



**CITY OF BRANSON, MISSOURI**

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**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

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**For The Fiscal Year Ended  
December 31, 2015**

**Prepared by:  
Department of Finance**

**City of Branson, Missouri  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2015**

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## **Introductory Section**

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June 22, 2016

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, 2015. 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, an internal control framework designed to protect the City's assets from loss, theft or misuse is utilized. The objective is to provide reasonable, rather than absolute, assurance that the 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 Allen, Gibbs, & Houlik, L.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, 2015 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 Management's Discussion & Analysis (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 which include Table Rock Lake, Lake Taneycomo and Bull Shoals Lake. The city is 21 square miles (13,550 acres) and plays host to millions of visitors a year. Branson thrives as a tourism destination due to the scenic beauty as well as major family-oriented attractions including dozens of theatres offering live entertainment of all varieties, theme parks and shopping.

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. These requests are based on the goals and strategies set forth in the Community Plan 2030, and the annual Strategic Plan. 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 2015, the City of Branson continued to benefit from prior year and recent economic development activities. These activities show in the sales tax revenue growth, as measured by state sales tax filings, considering that filings increased by 4.4% from calendar year 2014. Branson's economy is still focused primarily on the seasonal tourism industry.

**Tourism**—Branson and the Tri-Lakes area attracted millions of visitors in 2015 who contributed well over a billion dollars into the local economy. Branson was named in the top ten great U.S. destinations to discover by the Travelers' Choice Family Award. Trivago named Branson as the second best value city in the U.S. 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. 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 commercial 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	15%
Radius of 100 to 300 miles	28%
Radius of 300 to 650 miles	26%
Radius of 650 or more miles	31%

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 34 music theaters with 38,506 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 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 nationally 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.

**Outdoor Activities**- 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.

Providing a wonderful venue for visitors of all ages, Silver Dollar City 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, water attractions, and roller coasters.

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.

**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. Included in the courses available in the Branson area is Buffalo Ridge Golf Course which was voted by Golf Digest as one of the top 100 public golf courses in America. Other golf courses in the area include Payne Stewart, Pointe Royale, Thousand Hills, Ledgestone, Top of the Rock, Holiday Hills, and Murder Rock.

**Fishing & Hunting-** The scene of many national fishing tournaments, Table Rock Lake is a freshwater fisherman's paradise. Fertile waters teeming 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.

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. With less development 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.

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 views of the Ozarks.

**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 two 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, and The Shoppes at Branson Meadows. With easy access and located on the north edge of Branson, the Branson Hills / Branson Shoppes development offering national brand retailers presenting a diversified mix of retail and food establishments, has become a favorite shopping location. Shoppers can find contemporary goods and handcrafted items all year round.

**Lodging and Restaurants**—Visitors are afforded the opportunity to choose lodging from over 15,000 rooms in local motels, hotels, resorts, and bed and breakfast inns. The choices are endless, with room rates ranging from budget accommodations to luxurious suites overlooking Table Rock Lake. The current number of lodging facilities, excluding condominiums, time shares, and campgrounds (in city limits) is 130.

You cannot be hungry in Branson, as visitors have an endless variety of restaurants and food establishments from which to choose, as there are 132 restaurants, coffee shops, and ice cream establishments with over 26,000 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 and nationally centralized location, is a popular place for holding meetings of all sizes. The Branson area has several conference center hotels in various locations offering a variety of options. Some of the larger conference facilities include the following. Located on the shores of beautiful Table Rock Lake, Chateau on the 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, Radisson Inn 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 the 220,000 square foot Branson Convention Center and exhibition complex, including two exhibit halls totaling 50,000 square feet, which connects to a 23,000 square foot ballroom. There are 12 additional meeting rooms on the second floor. All combined, the Center has the ability to accommodate approx. 4,500 persons and is connected to one of the two Hilton Hotels which has a combined room total of 537 hotel rooms.

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

The City of Branson utilizes a five-year capital improvement program to prioritize public projects. The City has also developed a 20-year capital improvement plan that is based on the 2030 Community Plan. The 2030 Community Plan was created in 2010 and is a guide to realize our vision for the future. 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 thirteen debt issues outstanding. These issues include \$16,580,000 in revenue bonds for the Tourism Fund; \$32,605,000 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 \$170,080,190 debt issuances that is for the Tax Increment Financing districts. The TIF Commission is considered a blended component unit included in with the governmental funds presentation. 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, to finance needed infrastructure extensions and improvements. Some of the projects during FY2015 included: Highway 76 Complete Streets Projects and Downtown Branson Streetscapes as well as repairing aging water and sewer infrastructure.

### ***Strategic, Community and Financial Plan***

The Board of Aldermen has established a Strategic Plan and the priorities needed to meet the goals of our city as described to us in our 2030 Community Plan. The City is in the process of implementing Priority Based Budgeting to help determine what services the City offers that are working towards meeting these goals as well as what services are offered that possibly aren't helping to reach these goals. The City departments created an inventory of all the services offered on behalf of the city and then rated those services according to how well each service meets the needs and expectations of our

community. The departments used the following key elements of the Community Plan to set up their goals and as a basis for evaluating their performance:

1. Land Use
2. Tourism
3. Economic Development
4. Community Character
5. Parks, Open Space & Recreation
6. Community Needs: Safety, Health & Socio-Economic
7. Community Needs: Arts, Culture & Education
8. Transportation
9. Infrastructure & Environment
10. Good Governance.

By aligning the City's Community Plan 2030, Strategic Plan and Priority Based Budgeting process, the City is better prepared to make sound financial decisions that will move towards a bright and sustainable future.

### *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 December 31. This was the tenth 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.

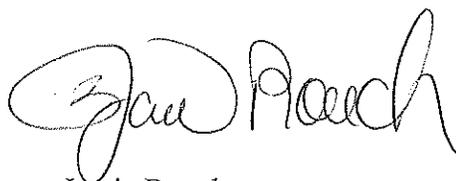
The Government Finance Officers Association of the United States and Canada (GFOA) has also awarded a Distinguished Budget Presentation Award to the City of Branson. This award represents a significant achievement and reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting.

