

# **CITY OF BRANSON, MISSOURI**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended  
December 31, 2010**



**CITY OF BRANSON, MISSOURI**

**COMPREHENSIVE ANNUAL**

**FINANCIAL REPORT**

**For The Fiscal Year Ended**  
**December 31, 2010**

**Prepared by:**  
**Department of Finance and Administration**



**CITY OF BRANSON, MISSOURI**  
**Comprehensive Annual Financial Report**  
**Year Ended December 31, 2010**

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# Introductory Section



May 13, 2011

Honorable Mayor  
Members of the Board of Aldermen  
Citizens of the City of Branson, Missouri

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of Branson, Missouri, (the City) for the fiscal year ended December 31, 2010. The City changed its financial reporting fiscal year end to December 31. The City has previously issued financial statements for the year ended September 30, 2009 and for the period beginning October 1, 2009 through the period ended December 31, 2009. This report is submitted to you in compliance with Section 2-423 of the Branson City Code, which requires an annual report presentation to the Board of Aldermen on the financial condition of the City.

Responsibility to report complete and accurate financial data rests with the City. It is our belief that the information reported in this document fairly presents the financial position of the City in all material aspects on a government-wide and fund basis. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

To ensure reliability of the accounting data on which the City's financial statements are based, internal controls are utilized to provide reasonable assurance that transactions are accounted for properly and the city's assets are safeguarded. Additionally, the Finance Department staff prepared this report in conformity with generally accepted accounting principles (GAAP) in the United States of America, which are standard guidelines for financial reporting, further ensuring that the financial position of the City is presented fairly in all material aspects.

The independent auditing firm of Cochran Head Vick & Co., P.C., audited the City of Branson's financial statements. The purpose of the audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended December 31, 2010 are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Branson's MD&A can be found in the Financial Section immediately following the report of the independent auditors.

## *Profile of the City*

The City of Branson (2010 population 10,520) is located in southwest Missouri, 35 miles south of Springfield within the heart of the Ozark Mountains. Branson is surrounded by three prize winning fishing and recreational lakes. The city is 20.85 square miles (13,272.325 acres) and plays host to millions of visitors a year. The city has become the focus of international attention as both a major development area and an entertainment and tourism Mecca. The reasons are numerous and range from the scenic natural beauty of the region to the star studded theaters with their line-up of major recording artists, world-class shopping opportunities, lake activities and other family oriented entertainment offerings.

The City is governed by a Board of Aldermen-City Administrator form of government. The Board consists of the Mayor and six Board members who are elected on a nonpartisan basis. The Mayor serves a two-year term and is elected at large. Board members also serve a two year term with two members serving from each of three wards within the City, on a staggered two-year election rotation. The City Administrator is the chief executive officer of the City and is responsible for managing the city, enforcement of the laws and ordinances, direction of all officers, employees and departments and for carrying out the policies of the Board of Aldermen.

As the legislative body, the Board of Aldermen is responsible for enacting all ordinances, resolutions and regulations governing the City, as well as for appointing or electing the members of various statutory and ordinance boards, the City Administrator, the City Attorney and the City Clerk.

The City of Branson provides the full range of services normally associated with a municipality, including police and fire protection, emergency communication center, public works street services, facilities maintenance, recycling center, parks and other recreational facilities, development services and general administrative services. The City also operates the sanitary sewerage and the water treatment and distribution system, all of which are accounted for in the financial statements as business-type activities.

The annual budget serves as the foundation for the City of Branson's financial planning and control. During the budget preparation process, each office, department, etc., of the City provides detailed requests for expenditures for evaluation by the City Administrator. Each office, department, etc., also prepares a detailed 5-year Capital Budget Request Projection, which is submitted to the City Administrator. The City Administrator also reviews estimates for all pending capital projects and those recommended for approval in the next budget year. Prior to the beginning of each budget year, the City Administrator presents a proposed budget to the Finance and Budget Committee. The City Administrator, on behalf of the Finance and Budget Committee, then submits to the entire Board of Aldermen a proposed budget. The budget is prepared by fund, department and function. Transfers of appropriations within departments or between departments within a fund may be made with the approval of the City Administrator. However, transfers between funds must be approved by the Board of Aldermen.

## ***Factors Affecting Financial Condition***

**Local Economy**—in 2010, the City of Branson continued to benefit from prior year and recent economic development activities. However, sales growth, as measured by state sales tax filings, is up 0.4% from calendar year 2009. Branson’s economy, while relatively flat in 2010, is still focused primarily on the seasonal tourism industry.

**Tourism**—Branson and the Tri-Lakes area attracted millions of visitors in 2010 who contributed well over a billion dollars into the local economy. Situated in the heart of America and within an 8-hour drive of nearly 33% of the U.S. population, Branson has been a “rubber tire” destination with the vast majority of tourists arriving by vehicles, RV’s and tour buses. Branson placed #2 in the top 50 motorcoach destinations for 2010 according to National Motorcoach Network. Branson’s consistent high ranking in the survey earned the City the title “Top Motorcoach Destination of the Decade” in 2000, a testament to the City’s product, hospitality and service. However, as the baby-boomer generation emerges, an increasing number of visitors are now flying into the area each year. Opening in 2009, the Branson Airport, located a few miles southeast of Branson, now offers visitors a local major airport, along with the Springfield-Branson Regional Airport in Springfield, Missouri, the Taney County Airport at Pt. Lookout, Missouri, and the Harrison Regional Airport in Harrison, Arkansas.

A geographical profile of Branson visitors shows the following:

Come from a radius of 100 miles or less	18%
Radius of 100 to 300 miles	24%
Radius of over 300 miles	38%
Average distance traveled	430 miles

The growth in tourism and the related construction activity over the last decade has increased the tax revenues of the city, particularly sales and tourism tax revenues. Tourism growth has also placed a strain on the city’s infrastructure. This pressure has resulted in significant infrastructure improvements over recent years, financed primarily by the increased revenues from sales, tourism, and tax increment financing activity taxes.

**Area Theaters**— The music industry’s rapid expansion in the early 90’s launched the Branson community into world-class tourism so fast it was called a phenomenon. Now called *America’s Live Entertainment Capital*, Branson is now home to 50 music theaters with 46,624 seats that conduct live performances, with a variety of music including country, pop, gospel, bluegrass, western, rock n’roll, classical jazz and Broadway. There’s also comedy, magic, and Irish dancing. Each theater hosts from one to three different shows daily. Collectively, they host more than 100 shows and offer live entertainment from early morning until late evening. Together, they create a diversity and balance to suit every musical and entertainment taste. Several of the widely known performers who came to the area are now permanent residents and actively involved in the community. In turn, these performers have helped to draw recognition to the immense pool of talent in all of Branson’s theaters.

**Family Attractions**-- Boating, swimming, skiing, sailing, sunning, scuba diving, parasailing and sightseeing are just some of the activities that can be enjoyed on the area’s three big lakes. Table Rock, Taneycomo and Bull Shoals offer some of the finest fishing in the nation, as well as any freshwater activity you can imagine. Many excursion boats cruise the lakes providing passengers with lunch, dinner, entertainment, and sightseeing.

Providing a wonderful venue for visitors of all ages, Silver Dollar City and Shepherd of the Hills draw millions of visitors each year. Throughout the year various festivals are held highlighting themes such as bluegrass & BBQ, southern gospel music, a fall harvest festival, and of course, Christmas. They feature unique crafters and artists, rides and amusements, live comedy and drama, dining, dozens of musicians and music shows, and water attractions such as wet rides and wave pools.

*Golf--* Golfing is one of the fastest-growing interests of vacationers to Branson. They can enjoy their favorite sport on a choice of courses within just a few miles of each other as more than a dozen golf courses are currently open in the Branson/Tri-Lakes Area. Country clubs, pro shops, lessons, restaurants and all amenities are available. Many of Branson's entertainers enjoy golf and are often seen on local courses. John Daly's Murder Rock Golf & Country Club has been named a "Top 100 in America" by Golf Digest. Located in beautiful Branson Hills, the newest course to open, the Payne Stewart Golf Club, is named for the legendary late golf pro from Springfield, Missouri. This course is receiving high marks and anticipates hosting major golf tournaments in the near future.

*Outdoor Activities--* The scene of many national fishing tournaments, Table Rock Lake is a freshwater fisherman's paradise. Fertile waters teaming with an assortment of America's top sport fish like bass and crappie make it the ideal spot for the novice and serious fisherman alike. Visitors and local water sports enthusiasts can also swim, ski, wakeboard, sail, kayak or scuba dive in the pristine water.

With an average water temperature of 58 degrees, Lake Taneycomo is equally famous as a cold-water trout waterway, It is often called one of the best, if not the very best, tailwater trout fisheries in the United States. Rainbow and brown trout abound. Missouri Department of Conservation maintains a fish hatchery near Table Rock Dam, and a tour of this facility is always a tourist favorite.

Beginning where Taneycomo ends, Bull Shoals Lake, only a few miles away, offers much of the same recreational opportunities as Table Rock Lake. Less densely developed than the Table Rock and Taneycomo areas, Bull Shoals offers comfortable resorts and campgrounds along its shorelines, as well as quaint fishing lodges that offer a chance to explore Ozark Mountain scenery.

Hikers can enjoy the outdoors on established nature trails that wind through forests and skirt the lakes' shorelines. Spelunking, or cave exploration, is also available in the area's many caves.

The area has an abundance of deer, turkey, and other game, drawing hunters by the thousands each season. Sightseeing is always an option for people who prefer to see the outdoors from the comfort of their vehicles; all numbered highways offer scenic vistas of the Ozarks.

The latest addition to the tourism industry is zip-lining. Not for the faint hearted, but enjoyed by young and old, you can zip at speeds exceeding 50 mph from the top of Inspiration Tower at Shepherd of the Hills; see the Branson sights from tree-top heights right in the heart of Branson; or take an eco-adventure tour of the Ozark Mountains north of Branson right off Highway 65.

*Shopping*— From Historic Downtown Branson, with its unique family-owned and operated one-of-a-kind retail experience at Dick’s 5 & 10 to Branson Landing, a \$420 million, 95-acre development of world-class shopping, dining, lodging, and a spectacular water, light, sound, and fire attraction, to three factory outlet malls, visitors consistently rank shopping among the most popular activities of the area. Tourists and locals alike enjoy a unique shopping experience at Branson Landing as well as shopping the factory outlet stores located in Tanger Outlet Mall, Factory Merchants Mall, known to most as the “Red Roof Mall”, and The Shoppes at Branson Meadows. With easy access and located on the north edge of Branson, the Branson Hills / Branson Shoppes development offering Kohl’s, Target, Home Depot, Wal-Mart Super Center, Michaels, Bed, Bath & Beyond, and Best Buy, plus additional stores presenting a diversified mix of retail and food establishments, has become a favorite shopping location. The outlet malls, mixed with a thriving downtown district and specialty stores throughout the city add to the shopping event. Shoppers can find contemporary goods and handcrafted items all year round. Branson ranks near the top in the nation in the number of factory outlet stores.

*Lodging and Restaurants*—Visitors are afforded the opportunity to choose lodging from over 14,000 rooms in local motels, hotels, resorts, and bed and breakfast inns. The choices are endless, with room rates ranging from \$22 per night for budget accommodations to \$600 for luxurious suites overlooking Table Rock Lake. The current number of lodging facilities, excluding condominiums, time shares, and campgrounds is 139. Seasonal rates and senior citizen discounts apply at many lodging facilities.

You cannot be hungry in Branson, as visitors have an endless variety of restaurants and food establishments from which to choose, as there are 200 restaurants, coffee shops, and ice cream establishments with over 28,000 seats within the city. Cuisines range from American home-cooking, Southern Bar-B-Q, and a 50’s style diner to International fares such as Thai, Greek/Mediterranean, Chinese, Mexican, and Italian.

*Conference Facilities*— Branson, with an abundance of amenities, is a popular location for holding meetings of all sizes. The Branson area has several conference center hotels in various locations offering a variety of options. Located on the shores of beautiful Table Rock Lake, a conference center with a 302-room hotel has the ability to accommodate up to 3,000 delegates. Located in the heart of the entertainment district, one block from the world famous Highway 76, another facility has meeting and conference capacity of 1,200. Adjacent to the Branson Landing, a waterfront development on Lake Taneycomo in downtown Branson, the City owns a 220,000 square foot convention and exhibition complex, including two exhibit halls totaling 50,000 square feet, which connects to a 23,000 square foot ballroom. There are 5 additional meeting rooms on the second floor. All combined, the convention center has the ability to accommodate approx. 4,500 persons; and in conjunction with two Hilton Hotels the complex has a combined room total of 537 rooms.

### ***Long-term financial planning and debt administration***

The City of Branson utilizes a five-year capital improvement program to prioritize public projects. Projects are scheduled over a number of years, and are financed on a pay-as-you-go basis whenever possible. The exception to this rule was the redevelopment of the Taneycomo Lakefront and construction of a Convention Center in the downtown district. This project, including all infrastructure, convention center and other public improvements, have been financed through a series of bond issues secured by the city’s annual appropriation pledge and tax increment financing. These projects will be supported by City, State, County and other taxing district’s economic activity taxes generated within the district. The City always looks for creative funding solutions such as cost sharing with other governmental agencies, public-private cooperative efforts, and any other source of funding for projects that become available.

At year-end, the City has fifteen debt issues outstanding. These issues include \$30,567,000 in revenue bonds for the Tourism Fund; \$480,000 in revenue bonds for the Water & Sewer Fund, \$38,340,000 in special limited obligation bonds for refunding certain bonds previously issued for the Branson Landing redevelopment project, certain city facilities, and infrastructure project costs; and a total of \$197,240,190 debt issuances that is included within the Tax Increment Financing Commission. The TIF Commission is considered a discretely presented component unit of the City and is presented in a separate column on the government-wide financial statements to emphasize that it is a separate entity from the City. The City is financially accountable for the Commission because the City approves the Commission's annual budget.

The City uses funding from the Tourism Tax and the Transportation Tax, net of debt service, exclusively to finance needed infrastructure extensions and improvements. The city has participated with Taney County in the extension of sewer services throughout the Fall Creek Basin and currently into the Bee Creek area. These projects have been financed through the county's ½ cent sewer tax, state and federal grants and Department of Natural Resources loans.

### ***Major Initiatives***

The Board of Aldermen participated in a strategic goal-setting session, and set goals for 2011. From those discussions, the Board identified the following goals.

1. **Economic Goal:** We will have a growing and diverse economy and a vibrant and sustainable community.
2. **Community Goal:** We will show annual improvement as a great place to live, work and visit.
3. **Open Government Goal:** We will have an open government that is responsive, accountable, and inclusive.
4. **Workplace Goal:** We will continue to be a great place to work, for great people.
5. **Accountability Goal:** We will ensure the efficient and appropriate use of public funds.

### ***Other Initiatives***

Giving citizens a better understanding of what the city does on a day-to-day basis and to increase citizen awareness of government, the City began hosting a Citizen's Academy in June, 2009. The Academy had 24 citizens take part in the Academy in 2010. The Academy continues in 2011 on a semi-annual basis. The nine weekly sessions are designed to provide citizens with a close up view including hands-on experiences of all facets of city government – from emergency services, budgeting the city's tax dollars, to maintaining a water and sewer system.

### *Achievements 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 Branson for its comprehensive annual financial report for the fiscal year ended September 30, 2009. This was the sixth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

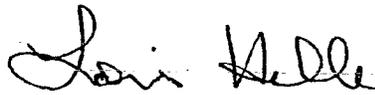
Our appreciation is extended to the Mayor, the Board of Aldermen, department directors and all city employees for contributing to the sound financial condition of the City. Furthermore, the preparation of this report would not have been possible without the efficient and dedicated services of the various departments of the City, especially assistance from the staff of the Finance Department.

We would also like to thank our auditors, Cochran Head Vick & Co., P.C., for their help in formulating this report.

Respectfully submitted,



Dean Kruithof  
City Administrator



Lori Helle  
Director of Finance & Personnel

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Branson  
Missouri

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

# CITY OF BRANSON, MISSOURI

## LIST OF PRINCIPAL OFFICIALS

Mayor	Raeanne Presley
Alderman	Mike Booth
Alderman	Bob Simmons
Alderman	Cris Bohinc
Alderman	Dr. Rick Davis
Alderman	Sandra Williams
Alderman	Rick Todd

City Administrator  
Acting City Attorney  
Finance & Personnel Director  
City Engineer/Public Works  
Planning & Development  
Police Chief  
Fire Chief  
Utilities  
Communications  
City Clerk  
Information Technology  
Park & Recreation

Dean Kruithof  
Wm. "Dub" Duston  
Lori Helle  
David Miller  
Jim Lawson  
Carroll McCullough  
Carl Sparks  
Mike Ray  
Jerry Adams  
Lisa Westfall  
D. J. Cline  
Cindy Shook



# Financial Section



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**INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and Board of Aldermen  
City of Branson, Missouri

We have audited the accompanying financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Branson, Missouri (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

**Other Offices**

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(913) 287-4433  
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Merriam, Kansas 66204  
(913) 378-1100  
(913) 378-1177 FAX

400 Jules Street  
Suite 415  
St. Joseph, MO 64501  
(816) 364-1118  
(816) 364-6144 FAX

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

May 13, 2011

*Cochran Herd Vick & Co PC*

## **Management's Discussion and Analysis**

As management of the City of Branson, Missouri, (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with the additional information we have furnished in our letter of transmittal.

The City of Branson has recently changed the fiscal year from an ending of September 30 to a calendar year ending December 31. Due to this change, the fiscal year financial highlights is a comparison from December 31, 2009 fiscal year to December 31, 2010 fiscal year.

### **Fiscal Year Financial Highlights**

- On a government-wide basis, the City's assets exceeded its liabilities at the close of fiscal year 2010 by \$250,674,504. Of this amount, \$14,386,064 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets decreased \$1,045,462. Of this amount, \$10,941,255 was a decrease in the City's "governmental activities", while the City's "business type activities" increased by \$9,895,793.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$32,484,256, an increase of \$3,041,744. Approximately 74% of this total amount or \$23,976,406 is unreserved.
- At December 31, 2010, the total unreserved fund balance for the General Fund was \$5,555,697 or approximately 39% of general fund expenditures.

### **Overview of the Financial Statements**

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

## **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 a private-sector business.

The statement of net assets presents information regarding the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other factors to consider are changes in the City's tax base and changes in the condition of the City's infrastructure.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, engineering services, community development, culture and recreation, convention center, and tourism. The business-type activities of the City include a Water and Sewer Fund.

The government-wide financial statements can be found on pages 15-16 of this report.

## **Fund financial statements**

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## **Governmental funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, tourism tax fund, transportation sales tax fund, convention center fund, and debt service fund, which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its general fund, debt service fund and special revenue funds. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

### **Proprietary funds**

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's functions. The City uses an enterprise fund to account for its Water and Sewer System Operations. The City uses an internal service fund to account for its fleet of vehicles. Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide more detail of the City's business-type activities than the government-wide financial statements. The proprietary fund for water and sewer is a major fund of the City.

The internal service fund is presented in a single column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 21-23 of this report.

## **Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 24 of this report.

## **Notes to the 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 can be found on pages 25-50 of this report.

## **Required Supplementary and Other Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which includes budgetary schedules and a schedule of funding progress related to providing pension and other post employment benefits to City employees. Required supplementary information can be found on pages 51-56 of this report.

The combining statements referred to earlier in connection with non major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 57-64 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At December 31, 2010, the City's assets exceeded liabilities by \$250,674,504.

By far the largest portion of the City's net assets (84 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, infrastructure, and equipment), less any outstanding related debt used to acquire those assets. The City 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.

**Net assets**

The following table reflects the condensed Statement of Net Assets:

<b>City of Branson Net Assets</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Current and other assets	\$ 37,563,380	\$ 34,400,864	\$ 10,723,825	\$ 5,918,065	\$ 48,287,205	\$ 40,318,929
Capital assets	197,834,226	206,875,219	82,410,467	75,825,496	280,244,693	282,700,715
Total assets	<u>235,397,606</u>	<u>241,276,083</u>	<u>93,134,292</u>	<u>81,743,561</u>	<u>328,531,898</u>	<u>323,019,644</u>
Long-term obligations	69,623,367	64,700,851	755,253	821,848	70,378,620	65,522,699
Other liabilities	4,683,395	4,543,133	2,795,379	1,233,846	7,478,774	5,776,979
Total liabilities	<u>74,306,762</u>	<u>69,243,984</u>	<u>3,550,632</u>	<u>2,055,694</u>	<u>77,857,394</u>	<u>71,299,678</u>
Net assets:						
Investment in capital assets, net of related debt	129,557,224	143,296,459	81,930,467	75,205,496	211,487,691	218,501,955
Restricted	21,582,752	16,381,864	3,217,997	226,116	24,800,749	16,607,980
Unrestricted	9,950,868	12,353,776	4,435,196	4,256,255	14,386,064	16,610,031
Total net assets	<u>\$ 161,090,844</u>	<u>\$ 172,032,099</u>	<u>\$ 89,583,660</u>	<u>\$ 79,687,867</u>	<u>\$ 250,674,504</u>	<u>\$ 251,719,966</u>

An additional portion of the City's net assets (10 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$14,386,064 may be used to meet the government's ongoing obligations to citizens and creditors.

