 |
| Total operating expenses | 11,605,650 | 9,640,962 | 2,164,645 |
| Operating income (loss) | 505,354 | 653,832 | 168,638 |
| Nonoperating revenues (expenses): | | | |
| Intergovernmental revenue | - | - | - |
| Investment income (loss) | (201,260) | (95,265) | 5,087 |
| Interest income—special assessments | - | 415,446 | - |
| Interest expense and fiscal charges | - | (480,742) | (49,790) |
| Total nonoperating revenues (expenses) | (201,260) | (160,561) | (44,703) |
| Income (loss) before capital contributions and transfers | 304,094 | 493,271 | 123,935 |
| Capital contributions | - | 122,870 | - |
| Transfers in | 339,745 | - | 79,730 |
| Transfers out | - | (339,745) | - |
| Change in net position | 643,839 | 276,396 | 203,665 |
| Net position, beginning of year, as restated | 31,954,609 | 58,936,212 | 5,759,450 |
| Net position (deficit), end of year | \$ 32,598,448 | \$ 59,212,608 | \$ 5,963,115 |

See notes to basic financial statements.

| Business-Type Activities - Enterprise Fund | | | Governmental Activities - Internal Service Fund |
|--|----------------|----|---|
| Nonmajor, Fieldhouse | Total | | |
| \$ 993,053 | \$ 25,641,759 | \$ | 1,295,458 |
| 27,223 | 117,598 | | - |
| 1,020,276 | 25,759,357 | | 1,295,458 |
| 546,960 | 3,485,745 | | 269,099 |
| - | 2,016,260 | | - |
| 69,948 | 1,671,663 | | 901,172 |
| - | 9,063,136 | | - |
| 97,594 | 3,444,628 | | 220,630 |
| 115,315 | 592,422 | | 857 |
| 342,150 | 4,309,370 | | 6,648 |
| 1,171,967 | 24,583,224 | | 1,398,406 |
| (151,691) | 1,176,133 | | (102,948) |
| 504,440 | 504,440 | | - |
| 16,604 | (274,834) | | - |
| - | 415,446 | | - |
| (25,846) | (556,378) | | - |
| 495,198 | 88,674 | | - |
| 343,507 | 1,264,807 | | (102,948) |
| - | 122,870 | | - |
| 176,712 | 596,187 | | - |
| - | (339,745) | | (32,478) |
| 520,219 | 1,644,119 | | (135,426) |
| 4,249,657 | 100,899,928 | | 116,498 |
| \$ 4,769,876 | \$ 102,544,047 | \$ | (18,928) |

City of Blue Springs, Missouri

**Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2022**

| | Business-Type Activities - Enterprise Funds | | |
|--|---|---------------------|-------------------|
| | Water Utility | Sewer Utility | Golf Course |
| Cash flows from operating activities: | | | |
| Receipts from customers and users | \$ 11,984,418 | \$ 10,232,132 | \$ 2,385,661 |
| Payments to suppliers and service providers | (9,495,156) | (5,974,217) | (1,087,228) |
| Payments to employees | (1,252,994) | (1,088,950) | (715,641) |
| Net cash provided by (used in) operating activities | 1,236,268 | 3,168,965 | 582,792 |
| Cash flows from noncapital financing activities: | | | |
| Increase in interfund payables | - | 150,000 | - |
| Transfers in | 339,745 | - | 79,730 |
| Transfers out | - | (339,745) | - |
| Net cash provided by (used in) noncapital financing activities | 339,745 | (189,745) | 79,730 |
| Cash flows from capital and related financing activities: | | | |
| Acquisition and construction of capital assets | (234,881) | (1,420,475) | (120,181) |
| Proceeds on sale of capital assets | - | - | - |
| Intergovernmental grants | - | 237,913 | - |
| Special assessments received | - | 940,143 | - |
| Principal payments on debt | - | (2,046,900) | (340,707) |
| Interest payments on debt and interfund loans | - | (625,563) | (55,228) |
| Net cash provided by (used in) capital and related financing activities | (234,881) | (2,914,882) | (516,116) |
| Cash flows from investing activities: | | | |
| Purchase of investments | (8,500,000) | (7,000,000) | - |
| Sale of investments | 1,985,000 | 1,989,000 | - |
| Interest on special assessments | - | 415,446 | - |
| Interest on investments | 252,735 | 262,143 | 5,087 |
| Net cash provided by (used in) investing activities | (6,262,265) | (4,333,411) | 5,087 |
| Net increase (decrease) in cash and cash equivalents | (4,921,133) | (4,269,073) | 151,493 |
| Cash and cash equivalents, beginning of year | 12,825,156 | 10,969,330 | 427,402 |
| Cash and cash equivalents, end of year | <u>\$ 7,904,023</u> | <u>\$ 6,700,257</u> | <u>\$ 578,895</u> |

(Continued)

| Business-Type Activities - Enterprise Fund | | Governmental Activities - Internal Service Fund | |
|--|---------------|---|--|
| Nonmajor, Fieldhouse | Total | | |
| \$ 1,020,226 | \$ 25,622,437 | \$ 1,285,719 | |
| (272,740) | (16,829,341) | (1,125,507) | |
| (528,918) | (3,586,503) | (288,192) | |
| 218,568 | 5,206,593 | (127,980) | |
| (150,000) | - | 160,455 | |
| 176,712 | 596,187 | - | |
| - | (339,745) | (32,478) | |
| 26,712 | 256,442 | 127,977 | |
| - | (1,775,537) | 3 | |
| - | - | - | |
| 504,440 | 742,353 | - | |
| - | 940,143 | - | |
| - | (2,387,607) | - | |
| (25,846) | (706,637) | - | |
| 478,594 | (3,187,285) | 3 | |
| - | (15,500,000) | - | |
| - | 3,974,000 | - | |
| - | 415,446 | - | |
| 16,604 | 536,569 | - | |
| 16,604 | (10,573,985) | - | |
| 740,478 | (8,298,235) | - | |
| 659,687 | 24,881,575 | - | |
| \$ 1,400,165 | \$ 16,583,340 | \$ - | |

City of Blue Springs, Missouri

**Statement of Cash Flows (Continued)
Proprietary Funds
Year Ended September 30, 2022**

| | 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 | \$ 7,904,023 | \$ 6,700,257 | \$ 578,895 |
| Investments | 8,023,943 | 6,636,242 | - |
| Total cash and investments | \$ 15,927,966 | \$ 13,336,499 | \$ 578,895 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Operating income (loss) | \$ 505,354 | \$ 653,832 | \$ 168,638 |
| Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities: | | | |
| Depreciation | 977,080 | 2,692,215 | 297,925 |
| Construction in progress expensed during the year | - | - | - |
| (Increase) decrease in accounts receivable | (125,673) | (62,662) | 11,811 |
| (Increase) decrease in inventories | (56,400) | 6,720 | 19,999 |
| (Increase) decrease in prepaid items | 28,105 | (26,354) | - |
| Increase (decrease) in accounts payable | (2,510) | (64,761) | 43,852 |
| Increase (decrease) in accrued expenses | (24,134) | (11,122) | - |
| Increase (decrease) in customer deposits | (913) | - | 19,081 |
| Increase (decrease) in unearned revenue | - | - | 21,486 |
| Decrease (increase) in LAGERS net pension asset | (64,641) | (18,903) | - |
| Net cash provided by (used in) operating activities | \$ 1,236,268 | \$ 3,168,965 | \$ 582,792 |
| Supplemental information, noncash capital and related financing activities, capital contributions | \$ - | \$ 122,870 | \$ - |

See notes to basic financial statements.

| Business-Type Activities - Enterprise Fund | | Governmental Activities - Internal Service Fund | |
|--|----------------------|---|--|
| Nonmajor, Fieldhouse | Total | | |
| \$ 1,400,165 | \$ 16,583,340 | \$ - | |
| - | 14,660,185 | - | |
| <u>\$ 1,400,165</u> | <u>\$ 31,243,525</u> | <u>\$ -</u> | |
| | | | |
| \$ (151,691) | \$ 1,176,133 | \$ (102,948) | |
| | | | |
| 342,150 | 4,309,370 | 6,648 | |
| 2,500 | 2,500 | - | |
| - | (176,524) | (9,739) | |
| - | (29,681) | (8,464) | |
| 2,404 | 4,155 | 173 | |
| 5,213 | (18,206) | 5,443 | |
| (2,825) | (38,081) | (19,093) | |
| (50) | 18,118 | - | |
| - | 21,486 | - | |
| 20,867 | (62,677) | - | |
| <u>\$ 218,568</u> | <u>\$ 5,206,593</u> | <u>\$ (127,980)</u> | |
| | | | |
| <u>\$ -</u> | <u>\$ 122,870</u> | <u>\$ -</u> | |

City of Blue Springs, Missouri

**Statement of Fiduciary Net Position—Fiduciary Funds
September 30, 2022**

| | Blue Springs Land Bank Agency Trust Fund | Custodial Funds |
|---------------------------|--|---------------------|
| Assets | | |
| Cash | \$ 112,176 | \$ 227,230 |
| Sales taxes receivable | - | 821,149 |
| Restricted cash | - | 512,674 |
| Land held for resale | 243,504 | - |
| | <hr/> | <hr/> |
| Total assets | 355,680 | 1,561,053 |
| Liabilities | | |
| Trade accounts payable | - | 30,647 |
| Due to other governments | - | 404,298 |
| Customer deposits | 35,100 | - |
| | <hr/> | <hr/> |
| Total liabilities | 35,100 | 434,945 |
| Net Position | | |
| Restricted for: | | |
| Land | 320,580 | - |
| Organizations | - | 1,126,108 |
| | <hr/> | <hr/> |
| Total net position | <u>\$ 320,580</u> | <u>\$ 1,126,108</u> |

See notes to basic financial statements.

City of Blue Springs, Missouri

**Statement of Changes in Fiduciary Net Position—Fiduciary Funds
Year Ended September 30, 2022**

| | Blue Springs Land Bank Agency Trust Fund | Custodial Funds |
|---|--|---------------------|
| Additions | | |
| Property taxes | \$ 237,083 | \$ - |
| Sales tax collections for other governments | - | 2,491,987 |
| Special assessments | - | 399,141 |
| Investment income (loss) | 2,435 | - |
| Gain on sale of capital assets | 100 | - |
| Total additions | 239,618 | 2,891,128 |
| Deductions | | |
| Administrative expenses | 15,309 | 105,785 |
| Remittance of special assessment collections on land sale to Sewer Fund | 224,196 | - |
| Payments of sales tax to other governments | - | 2,287,371 |
| Payments of special assessments to other governments | - | 385,741 |
| Total deductions | 239,505 | 2,778,897 |
| Change in net position | 113 | 112,231 |
| Net position, beginning | 320,467 | 1,013,877 |
| Net position, ending | \$ 320,580 | \$ 1,126,108 |

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.

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)

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.

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.

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)

American Rescue Plan Act Fund a special revenue fund established to account for federal grant revenues allocated through the American Rescue Plan Act and the uses of those grant funds.

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.

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.

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)

Custodial Funds: The City maintains nine custodial funds, 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, North Blue Springs CID and the Downtown Blue Springs CID which account for funds received by the community improvement districts; and Adams Farm TDD Fund which accounts for funds received by this transportation development district. Custodial funds are used to report assets held in a fiduciary capacity for others. Since by definition these assets are being held for the benefit of a third party and cannot be used to support activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Measurement focus and basis of accounting:

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

Significant revenues that are considered susceptible to accrual include sales taxes, interest, and certain state and federal grants and entitlements. Expenditures, other than interest on long-term debt, are recorded when the fund liability is incurred. However, debt service expenditures, as well as those related to compensated absences 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, trust funds and custodial 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 \$76,522 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, 2022, the City had \$10,845,216 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 |
| Leased assets | 3 to 15 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 assets 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 assets 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 and other 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.

Leases:

Lessee: The City is a lessee in equipment and real estate leases. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease liability and asset if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor in real estate leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary and governmental fund 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)

Lessor: The City is a lessor in real estate leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

All leases: Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- For leases where the City is a lessee, the City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases
- For leases where the City is a lessor, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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 \$33,449,030 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 \$1,028,796 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 25% of the prior year's budgeted General Fund expenditures. The 25% is divided into two reserve categories, the emergency reserve at 17% and the budget stabilization reserve at 8%. These reserves were established as committed fund balance by the City Council with Resolution RES-0065-2021. 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, all of which are considered nonroutine. 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, 2022, the carrying values of deposits and investments are summarized as follows:

| | | |
|---|--|-----------------------------|
| Investments: | | |
| Short-term investments (money market mutual fund) | | \$ 8,277,213 |
| U.S. Treasuries | | 25,765,938 |
| U.S. agency securities | | 3,589,353 |
| Repurchase agreement | | 33,447,000 |
| Total investments | | <u>71,079,504</u> |
| Deposits | | 534,616 |
| Total | | <u><u>\$ 71,614,120</u></u> |

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

| | Government- Wide Statement of Net Position | Fiduciary Funds Statement of Net Position | Total |
|---------------------------------|---|--|----------------------|
| Cash and investments | \$ 62,997,498 | \$ 339,406 | \$ 63,336,904 |
| Restricted cash and investments | 7,764,542 | 512,674 | 8,277,216 |
| Cash and investments | <u>\$ 70,762,040</u> | <u>\$ 852,080</u> | <u>\$ 71,614,120</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, 2022 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. Treasuries and Government agency securities: U.S. Treasuries and 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, except for US Treasury Securities as they are not subject to credit risk:

| Investment Type | Fair Value | Rating as of September 30, 2022 |
|---|----------------------|---------------------------------------|
| Federal Home Loan Banks (FHLB) | \$ 3,110,870 | Aaa |
| Short-term investments (money market mutual fund) | 8,277,213 | Aaa |
| Federal Farm Credit Banks Funding Corp (FFCB) | 478,483 | Aaa |
| Repurchase agreement | 33,447,000 | Aaa |
| | <u>\$ 45,313,566</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, 2022, 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, 2022. 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.

Interest rate risk: To minimize interest rate risk, the City's investment policy limits investments to a maximum stated maturity of five years for any investment. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of September 30, 2022, 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 | \$ 3,110,870 | \$ - | \$ 3,110,870 | 2 |
| FFCB | 478,483 | - | 478,483 | 2 |
| Debt securities, U.S. treasuries | 25,765,938 | 4,910,079 | 20,855,859 | 2 |
| Investments recorded at amortized cost: | | | | |
| Short-term investments (money market mutual fund) | 8,277,213 | 8,277,213 | - | |
| Repurchase agreement | 33,447,000 | 33,447,000 | - | |
| Total | <u>\$ 71,079,504</u> | <u>\$ 46,634,292</u> | <u>\$ 24,445,212</u> | |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 2. Deposits and Investments (Continued)

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: To minimize concentration of credit risk, the City’s investment policy has the below diversification requirements: No single financial institution will hold demand or certificates of deposits, which will constitute more than 20% of the City’s portfolio value. In addition, the following maximum limits, by investment type, are established for the City’s total investment portfolio:

| Investment Type | Maximum Percentage of Portfolio |
|---|---------------------------------|
| Repurchase Agreements | 75 |
| Collateralized Certificates of Deposit or FDIC Insured CD | 25 |
| U.S. Treasury Notes and Bills | 100 |
| U.S. Government Agency Securities | 90 |
| Bankers Acceptances | 10 |
| Commercial Paper | 15 |
| Local Government Investment Pools | 25 |

As of September 30, 2022, none of the City’s investments exceeded 5% of the total investments. US Treasury securities are not subject to concentration of credit risk.

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, 2021 on which the fiscal year ended September 30, 2022, levy was based, was \$1,190,599,172. During the year ended September 30, 2022, the City collected approximately 99.0% of property taxes which were levied in the period.

The City is permitted by Missouri State Statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services (General Fund), other than the payment of principal and interest on long-term debt, and in unlimited amounts for the payment of principal and interest on long-term debt. Property tax levies per \$100 assessed valuation for the year ended September 30, 2022 were as follows:

| | Levy (Dollars) |
|-------------------|-------------------|
| | _____ |
| General Fund | \$ 0.4866 |
| Debt Service Fund | 0.1500 |
| Total | \$ 0.6366 |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 3. Tax Revenues and Taxes Receivable (Continued)

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 | \$ - | \$ 28,250 | \$ 345,481 | \$ 17,291 | \$ - | \$ 32,478 | \$ 423,500 |
| Capital Projects Fund | 4,595,481 | - | - | - | - | - | 4,595,481 |
| Nonmajor Governmental Funds | - | - | 500,000 | - | - | - | 500,000 |
| Water Fund | - | - | - | - | 339,745 | - | 339,745 |
| Golf Course Fund | 79,730 | - | - | - | - | - | 79,730 |
| Fieldhouse Fund | 866 | - | - | 175,846 | - | - | 176,712 |
| Total | \$ 4,676,077 | \$ 28,250 | \$ 845,481 | \$ 193,137 | \$ 339,745 | \$ 32,478 | \$ 6,115,168 |

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 \$1,166,964 and \$849,296, 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.