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, Allen, Gibbs & Houlik, L.C. for their help in formulating this report.

Respectfully submitted,



William J. Malinen  
City Administrator



Jamie Rouch  
Finance Director



Government Finance Officers Association

**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

**December 31, 2014**

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Branson  
Missouri**

For the Fiscal Year Beginning

**January 1, 2015**

Executive Director

# CITY OF BRANSON, MISSOURI

## LIST OF PRINCIPAL OFFICIALS

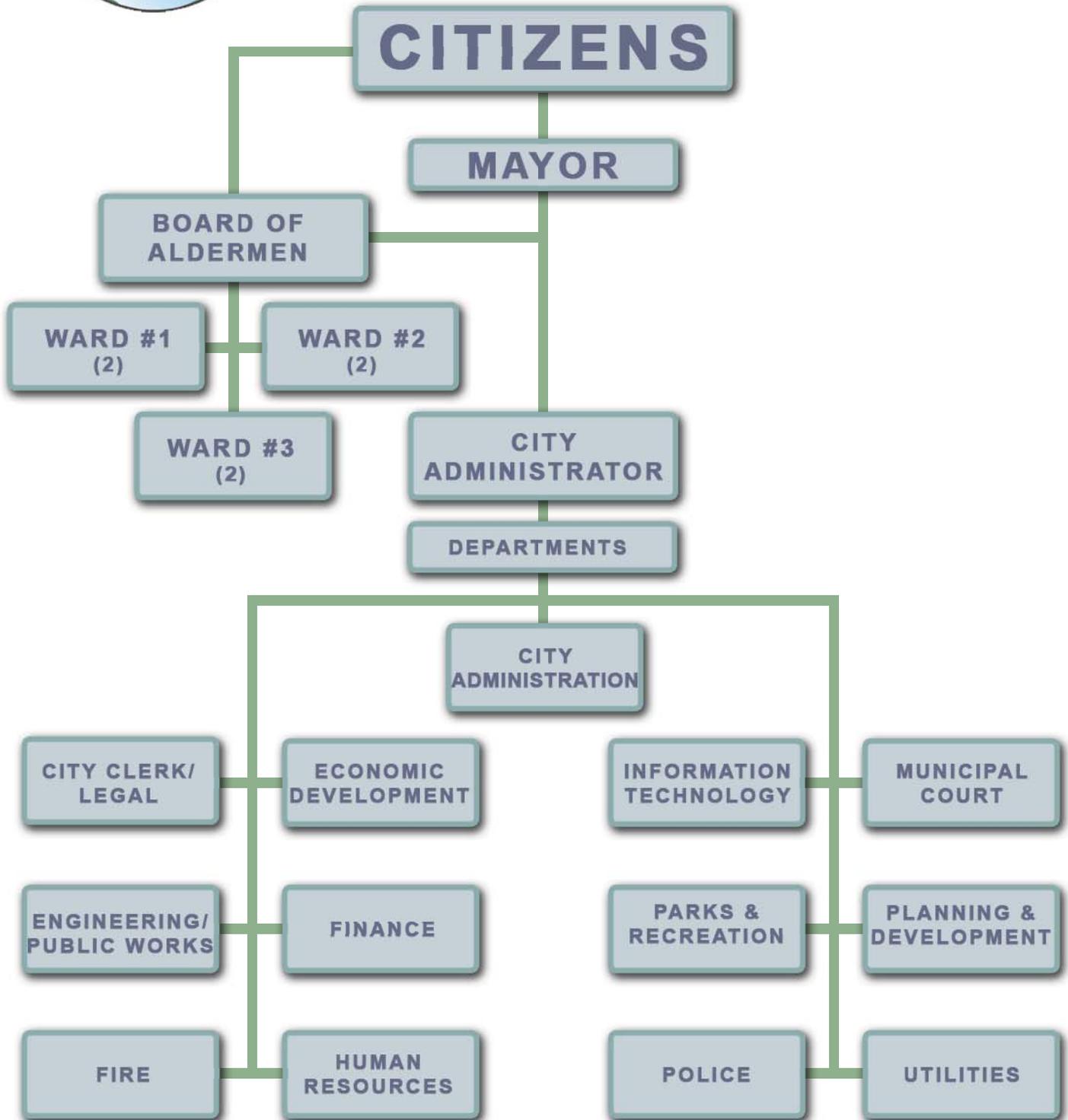
As of December 31, 2015

Mayor	Karen Best
Alderman	Mike Booth
Alderman	Bob Simmons
Alderman	Cris Bohinc
Alderman	Dr. Rick Davis
Alderman	Dr. Patrick Parnell
Alderman	Rick Todd
City Administrator	William J. Malinen
Acting City Attorney	Wm. "Dub" Duston
Finance Director	Jamie Rouch
Human Resources Director	Jan Fischer
City Engineer/Public Works Director	David Miller
Planning & Development Director	Joel Hornickel
Police Chief	Kent Crutcher
Fire Chief	Ted Martin
Utilities Director	Mike Ray
City Clerk	Lisa Westfall
Information Technology Director	Chad Forster
Parks & Recreation Director	Cindy Shook



# City of Branson

## ORGANIZATIONAL CHART



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## **Financial Section**

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## INDEPENDENT AUDITOR'S REPORT

Board of Alderman  
City of Branson, Missouri

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Branson, Missouri (City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Branson, Missouri, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1 and Note 8 to the financial statements, on January 1, 2015, the City adopted Government Accounting Standards Board Statement No. 68: Accounting and Financial Reporting for Pensions and Government Accounting Standards Board statement No. 71: Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on 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.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections as listed in the table of contents 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic 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.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2016 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Allen, Gibbs & Houlik, L.C.*  
CERTIFIED PUBLIC ACCOUNTANTS

June 22, 2016  
Wichita, Kansas

## 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, 2015. We encourage readers to consider the information presented here in conjunction with the additional information we have furnished in our transmittal letter as well as the financial statements that follow this section.