At December 31, 2010 and 2009, the City reported positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

For the year ended December 31, 2010, there was an increase in net assets reported in connection with the City's business-type activities of \$9,895,793, primarily related to transfers in from the City's governmental activities to fund certain wastewater projects and from contributed capital assets.

For the year ended December 31, 2010, the City's governmental net assets decreased by \$10,941,255 primarily related to the transfers out to the City's business-type activities to fund certain wastewater treatment projects.

*Changes in Net Assets*

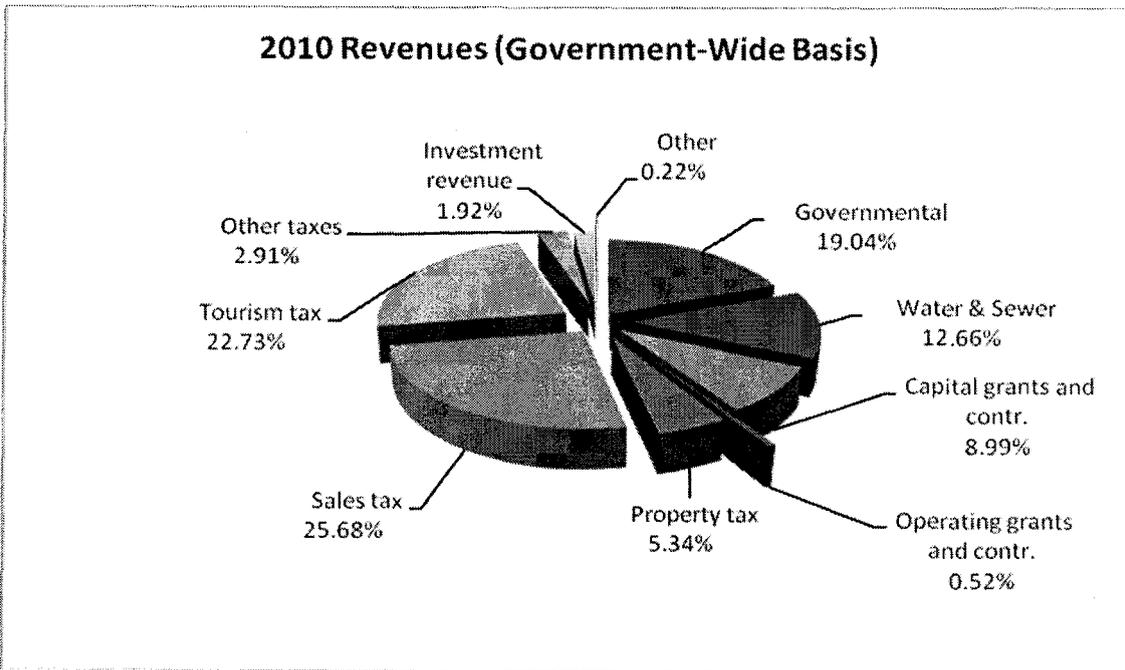
The following table reflects the revenues and expenses for the fiscal years ended December 31, 2010 and September 30, 2009 from the City's activities:

	City of Branson Statement of Activities					
	Governmental Activities		Business-Type Activities		Total	
	12/31/2010	9/30/2009	12/31/2010	9/30/2009	12/31/2010	9/30/2009
<b>Program revenues:</b>						
Charges for services:						
Governmental	\$ 9,137,339	\$ 8,391,964	\$ -	\$ -	\$ 9,137,339	\$ 8,391,964
Water & Sewer	-	-	6,073,643	5,856,243	6,073,643	5,856,243
Capital grants and contr.	315,980	1,016,376	3,996,655	1,199,077	4,312,635	2,215,453
Operating grants and contr.	251,439	45,565	3,750	-	255,189	45,565
General revenues:						
Property tax	2,560,923	2,370,101	-	-	2,560,923	2,370,101
Sales tax	12,321,436	12,102,118	-	-	12,321,436	12,102,118
Tourism tax	10,907,769	10,888,188	-	-	10,907,769	10,888,188
Other taxes	1,396,916	1,360,473	-	-	1,396,916	1,360,473
Investment revenue	888,518	876,037	31,030	48,041	919,548	924,078
Other	104,256	-	-	-	104,256	-
<b>Total revenues</b>	<b>37,884,576</b>	<b>37,050,822</b>	<b>10,105,078</b>	<b>7,103,361</b>	<b>47,989,654</b>	<b>44,154,183</b>
<b>Expenses:</b>						
General government	6,288,554	5,103,050	-	-	6,288,554	5,103,050
Public safety	6,717,714	6,462,599	-	-	6,717,714	6,462,599
Public works	9,482,818	9,224,956	-	-	9,482,818	9,224,956
Engineering services	658,103	683,473	-	-	658,103	683,473
Community development	1,430,800	1,369,522	-	-	1,430,800	1,369,522
Culture and recreation	2,643,310	2,305,826	-	-	2,643,310	2,305,826
Convention center	7,471,163	7,522,744	-	-	7,471,163	7,522,744
Tourism	2,248,108	2,162,880	-	-	2,248,108	2,162,880
Interest on long-term debt	3,824,038	3,563,140	-	-	3,824,038	3,563,140
Water and sewer utility	-	-	8,270,508	8,526,666	8,270,508	8,526,666
<b>Total expenses</b>	<b>40,764,608</b>	<b>38,398,190</b>	<b>8,270,508</b>	<b>8,526,666</b>	<b>49,035,116</b>	<b>46,924,856</b>
<b>Change in net assets before transfers</b>	<b>(2,880,032)</b>	<b>(1,347,368)</b>	<b>1,834,570</b>	<b>(1,423,305)</b>	<b>(1,045,462)</b>	<b>(2,770,673)</b>
Transfers	(8,061,223)	(1,000,000)	8,061,223	1,000,000	-	-
<b>Change in net assets</b>	<b>(10,941,255)</b>	<b>(2,347,368)</b>	<b>9,895,793</b>	<b>(423,305)</b>	<b>(1,045,462)</b>	<b>(2,770,673)</b>
<b>Change in net assets Oct. - Dec. 2009</b>	<b>-</b>	<b>(1,789,805)</b>	<b>-</b>	<b>(580,593)</b>	<b>-</b>	<b>(2,370,398)</b>
<b>Net assets, beginning</b>	<b>172,032,099</b>	<b>176,169,272</b>	<b>79,687,867</b>	<b>80,691,765</b>	<b>251,719,966</b>	<b>256,861,037</b>
<b>Net assets, ending</b>	<b>\$ 161,090,844</b>	<b>\$ 172,032,099</b>	<b>\$ 89,583,660</b>	<b>\$ 79,687,867</b>	<b>\$ 250,674,504</b>	<b>\$ 251,719,966</b>

## Governmental activities

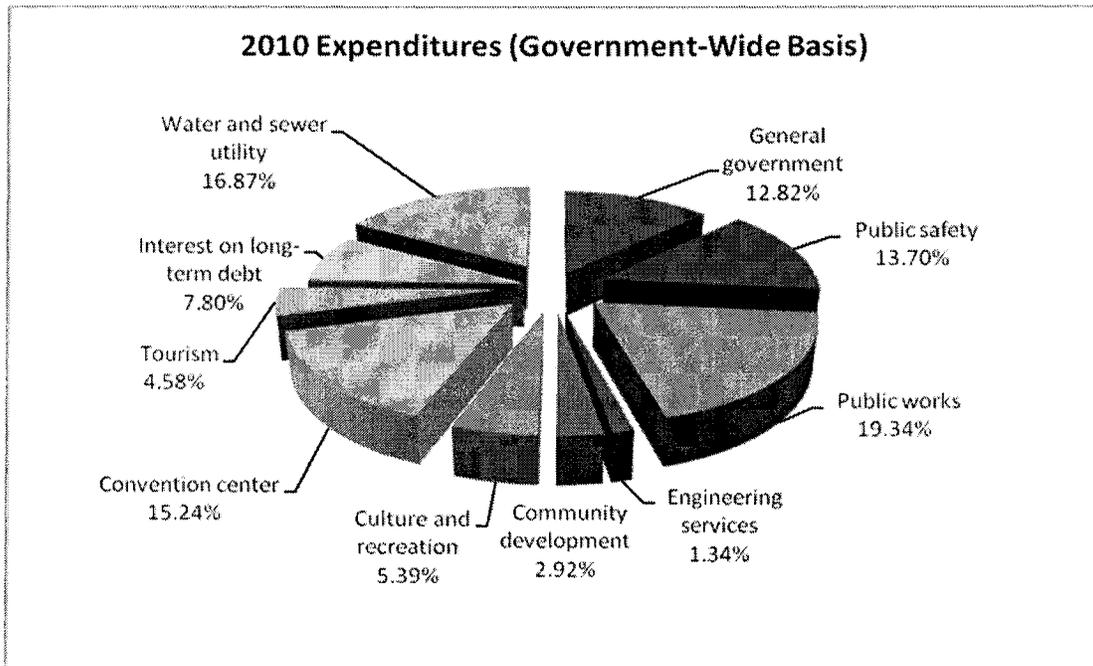
Governmental activities decreased the City's net assets by \$10,941,254 during the year ended December 31, 2010. Key elements of this decrease are as follows:

- There were transfers out to the water and sewer fund totaling \$8,061,223; this was due to the Compton wastewater treatment plant upgrade and the upgrade to lift station 30 projects both of which were funded through the 2010 tourism bond issuance.
- Sales tax collections were up .4% in fiscal year 2010. However, due to refunds that the State withheld from the City's sales tax collections (as a result of a lawsuit); the City did not see an increase in the Sales Tax revenues.
- In FY2010, the City paid the Branson Airport \$409,919 through the Pay for Performance Agreement. However, \$152,364 was for May 2009 through September 2009, \$95,695 was for October 2009 through December 2009, and \$161,859 was for January 2010 through June 2010.



**Business-type activities.** Business type activities increased the City's net assets by \$9,895,793 during the current fiscal year. Significant factors include:

- There were transfers into the water and sewer fund of \$8,061,223; this was due to two major construction projects as discussed above under the Governmental activities.



## Financial Analysis of the Government's Funds

As noted earlier, the City 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. In particular, unreserved 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 end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$32,484,256. Approximately 74 percent of the total fund balance consists of unreserved, fund balance, which is available for spending at the government's discretion. The unreserved fund balance includes the City's designation of \$6,743,537 as well as the City's undesignated funds of \$17,232,869. The remaining fund balance is reserved and is not available for new spending and has been committed primarily to liquidate contracts and purchase orders of the prior period, \$567,895, and to provide reserves for debt service, \$7,819,653.

The fund balance of the City's general fund decreased by \$1,931,730 during the current fiscal year. Key factors in this decrease are as follows:

- Purchase of the Owen property.
- Increase in contractual expenditures such as legal expenditures and the Branson Airport expenditure.

The tourism tax fund has a total fund balance at December 31, 2010 of \$17,811,861 of which \$1,703,174 is designated as a "contingency reserve for marketing". The remainder of \$16,108,687 is available for future debt service and capital projects. However \$5,815,928 is restricted for current bond requirements.

The transportation sales tax fund has a total fund balance of \$1,762,856. This fund was extended by election in 2004 for the period of time necessary to construct and maintain the City's transportation infrastructure and to provide for debt service on capital projects. Undesignated funds available for this purpose were \$1,750,721.

The convention center fund balance increased by \$44,352 primarily as a result of an increase in revenue for the current fiscal year.

The debt service fund has a total fund balance of \$2,003,725 for the current fiscal year; all of which is reserved for future debt service.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water and Sewer fund at the end of the year totaled \$4,315,669, an increase of \$192,301 from the December 31, 2009. The unrestricted net assets for the Equipment and Vehicle fund totaled \$431,082 at the yearend, a decrease of

\$29,213 from December 31, 2009. Other factors concerning the finances of the Water and Sewer fund have been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

Current fiscal year's revenues were \$1,180,782 greater than budgeted revenues. The largest budget-to-actual revenue variance was related to taxes which reflect an increase in local business revenue greater than what was anticipated. Expenditures were \$492,024 less than the budget due to sound management practices by all departments.

### **Capital Asset and Debt Administration**

**Capital assets.** The City's capital assets for its governmental and business-type activities as of December 31, 2010 amount to \$280,244,693 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction-in-process. The total decrease in the City's investment in capital assets (net of accumulated depreciation) was \$2,456,022 a decrease of \$9,040,993 for governmental activities and an increase of \$6,584,971 for business-type activities.

Major capital asset events during the current fiscal year included the following:

#### **Governmental**

- Work continues on the 248 & I-65 interchange reconfiguration with a construction in progress total of \$250,486.
- Additional work was done on the Police facility expansion project with a construction in progress total of \$85,445.
- The Owen Property/Land was purchased totaling \$231,141.
- The EPPS/Fall Creek Road project was completed in 2010 with \$7,319,075 being capitalized.

#### **Business Type**

- Lift Station #30 project is ongoing with an accumulated construction in progress of \$2,869,558. This project is scheduled to be completed in 2011 with an estimated total cost of \$3.0 million.
- Compton Wastewater Redesign project is scheduled to be completed in 2011 the construction in progress cumulative total is \$3,488,893 with an estimated total cost of \$4.5 million.
- The 2" Water Meter Replacement project continues with approximately 55% completed of which \$189,750 was capitalized in 2010.

	Governmental Activities		Business-type Activities		Total	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Land	\$ 52,122,799	\$ 51,676,017	\$ 3,905,511	\$ 3,784,962	\$ 56,028,310	\$ 55,460,979
Buildings	63,435,823	65,942,445	42,736,677	44,505,197	106,172,500	110,447,642
Land improvements	950,829	1,051,185	-	-	950,829	1,051,185
Equipment and vehicles	6,453,839	7,004,480	944,767	853,106	7,398,606	7,857,586
Infrastructure	74,495,676	72,378,466	28,391,879	26,097,096	102,887,555	98,475,562
Construction in progress	375,260	8,822,626	6,431,633	585,135	6,806,893	9,407,761
<b>Total</b>	<b>\$ 197,834,226</b>	<b>\$ 206,875,219</b>	<b>\$ 82,410,467</b>	<b>\$ 75,825,496</b>	<b>\$ 280,244,693</b>	<b>\$ 282,700,715</b>

Additional information on the City's capital assets can be found in Note 5, on pages 34-35 of this report.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$69,387,000. Of this amount \$30,567,000 consists of revenue bonds backed by the City's tourism tax.

**Debt administration.** The City's debt issues are discussed in Note 7 to the basic financial statements. The City does not have any General Obligation debt at year-end. Revenue bonds outstanding are serviced primarily by the tourism tax.

### City of Branson Outstanding Bonds

	Governmental Activities		Business-type Activities		Total	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Bonds:						
Revenue	\$ 30,567,000	\$ 25,284,000	\$ 480,000	\$ 620,000	\$ 31,047,000	\$ 25,904,000
Special Limited Obligation	38,340,000	38,805,000	-	-	38,340,000	38,805,000
<b>Total</b>	<b>\$ 68,907,000</b>	<b>\$ 64,089,000</b>	<b>\$ 480,000</b>	<b>\$ 620,000</b>	<b>\$ 69,387,000</b>	<b>\$ 64,709,000</b>
Component Unit:						
Tax increment financing bonds	<u>\$ 197,240,190</u>	<u>\$ 201,265,190</u>				

## **Economic Factors and Next Year's Budget**

- In FY2010, the City paid the Branson Airport \$409,919 through the Pay for Performance Agreement. \$327,000 has been estimated for July 2010 through December 2010 which will be a 2011 budgetary expenditure. The agreement is subject to annual appropriation. The City has appropriated \$35,000 for the pay for performance agreement in 2011.
- General Fund revenues for fiscal year 2011 are projected to be \$16,978,742, an increase of \$681,512 (4.2%) from the 2010 actual numbers. This is due to the City's expectations of a 1% growth in sales tax as well as an increase in franchise fees due to a rate increase for the electricity. While the City is doing relatively well during these difficult economic times, the "caution light" continues to be lit.
- The fiscal year 2011 annual budget for the General Fund expenditures are estimated at \$14,315,990, an increase of \$172,236 (1.2%) from the 2010 actual numbers.
- Health insurance costs continue to increase for the City. An increase of 15% was budgeted in FY2011, which has prompted the City to begin a very vigorous wellness plan to help reduce the City's overall costs. Programs will be put in place in FY2011 to encourage employees to actively pursue wellness as a new "norm".
- The Mayor and Board of Aldermen set a City floor for fiscal year 2011—the City's general fund balance will not fall below 30% of the operating expenditures.
- Water and Sewer rates were examined and increased so that the Water & Sewer Fund will become self-sustaining. The study proposed rates for the next 5 years and allows small capital equipment to be funded from the user rates
- Since the FY2011 budget was adopted, the City has enacted a plan to prepare and respond to the significant changes in the economy. The departments are prepared to make additional cuts to the budget if necessary. The financial activities will be closely monitored on a daily basis and reported monthly to the Finance Committee and the Board of Aldermen. The City is also looking for efficiencies, ways to increase revenues, ways to cut expenditure costs, and "right-sizing" opportunities

## **Financial Contact**

The City's financial statements are formatted to present users with a general overview of the City's finances and to demonstrate the City's accountability. Questions or requests for additional information should be directed to the Director of Finance, 110 W. Maddux, Branson, Missouri 65616.

**CITY OF BRANSON, MISSOURI**  
**Statement of Net Assets**  
**December 31, 2010**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 24,513,954	\$ 6,646,610	\$ 31,160,564	\$ 1,627,328
Receivables, net:				
Taxes	3,830,374	-	3,830,374	-
Leases	152,114	194,603	346,717	-
Intergovernmental	-	-	-	1,634,082
Other	368,963	905	369,868	-
Water and sewer	-	544,183	544,183	-
Internal balances	(119,527)	119,527	-	-
Due from primary government	-	-	-	666,178
Prepays and inventories	115,992	-	115,992	-
Unamortized bond issue costs	878,107	-	878,107	3,608,859
Restricted cash and investments	7,823,403	3,217,997	11,041,400	22,333,642
Capital Assets:				
Land and construction in progress, non-depreciable	52,498,059	10,337,144	62,835,203	-
Other capital assets, net of depreciation	145,336,167	72,073,323	217,409,490	-
<b>Total assets</b>	<b>235,397,606</b>	<b>93,134,292</b>	<b>328,531,898</b>	<b>29,870,089</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	2,160,086	2,034,620	4,194,706	-
Accrued interest payable	1,026,742	15,720	1,042,462	1,131,807
Unearned revenue	373,900	-	373,900	407,788
Sales tax claims payable	456,489	-	456,489	-
Due to component unit	666,178	-	666,178	-
Customer deposits	-	745,039	745,039	-
Long-term liabilities:				
Due in one year	3,636,125	280,000	3,916,125	10,387,161
Due in more than one year	65,987,242	475,253	66,462,495	188,098,377
<b>Total liabilities</b>	<b>74,306,762</b>	<b>3,550,632</b>	<b>77,857,394</b>	<b>200,025,133</b>
<b>Net Assets (Deficit)</b>				
Invested in capital assets, net of related debt	129,557,224	81,930,467	211,487,691	-
Restricted for:				
Capital projects	-	-	-	12,077
Debt service	7,819,653	3,217,997	11,037,650	25,841,365
Tourism and transportation	13,758,789	-	13,758,789	-
Nonexpendable perpetual care	4,310	-	4,310	-
Unrestricted (deficit)	9,950,868	4,435,196	14,386,064	(196,008,486)
<b>Total Net Assets</b>	<b>\$ 161,090,844</b>	<b>\$ 89,583,660</b>	<b>\$ 250,674,504</b>	<b>\$(170,155,044)</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Activities**  
**For the year ended December 31, 2010**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Governmental Activities:</b>								
General government	\$ 6,288,554	\$ 2,802,297	\$ 6,960	\$ -	\$ (3,479,297)	\$ -	\$ (3,479,297)	\$ -
Public safety	6,717,714	13,465	87,827	251,439	(6,364,983)	-	(6,364,983)	-
Public works	9,482,818	-	-	-	(9,482,818)	-	(9,482,818)	-
Engineering	658,103	1,616	-	-	(656,487)	-	(656,487)	-
Community development	1,430,800	162,255	221,193	-	(1,047,352)	-	(1,047,352)	-
Culture and recreation	2,643,310	1,519,887	-	-	(1,123,423)	-	(1,123,423)	-
Convention center	7,471,163	4,637,819	-	-	(2,833,344)	-	(2,833,344)	-
Tourism	2,248,108	-	-	-	(2,248,108)	-	(2,248,108)	-
Interest on long-term debt	3,824,038	-	-	-	(3,824,038)	-	(3,824,038)	-
<b>Total Governmental Activities</b>	<b>40,764,608</b>	<b>9,137,339</b>	<b>315,980</b>	<b>251,439</b>	<b>(31,059,850)</b>	<b>-</b>	<b>(31,059,850)</b>	<b>-</b>
<b>Business-Type Activities:</b>								
Water and sewer	8,270,508	6,073,643	3,750	3,996,655	-	1,803,540	1,803,540	-
<b>Total Business-Type Activities</b>	<b>8,270,508</b>	<b>6,073,643</b>	<b>3,750</b>	<b>3,996,655</b>	<b>-</b>	<b>1,803,540</b>	<b>1,803,540</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 49,035,116</b>	<b>\$ 15,210,982</b>	<b>\$ 319,730</b>	<b>\$ 4,248,094</b>	<b>(31,059,850)</b>	<b>1,803,540</b>	<b>(29,256,310)</b>	<b>-</b>
<b>Component Unit:</b>								
General government	4,434	-	-	-	-	-	-	(4,434)
Community development	10,524,598	462,017	517,169	-	-	-	-	(9,545,412)
<b>Total Component Unit</b>	<b>\$ 10,529,032</b>	<b>\$ 462,017</b>	<b>\$ 517,169</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,549,846)</b>
General Revenues:								
Taxes:								
Property taxes					2,560,923	-	2,560,923	-
Sales taxes - general					8,192,312	-	8,192,312	3,148,890
Sales taxes - transportation					4,129,124	-	4,129,124	-
Tourism taxes					10,907,769	-	10,907,769	731,851
Intergovernmental activity taxes					-	-	-	9,857,217
Other taxes					1,396,916	-	1,396,916	-
Unrestricted investment earnings					888,518	31,030	919,548	387,416
Gain on disposal of capital assets					104,256	-	104,256	-
Transfers					(8,061,223)	8,061,223	-	-
Total general revenues					20,118,595	8,092,253	28,210,848	14,125,374
Changes in net assets					(10,941,255)	9,896,793	(1,045,462)	4,575,528
Net assets (deficit) - beginning of year					172,032,099	79,687,867	251,719,966	(174,730,572)
Net assets (deficit) - end of year					\$ 161,090,844	\$ 89,583,660	\$ 250,674,504	\$ (170,155,044)