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

| Interfund Receivables | Interfund Payables | | | | | Total |
|-----------------------|--------------------|------------------|----------|----------------------------|-----------------------|------------|
| | General | Capital Projects | TIF | Nonmajor Governmental Fund | Internal Service Fund | |
| General Fund | \$ - | \$ - | \$ - | \$ 55,228 | \$ 160,455 | \$ 215,683 |
| TIF | 218,940 | 69,128 | 2,888 | 14,191 | - | 305,147 |
| Total | \$ 218,940 | \$ 69,128 | \$ 2,888 | \$ 69,419 | \$ 160,455 | \$ 520,830 |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 4. Interfund Activity (Continued)

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

| Advance to Other Funds | Advance From Other Funds | | |
|------------------------|--------------------------|--------------------------|---------------------|
| | Golf Course | Nonmajor Enterprise Fund | Total |
| General Fund | \$ 1,673,144 | \$ - | \$ 1,673,144 |
| Capital Projects Fund | 326,911 | - | 326,911 |
| Sewer Fund | - | 1,050,000 | 1,050,000 |
| Total | <u>\$ 2,000,055</u> | <u>\$ 1,050,000</u> | <u>\$ 3,050,055</u> |

The advances payable of the Golf Course Fund represent advances from 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 \$1,673,144. 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.

Note 5. Leases Receivable

The City leases land to third parties. The following are leases in effect at September 30, 2022 in which the City is a lessor:

| Leased Asset | Lease Term | | Discount Rate | Original Balance | End of Year Balance | Due in One Year | Revenues | |
|---------------------------------------|------------|-----------|---------------|------------------|---------------------|-------------------|-------------------|------------------|
| | Start | End | | | | | Lease | Interest |
| Governmental Activities/General Fund: | | | | | | | | |
| Land - Antenna | 10/1/2021 | 7/1/2033 | 2.50% | \$ 644,870 | \$ 333,006 | \$ 26,676 | \$ 26,024 | \$ 8,976 |
| Land - Antenna | 10/1/2021 | 9/1/2026 | 2.50% | 395,156 | 169,853 | 40,904 | 39,906 | 5,244 |
| Land - Antenna | 10/1/2021 | 1/15/2036 | 2.50% | 1,157,635 | 815,600 | 53,869 | 52,555 | 21,704 |
| Land - Antenna | 10/1/2021 | 6/8/2051 | 2.50% | 849,970 | 479,425 | 24,738 | 17,507 | 19,216 |
| Land | 10/1/2021 | 3/1/2024 | 2.50% | 9,282 | 6,264 | 3,093 | 3,018 | 232 |
| Land | 10/1/2021 | 12/1/2025 | 2.50% | 105,025 | 45,144 | 10,871 | 10,606 | 1,394 |
| Total - Governmental activities | | | | | <u>\$ 1,849,292</u> | <u>\$ 160,151</u> | <u>\$ 149,616</u> | <u>\$ 56,766</u> |
| Business-type activities | | | | | | | | |
| Land - Fieldhouse | 10/1/2021 | 5/1/2024 | 2.50% | \$ 103,951 | \$ 30,454 | \$ 18,120 | \$ 17,674 | \$ 1,002 |
| Land - Water | 10/1/2021 | 4/1/2024 | 2.50% | 41,826 | 17,353 | 8,569 | 8,360 | 643 |
| Total - Business-type activities | | | | | <u>\$ 47,807</u> | <u>\$ 26,689</u> | <u>\$ 26,034</u> | <u>\$ 1,645</u> |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Capital Assets

Capital assets activity for the year ended September 30, 2022, was as follows:

| Governmental activities | Beginning Balance, as restated | Increases | Transfers/ Decreases | Ending Balance |
|--|--------------------------------------|----------------------|-------------------------|-----------------------|
| Capital assets, not being depreciated/amortized: | | | | |
| Land and easements | \$ 20,710,916 | \$ 200,427 | \$ 326,504 | \$ 20,584,839 |
| Construction in progress | 1,517,987 | 10,372,650 | 8,219,725 | 3,670,912 |
| Total capital assets, not being depreciated/amortized | <u>22,228,903</u> | <u>10,573,077</u> | <u>8,546,229</u> | <u>24,255,751</u> |
| Capital assets, being depreciated/amortized: | | | | |
| Buildings and building improvements | 46,862,450 | 1,455,239 | (119,464) | 48,437,153 |
| Equipment and vehicles | 25,675,945 | 3,132,697 | 981,568 | 27,827,074 |
| Infrastructure | 230,579,718 | 11,946,864 | - | 242,526,582 |
| Leased equipment | 500,798 | 8,123 | - | 508,921 |
| Total capital assets being depreciated/amortized | <u>303,618,911</u> | <u>16,542,923</u> | <u>862,104</u> | <u>319,299,730</u> |
| Less accumulated depreciation/amortization for: | | | | |
| Buildings and building improvements | 20,833,301 | 1,699,172 | (119,464) | 22,651,937 |
| Equipment and vehicles | 17,269,351 | 2,541,289 | 960,190 | 18,850,450 |
| Infrastructure | 165,414,224 | 5,722,911 | 761 | 171,136,374 |
| Leased equipment | - | 393,108 | - | 393,108 |
| Total accumulated depreciation/amortization | <u>203,516,876</u> | <u>\$ 10,356,480</u> | <u>\$ 841,487</u> | <u>213,031,869</u> |
| Total capital assets being depreciated/amortized, net | <u>100,102,035</u> | | | <u>106,267,861</u> |
| Governmental activities capital assets, net | <u>\$ 122,330,938</u> | | | <u>\$ 130,523,612</u> |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 6. Capital Assets (Continued)

| Business-type activities | Beginning Balance, as restated | Increases | Transfers/ Decreases | Ending Balance |
|--|--------------------------------------|---------------------|-------------------------|----------------------|
| Capital assets, not being depreciated/amortized: | | | | |
| Land | \$ 3,990,031 | \$ 4,000 | \$ - | \$ 3,994,031 |
| Construction in progress | 1,726,126 | 1,658,030 | 3,330,290 | 53,866 |
| Total capital assets, not being depreciated/amortized | <u>5,716,157</u> | <u>1,662,030</u> | <u>3,330,290</u> | <u>4,047,897</u> |
| Capital assets, being depreciated/amortized: | | | | |
| Buildings and building improvements | 20,114,200 | - | - | 20,114,200 |
| Equipment and vehicles | 5,037,814 | 450,116 | 137,175 | 5,350,755 |
| Infrastructure | 117,490,516 | 3,102,523 | - | 120,593,039 |
| Leased equipment | 75,861 | - | - | 75,861 |
| Total capital assets being depreciated/amortized | <u>142,718,391</u> | <u>3,552,639</u> | <u>137,175</u> | <u>146,133,855</u> |
| Less accumulated depreciation/amortization for: | | | | |
| Buildings and building improvements | 8,973,661 | 610,690 | - | 9,584,351 |
| Equipment and vehicles | 4,095,780 | 290,458 | 137,175 | 4,249,063 |
| Infrastructure | 58,659,442 | 3,377,896 | - | 62,037,338 |
| Leased equipment | - | 30,326 | - | 30,326 |
| Total accumulated depreciation/amortization | <u>71,728,883</u> | <u>\$ 4,309,370</u> | <u>\$ 137,175</u> | <u>75,901,078</u> |
| Total capital assets being depreciated/amortized, net | <u>70,989,508</u> | | | <u>70,232,777</u> |
| Business-type activities capital assets, net | <u>\$ 76,705,665</u> | | | <u>\$ 74,280,674</u> |

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

| | |
|---|----------------------|
| Governmental activities: | |
| General government | \$ 222,111 |
| Highways and streets | 5,588,531 |
| Public safety | 2,696,852 |
| Parks and recreation | 1,842,338 |
| Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the asset | <u>6,648</u> |
| Total depreciation expense for governmental activities | <u>\$ 10,356,480</u> |
| Business-type activities: | |
| Water utility | \$ 977,080 |
| Sewer utility | 2,692,215 |
| Golf course | 297,925 |
| Fieldhouse | <u>342,150</u> |
| Total depreciation expense for business-type activities | <u>\$ 4,309,370</u> |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. Long-Term Debt and Other Obligations

The following is a summary of changes in long-term debt and other obligations of the City for the year ended September 30, 2022:

| | Beginning Balance, as restated | Additions | Retirements | Ending Balance | Amounts Due Within One Year |
|--|--------------------------------------|---------------------|----------------------|-----------------------|-----------------------------------|
| Governmental activities: | | | | | |
| Compensated absences* | \$ 1,708,960 | \$ 1,535,670 | \$ 1,844,140 | \$ 1,400,490 | \$ 1,400,490 |
| General obligation bonds | 16,410,000 | - | 1,170,000 | 15,240,000 | 1,225,000 |
| Certificates of participation | 19,375,000 | - | 230,000 | 19,145,000 | 580,000 |
| Special obligation bonds | 43,516,530 | - | 4,870,000 | 38,646,530 | 175,000 |
| Net discount/premium on issuances | 735,991 | - | 79,826 | 656,165 | - |
| Development agreements | 6,390,888 | 339,042 | 967,507 | 5,762,423 | - |
| Leased assets liability | 500,798 | 8,123 | 393,108 | 115,813 | 53,532 |
| | <u>88,638,167</u> | <u>1,882,835</u> | <u>9,554,581</u> | <u>80,966,421</u> | <u>3,434,022</u> |
| Business-type activities: | | | | | |
| Compensated absences | 158,596 | 196,762 | 225,637 | 129,721 | 30,298 |
| Certificates of participation | 1,220,000 | - | 285,000 | 935,000 | 300,000 |
| Special assessment-neighborhood improvement bonds | 8,115,000 | - | 845,000 | 7,270,000 | 885,000 |
| Net discount/premium on issuances | 950,257 | - | 129,583 | 820,674 | - |
| Leased assets liability | 75,861 | - | 30,326 | 45,535 | 16,713 |
| Sewer revenue bonds (direct borrowing) | 13,142,901 | - | 1,201,900 | 11,941,001 | 1,225,600 |
| | <u>23,662,615</u> | <u>196,762</u> | <u>2,717,446</u> | <u>21,141,931</u> | <u>2,457,611</u> |
| Total primary government | \$ 112,300,782 | \$ 2,079,597 | \$ 12,272,027 | \$ 102,108,352 | \$ 5,891,633 |

* Primarily liquidated by the General Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

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

Governmental activities, general obligation bonds, certificates of participation and special obligation bonds as of September 30, 2022 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% | \$ 6,210,000 |
| \$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% | 9,030,000 |
| Total general obligation bonds | <u>\$ 15,240,000</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>\$ 19,145,000</u> |
|---|----------------------|

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% | 20,790,000 |
| \$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% | 8,290,000 |
| | <u>\$ 38,646,530</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 7. Long-Term Debt and Other Obligations (Continued)

The City and other taxing districts and governmental entities have pledged a portion of future property tax and sales tax revenues to repay the \$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 (three as of September 30, 2022) 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, 2022, total principal remaining on the Special Obligation Bonds was \$38,646,530 and the outstanding developer obligations was \$5,762,423. 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 \$7,890,272. Incremental revenues from the City included \$1,722,970 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, 2022 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

\$ 935,000

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%

\$ 7,270,000

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 7. 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, 2022, the City has drawn \$24,255,728 from these funds and the outstanding balance of the bonds was \$11,941,001. 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 \$12,826,974. Principal and interest paid for the current year and sewer net revenues for the current year were \$1,396,366 and \$3,545,299, 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, 2022 is \$5,870,216 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 7. Long-Term Debt and Other Obligations (Continued)

Debt service requirements on long-term debt with scheduled maturities as of September 30, 2022 are as follows:

| Governmental Activities | General Obligation Bonds | | Certificates of Participation | |
|----------------------------|--------------------------|---------------------|-------------------------------|---------------------|
| | Principal | Interest | Principal | Interest |
| Years ending September 30: | | | | |
| 2023 | \$ 1,225,000 | \$ 464,594 | \$ 580,000 | \$ 789,713 |
| 2024 | 1,265,000 | 415,644 | 605,000 | 766,512 |
| 2025 | 1,335,000 | 364,818 | 630,000 | 742,313 |
| 2026 | 1,380,000 | 328,544 | 660,000 | 710,812 |
| 2027 | 1,415,000 | 296,195 | 690,000 | 677,813 |
| 2028 - 2032 | 8,620,000 | 758,408 | 3,980,000 | 2,865,687 |
| 2033 - 2037 | - | - | 4,830,000 | 2,021,113 |
| 2038 - 2042 | - | - | 5,855,000 | 984,000 |
| 2043 | - | - | 1,315,000 | 52,600 |
| | \$ 15,240,000 | \$ 2,628,203 | \$ 19,145,000 | \$ 9,610,563 |

| | Special Obligation Bonds ** | | Total Governmental Activities | |
|----------------------------|-----------------------------|---------------------|-------------------------------|----------------------|
| | Principal | Interest * | Principal | Interest |
| Years ending September 30: | | | | |
| 2023 | \$ 175,000 | \$ 1,459,488 | \$ 1,980,000 | \$ 2,713,795 |
| 2024 | 210,000 | 404,762 | 2,080,000 | 1,586,918 |
| 2025 | 240,000 | 396,888 | 2,205,000 | 1,504,019 |
| 2026 | 1,540,000 | 387,887 | 3,580,000 | 1,427,243 |
| 2027 | 215,000 | 377,575 | 2,320,000 | 1,351,583 |
| 2028 - 2032 | 5,500,000 | 1,847,563 | 18,100,000 | 5,471,658 |
| 2033 - 2037 | - | 1,847,562 | 4,830,000 | 3,868,675 |
| 2038 - 2042 | 30,766,530 | - | 36,621,530 | 984,000 |
| 2043 | - | - | 1,315,000 | 52,600 |
| | \$ 38,646,530 | \$ 6,721,725 | \$ 73,031,530 | \$ 18,960,491 |

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

| Business-Type Activities | Certificates of Participation | | Neighborhood Improvement Bonds | |
|--------------------------|-------------------------------|------------------|--------------------------------|---------------------|
| | Principal | Interest | Principal | Interest |
| | Years ending September 30: | | | |
| 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 | - | - | 1,035,000 | 173,925 |
| 2027 | - | - | 1,085,000 | 120,925 |
| 2028 | - | - | 2,345,000 | 95,100 |
| | <u>\$ 935,000</u> | <u>\$ 85,550</u> | <u>\$ 7,270,000</u> | <u>\$ 1,204,725</u> |

| Business-Type Activities | Sewer Revenue Bonds | | Total Business-Type Activities | |
|--------------------------|----------------------------|-------------------|--------------------------------|---------------------|
| | Principal | Interest | Principal | Interest |
| | Years ending September 30: | | | |
| 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 | 1,299,500 | 119,594 | 2,334,500 | 293,519 |
| 2027 | 1,325,100 | 99,745 | 2,410,100 | 220,670 |
| 2028 - 2031 | 5,566,701 | 192,555 | 7,911,701 | 287,655 |
| | <u>\$ 11,941,001</u> | <u>\$ 885,970</u> | <u>\$ 20,146,001</u> | <u>\$ 2,176,245</u> |

| Business-Type Activities | Total Primary Government | |
|--------------------------|----------------------------|----------------------|
| | Principal | Interest |
| | Years ending September 30: | |
| 2023 | \$ 4,390,600 | \$ 3,249,239 |
| 2024 | 4,574,700 | 2,046,141 |
| 2025 | 4,789,400 | 1,883,753 |
| 2026 | 5,914,500 | 1,720,762 |
| 2027 | 4,730,100 | 1,572,253 |
| 2028 - 2032 | 26,011,701 | 5,759,313 |
| 2033 - 2037 | 4,830,000 | 3,868,675 |
| 2038 - 2042 | 36,621,530 | 984,000 |
| 2043 | 1,315,000 | 52,600 |
| | <u>\$ 93,177,531</u> | <u>\$ 21,136,736</u> |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

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

Lease obligations: The City is a lessee in lease agreements for the use of equipment. The following is a recap of the leases used in Governmental activities as of September 30, 2022:

| Leased Asset | Lease Term | | Discount Rate | Original Balance | End of Year Balance | Due Within One Year |
|---------------|------------|------------|---------------|-------------------|---------------------|---------------------|
| | Start | End | | | | |
| Copiers | 10/1/2021 | 8/3/2025 | 2.50% | \$ 56,458 | \$ 29,274 | \$ 9,518 |
| AVL Equipment | 10/1/2021 | 12/28/2022 | 2.50% | 21,517 | 1,855 | 1,855 |
| Printers | 4/1/2022 | 4/1/2026 | 2.50% | 8,123 | 7,314 | 1,976 |
| Printers | 10/1/2021 | 10/1/2023 | 2.50% | 13,644 | 3,831 | 3,533 |
| Printers | 10/1/2021 | 4/28/2023 | 2.50% | 22,770 | 3,464 | 3,464 |
| Copiers | 10/1/2021 | 10/1/2024 | 2.50% | 131,423 | 70,075 | 33,186 |
| | | | | <u>\$ 253,935</u> | <u>\$ 115,813</u> | <u>\$ 53,532</u> |

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2022 were as follows:

| | Principal | Interest | Total |
|----------------------------|-------------------|-----------------|-------------------|
| Years ending September 30: | | | |
| 2023 | \$ 53,352 | \$ 2,358 | \$ 55,710 |
| 2024 | 46,274 | 1,139 | 47,413 |
| 2025 | 14,951 | 315 | 15,266 |
| 2026 | 1,236 | 10 | 1,246 |
| Total | <u>\$ 115,813</u> | <u>\$ 3,822</u> | <u>\$ 119,635</u> |

The City is a lessee in lease agreements for the use of equipment. The following is a recap of the leases used in Business-type activities as of September 30, 2022:

| Leased Asset | Lease Term | | Discount Rate | Original Balance | End of Year Balance | Due Within One Year |
|-----------------|------------|-----------|---------------|------------------|---------------------|---------------------|
| | Start | End | | | | |
| Progator | 10/1/2021 | 5/1/2025 | 5.10% | \$ 41,158 | \$ 19,849 | \$ 7,130 |
| Wide area mower | 10/1/2021 | 4/21/2025 | 4.60% | 55,300 | 25,686 | 9,583 |
| | | | | <u>\$ 96,458</u> | <u>\$ 45,535</u> | <u>\$ 16,713</u> |

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2022 were as follows:

| | Principal | Interest | Total |
|----------------------------|------------------|-----------------|------------------|
| Years ending September 30: | | | |
| 2023 | \$ 16,713 | \$ 1,828 | \$ 18,541 |
| 2024 | 17,535 | 1,006 | 18,541 |
| 2025 | 11,287 | 194 | 11,481 |
| Totals | <u>\$ 45,535</u> | <u>\$ 3,028</u> | <u>\$ 48,563</u> |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

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

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 | \$ 5,674,766 | \$ 350,499 | \$ 233,974 | \$ 6,259,239 |

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, 2022, based on the assessed valuation as of January 1, 2021, of \$1,106,599,175, the constitutional total general obligation debt limit for "City purposes" was \$238,119,834, which, after reduction for outstanding general obligation bonds of \$15,881,433, net of amounts available in the General Obligation Bond Debt Service fund of \$2,223,167, provides a general obligation debt margin of \$224,531,568.