### **Financial Highlights**

- On a government-wide basis, the City's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of fiscal year 2015 by \$79,548,451.
- The City's total net position increased by \$5,400,976. Of this amount, \$6,783,892 was an increase in the City's "governmental activities", while the City's "business-type activities" decreased by \$1,382,916.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$51,364,676. Approximately 11% of this total amount is unassigned.
- At December 31, 2015, the total unassigned fund balance for the General Fund was \$5,793,474 or approximately 27% 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 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 Position** presents information regarding the City's assets and deferred outflows of resources along with liabilities and deferred inflows of resources. The differences between these are reported as net position. The increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements 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 14-15 of this report.

**Fund financial statements.** Fund financial statements focus on individual parts of the City's government. 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. These funds are 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 the City's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This may enable the reader to 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 has eleven 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, capital projects fund and tax increment financing fund, which are considered to be major funds. Data from the Convention Center fund, Parks and Recreation fund, Old School fund and the Red Roof Mall fund are combined with the General fund to provide a single, aggregated presentation. Individual fund data for each of these non-major 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 funds 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 16-19 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 internal service fund is presented in a single column in the proprietary fund financial statements. 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 basic proprietary fund financial statements can be found on pages 20-22 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 23 of this report.

**Notes to the Basic Financial Statements.** The notes provide additional information that is essential to obtain 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 24-54 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 55-62 of this report. Other supplementary information includes certain combining and individual fund statements and schedules. These statements are found on pages 63-77 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At December 31, 2015, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$79,548,451. The largest portion of the City's net position \$187,382,066 reflects its net 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; therefore 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 Position

The following table reflects the condensed Statement of Net Position as of December 31, 2015 and 2014:

City of Branson Net Position						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
<b>Assets:</b>						
Current and other assets	\$ 56,571,740	\$ 58,761,800	\$ 11,833,842	\$ 10,633,521	\$ 68,405,582	\$ 69,395,321
Capital assets	171,431,892	172,018,108	72,229,268	74,602,930	243,661,160	246,621,038
Total assets	<u>228,003,632</u>	<u>230,779,908</u>	<u>84,063,110</u>	<u>85,236,451</u>	<u>312,066,742</u>	<u>316,016,359</u>
<b>Deferred outflows of resources:</b>						
Deferred charge on refunding	5,904,543	5,946,135	-	-	5,904,543	5,946,135
Deferred outflows related to pensions	1,877,595	-	440,423	-	2,318,018	-
Total deferred outflows of resources	<u>7,782,138</u>	<u>5,946,135</u>	<u>440,423</u>	<u>-</u>	<u>8,222,561</u>	<u>5,946,135</u>
<b>Liabilities:</b>						
Long-term obligations	231,186,640	240,799,163	539,271	204,521	231,725,911	241,003,684
Other liabilities	4,755,705	3,968,336	1,998,714	1,952,154	6,754,419	5,920,490
Total liabilities	<u>235,942,345</u>	<u>244,767,499</u>	<u>2,537,985</u>	<u>2,156,675</u>	<u>238,480,330</u>	<u>246,924,174</u>
<b>Deferred inflows of resources:</b>						
Unavailable revenue - property taxes	1,858,088	1,923,212	-	-	1,858,088	1,923,212
Unavailable revenue - pensions	325,972	-	76,462	-	402,434	-
Total deferred inflows of resources	<u>2,184,060</u>	<u>1,923,212</u>	<u>76,462</u>	<u>-</u>	<u>2,260,522</u>	<u>1,923,212</u>
<b>Net Position:</b>						
Net, investment in capital assets	115,152,798	115,739,014	72,229,268	74,602,930	187,382,066	190,341,944
Restricted	41,951,381	46,111,793	-	-	41,951,381	46,111,793
Unrestricted /(Deficit)	<u>(159,444,814)</u>	<u>(171,815,475)</u>	<u>9,659,818</u>	<u>8,476,846</u>	<u>(149,784,996)</u>	<u>(163,338,629)</u>
<b>Total Net Position (deficit)</b>	<u>\$ (2,340,635)</u>	<u>\$ (9,964,668)</u>	<u>\$ 81,889,086</u>	<u>\$ 83,079,776</u>	<u>\$ 79,548,451</u>	<u>\$ 73,115,108</u>

For the year ended December 31, 2015, the City's governmental activities net position increased by \$6,783,892. The City's business-type activities net position decreased by \$1,382,916, primarily as a result of operating expenses including depreciation exceeding operating revenues.

## Changes in Net Position

The following table reflects the revenues and expenses for the fiscal years ended December 31, 2015 and December 31, 2014 from the City's activities:

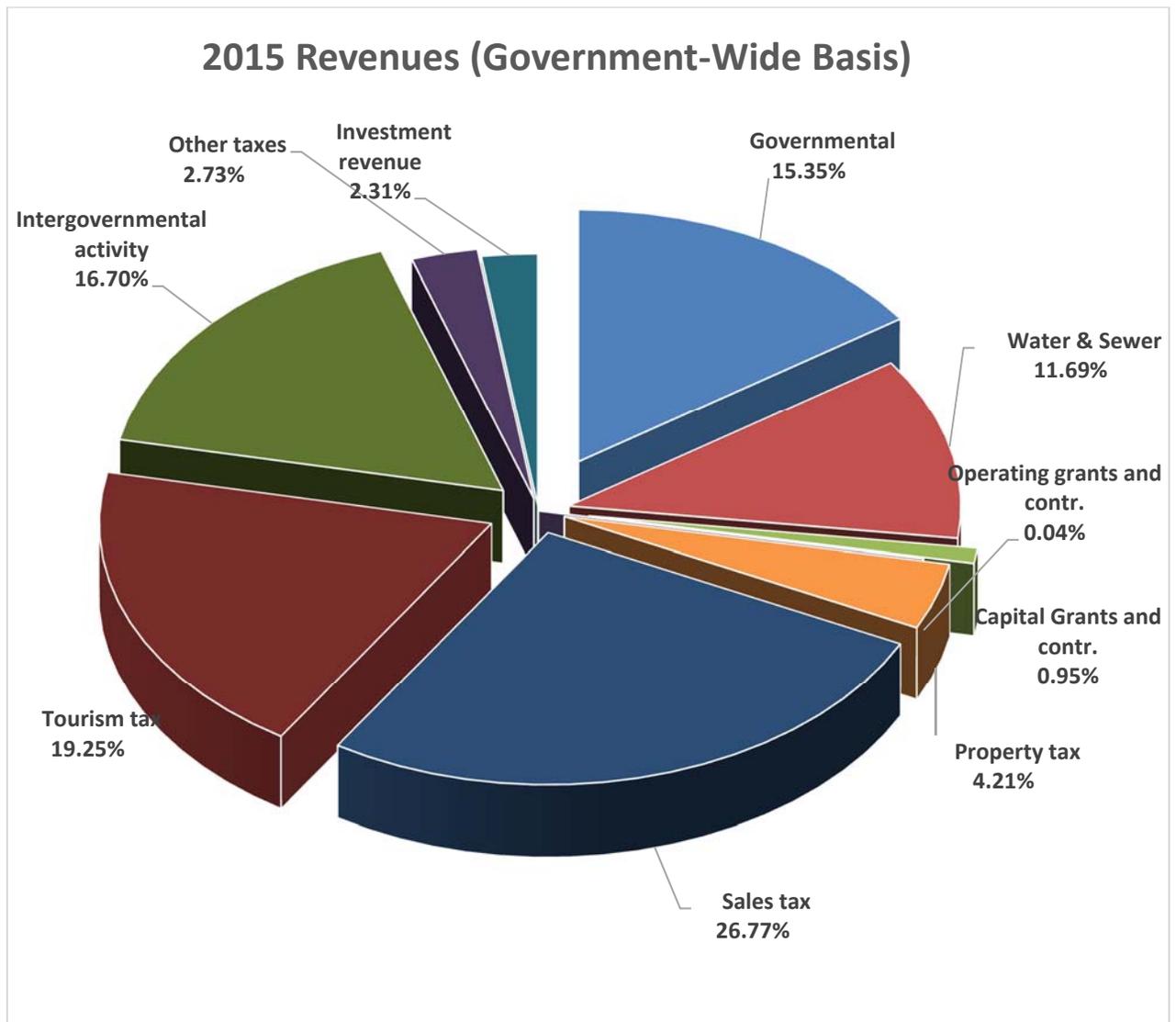
### City of Branson Statement of Activities

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
<b>Program revenues</b>						
Charges for services:						
Governmental	\$ 9,689,909	\$ 8,784,072	\$ -	\$ -	\$ 9,689,909	\$ 8,784,072
Water & Sewer			7,376,804	7,268,825	7,376,804	7,268,825
Capital grants and contr.	198,306	426,354	401,987	893,453	600,293	1,319,807
Operating grants and contr.	25,271	475,597			25,271	475,597
<b>General revenues</b>					-	-
Property tax	2,656,996	2,548,007			2,656,996	2,548,007
Sales tax	16,896,104	16,402,367			16,896,104	16,402,367
Tourism tax	12,149,089	11,862,618			12,149,089	11,862,618
Intergovernmental activity	10,543,454	10,123,821			10,543,454	10,123,821
Other taxes	1,725,996	1,952,282			1,725,996	1,952,282
Investment revenue	1,431,890	861,000	23,901	12,316	1,455,791	873,316
Insurance recoveries	-	31,780			-	31,780
Other	-	(263,064)			-	(263,064)
<b>Total revenues</b>	<u>55,317,015</u>	<u>53,204,834</u>	<u>7,802,692</u>	<u>8,174,594</u>	<u>63,119,707</u>	<u>61,379,428</u>
<b>Expenses</b>						
General government	6,095,239	7,069,688	-	-	6,095,239	7,069,688
Public safety	6,673,594	6,685,683	-	-	6,673,594	6,685,683
Public works	9,362,157	8,661,621	-	-	9,362,157	8,661,621
Engineering services	628,328	540,389	-	-	628,328	540,389
Community development	777,043	734,863	-	-	777,043	734,863
Culture and recreation	2,453,437	2,420,135	-	-	2,453,437	2,420,135
Convention center	6,758,400	6,893,851	-	-	6,758,400	6,893,851
Tourism	3,249,908	2,516,263	-	-	3,249,908	2,516,263
Interest and debt issuance costs	10,555,017	12,018,310	-	-	10,555,017	12,018,310
Water and sewer utility	-	-	11,165,608	10,486,575	11,165,608	10,486,575
<b>Total expenses</b>	<u>46,553,123</u>	<u>47,540,803</u>	<u>11,165,608</u>	<u>10,486,575</u>	<u>57,718,731</u>	<u>58,027,378</u>
<b>Change in net assets before transfers</b>	8,763,892	5,664,031	(3,362,916)	(2,311,981)	5,400,976	3,352,050
<b>Transfers</b>	<u>(1,980,000)</u>	<u>(798,959)</u>	<u>1,980,000</u>	<u>798,959</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>	6,783,892	4,865,072	(1,382,916)	(1,513,022)	5,400,976	3,352,050
<b>Net position, beginning</b>	(9,964,668)	(14,829,740)	83,079,776	84,592,798	73,115,108	69,763,058
<b>Prior Period Adjustment</b>	840,141	-	192,226	-	1,032,367	-
<b>Net position, beginning</b>	<u>\$ (2,340,635)</u>	<u>\$ (9,964,668)</u>	<u>\$ 81,889,086</u>	<u>\$ 83,079,776</u>	<u>\$ 79,548,451</u>	<u>\$ 73,115,108</u>