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Balance Sheet - Governmental Funds**  
**December 31, 2010**

	General	Tourism Tax	Transportation Sales Tax	Convention Center	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and investments	\$ 5,793,746	\$ 11,303,880	\$ 1,471,600	\$ 846,198	\$ -	\$ 4,658,798	\$ 24,074,222
Receivables, net:							
Taxes	2,123,581	760,098	946,695	-	-	-	3,830,374
Leases	152,114	-	-	-	-	-	152,114
Intergovernmental	-	-	-	-	-	-	-
Other	13,733	-	-	105,601	-	249,629	368,963
Due from other funds	-	-	-	-	-	-	-
Restricted cash and investments	-	5,815,928	-	-	2,007,475	-	7,823,403
Prepays and inventories	27,612	-	-	88,380	-	-	115,992
Total assets	<u>\$ 8,110,786</u>	<u>\$ 17,879,906</u>	<u>\$ 2,418,295</u>	<u>\$ 1,040,179</u>	<u>\$ 2,007,475</u>	<u>\$ 4,908,427</u>	<u>\$ 36,365,068</u>
<b>Liabilities</b>							
Accounts payable	\$ 602,014	\$ 22,745	\$ 286,839	\$ 489,151	\$ 3,750	\$ 81,734	\$ 1,486,233
Accrued expenditures	616,848	-	20,751	-	-	27,604	665,203
Deferred revenue	606,709	-	-	-	-	-	606,709
Sales tax claims payable	304,326	-	152,163	-	-	-	456,489
Due to component unit	425,192	45,300	195,686	-	-	-	666,178
Due to other funds	-	-	-	-	-	-	-
Total Liabilities	<u>2,555,089</u>	<u>68,045</u>	<u>655,439</u>	<u>489,151</u>	<u>3,750</u>	<u>109,338</u>	<u>3,880,812</u>
<b>Fund Balances</b>							
Reserved for:							
Encumbrances	65,075	25,574	12,135	-	-	465,111	567,895
Prepays and inventories	27,612	-	-	88,380	-	-	115,992
Debt service	-	5,815,928	-	-	2,003,725	-	7,819,653
Other purposes	-	-	-	-	-	4,310	4,310
Unreserved:							
Designated for:							
Contingencies and other	5,040,363	1,703,174	-	-	-	-	6,743,537
Undesignated, reported in:							
General fund	422,647	-	-	-	-	-	422,647
Special revenue fund	-	10,267,185	1,750,721	462,648	-	594,107	13,074,661
Capital projects fund	-	-	-	-	-	3,735,561	3,735,561
Total Fund Balances	<u>5,555,697</u>	<u>17,811,861</u>	<u>1,762,856</u>	<u>551,028</u>	<u>2,003,725</u>	<u>4,799,089</u>	<u>32,484,256</u>
Total liabilities and fund balances	<u>\$ 8,110,786</u>	<u>\$ 17,879,906</u>	<u>\$ 2,418,295</u>	<u>\$ 1,040,179</u>	<u>\$ 2,007,475</u>	<u>\$ 4,908,427</u>	<u>\$ 36,365,068</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Reconciliation of the Balance Sheet - Governmental**  
**Funds to the Statement of Net Assets**  
**December 31, 2010**

Amounts reported for governmental activities in the statement of net assets are different because:

Ending fund balances - total governmental funds	\$	32,484,256
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Governmental funds report capital outlays as expenditures. However, in the Statement of Net Assets the cost of those assets is capitalized and shown at cost, net of accumulated depreciation. This is the amount of net capital assets reported in the Statement of Net Assets		197,834,226
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Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements		232,809
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Bond issuance costs, net		878,107
Accrued interest payable		(1,026,742)
Long-term debt		(69,623,367)

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 assets. Internal service fund capital assets of \$2,092,221 are included above.		<u>311,555</u>
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Total net assets of governmental activities	\$	<u><u>161,090,844</u></u>
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**CITY OF BRANSON, MISSOURI**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Governmental Funds**  
For the year ended December 31, 2010

	General	Tourism Tax	Transportation Sales Tax	Convention Center	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
Taxes	\$ 11,717,032	\$ 10,907,769	\$ 4,369,356	\$ -	\$ -	\$ 82,506	\$ 27,076,663
Licenses and permits	594,662	-	-	-	-	-	594,662
Court fines	721,396	-	-	-	-	-	721,396
Lease and rent	1,299,524	-	-	-	-	-	1,299,524
Charges for services	542,260	-	-	4,637,819	-	1,356,992	6,537,071
Intergovernmental	94,788	-	-	-	-	-	94,788
Contributions from component unit	-	-	-	-	221,193	-	221,193
Interest income	24,046	737,423	-	-	127,349	-	888,518
Miscellaneous	150,015	-	-	-	-	162,995	313,010
Total revenues	15,143,723	11,644,892	4,369,356	4,637,819	348,542	1,602,493	37,746,825
<b>Expenditures:</b>							
Current:							
General government	5,919,194	-	-	-	-	-	5,919,194
Public safety	5,980,396	-	-	-	-	-	5,980,396
Public works	914,501	-	2,214,027	-	-	-	3,128,528
Engineering	595,835	-	-	-	-	-	595,835
Community development	842,542	-	-	-	517,169	-	1,359,711
Culture and recreation	-	-	-	-	-	2,020,121	2,020,121
Convention center	-	-	-	5,385,970	-	-	5,385,970
Tourism	-	2,479,293	-	-	-	-	2,479,293
Capital outlay	-	-	-	-	-	745,892	745,892
Debt service:							
Principal retirement	-	2,462,000	-	-	465,000	-	2,927,000
Interest and fiscal charges	-	1,614,145	-	-	2,069,479	-	3,683,624
Total expenditures	14,252,468	6,555,438	2,214,027	5,385,970	3,051,648	2,766,013	34,225,564
Excess of revenues over (under) expenditures	891,255	5,089,454	2,155,329	(748,151)	(2,703,106)	(1,163,520)	3,521,261
<b>Other financing sources (uses):</b>							
Bonds issued	-	15,535,000	-	-	-	-	15,535,000
Discount	-	(98,377)	-	-	-	-	(98,377)
Payment to bond escrow agent	-	(7,854,917)	-	-	-	-	(7,854,917)
Transfers in	-	-	-	792,503	2,771,005	891,859	4,455,367
Transfers out	(2,822,985)	(8,472,600)	(1,221,000)	-	-	(5)	(12,516,590)
Total other financing sources (uses)	(2,822,985)	(890,894)	(1,221,000)	792,503	2,771,005	891,854	(479,517)
Net change in fund balances	(1,931,730)	4,198,560	934,329	44,352	67,899	(271,666)	3,041,744
Fund balances - beginning of year	7,487,427	13,613,301	828,527	506,676	1,935,826	5,070,755	29,442,512
Fund balances - end of year	\$ 5,555,697	\$ 17,811,861	\$ 1,762,856	\$ 551,028	\$ 2,003,725	\$ 4,799,089	\$ 32,484,256

**CITY OF BRANSON, MISSOURI**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances -**  
**Governmental Funds to the Statement of Activities**  
**For the year ended December 31, 2010**

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds \$ 3,041,744

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 amount by which depreciation exceeded capital outlays in the current period:

Capital outlay	969,686
Depreciation expense	(10,659,274)

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

Deferred revenue	93,241
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The issuance of long-term debt (eg. bonds, leases) 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 assets. Also, governmental funds report the effect of issuance costs, 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.

Principal payments	2,927,000
Payment to bond escrow agent	7,854,917
Debt issued	(15,535,000)
Amortization of issuance costs, discounts and deferred amounts, net	115,346
Change in accrued interest payable	(157,383)

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.

Change in accrued compensated absences	(68,739)
Change in net pension obligation	(68,821)
Change in other post employment benefit obligations	(86,714)

Internal service funds are used by management to charge the costs of vehicles and equipment replacement to individual funds. The net revenue of certain activities of the Internal Service fund is reported with governmental activities. \$460,561 of depreciation related to internal service funds is included with depreciation above.

632,742

Total changes in net assets of governmental activities	<u><u>\$ (10,941,255)</u></u>
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**CITY OF BRANSON, MISSOURI**  
**Statement of Net Assets**  
**Proprietary Funds**  
**December 31, 2010**

	Enterprise Water and Sewer	Internal Service Equipment Replacement
<b>Assets</b>		
Current assets:		
Cash and investments	\$ 6,646,610	\$ 439,732
Receivables (net of allowances for uncollectibles)		
Water and sewer billings	544,183	-
Leases and other	194,603	-
Other	905	-
Total current assets	7,386,301	439,732
Noncurrent assets:		
Restricted cash and investments	3,217,997	-
Capital Assets:		
Land and improvements	10,337,144	-
Other capital assets, net of depreciation	72,073,323	2,092,221
Total capital assets	82,410,467	2,092,221
Total noncurrent assets	85,628,464	2,092,221
Total assets	93,014,765	2,531,953
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	1,917,118	8,650
Accrued expenses	75,784	-
Accrued interest	15,720	-
Utility deposits	745,039	-
Other liabilities	41,718	-
Long-term liabilities due in one year	280,000	-
Total current liabilities	3,075,379	8,650
Noncurrent liabilities:		
Long-term liabilities	475,253	-
Total noncurrent liabilities	475,253	-
Total liabilities	3,550,632	8,650
<b>Net Assets</b>		
Invested in capital assets, net of related debt	81,930,467	2,092,221
Restricted - debt service	3,217,997	-
Unrestricted	4,315,669	431,082
Total net assets	89,464,133	\$ 2,523,303
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	119,527	
Net assets of business-type activities	\$ 89,583,660	

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the year ended December 31, 2010**

	<u>Enterprise Water and Sewer</u>	<u>Internal Service Equipment Replacement</u>
<b>Operating revenues:</b>		
Charges for services (pledged as security for revenue bonds):		
Water	\$ 2,625,831	\$ -
Sewer	3,327,220	-
Rental income	-	297,955
Miscellaneous	25,445	-
Total operating revenues	<u>5,978,496</u>	<u>297,955</u>
<b>Operating expenses:</b>		
Personal services	2,509,383	-
Contractual services	1,497,541	-
Commodities	679,637	34,268
Depreciation	3,520,297	460,561
Total operating expenses	<u>8,206,858</u>	<u>494,829</u>
Operating income (loss)	<u>(2,228,362)</u>	<u>(196,874)</u>
<b>Nonoperating revenues (expenses):</b>		
Sewer capacity fees	95,147	-
Interest income	31,030	-
Intergovernmental	3,750	251,439
Gain (loss) on disposal of capital assets	(11,000)	104,256
Interest expense	(39,290)	-
Total nonoperating revenues (expenses)	<u>79,637</u>	<u>355,695</u>
Income (loss) before transfers and capital contributions	(2,148,725)	158,821
Transfers in	8,061,223	-
Capital contribution	<u>3,996,655</u>	<u>-</u>
Change in net assets	9,909,153	158,821
Total net assets-beginning of year	<u>79,554,980</u>	<u>2,364,482</u>
Total net assets-end of year	<u>\$ 89,464,133</u>	<u>\$ 2,523,303</u>
Change in net assets	\$ 9,909,153	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(13,360)</u>	
Change in net assets of business-type activities	<u>\$ 9,895,793</u>	

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Cash Flows -**  
**Proprietary Funds**  
**For the year ended December 31, 2010**

	<u>Enterprise</u> <u>Water and</u> <u>Sewer</u>	<u>Internal Service</u> <u>Equipment</u> <u>Replacement</u>
<b>Cash flows from operating activities:</b>		
Receipts from customers	\$ 6,218,630	\$ 297,955
Payments to suppliers	(2,077,832)	(25,618)
Payments to employees for services	(2,560,332)	-
Net cash provided by (used in) operating activities	<u>1,580,466</u>	<u>272,337</u>
<b>Cash flows from capital and related financing activities:</b>		
Purchases of capital assets	(4,670,953)	(558,470)
Principal paid on capital debt	(10,000)	-
Interest and bond cost paid on capital debt	(43,875)	-
Intergovernmental	3,750	251,439
Sewer capacity fees	95,147	-
Net cash (used in) capital and related financing activities	<u>(4,625,931)</u>	<u>(307,031)</u>
<b>Cash flows from investment activities:</b>		
Interest and dividends	31,030	-
Net cash provided by (used in) investing activities	<u>31,030</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	5,046,788	(34,694)
Cash and cash equivalents, beginning of year	4,817,819	474,426
Cash and cash equivalents, end of year	<u>\$ 9,864,607</u>	<u>\$ 439,732</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ (2,228,362)	\$ (196,874)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	3,520,297	460,561
Change in assets and liabilities:		
Receivables (net)	227,668	-
Accounts and other payables	99,346	8,650
Accrued expenses	(50,949)	-
Utility deposits	12,466	-
Net cash provided by (used in) operating activities	<u>\$ 1,580,466</u>	<u>\$ 272,337</u>
<b>Cash consists of :</b>		
Cash and investments	\$ 6,646,610	\$ 439,732
Restricted cash and investments	3,217,997	-
	<u>\$ 9,864,607</u>	<u>\$ 439,732</u>
<b>Noncash capital and related financing activities:</b>		
Capital contribution	<u>\$ 3,996,655</u>	<u>\$ -</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Net Assets -**  
**Fiduciary Funds**  
**December 31, 2010**

	<u>Agency Fund</u> <u>Landscape Trust</u>
<b>Assets</b>	
Cash and cash equivalents	\$ <u>938,496</u>
<b>Liabilities</b>	
Due to others	\$ <u>938,496</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**1 - Summary of Significant Accounting Policies**

The City of Branson, Missouri (the City) is a municipal corporation governed by an elected mayor and a six member Board of Aldermen. The City provides services to residents in many areas, including law enforcement, fire protection, water and sewer services, community enrichment and development, recreation and various social services.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The following is a summary of the more significant accounting and reporting policies and practices of the City.

**The Financial Reporting Entity**

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are separate legal entities for which are included in the primary government's financial report. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the City's financial accountability for the potential component unit. An entity is considered a component unit if City officials appoint a voting majority of the component unit's governing body and the City is able to impose its will upon the component unit. Additionally, if the entity provides specific financial benefits to or imposes specific financial burdens on the City, it may be considered a component unit.

This report includes the financial statements of the City (the primary government) and its component unit, the Tax Increment Financing Commission (the Commission). The Commission is considered to be a discretely presented component unit and is presented in a separate column on the government-wide financial statements to emphasize that it is a separate entity from the City. The City is financially accountable for the Commission because the City approves the Commission's annual budget.

The Commission is governed by an 11-member board, of which six members are appointed by the Board of Aldermen. The remaining five members (two from the county, two from the local school district and one from other taxing jurisdictions) are appointed by the respective taxing districts' boards. Financial transactions of the Commission are processed by the Finance Department of the City on the Commission's behalf. No separate financial statements are issued by the Commission.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter 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.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The agency fund does not have a measurement focus, but does use the accrual basis of accounting to present its financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which the taxes are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 90-day availability period is used for revenue recognition for all governmental fund revenues except property taxes for which a 60-day availability period is used. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tourism taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 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 are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

The City reports the following major funds:

**Major Governmental Funds**

*General Fund* – Is used to account for the general operations of the City and all unrestricted revenues and expenditures not required to be accounted for in other funds.

*Tourism Tax Fund* – is used to account for the proceeds of tourism tax requiring separate accounting because of legal or regulatory provisions.

*Transportation Sales Tax Fund* – is used to account for the proceeds of transportation sales tax requiring a separate accounting because of legal or regulatory provisions or administrative action.

*Convention Center Fund* – is used to account for the City's convention center activities.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

*Debt Service Fund* – is used to account for the accumulation of resources for the payment of principal and interest on long-term debt other than the debt reported in the Component Unit.

**Major Proprietary Funds**

*Water and Sewer Fund* – accounts for the activities of the water distribution system, the sewage treatment plant and the sewage pumping stations and collection systems.

Additionally, the government reports the following fund types:

*Internal Service Fund* - accounts for fleet management services provided to other departments on a cost reimbursement basis.

*Agency Funds* - are used to account for activities not involving the measurement of results of operations because they are custodial in nature. The City's agency fund is used to account for landscape and tree deposits held by the City as an agent for property owners who have applied for building permits.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, producing, and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

Cash and investments of the individual funds are combined to form a pool, which is managed by the Finance Department. Each fund's equity in the pool is included in "cash and investments" in the financial statements. Investment earnings, including interest income, are allocated to the funds required to accumulate interest. If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the General Fund.

The investments consist of short-term money market mutual funds held in trust for debt service reserve requirements. The money market mutual funds are recorded at fair value.

Statement of Cash Flows

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Receivables and Payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles. An allowance of \$480,276 is recorded at December 31, 2010.

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Restricted Cash and Investments

The City's restricted cash and investments primarily consist of amounts required for future debt service payments and related debt reserves. The City is also statutorily required to maintain customer utility deposits separate from City assets.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure ( e.g., roads, bridges, sidewalks and similar items) and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The City capitalizes interest on the construction of business-type capital assets when material.

The City's capital assets are depreciated using the straight-line method over the estimated useful life of the capital assets. The estimated useful lives are:

Water and sewer treatment plants	40 - 50 years
Water and sewer mains and lines	20 - 40 years
Equipment	5 - 10 years
Buildings and fixtures	30 - 40 years
Furniture	5 - 10 years
Infrastructure	10 - 40 years
Vehicles	2 - 7 years

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Compensated Absences

City policies permit full-time employees to accumulate sick pay benefits and vacation time based on the number of years of service. Accumulated vacation payable is recorded when incurred in the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, a liability is reported only if it has matured, for example, as a result of employee resignations and retirements. One-half of accumulated sick leave is paid to employees upon leaving the City in good standing. This amount of sick leave is recorded in the government-wide and proprietary fund statements with the amount due within one year estimated based on past payouts. See Note 7 for the accumulated obligation for compensated absences.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance cost, are deferred and amortized over the life of the bonds using the effective interest and straight-line methods. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost are reported as deferred charges and amortized over the term of the related debt.

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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the accrual debt proceeds received, are reported as debt services expenditures. See Note 7 for information on the City's long-term obligations as well as for information on debt included within the City's discretely presented component unit.

Equity Classifications

In the government-wide statements, equity is shown as net assets and classified into three components:

- (1) Invested in capital assets, net of related debt – 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.
- (2) Restricted net assets – consisting of net assets with constraints placed on their 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.
- (3) Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Use of Estimates

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

Pending Governmental Accounting Standards Board Statements

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* which the City will be required to implement in the fiscal year beginning January 1, 2011. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds, as well as clarifying the definitions of the various governmental fund types.

Additionally, the GASB has issued the following statement which may impact the City's financial reporting requirements in the future:

- GASB Statement 57 – *OPEB Measurements by Agent Employers and Agent-Multiple Employer Plans*, effective for the fiscal year beginning January 1, 2012.
- GASB Statement 59 – *Financial Instruments Omnibus*, effective for the fiscal year beginning January 1, 2011.
- GASB Statement 60 – *Accounting and Financial Reporting for Service Concession Arrangements*, effective for the fiscal year beginning January 1, 2012.
- GASB Statement 61 – *The Financial Reporting Entity – Omnibus*, effective for the fiscal year beginning January 1, 2013.
- GASB Statement 62 – *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for the fiscal year beginning January 1, 2012.