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, 2022, there were five series of taxable industrial revenue bonds outstanding, with an aggregate principal amount payable of \$73,198,223.

Note 8. 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 \$556,934 for the year ended September 30, 2022 and were recorded as charges for services in the Sewer Utility Fund.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 9. 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.

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.

| | <u>2022 Valuation</u> |
|----------------------|-----------------------|
| Benefit multiplier | 2.0% |
| Final average salary | 3 years |
| Member contributions | 2% |

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, 2022, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefits | 204 |
| Inactive employees entitled to but not yet receiving benefits | 151 |
| Active employees | 239 |
| | <u>594</u> |

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. Employer contribution rates are 3.9% (General) and 6.9% (Police) of annual covered payroll, and employee contribution rates are 2.0%.

Net pension asset: The City's net pension asset was measured as of June 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 28, 2022. Standard update procedures were used to roll forward the total pension liability to June 30, 2022.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 9. Employees' Retirement System and Other Postemployment Benefits (Continued)

Actuarial assumptions: The total pension liability in the February 28, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.75% wage inflation; 2.25% price inflation |
| Salary Increase | 2.75% to 6.75% including wage inflation |
| Investment Rate of Return | 7.00%, net of investment expenses |

The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG-2010 Mortality Tables for males and females. The disabled retiree mortality tables, for post-retirement mortality, were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Tables for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables.

The actuarial assumptions used in the February 28, 2022 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

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) |
| | 100.00% | |

Discount rate: The discount rate used to measure the total pension liability is 7.00%. 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 9. Employees' Retirement System and Other Postemployment Benefits (Continued)

Changes in the net pension liability (asset):

| | Increase (Decrease) | | |
|---|-----------------------------------|---------------------------------------|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a) - (b) |
| Balances at September 30, 2021 | \$ 68,098,277 | \$ 91,068,117 | \$ (22,969,840) |
| Changes for the year: | | | |
| Service cost | 1,219,561 | - | 1,219,561 |
| Interest | 4,690,276 | - | 4,690,276 |
| Difference between expected and actual experience | 2,834,423 | - | 2,834,423 |
| Changes of benefit terms | 10,613,145 | - | 10,613,145 |
| Contributions—employer | - | 7,335,559 | (7,335,559) |
| Contributions—employee | - | 220,206 | (220,206) |
| Net investment income | - | 76,808 | (76,808) |
| Benefit payments, including refunds | (3,445,878) | (3,445,878) | - |
| Administrative expense | - | (57,898) | 57,898 |
| Other changes | - | 797,978 | (797,978) |
| Net changes | 15,911,527 | 4,926,775 | 10,984,752 |
| Balances at September 30, 2022 | \$ 84,009,804 | \$ 95,994,892 | \$ (11,985,088) |

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 7.00%, 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 (6.00%) | Discount Rate (7.00%) | 1% Increase (8.00%) |
|-------------------------------|------------------------|--------------------------|------------------------|
| Total pension liability | \$ 96,127,134 | \$ 84,009,804 | \$ 74,033,085 |
| Plan fiduciary net position | 95,994,892 | 95,994,892 | 95,994,892 |
| Net pension liability (asset) | \$ 132,242 | \$ (11,985,088) | \$ (21,961,807) |

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 9. 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, 2022 the employer recognized pension expense of \$7,959,142. 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 | \$ 2,725,166 | \$ (1,095,941) |
| Assumption changes | - | (690,811) |
| Net difference between projected and actual earnings on pension plan investments | - | (1,704,376) |
| Contributions subsequent to the measurement date* | 302,937 | - |
| Total | <u>\$ 3,028,103</u> | <u>\$ (3,491,128)</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, 2023.

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

| | |
|--------------|---------------------|
| Years ended: | |
| 2023 | \$ (519,373) |
| 2024 | (455,458) |
| 2025 | (1,204,901) |
| 2026 | 1,325,343 |
| 2027 | 88,427 |
| Thereafter | - |
| | <u>\$ (765,962)</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.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 10. 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 11. Commitments and Contingencies

Contractual commitments: The City has commitments resulting from construction contracts totaling \$128,943, \$145,914, \$15,688, \$53,487, \$342,946 and \$436,136 in the General, Capital Project, Public Safety Sales Tax, Water Utility, Sewer Utility and ARPA Funds, respectively. The City expects to receive the contracted services during fiscal year 2023.

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, 2022 totaled \$1,466,478.

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, 2022 totaled \$1,303,457.

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, 2022 totaled \$1,397,798. The total amount paid under the agreement for capital project charges for the year ended September 30, 2022, totaled \$2,441,447, \$1,053,970 for the 2005 agreement and \$1,387,477 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, Hotel Motel Tax fund, Public Safety Sales Tax fund, Parks Sales Tax fund and Capital Projects fund of \$1,215,665, \$8,600, \$521,769, \$1,541,997 and \$2,715,344, respectively.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 11. Commitments and Contingencies (Continued)

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 12. 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.

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 \$310,192. Value of abatement for FY 2022 is \$23,977.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 12. Tax Abatements (Continued)

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 2022 is \$875,062.
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 2022 is \$591,093.
4. In November 2020, the City issued Industrial Revenue Bonds in an amount not to exceed \$9,600,000 to provide tax abatement to Durvet Inc. for the purpose of the design, construction, installation and improvement of an approximately 54,080 square-foot warehouse and office expansion. Pursuant to the Bond Documents, Lease Agreement and Performance Agreement, so long as the City owns title to the Project, the Project will be exempt from ad valorem taxes on real property. Bond Documents and Lease Agreement, while the project is owned by the City and is subject to the lease, the Project and leasehold interest of the Company in the Project will be exempt from all ad valorem real property taxes, producing ten years of tax abatement. During each year of the Exemption period, Durvet will make annual payments in lieu of taxes (PILOTS) in the amounts set forth in Exhibit B of the Performance Agreement. Total projected value of abatement is \$1,593,697. Value of abatement for FY 2022 is \$154,637.
5. In December 2020, the City issued Industrial Revenue Bonds in an amount not to exceed \$30,000,000 to provide tax abatement to Blue Springs 70 Logistics LLC for the purpose of acquiring, constructing and installing an approximately 585,660 square foot Class-A industrial building. The Project Improvements will be given 100% tax abatement for 10 years beginning in 2022 through 2031. During that time the Company will make PILOT Payments to the Central Jackson County Fire Protection District on the Project Improvements in December 1st of each year equal to 75% of real property taxes had the Project Improvements been constructed without tax abatement. Other than the Fire District PILOT Payments, the Company shall not be required to make PILOTS Payments during the period of Tax Abatement. Total projected value of abatement is \$5,672,203. Value of abatement for FY 2022 is \$0.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 12. Tax Abatements (Continued)

The gross dollar amount by which the City's tax revenues were reduced during FY 2022 as a result of Chapter 100 agreements was \$1,644,769.

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, 2022:

1. 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 2022 is \$39,442.
2. 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. The agreement was again amended in 2021 which authorized an additional 4 years of 100% tax abatement (except for the Central Jackson County Fire Protection District which is only a 25% abatement) for the tax years 2021 through 2024. Total projected value of abatement is \$2,590,221. Value of abatement for FY 2022 is \$154,298.
3. 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 2022 is \$17,264.
4. 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 2022 is \$4,545.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 12. Tax Abatements (Continued)

5. 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 2022 is \$14,689.
6. 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 2022 is \$19,441.
7. 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 2022 is \$15,199.
8. In 2019, the City approved a development project with the Main Center Redevelopment Corporation for the construction of a new single-story, 3,371 square-foot dental facility at 709 W. Main Street, providing 100% tax abatement for 25 years on the improved property with the exception of the Central Jackson County Fire District capturing 75% of the taxes it would have ordinarily received per Senate Bill 870. Tax abatement for the property will be terminated prior to the 25-year duration if the value of the abatement exceeds the cost of improvements. The project cost is estimated to be \$1,540,820. Total projected value of abatement is \$753,553. Value of the abatement for FY 2022 is \$26,867.
9. In 2019, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of the property at 209 W. 11th Street, providing 100% tax abatement for 10 years on the improved property with the exception of the Central Jackson County Fire District capturing 75% of the taxes it would have ordinarily received per Senate Bill 870. Tax abatement for the property will be terminated prior to the 10-year duration if the value of the abatement exceeds the cost of improvements. The project cost is estimated to be \$1,528,000. Total projected value of abatement is \$151,202. Value of the abatement for FY 2022 is \$0.
10. In 2019, the City approved a redevelopment project with the Main Center Redevelopment Corporation for the renovation of an existing single-story block building at 209 NW 11th Street into a shared photography studio and art space, Anthem Photography, providing 100% tax abatement for 10 years on the improved property with the exception of the Central Jackson County Fire District capturing 75% of the taxes it would have ordinarily received per Senate Bill 870. Tax abatement will be terminated prior to the 10-year duration if the value of the abatement exceeds the cost of improvements. The project cost is estimated to be \$50,000. Value of the abatement for FY 2022 is \$2,274.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 12. Tax Abatements (Continued)

11. In 2020, the City approved a redevelopment plan with RGH Redevelopment Corporation consisting of two projects: (1) the first project, located at 2501 NW South Outer Road, for the remodel and construction of an approximately 13,000 square-foot Fun Run children's party and play center, as well as 10,000 square feet of retail and/or office space on the upper level, and (2) the second project, located at 2525 NW South Outer Road, for the remodel and construction of a curling facility with four curling lanes and lounge with approximately 16,000 square feet of retail and/or office space on the upper level, providing 100% tax abatement for 20 years on the improved property with the exception of the Central Jackson County Fire District capturing 75% of the taxes it would have ordinarily received per Senate Bill 870. The total project cost is estimated to be \$7,090,443. Total projected value of abatement is \$2,322,639. Value of the abatement for FY 2022 is \$0.

The gross dollar amount by which the City's tax revenues were reduced during FY 2022 as a result of Chapter 353 agreements was \$294,019.

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 13. 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. 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.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA) will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement will be effective for the City with its year ending September 30, 2023.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 13. Pending Governmental Accounting Standards Board (GASB) Statements (Continued)

- GASB Statement No. 101, *Compensated Absences* will through its unified recognition and remeasurement model, result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The statement will be effective for the City with its year ending September 30, 2024.

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

Note 14. Restatement

The City adopted GASB Statement No. 87, *Leases* during the current fiscal year. As a result of the adoption, the City evaluated its lease agreements, and recognized lease liabilities and lease receivables per the terms of the agreements.

During 2022, it was also discovered that certain transactions were incorrectly capitalized as construction in progress in 2021.

The adoption of GASB Statement No. 87 and correction of the capital asset error impacted the October 1, 2021 beginning net position of governmental activities, business-type activities, the Water Utility Fund, the Sewer Utility Fund and the Golf Fund, and the October 1, 2021 beginning fund balance of the General Fund as follows:

| | Governmental Activities | General Fund | Business-type Activities |
|--|----------------------------|----------------------|-----------------------------|
| Net position/fund balance, September 30, 2021, as previously reported | \$ 85,002,484 | \$ 18,917,724 | \$ 101,887,941 |
| Correction of capital asset error | - | - | (970,225) |
| Effect of adoption of GASB Statement No. 87 | 13,121 | 25,631 | (17,788) |
| Net position/fund balance, September 30, 2021, as restated | <u>\$ 85,015,605</u> | <u>\$ 18,943,355</u> | <u>\$ 100,899,928</u> |

| | Water Utility Fund | Golf Fund | Sewer Utility Fund |
|--|-----------------------|---------------------|-----------------------|
| Net position/fund balance, September 30, 2021, as previously reported | \$ 31,954,288 | \$ 5,777,559 | \$ 59,906,437 |
| Correction of capital asset error | - | - | (970,225) |
| Effect of adoption of GASB Statement No. 87 | 321 | (18,109) | - |
| Net position/fund balance, September 30, 2021, as restated | <u>\$ 31,954,609</u> | <u>\$ 5,759,450</u> | <u>\$ 58,936,212</u> |

The change in net position of the sewer utility fund as previously reported was \$2,072,436, and the correction of this error would have resulted in a change in net position in the sewer utility fund of \$1,195,967.

City of Blue Springs, Missouri

Notes to the Basic Financial Statements

Note 15. Subsequent Events

On November 30, 2022, the City issued \$34,370,000 in Special Obligation Bonds, Series 2022. The bonds will be used to design, construct, equip, furnish and improve an aquatics center and related facilities in the City. The Bonds will be secured and payable from an annual appropriation by the City.

City of Blue Springs, Missouri

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

| Fiscal year ending September 30, | 2022 | 2021 |
|--|------------------------|------------------------|
| Total Pension Liability | | |
| Service cost | \$ 1,219,561 | \$ 1,245,206 |
| Interest on the total pension liability | 4,690,276 | 4,779,451 |
| Benefit changes | 10,613,145 | - |
| Difference between expected and actual experience | 2,834,423 | (683,583) |
| Assumption changes | - | (1,215,135) |
| Benefit payments, including refunds | (3,445,878) | (2,632,760) |
| Net change in total pension liability | 15,911,527 | 1,493,179 |
| Total pension liability, beginning | 68,098,277 | 66,605,098 |
| | | |
| Total pension liability, ending | \$ 84,009,804 | \$ 68,098,277 |
| | | |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 7,335,559 | \$ 973,604 |
| Contributions-employee | 220,206 | - |
| Pension plan net investment income | 76,808 | 19,743,968 |
| Benefit payments, including refunds | (3,445,878) | (2,632,760) |
| Pension plan administrative expense | (57,898) | (52,910) |
| Other | 797,978 | 318,208 |
| Net change in plan fiduciary net position | 4,926,775 | 18,350,110 |
| Plan fiduciary net position, beginning | 91,068,117 | 72,718,007 |
| | | |
| Plan fiduciary net position, ending | \$ 95,994,892 | \$ 91,068,117 |
| | | |
| Employer net pension liability (asset) | \$ (11,985,088) | \$ (22,969,840) |
| | | |
| Plan fiduciary net position as a percentage of the total pension liability | 114% | 134% |
| | | |
| Covered payroll | \$ 13,813,567 | \$ 13,957,143 |
| | | |
| Employer's net pension liability (asset) as a percentage of covered payroll | (86.76)% | (164.57)% |

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.

In 2021, amounts reported as changes in benefit terms resulted primarily from the change in the mortality table and decrease in the long-term rate of return.