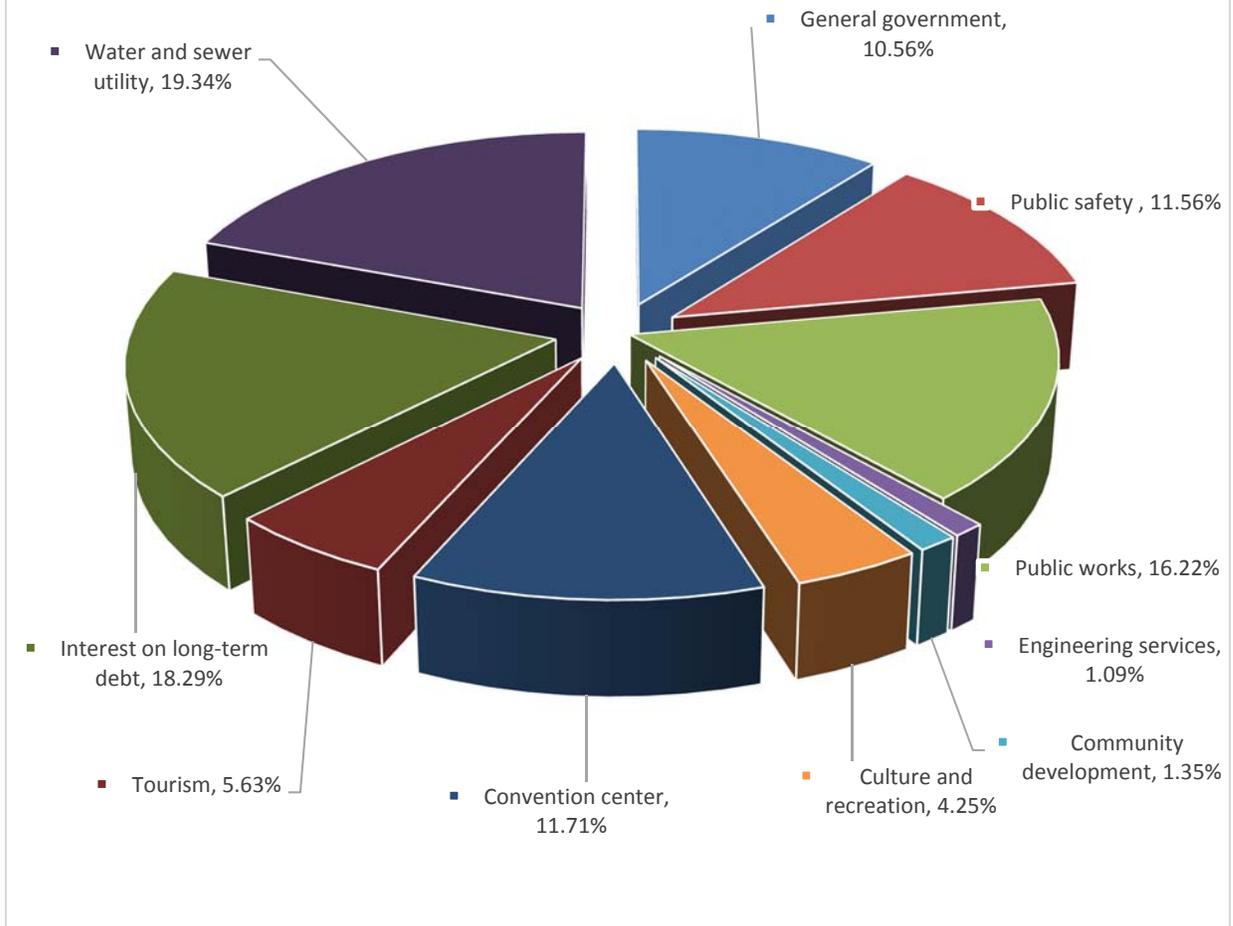
### ***Governmental activities***

Governmental activities increased the City's net position by \$6,783,892 during the year ended December 31, 2015. Key elements of this increase are as follows:

- Charges for services for the convention center increased approximately \$846,554
- Sales tax and property taxes increased approximately \$602,726
- Tourism tax increased approximately \$286,471
- Intergovernmental activity increased approximately \$419,633
- Investment earnings increased approximately \$570,890
- Convention center expenditures decreased by approximately \$135,451
- The transfers to Water-Sewer Capital increased by approximately \$1,225,007



## 2015 Expenses (Government-wide Basis)



### ***Business-type activities.***

For the fiscal year ended December 31, 2015 business-type activities decreased the City's net position by \$1,382,916 as previously discussed.

### **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.

The Fund Balance Classification Policy is designed to define fund balance classifications that can be applied to enhance fund balance information. The fund balance amounts will be classified according to GASB 54 with the following constraints:

- *Non-Spendable* – includes amounts that are legally or contractually required to be maintained
- *Restricted* – externally imposed constraints i.e., creditors, grantors
- *Committed* – can only be used for specific purposes imposed by formal action (ordinance)
- *Assigned* – amounts constrained for the intent to be used for a specific purpose
- *Unassigned* – all amounts not included in other fund balance classifications

**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, unassigned fund balance of the general fund may serve as a useful measure of the City'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 \$51,364,676. Of this amount, \$5,793,474 or approximately 11% is the unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balances include the City's non-spendable amount of \$2,349,962, restricted amounts of \$42,384,413 committed amounts of \$133,997 and assigned amounts of \$702,830.

The fund balance of the City's General Fund increased \$1,029,776 during the current fiscal year.

The tourism tax fund has a non-spendable fund balance of \$1,000,000 and total restricted fund balance at December 31, 2015 of \$12,842,671, a decrease of \$4,704,945 over December 31, 2014. Restricted fund balance totaling \$7,916,423 is for tourism related purposes and \$4,926,248 is for debt service.

The transportation sales tax fund has a restricted fund balance of \$1,418,611. 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.

The capital projects fund has a fund balance of \$672,446, a decrease of \$1,400,851 from 2014 due to capital outlay expenditures for various projects.

The tax increment financing fund had a fund balance of \$26,587,857 at December 31, 2015. This balance is restricted for debt service. The fund balance increased by \$1,438,183 from December 31, 2014.

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

The unrestricted net position of the Water and Sewer fund at the end of the year totaled \$81,922,594, a decrease of \$1,171,905 from December 31, 2014. 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 \$776,424 greater than budgeted revenues. Expenditures were \$1,056,746 less than the budget due to sound management practices.