**2 - Stewardship, Compliance and Accountability**

Budgetary Information

Budgeting

Missouri statutes require that all political subdivisions of the State prepare an annual budget. Governmental funds required to have legally adopted annual budgets are the general fund, the special revenue funds, and the debt service fund. Legally adopted annual budgets are not required for the capital projects fund and the permanent fund. Annual budgets for all governmental funds are adopted using the modified accrual basis of accounting, modified further by the encumbrance method of accounting.

Budgeted expenditures cannot exceed budgeted revenues and unencumbered positive fund balances as required by Sanction 67.010 RSMo.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Expenditures in Excess of Budgeted Appropriations

During the current year, the City issued \$7,995,000 City of Branson, Missouri Tourism Tax Revenue Refunding Bonds, Series 2010A to refund the City's Series 1998B Tourism Tax Revenue Bonds and \$7,540,000 City of Branson, Missouri Tourism Tax Revenue Bonds, Series 2010B to fund certain water and sewer improvement projects. While the Board of Alderman approved the issuance of these bonds and the Finance Committee approved the budget amendment, the City's 2010 budget was not formally amended by the Board of Aldermen to include the financing sources and uses of the bonds. As a result, actual expenditures exceeded budgeted appropriations in the Tourism Fund by \$15,234,673. In addition, actual expenditures exceeded budgetary appropriations in the Transportation Sales Tax Fund by \$134,168.

**3 - Deposits and Investments**

As of December 31, 2010, the City's cash and investments consisted of the following:

	<b>2010</b>
Investments:	
Short-term investments held in trust	\$ 31,331,336
Deposits	35,745,624
Petty cash	24,470
 Total cash and investments	 \$ 67,101,430

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

	<b>Government-wide statement of net assets</b>	<b>Fiduciary funds statement of net assets</b>	<b>Component Unit</b>	<b>Grand Total</b>
Cash and investments	\$ 31,160,564	\$ 938,496	\$ 1,627,328	\$ 33,726,388
Restricted cash and investments	11,041,400	-	22,333,642	33,375,042
	\$ 42,201,964	\$ 938,496	\$ 23,960,970	\$ 67,101,430

*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 retained by the General Fund, unless required to be maintained separately. All investments are carried 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.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

*Interest Rate risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At December 31, 2010, all of the City's investments were short-term money market mutual funds held in trust with maturities of less than one year.

*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. Missouri statutes prohibit municipalities from investing in derivative, leveraged, or speculative securities. City Resolution No. 2004-RO12 further limits the City's investments in securities to U.S. Treasury obligations. At December 31, 2010, all of the City's investments were short-term money market mutual funds held in trust which are not subject to such risks.

*Concentration of Credit Risk*

The City places no limit on the amount it may invest in any one issuer. At December 31, 2010, all of the City's investments were short-term money market mutual funds held in trust which are not subject to such risks.

*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 demand deposits with securities held by the financial institution's agent and in the City's name.

As of December 31, 2010, all of the City's deposits were insured with Federal depository insurance, with the remaining uninsured balance 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 were exposed to custodial credit risk as of December 31, 2010.

**4 - Taxes**

Taxes receivable as of December 31, 2010 were as follows:

	<u>Property Tax</u>	<u>City Sales Tax</u>	<u>Tourism Tax</u>	<u>Total</u>
Fund:				
General	\$ 224,251	\$ 1,899,330	\$ -	\$ 2,123,581
Tourism Tax	-	-	760,098	760,098
Transportation Sales Tax	-	946,695	-	946,695
Total	<u>\$ 224,251</u>	<u>\$ 2,846,025</u>	<u>\$ 760,098</u>	<u>\$ 3,830,374</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Tax revenues for the year ended December 31, 2010 were as follows:

	<u>Property Tax</u>	<u>City Sales Tax</u>	<u>Tourism Tax</u>	<u>Franchise Tax</u>	<u>Other Taxes</u>	<u>Total</u>
Major governmental funds:						
General	\$ 2,450,542	\$ 8,192,312	\$ -	\$ 846,302	\$ 227,876	\$ 11,717,032
Tourism Tax	-	-	10,907,769	-	-	10,907,769
Transportation Sales Tax	-	4,129,124	-	-	240,232	4,369,356
Nonmajor funds	-	-	-	-	82,506	82,506
<b>Total</b>	<u><u>\$ 2,450,542</u></u>	<u><u>\$ 12,321,436</u></u>	<u><u>\$ 10,907,769</u></u>	<u><u>\$ 846,302</u></u>	<u><u>\$ 550,614</u></u>	<u><u>\$ 27,076,663</u></u>

**Sales Tax Claims Payable**

A petition for review of a decision of the Administrative Hearing Commission regarding certain sales tax "resale" exemptions and certain refund claims requested by Music City Centre Management, LLC versus the Director of Revenue was ruled upon by the Supreme Court of Missouri (Case No. SC89547). The Supreme Court's ruling both affirmed significant portions and reversed other portions of the Administrative Hearing Commission decision that certain sales qualified for the "resale" exemption and the Music City Centre Management, LLC was entitled to a refund claim for certain taxes paid. City management has determined that other entities may file claims as a result of the above ruling and originally recorded an estimated sale tax claims payable obligation totaling \$900,000. As of December 31, 2010, the estimated outstanding balance of claims payable was \$456,489.

The City's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property in the City. Assessed values are established by the Taney County Assessor's Office. The assessed values at January 1, 2009, upon which the 2009 levy was based and upon which the ad valorem tax revenues for the period ended December 31, 2010 are recorded, are as follows:

Real estate	\$ 420,847,761
Personal property and business personal	<u>60,937,232</u>
	<u><u>\$ 481,784,993</u></u>

Property taxes are due and payable on November 1 and become delinquent on January 1. Amounts received prior to December 31<sup>st</sup> related to the 2010 tax year are deferred as those amounts are not available until the following fiscal year.

The 2009 tax levy per \$ 100 assessed valuation was:

General	\$ 0.5116
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**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**5 - Capital Assets**

Capital asset activity for the year ended December 31, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 51,676,017	\$ 446,782	\$ -	\$ 52,122,799
Construction in progress	8,822,626	831,749	9,279,115	375,260
Total Capital assets not being depreciated	<u>60,498,643</u>	<u>1,278,531</u>	<u>9,279,115</u>	<u>52,498,059</u>
Capital Assets being depreciated:				
Buildings and fixtures	76,146,317	46,140	-	76,192,457
Equipment	10,604,956	821,593	244,053	11,182,496
Vehicles	1,147,696	-	67,924	1,079,772
Infrastructure	158,283,164	8,799,466	-	167,082,630
Furniture	2,954,716	-	-	2,954,716
Land improvements	2,277,756	-	14,200	2,263,556
Total capital assets being depreciated	<u>251,414,605</u>	<u>9,667,199</u>	<u>326,177</u>	<u>260,755,627</u>
Less accumulated depreciation for:				
Buildings and fixtures	10,203,872	2,552,762	-	12,756,634
Equipment	6,134,602	1,000,467	203,885	6,931,184
Vehicles	867,875	44,449	67,923	844,401
Infrastructure	85,904,698	6,682,256	-	92,586,954
Furniture	700,411	287,149	-	987,560
Land improvements	1,226,571	92,191	6,035	1,312,727
Total accumulated depreciation	<u>105,038,029</u>	<u>10,659,274</u>	<u>277,843</u>	<u>115,419,460</u>
Total capital assets being depreciated, net	<u>146,376,576</u>	<u>(992,075)</u>	<u>48,334</u>	<u>145,336,167</u>
Governmental activities capital assets, net	<u>\$ 206,875,219</u>	<u>\$ 286,456</u>	<u>\$ 9,327,449</u>	<u>\$ 197,834,226</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 3,784,962	\$ 120,549	\$ -	\$ 3,905,511
Construction in progress	585,135	6,080,812	234,314	6,431,633
Total Capital assets not being depreciated	<u>4,370,097</u>	<u>6,201,361</u>	<u>234,314</u>	<u>10,337,144</u>
Capital Assets being depreciated:				
Water and sewer treatment plants	70,012,844	-	-	70,012,844
Water and sewer mains and lines	45,415,114	3,876,105	-	49,291,219
Machinery and equipment	2,139,392	273,116	68,190	2,344,318
Total capital assets being depreciated	<u>117,567,350</u>	<u>4,149,221</u>	<u>68,190</u>	<u>121,648,381</u>
Less accumulated depreciation for:				
Water and sewer treatment plants	25,507,647	1,768,520	-	27,276,167
Water and sewer mains and lines	19,318,018	1,581,322	-	20,899,340
Machinery and equipment	1,286,286	170,455	57,190	1,399,551
Total accumulated depreciation	<u>46,111,951</u>	<u>3,520,297</u>	<u>57,190</u>	<u>49,575,058</u>
Total capital assets being depreciated, net	<u>71,455,399</u>	<u>628,924</u>	<u>11,000</u>	<u>72,073,323</u>
Business-type activities capital assets, net	<u>\$ 75,825,496</u>	<u>\$ 6,830,285</u>	<u>\$ 245,314</u>	<u>\$ 82,410,467</u>

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

Governmental activities:	
General government	\$ 298,786
Public safety	413,883
Public works	6,485,107
Engineering	88,024
Culture and recreation	527,557
Convention center	2,385,356
Internal service	460,561
Total depreciation expense - governmental activities	<u>\$ 10,659,274</u>
Business-type activities:	
Water and sewer	<u>\$ 3,520,297</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**6 - Leases**

Operating Leases

Non-cancellable operating revenue leases for City land expire in various years through 2034. These leases generally contain renewal options for periods ranging from five to thirty-five years and require the lessees to pay all executory cost (property taxes, maintenance and insurance). Lease income includes minimum rentals plus contingent rentals based on sales.

Future lease income on minimum rentals is approximately \$336,000 per year.

The cost of the land the City leases is \$4,000.

For the year ended December 31, 2010, lease income for all operating leases was approximately \$1,046,000.

Capital Lease

The City has a lease agreement as a lessor on City property with Pointe Royale. This lease agreement qualifies as a capital lease and has therefore been recorded at the present value of the future minimum lease payments as of the inception date. At December 31, 2010 the lease receivable balance was \$194,603.

Future minimum lease payments to be received are as follows:

2011	\$	14,323
2012		14,753
2013		15,195
2014		15,651
2015		16,121
2016-2020		88,155
2021-2022		30,405
Present value of minimum lease payments	\$	194,603

Branson Landing Lease – Branson Landing TIF Plan

The City and the Developer have entered into a 99 year master lease agreement related to the Branson Landing project. Under the agreement, commencing on January 2, 2010 and through year 30 of the agreement, a base and contingent rental lease payment is due to the City. The lease payment will consist of an annual base amount of \$252,000 plus a contingent lease payment of 1/4<sup>th</sup> of 1 percent of sales in excess of \$15 million within the defined boundary area. The total annual lease payments cannot exceed \$450,000. The City received \$462,017, including interest of \$12,017, under this agreement for the year ended December 31, 2010.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**7 - Long-Term Obligations**

Long-term obligations activity for year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable					
Revenue Bonds	\$ 25,284,000	\$ 15,535,000	\$ 10,252,000	\$ 30,567,000	\$ 2,455,000
Special Limited Obligation Bonds	38,805,000	-	465,000	38,340,000	485,000
Less deferred amounts:					
For issuance discounts	(86,226)	(98,377)	(12,086)	(172,517)	(18,104)
On refunding	(424,014)	(431,860)	(398,393)	(457,481)	(60,771)
Total bonds payable	<u>63,578,760</u>	<u>15,004,763</u>	<u>10,306,521</u>	<u>68,277,002</u>	<u>2,861,125</u>
Compensated absences **	1,035,951	758,682	689,943	1,104,690	775,000
Net pension obligation **	-	68,821	-	68,821	-
Other post employment benefits **	86,140	86,714	-	172,854	-
Governmental activities long-term obligations	<u>64,700,851</u>	<u>15,850,159</u>	<u>10,996,464</u>	<u>69,554,546</u>	<u>3,636,125</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 620,000	\$ -	\$ 140,000	\$ 480,000	\$ 150,000
Compensated absences	169,988	124,071	108,193	185,866	130,000
Net pension obligation	-	25,454	-	25,454	-
Other post employment benefits	31,860	32,072	-	63,932	-
Business-type activities long-term obligations	<u>821,848</u>	<u>181,597</u>	<u>248,193</u>	<u>755,252</u>	<u>280,000</u>
Total Primary Government	<u>\$ 65,522,699</u>	<u>\$ 16,031,756</u>	<u>\$ 11,244,657</u>	<u>\$ 70,309,798</u>	<u>\$ 3,916,125</u>

\*\* For governmental activities, compensated absences, net pension obligation, and other post employment benefits are generally liquidated by the general fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Discretely Presented Component Unit:</b>					
Bonds payable:					
Tax Increment Financing	\$ 201,265,190	\$ -	\$ 4,025,000	\$ 197,240,190	\$ 3,825,000
Less deferred amounts:					
For issuance discounts	(348,457)	-	(28,632)	(319,825)	(27,941)
Premiums	1,659,049	-	93,876	1,565,173	93,460
Total bonds payable	<u>\$ 202,575,782</u>	<u>\$ -</u>	<u>\$ 4,090,244</u>	<u>\$ 198,485,538</u>	<u>\$ 3,890,519</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**Revenue Bonds**

**Governmental activities**

The City has pledged future tourism tax revenues, net of specified operating expenditures, to repay the bonds described below. The bonds are payable solely from tourism tax net revenues. Annual principal and interest remaining to be paid on the bonds is \$38,833,936. For the year ended December 31, 2010, principal and interest paid were \$4,076,145 and total tourism tax revenues for the year were \$10,907,769. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves related to these bonds was \$5,815,928 at December 31, 2010.

The City has issued the following revenue bonds for the purpose of funding various City infrastructure projects:

	Balance at December 31, 2010
Limited Obligation bonds (State Revolving Fund Program) Series 1994A of \$3,500,000 issued August 1994; 4.25% to 6.05% interest payable semiannually, remaining principal payments due annually of \$217,000 to \$291,000. Final maturity July 1, 2014. Bonds maturing after July 1, 2006 and thereafter may be called on June 1, 2005 and every June 1 and December 1 thereafter at par.	\$ 1,067,000
Limited Obligation bonds (State Revolving Fund Program) Series 1995A of \$17,450,000 issued May 1995; 4.75% to 6.05% interest payable semiannually, remaining principal payments due annually of \$190,000 to \$2,350,000. Final maturity July 1, 2016. Bonds maturing after July 1, 2006 and thereafter may be called on July 1, 2005 and every July 1 thereafter at par.	12,125,000
Tourism Tax Revenue Bonds, Series 2007 of \$1,840,000 issued March 2007; 4.45% interest payable semiannually. Principal amount due on January 1, 2019.	1,840,000
Tourism Tax Revenue Refunding bonds, Series 2010A of \$7,995,000 issued February 2010; 3.85% interest payable semiannually, remaining principal payments due annually of \$435,000 to \$3,140,000. Final maturity January 1, 2018. Bonds maturing after January 1, 2016 and thereafter may be called at par.	7,995,000
Tourism Tax Revenue bonds, Series 2010B of \$7,540,000 issued March 2010; 3.0% to 4.35% interest payable semiannually, remaining principal payments due annually of \$125,000 to \$1,345,000. Final maturity January 1, 2022. Bonds maturing after January 1, 2016 and thereafter may be called at par.	7,540,000
	\$ 30,567,000

**Advance Refunding**

The City issued \$7,995,000 City of Branson, Missouri Tourism Tax Revenue Refunding Bonds, Series 2010A to advance refund the City's Series 1998B Tourism Tax Revenue Bonds. The net bond proceeds of \$7,854,917 were deposited in trust with an escrow agent to provide for all future debt service payments on the refunded Series 1998B Tourism Bonds. As a result, the refunded bonds are considered defeased and the liability for those bonds have been removed from the long-term debt. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$431,860. This amount is reported as a deduction from bonds payable and is amortized over the remaining life of the refunded debt using the straight-line method. The City completed this advance refunding to reduce its debt service payments by \$327,788 and to obtain an economic gain of \$300,800.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**Business-type activities**

Interest and principal payments on the Water and Sewer Fund Revenue Bonds are payable solely from water and sewer system revenues. Bond indentures require monthly cash transfers to restricted accounts in order to accumulate necessary payment funding. The bonds are secured by the City's waterworks and sewerage system. Restricted debt service reserves for this issue at December 31, 2010 totaled \$231,430.

Balance at  
December 31, 2010

Combined Waterworks and Sewerage System Bonds of \$2,000,000 issued as part of Missouri State Environmental and Energy Resources Authority Water Pollution Control Revenue Bonds Series 1992A, issued August 1, 1992; 4.5% to 6.5% interest payable semiannually, remaining principal payments due annually of \$130,000 to \$ 170,000. Final maturity July 1, 2013. Bonds maturing June 1, 2008 and July 1, 2013 may be called every June 1 and December 1 after June 1, 2004 at par.

\$ 480,000

**Special Limited Obligation Bonds**

The City has the following special limited obligation bonds related to its governmental activities:

Balance at  
December 31, 2010

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds) Series 2003A of \$56,290,000 issued January 2003; 2.5% to 5.5% interest payable semiannually, principal payments due annually ranging from \$1,070,000 to \$2,940,000 with final maturity on December 1, 2032. Bonds maturing on or after December 1, 2017 may be called on or after December 1, 2012 at par. City management has determined that a portion of the original amount of this obligation should be reported as follows: \$6,690,000 in the discretely presented Tax Increment Financing Commission and \$49,600,000 should be reported in this governmental activities section of long-term obligations.

\$ 38,340,000

The bonds were issued by the Missouri Development finance Board (MDFB) to refund certain bonds previously issued for the purposes of funding the City's Branson Landing redevelopment project and certain City facilities and infrastructure project costs. The City conveyed certain properties (including City Hall and a fire station) to the MDFB, and the MDFB leases those properties to the City. The City's lease payments are security for the required annual interest and principal payments on the bonds. Upon retirement of the bonds, the properties will revert to the City. Restricted investment reserves for the above special limited obligation bonds at December 31, 2010 were \$2,007,475.

As discussed above, City management has determined that a portion of the Series 2003A bonds related to the Branson Meadows tax increment financing plan be presented in the discretely presented Tax Increment Financing Commission. During the year ending December 31, 2010, the City contributed \$517,169 from the Debt Service Fund to the Tax Increment Financing Commission component unit to meet the debt service requirements related to Branson Meadows portion of the 2003A bonds.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

The MDFB 2004A and 2005B Branson Landing Tax Increment Financing Revenue Bonds contain certain pledged revenue and reserve fund priority provisions also known as the "Waterfall" provision. Under the Waterfall, as calculated prior to the next scheduled debt service requirements of the 2004A and 2005B bonds, should there be excess funds available after meeting the priority provisions, those excess funds can be used for debt service requirements of the 2003A bonds. During the year ended December 31, 2010, waterfall amounts of \$221,193 were contributed to the City's Debt Service Fund from the Tax Increment Financing Commission to be used for the 2003A debt service requirements. Total waterfall amounts since inception is \$641,407.

Revenue and Special Limited Obligation bonds debt service requirements to maturity are as follows:

	<b>Governmental activities</b>					
	<b>Revenue Bonds</b>		<b>Special Limited Obligation</b>		<b>Total Governmental Activities</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 2,455,000	\$ 1,588,947	\$ 485,000	\$ 2,043,377	\$ 2,940,000	\$ 3,632,324
2012	2,803,000	1,345,386	505,000	2,038,009	3,308,000	3,383,395
2013	2,878,000	1,192,949	1,100,000	2,001,292	3,978,000	3,194,241
2014	2,896,000	1,033,732	1,160,000	1,946,292	4,056,000	2,980,024
2015	2,955,000	871,863	1,215,000	1,888,294	4,170,000	2,760,157
2016-2020	13,355,000	2,106,348	7,060,000	8,451,126	20,415,000	10,557,474
2021-2025	3,225,000	127,712	9,165,000	6,355,734	12,390,000	6,483,446
2026-2030	-	-	11,920,000	3,603,538	11,920,000	3,603,538
2031-2034	-	-	5,730,000	476,850	5,730,000	476,850
	<u>\$ 30,567,000</u>	<u>\$ 8,266,937</u>	<u>\$ 38,340,000</u>	<u>\$ 28,804,512</u>	<u>\$ 68,907,000</u>	<u>\$ 37,071,449</u>

	<b>Business-type Activities</b>		<b>Primary Government</b>	
	<b>Revenue Bonds</b>		<b>Total</b>	
	Principal	Interest	Principal	Interest
2011	\$ 150,000	\$ 31,440	\$ 3,090,000	\$ 3,663,764
2012	160,000	21,615	3,468,000	3,405,010
2013	170,000	11,135	4,148,000	3,205,376
2014	-	-	4,056,000	2,980,024
2015	-	-	4,170,000	2,760,157
2016-2020	-	-	20,415,000	10,557,474
2021-2025	-	-	12,390,000	6,483,446
2026-2030	-	-	11,920,000	3,603,538
2031-2034	-	-	5,730,000	476,850
	<u>\$ 480,000</u>	<u>\$ 64,190</u>	<u>\$ 69,387,000</u>	<u>\$ 37,135,639</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**Tax Increment Financing Revenue Bonds**

The tax increment financing revenue bonds obligation indebtedness are recorded as a liability of the TIF Commission to match revenue streams to the related obligations for which they have been pledged. The obligation of the City and the Commission to pay principal and interest on these bonds is generally limited solely to the tax increment financing (TIF) revenues generated from each project.