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----|-------------|----------------|----------------|----------------|----------------|----------------|
| \$ | 1,278,838 | \$ 1,223,544 | \$ 1,187,702 | \$ 1,174,608 | \$ 1,125,184 | \$ 1,079,631 |
| | 4,663,484 | 4,348,452 | 4,085,559 | 3,901,187 | 3,545,150 | 3,377,170 |
| | - | - | - | - | - | - |
| | (1,730,599) | 1,195,911 | 559,428 | (405,769) | 369,842 | (135,197) |
| | - | - | - | - | 1,918,944 | - |
| | (2,559,823) | (2,343,569) | (2,108,905) | (2,157,053) | (1,990,945) | (2,062,203) |
| | 1,651,900 | 4,424,338 | 3,723,784 | 2,512,973 | 4,968,175 | 2,259,401 |
| | 64,953,198 | 60,528,860 | 56,805,076 | 54,292,103 | 49,323,928 | 47,064,527 |
| \$ | 66,605,098 | \$ 64,953,198 | \$ 60,528,860 | \$ 56,805,076 | \$ 54,292,103 | \$ 49,323,928 |
| \$ | 934,921 | \$ 951,682 | \$ 913,339 | \$ 908,467 | \$ 977,911 | \$ 1,078,892 |
| | - | - | - | - | - | - |
| | 936,826 | 4,547,256 | 7,879,838 | 6,846,631 | (114,992) | 1,120,945 |
| | (2,559,823) | (2,343,569) | (2,108,905) | (2,157,053) | (1,990,945) | (2,062,203) |
| | (68,172) | (61,224) | (42,258) | (39,868) | (40,384) | (43,154) |
| | (158,549) | 76,420 | 618,737 | (44,350) | 973,177 | 151,943 |
| | (914,797) | 3,170,565 | 7,260,751 | 5,513,827 | (195,233) | 246,423 |
| | 73,632,804 | 70,462,239 | 63,201,488 | 57,687,661 | 57,882,894 | 57,636,471 |
| \$ | 72,718,007 | \$ 73,632,804 | \$ 70,462,239 | \$ 63,201,488 | \$ 57,687,661 | \$ 57,882,894 |
| \$ | (6,112,909) | \$ (8,679,606) | \$ (9,933,379) | \$ (6,396,412) | \$ (3,395,558) | \$ (8,558,966) |
| | 109% | 113% | 116% | 96% | 97% | 104% |
| \$ | 14,277,162 | \$ 14,519,579 | \$ 13,432,600 | \$ 13,391,262 | \$ 13,200,061 | \$ 12,622,334 |
| | (42.82)% | (59.78)% | (73.95)% | (47.77)% | (25.72)% | (67.81)% |

City of Blue Springs, Missouri

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

| | 2022 | 2021 | 2020 | 2019 |
|--|------------------|----------------|----------------|----------------|
| Actuarially determined contribution | \$ 1,370,525 | \$ 989,286 | \$ 924,037 | \$ 968,812 |
| Contributions in relation to the actuarially determined contribution | <u>1,370,525</u> | <u>989,287</u> | <u>924,036</u> | <u>968,812</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ (1)</u> | <u>\$ 1</u> | <u>\$ -</u> |
| Covered payroll | \$ 14,133,122 | \$ 14,008,769 | \$ 14,382,778 | \$ 14,470,138 |
| Contributions as a percentage of covered payroll | 9.70% | 7.06% | 6.42% | 6.70% |

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

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ 916,999 | \$ 893,308 | \$ 985,036 | \$ 1,071,473 | \$ 1,113,110 | \$ 1,177,037 |
| 916,999 | 893,308 | 985,036 | 1,071,473 | 1,113,110 | 1,116,633 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,404 |
| \$ 13,899,354 | \$ 13,776,909 | \$ 14,033,009 | \$ 12,999,252 | \$ 12,529,095 | \$ 11,891,443 |
| 6.60% | 6.48% | 7.02% | 8.24% | 8.88% | 9.39% |

City of Blue Springs, Missouri

**Required Supplementary Information—Unaudited
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—General Fund
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual (Budget Basis) | Variance With Final Budget |
|--|--------------------|--------------------|--------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 19,340,456 | \$ 19,340,456 | \$ 20,289,774 | \$ 949,318 |
| Licenses and permits | 1,427,594 | 1,427,594 | 1,766,913 | 339,319 |
| Intergovernmental revenues | 4,104,528 | 4,104,528 | 4,529,995 | 425,467 |
| Charges for services | 1,312,331 | 1,312,331 | 1,627,182 | 314,851 |
| Administrative charges | 2,016,260 | 2,016,260 | 2,016,260 | - |
| Fines and forfeits | 679,309 | 679,309 | 492,342 | (186,967) |
| Investment income (loss) | 255,124 | 255,124 | (164,586) | (419,710) |
| Donations | 46,906 | 46,906 | 57,047 | 10,141 |
| Other | 337,513 | 380,442 | 387,745 | 7,303 |
| Total revenues | 29,520,021 | 29,562,950 | 31,002,672 | 1,439,722 |
| Expenditures: | | | | |
| General government: | | | | |
| City Council | 316,758 | 386,758 | 236,885 | (149,873) |
| Legal services | 250,396 | 295,396 | 320,987 | 25,591 |
| City prosecutor | 170,001 | 170,001 | 165,381 | (4,620) |
| Municipal court | 497,806 | 507,806 | 480,949 | (26,857) |
| City administration | 875,120 | 1,070,499 | 574,580 | (495,919) |
| Public relations and communications | 258,426 | 259,901 | 234,295 | (25,606) |
| Human resources | 644,307 | 698,336 | 701,497 | 3,161 |
| Economic development | 275,302 | 280,702 | 98,301 | (182,401) |
| Community development | 944,887 | 950,968 | 836,839 | (114,129) |
| Business services | 161,864 | 161,864 | 128,564 | (33,300) |
| Codes administration | 882,418 | 974,287 | 767,629 | (206,658) |
| Geographic information systems | 129,954 | 146,254 | 193,159 | 46,905 |
| Finance—accounting and budget | 720,286 | 720,286 | 738,316 | 18,030 |
| Information systems | 781,869 | 1,149,639 | 513,785 | (635,854) |
| Public works, engineering and administration | 824,730 | 871,665 | 895,284 | 23,619 |
| Highways and streets, street maintenance | 3,011,545 | 3,114,356 | 2,715,668 | (398,688) |
| Public safety: | | | | |
| Police administration | 555,266 | 559,166 | 584,909 | 25,743 |
| Staff services | 2,554,385 | 2,655,017 | 2,355,199 | (299,818) |
| Operations | 7,444,994 | 8,137,014 | 6,719,824 | (1,417,190) |
| Community youth outreach unit | 2,731,884 | 2,803,884 | 2,512,735 | (291,149) |
| Parks: | | | | |
| Parks administration | 514,123 | 529,296 | 585,693 | 56,397 |
| Recreation | 635,455 | 654,912 | 664,466 | 9,554 |
| Parks maintenance | 1,885,695 | 2,226,862 | 1,746,801 | (480,061) |
| Vesper hall (50+ programs) | 597,219 | 614,363 | 482,958 | (131,405) |
| Building maintenance | 726,311 | 730,061 | 662,281 | (67,780) |
| Capital outlay | 811,200 | 811,200 | 1,606,509 | 795,309 |
| Total expenditures | 29,202,201 | 31,480,493 | 27,523,494 | (3,956,999) |
| Excess (deficiency) of revenues over expenditures | 317,820 | (1,917,543) | 3,479,178 | 5,396,721 |

(Continued)

City of Blue Springs, Missouri

**Required Supplementary Information—Unaudited
Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual—General Fund
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual (Budget Basis) | Variance With Final Budget |
|---|-----------------------|-----------------------|--------------------------|-------------------------------|
| Other financing sources (uses): | | | | |
| Issuance of leases | \$ - | \$ - | \$ 8,123 | \$ 8,123 |
| Proceeds from sales of capital assets | - | - | 457,731 | 457,731 |
| Principal retirement | - | - | (75,561) | (75,561) |
| Interest and fiscal charges | - | - | (9,358) | (9,358) |
| Transfers in | 231,812 | 231,812 | 423,500 | 191,688 |
| Transfers out | (3,500,000) | (1,525,000) | (4,676,077) | (3,151,077) |
| Total other financing sources (uses) | (3,268,188) | (1,293,188) | (3,871,642) | (2,578,454) |
| Net change in fund balance | \$ (2,950,368) | \$ (3,210,731) | (392,464) | \$ 2,818,267 |
| Fund balance, beginning of year, as restated | | | 18,943,355 | |
| Fund balance, end of year—budget basis | | | 18,550,891 | |
| Adjustments, encumbrances | | | (859,476) | |
| Fund balance, end of year—GAAP basis | | | <u>\$ 17,691,415</u> | |
| Net change in fund balance - budget basis | | | \$ (392,464) | |
| Adjustments: | | | | |
| Encumbrances—beginning of year | | | (2,075,141) | |
| Encumbrances—end of year | | | 1,215,665 | |
| Net change in fund balance—GAAP basis | | | <u>\$ (1,251,940)</u> | |

See note to required supplementary information.

City of Blue Springs, Missouri

**Required Supplementary Information—Unaudited
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual—ARPA Fund
 Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|-----------------|-----------------------|------------|-------------------------------|
| Revenues: | | | | |
| Intergovernmental revenues | \$ - | \$ - | \$ 911,057 | \$ 911,057 |
| Expenditures: | | | | |
| Capital outlay | - | 6,190,665 | 911,057 | (5,279,608) |
| Net change in fund balances | \$ - | \$ (6,190,665) | - | \$ 6,190,665 |
| Fund balance, beginning of year | | | - | |
| Fund balance, end of year | | | \$ - | |

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, 2022**

| | Hotel Motel Tax | Public Safety Sales Tax | Park Sales Tax | General Obligation Debt Service | Total Nonmajor Governmental Funds |
|---|---------------------|----------------------------|---------------------|---------------------------------------|--|
| Assets | | | | | |
| Cash and investments | \$ 940,346 | \$ 3,856,496 | \$ 2,766,907 | \$ 2,230,799 | \$ 9,794,548 |
| Receivables, net of allowance for uncollectibles: | | | | | |
| Property taxes | - | - | - | 1,515,441 | 1,515,441 |
| Other taxes | 97,200 | 792,841 | 793,109 | - | 1,683,150 |
| Prepaid items | - | 70,002 | - | - | 70,002 |
| Restricted cash and investments | - | 1,485,771 | - | - | 1,485,771 |
| Total assets | \$ 1,037,546 | \$ 6,205,110 | \$ 3,560,016 | \$ 3,746,240 | \$ 14,548,912 |
| Liabilities and Fund Balance | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 8,750 | \$ 5,456 | \$ 1,437,032 | \$ - | \$ 1,451,238 |
| Accrued liabilities | - | 73,584 | - | - | 73,584 |
| Due to other funds | - | 69,419 | - | - | 69,419 |
| Total liabilities | 8,750 | 148,459 | 1,437,032 | - | 1,594,241 |
| Deferred inflows of resources: | | | | | |
| Unavailable revenue—property taxes | - | - | - | 1,523,073 | 1,523,073 |
| Total deferred inflows of resources | - | - | - | 1,523,073 | 1,523,073 |
| Fund balance: | | | | | |
| Nonspendable: | | | | | |
| Prepaid items | - | 70,002 | - | - | 70,002 |
| Restricted: | | | | | |
| Debt service | - | - | - | 2,223,167 | 2,223,167 |
| Tourism | 1,028,796 | - | - | - | 1,028,796 |
| Public safety building improvements | - | 5,986,649 | - | - | 5,986,649 |
| Parks | - | - | 2,122,984 | - | 2,122,984 |
| Total fund balance | 1,028,796 | 6,056,651 | 2,122,984 | 2,223,167 | 11,431,598 |
| Total liabilities and fund balance | \$ 1,037,546 | \$ 6,205,110 | \$ 3,560,016 | \$ 3,746,240 | \$ 14,548,912 |

City of Blue Springs, Missouri

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances—Nonmajor Governmental Funds
Year Ended September 30, 2022

| | Hotel Motel Tax | Public Safety Sales Tax | Park Sales Tax | General Obligation Debt Service | Total Nonmajor Governmental Funds |
|--|--------------------|----------------------------|--------------------|---------------------------------------|--|
| Revenues: | | | | | |
| Taxes | \$ 765,984 | \$ 4,639,038 | \$ 5,110,895 | \$ 1,655,773 | \$ 12,171,690 |
| Intergovernmental revenues | - | - | 40,000 | - | 40,000 |
| Investment income (loss) | 11,297 | (97,951) | 46,558 | 35,244 | (4,852) |
| Other | - | 46 | - | - | 46 |
| Total revenues | 777,281 | 4,541,133 | 5,197,453 | 1,691,017 | 12,206,884 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 213,765 | - | - | 27,461 | 241,226 |
| Public safety | - | 2,079,706 | - | - | 2,079,706 |
| Capital outlay | - | 814,449 | 7,295,500 | - | 8,109,949 |
| Debt service: | | | | | |
| Principal retirement | - | 547,547 | - | 1,170,000 | 1,717,547 |
| Interest and fiscal charges | - | 806,902 | - | 510,619 | 1,317,521 |
| Total expenditures | 213,765 | 4,248,604 | 7,295,500 | 1,708,080 | 13,465,949 |
| Excess (deficiency) of revenues over expenditures | 563,516 | 292,529 | (2,098,047) | (17,063) | (1,259,065) |
| Other financing sources (uses): | | | | | |
| Transfers in | - | - | - | 500,000 | 500,000 |
| Transfers out | (193,137) | - | - | - | (193,137) |
| Total other financing sources (uses) | (193,137) | - | - | 500,000 | 306,863 |
| Net change in fund balances | 370,379 | 292,529 | (2,098,047) | 482,937 | (952,202) |
| Fund balances, beginning | 658,417 | 5,764,122 | 4,221,031 | 1,740,230 | 12,383,800 |
| Fund balances, ending | \$ 1,028,796 | \$ 6,056,651 | \$ 2,122,984 | \$ 2,223,167 | \$ 11,431,598 |

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, 2022

| | Original Budget | Final Budget | Actual (Budget basis) | Variance With Final Budget |
|---|------------------|---------------------|--------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 457,488 | \$ 457,488 | \$ 765,984 | \$ 308,496 |
| Fines and forfeits | 880 | 880 | - | (880) |
| Investment income | 4,625 | 4,625 | 11,297 | 6,672 |
| Total revenues | <u>462,993</u> | <u>462,993</u> | <u>777,281</u> | <u>314,288</u> |
| Expenditures, | | | | |
| current, general government | <u>205,000</u> | <u>205,000</u> | <u>222,365</u> | <u>17,365</u> |
| Excess of revenues over expenditures | <u>257,993</u> | <u>257,993</u> | <u>554,916</u> | <u>296,923</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | <u>(193,127)</u> | <u>(386,264)</u> | <u>(193,137)</u> | <u>193,127</u> |
| Total other financing sources (uses) | <u>(193,127)</u> | <u>(386,264)</u> | <u>(193,137)</u> | <u>193,127</u> |
| Net change in fund balances | <u>\$ 64,866</u> | <u>\$ (128,271)</u> | <u>361,779</u> | <u>\$ 490,050</u> |
| Fund balance, beginning of year | | | <u>658,417</u> | |
| Fund balance, end of year—budget basis | | | <u>1,020,196</u> | |
| Adjustments, encumbrances | | | <u>8,600</u> | |
| Fund balance, end of year—GAAP basis | | | <u>\$ 1,028,796</u> | |
| Net change in fund balance—budget basis | | | \$ 361,779 | |
| Adjustments: | | | | |
| Encumbrances—beginning of year | | | - | |
| Encumbrances—end of year | | | <u>8,600</u> | |
| Net change in fund balance—GAAP basis | | | <u>\$ 370,379</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, 2022**

| | Original Budget | Final Budget | Actual (Budget Basis) | Variance With Final Budget |
|---|-------------------|---------------------|--------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 4,157,918 | \$ 4,157,918 | \$ 4,639,038 | \$ 481,120 |
| Investment income (loss) | 53,786 | 53,786 | (97,951) | (151,737) |
| Other | - | - | 46 | 46 |
| Total revenues | 4,211,704 | 4,211,704 | 4,541,133 | 329,429 |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | 2,306,652 | 2,467,886 | 2,226,791 | (241,095) |
| Capital outlay | 85,000 | 402,128 | - | (402,128) |
| Capital improvements | - | 754,217 | 317,128 | (437,089) |
| Debt service: | | | | |
| Principal retirement | 547,547 | 547,547 | 552,105 | 4,558 |
| Interest and fiscal charges | 804,375 | 804,375 | 804,374 | (1) |
| Total expenditures | 3,743,574 | 4,976,153 | 3,900,398 | (1,075,755) |
| Excess of revenues over expenditures | \$ 468,130 | \$ (764,449) | 640,735 | \$ 1,405,184 |
| Fund balance, beginning of year | | | 5,764,122 | |
| Fund balance, end of year—budget basis | | | 6,404,857 | |
| Adjustments, encumbrances | | | (348,206) | |
| Fund balance, end of year—GAAP basis | | | \$ 6,056,651 | |
| Net change in fund balance—budget basis | | | \$ 640,735 | |
| Adjustments: | | | | |
| Encumbrances—beginning of year | | | (869,975) | |
| Encumbrances—end of year | | | 521,769 | |
| Net change in fund balance—GAAP basis | | | \$ 292,529 | |

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, 2022**

| | Original Budget | Final Budget | Actual (Budget Basis) | Variance With Final Budget |
|---|-----------------------|-----------------------|--------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 4,694,148 | \$ 4,694,148 | \$ 5,110,895 | \$ 416,747 |
| Investment income | 20,409 | 20,409 | 46,558 | 26,149 |
| Intergovernmental revenues | - | - | 40,000 | 40,000 |
| Total revenues | 4,714,557 | 4,714,557 | 5,197,453 | 482,896 |
| Expenditures: | | | | |
| Current: | | | | |
| Parks and recreation | - | - | - | - |
| Capital outlay | 8,165,500 | 8,251,840 | 8,752,157 | 500,317 |
| Total expenditures | 8,165,500 | 8,251,840 | 8,752,157 | 500,317 |
| Net change in fund balances | \$ (3,450,943) | \$ (3,537,283) | (3,554,704) | \$ (17,421) |
| Fund balance, beginning of year | | | 4,221,031 | |
| Fund balance, end of year—budget basis | | | 666,327 | |
| Adjustments, encumbrances | | | 1,456,657 | |
| Fund balance, end of year—GAAP basis | | | <u>\$ 2,122,984</u> | |
| Net change in fund balance—budget basis | | | \$ (3,554,704) | |
| Adjustments: | | | | |
| Encumbrances—beginning of year | | | (85,340) | |
| Encumbrances—end of year | | | 1,541,997 | |
| Net change in fund balance—GAAP basis | | | <u>\$ (2,098,047)</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, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|-------------------|-------------------|---------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 1,502,064 | \$ 1,502,064 | \$ 1,655,773 | \$ 153,709 |
| Investment income | 25,238 | 25,238 | 35,244 | 10,006 |
| Total revenues | 1,527,302 | 1,527,302 | 1,691,017 | 163,715 |
| Expenditures: | | | | |
| Current, general government | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | 1,170,000 | 1,170,000 | 1,170,000 | - |
| Interest and fiscal charges | 535,987 | 535,987 | 538,080 | 2,093 |
| Total expenditures | 1,705,987 | 1,705,987 | 1,708,080 | 2,093 |
| Excess (deficiency) of revenues over expenditures | (178,685) | (178,685) | (17,063) | 161,622 |
| Other financing sources, transfers in | 500,000 | 500,000 | 500,000 | - |
| Net change in fund balances | \$ 321,315 | \$ 321,315 | 482,937 | \$ 161,622 |
| Fund balance, beginning of year | | | 1,740,230 | |
| Fund balance, end of year | | | \$ 2,223,167 | |