## **Capital Asset and Debt Administration**

**Capital assets** - The City's capital assets for its governmental and business-type activities as of December 31, 2015 amount to \$243,661,160 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction-in-process. Major capital asset events during the current fiscal year included the following:

### **Governmental**

- City Hall Chillers were replaced totaling \$52,054
- Veteran's Bronze Statue was purchased totaling \$1,000,000
- Parks Campground Site Improvements totaling \$27,433
- Barracuda Back-up Servers for the IT Department total cost of \$25,694
- HVAC Maintenance Repairs were completed totaling \$39,635
- RecPlex Parking Lot repaved totaling \$40,204
- Parks Tennis Court Improvements totaling \$32,332
- RecPlex Surveillance Cameras were installed totaling \$33,619
- Nygard Park Wall was replaced with a cost of \$26,370
- The following projects will continue into FY2016 with the project to date totals listed below:
  - Hwy 76 Revitalization – \$6,149,299
  - Downtown Streetscape - \$3,848,633
  - Branson Hills Traffic Signal - \$84,782
  - Fiber Cable Project - \$69,198
  - Public Works Salt Storage Barn - \$99,676

### **Business Type**

- Repair Meadows Plant Filter Walls totaling \$56,801
- Meadows High Service Pump replaced totaling \$84,890
- Lift Station #21 rebuild totaling \$64,250
- Sewer Collection System Rehab totaling \$316,153
- Water Meter Replacement project totaling \$65,450
- The following projects will continue into FY2016 with the project to date totals listed below:
  - Cooper Creek Sewer Plant Anti-degradation Study - \$410,758
  - Gravity Sewer Extension to Lift Station #19 – \$277,742
  - 8" Water Line H2O Master Plan- \$372,134
  - Gravity Sewer/Animal Safari - \$57,915
  - Lift Station #25 - \$479,766
  - Lift Station #21 Equalization Basin - \$90,680
  - Water Sewer Collection Shop - \$961,077
  - Lift Station Pump Rebuilds - \$32,073
  - Water Meter Replacements 2015 phase - \$50,185

**City of Branson Capital Assets  
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Land and right of way	\$ 53,652,652	\$ 53,652,652	\$ 3,905,511	\$ 3,905,511	\$ 57,558,163	\$ 57,558,163
Construction in progress	11,155,719	5,635,131	2,741,812	1,742,293	13,897,531	7,377,424
Buildings and fixtures	52,004,022	54,623,679	38,853,281	40,670,565	90,857,303	95,294,244
Equipment	2,770,257	2,065,460	3,086,683	3,041,115	5,856,940	5,106,575
Vehicles	800,566	547,235	-	-	800,566	547,235
Infrastructure	49,295,070	53,494,751	23,641,981	25,243,446	72,937,051	78,738,197
Furniture	538,288	822,324	-	-	538,288	822,324
Land improvements	1,215,318	1,176,876	-	-	1,215,318	1,176,876
<b>Total</b>	<b>\$ 171,431,892</b>	<b>\$ 172,018,108</b>	<b>\$ 72,229,268</b>	<b>\$ 74,602,930</b>	<b>\$ 243,661,160</b>	<b>\$ 246,621,038</b>

Additional information on the City's capital assets can be found in Note 5 of this report.

**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.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$219,265,190.

**City of Branson Outstanding Bonds**

	Governmental Activities		Business-type Activities		Total	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Bonds:						
Revenue	\$ 16,580,000	\$ 19,535,000	\$ -	\$ -	\$ 16,580,000	\$ 19,535,000
Tax increment financing	170,080,190	180,660,190	-	-	170,080,190	180,660,190
Special Limited Obligation	32,605,000	33,945,000	-	-	32,605,000	33,945,000
<b>Total</b>	<b>\$ 219,265,190</b>	<b>\$ 234,140,190</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 219,265,190</b>	<b>\$ 234,140,190</b>

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

- General Fund revenues for FY2016 are projected to be \$19,193,242, an increase of \$595,097 from the FY2015 actual amount. The City budgeted a 1% growth in sales tax for FY2016.
- The FY2016 annual budget for the General Fund expenditures are estimated at \$15,855,115 an increase of \$1,425,328 from the 2015 actual amount.
- Health insurance costs increased for the City by 15% for FY2016.
- Water and Sewer rates increased in 2016 by an average of 8% as a result from the rate study in an effort to become self-sustaining in this fund.
- The City has implemented Priority Based Budgeting. This will allow for the budgets to be closely monitored and achieve the results given to us by the Community and the Board. The financial activities will continue to be closely monitored and reported monthly to the Finance Committee and quarterly to the Board of Aldermen.