Balance at  
December 31, 2010

**Branson Meadows TIF Plan**

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds) Series 2003A of \$56,290,000 issued January 2003; 2.5% to 5.5% interest payable semiannually, principal payments due annually ranging from \$1,070,000 to \$2,940,000 with final maturity on December 1, 2032. Bonds maturing on or after December 1, 2017 may be called on or after December 1, 2012 at par. City management has determined that a portion of the original amount of this obligation should be reported as follows: \$6,690,000 in the discretely presented Tax Increment Financing Commission and \$49,600,000 should be reported in the governmental activities section of long-term obligations. The remaining annual principal installments related to tax increment financing activities are payable through 2012 and range from \$670,000 to \$775,000.

\$ 1,520,000

**Branson Landing TIF Plan**

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds - City of Branson, Missouri - Branson Landing Project) Series 2004A of \$ 40,000,000 issued June 2004; 2.8% to 5.625% interest payable semiannually, remaining principal payments due annually ranging from \$300,000 to \$3,095,000 with final maturity on December 1, 2028. Bonds maturing on or after December 1, 2014 may be called on or after June 1, 2014 at par. The bonds were issued by MDFB and the proceeds were made available to the City. The City's obligation to make payments is secured by an annual appropriation covenant, mortgages on a parking garage and a convention center, and certain pledged revenues. See discussions on the previous page regarding certain pledged revenue and reserve fund priority provision also know as the "Waterfall" provision.

36,865,000

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds - City of Branson, Missouri - Branson Landing Project) Series 2005A of \$80,000,000 issued September 2005; 3.75% to 6.0% interest payable semiannually, remaining principal payments due annually ranging from \$470,000 to \$6,930,000 with final maturity on June 1, 2035. Bonds maturing on or after June 1, 2035 may be called on or after June 1, 2015 at par. The bonds were issued by the Missouri Development Finance Board and the proceeds were made available to the City. The City's obligation to make payments is secured by an annual appropriation covenant, mortgages on a parking garage and a convention center, and certain pledged revenues. See discussions on the previous page regarding certain pledged revenue and reserve fund priority provision also know as the "Waterfall" provision.

79,215,000

Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds- Branson Landing Retail Project) Series 2005A of \$18,560,000 issued August 2005; 5.25% to 5.50% interest payable semiannually, remaining principal payments due annually ranging from \$235,000 to \$1,760,000 with final maturity on June 1, 2029.

17,070,000  
133,150,000

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Balance at  
December 31, 2010

**Branson Hills and Shoppes TIF Plan**

<p>Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds- Branson Hills Redevelopment Project) Series 2005A of \$14,760,000 issued March 2005; 6.25% to 7.05% interest payable semiannually, remaining principal payments due annually ranging from \$175,000 to \$2,955,000 with final maturity on May 1, 2027.</p>	14,245,000
<p>Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Hills Redevelopment Project) Series 2005B, not to exceed \$1,900,000 issued March 2005; 10% interest, principal payment due with final maturity on May 1, 2027. These bonds are subordinate to the Series 2005A Bonds.</p>	1,899,338
<p>Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Hills Redevelopment Project) Series 2007A of \$3,385,000 issued April 2007; 5.75% interest payable semiannually, principal due at final maturity on May 1, 2026</p>	3,385,000
<p>Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Shoppes Redevelopment Project) Series 2006A of \$35,545,000 issued November 2006; 5.90% to 5.95% interest payable semiannually, remaining principal payments due annually ranging from \$110,000 to \$5,780,000 with final maturity on November 1, 2029.</p>	34,920,000
<p>Tax Increment Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Shoppes Redevelopment Project) Series 2006B, not to exceed \$9,385,045 issued November 2006; 10% interest, principal payment due with final maturity on November 1, 2029. These bonds are subordinate to the Series 2006A Bonds.</p>	8,120,852
	<u>62,570,190</u>
<p>Total tax increment financing revenue bonds</p>	<u>\$ 197,240,190</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Tax Increment Financing bond debt service requirements to maturity are as follows:

	<b>Tax Increment Financing Bonds</b>					
	<b>Branson Meadows</b>			<b>Branson Landing</b>		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 745,000	\$ 64,615	\$ 809,615	\$ 2,240,000	\$ 6,879,516	\$ 9,119,516
2012	775,000	18,325	793,325	2,240,000	6,782,677	9,022,677
2013	-	-	-	2,515,000	6,678,931	9,193,931
2014	-	-	-	2,810,000	6,549,863	9,359,863
2015	-	-	-	3,130,000	6,396,281	9,526,281
2016-2020	-	-	-	21,345,000	28,856,991	50,201,991
2021-2025	-	-	-	31,980,000	22,002,342	53,982,342
2026-2030	-	-	-	36,535,000	12,245,540	48,780,540
2031-2034	-	-	-	30,355,000	4,003,125	34,358,125
	<u>\$ 1,520,000</u>	<u>\$ 82,940</u>	<u>\$ 1,602,940</u>	<u>\$ 133,150,000</u>	<u>\$ 100,395,266</u>	<u>\$ 233,545,266</u>

	<b>Branson Hills and Shoppes</b>			<b>Total</b>		
	Principal	Interest	Total	Principal	Interest	Total
	2011	\$ 840,000	\$ 3,253,282	\$ 4,093,282	\$ 3,825,000	\$ 10,197,413
2012	975,000	3,199,817	4,174,817	3,990,000	10,000,819	13,990,819
2013	1,100,000	3,137,583	4,237,583	3,615,000	9,816,514	13,431,514
2014	1,245,000	3,065,857	4,310,857	4,055,000	9,615,720	13,670,720
2015	1,400,000	2,983,898	4,383,898	4,530,000	9,380,179	13,910,179
2016-2020	9,765,000	13,308,595	23,073,595	31,110,000	42,165,586	73,275,586
2021-2025	15,530,000	9,391,936	24,921,936	47,510,000	31,394,278	78,904,278
2026-2030	31,715,190	2,894,649	34,609,839	68,250,190	15,140,189	83,390,379
2031-2034	-	-	-	30,355,000	4,003,125	34,358,125
	<u>\$ 62,570,190</u>	<u>\$ 41,235,617</u>	<u>\$ 103,805,807</u>	<u>\$ 197,240,190</u>	<u>\$ 141,713,823</u>	<u>\$ 338,954,013</u>

*Tax Increment Financing Revenues*

The City, other taxing districts and governmental entities have pledged a portion of future incremental property tax and sales tax revenues (TIF revenues) to repay the tax increment financing revenue bonds described above. TIF revenues, along with other funding sources for each issuance, were projected to produce sufficient funds to meet debt service requirements over the life of the bonds. Annual principal and interest payments remaining on these bonds total approximately \$339.0 million. Should TIF revenues along with any other funding sources described not be sufficient to meet the required debt service obligations, the City is not legally obligated to make such bond payments from any other sources of its revenues. However, the Branson Landing TIF Plan's \$40,000,000 Series 2004A and \$80,000,000 Series 2005A bonds contain an annual appropriation covenant obligating the City to make debt service payments from all legally available moneys of the City to the extent the City has appropriated and included such payments in its annual budget. Annual principal and interest payments remaining on the Series 2004A and 2005B bonds total approximately \$205.3 million. Incremental taxes are pledged to make payments on these obligations for a period not to exceed 23 years.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

For the year ended December 31, 2010, principal and interest paid on tax increment financing bonds totaled approximately \$14.5 million. Incremental tax revenues from the City totaled approximately \$3.9 million. The remaining funds necessary to meet the current year debt service requirements were derived from incremental tax revenues from other taxing districts and governmental entities totaling approximately \$9.9 million and from prior incremental tax revenues held in debt service funds by the bond trustees.

Bond Indebtedness Limitation

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation indebtedness for a City to 10 percent of the assessed valuation of the City by a two-thirds (four-sevenths at certain elections) vote of the qualified voters. Article VI, Section 26(d) provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not to exceed an additional 10 percent for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues, and sanitary or storm sewer systems, provided the total general obligation indebtedness of a City does not exceed 20 percent of the assessed valuation. Article VI, Section 26(e) provides that a City may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not exceeding an additional 10 percent for the purpose of purchasing or constructing waterworks, electric or other light plants to be owned exclusively by the City, provided that the total general obligation indebtedness of a City does not exceed 20 percent of the assessed valuation.

The City has no outstanding general obligation debt. The City has issued multiple series of Tourism Tax Revenue Bonds. Although they are not general obligation bonds, the outstanding Tourism Tax Revenue Bonds and any additional Tourism Tax Revenue Bonds are payable from a pledge of the City's Tourism Tax and therefore count against the indebtedness limits imposed by the Missouri Constitution. The legal debt capacity of 20% of the City's assessed valuation as of December 31, 2010, based on the 2009 valuation, was \$96,655,336. The total net outstanding net indebtedness of the City was \$24,751,072 as of December 31, 2010, leaves a remaining available legal debt capacity of \$71,904,264 as of that date.

**8 - Defined Benefit Pension Plan**

Plan Description

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries.

LAGERS was created and is governed by Statute, Section RSMo. 70.600 – 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax-exempt.

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

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

Funding Status

The City's full-time employees contribute 4% of their gross pay to the pension plan. The statutorily required contribution rates are 10.6% (general), 8.3% (police), and 11.0% (fire) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost (APC) and Net Pension Obligation (NPO)

	Total Primary Government
Annual required contribution	\$ 1,013,710
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost (APC)	<u>1,013,710</u>
Actual contributions	<u>919,435</u>
Increase in net pension obligation (NPO)	<u>94,275</u>
NPO - beginning of year	-
NPO - end of year	<u><u>\$ 94,275</u></u>

The annual required contribution (ARC) was determined as part of the February 29, 2008 and February 28, 2009 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually, (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back zero years for men and women and (e) post-retirement mortality based on the 1971 group Annuity Mortality table projected to 2000 set back one year for men and seven years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of the February 29, 2008 was 15 years for the General division, 15 years for the Police division, and 25 year for the Fire division. The amortization period as of the February 29, 2009 was 30 years for all divisions.

Year Ended Ending	Pension Cost (APC)	of APC Contributed	Pension Obligation
6/30/2008	\$ 817,059	100.0%	\$ -
6/30/2009	866,015	100.0%	-
6/30/2010	1,013,710	90.7%	94,275

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

*Funded Status and Funding Progress*

As of February 28, 2010, which represents the most recent actuarial valuation date, the actuarial accrued liability for benefits within the plan for the City was \$18,288,527. The actuarial value of assets was \$12,763,217, which results in an unfunded actuarial accrued liability (UAAL) of \$5,525,310 and a funded ratio of 70 percent. The covered payroll (annual payroll of active employees covered by the plan) was \$8,726,647, which results in a ratio of the UAAL to the covered payroll of 63 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**9 - Post Employment Health Benefits**

*Plan Description*

The City provides for a continuation of medical, prescription drug, hearing, vision, and dental insurance benefits to employees that retire from City employment and who participate in the Missouri Local Government Employees Retirement System (LAGERS) through a single employer plan. The Plan does not issue separate audited financial statements.

The City requires the retirees to pay 100% of the premiums charged to active employees. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. (The retiree insurance is guaranteed issue; no medical questionnaire is required.) The difference between these amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45). Retirees and spouses have the same benefits as active employees, and they are not required to terminate participation upon Medicare eligibility.

*Funding Policy*

GASB Statement 45 does not require funding of the OPEB liability, and the City has chosen not to fund it.

*Annual OPEB Cost and Net OPEB Obligation*

The City's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, which represents an amount that is actuarially determined in accordance with the requirements of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year plus the amortization of the unfunded actuarial liability over a period of time that the City has selected as being thirty years. The following table shows the components of the City's annual OPEB cost for the year ended December 31, 2010, the amount of expected employer contributions to the plan, and changes in the City's net OPEB obligation.

**City of Branson, Missouri**  
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	Governmental Activities	Business- Type Activities	Total Primary Government
Annual required contribution	\$ 105,193	\$ 38,907	\$ 144,100
Interest on net OPEB obligation	3,446	1,274	4,720
Adjustment to annual required contribution	<u>(2,871)</u>	<u>(1,062)</u>	<u>(3,933)</u>
Annual OPEB cost (expense)	105,767	39,119	144,886
Less: Net employer contributions	<u>19,053</u>	<u>7,047</u>	<u>26,100</u>
Increase in net OPEB obligation	86,714	32,072	118,786
Net OPEB obligation - beginning of year	<u>86,140</u>	<u>31,860</u>	<u>118,000</u>
Net OPEB obligation - end of year	<u>\$ 172,854</u>	<u>\$ 63,932</u>	<u>\$ 236,786</u>

The City's annual OPEB cost, the percentage of annual OPEB costs estimated to be contributed to the plan, and the net OPEB obligation for the year ending December 31, 2010 is as follows:

	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Governmental Activities:			
12/31/2010	\$ 105,193	18.1%	\$ 172,854
Business-Type Activities:			
12/31/2010	\$ 38,907	18.1%	\$ 63,932

*Funded Status and Funding Progress*

As of September 30, 2009, which represents both the initial and the most recent actuarial valuation date, the actuarial accrued liability for benefits within the plan for the City is \$1,082,100. There are no assets set aside for funding the plan as of that date, thus the entire amount is unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$8,507,895, which results in a ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll of 12.7 percent.

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

*Actuarial Methods and Assumptions*

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

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
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The projected unit credit actuarial cost method is used in the September 30, 2009, initial actuarial valuation. At this initial valuation date, actuarial present value of benefits is determined for each participant. The sum of these actuarial present values of benefits allocated to the current valuation year is the normal cost for the initial plan year. The sum of actuarial present values of benefits allocated to all valuation years preceding the valuation date represents the actuarial accrued liability.

The actuarial assumptions include a 4.0 percent investment rate of return. The actuarial assumptions for the healthcare cost inflation rate is an initial growth factor of 7.9 and 5.0 percent for medical and dental coverage, respectively, with both declining to an ultimate inflation rate of 4.4% for both. The UAAL will be amortized over a period of 30 years using a level percentage of projected payroll on an open basis.

**10 - Risk Management**

The City is exposed to various risks of loss from torts' theft of, damage to or destruction of assets; errors and omissions; business interruption; employee injuries and health matters; and natural disasters. Commercial insurance coverage is purchased for claims arising from these matters. There have been no reductions in insurance coverage from the prior year. Settlements have not exceeded insurance coverage for each of the last three years.

**11 - Commitments and Contingencies**

Branson Landing Master Lease

The City as landlord has entered into Branson Landing lease with HCW Development Company, LLC as the tenant. The lease requires the City to pay 50% or up to \$310,000 of the annual actual costs associated with the maintenance, upkeep and operations of the Main Fountain and the Town Square Fountain. The City will pay for the actual On-Site Public Improvements expense excluding those associated with the fountains listed above, up to \$115,000 per calendar year. Beginning in the calendar year of the fifth anniversary of the lease commencement date (FY2010) and for each year thereafter the maximum fountain and maintenance contribution shall be recalculated by multiplying the maximum contributions by a fraction, the numerator being the Consumer Price Index (CPI) for the month of January for the current year, and the denominator being the CPI for the month of January for the prior year. For the year ended December 31, 2010, the City paid \$436,475 under this lease agreement.

Capital Projects

Normal commitments have been made for future expenditures related to the City's Five Year Capital Improvement program. At December 31, 2010, the City was committed to a construction projects for Governmental funds in the amount of \$215,070 and for Proprietary funds in the amount of \$2,434,266.

Convention Center Operating Agreement

The City has entered into convention center management agreement with Hilton Hotels Corporation in connection with the City's Convention Center. The agreement requires a fixed monthly management fee that may increase annually by the lower of 3% or the increase in the Consumer Price Index (CPI). Subject to certain agreement clauses, the term of the agreement is for 15 years from the opening of the Convention Center and includes options for renewal for two 5 year periods. For the period ended December 31, 2010, the City paid \$180,000 under this management agreement.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
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Airport Pay for Performance Agreement

The City has entered into a Pay for Performance Agreement and related Supplemental Agreement to the Pay for Performance Agreement, collectively, (the Agreement) with a private developer and the Branson, Missouri Regional Airport Transportation Development District (TDD). Under the Agreement, the City will pay a per passenger fee based on qualifying passenger arrivals on a semi-annual basis to the TDD. In no event shall the City's payment obligation under the Agreement exceed \$2,000,000 on an annual basis. In addition, any obligations under this Agreement are subject to annual appropriation by the Board of Aldermen. Total fees under the Agreement for 2010 were nearly \$489,000 of which approximately \$327,000 is a payable as of December 31, 2010.

Litigation

*Real Property Issues*

City Owned Property

On January 14, 2010, a judgment was issued by Taney County Circuit Court Case No. 03CV787034 regarding the rights to the title of certain real property located in Branson, Missouri. Although the City was not a party to the case at the time the judgment was issued, the legal description of the land contained in the judgment includes certain real property owned by the City. Accordingly, the ownership of certain real property of the City is in question.

The City analyzed the impact of the January 14, 2010 judgment and has vigorously defended its title to its property included in the judgment including appealing the judgment to the Missouri Court of Appeals (said appeal currently pending before the court) and shall similarly vigorously oppose any other party's efforts to contest the City's title to its property. The eventual outcome of the case cannot be determined at this time. The City believes that it will retain ownership of the land. If it is determined that the City does not own the land, the City's management believes that any loss in excess of applicable insurance will not have a material impact on the City's financial position or operations.

*General*

The City is a defendant in other various lawsuits relating to easements, condemnations and other matters which are considered normal to the City's operations. At December 31, 2010, it was the opinion of the City's management that the outcome of the litigation would not result in a material loss to the City in excess of applicable insurance coverage.

Branson Meadows TIF Plan

The Developer associated with the Branson Meadows TIF Plan contributed approximately \$3.9 million to the project which qualifies under the plan as a reimbursable project cost. Any potential reimbursements to the Developer from available TIF revenues are subordinate to the related bond debt service requirements and any cumulative shortfalls covered by the City. The City does not believe that there will be sufficient revenues generated by the TIF Plan to retire this obligation. Accordingly, the City has not recorded an obligation.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2010**

**12 - Interfund Activity**

Interfund transfers for the year ended December 31, 2010, consisted of the following:

<u>Transfers to</u>	<u>Transfers From</u>				<u>Total</u>
	<u>General</u>	<u>Tourism Tax</u>	<u>Transportation Sales Tax</u>	<u>Other Governmental</u>	
Governmental :					
Convention Center	\$ 381,125	\$ 411,378	\$ -	\$ -	\$ 792,503
Debt Service	1,550,000	-	1,221,000	5	2,771,005
Other Governmental	891,860	-	-	-	891,860
Business-type:					
Water and Sewer	-	8,061,223	-	-	8,061,223
<b>Total</b>	<b>\$ 2,822,985</b>	<b>\$ 8,472,601</b>	<b>\$ 1,221,000</b>	<b>\$ 5</b>	<b>\$ 12,516,591</b>

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, (3) use unrestricted revenues collected in the general fund finance various programs accounted for in other funds in accordance with budgetary authorizations, (4) to fund capital and repair and maintenance needs including treatment plan expansion in the Water and Sewer Fund..

**13 - Subsequent Events**

The City entered into a financing agreement with the Industrial Development Authority of the City of Branson, Missouri (the Authority) related to a \$4,956,636 promissory note issued the Authority. Under the agreement, the City will make annual payments of approximately \$580,000 including interest of 3.49% through 2020.

The City has evaluated subsequent events through May 13, 2011, the date the financial statements were available to be issued.

## Required Supplementary Information



## REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered a part of the basic financial statements.

Such information includes:

- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Tourism Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Transportation Sales Tax Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Convention Center Fund
- Schedules of Funding Progress

### Budgeting

Missouri statutes require that all political subdivisions of the State prepare an annual budget. Governmental funds required to have legally adopted annual budgets are the general fund, the special revenue funds, and the debt service fund. Legally adopted annual budgets are not required for the capital projects fund and the permanent fund. Annual budgets for all governmental funds are adopted using the modified accrual basis of accounting, modified further by the encumbrance method of accounting.

The appropriated budget is prepared by fund, function, and department. State statutes set the legal level of budgetary control at the fund level (i.e., the level at which expenditures may not legally exceed appropriations). Management's level of budgetary control is at the departmental level. The City has elected to pursue a policy of requiring approval of the Board of Aldermen on major purchases exceeding \$ 15,000.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds financial statements. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities.