City of Blue Springs, Missouri

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Capital Projects Fund
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual (Budget Basis) | Variance With Final Budget |
|--|-----------------------|-----------------------|--------------------------|-------------------------------|
| Revenues: | | | | |
| Taxes | \$ 4,511,887 | \$ 4,511,887 | \$ 4,719,697 | \$ 207,810 |
| Intergovernmental revenues | 142,000 | 142,000 | 824,757 | 682,757 |
| Investment income (loss) | 55,000 | 55,000 | (18,703) | (73,703) |
| Other | - | - | 314,395 | 314,395 |
| Total revenues | 4,708,887 | 4,708,887 | 5,840,146 | 1,131,259 |
| Expenditures: | | | | |
| Current: | | | | |
| Land/Buildings | - | 331,687 | (9,540) | (341,227) |
| Streets and Highways | 10,176,000 | 11,455,826 | 8,367,743 | (3,088,083) |
| Capital outlay | - | 911,235 | (49,370) | (960,605) |
| Total expenditures | 10,176,000 | 12,698,748 | 8,308,833 | (4,389,915) |
| Excess (deficiency) of revenues over expenditures | (5,467,113) | (7,989,861) | (2,468,687) | 5,521,174 |
| Other financing sources (uses): | | | | |
| Transfers in | 3,250,000 | 3,250,000 | 4,595,481 | 1,345,481 |
| Transfers out | (500,000) | (500,000) | (845,481) | (345,481) |
| Total other financing sources (uses) | 2,750,000 | 2,750,000 | 3,750,000 | 1,000,000 |
| Net change in fund balances | \$ (2,717,113) | \$ (5,239,861) | 1,281,313 | \$ 6,521,174 |
| Fund balance, beginning of year | | | 884,709 | |
| Fund balance, end of year—budget basis | | | 2,166,022 | |
| Adjustments, encumbrances | | | 206,833 | |
| Fund balance, end of year—GAAP basis | | | <u>\$ 2,372,855</u> | |
| Net change in fund balance—budget basis | | | \$ 1,281,313 | |
| Adjustments: | | | | |
| Encumbrances—beginning of year | | | (2,508,511) | |
| Encumbrances—end of year | | | 2,715,344 | |
| Net change in fund balance—GAAP basis | | | <u>\$ 1,488,146</u> | |

City of Blue Springs, Missouri

Combining Balance Sheet—TIF Fund Projects
September 30, 2022

| | Copperleaf Village TIF | Highway 7 & 40 Project B TIF | Woods Chapel TIF |
|--|---------------------------|------------------------------------|---------------------|
| Assets | | | |
| Cash | \$ 4,765 | \$ - | \$ 6,339 |
| Receivables: | | | |
| Property taxes | 61,669 | 108,049 | 118,653 |
| Other taxes | - | - | 6,368 |
| Interest | - | - | - |
| Miscellaneous | - | - | 1,877 |
| Due from other funds | 13,094 | - | 3,378 |
| Due from other governments | 7,746 | - | 1,900 |
| Restricted cash and investments | - | - | - |
| Total assets | \$ 87,274 | \$ 108,049 | \$ 138,515 |
| Liabilities | | | |
| Accounts payable | \$ 6,519 | \$ - | \$ 8,193 |
| Due to other funds | 102 | - | 26 |
| Total liabilities | 6,621 | - | 8,219 |
| Deferred inflows of resources | | | |
| Unavailable revenue—property taxes | 61,669 | 108,049 | 118,653 |
| Unavailable revenue—other | 6,110 | - | 1,478 |
| Total deferred inflows of resources | 67,779 | 108,049 | 120,131 |
| Fund balance (deficit) | | | |
| Restricted, debt service | 12,874 | - | 10,165 |
| Unassigned fund balance | - | - | - |
| Total fund balance (deficit) | 12,874 | - | 10,165 |
| Total liabilities, deferred inflows of resources and fund balance (deficit) | \$ 87,274 | \$ 108,049 | \$ 138,515 |

| Adams Farm TIF | Highway 7 & 40 Project C TIF | Highway 7 & 40 Project A TIF | White Oaks TIF | White Oak A TIF | Total |
|---------------------|------------------------------------|------------------------------------|---------------------|--------------------|---------------------|
| \$ 321,541 | \$ - | \$ 130,895 | \$ 37,984 | \$ 214,704 | \$ 716,228 |
| 1,374,646 | 145,746 | 51,572 | 298,367 | 205,171 | 2,363,873 |
| - | - | - | 83,197 | - | 89,565 |
| - | - | - | 4,836 | - | 4,836 |
| - | - | - | - | - | 1,877 |
| 203,643 | - | - | 85,032 | - | 305,147 |
| 426,178 | - | - | 34,042 | - | 469,866 |
| 4,125,157 | - | - | 1,549,609 | - | 5,674,766 |
| <u>\$ 6,451,165</u> | <u>\$ 145,746</u> | <u>\$ 182,467</u> | <u>\$ 2,093,067</u> | <u>\$ 419,875</u> | <u>\$ 9,626,158</u> |
| \$ 13,739 | \$ 7,351 | \$ - | \$ - | \$ 106,658 | \$ 142,460 |
| 1,591 | - | - | 1,169 | - | 2,888 |
| 15,330 | 7,351 | - | 1,169 | 106,658 | 145,348 |
| 1,374,646 | 145,746 | 51,572 | 298,367 | 205,171 | 2,363,873 |
| 145,947 | - | - | 26,956 | - | 180,491 |
| 1,520,593 | 145,746 | 51,572 | 325,323 | 205,171 | 2,544,364 |
| 4,915,242 | - | 130,895 | 1,766,575 | 108,046 | 6,943,797 |
| - | (7,351) | - | - | - | (7,351) |
| 4,915,242 | (7,351) | 130,895 | 1,766,575 | 108,046 | 6,936,446 |
| <u>\$ 6,451,165</u> | <u>\$ 145,746</u> | <u>\$ 182,467</u> | <u>\$ 2,093,067</u> | <u>\$ 419,875</u> | <u>\$ 9,626,158</u> |

City of Blue Springs, Missouri

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances—
TIF Fund Projects
Year Ended September 30, 2022

| | Copperleaf Village TIF | Highway 7 & 40 Project B TIF | Woods Chapel TIF | Adams Farm TIF |
|--|---------------------------|------------------------------------|---------------------|--------------------|
| Revenues: | | | | |
| Taxes | \$ 22,590 | \$ 57,946 | \$ 16,161 | \$ 1,307,162 |
| Intergovernmental activity taxes | 71,595 | 165,810 | 161,592 | 3,742,870 |
| Investment income | 444 | 536 | - | 9,693 |
| Other | - | - | - | 40 |
| Total revenues | 94,629 | 224,292 | 177,753 | 5,059,765 |
| Expenditures: | | | | |
| Current, economic development | 4,754 | 15,282 | 16,782 | 303,379 |
| Debt service: | | | | |
| Principal retirement | 78,641 | 14,880 | 160,460 | 4,270,000 |
| Interest and fiscal charges | - | - | - | 1,619,316 |
| Total expenditures | 83,395 | 30,162 | 177,242 | 6,192,695 |
| Excess (deficiency) of revenues over expenditures | 11,234 | 194,130 | 511 | (1,132,930) |
| Other financing sources (uses): | | | | |
| Transfers in | - | 4,043 | - | - |
| Transfers out | (485) | (214,094) | (694) | (16,918) |
| Total other financing sources (uses) | (485) | (210,051) | (694) | (16,918) |
| Net change in fund balances | 10,749 | (15,921) | (183) | (1,149,848) |
| Fund balances, beginning of year | 2,125 | 15,921 | 10,348 | 6,065,090 |
| Fund balances (deficit), end of year | \$ 12,874 | \$ - | \$ 10,165 | \$ 4,915,242 |

| Highway 7 & 40 Project C TIF | Highway 7 & 40 Project A TIF | White Oaks TIF | White Oak A TIF | Eliminations | Total |
|------------------------------------|------------------------------------|-------------------|--------------------|--------------|--------------|
| \$ 159,936 | \$ 14,083 | \$ 145,092 | \$ - | \$ - | \$ 1,722,970 |
| 246,739 | 74,266 | 735,649 | 222,981 | - | 5,421,502 |
| 895 | 1,570 | 4,027 | - | - | 17,165 |
| - | - | 50 | - | - | 90 |
| 407,570 | 89,919 | 884,818 | 222,981 | - | 7,161,727 |
| 33,535 | 3,624 | 42,200 | 28,746 | - | 448,302 |
| - | 606,868 | 600,000 | 106,658 | - | 5,837,507 |
| - | - | 444,267 | - | - | 2,063,583 |
| 33,535 | 610,492 | 1,086,467 | 135,404 | - | 8,349,392 |
| 374,035 | (520,573) | (201,649) | 87,577 | - | (1,187,665) |
| - | 645,920 | - | - | (649,963) | - |
| (440,292) | (733) | (4,921) | (76) | 649,963 | (28,250) |
| (440,292) | 645,187 | (4,921) | (76) | - | (28,250) |
| (66,257) | 124,614 | (206,570) | 87,501 | - | (1,215,915) |
| 58,906 | 6,281 | 1,973,145 | 20,545 | - | 8,152,361 |
| \$ (7,351) | \$ 130,895 | \$ 1,766,575 | \$ 108,046 | \$ - | \$ 6,936,446 |

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—Copperleaf Village TIF
Year Ended September 30, 2022

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|--------------------|---------------|------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 15 | \$ 90,235 | \$ 94,185 | \$ 3,950 |
| Investment income | 180 | 180 | 444 | 264 |
| Total revenues | <u>195</u> | <u>90,415</u> | <u>94,629</u> | <u>4,214</u> |
| Expenditures: | | | | |
| Current, economic development | 911 | 4,682 | 4,754 | 72 |
| Debt service, principal retirement | 84,105 | 85,334 | 78,641 | (6,693) |
| Total expenditures | <u>85,016</u> | <u>90,016</u> | <u>83,395</u> | <u>(6,621)</u> |
| Excess (deficiency) of revenues over expenditures | (84,821) | 399 | 11,234 | 10,835 |
| Other financing (uses), transfers out | (400) | (400) | (485) | (85) |
| Net change in fund balances | <u>\$ (85,221)</u> | <u>\$ (1)</u> | 10,749 | <u>\$ 10,750</u> |
| Fund balances, beginning of year | | | <u>2,125</u> | |
| Fund balances, end of year | | | <u>\$ 12,874</u> | |

City of Blue Springs, Missouri

Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—Highway 7 and 40 Project B TIF
Year Ended September 30, 2022

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|-----------------|--------------------|------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 277,764 | \$ 277,764 | \$ 223,756 | \$ (54,008) |
| Investment income | 566 | 566 | 536 | (30) |
| Total revenues | <u>278,330</u> | <u>278,330</u> | <u>224,292</u> | <u>(54,038)</u> |
| Expenditures: | | | | |
| Current, economic development | 2,082 | 15,282 | 15,282 | - |
| Debt service, principal retirement | 230,000 | 230,000 | 14,880 | (215,120) |
| Total expenditures | <u>232,082</u> | <u>245,282</u> | <u>30,162</u> | <u>(215,120)</u> |
| Excess (deficiency) of revenues over expenditures | <u>46,248</u> | <u>33,048</u> | <u>194,130</u> | <u>161,082</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 100,000 | 100,000 | 4,043 | (95,957) |
| Transfers out | (146,249) | (146,249) | (214,094) | (67,845) |
| Total other financing sources (uses) | <u>(46,249)</u> | <u>(46,249)</u> | <u>(210,051)</u> | <u>(163,802)</u> |
| Net change in fund balances | <u>\$ (1)</u> | <u>\$ (13,201)</u> | <u>(15,921)</u> | <u>\$ (2,720)</u> |
| Fund balances, beginning of year | | | <u>15,921</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—Woods Chapel TIF
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|---|-----------------|-------------------|----------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 179,500 | \$ 179,500 | \$ 177,753 | \$ (1,747) |
| Expenditures: | | | | |
| Current, economic development | 15,174 | 16,969 | 16,782 | (187) |
| Debt service: | | | | |
| Principal retirement | 162,533 | 162,533 | 160,460 | (2,073) |
| Total expenditures | 177,707 | 179,502 | 177,242 | (2,260) |
| Excess of revenues over expenditures | 1,793 | (2) | 511 | 513 |
| Other financing (uses), transfers out | (694) | (1,795) | (694) | 1,101 |
| Net change in fund balances | \$ 1,099 | \$ (1,797) | (183) | \$ 1,614 |
| Fund balances, beginning of year | | | 10,348 | |
| Fund balances, end of year | | | \$ 10,165 | |

City of Blue Springs, Missouri

**Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—Adams Farm TIF
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|---|------------------|-----------------------|---------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 4,714,750 | \$ 4,714,750 | \$ 5,050,032 | \$ 335,282 |
| Investment income | 12,910 | 12,910 | 9,693 | (3,217) |
| Other | - | - | 40 | 40 |
| Total revenues | <u>4,727,660</u> | <u>4,727,660</u> | <u>5,059,765</u> | <u>332,105</u> |
| Expenditures: | | | | |
| Current, economic development | 319,242 | 319,242 | 303,379 | (15,863) |
| Debt service: | | | | |
| Principal retirement | 2,700,000 | 4,270,000 | 4,270,000 | - |
| Interest and fiscal charges | 1,688,419 | 1,688,419 | 1,619,316 | (69,103) |
| Total expenditures | <u>4,707,661</u> | <u>6,277,661</u> | <u>6,192,695</u> | <u>(84,966)</u> |
| Excess of revenues over expenditures | <u>19,999</u> | <u>(1,550,001)</u> | <u>(1,132,930)</u> | <u>417,071</u> |
| Other financing (uses), transfers (out) | <u>(20,000)</u> | <u>(20,000)</u> | <u>(16,918)</u> | <u>3,082</u> |
| Net change in fund balances | <u>\$ (1)</u> | <u>\$ (1,570,001)</u> | <u>(1,149,848)</u> | <u>\$ 420,153</u> |
| Fund balances, beginning of year | | | <u>6,065,090</u> | |
| Fund balances, end of year | | | <u>\$ 4,915,242</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, 2022

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|------------------|------------------|-------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 654,748 | \$ 654,748 | \$ 406,675 | \$ (248,073) |
| Investment income | 1,158 | 1,158 | 895 | (263) |
| Total revenues | <u>655,906</u> | <u>655,906</u> | <u>407,570</u> | <u>(248,336)</u> |
| Expenditures, current, economic development | <u>32,938</u> | <u>32,938</u> | <u>33,535</u> | <u>597</u> |
| Excess (deficiency) of revenues over expenditures | 622,968 | 622,968 | 374,035 | (248,933) |
| Other financing (uses), transfers out | <u>(622,968)</u> | <u>(622,968)</u> | <u>(440,292)</u> | <u>182,676</u> |
| Net change in fund balances | <u>\$ -</u> | <u>\$ -</u> | <u>(66,257)</u> | <u>\$ (66,257)</u> |
| Fund balances, beginning of year | | | <u>58,906</u> | |
| Fund balances (deficit), end of year | | | <u>\$ (7,351)</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, 2022

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|---|------------------|---------------------|-------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 112,368 | \$ 112,368 | \$ 88,349 | \$ (24,019) |
| Investment income | 261 | 261 | 1,570 | 1,309 |
| Total revenues | <u>112,629</u> | <u>112,629</u> | <u>89,919</u> | <u>(22,710)</u> |
| Expenditures: | | | | |
| Current, economic development | 4,382 | 4,382 | 3,624 | (758) |
| Debt service, principal retirement | 623,715 | 748,715 | 606,868 | (141,847) |
| Total expenditures | <u>628,097</u> | <u>753,097</u> | <u>610,492</u> | <u>(142,605)</u> |
| Excess of revenues over expenditures | <u>(515,468)</u> | <u>(640,468)</u> | <u>(520,573)</u> | <u>119,895</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 516,468 | 516,468 | 645,920 | 129,452 |
| Transfers out | (1,000) | (1,000) | (733) | 267 |
| Total other financing sources (uses) | <u>515,468</u> | <u>515,468</u> | <u>645,187</u> | <u>129,719</u> |
| Net change in fund balances | <u>\$ -</u> | <u>\$ (125,000)</u> | <u>124,614</u> | <u>\$ 249,614</u> |
| Fund balances, beginning of year | | | <u>6,281</u> | |
| Fund balances, end of year | | | <u>\$ 130,895</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, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|------------------|---------------------|---------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 991,690 | \$ 991,690 | \$ 880,741 | \$ (110,949) |
| Investment income | 8,479 | 8,479 | 4,027 | (4,452) |
| Other | - | - | 50 | 50 |
| Total revenues | <u>1,000,169</u> | <u>1,000,169</u> | <u>884,818</u> | <u>(115,351)</u> |
| Expenditures: | | | | |
| Current, economic development | 37,631 | 37,631 | 42,200 | 4,569 |
| Debt service: | | | | |
| Principal retirement | 310,000 | 600,000 | 600,000 | - |
| Interest and fiscal charges | 646,538 | 646,538 | 444,267 | (202,271) |
| Total expenditures | <u>994,169</u> | <u>1,284,169</u> | <u>1,086,467</u> | <u>(197,702)</u> |
| Excess (deficiency) of revenues over expenditures | <u>6,000</u> | <u>(284,000)</u> | <u>(201,649)</u> | <u>82,351</u> |
| Other financing sources (uses), transfers (out) | <u>(6,000)</u> | <u>(6,000)</u> | <u>(4,921)</u> | <u>1,079</u> |
| Net change in fund balances | <u>\$ -</u> | <u>\$ (290,000)</u> | <u>(206,570)</u> | <u>\$ 83,430</u> |
| Fund balances, beginning of year | | | <u>1,973,145</u> | |
| Fund balances, end of year | | | <u>\$ 1,766,575</u> | |

City of Blue Springs, Missouri

**Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—White Oaks A TIF
Year Ended September 30, 2022**

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|-----------------|----------------|-------------------|-------------------------------|
| Revenues: | | | | |
| Taxes and intergovernmental activity taxes | \$ 8,300 | \$ 223,604 | \$ 222,981 | \$ (623) |
| Investment income | - | - | - | - |
| Total revenues | <u>8,300</u> | <u>223,604</u> | <u>222,981</u> | <u>(623)</u> |
| Expenditures: | | | | |
| Current, economic development | 1,298 | 28,848 | 28,746 | (102) |
| Debt service: | | | | |
| Principal retirement | 6,902 | 194,656 | 106,658 | (87,998) |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | <u>8,200</u> | <u>223,504</u> | <u>135,404</u> | <u>(88,100)</u> |
| Excess (deficiency) of revenues over expenditures | <u>100</u> | <u>100</u> | <u>87,577</u> | <u>87,477</u> |
| Other financing sources (uses), transfers (out) | <u>(100)</u> | <u>(100)</u> | <u>(76)</u> | <u>24</u> |
| Net change in fund balances | <u>\$ -</u> | <u>\$ -</u> | <u>87,501</u> | <u>\$ 87,501</u> |
| Fund balances, beginning of year | | | <u>20,545</u> | |
| Fund balances, end of year | | | <u>\$ 108,046</u> | |

CUSTODIAL FUNDS

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

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.