## **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 Position**  
**December 31, 2015**

	<b>Primary Government</b>		<b>Total</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	
<b>Assets</b>			
Cash and investments	\$ 21,424,594	\$ 10,894,116	\$ 32,318,710
Receivables, net:			
Taxes	3,907,229	-	3,907,229
Leases	121,387	113,155	234,542
Intergovernmental	1,437,387	-	1,437,387
Other	346,495	7,610	354,105
Water and sewer	-	810,711	810,711
Internal balances	33,508	(33,508)	-
Prepays and inventories	224,036	-	224,036
Restricted cash and investments	27,956,288	41,758	27,998,046
Assets held for redevelopment	1,120,816	-	1,120,816
Capital Assets:			
Land and construction in progress, non-depreciable	64,808,370	6,647,323	71,455,693
Other capital assets, net of depreciation	106,623,522	65,581,945	172,205,467
<b>Total assets</b>	<b>228,003,632</b>	<b>84,063,110</b>	<b>312,066,742</b>
<b>Deferred outflows of resources</b>			
Deferred charge on refunding	5,904,543	-	5,904,543
Deferred outflows related to pensions	1,877,595	440,423	2,318,018
<b>Total deferred outflows of resources</b>	<b>7,782,138</b>	<b>440,423</b>	<b>8,222,561</b>
<b>Liabilities</b>			
Accounts payable and accrued expenses	3,291,190	978,972	4,270,162
Accrued interest payable	1,438,142	-	1,438,142
Deposits	26,373	1,019,742	1,046,115
Long-term liabilities:			
Due in one year	11,585,320	215,000	11,800,320
Due in more than one year	219,601,320	324,271	219,925,591
<b>Total liabilities</b>	<b>235,942,345</b>	<b>2,537,985</b>	<b>238,480,330</b>
<b>Deferred inflows of resources</b>			
Deferred revenue - property taxes	1,858,088	-	1,858,088
Deferred inflows related to pensions	325,972	76,462	402,434
<b>Total deferred inflows of resources</b>	<b>2,184,060</b>	<b>76,462</b>	<b>2,260,522</b>
<b>Net Position (Deficit)</b>			
Net investment in capital assets	115,152,798	72,229,268	187,382,066
Restricted for:			
Debt service	31,611,237	-	31,611,237
Tourism and transportation	9,335,034	-	9,335,034
Nonexpendable perpetual care	5,110	-	5,110
Unrestricted (deficit)	(158,444,814)	9,659,818	(148,784,996)
<b>Total net position (deficit)</b>	<b>\$ (2,340,635)</b>	<b>\$ 81,889,086</b>	<b>\$ 79,548,451</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Activities**  
**For the year ended December 31, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services, Fees, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities</b>							
General government	\$ 6,095,239	\$ 2,748,871	\$ -	\$ -	\$ (3,346,368)	\$ -	\$ (3,346,368)
Public safety	6,673,594	27,908	25,271	-	(6,620,415)	-	(6,620,415)
Public works	9,362,157	31,190	-	198,306	(9,132,661)	-	(9,132,661)
Engineering	628,328	-	-	-	(628,328)	-	(628,328)
Community development	777,043	746,117	-	-	(30,926)	-	(30,926)
Culture and recreation	2,453,437	1,579,445	-	-	(873,992)	-	(873,992)
Convention center	6,758,400	4,556,378	-	-	(2,202,022)	-	(2,202,022)
Tourism	3,249,908	-	-	-	(3,249,908)	-	(3,249,908)
Interest and debt issuance costs	10,555,017	-	-	-	(10,555,017)	-	(10,555,017)
<b>Total Governmental Activities</b>	<b>46,553,123</b>	<b>9,689,909</b>	<b>25,271</b>	<b>198,306</b>	<b>(36,639,637)</b>	<b>-</b>	<b>(36,639,637)</b>
<b>Business-Type Activities</b>							
Water and sewer	11,163,088	7,376,804	-	401,987	-	(3,384,297)	(3,384,297)
<b>Total Business-Type Activities</b>	<b>11,163,088</b>	<b>7,376,804</b>	<b>-</b>	<b>401,987</b>	<b>-</b>	<b>(3,384,297)</b>	<b>(3,384,297)</b>
<b>Total Primary Government</b>	<b>\$ 57,716,211</b>	<b>\$ 17,066,713</b>	<b>\$ 25,271</b>	<b>\$ 600,293</b>	<b>(36,639,637)</b>	<b>(3,384,297)</b>	<b>(40,023,934)</b>

General Revenues			
Taxes			
Property taxes		2,656,996	-
Sales taxes - general		10,961,258	-
Sales taxes - transportation		5,934,846	-
Tourism taxes		12,149,089	-
Intergovernmental activity		10,543,454	-
Other taxes		1,725,996	-
Unrestricted investment earnings		1,431,890	21,381
Transfers		(1,980,000)	1,980,000
Total general revenues and transfers		43,423,529	2,001,381
Changes in net position		6,783,892	(1,382,916)
Net position (deficit) - beginning of year		(9,964,668)	83,079,776
Prior period adjustment		840,141	192,226
Net position (deficit) - end of year		\$ (2,340,635)	\$ 81,889,086

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Balance Sheet - Governmental Funds**  
**December 31, 2015**

	<b>General</b>	<b>Tourism Tax</b>	<b>Transportation Sales Tax</b>	<b>Capital Projects</b>	<b>Tax Increment Financing</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>							
Cash and investments	\$ 7,167,572	\$ 7,448,156	\$ 910,483	\$ 2,148,501	\$ 2,282,864	\$ 1,467,018	\$ 21,424,594
Receivables, net:							
Taxes	2,042,654	869,686	956,638	-	-	38,251	3,907,229
Leases	121,387	-	-	-	-	-	121,387
Intergovernmental	-	-	-	-	1,437,387	-	1,437,387
Other	346,495	-	-	-	-	-	346,495
Due from other funds	185,747	-	-	-	636,290	35,104	857,141
Advance receivable	-	1,000,000	-	-	-	-	1,000,000
Restricted cash and investments	-	4,926,248	-	-	23,030,029	11	27,956,288
Prepays and inventories	224,036	-	-	-	-	-	224,036
Assets held for redevelopment	1,120,816	-	-	-	-	-	1,120,816
Total assets	<u>\$ 11,208,707</u>	<u>\$ 14,244,090</u>	<u>\$ 1,867,121</u>	<u>\$ 2,148,501</u>	<u>\$ 27,386,570</u>	<u>\$ 1,540,384</u>	<u>\$ 58,395,373</u>
<b>Liabilities</b>							
Accounts payable	\$ 823,781	\$ 269,950	\$ 243,728	\$ 1,476,055	\$ -	\$ -	\$ 2,813,514
Accrued liabilities	462,982	-	14,694	-	-	-	477,676
Deposits	26,373	-	-	-	-	-	26,373
Due to other funds	415,203	131,469	190,088	-	-	-	736,760
Advance payable	1,000,000	-	-	-	-	-	1,000,000
Total liabilities	<u>2,728,339</u>	<u>401,419</u>	<u>448,510</u>	<u>1,476,055</u>	<u>-</u>	<u>-</u>	<u>5,054,323</u>
<b>Deferred inflows of resources</b>							
Deferred property tax receivable	1,177,661	-	-	-	798,713	-	1,976,374
<b>Fund Balances</b>							
Nonspendable:							
Prepays and inventory	224,036	-	-	-	-	-	224,036
Assets held for redevelopment	1,120,816	-	-	-	-	-	1,120,816
Advance receivable	-	1,000,000	-	-	-	-	1,000,000
Perpetual care	-	-	-	-	-	5,110	5,110
Restricted for:							
Public works	-	-	1,418,611	-	-	-	1,418,611
Tourism	-	7,916,423	-	-	-	-	7,916,423
Debt service	-	4,926,248	-	-	26,587,857	1,535,274	33,049,379
Committed for:							
Contractual and other	133,997	-	-	-	-	-	133,997
Assigned for:							
Contractual and other	30,384	-	-	-	-	-	30,384
Capital outlay	-	-	-	672,446	-	-	672,446
Unassigned (deficit)	5,793,474	-	-	-	-	-	5,793,474
Total fund balances (deficit)	<u>7,302,707</u>	<u>13,842,671</u>	<u>1,418,611</u>	<u>672,446</u>	<u>26,587,857</u>	<u>1,540,384</u>	<u>51,364,676</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 11,208,707</u>	<u>\$ 14,244,090</u>	<u>\$ 1,867,121</u>	<u>\$ 2,148,501</u>	<u>\$ 27,386,570</u>	<u>\$ 1,540,384</u>	<u>\$ 58,395,373</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 Position**  
**December 31, 2015**