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - General Fund**  
**For the year ended December 31, 2010**

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>				
Taxes	\$ 10,382,988	\$ 10,382,988	\$ 11,717,032	\$ 1,334,044
Licenses and permits:	481,005	481,005	594,662	113,657
City court fines	636,075	636,075	721,396	85,321
Lease and rent	1,532,000	1,082,000	1,299,524	217,524
Charges for services	1,017,185	1,017,185	542,260	(474,925)
Intergovernmental	-	-	94,788	94,788
Interest Income	102,000	102,000	24,046	(77,954)
Miscellaneous	220,000	261,688	150,015	(111,673)
Total revenues	<u>14,371,253</u>	<u>13,962,941</u>	<u>15,143,723</u>	<u>1,180,782</u>
<b>Expenditures:</b>				
General government:				
Mayor and board	60,530	60,530	61,906	(1,376)
City Administration	468,705	468,705	434,810	33,895
Human Resources	280,132	280,132	269,663	10,469
Administrative Services	2,851,348	3,340,044	3,486,609	(146,565)
Finance	739,274	739,274	664,742	74,532
Legal	479,445	604,445	813,435	(208,990)
Total general government	<u>4,879,434</u>	<u>5,493,130</u>	<u>5,731,165</u>	<u>(238,035)</u>
Public safety:				
Police	3,769,808	3,769,808	3,439,324	330,484
Fire	2,771,686	2,771,686	2,517,036	254,650
Total public safety	<u>6,541,494</u>	<u>6,541,494</u>	<u>5,956,360</u>	<u>585,134</u>
Public works				
Engineering	1,221,839	965,369	903,167	62,202
Community Development	655,356	655,356	591,680	63,676
Total expenditures	<u>1,027,894</u>	<u>850,522</u>	<u>831,475</u>	<u>19,047</u>
Total expenditures	<u>14,326,017</u>	<u>14,505,871</u>	<u>14,013,847</u>	<u>492,024</u>
Excess of revenues over (under) expenditures	45,236	(542,930)	1,129,876	1,672,806
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	231,324	-	(231,324)
Transfers out	(2,641,859)	(2,561,859)	(2,822,985)	(261,126)
Total other financing sources (uses)	<u>(2,641,859)</u>	<u>(2,330,535)</u>	<u>(2,822,985)</u>	<u>(492,450)</u>
Change in fund balances	<u>\$ (2,596,623)</u>	<u>\$ (2,873,465)</u>	(1,693,109)	<u>\$ 1,180,356</u>
Fund balance, beginning of year			<u>7,183,731</u>	
Fund balance - end of year - budget basis			5,490,622	
Adjustments:				
Encumbrances			65,075	
Fund balance - end of year - GAAP basis			<u>\$ 5,555,697</u>	
Net change in fund balance - budget basis			\$ (1,693,109)	
Adjustments:				
Encumbrances - beginning of year			(303,696)	
Encumbrances - end of year			65,075	
Net change in fund balance - GAAP basis			<u>\$ (1,931,730)</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Tourism Tax Fund**  
**For the year ended December 31, 2010**

	Original and Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>			
Taxes	\$ 10,564,800	\$ 10,907,769	\$ 342,969
Interest Income	690,000	737,123	47,123
Total revenues	<u>11,254,800</u>	<u>11,644,892</u>	<u>390,092</u>
<b>Expenditures:</b>			
Tourism	2,476,185	2,445,203	30,982
Debt service:			
Principal	2,462,000	2,462,000	-
Interest and fiscal charges	1,426,007	1,614,145	(188,138)
Total expenditures	<u>6,364,192</u>	<u>6,521,348</u>	<u>(157,156)</u>
Excess of revenues over (under) expenditures	4,890,608	5,123,544	232,936
<b>Other financing sources (uses)</b>			
Bonds issued	-	15,535,000	15,535,000
Discounts	-	(98,377)	(98,377)
Payment to bond escrow agent	-	(7,854,917)	(7,854,917)
Transfers out	(1,250,000)	(8,472,600)	(7,222,600)
Total other financing sources (uses)	<u>(1,250,000)</u>	<u>(890,894)</u>	<u>359,106</u>
Change in fund balances	<u>\$ 3,640,608</u>	4,232,650	<u>\$ 592,042</u>
Fund balance, beginning of year		<u>13,553,637</u>	
Fund balance - end of year - budget basis		17,786,287	
Adjustments:			
Encumbrances		25,574	
Fund balance - end of year - GAAP basis		<u>\$ 17,811,861</u>	
Net change in fund balance - budget basis		\$ 4,232,650	
Adjustments:			
Encumbrances - beginning of year		(59,664)	
Encumbrances - end of year		25,574	
Net change in fund balance - GAAP basis		<u>\$ 4,198,560</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Transportation Sales Tax Fund**  
**For the year ended December 31, 2010**

	Original and Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>			
Taxes	\$ 4,405,507	\$ 4,369,356	\$ (36,151)
Total revenues	<u>4,405,507</u>	<u>4,369,356</u>	<u>(36,151)</u>
<b>Expenditures:</b>			
Public works	2,083,187	2,217,355	(134,168)
Total expenditures	<u>2,083,187</u>	<u>2,217,355</u>	<u>(134,168)</u>
Excess of revenues over expenditures	2,322,320	2,152,001	(170,319)
<b>Other financing sources (uses):</b>			
Transfers out	(1,221,000)	(1,221,000)	-
Total other financing sources (uses)	<u>(1,221,000)</u>	<u>(1,221,000)</u>	<u>-</u>
Change in fund balances	<u>\$ 1,101,320</u>	931,001	<u>\$ (170,319)</u>
Fund balance, beginning of year		<u>819,720</u>	
Fund balance - end of year - budget basis		1,750,721	
Adjustments:			
Encumbrances		12,135	
Fund balance - end of year - GAAP basis		<u>\$ 1,762,856</u>	
Net change in fund balance - budget basis		\$ 931,001	
Adjustments:			
Encumbrances - beginning of year		(8,807)	
Encumbrances - end of year		12,135	
Net change in fund balance - GAAP basis		<u>\$ 934,329</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Convention Center Fund**  
**For the year ended December 31, 2010**

	Original and Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>			
Charges for services	\$ 4,596,903	\$ 4,637,819	\$ 40,916
Total revenues	<u>4,596,903</u>	<u>4,637,819</u>	<u>40,916</u>
<b>Expenditures:</b>			
Convention Center Operations	5,957,257	5,385,970	571,287
Total expenditures	<u>5,957,257</u>	<u>5,385,970</u>	<u>571,287</u>
Excess of revenues over expenditures	(1,360,354)	(748,151)	612,203
<b>Other financing sources (uses):</b>			
Transfers in	1,500,000	792,503	(707,497)
Total other financing sources (uses)	<u>1,500,000</u>	<u>792,503</u>	<u>(707,497)</u>
Change in fund balances	<u>\$ 139,646</u>	44,352	<u>\$ (95,294)</u>
Fund balance, beginning of year		<u>506,676</u>	
Fund balance, end of year		<u>\$ 551,028</u>	

**CITY OF BRANSON, MISSOURI**

Schedules of Funding Progress

Missouri LAGERS Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability(AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2/29/2008	\$ 14,091,461	\$ 14,432,315	\$ 340,854	98%	\$ 8,239,463	4%
2/28/2009	12,521,486	18,373,176	5,851,690	68%	8,507,895	69%
2/28/2010	12,763,217	18,288,527	5,525,310	70%	8,726,647	63%

The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations please contact the LAGERS office in Jefferson City, Missouri.

Other Post- Employment Benefits Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Projected Unit Credit Cost Accrued Liability(AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
9/30/2009	\$ -	\$ 1,082,100	\$ 1,082,100	0%	\$ 8,507,895	13%

Other Supplementary Information  
Combining and Individual Fund  
Statements and Schedules

## **NON-MAJOR GOVERNMENTAL FUNDS**

*Recreation Fund* is used to account for park and recreation programs and activities.

*Capital Projects Planning Fund* is used to account for non-capital expenditures related to planning of major capital projects.

*Capital Projects Fund* is used to account for acquisition, construction and renovation of major capital facilities.

*Perpetual Care Fund* is used to account for monies legally restricted by statute for the care of the City Cemetery.

**CITY OF BRANSON, MISSOURI**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**December 31, 2010**

<b>Assets</b>	Special Revenue	Capital Projects		Permanent	<b>Total Nonmajor Governmental Funds</b>
	Recreation	Capital Projects Planning	Capital Projects	Perpetual Care	
Cash and cash equivalents	\$ 685,533	\$ 332,934	\$ 3,636,021	\$ 4,310	\$ 4,658,798
Receivables, net:					
Other	-	-	249,629	-	249,629
<b>Total assets</b>	<b>\$ 685,533</b>	<b>\$ 332,934</b>	<b>\$ 3,885,650</b>	<b>\$ 4,310</b>	<b>\$ 4,908,427</b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 62,371	\$ -	\$ 19,363	\$ -	\$ 81,734
Accrued expenditures	27,604	-	-	-	27,604
<b>Total liabilities</b>	<b>89,975</b>	<b>-</b>	<b>19,363</b>	<b>-</b>	<b>109,338</b>
Fund Balances:					
Reserved for:					
Encumbrances	1,451	-	463,660	-	465,111
Other purposes	-	-	-	4,310	4,310
Unreserved:					
Special revenue fund	594,107	-	-	-	594,107
Capital projects fund	-	332,934	3,402,627	-	3,735,561
<b>Total fund balances</b>	<b>595,558</b>	<b>332,934</b>	<b>3,866,287</b>	<b>4,310</b>	<b>4,799,089</b>
<b>Total liabilities and fund balance</b>	<b>\$ 685,533</b>	<b>\$ 332,934</b>	<b>\$ 3,885,650</b>	<b>\$ 4,310</b>	<b>\$ 4,908,427</b>

**CITY OF BRANSON, MISSOURI**  
**Combining Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - Non-Major Governmental Funds**  
**For the year ended December 31, 2010**

	Special Revenue	Capital Projects		Permanent	
	Recreation	Capital Projects Planning	Capital Projects	Perpetual Care	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 82,506	\$ -	\$ -	\$ -	\$ 82,506
Charges for services	1,356,992	-	-	-	1,356,992
Miscellaneous	162,895	-	-	100	162,995
Total revenues	<u>1,602,393</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>1,602,493</u>
<b>Expenditures:</b>					
Culture and recreation	2,020,121	-	-	-	2,020,121
Capital outlay	-	-	745,892	-	745,892
Total expenditures	<u>2,020,121</u>	<u>-</u>	<u>745,892</u>	<u>-</u>	<u>2,766,013</u>
Excess of revenues over (under) expenditures	<u>(417,728)</u>	<u>-</u>	<u>(745,892)</u>	<u>100</u>	<u>(1,163,520)</u>
<b>Other financing sources (uses):</b>					
Transfers in	591,859	300,000	-	-	891,859
Transfers out	-	-	(5)	-	(5)
Total other financing sources (uses)	<u>591,859</u>	<u>300,000</u>	<u>(5)</u>	<u>-</u>	<u>891,854</u>
Net change in fund balances	<u>174,131</u>	<u>300,000</u>	<u>(745,897)</u>	<u>100</u>	<u>(271,666)</u>
Fund balances - beginning of year	<u>421,427</u>	<u>32,934</u>	<u>4,612,184</u>	<u>4,210</u>	<u>5,070,755</u>
Fund balances - end of year	<u>\$ 595,558</u>	<u>\$ 332,934</u>	<u>\$ 3,866,287</u>	<u>\$ 4,310</u>	<u>\$ 4,799,089</u>

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Recreation Fund**  
**For the year ended December 31, 2010**

	Original Budget	Final Amended Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 90,000	\$ 90,000	\$ 82,506	\$ (7,494)
Charges for services	1,349,568	1,349,568	1,356,992	7,424
Miscellaneous	40,000	40,000	162,895	122,895
Total revenues	<u>1,479,568</u>	<u>1,479,568</u>	<u>1,602,393</u>	<u>122,825</u>
<b>Expenditures:</b>				
Culture and recreation	2,091,289	2,347,759	2,006,191	341,568
Excess of revenues over (under) expenditures	(611,721)	(868,191)	(403,798)	464,393
<b>Other financing sources (uses):</b>				
Transfers in	591,859	591,859	591,859	-
Change in fund balances	<u>\$ (19,862)</u>	<u>\$ (276,332)</u>	188,061	<u>\$ 464,393</u>
Fund balance, beginning of year			<u>406,046</u>	
Fund balance - end of year - budget basis			594,107	
Adjustments:				
Encumbrances			1,451	
Fund balance - end of year - GAAP basis			<u>\$ 595,558</u>	
Net change in fund balance - budget basis			\$ 188,061	
Adjustments:				
Encumbrances - beginning of year			(15,381)	
Encumbrances - end of year			1,451	
Net change in fund balance - GAAP basis			<u>\$ 174,131</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Debt Service Fund**  
**For the year ended December 31, 2010**

	Original and Final amended Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Contributions from component unit	\$ -	\$ 221,193	\$ 221,193
Interest income	145,000	127,349	(17,651)
Total revenues	<u>145,000</u>	<u>348,542</u>	<u>203,542</u>
<b>Expenditures:</b>			
Community development	1,382,021	517,169	864,852
Debt Service:			
Principal	465,000	465,000	-
Interest	2,069,329	2,069,479	(150)
Total expenditures	<u>3,916,350</u>	<u>3,051,648</u>	<u>864,702</u>
Excess of revenues over (under) expenditures	(3,771,350)	(2,703,106)	1,068,244
<b>Other Financing Sources (Uses)</b>			
Transfers in	2,771,000	2,771,005	5
Total other financing sources (uses)	<u>2,771,000</u>	<u>2,771,005</u>	<u>5</u>
Change in fund balances	<u>\$ (1,000,350)</u>	67,899	<u>\$ 1,068,249</u>
Fund balance, beginning of year		<u>1,935,826</u>	
Fund balance, end of year		<u>\$ 2,003,725</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Capital Projects Fund**  
**For the year ended December 31, 2010**

	Original and Final amended Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Miscellaneous	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>Expenditures:</b>			
Capital Outlays	2,712,430	691,454	2,020,976
Total expenditures	2,712,430	691,454	2,020,976
Excess of revenues over (under) expenditures	(2,712,430)	(691,454)	2,020,976
<b>Other financing sources (uses):</b>			
Transfers out	-	(5)	(5)
Change in fund balances	\$ (2,712,430)	(691,459)	\$ 2,020,971
Fund balance, beginning of year		4,094,086	
Fund balance - end of year - budget basis		3,402,627	
Adjustments:			
Encumbrances		463,660	
Fund balance - end of year - GAAP basis		\$ 3,866,287	
Net change in fund balance - budget basis		\$ (691,459)	
Adjustments:			
Encumbrances - beginning of year		(518,098)	
Encumbrances - end of year		463,660	
Net change in fund balance - GAAP basis		\$ (745,897)	

**City of Branson, Missouri**  
**Combining Balance Sheet - Discretely Presented Component Unit**  
**Tax Increment Financing Commission**  
**December 31, 2010**

<b>Assets</b>	Branson Meadows	Branson Landing	Branson Hills	<b>Total</b>
Cash and cash equivalents	\$ 14,716	\$ 1,226,871	\$ 385,741	\$ 1,627,328
Receivables:				
Intergovernmental	33,671	974,511	625,900	1,634,082
Due from primary government	34,004	372,933	259,241	666,178
Restricted cash and equivalents	419,366	14,221,944	7,692,332	22,333,642
<b>Total Assets</b>	<u>\$ 501,757</u>	<u>\$ 16,796,259</u>	<u>\$ 8,963,214</u>	<u>\$ 26,261,230</u>
 <b>Liabilities and Fund Balances</b>				
Liabilities:				
Deferred revenue	\$ -	\$ 407,788	\$ -	\$ 407,788
<b>Total liabilities</b>	<u>-</u>	<u>407,788</u>	<u>-</u>	<u>407,788</u>
Fund balances:				
Reserved for capital projects	-	-	12,077	12,077
Reserved for debt service	501,757	16,388,471	8,951,137	25,841,365
<b>Total fund balances</b>	<u>501,757</u>	<u>16,388,471</u>	<u>8,963,214</u>	<u>25,853,442</u>
<b>Total liabilities and fund balances</b>	<u>\$ 501,757</u>	<u>\$ 16,796,259</u>	<u>\$ 8,963,214</u>	<u>\$ 26,261,230</u>

Amounts reported in the government-wide statements are different because:

Fund balances	\$ 25,853,442
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The issuance of long-term debt provides current financial resources, while the repayment of the principal of long-term debt consumes the current financial resources. Neither transaction has any effect on net assets. The Commission's governmental funds report the effect of issuance costs, 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:

Long-term debt	(198,485,538)
Bond issuance costs, net	3,608,859
Accrued interest payable	<u>(1,131,807)</u>
<b>Net assets (deficit) of component unit</b>	<u>\$ (170,155,044)</u>

**City of Branson, Missouri**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance -**  
**Discretely Presented Component Unit - Tax Increment Financing Commission**  
**For the year ended December 31, 2010**

	Branson Meadows	Branson Landing	Branson Hills	Total
<b>Revenues:</b>				
Taxes	\$ 158,111	\$ 2,549,180	\$ 1,173,450	\$ 3,880,741
Intergovernmental activity taxes	158,111	6,267,433	3,431,673	9,857,217
Lease and rent	-	462,017	-	462,017
Contributions from City	517,169	-	-	517,169
Interest	17,366	368,991	1,059	387,416
Total Revenues	<u>850,757</u>	<u>9,647,621</u>	<u>4,606,182</u>	<u>15,104,560</u>
<b>Expenditures:</b>				
Current:				
General government	-	4,434	-	4,434
Community development - Contributions to City	-	221,193	-	221,193
Debt service:				
Principal	720,000	2,570,000	735,000	4,025,000
Interest	93,415	7,000,639	3,413,066	10,507,120
Total expenditures	<u>813,415</u>	<u>9,796,266</u>	<u>4,148,066</u>	<u>14,757,747</u>
Excess of revenues over (under) expenditures	37,342	(148,645)	458,116	346,813
Fund balances - beginning of year	<u>464,415</u>	<u>16,537,116</u>	<u>8,505,098</u>	<u>25,506,629</u>
Fund balances - end of year	<u>\$ 501,757</u>	<u>\$ 16,388,471</u>	<u>\$ 8,963,214</u>	<u>\$ 25,853,442</u>

Amounts reported in the government-wide statements are different because:

Change in fund balances	\$ 346,813
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The issuance of long-term debt provides current financial resources, while the repayment of the principal of long-term debt consumes the current financial resources of the Commission's governmental funds. Neither transaction has any effect on net assets. Also, the Commission's governmental funds report the effect of issuance costs, 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.

Principal payments on long-term debt	4,025,000
Change in accrued interest payable	321,790
Change in bond issuance costs, net	(183,319)
Change in bond premiums and discounts, net	65,244
	<u>4,228,715</u>

Change in net assets of discretely presented component unit	<u>\$ 4,575,528</u>
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**CITY OF BRANSON, MISSOURI**

Combining Statement of Changes in Assets and Liabilities -  
Agency Fund  
For the year ended December 31, 2010

<b>Landscape Trust Fund</b>	<b>Balance December 31, 2009</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2010</b>
<b>Assets</b>				
Cash and cash equivalents	<u>\$ 976,508</u>	<u>\$ 33,258</u>	<u>\$ 71,270</u>	<u>\$ 938,496</u>
<b>Liabilities</b>				
Due to others	<u>\$ 976,508</u>	<u>\$ 33,258</u>	<u>\$ 71,270</u>	<u>\$ 938,496</u>

# Statistical Section

# STATISTICAL SECTION

This part of the City of Branson's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the City's overall financial health.

<u>Contents</u>	<u>Table</u>
<b>Financial Trends</b>	
These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-4
<b>Revenue Capacity</b>	
These tables contain information to help the reader assess the City's most significant local revenue sources: sales tax, tourism tax, and property tax.	5-12
<b>Debt Capacity</b>	
These tables 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.	13-16
<b>Demographic and Economic Information</b>	
These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	17-18
<b>Operating Information</b>	
These tables 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.	19-21

**Sources:** Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; tables presenting government-wide information include information beginning in that year.