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.

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

City of Blue Springs, Missouri

Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2022

| | Woods Chapel CID | Adams Dairy Landing CID | Adams Farm TDD | White Oak CID |
|---|---------------------|-------------------------------|-------------------|------------------|
| Assets | | | | |
| Cash | \$ - | \$ - | \$ - | \$ 8,785 |
| Receivables: | | | | |
| Sales taxes | 12,736 | 397,684 | 255,385 | 84,037 |
| Restricted cash and investments | - | 512,674 | - | - |
| Total assets | \$ 12,736 | \$ 910,358 | \$ 255,385 | \$ 92,822 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 8,785 |
| Accrued interest | - | - | - | - |
| Due to other governments | 6,495 | 57,667 | 255,386 | 84,037 |
| Due to other funds | - | - | - | - |
| Bonds payable | - | - | - | - |
| Total liabilities | 6,495 | 57,667 | 255,386 | 92,822 |
| Net position (deficit) | | | | |
| Net position restricted | 6,241 | 852,691 | - | - |
| Unrestricted deficit | - | - | (1) | - |
| Total net position (deficit) | 6,241 | 852,691 | (1) | - |
| Total liabilities and net position (deficit) | \$ 12,736 | \$ 910,358 | \$ 255,385 | \$ 92,822 |

| Fall Creek CID | Sunset Plaza CID | North Blue Springs CID | Downtown Blue Springs CID | Eastern Jackson County Betterment Council | Total |
|-------------------|---------------------|------------------------------|---------------------------------|---|---------------------|
| \$ 81,301 | \$ 4,346 | \$ 17,516 | \$ 54,306 | \$ 60,976 | \$ 227,230 |
| 21,312 | 2,199 | 36,755 | 11,041 | - | 821,149 |
| - | - | - | - | - | 512,674 |
| <u>\$ 102,613</u> | <u>\$ 6,545</u> | <u>\$ 54,271</u> | <u>\$ 65,347</u> | <u>\$ 60,976</u> | <u>\$ 1,561,053</u> |
| \$ - | \$ 4,346 | \$ 17,516 | \$ - | \$ - | \$ 30,647 |
| - | - | - | - | - | - |
| 213 | 22 | 368 | 110 | - | 404,298 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>213</u> | <u>4,368</u> | <u>17,884</u> | <u>110</u> | <u>-</u> | <u>434,945</u> |
| 102,400 | 2,177 | 36,387 | 65,237 | 60,976 | 1,126,109 |
| - | - | - | - | - | (1) |
| <u>102,400</u> | <u>2,177</u> | <u>36,387</u> | <u>65,237</u> | <u>60,976</u> | <u>1,126,108</u> |
| <u>\$ 102,613</u> | <u>\$ 6,545</u> | <u>\$ 54,271</u> | <u>\$ 65,347</u> | <u>\$ 60,976</u> | <u>\$ 1,561,053</u> |

City of Blue Springs, Missouri

**Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended September 30, 2022**

| | Woods Chapel CID | Adams Dairy Landing CID | Adams Farm TDD | White Oak CID |
|--|---------------------|-------------------------------|-------------------|------------------|
| Additions: | | | | |
| Sales taxes for other governments | \$ 70,863 | \$ - | \$ 1,610,438 | \$ 397,054 |
| Special assessments | - | 399,141 | - | - |
| Total additions | 70,863 | 399,141 | 1,610,438 | 397,054 |
| Deductions: | | | | |
| Administrative expenses paid to the City | 5,030 | 30,743 | 22,436 | 10,509 |
| Payment of sales taxes to other governments | 64,581 | - | 1,588,003 | 380,256 |
| Payments of special assessments to other governments | - | 385,741 | - | - |
| Total deductions | 69,611 | 416,484 | 1,610,439 | 390,765 |
| Change in net position | 1,252 | (17,343) | (1) | 6,289 |
| Net position (deficit), beginning of year | 4,989 | 870,034 | - | (6,289) |
| Net position (deficit), end of year | \$ 6,241 | \$ 852,691 | \$ (1) | \$ - |

| Fall Creek CID | Sunset Plaza CID | North Blue Springs CID | Downtown Blue Springs CID | Eastern Jackson County Betterment Council | Total |
|-------------------|---------------------|------------------------------|---------------------------------|---|--------------|
| \$ 124,035 | \$ 33,661 | \$ 200,943 | \$ 54,993 | \$ - | \$ 2,491,987 |
| - | - | - | - | - | 399,141 |
| 124,035 | 33,661 | 200,943 | 54,993 | - | 2,891,128 |
| 7,152 | 5,087 | 8,512 | 15,115 | 1,201 | 105,785 |
| 29,898 | 32,700 | 191,933 | - | - | 2,287,371 |
| - | - | - | - | - | 385,741 |
| 37,050 | 37,787 | 200,445 | 15,115 | 1,201 | 2,778,897 |
| 86,985 | (4,126) | 498 | 39,878 | (1,201) | 112,231 |
| 15,415 | 6,303 | 35,889 | 25,359 | 62,177 | 1,013,877 |
| \$ 102,400 | \$ 2,177 | \$ 36,387 | \$ 65,237 | \$ 60,976 | \$ 1,126,108 |

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. | 106-109 |
| 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. | 110-116 |
| 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. | 117-121 |
| 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. | 112-123 |
| 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. | 124-126 |

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 | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Governmental activities: | | | | | | | | | | |
| Net investment in | | | | | | | | | | |
| capital assets | \$ 56,916,375 | \$ 56,974,743 | \$ 52,660,972 | \$ 50,935,498 | \$ 48,088,930 | \$ 63,608,289 | \$ 67,324,094 | \$ 78,330,229 | \$ 79,538,083 | \$ 90,632,320 |
| Restricted | 14,074,282 | 11,962,522 | 777,874 | 10,961,851 | 17,419,058 | 16,400,993 | 25,743,995 | 25,519,150 | 30,734,242 | 28,088,525 |
| Unrestricted (deficit) | (21,991,465) | (30,155,338) | (10,051,448) | (18,022,927) | (26,327,731) | (24,445,071) | (30,805,302) | (26,294,288) | (25,269,841) | (20,500,841) |
| Total governmental activities net position | \$ 48,999,192 | \$ 38,781,927 | \$ 43,387,398 | \$ 43,874,422 | \$ 39,180,257 | \$ 55,564,211 | \$ 62,262,787 | \$ 77,555,091 | \$ 85,002,484 | \$ 98,220,004 |
| Business-type activities: | | | | | | | | | | |
| Net investment in | | | | | | | | | | |
| capital assets | \$ 48,485,162 | \$ 47,321,113 | \$ 52,642,617 | \$ 51,265,320 | \$ 50,407,815 | \$ 50,424,392 | \$ 51,053,164 | \$ 52,889,750 | \$ 54,001,343 | \$ 53,129,887 |
| Restricted | 2,488,531 | 2,171,458 | 2,727,185 | 1,575,649 | 1,575,505 | 1,571,849 | 1,545,511 | 1,388,165 | 1,744,335 | 1,808,522 |
| Unrestricted | 42,750,205 | 42,553,879 | 39,206,646 | 40,936,386 | 41,071,883 | 42,989,179 | 42,504,639 | 44,393,402 | 46,142,263 | 47,605,638 |
| Total business-type activities net position | \$ 93,723,898 | \$ 92,046,450 | \$ 94,576,448 | \$ 93,777,355 | \$ 93,055,203 | \$ 94,985,420 | \$ 95,103,314 | \$ 98,671,317 | \$ 101,887,941 | \$ 102,544,047 |
| Primary government: | | | | | | | | | | |
| Net investment in | | | | | | | | | | |
| capital assets | \$ 105,401,537 | \$ 104,295,856 | \$ 105,303,589 | \$ 102,200,818 | \$ 98,496,745 | \$ 114,032,681 | \$ 118,377,258 | \$ 131,219,979 | \$ 133,539,426 | \$ 143,762,207 |
| Restricted | 16,562,813 | 14,133,980 | 3,505,059 | 12,537,500 | 18,994,563 | 17,972,842 | 27,289,506 | 26,907,315 | 32,478,577 | 29,897,047 |
| Unrestricted | 20,758,740 | 12,398,541 | 29,155,198 | 22,913,459 | 14,744,152 | 18,544,108 | 11,699,337 | 18,099,114 | 20,872,422 | 27,104,797 |
| Total primary government net position | \$ 142,723,090 | \$ 130,828,377 | \$ 137,963,846 | \$ 137,651,777 | \$ 132,235,460 | \$ 150,549,631 | \$ 157,366,101 | \$ 176,226,408 | \$ 186,890,425 | \$ 200,764,051 |

City of Blue Springs, Missouri

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

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 6,682,189 | \$ 6,494,979 | \$ 6,732,979 | \$ 6,420,523 | \$ 7,257,755 | \$ 6,389,183 | \$ 7,269,330 | \$ 6,657,046 | \$ 10,395,918 | \$ 8,008,240 |
| Public works | 1,082,539 | 729,879 | 758,851 | 701,230 | 735,017 | 706,567 | 700,843 | 935,938 | 410,133 | 1,414,310 |
| Highways and streets | 13,469,975 | 14,428,795 | 6,262,685 | 8,365,757 | 10,975,662 | 8,385,717 | 11,198,828 | 9,327,948 | 14,181,379 | 10,661,731 |
| Public safety | 13,362,419 | 12,815,066 | 18,032,520 | 16,788,117 | 15,198,731 | 15,581,118 | 15,706,926 | 15,878,979 | 15,787,835 | 17,642,896 |
| Parks and recreation | 3,869,602 | 4,166,939 | 4,141,149 | 4,269,900 | 4,514,983 | 4,320,343 | 4,845,702 | 5,607,363 | 4,285,655 | 8,435,631 |
| Economic development | 2,336,825 | 13,549,379 | 2,416,435 | 267,098 | 5,324,067 | 5,314,852 | 945,637 | 813,949 | 1,662,054 | 787,342 |
| Interest and fiscal charges | 2,960,575 | 3,380,506 | 5,251,068 | 4,064,700 | 4,829,799 | 4,143,672 | 4,050,603 | 3,673,128 | 3,546,963 | 3,190,926 |
| Total governmental activities expenses | 43,764,124 | 55,565,543 | 43,595,687 | 40,877,325 | 48,836,014 | 44,841,452 | 44,717,869 | 42,894,351 | 50,269,937 | 50,141,076 |
| Business-type activities: | | | | | | | | | | |
| Water | 8,472,236 | 8,819,587 | 8,608,200 | 9,424,854 | 10,317,418 | 10,877,316 | 11,037,502 | 10,692,410 | 11,269,956 | 11,605,650 |
| Sewer | 7,829,235 | 9,585,897 | 11,455,986 | 9,599,824 | 9,713,317 | 9,650,812 | 9,959,618 | 8,331,954 | 9,298,038 | 10,121,704 |
| Golf course | 1,667,800 | 1,717,978 | 1,654,733 | 1,658,105 | 1,736,689 | 1,682,473 | 1,747,726 | 1,702,350 | 1,936,774 | 2,214,435 |
| Non-major: Fieldhouse | | | 149,777 | 1,012,307 | 1,122,838 | 1,214,815 | 1,228,526 | 1,273,061 | 993,036 | 1,197,813 |
| Total business-type activities expenses | 17,969,271 | 20,123,462 | 21,868,696 | 21,695,090 | 22,890,262 | 23,425,416 | 23,973,372 | 21,999,775 | 23,497,804 | 25,139,602 |
| Total primary government expenses | 61,733,395 | 75,689,005 | 65,464,383 | 62,572,415 | 71,726,276 | 68,266,868 | 68,691,241 | 64,894,126 | 73,767,741 | 75,280,678 |
| Program revenue: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 3,569,233 | 3,826,423 | 3,456,917 | 3,598,475 | 3,838,541 | 4,156,925 | 4,305,466 | 3,914,728 | 4,381,973 | 4,728,947 |
| Public works | 92,490 | 21,205 | 69,054 | 162,531 | 208,751 | 41,511 | 228,626 | 82,737 | 223,109 | 190,652 |
| Highways and streets | - | - | - | - | - | - | - | - | - | - |
| Public safety | 1,947,267 | 1,405,762 | 1,428,023 | 1,332,713 | 1,197,668 | 1,373,040 | 1,160,475 | 909,864 | 981,399 | 825,393 |
| Parks and recreation | 381,691 | 414,159 | 444,931 | 449,467 | 490,733 | 513,432 | 496,512 | 204,693 | 322,215 | 424,039 |
| Operating grants and contributions | 799,005 | 575,817 | 581,258 | 471,559 | 642,130 | 762,087 | 901,885 | 1,833,776 | 3,277,891 | 1,581,931 |
| Capital grants and contributions | 9,569,123 | 5,837,853 | 2,449,429 | 609,823 | 2,245,519 | 13,509,858 | 2,378,011 | 10,392,626 | 3,882,101 | 6,478,815 |
| Total governmental activities program revenue | 16,358,809 | 12,081,219 | 8,429,612 | 6,624,568 | 8,623,342 | 20,356,853 | 9,470,975 | 17,338,424 | 13,068,688 | 14,229,777 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water | 7,215,657 | 8,074,733 | 8,102,186 | 9,797,233 | 10,516,119 | 11,146,296 | 10,691,171 | 10,876,477 | 11,586,906 | 12,111,004 |
| Sewer | 6,777,957 | 6,885,033 | 7,273,979 | 7,482,274 | 7,814,538 | 8,894,100 | 8,946,731 | 9,304,720 | 9,912,844 | 10,294,794 |
| Golf course | 1,469,473 | 1,394,058 | 1,432,673 | 1,458,922 | 1,497,416 | 1,530,581 | 1,459,303 | 1,635,983 | 1,960,590 | 2,333,283 |
| Non-major: Fieldhouse | | | 105,705 | 664,541 | 978,482 | 1,037,866 | 1,113,227 | 829,611 | 831,078 | 1,020,276 |
| Capital grants and contributions | 3,065,333 | 763,153 | 280,865 | 230,991 | 248,589 | 1,149,415 | 276,103 | 144,739 | 451,068 | 627,310 |
| Total business-type activities program revenues | 18,528,420 | 17,116,977 | 17,195,408 | 19,633,961 | 21,055,144 | 23,758,258 | 22,486,535 | 22,791,530 | 24,742,486 | 26,386,667 |
| Total primary government program revenues | \$ 34,887,229 | \$ 29,198,196 | \$ 25,625,020 | \$ 26,258,529 | \$ 29,678,486 | \$ 44,115,111 | \$ 31,957,510 | \$ 40,129,954 | \$ 37,811,174 | \$ 40,616,444 |

(Continued)