Table 1

**CITY OF BRANSON, MISSOURI**  
**Net Assets by Component**  
**LAST SEVEN FISCAL YEARS**  
**(accrual basis of accounting)**

	2004	2005	2006	2007	2008	2009	2010
<b>Government activities</b>							
Invested in capital assets, net of related debt	\$ 7,713,950	\$ 12,523,781	\$ 22,280,129	\$ 141,919,127	\$ 145,177,108	\$ 144,289,962	\$ 129,557,224
Restricted	28,372,238	23,716,023	17,980,262	17,204,507	17,791,624	14,686,790	21,582,752
Unrestricted	18,261,987	17,979,313	20,709,745	16,681,197	13,200,540	14,845,152	10,329,689
<b>Total governmental activities net assets</b>	<b>\$ 54,348,175</b>	<b>\$ 54,219,117</b>	<b>\$ 60,970,136</b>	<b>\$ 175,804,831</b>	<b>\$ 176,169,272</b>	<b>\$ 173,821,904</b>	<b>\$ 161,469,665</b>
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$ 71,208,320	\$ 76,130,789	\$ 75,427,333	\$ 73,609,515	\$ 77,523,944	\$ 75,955,579	\$ 81,930,467
Restricted	-	-	-	172,367	185,812	189,393	3,217,997
Unrestricted	5,205,263	1,435,607	1,530,171	1,801,365	2,982,009	4,123,488	4,460,650
<b>Total business-type activities net assets</b>	<b>\$ 76,413,583</b>	<b>\$ 77,566,396</b>	<b>\$ 76,957,504</b>	<b>\$ 75,583,247</b>	<b>\$ 80,691,765</b>	<b>\$ 80,268,460</b>	<b>\$ 89,609,114</b>
<b>Primary government</b>							
Invested in capital assets, net of related debt	\$ 78,922,270	\$ 88,654,570	\$ 97,707,462	\$ 215,528,642	\$ 217,620,480	\$ 220,245,541	\$ 211,487,691
Restricted	28,372,238	23,716,023	17,980,262	17,376,874	17,977,436	14,876,183	24,800,749
Unrestricted	23,467,250	19,414,320	22,239,916	18,482,562	21,263,121	18,968,640	14,790,339
<b>Total primary government net assets</b>	<b>\$ 130,761,758</b>	<b>\$ 131,785,513</b>	<b>\$ 137,927,640</b>	<b>\$ 251,388,078</b>	<b>\$ 256,861,037</b>	<b>\$ 254,090,364</b>	<b>\$ 251,078,779</b>

Note: In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit. Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.  
 Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year.  
 Note: October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 2

CITY OF BRANSON, MISSOURI  
Changes in Net Assets  
LAST SEVEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>							
Governmental activities:							
General government	\$ 3,035,778	\$ 3,029,990	\$ 3,331,264	\$ 4,528,246	\$ 4,939,024	\$ 5,103,050	\$ 6,288,554
Public safety	4,785,882	5,258,799	5,614,712	5,708,173	7,284,189	6,462,599	6,717,714
Public works	6,452,454	6,859,721	7,417,832	8,120,098	9,139,399	9,224,956	9,482,818
Engineering services	530,728	538,614	613,902	646,429	726,971	683,473	658,103
Community development	626,690	624,574	709,621	1,086,542	1,481,803	1,369,522	1,430,800
Culture and recreation	1,148,777	1,495,974	2,270,578	2,010,813	2,316,661	2,305,826	2,643,310
Convention Center	N/A	N/A	N/A	872,144	7,229,165	7,522,744	7,471,163
Tourism	2,950,686	3,145,185	2,714,475	2,754,357	2,453,257	2,162,880	2,248,108
Interest on long-term debt	4,968,306	4,928,299	5,515,916	6,000,615	3,938,218	3,563,140	3,824,038
Total governmental expense	24,499,301	25,881,156	28,188,300	31,727,417	39,488,687	38,398,190	40,764,608
Business-type activities:							
Water & sewer services	7,338,921	7,185,700	7,587,129	7,938,306	8,701,225	8,526,666	8,270,508
Total business-type activities expense	7,338,921	7,185,700	7,587,129	7,938,306	8,701,225	8,526,666	8,270,508
Total primary governmental expense	\$ 31,838,222	\$ 33,066,856	\$ 35,775,429	\$ 39,665,723	\$ 48,189,912	\$ 37,035,464	\$ 49,035,116
<b>Program Revenues</b>							
Governmental activities:							
Charges for services:							
General government	\$ 1,624,581	\$ 1,786,399	\$ 1,777,350	\$ 2,470,833	\$ 2,589,876	\$ 2,746,768	\$ 2,802,297
Public safety	275,509	313,549	341,522	43,849	43,281	19,968	13,466
Public works	71,093	60,342	75,061	13,740	30,307	2,424	-
Engineering services	7,758	11,053	11,773	2,002	1,577	1,165	1,616
Community development	393,853	491,521	799,609	740,409	591,472	229,631	162,255
Culture and recreation	700,034	687,708	1,076,808	1,164,916	1,224,259	1,390,871	1,519,887
Convention center	N/A	N/A	N/A	N/A	3,937,780	4,001,137	4,637,819
Tourism	-	62,397	119,620	19,442	-	-	-
Operating grants & contributions	264,352	317,233	345,589	45,622	206,563	45,565	315,980
Capital grants & contributions	-	-	265,216	381,654	2,750,119	1,016,376	251,439
Total governmental program revenues	\$ 3,337,180	\$ 3,730,202	\$ 4,812,548	\$ 4,882,467	\$ 11,375,234	\$ 9,453,905	\$ 9,704,759

**Changes in Net Assets, Con't**

	2004	2005	2006	2007	2008	2009	2010
<b>Business-type activities:</b>							
Charges for services - water & sewer	\$ 3,913,997	\$ 3,852,735	\$ 4,980,028	\$ 5,195,680	\$ 5,906,548	\$ 5,856,243	\$ 6,077,393
Capital grants & contributions	911,433	-	-	596,804	6,523,130	1,199,077	3,996,655
Total business-type activities program revenues	4,825,430	3,852,735	4,980,028	5,792,484	12,429,678	7,055,320	10,074,048
Total primary governmental program revenues	\$ 8,162,610	\$ 7,582,937	\$ 9,792,576	\$ 10,674,951	\$ 23,804,912	\$ 16,509,225	\$ 19,778,807
<b>Net (expense)/revenue</b>							
Governmental activities	\$ (21,162,121)	\$ (22,150,954)	\$ (23,375,752)	\$ (26,844,950)	\$ (28,113,453)	\$ (28,944,285)	\$ (31,059,849)
Business-type activities	(2,513,491)	(3,332,965)	(2,607,101)	(2,145,822)	3,728,453	(1,471,346)	1,803,540
Total primary governmental net expense	\$ (23,675,612)	\$ (25,483,919)	\$ (25,982,853)	\$ (28,990,772)	\$ (24,385,000)	\$ (30,415,631)	\$ (29,256,309)
<b>General Revenues and Other Changes in Net Assets</b>							
<b>Governmental activities:</b>							
<b>Taxes:</b>							
Property tax	\$ 1,773,199	\$ 1,875,088	\$ 1,793,951	\$ 2,061,835	\$ 2,052,194	\$ 2,370,101	\$ 2,560,923
Sales tax	12,325,171	12,454,943	12,884,856	12,443,263	12,981,038	12,102,118	12,321,436
Tourism tax	10,678,801	10,495,936	10,935,304	11,810,276	11,769,977	10,888,188	10,907,769
Other taxes	837,370	872,555	1,730,423	1,079,175	1,512,676	1,360,473	1,396,916
(Loss)/gain on sale of capital assets	(113,160)	-	60,347	9,515	-	-	104,256
Unrestricted grants and contributions	-	-	-	-	-	-	-
Unrestricted investment earnings	1,638,491	1,719,869	4,513,670	2,397,427	1,505,009	876,037	888,518
Transfers out	(6,362,558)	(4,435,998)	(1,658,925)	(725,608)	(1,343,000)	(1,000,000)	(8,061,223)
Total governmental activities	20,777,314	22,982,393	30,259,626	29,075,883	28,477,894	26,596,917	26,596,917
<b>Business-type activities:</b>							
Unrestricted investment earnings	56,763	49,780	59,211	45,957	37,065	48,041	31,030
Gain of sale of capital assets	-	-	280,073	-	-	-	-
Transfers in	6,362,558	4,435,998	1,658,925	725,608	1,343,000	1,000,000	8,061,223
Total business-type activities	6,419,321	4,485,778	1,998,209	771,565	1,380,065	1,048,041	8,092,253
Total primary government	\$ 27,196,635	\$ 27,468,171	\$ 32,257,835	\$ 29,847,448	\$ 29,857,959	\$ 27,644,958	\$ 34,689,170
<b>Change in Net Assets</b>							
Governmental activities	\$ (384,807)	\$ 831,439	\$ 6,883,874	\$ 2,230,933	\$ 364,441	\$ (2,347,368)	\$ (10,941,255)
Business-type activities	3,905,830	1,152,813	(608,892)	(1,374,257)	5,108,518	(423,305)	9,895,793
Total primary government	\$ 3,521,023	\$ 1,984,252	\$ 6,274,982	\$ 856,676	\$ 5,472,959	\$ (2,770,673)	\$ (1,045,462)

1. The increase from the prior period was caused by the opening of the new recreation complex.  
 2. The Convention Center opened in September 2007.

Note: In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit. Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year. October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 3

**CITY OF BRANSON, MISSOURI**  
**Fund Balances of Governmental Funds**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	\$ 4,518,147	\$ 4,593,629	\$ 5,138,890	\$ 5,252,939	\$ 5,265,217	\$ 5,119,202	\$ 183,111	\$ 412,084	\$ 205,517	\$ 92,687
Unreserved	8,732,579	9,485,638	8,612,913	8,280,375	7,677,293	8,535,266	12,667,418	8,867,059	8,145,734	5,773,010
Total general fund	\$ 13,250,726	\$ 14,079,266	\$ 13,751,803	\$ 13,533,314	\$ 12,942,510	\$ 13,654,468	\$ 12,850,529	\$ 9,299,143	\$ 8,351,251	\$ 5,865,897
All other governmental funds										
Reserved	\$ 29,132,204	*2 \$ 4,521,747	*3 \$ 34,926,473	*4 \$ 48,265,816	*5 \$ 32,102,221	*6 \$ 22,556,803	*7 \$ 11,486,514	*8 \$ 9,327,861	\$ 9,530,538	\$ 8,415,163
Unreserved, reported in:										
Special revenue funds	2,801,914	5,155,075	10,670,108	10,998,244	4,874,978	6,947,610	8,267,616	9,979,443	6,669,465	14,777,835
Capital projects funds	-	-	-	-	65,783,962	35,576,785	1,575,304	3,247,583	5,661,714	3,735,561
Total all other governmental funds	\$ 31,934,118	\$ 9,676,822	\$ 45,596,581	\$ 59,264,060	\$ 102,761,161	\$ 65,081,198	\$ 21,329,434	\$ 22,554,887	\$ 21,861,717	\$ 18,513,596

\*1 Increases in reserves result from increased tourism and sales tax revenues reserved for debt service.  
\*2 Increase in reserves result from the issuance of temporary notes to fund the acquisition of property for the capital projects.  
\*3 Decrease in reserves result from expenditures within the capital projects fund to be funded by a subsequent 2002 MDFFB bond issue.  
\*4 Increase in reserves are a result of the 2002 MDFFB bond issue.  
\*5 Increase in reserves are a result of the 2004 MDFFB bond issue funds in excess of 2004 capital project expenditures.  
\*6 Increase in reserves are a result of the 2005 MDFFB bond issue funds in excess of 2005 capital project expenditures.  
\*7 Reclassification of capital project reserve funds.  
\*8 In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit. Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year. October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 4

CITY OF BRANSON, MISSOURI Changes in Fund Balances of Governmental Funds LAST TEN FISCAL YEARS (modified accrual basis of accounting)										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues</b>										
Taxes	\$ 24,316,276	\$ 25,649,697	\$ 26,033,952	\$ 25,614,541	\$ 25,698,522	\$ 26,715,964	\$ 27,329,795	\$ 28,314,241	\$ 26,666,284	\$ 27,076,663
Licenses and permits	563,857	655,608	647,917	682,281	793,548	1,175,142	1,205,100	1,061,481	648,553	594,662
Court fines	112,650	203,504	215,256	285,761	221,967	257,509	429,633	642,078	653,158	721,396
Charges for services	714,667	735,144	743,076	686,036	731,963	1,155,310	2,128,886	6,180,864	6,506,679	6,537,071
Lease and rent	1,563,759	1,603,768	960,308	966,594	1,084,985	959,224	1,118,492	1,065,826	1,202,484	1,289,524
Intragovernmental activity taxes						628,570	26,208		216,243	515,981
Investment earnings	3,156,115	2,624,947	2,037,915	1,638,491	1,719,868	4,513,670	2,397,427	1,505,009	876,037	888,518
Miscellaneous and contributions	1,563,097	1,527,452	2,007,452	1,159,035	1,323,840	1,943,679	650,014	613,085	107,630	313,010
<b>Total revenues</b>	<b>32,980,421</b>	<b>33,000,120</b>	<b>32,639,632</b>	<b>31,032,139</b>	<b>31,364,693</b>	<b>37,249,064</b>	<b>35,285,555</b>	<b>39,352,584</b>	<b>36,879,068</b>	<b>37,746,825</b>
<b>Expenditures</b>										
General government	3,100,281	3,326,894	3,106,030	3,272,068	3,314,430	3,736,872	5,190,074	4,593,757	4,813,249	5,919,194
Public safety	4,147,861	4,436,413	4,636,978	4,768,290	5,103,631	5,384,949	5,798,774	6,814,114	5,656,388	5,980,396
Public works	1,618,008	1,745,717	1,807,382	1,686,681	1,748,692	2,102,618	2,716,631	2,901,678	2,663,332	3,128,928
Engineering and community development	903,939	1,057,152	1,125,822	1,149,382	1,142,415	1,305,458	1,462,282	662,870	606,672	595,835
Community Development								1,386,627	1,293,578	1,358,711
Culture and recreation	610,358	1,035,766	1,023,857	1,039,792	1,362,018	1,754,389	1,838,694	2,086,656	2,099,264	2,020,121
Convention Center								5,162,094	5,346,111	5,385,970
Tourism	2,611,558	2,600,000	2,823,843	2,950,686	3,145,185	2,714,475	2,995,042	2,679,977	2,392,731	2,479,293
Capital outlay	2,459,574	32,904,103	6,951,191	26,250,126	39,558,654	44,911,191	36,981,252	7,614,255	6,224,332	745,892
Debt service										
Principal	4,237,000	4,584,000	4,846,000	5,337,000	5,530,000	5,938,000	2,572,000	2,676,000	2,787,000	2,927,000
Cost of issuance				925,715	895,645	500,538				
Interest	3,750,171	3,645,220	5,505,182	4,753,058	4,526,874	4,269,981	6,049,762	3,777,489	3,635,473	3,683,624
<b>Total expenditures</b>	<b>23,438,750</b>	<b>55,335,265</b>	<b>32,751,900</b>	<b>51,207,083</b>	<b>66,327,544</b>	<b>72,618,491</b>	<b>65,604,511</b>	<b>40,365,517</b>	<b>37,520,130</b>	<b>34,225,564</b>
<b>Excess of revenues over (under) expenditures</b>	<b>9,541,671</b>	<b>(22,335,145)</b>	<b>(112,268)</b>	<b>(20,174,944)</b>	<b>(34,742,851)</b>	<b>(35,369,427)</b>	<b>(30,318,956)</b>	<b>(982,933)</b>	<b>(641,062)</b>	<b>3,521,261</b>
<b>Other financing sources (uses)</b>										
Transfers in (out)	1,346,595	(730,493)	(45,214)	(6,362,558)	(4,435,998)	(1,658,925)	(692,162)	(1,343,000)	(1,000,000)	(8,061,223)
Proceeds from the sale of capital assets				133,521		60,347				
Refunding bonds issued							1,840,000			
Bonds issued				40,000,000	80,000,000					
Issuance premium/(Discount) on bonds					2,085,146					15,535,000
Payments to refunded bond escrow agent							(1,691,461)			(98,377)
Bond anticipation note proceeds, net										(7,854,917)
Bond issue costs				(502,317)						
Total other financing sources (uses)	1,346,595	32,769,507	35,701,802	33,268,646	77,649,148	(1,598,578)	(653,623)	(1,343,000)	(1,000,000)	(478,517)
Net change in fund balances	\$ 10,489,260	\$ 10,434,362	\$ 35,589,534	\$ 13,094,302	\$ 42,906,297	\$ (36,868,005)	\$ (30,652,919)	\$ (2,325,933)	\$ (1,641,062)	\$ 3,041,744
Debt service as a percentage of noncapital expenditures	38.07%	36.69%	43.93%	40.43%	40.92%	36.65%	30.12%	19.70%	20.74%	19.88%

Note: In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit. Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year.

October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

**Table 5**

**CITY OF BRANSON, MISSOURI  
Governmental Activities Tax Revenues By Source  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

Fiscal Year	Ad valorem Taxes	Sales Taxes	Motor Fuel Taxes	911 Taxes	Franchise Taxes	Cigarette Taxes	Tourism Taxes	Total
2001	\$ 1,598,543	\$ 11,951,494	\$ 153,451	\$ 121,755	\$ 458,809	\$ 46,971	\$ 10,107,008	\$ 24,438,031
2002	1,650,295	12,304,462	219,615	121,755	490,065	47,359	10,937,901	25,771,452
2003	1,727,592	12,682,693	243,981	168,373	482,139	53,733	10,843,815	26,202,326
2004	1,773,199	12,325,171	255,940	171,428	525,083	56,347	10,678,801	25,785,969
2005	1,875,088	12,454,943	262,098	205,114	550,556	59,901	10,495,936	25,903,636
2006	1,793,951	13,000,198	258,270	194,055	655,484	72,758	10,935,304	26,910,020
2007	2,023,289	12,443,263	270,035	-	679,204	103,728	11,810,276	27,329,795
2008	2,050,551	12,981,038	246,870	415,990	761,274	88,541	11,769,977	28,314,241
2009	2,370,101	12,102,118	233,944	217,454	807,533	101,542	10,888,188	26,720,880
2010	2,560,923	12,321,436	240,232	227,876	846,302	82,506	10,907,769	27,187,043

Note: In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit. Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year. October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 6

CITY OF BRANSON, MISSOURI												
TAXABLE SALES BY CATEGORY												
LAST TEN FISCAL YEARS												
TAXPAYER CATEGORY	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		
	TOTAL SALES	TOTAL SALES	TOTAL SALES	TOTAL SALES	TOTAL SALES	TOTAL SALES						
General Merchandise	N/A	N/A	N/A	N/A	\$ 177,208,988	\$ 205,677,257	\$ 234,716,980	\$ 258,542,793	\$ 288,199,508	\$ 302,384,949		
Apparel Stores	N/A	N/A	N/A	N/A	113,902,933	136,305,610	160,056,591	158,042,911	152,067,371	159,247,052		
Eating & Drinking Estab.	N/A	N/A	N/A	N/A	109,997,378	122,437,851	128,679,150	141,616,672	137,791,501	140,113,594		
Lodging and Campgrounds	N/A	N/A	N/A	N/A	125,673,887	131,343,282	145,284,755	147,560,331	137,326,823	142,546,852		
Theaters & Live Entertainment	N/A	N/A	N/A	N/A	114,421,244	112,857,524	120,978,688	129,309,098	120,212,020	110,321,880		
Non-Theater Entertainment	N/A	N/A	N/A	N/A	44,612,295	49,142,151	47,222,851	43,208,265	37,592,106	42,163,885		
Food Related Stores	N/A	N/A	N/A	N/A	36,066,461	39,630,872	41,675,200	40,197,591	31,965,787	27,521,257		
Automotive Sales, Leasing & Service	N/A	N/A	N/A	N/A	31,823,002	33,785,928	37,547,818	33,488,855	26,447,877	29,745,801		
Ice Cream, Candy, Coffee Shops	N/A	N/A	N/A	N/A	4,960,436	6,347,712	8,059,419	8,830,115	9,103,324	8,938,509		
Other	N/A	N/A	N/A	N/A	67,067,020	55,773,266	75,790,576	64,815,980	60,971,659	67,156,890		
Total	\$ 779,764,100	\$ 785,645,400	\$ 810,212,800	\$ 823,260,200	\$ 811,475,800	\$ 893,301,453	\$ 1,000,012,028	\$ 1,025,612,611	\$ 1,001,677,976	\$ 1,030,140,669		
<p>N/A - Information not available</p> <p>City direct sales tax rate = 1.5%</p> <p>Information provided by City of Branson based on business tax filings with the Missouri Dept. of Revenue</p> <p>Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year.</p> <p>October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.</p>												

**Table 7**

<b>City of Branson, Missouri</b> <b>Direct and Overlapping Sales Tax Rates</b> <b>Last Ten Fiscal Years</b>					
Fiscal Year	City Direct Rate	Taney County	Ambulance District	Missouri State	Tourism Enhancement
2001	1.500%	1.500%	0.000%	4.225%	0.000%
2002	1.500%	1.500%	0.000%	4.225%	0.000%
2003	1.500%	1.500%	0.250%	4.225%	0.000%
2004	1.500%	1.500%	0.250%	4.225%	0.000%
2005	1.500%	1.500%	0.250%	4.225%	0.000%
2006	1.500%	1.625%	0.250%	4.225%	1.000%
2007	1.500%	1.625%	0.250%	4.225%	1.000%
2008	1.500%	1.625%	0.250%	4.225%	1.000%
2009	1.500%	1.625%	0.250%	4.225%	1.000% *
2010	1.500%	1.625%	0.250%	4.225%	1.000%

Sources: City of Branson  
 Missouri State Sales Tax Exemption:  
*Motor fuel or special fuel subject to an excise tax of this state.*  
*All sales of insulin and prosthetic or orthopedic devices, hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items.*

Additional Tourism Enhancement Tax Exemptions:  
*All ticketed amusements, theater seats, hotel & overnight accommodations subject to the city of Branson tourism tax. \*All sales of food & beverage are subject to enhancement tax rate of .875% instead of 1%.*  
*New or used motor vehicles*  
*Trailers, boats or other outboard motors*  
*All utilities, telephone and wireless services*  
*Funeral services*

Table 8

CITY OF BRANSON, MISSOURI											
TOURISM TAX SALES BY CATEGORY											
Last Ten Fiscal Years											
TAXPAYER CATEGORY	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Rate											
Food & Beverage	\$ 132,434,464	\$ 133,948,308	\$ 135,414,748	\$ 140,029,016	\$ 145,024,030	\$ 165,341,642	\$ 183,826,494	\$ 192,232,182	\$ 185,492,490	\$ 189,410,826	
Hotel/Motel	4% 104,650,608	4% 109,519,697	4% 108,306,489	4% 104,476,099	4% 103,253,854	4% 108,838,475	4% 117,508,578	4% 123,261,606	4% 118,544,535	4% 119,770,515	
Theaters & Live Entertainment	4% 104,281,279	4% 104,854,568	4% 99,075,740	4% 94,157,517	4% 87,920,681	4% 85,079,727	4% 89,343,455	4% 96,945,457	4% 92,319,474	4% 91,214,446	
Amusements	4% 20,119,931	4% 26,232,518	4% 33,608,269	4% 34,050,351	4% 34,073,910	4% 39,962,350	4% 45,445,089	4% 39,173,591	4% 32,769,206	4% 33,739,168	
Overnight Rentals	4% 9,165,559	4% 9,314,928	4% 9,936,828	4% 10,908,174	4% 12,280,162	4% 16,662,845	4% 18,107,712	4% 21,069,582	4% 16,176,190	4% 16,946,656	
Ticket & Package Resellers	4% -	4% -	4% -	4% -	4% 1,479,998	4% 4,514,672	4% 4,946,058	4% 6,230,486	4% 4,765,733	4% 6,347,949	
Campground	4% 1,788,430	4% 1,914,671	4% 1,791,142	4% 2,106,443	4% 2,039,266	4% 2,199,980	4% 2,785,245	4% 2,500,028	4% 2,516,223	4% 2,772,319	
<b>Total</b>	<b>\$ 372,440,271</b>	<b>\$ 385,784,690</b>	<b>\$ 388,133,216</b>	<b>\$ 385,727,599</b>	<b>\$ 386,071,901</b>	<b>\$ 422,599,691</b>	<b>\$ 461,962,631</b>	<b>\$ 481,412,932</b>	<b>\$ 452,583,851</b>	<b>\$ 460,201,879</b>	

Information provided by City of Branson. Tourism tax rates have not changed during the last ten years.