City of Blue Springs, Missouri

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

| | Fiscal Year | | | | | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Net (expense) revenue: | | | | | | | | | | |
| Governmental activities | \$ (27,405,225) | \$ (43,484,324) | \$ (35,166,075) | \$ (34,252,757) | \$ (40,212,672) | \$ (24,484,599) | \$ (35,246,894) | \$ (25,555,927) | \$ (37,201,249) | \$ (35,911,299) |
| Business-type activities | (3,006,485) | (3,006,485) | (4,673,288) | (2,061,129) | (1,835,118) | 332,842 | (1,486,837) | 791,755 | 1,244,682 | 1,247,065 |
| Total primary government net expense | \$ (30,411,710) | \$ (46,490,809) | \$ (39,839,363) | \$ (36,313,886) | \$ (42,047,790) | \$ (24,151,757) | \$ (36,733,731) | \$ (24,764,172) | \$ (35,956,567) | \$ (34,664,234) |
| General revenues and other changes in net position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Sales taxes | \$ 14,128,049 | \$ 15,136,972 | \$ 15,971,904 | \$ 16,518,994 | \$ 16,573,548 | \$ 21,502,149 | \$ 21,791,422 | \$ 22,598,463 | \$ 24,950,480 | \$ 26,255,118 |
| Property taxes | 5,273,295 | 5,543,977 | 5,610,797 | 6,122,937 | 5,940,624 | 6,146,648 | 6,356,809 | 6,303,805 | 6,894,685 | 7,107,137 |
| Franchise tax | 5,414,939 | 5,250,496 | 5,187,482 | 4,860,305 | 4,766,919 | 4,970,652 | 4,591,354 | 4,428,829 | 4,397,357 | 4,722,375 |
| Intergovernmental activity taxes | 3,867,998 | 3,851,865 | 4,360,020 | 3,952,005 | 4,590,028 | 5,151,086 | 5,222,871 | 4,687,553 | 5,072,645 | 5,421,502 |
| Motor Vehicle | 1,672,082 | 1,764,838 | 1,833,354 | 1,844,525 | 1,889,309 | 1,885,785 | 1,896,881 | 1,826,151 | 1,980,766 | 2,194,397 |
| Hotel | 536,199 | 575,237 | 591,718 | 591,123 | 613,430 | 544,598 | 548,466 | 423,550 | 597,422 | 765,984 |
| Other taxes | 404,923 | 394,499 | 334,958 | 364,960 | 383,330 | 414,475 | 411,062 | 445,081 | 433,681 | 2,263,717 |
| Interest | 352,556 | 371,085 | 385,668 | 386,448 | 442,397 | 540,230 | 952,152 | 598,571 | 261,382 | (170,976) |
| Miscellaneous | 812,952 | 778,639 | 526,698 | 410,308 | 534,546 | 566,742 | 555,846 | 610,253 | 443,489 | 702,276 |
| Gain on disposal of capital assets | | | | | | | | 541,444 | | 110,610 |
| Transfers | (262,696) | (400,549) | (5,152,426) | (311,824) | (215,624) | (710,113) | (381,393) | (1,615,469) | (383,265) | (256,442) |
| Total governmental activities | 32,200,297 | 33,267,059 | 29,650,173 | 34,739,781 | 35,518,507 | 41,012,252 | 41,945,470 | 40,848,231 | 44,648,642 | 49,115,698 |
| Business-type activities: | | | | | | | | | | |
| Interest | 923,456 | 928,488 | 996,622 | 950,212 | 897,342 | 902,509 | 1,223,338 | 1,650,779 | 618,452 | 140,612 |
| Transfers | 262,696 | 400,549 | 5,152,426 | 311,824 | 215,624 | 710,113 | 381,393 | 1,615,469 | 383,265 | 256,442 |
| Total business-type activities | 1,186,152 | 1,329,037 | 6,149,048 | 1,262,036 | 1,112,966 | 1,612,622 | 1,604,731 | 3,266,248 | 1,001,717 | 397,054 |
| Total primary government | \$ 33,386,449 | \$ 34,596,096 | \$ 35,799,221 | \$ 36,001,817 | \$ 36,631,473 | \$ 42,624,874 | \$ 43,550,201 | \$ 44,114,479 | \$ 45,650,359 | \$ 49,512,752 |
| Changes in net position: | | | | | | | | | | |
| Governmental activities | 4,795,072 | (10,217,265) | (5,515,902) | 487,024 | (4,694,165) | 16,527,653 | 6,698,576 | 15,292,304 | 7,447,393 | 13,204,399 |
| Business-type activities | (1,820,333) | (1,677,448) | 1,475,760 | (799,093) | (722,152) | 1,945,464 | 117,894 | 3,568,003 | 2,246,399 | 1,644,119 |
| Total primary government | \$ 2,974,739 | \$ (11,894,713) | \$ (4,040,142) | \$ (312,069) | \$ (5,416,317) | \$ 18,473,117 | \$ 6,816,470 | \$ 18,860,307 | \$ 9,693,792 | \$ 14,848,518 |

City of Blue Springs, Missouri

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

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General Fund: | | | | | | | | | | |
| Nonspendable | \$ 2,250,484 | \$ 2,390,413 | \$ 2,444,821 | \$ 2,389,927 | \$ 2,436,877 | \$ 2,649,026 | \$ 2,872,873 | \$ 2,677,560 | \$ 2,373,915 | \$ 2,331,167 |
| Restricted | 1,143,677 | 1,110,681 | 61,804 | 66,897 | 77,917 | 150,050 | 93,442 | 65,979 | 71,479 | 92,335 |
| Committed | 7,431,610 | 7,615,714 | 7,876,539 | 7,841,276 | 10,969,379 | 7,680,711 | 8,244,564 | 8,075,350 | 7,547,702 | 7,372,183 |
| Assigned | 4,931,586 | 4,203,615 | 1,532,656 | 1,542,188 | 474,644 | 729,539 | 644,144 | 522,279 | 1,234,832 | 5,923,705 |
| Unassigned | 1,563,656 | 213,769 | 850,231 | 2,217,410 | 1,337,706 | 3,160,724 | 4,299,621 | 8,113,165 | 7,689,796 | 1,972,025 |
| Total General Fund | \$ 17,321,013 | \$ 15,534,192 | \$ 12,766,051 | \$ 14,057,698 | \$ 15,296,523 | \$ 14,370,050 | \$ 16,154,644 | \$ 19,454,333 | \$ 18,917,724 | \$ 17,691,415 |
| All other governmental funds: | | | | | | | | | | |
| Nonspendable, | | | | | | | | | | |
| Special revenue funds | \$ 15,415 | \$ 353,424 | \$ 29,857 | \$ 67,619 | \$ 53,015 | \$ 164,692 | \$ 88,132 | \$ 67,370 | \$ 69,025 | \$ 70,002 |
| Capital projects funds | - | - | - | 326,911 | - | - | - | - | - | - |
| Restricted/Committed/Assigned: | | | | | | | | | | |
| Capital projects funds | 14,270,225 | 8,914,496 | 5,024,611 | 4,704,131 | 5,637,222 | 6,437,127 | 3,489,828 | 3,109,151 | 884,709 | 4,551,845 |
| Public Safety Sales Tax fund (1) | 2,756,681 | 18,087,627 | 6,926,542 | 4,496,847 | 4,744,824 | - | - | - | - | - |
| Debt Service fund (1) | - | - | - | - | - | 894,421 | - | - | - | - |
| Other governmental funds | 1,879,203 | 10,732,535 | 6,055,534 | 7,065,198 | 12,503,696 | 15,238,059 | 17,814,128 | 18,003,386 | 20,467,136 | 18,305,393 |
| Unassigned | - | - | - | - | (29,750) | - | - | - | - | (2,186,341) |
| Total all other government funds | \$ 18,921,524 | \$ 38,088,082 | \$ 18,036,544 | \$ 16,660,706 | \$ 22,909,007 | \$ 22,734,299 | \$ 21,392,088 | \$ 21,179,907 | \$ 21,420,870 | \$ 20,740,899 |

(1) 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 | | | | | | | | | |
|---|-----------------------|----------------------|------------------------|--------------------|---------------------|-----------------------|-------------------|---------------------|---------------------|-----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Revenues: | | | | | | | | | | |
| Taxes | \$ 25,839,079 | \$ 26,682,458 | \$ 27,506,137 | \$ 27,837,343 | \$ 27,987,328 | \$ 33,222,499 | \$ 33,229,356 | \$ 34,033,665 | \$ 36,983,321 | \$ 38,904,131 |
| Intergovernmental activity taxes | 3,775,528 | 3,851,865 | 4,360,020 | 3,949,611 | 5,018,954 | 5,295,540 | 5,417,477 | 4,687,553 | 5,072,645 | 5,421,502 |
| Licenses, fees and permits | 688,903 | 865,546 | 777,265 | 977,939 | 1,135,665 | 1,385,463 | 1,495,370 | 1,283,648 | 1,502,636 | 1,766,913 |
| Intergovernmental | 2,960,671 | 3,510,789 | 5,366,824 | 3,326,434 | 3,454,177 | 3,499,500 | 3,678,198 | 4,581,609 | 5,758,858 | 6,305,809 |
| Charges for services | 2,322,751 | 1,512,856 | 1,305,934 | 1,361,123 | 1,437,539 | 1,324,601 | 1,461,165 | 851,190 | 1,525,428 | 1,627,182 |
| Administrative charges | 1,676,501 | 1,764,935 | 1,840,000 | 1,839,701 | 1,874,568 | 1,930,456 | 1,930,456 | 2,004,252 | 2,063,759 | 2,016,260 |
| Fines, forfeitures and court costs | 870,291 | 1,114,347 | 1,127,246 | 1,033,510 | 902,432 | 1,061,126 | 882,616 | 580,544 | 553,379 | 492,342 |
| Investment income (loss) | 352,555 | 371,276 | 404,276 | 386,448 | 442,397 | 540,229 | 952,152 | 598,571 | 261,382 | (170,976) |
| Donations | 1,237,690 | 41,152 | 34,427 | 37,383 | 72,023 | 104,528 | 64,202 | 33,375 | 62,074 | 57,047 |
| Other | 812,123 | 815,672 | 597,656 | 412,066 | 525,709 | 555,150 | 590,016 | 610,253 | 443,489 | 702,276 |
| Total revenues | 40,536,092 | 40,530,896 | 43,319,785 | 41,161,558 | 42,850,792 | 48,919,092 | 49,701,008 | 49,264,660 | 54,226,971 | 57,122,486 |
| Expenditures: | | | | | | | | | | |
| General government | 5,832,150 | 6,117,293 | 6,327,993 | 6,017,583 | 6,197,037 | 6,006,634 | 6,146,384 | 5,918,310 | 8,129,849 | 6,748,294 |
| Public works | 692,584 | 721,738 | 758,851 | 701,230 | 676,063 | 717,984 | 667,293 | 689,064 | 916,418 | 919,180 |
| Highways and streets | 2,690,517 | 2,722,410 | 2,999,767 | 2,792,470 | 2,581,952 | 3,100,881 | 5,784,931 | 2,650,963 | 2,893,416 | 2,705,607 |
| Public safety | 15,191,037 | 19,151,121 | 24,489,006 | 14,963,894 | 13,168,457 | 13,534,211 | 13,572,670 | 13,440,592 | 16,744,644 | 14,579,856 |
| Parks and recreation | 3,357,255 | 3,647,241 | 3,649,129 | 3,685,781 | 3,753,671 | 5,185,979 | 7,500,496 | 3,540,630 | 4,102,376 | 4,144,321 |
| Economic development | 298,302 | 305,241 | 325,695 | 267,098 | 3,743,117 | 4,062,286 | 575,907 | 450,368 | 1,033,441 | 448,302 |
| Capital outlay | 12,066,688 | 2,774,635 | 8,886,778 | 4,375,399 | 3,829,446 | 6,997,406 | 4,612,171 | 10,295,712 | 11,036,184 | 18,729,650 |
| Debt service: | | | | | | | | | | |
| Principal | 3,266,049 | 3,564,582 | 18,659,554 | 4,682,255 | 5,936,176 | 18,025,120 | 6,001,963 | 4,716,979 | 5,115,634 | 7,630,615 |
| Interest | 2,911,469 | 2,930,738 | 3,694,548 | 3,480,693 | 4,259,195 | 4,277,205 | 4,047,895 | 3,588,775 | 3,700,315 | 3,390,462 |
| Bond Issuance Costs | - | 408,232 | 1,615,270 | - | 300,406 | 174,335 | - | - | - | - |
| Total expenditures | 46,306,051 | 42,343,231 | 71,406,591 | 40,966,403 | 44,445,520 | 62,082,041 | 48,909,710 | 45,291,393 | 53,672,277 | 59,296,287 |
| Excess of revenues over (under) expenditures | (5,769,959) | (1,812,335) | (28,086,806) | 195,155 | (1,594,728) | (13,162,949) | 791,298 | 3,973,267 | 554,694 | (2,173,801) |
| Other financing sources (uses): | | | | | | | | | | |
| Issuance of leases | - | - | - | - | - | - | - | - | - | 8,123 |
| Bond proceeds | - | 20,960,000 | 38,050,000 | - | 9,265,000 | - | - | - | - | - |
| Refunded bond proceeds | - | - | - | - | - | 11,915,000 | - | - | - | - |
| Premium/(Discount) on issuance | - | 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 | 2,401,594 | 6,001,009 | 2,575,957 | 1,745,057 | 2,057,902 | 9,597,611 | 1,733,243 | 2,191,629 | 943,261 | 5,518,981 |
| Transfers out | (2,631,812) | (6,369,080) | (7,695,905) | (2,024,403) | (2,241,048) | (10,275,246) | (2,082,158) | (3,774,620) | (1,811,852) | (5,742,945) |
| Sale of capital assets | - | - | - | - | - | - | - | 635,732.00 | 18,251 | 457,731 |
| Total other financing sources (uses) | (230,218) | 19,192,072 | 5,267,127 | (279,346) | 9,081,854 | 12,061,768 | (348,915) | (885,759) | (850,340) | 241,890 |
| Net changes in fund balances | \$ (6,000,177) | \$ 17,379,737 | \$ (22,819,679) | \$ (84,191) | \$ 7,487,126 | \$ (1,101,181) | \$ 442,383 | \$ 3,087,508 | \$ (295,646) | \$ (1,931,911) |
| Debt service as a percentage of noncapital expenditures | 16.3% | 23.8% | 42.1% | 22.5% | 24.4% | 42.0% | 24.8% | 22.2% | 18.1% | 23.5% |

City of Blue Springs, Missouri

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

| Sales by Retail Category: | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Retail | 633,517 | \$ 689,106 | \$ 734,889 | \$ 760,521 | \$ 588,608 | \$ 611,365 | \$ 596,911 | \$ 654,800 | \$ 720,255 | \$ 756,075 |
| Manufacturing | 3,862 | 9 | 9 | 9 | 14,550 | 20,549 | 19,951 | 11,987 | 15,424 | 16,376 |
| Restaurants | 29,632 | 35,843 | 37,676 | 39,186 | 93,942 | 108,330 | 104,610 | 107,053 | 122,717 | 141,569 |
| Services | 23,464 | 30,308 | 32,029 | 33,807 | 105,500 | 101,604 | 108,221 | 95,623 | 96,949 | 113,661 |
| All other outlets | 47,604 | 30,624 | 25,843 | 24,686 | 58,141 | 61,535 | 73,543 | 73,983 | 80,614 | 80,408 |
| Total | 738,079 | \$ 785,890 | \$ 830,446 | \$ 858,209 | \$ 860,741 | \$ 903,383 | \$ 903,236 | \$ 943,446 | \$ 1,035,959 | \$ 1,108,089 |

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 | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| General fund | 1.000 | 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 | 0.500 |
| Public Safety | 0.500 | 0.500 | 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 | 0.500 | 0.500 | 0.500 |
| Direct sales tax rate City of Blue Springs | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.500 | 2.500 | 2.500 | 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 | 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 | 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 | 0.100 |
| Jackson County | 1.125 | 1.125 | 1.125 | 1.125 | 1.250 | 1.250 | 1.250 | 1.250 | 1.250 | 1.250 | 1.250 |
| City of Blue Springs | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.500 | 2.500 | 2.500 | 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 | 0.500 |
| Zoo | 0.125 | 0.125 | 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 | 7.975 | 7.975 | 7.975 | 7.975 | 8.100 | 8.600 | 8.600 | 8.600 | 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 | 1.000 |
| Home Depot Transportation Development District | 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 | - | - | - | - |
| Oaks at Woods Chapel Community Improvement District | - | 1.000 | 1.000 | 1.000 | 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 | 1.000 | 1.000 | 1.000 |
| Fall Creek Community Improvement District | - | - | - | - | - | - | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Sunset Plaza Community Improvement District | - | - | - | - | - | - | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| North Blue Springs Community Improvement District | - | - | - | - | - | - | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Downtown Blue Springs Community Improvement District | - | - | - | - | - | - | - | - | 1.000 | 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 | | | | |
| 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 |
| 2021 | 657,268,639 | 167,850 | 169,726,058 | 827,162,547 | 156,325,904 | 14,990,987 | 998,479,438 | 0.6817 | 4,507,395,301 | 22.15 |
| 2022 | 739,091,573 | 172,316 | 177,625,274 | 916,889,163 | 177,072,506 | 15,643,330 | 1,109,604,999 | 0.6366 | 5,027,105,269 | 22.07 |

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) | | | | | Total Overlapping |
|-------------|---------------------------|-----------------|-----------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------|--------|-------------------|
| | Basic/ General Rate | Debt Service | Total Direct | Central Jackson County Fire | Metropolitan Junior College | Blue Springs School District | Jackson County | State | |
| 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 |
| 2021 | 0.5317 | 0.1500 | 0.6817 | 1.0886 | 0.2128 | 5.7286 | 1.1511 | 0.0300 | 8.2111 |
| 2022 | 0.4866 | 0.1500 | 0.6366 | 1.3440 | 0.2028 | 5.7286 | 1.1032 | 0.0300 | 8.4086 |

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 | 0.1921 |
| General Fund | 0.2162 |
| Road & Bridge Fund | 0.0633 |
| Park Fund | 0.1108 |
| Mid-Continent Public Library | 0.3468 |
| Handicap | 0.0663 |
| Mental Health | 0.1077 |
| Total County | <u>1.1032</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 | 4.9263 |
| Lee's Summit Reorganized #7 | 5.4837 |