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year.

October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 9

**CITY OF BRANSON, MISSOURI  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**

Fiscal Year	Real Estate			Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate		Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Agriculture			Residential	Commercial		
2001	\$ 48,858,170	\$ 230,995,840	\$ 791,810	\$ 39,442,245	\$ 320,088,065	4.1713	4.3213	\$ 1,105,130,634	28.96%
2002	52,305,980	238,326,900	857,640	41,867,566	333,358,086	4.1755	4.3255	1,154,084,606	28.89%
2003	58,383,360	239,575,880	865,990	44,005,735	342,830,965	4.3155	4.3459	1,196,522,763	28.65%
2004	64,544,680	237,525,180	915,110	43,810,847	346,795,817	4.1959	4.3459	1,222,361,089	28.37%
2005	76,972,950	239,188,800	918,710	44,976,176	362,056,636	4.1969	4.3469	1,296,533,149	27.92%
2006	86,838,260	242,921,000	908,690	47,643,099	378,311,049	4.1961	4.3461	1,368,117,043	27.65%
2007	91,625,510	245,957,340	907,650	47,429,491	385,919,991	4.2010	4.3510	1,402,145,694	27.52%
2008	93,546,920	327,653,640	800,410	58,490,528	480,491,498	4.6112	4.7612	1,700,183,943	28.26%
2009	124,023,461	265,362,796	866,180	59,963,492	450,215,929	4.6732	4.8232	1,670,939,514	26.94%
2010	146,247,385	279,274,073	928,940	56,826,281	483,276,679	4.6875	4.8375	1,822,396,575	26.52%

1. Assessed values are set by the Taney County Assessor as of May 14 each year as adjusted by the Taney County Board of Equalization.
2. Real estate ratios were finalized during reassessment in 1985 at 19% for residential, 32% for commercial and 12% for agriculture. Personal property ratio remained at 33.3%
3. Commercial property was reduced by the amount of the commercial property in the TIF district

Table 10

<b>CITY OF BRANSON, MISSOURI</b> <b>PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS</b> <b>PER \$100 ASSESSED VALUATION</b> <b>LAST TEN FISCAL YEARS</b>										
Fiscal Year	City of Branson	Branson R-4	Ambulance District	State Levy	Handicapped	Health	Total Levy Resident	Surtax	Total Levy Commercial	
2001	0.4800	3.2800	0.2009	0.0300	0.0900	0.0904	4.1713	0.1500	4.3213	
2002	0.4842	3.2800	0.2009	0.0300	0.0900	0.0904	4.1755	0.1500	4.3255	
2003	0.4842	3.3700	0.2009	0.0300	0.0904	0.1400	4.3155	0.1500	4.4655	
2004	0.4851	3.4500	-	0.0300	0.0904	0.1404	4.1959	0.1500	4.3459	
2005	0.4853	3.4508	-	0.0300	0.0904	0.1404	4.1969	0.1500	4.3469	
2006	0.4853	3.4500	-	0.0300	0.0904	0.1404	4.1961	0.1500	4.3461	
2007	0.4902	3.4500	-	0.0300	0.0904	0.1404	4.2010	0.1500	4.3510	
2008	0.4535	3.9000	-	0.0300	0.0873	0.1404	4.6112	0.1500	4.7612	
2009	0.5155	3.9000	-	0.0300	0.0873	0.1404	4.6732	0.1500	4.8232	
2010	0.5186	3.8605	-	0.0300	0.1380	0.1404	4.6875	0.1500	4.8375	

Information provided by Taney County, which is responsible for assessing and collecting such taxes by contract with the City. Commercial property is assessed an additional \$1.50 surtax to replace the merchants and manufacturers' inventory tax, which was repealed in 1985. The total commercial property rate for 2007-08 is \$4.7612. The Ambulance District levy was replaced by a \$.25 sales tax in 2004.

Table 11

**CITY OF BRANSON, MISSOURI  
PRINCIPAL PROPERTY TAXPAYERS  
FOR FISCAL YEAR ENDING 2010 AND NINE YEARS AGO**

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Sight & Sound Ministries	\$ 9,893,890	1	2.05%	N/A	N/A	N/A
Chateau on the Lake	7,912,380	2	1.64%	\$ 7,597,220	1	2.37%
Tanger Properties	6,127,750	3	1.27%	5,652,280	2	1.77%
BLH Development	4,950,080	4	1.02%	N/A	N/A	N/A
Radisson Hotel	4,178,350	5	0.86%	4,194,640	4	N/A
Wal-Mart	3,888,020	6	0.80%	N/A	N/A	N/A
Factory Merchants Mall	3,779,880	7	0.78%	4,629,500	3	1.45%
Branson's Magical Mansion, Inc.	3,354,640	8	0.69%	3,190,770	7	1.00%
Branson Meadows Mall	3,312,000	9	0.69%	N/A	N/A	N/A
Grand Palace	3,086,770	10	0.64%	3,700,330	5	1.16%
Weik Resort Group	3,045,570	11	0.63%	3,311,610	6	1.03%
Moon River Enterprises	N/A	N/A	N/A	2,410,680	8	0.75%
Remington Theater	N/A	N/A	N/A	2,222,730	9	0.69%
Lodge of the Ozarks	N/A	N/A	N/A	2,182,830	10	0.68%
<b>Totals</b>	<b>\$ 53,529,330</b>		<b>11.08%</b>	<b>\$ 39,092,590</b>		<b>12.21%</b>

Information provided by the Taney County Assessors Office

**Table 12**

**CITY OF BRANSON, MISSOURI  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Total Tax Levy for 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	
2000	\$ 1,403,536	N/A	N/A	88	\$	1,417,095	100.97%
2001	1,536,423	N/A	N/A	18,317		1,615,885	105.17%
2002	1,614,120	N/A	N/A	44,278		1,694,433	104.98%
2003	1,659,600	N/A	N/A	136,156		1,863,748	112.30%
2004	1,680,982	1,650,741	98.20%	60,908		1,711,649	101.82%
2005	1,756,337	1,703,667	97.00%	47,390		1,750,980	99.69%
2006	1,835,944	1,789,232	97.46%	229,012		2,018,244	109.93%
2007	1,913,283	1,834,840	95.90%	55,921		1,890,761	98.82%
2008	2,017,499	1,995,285	98.90%	61,668		2,056,953	101.96%
2009	2,302,621	2,247,701	97.61%	53,320		2,301,021	99.93%
2010	2,799,992	2,546,883	90.96%	-		2,546,883	90.96%

\*Total Collections to Date include penalties and interest  
Collection data is presented on the cash basis.  
Collection data is provided by Taney County Collector's Office.  
Subsequent year collections are based on collections from fiscal year 2004 forward.  
N/A - Information not available

Table 13

**CITY OF BRANSON, MISSOURI**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Special Revenue Bonds	Claims Judgments & Refunds	Water & Sewer Revenue Bonds	Other Debt & Capital Leases			
2001	\$ 66,689,000	\$ 83,000	\$ 4,920,000	\$ 202,910	\$ 71,894,910	37.48%	\$ 11,617
2002	62,105,000	83,000	4,265,000	126,867	66,579,867	35.01%	10,791
2003	94,024,000	-	3,515,000	-	97,539,000	50.57%	15,654
2004	128,687,000	-	2,690,000	-	131,377,000	62.85%	19,489
2005	203,157,000	-	1,855,000	-	205,012,000	88.99%	29,876
2006	197,219,000	-	990,000	-	198,209,000	78.42%	27,834
2007	70,002,000	-	875,000	-	70,877,000	35.62%	9,533
2008	67,326,000	-	750,000	-	68,076,000	32.29%	8,823
2009	64,539,000	-	620,000	-	65,159,000	29.35%	8,275
2010	68,907,000	-	480,000	-	69,387,000	26.44%	6,596

Note: In 2008, the City's tax increment financing activities were removed from the Primary Government presentation and shown as a component unit.

Amounts for 2007 have been reclassified. Amounts presented prior to 2007 have not been reclassified.

Note: The increase in the Special Revenue Debt is due to a new bond issue in 2010.

Information provided by the City of Branson Economic Development Division and contains information from other sources.

Per Capita is calculated using the population of 10,520

Note: 2010-Reported on a calendar year basis. Prior Years reported September 30th Fiscal Year.

October thru December of 2009 are not reported in the statistical section as a comparison due to the change in the Fiscal year to a calendar basis.

Table 14

<b>CITY OF BRANSON, MISSOURI</b> <b>Direct and Overlapping Governmental Activities Debt</b> <b>September 30, 2010</b>			
<u>Governmental Unit</u>	<u>Net Bonded General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
City of Branson	\$ -	100.00%	\$ -
R-4 School District	38,670,000	77.19%	29,848,795
Taney County	-	77.26%	-
Total direct and overlapping debt	<u>\$ 38,670,000</u>	77.19%	<u>\$ 29,848,795</u>
<p>Sources: Assessed value data used to estimate applicable percentages provided by the County and Assessment Debt outstanding data provided by the county.</p> <p>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 the City of Branson. This process recognizes that, when considering the government'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.</p> <p>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entity's taxable assessed value that is within the city government's boundaries and dividing it by the entity's total taxable assessed value.</p>			

Table 15

**CITY OF BRANSON, MISSOURI**  
**Legal Debt Margin Information**  
**LAST TEN FISCAL YEARS**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	\$ 64,017,613	\$ 66,671,617	\$ 68,566,193	\$ 69,359,163	\$ 72,411,327	\$ 75,662,210	\$ 77,183,998	\$ 96,098,300	\$ 90,043,186	\$ 96,655,336
Total net debt applicable to limit	34,939,000	33,317,000	31,480,000	29,553,300	27,514,500	26,937,260	19,436,890	22,331,128	19,888,233	24,751,072
Legal debt margin	\$ 29,078,613	\$ 33,354,617	\$ 37,086,193	\$ 39,805,863	\$ 44,896,827	\$ 48,724,950	\$ 57,747,108	\$ 73,767,172	\$ 70,154,953	\$ 71,904,264
Total net debt applicable to limit as a percentage of debt	55%	50%	46%	43%	38%	36%	25%	23%	22%	26%

**Legal Debt Margin Calculation for Fiscal Year 2010**

Assessed value	\$ 483,276,679
Debt limit (20% of total assessed value)	96,655,336
Obligations:	
Tourism revenue bonds	30,567,000
General obligation bonds	-
Total bonded debt	30,567,000
Less:	
Debt reserve funds	(5,815,928)
Total net debt applicable to limit	24,751,072
Legal debt margin	\$ 71,904,264

Note: Under state finance law, the city's outstanding general obligation debt should not exceed 20 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.



**Table 17**

**CITY OF BRANSON, MISSOURI  
Demographic and Economic Statistics  
Last Ten Fiscal years**

FISCAL YEAR	POPULATION	PERSONAL INCOME	PER CAPITA INCOME (county)	MEDIAN AGE (county)	EDUCATION			UNEMPLOYMENT RATE
					LEVEL IN YEARS OF SCHOOLING (county)	PUBLIC SCHOOL ENROLLMENT		
2001	6,189	\$ 138,788,325	22,425	38.8	12.9	2,923	8.2%	
2002	6,170	137,615,680	22,304	40.9	12.8	2,995	8.8%	
2003	6,231	143,119,839	22,969	40.5	N/A	3,143	8.7%	
2004	6,741	160,840,260	23,860	N/A	N/A	3,337	9.0%	
2005	6,862	166,753,462	24,301	43.0	N/A	3,416	8.7%	
2006	7,121	181,735,041	25,521	N/A	N/A	3,615	6.8%	
2007	7,435	198,960,600	26,760	40.9	13.1	3,866	6.8%	
2008	7,716	210,831,984	27,324	39.5	14.2	4,066	7.7%	
2009	7,874	221,975,934	28,191	41.3	14.1	4,206	11.2%	
2010	10,520	262,452,960	24,948	44.1	13.4	4,389	12.6%	

Source: Branson Department of Public Relations

Table 18

**CITY OF BRANSON, MISSOURI  
Principal Employers in Branson  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2010				2001			
	Number of Employees	Rank	Percentage of Total Employment		Number of Employees	Rank	Percentage of Total Employment	
			Employment	Total			Employment	Total
Herschend Family Entertainment	1993	1	9.71%	442	5	1.85%		
Skaggs	1064	2	5.19%	658	1	2.76%		
Branson Public Schools	650	3	3.17%	311	3	1.30%		
Big Cedar Resort	550	4	2.68%	N/A	N/A	0.00%		
Wal-mart(2stores)	515	5	2.51%	184	9	0.78%		
Taney County	297	6	1.45%	N/A	N/A	0.00%		
Wyndham Vacation Resorts	272	7	1.33%	N/A	N/A	0.00%		
College of the Ozarks	266	8	1.30%	N/A	N/A	0.00%		
City of Branson	254	9	1.24%	196	7	0.82%		
Hilton Hotels/Convention Center	230	10	1.12%	N/A	N/A	0.00%		
Totals	6,091		29.69%	1,791		7.51%		

Source: Branson Department of Public Relations  
Missouri Economic Research and Information Center

Table 19

**CITY OF BRANSON, MISSOURI**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<u>Full-time Equivalent Employees as of December 31, 2010</u>										
General Government										
Administrative services	18	19	20	23	24	24	25	32	29	29
Finance	8	8	8	8	8	9	9	8	9	9
Planning	11	12	12	11	11	11	13	11	11	12
Police										
Officers	53	53	53	53	53	53	53	52	44	43
Civilians	4	4	4	4	4	4	4	4	12	15
Fire										
Firefighters	31	32	33	34	35	35	37	41	36	37
Civilians	1	1	1	1	1	1	2	4	2	2
Public Works										
Facilities	24	26	27	28	28	27	28	29	20	11
Water	17	17	17	19	19	20	22	16	16	17
Wastewater	24	24	24	26	26	24	25	23	24	24
Other	6	6	6	5	5	6	6	6	5	8
Engineering	7	8	8	8	9	9	9	7	8	8
Parks & Recreation	11	12	12	12	12	11	12	13	11	18
TOTAL	215	222	225	232	235	234	245	246	227	233
Per City Budget	223	230	234	240	262	281	301	321	254	235

Sources: Various government departments.

Table 20

**CITY OF BRANSON, MISSOURI**  
**Operating Indicators by Function**  
**Last Ten Fiscal years**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Police Department</b>										
Physical arrests	854	506	960	1,127	993	1,091	1,316	1,553	1,338	1,771
Parking violations (CY)	1,382	1,920	1,490	1,924	1,820	1,606	2,280	2,125	2,103	2,192
Traffic violations	1,260	2,239	2,593	2,990	2,287	3,342	5,837	8,370	9,606	8,511
<b>Fire Department</b>										
Emergency Responses	1,988	2,052	2,276	2,282	2,652	2,644	3,098	3,479	3,296	3,574
Fires extinguished	74	92	57	60	77	68	44	53	66	56
Inspections	875	750	980	950	1,000	1,400	1,540	1,728	1,737	1,262
<b>Planning &amp; Development</b>										
Building permits issued (CY)	1,261	1,390	1,497	1,572	1,941	2,870	1,793	1,650	1,740	1,506
Building inspections (CY)	5,849	4,447	4,752	5,524	5,240	5,700	4,411	3,321	3,598	3,900
<b>Public Works</b>										
Street Resurfacing	N/A	0.49	0.88	0.23	3.04	1.5	1.42	0	1.6	2
Potholes Repaired	N/A	N/A	633	497	4,225	1,144	2,685	1,234	1,912	1,080
New water connections	131	94	142	176	180	196	72	57	15	59
Water main breaks	78	43	43	34	52	55	45	42	47	112
Average daily consumption	N/A	N/A	N/A	N/A	2,569,000	2,851,000	3,769,786	3,584,106	3,357,000	3,468,906
Peak daily consumption	N/A	N/A	N/A	N/A	4,950,000	5,120,000	7,056,000	6,270,000	5,983,000	6,282,000
Average daily sewage treatment	3.162 mgd	3.277 mgd	3.267 mgd	3.266 mgd	3.258 mgd	3.479 mgd	3.95 mgd	4.29mgd	4.16mgd	4.12 mgd
<b>Parks &amp; Recreation</b>										
Pool admissions	N/A	N/A	N/A	N/A	2,787	36,195	35,648	31,587	29,839	34,092
Golf - rounds	6,869	7,038	8,350	7,908	7,233	7,630	9,038	9,608	7,683	6,740
Athletic field - events	79	80	84	81	80	87	90	94	98	101

Sources: Various government departments.

Note: Indicators are not available for the general governmental function.

Table 21

**CITY OF BRANSON, MISSOURI**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal years**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Police Department</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	2	2	2	2	2	2	2	2	2	2
Patrol Units	13	13	13	13	13	13	14	15	16	16
<b>Fire Department</b>										
Fire Stations	3	3	3	3	3	3	3	3	3	3
<b>Public Works</b>										
Street (miles)	N/A	N/A	N/A	84.23	84.23	84.23	97	97	0	97.5
Street Lights	N/A	N/A	N/A	N/A	N/A	1,517	1,609	1,609	0	1,631
* Traffic Signals	N/A	N/A	N/A	7	7	10	12	13	13	15
*Other traffic signals maintained by Missouri Dept of Transportation										
<b>Public Works</b>										
Water mains (miles)	N/A	N/A	N/A	81.5	81.5	90	90	92.09	95.3	93.86
Fire Hydrants	N/A	N/A	N/A	815	840	865	865	882	580	743
Storage capacity (thousand gals)	N/A	N/A	N/A	4,400,000	4,800,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
<b>Public Works</b>										
Sanitary sewers (miles)	N/A	N/A	N/A	123	123	130	179	210	172	231
Storm sewers (miles)	N/A	N/A	N/A	58	60	65	65	65	80	65
Treatment capacity (thousand gals)	N/A	N/A	N/A	8,700,000	8,700,000	8,700,000	8,700,000	8,700,000	8,700,000	8,700,000
<b>Parks &amp; Recreation</b>										
Acreage	253	255	255	243	285	290	290	290	290	290
Playgrounds	9	10	10	8	9	9	9	9	9	9
Baseball/softball fields	5	1	5	4	8	8	8	8	8	8
Soccer/football fields	1	1	1	1	3	3	3	3	3	3
Community/recreation centers	1	1	1	1	2	2	2	2	2	2
Campgrounds/RV parks	1	1	1	1	1	1	1	1	1	1
Golf courses	1	1	1	1	1	1	1	1	1	1

Sources: Various government departments.  
 Note: Indicators are not available for the general governmental function.