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 | 2022 | | | 2013 | | |
|--|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Evergy West (KCPL / Aquila) | \$ 18,392,931 | 1 | 27.33 | \$ 8,719,202 | 1 | 25.58 |
| MPT of Blue Springs LLC | 9,760,000 | 2 | 14.50 | | | - |
| BSEC Holdings LLC | 8,291,220 | 3 | 12.32 | | | |
| Wal-Mart Stores, Inc. | 7,446,223 | 4 | 11.06 | 6,046,713 | 2 | 17.74 |
| Kohl's Department Store | 5,018,466 | 5 | 7.46 | 5,478,990 | 3 | 16.08 |
| RS Rental III-A LLC | 3,839,615 | 6 | 5.70 | | | |
| Fike Metal Products Corp. | 3,822,475 | 7 | 5.68 | 1,739,336 | 9 | 5.10 |
| Apollo Propco LLC | 3,766,720 | 8 | 5.60 | | | - |
| PI BVT LLC | 3,565,285 | 9 | 5.30 | | | |
| Blue Springs Self Storage LLC | 3,407,340 | 10 | 5.06 | | | |
| Southern Union Co dba Mo Gas Energy | | | | 1,826,229 | 6 | 5.36 |
| Sunnyside Gardens Apts. - Blue Springs | | | | 1,495,000 | 10 | 4.39 |
| George & Jeanette Ward | | | | 3,173,779 | 4 | 9.31 |
| Blue Springs Development Three, Inc | | | | 1,766,474 | 8 | 5.18 |
| HD Development of Maryland Inc. | | | | 2,014,812 | 5 | 5.91 |
| HyVee | | | | 1,823,132 | 7 | 5.35 |
| Total | \$ 67,310,275 | | 100.00 | \$ 34,083,667 | | 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 |
| 2013 | 6,889,963 | 6,658,528 | 96.64 | 209,194 | 6,867,722 | 99.68 |
| 2014 | 7,052,632 | 6,834,975 | 96.91 | 193,457 | 7,028,431 | 99.66 |
| 2015 | 7,168,365 | 6,961,356 | 97.11 | 183,479 | 7,144,835 | 99.67 |
| 2016 | 7,424,315 | 7,267,788 | 97.89 | 133,710 | 7,401,498 | 99.69 |
| 2017 | 7,605,288 | 7,442,336 | 97.86 | 136,363 | 7,532,169 | 99.04 |
| 2018 | 8,051,212 | 7,881,226 | 97.89 | 142,302 | 8,023,527 | 99.66 |
| 2019 | 8,452,816 | 8,281,118 | 97.97 | 144,140 | 8,425,258 | 99.67 |
| 2020 | 9,196,613 | 9,031,772 | 98.21 | 132,654 | 9,164,426 | 99.65 |
| 2021 | 9,031,004 | 8,893,167 | 98.47 | 80,730 | 8,973,898 | 99.37 |
| 2022 | 9,001,098 | 8,852,178 | 98.35 | | | |

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 | Leased assets liability | Certifications of Participation | Development Agreement | Leased assets liability | Certificates of Participation | Neighborhood Improvements | State Revolving Fund Loan | | | | |
| 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 | |
| 2021 | 17,059,418 | - | 43,309,260 | 357,548 | 19,668,843 | 6,390,888 | 83,133 | 1,306,426 | 8,978,831 | 13,142,901 | 110,297,248 | 5.99 | 1882.11 | |
| 2022 | 15,811,433 | - | 38,450,775 | 115,813 | 19,425,489 | 5,762,424 | 45,535 | 999,821 | 8,025,852 | 11,941,001 | 100,578,143 | 4.80 | 1692.38 | |

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 | | |
| 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 |
| 2021 | 17,059,418 | (1,740,230) | 15,319,188 | 0.34 | 261.41 |
| 2022 | 15,811,433 | (2,223,166) | 13,588,267 | 0.27 | 228.64 |

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, 2022
(Unaudited)**

| Name of Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|-----------------------|---------------------------------------|---|
| Debt repaid with property taxes | | | |
| City of Blue Springs | 79,565,934 | 100.00% | 79,565,934 |
| Total direct debt | 79,565,934 | | 79,565,934 |
| Blue Springs Reorganized #4 School District | 285,970,000 | 93.80% | 268,239,860 |
| Grain Valley Reorganized #5 School District | 52,585,000 | 5.31% | 2,792,264 |
| Central Jackson County Fire Protection District | 26,470,000 | 90.00% | 23,823,000 |
| Lee's Summit School District | 335,800,409 | 1.40% | 4,689,688 |
| Total overlapping debt | 700,825,409 | | 299,544,811 |
| Total direct and overlapping debt | \$ 780,391,343 | | \$ 379,110,745 |

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 | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Debt Limit (1) | \$ 145,306,368 | \$ 146,211,257 | \$ 146,525,568 | \$ 155,708,386 | \$ 160,241,550 | \$ 169,217,125 | \$ 174,011,579 | \$ 204,856,353 | \$ 199,695,888 | \$ 221,921,000 |
| Total net debt applicable to limit | 23,664,367 | 23,116,184 | 22,321,654 | 21,426,529 | 20,467,440 | 19,560,272 | 18,282,527 | 16,837,905 | 15,319,188 | 13,588,267 |
| Legal debt margin | \$ 121,642,001 | \$ 123,095,073 | \$ 124,203,914 | \$ 134,281,857 | \$ 139,774,110 | \$ 135,254,441 | \$ 155,729,052 | \$ 188,018,448 | \$ 184,376,700 | \$ 208,332,733 |
| Total net debt to the limit as a percentage of debt limit | 16.29% | 15.81% | 15.23% | 13.76% | 12.77% | 20.07% | 10.51% | 8.22% | 7.67% | 6.12% |

| | |
|--|------------------------------|
| Legal Debt Margin Calculation for Fiscal Year 2022 | |
| Assessed Value | \$ 1,109,604,999 |
| Debt Limit (20% of assessed value) | <u>221,921,000</u> |
| General obligation: | |
| City-wide | <u>15,811,433</u> |
| Total Bonded Debt | 15,811,433 |
| Less: | |
| Debt Service Fund Balance | <u>2,223,166</u> |
| Total net debt applicable to limit | 13,588,267 |
| Legal debt margin | <u>\$ 208,332,733</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) | |
| 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 |
| 2021 | 21,499,750 | 15,472,099 | 6,027,651 | 1,178,700 | 213,231 | 4.33 |
| 2022 | 22,405,798 | 17,576,647 | 4,829,151 | 1,201,900 | 195,227 | 3.46 |

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) |
|--|----------------|--------------------------------------|--------------------------------------|-------------------|--------------------------|--------------------------|
| 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% |
| 2021 | 58,603 | 1,840,016,994 | 31,398 | 35.40 | 15,194 | 3.90% |
| 2022 | 59,430 | 2,095,501,800 | 35,260 | 36.40 | 15,285 | 1.80% |

- 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 | 2022 | | | 2013 | | |
|-------------------------------------|--------------|------|-------------------------------------|--------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Blue Springs School District | 2,147 | 1 | 6.98% | 1,613 | 1 | 5.80% |
| Hy-Vee | 592 | 2 | 1.92% | 340 | 6 | 1.22% |
| St. Mary's Hospital of Blue Springs | 532 | 3 | 1.73% | 615 | 2 | 2.21% |
| Faurecia Interiors Systems Inc | 500 | 4 | 1.62% | | | |
| Wal-Mart Stores, Inc. | 426 | 5 | 1.38% | 400 | 4 | 1.44% |
| Fike Corporation | 414 | 6 | 1.35% | 380 | 5 | 1.37% |
| City of Blue Springs | 312 | 8 | 1.01% | 285 | 8 | 1.02% |
| Price Chopper | 311 | 7 | 1.01% | 402 | 3 | 1.44% |
| Target | 300 | 9 | 0.97% | 300 | 7 | 1.08% |
| St. Mary's Villages | 206 | 10 | 0.67% | | | |
| Kohl's Distribution Center | | | | 200 | 9 | 0.72% |
| Haldex | | | | 163 | 10 | 0.59% |
| Total | 5,740 | | 18.65% | 4,698 | | 16.89% |

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 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government: | | | | | | | | | | |
| Administration | 5.00 | 5.00 | 5.00 | 6.00 | 7.00 | 10.50 | 9.50 | 8.50 | 9.50 | 9.50 |
| Legal | 1.50 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 4.00 |
| Public relations and communications | 1.00 | 1.00 | 2.00 | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Human resources | 2.00 | 2.00 | 2.00 | 2.00 | 2.50 | 2.50 | 3.00 | 3.00 | 3.00 | 3.00 |
| Information services | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 6.00 |
| Community development | 6.00 | 6.00 | 6.00 | 8.65 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 |
| Codes administration | 8.46 | 8.46 | 10.46 | 10.46 | 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 | 2.00 | 2.00 | 1.00 | - | - | 1.00 |
| Finance | 22.90 | 22.90 | 22.90 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 |
| Municipal court | 6.62 | 6.62 | 6.62 | 6.62 | 5.62 | 5.62 | 5.62 | 5.62 | 5.62 | 5.62 |
| Public Works | 9.00 | 9.00 | 8.00 | 7.00 | 7.00 | 7.00 | 7.00 | 6.00 | 6.00 | 6.00 |
| Highways and streets | 15.30 | 15.30 | 16.80 | 16.80 | 16.80 | 16.80 | 16.80 | 16.80 | 16.80 | 16.80 |
| Public Safety: | | | | | | | | | | |
| Administration | 2.00 | 2.00 | 3.00 | 3.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 6.00 |
| Operations | 78.00 | 78.00 | 79.00 | 81.00 | 81.00 | 81.00 | 79.00 | 79.00 | 79.00 | 78.00 |
| Staff services | 30.00 | 30.00 | 30.00 | 28.00 | 28.00 | 28.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| Professional standards | - | - | - | - | - | - | - | - | - | - |
| Community/youth outreach | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 |
| Parks and recreation | | | | | | | | | | |
| Administration | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 |
| Building maintenance | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.00 |
| 50-Plus Programs | 7.24 | 7.24 | 7.24 | 7.47 | 7.47 | 7.47 | 7.47 | 7.47 | 7.47 | 7.47 |
| Parks maintenance | 19.71 | 20.21 | 20.21 | 21.21 | 15.46 | 15.46 | 15.46 | 15.46 | 15.46 | 15.46 |
| Recreation | 3.00 | 3.00 | 5.30 | 5.30 | 5.30 | 5.30 | 8.08 | 7.08 | 7.08 | 8.08 |
| Swimming pool | - | - | - | - | - | - | - | - | - | - |
| Fieldhouse | - | - | - | 23.78 | 23.78 | 23.78 | 16.36 | 16.35 | 16.35 | 16.35 |
| Water: | | | | | | | | | | |
| Operations | 4.00 | 4.00 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Maintenance | 8.00 | 8.00 | 8.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| Sewer: | | | | | | | | | | |
| Operations | 4.00 | 4.00 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Maintenance | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Shi-A-Bar treatment plant | 3.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Fleet Maintenance Fund | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Total | 286.73 | 289.73 | 298.53 | 318.79 | 315.14 | 318.64 | 313.50 | 309.49 | 310.49 | 315.49 |

Source: City of Blue Springs Budget

City of Blue Springs, Missouri

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

| Function/Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
| Police, | | | | | | | | | | |
| Number of citations issued | 10,714 | 10,988 | 10,816 | 10,562 | 10,542 | 11,443 | 8,031 | 6,903 | 4,691 | 4,227 |
| Public Works: | | | | | | | | | | |
| Street overlay (lane miles) | 27.00 | - | 28.00 | 21.00 | 23.00 | - | - | 3.50 | 18.76 | 13.21 |
| Potholes repaired | 10,973 | 6,990 | 8,341 | 4,273 | 3,700 | 3,588 | 6,499 | 8,509 | 9,462 | 11,774 |
| Crack sealing (lane miles) | 136.94 | 74.19 | 66.66 | 39.00 | 70.00 | 79.84 | 16.42 | 4.00 | 0.90 | 1.57 |
| Slurry seal (sq. yds.) | - | - | - | - | - | - | - | - | 71,663 | 69,918 |
| Parks and Recreation: | | | | | | | | | | |
| Park shelter reservations | 1,111 | 1,023 | 1,096 | 941 | 899 | 949 | 815 | 290 | 737 | 648 |
| Vesper Hall rentals | 68 | 88 | 132 | 104 | 144 | 78 | 168 | 50 | 66 | 105 |
| Number of participants in recreation programs | 167,894 | 172,674 | 177,854 | 156,560 | 164,388 | 172,607 | 173,000 | 69,170 | 82,170 | 94,516 |
| Community Development: | | | | | | | | | | |
| Building permits issued | 699 | 806 | 920 | 914 | 1,009 | 1,164 | 1,268 | 1,303 | 1,425 | 1,338 |
| Number of nuisance violations cited | 4,180 | 3,781 | 3,512 | 3,621 | 3,226 | 3,405 | 2,441 | 2,258 | 1,970 | 2,119 |
| Water: | | | | | | | | | | |
| Number of customers | 20,475 | 20,528 | 20,622 | 21,458 | 21,265 | 21,361 | 21,462 | 22,372 | 22,745 | 23,003 |
| Water main breaks | 67 | 79 | 54 | 54 | 74 | 73 | 123 | 67 | 87 | 135 |
| New water connections | 51 | 75 | 88 | 83 | 126 | 217 | 155 | 115 | 70 | 74 |
| Sewer: | | | | | | | | | | |
| Number of customers | 20,395 | 20,540 | 20,663 | 20,923 | 21,315 | 21,446 | 21,717 | 21,862 | 22,226 | 22,485 |
| New sewer connections | 127 | 136 | 159 | 161 | 145 | 145 | 363 | 365 | 394 | 215 |

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 | | | | | | | | | | |
|--|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| Police: | | | | | | | | | | | |
| Police stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police sub-stations | 2 | 3 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Patrol Vehicles | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 28 | 28 | |
| Motorcycles | - | - | - | - | 2 | 2 | 2 | 2 | 2 | 2 | |
| Public Works: | | | | | | | | | | | |
| Total area (square miles) | 22.21 | 22.26 | 22.26 | 22.26 | 22.26 | 22.26 | 22.26 | 22.26 | 22.27 | 22.27 | 22.27 |
| Paved miles (lane miles-previously line miles) (1) | 599.72 | 599.72 | 599.72 | 599.72 | 599.72 | 614.00 | 614.00 | 616.35 | 619.26 | 624.11 | |
| Street lights | 2,527 | 2,527 | 2,556 | 2,670 | 2,735 | 2,735 | 2,810 | 3,005 | 3,006 | 3,006 | |
| Storm sewers (miles) | 122.71 | 121.05 | 121.10 | 123.00 | 123.00 | 126.00 | 126.00 | 131.91 | 144.90 | 134.53 | |
| Parks and Recreation: | | | | | | | | | | | |
| Park acreage - developed & golf course | 603.00 | 603.00 | 603.00 | 558.00 | 558.00 | 554.00 | 554.00 | 554.00 | 554.00 | 554.00 | |
| Park acreage - undeveloped & preserved | 266.00 | 266.00 | 266.00 | 271.00 | 271.00 | 291.00 | 291.00 | 291.00 | 291.00 | 291.00 | |
| Parks - developed (2) | 15 | 15 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 15 | |
| Parks - undeveloped (2) | 7 | 7 | 7 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | |
| Swimming pools | 2 | 2 | 2 | 2 | 2 | 2 | 2 | - | - | - | |
| Splash pad | - | - | - | - | - | - | 1 | 1 | 1 | 1 | |
| Soccer fields | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | |
| Tennis courts | 20 | 20 | 21 | 20 | 20 | 20 | 20 | 20 | 20 | 19 | |
| Pickleball courts | - | - | - | - | - | - | - | - | - | 4 | |
| Skate parks | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Baseball fields | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 10 | |
| Softball fields | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 16 | |
| Miles of walking/bike trails | 17 | 17 | 17 | 18 | 18 | 18 | 18 | 18 | 18 | 19 | |
| 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 | 2 | 2 | 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 | 10 | 10 | 11 | 11 | 11 | 11 | 11 | 11 | 10 | |
| Picnic shelters (3) | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | |
| Gazebo (3) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| 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 | 1 | 1 | |
| Water: | | | | | | | | | | | |
| Water mains (miles) | 275.80 | 276.36 | 277.04 | 277.04 | 277.04 | 278.00 | 279.00 | 279.00 | 281.16 | 278.98 | |
| Fire hydrants | 2,349.00 | 2,369.00 | 2,479.00 | 2,481.00 | 2,497.00 | 2,518.00 | 2,528.00 | 2,539.00 | 2,554.00 | 2,565.00 | |
| Average daily consumption (millions of gallons) | 5.76 | 4.50 | 4.20 | 5.10 | 4.50 | 4.40 | 4.50 | 4.20 | 4.35 | 4.63 | |
| Sewer: | | | | | | | | | | | |
| Number of treatment plants | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Sewer mains (miles) | 272.45 | 272.49 | 272.26 | 273.00 | 273.00 | 278.74 | 281.00 | 283.46 | 291.07 | 285.53 | |
| Average daily treatment (millions of gallons) | 4.30 | 3.87 | 4.15 | 4.70 | 4.30 | 4.20 | 3.90 | 5.37 | 4.92 | 4.70 | |
| Manhole lined | - | - | 5 | 21 | 56 | 13 | 55 | - | 82 | - | |
| Mains lined | 122 | 119 | 104 | 147 | 134 | 129 | 133 | 27 | 136 | 48 | |
| Main point repairs | 5 | 8 | 6 | 3 | 2 | 2 | 2 | 2 | 3 | 2 | |

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.

Note (3): Parks shelters were updated to separate the Gazebo in 2022.