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

Ending fund balances - total governmental funds	\$ 51,364,676
Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of those assets is capitalized and shown at cost, net of accumulated depreciation. This is the amount of net capital assets reported in the Statement of Net Position	171,431,892
Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements - property taxes	118,286
Other deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds:	
Deferred charge on refunding	5,904,543
Deferred outflows related to pensions	1,877,595
Long-term liabilities, including bonds and notes payable, are not due and payable in current period and, therefore, are not reported in the funds. This amount included the following long-liabilities and related items:	
Accrued interest payable	(1,438,142)
Long-term liabilities	(231,186,640)
Other deferred inflows of resources do not increase net position until a future period and therefore are not reported in the funds:	
Deferred inflows related to pensions	(325,972)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service fund are reported with governmental activities in the statement of net position. Internal service fund capital assets of \$401,494 are included above.	<u>(86,873)</u>
Total net position of governmental activities	<u>\$ (2,340,635)</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Governmental Funds**  
**For the year ended December 31, 2015**

	General	Tourism Tax	Transportation Sales Tax	Capital Projects	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 12,968,018	\$ 11,201,343	\$ 4,848,739	\$ -	\$ 4,206,067	\$ 198,106	\$ 33,422,273
Intergovernmental activity	-	-	-	-	10,543,454	-	10,543,454
Licenses and permits	661,590	-	-	-	-	-	661,590
Court fines	395,143	-	-	-	-	-	395,143
Lease and rent	1,208,575	-	-	-	450,000	-	1,658,575
Charges for services	7,109,600	-	-	-	-	-	7,109,600
Intergovernmental	25,272	-	-	-	-	198,306	223,578
Interest income	238,501	415,886	-	-	777,485	18	1,431,890
Miscellaneous	298,294	-	31,190	-	-	-	329,484
Total revenues	<u>22,904,993</u>	<u>11,617,229</u>	<u>4,879,929</u>	<u>-</u>	<u>15,977,006</u>	<u>396,430</u>	<u>55,775,587</u>
<b>Expenditures</b>							
Current:							
General government	5,513,309	-	1,488	-	-	-	5,514,797
Public safety	6,822,224	-	-	-	-	-	6,822,224
Public works	639,530	-	4,684,699	-	-	-	5,324,229
Engineering	571,624	-	-	-	-	-	571,624
Community development	771,982	-	-	-	-	-	771,982
Culture and recreation	2,225,512	-	-	-	-	-	2,225,512
Convention center	4,685,516	-	-	-	-	-	4,685,516
Tourism	-	3,249,908	-	-	-	-	3,249,908
Capital outlay	-	-	-	6,843,694	-	-	6,843,694
Debt service:							
Principal retirement	84,542	3,471,166	-	-	6,030,000	1,340,000	10,925,708
Interest and fiscal charges	49,070	964,753	-	-	7,656,141	1,481,481	10,151,445
Cost of issuance	-	-	-	-	425,741	-	425,741
Total expenditures	<u>21,363,309</u>	<u>7,685,827</u>	<u>4,686,187</u>	<u>6,843,694</u>	<u>14,111,882</u>	<u>2,821,481</u>	<u>57,512,380</u>
Excess of revenues over (under) expenditures	<u>1,541,684</u>	<u>3,931,402</u>	<u>193,742</u>	<u>(6,843,694)</u>	<u>1,865,124</u>	<u>(2,425,051)</u>	<u>(1,736,793)</u>
<b>Other financing sources (uses)</b>							
Debt issuance	-	-	-	-	62,560,000	-	62,560,000
Payment to bond escrow agent	-	-	-	-	(68,769,444)	-	(68,769,444)
Premium	-	-	-	-	6,822,564	-	6,822,564
Sale of assets	50,810	(41,985)	-	-	(7,406)	-	1,419
Transfers in	313,522	-	766,500	5,442,843	172,812	3,403,527	10,099,204
Transfers (out)	(876,240)	(8,594,362)	(1,394,226)	-	(1,205,467)	-	(12,070,295)
Total other financing sources (uses)	<u>(511,908)</u>	<u>(8,636,347)</u>	<u>(627,726)</u>	<u>5,442,843</u>	<u>(426,941)</u>	<u>3,403,527</u>	<u>(1,356,552)</u>
Net change in fund balances	1,029,776	(4,704,945)	(433,984)	(1,400,851)	1,438,183	978,476	(3,093,345)
Fund balances (deficit) - beginning of year	6,272,931	18,547,616	1,852,595	2,073,297	25,149,674	561,908	54,458,021
Fund balances (deficit) - end of year	<u>\$ 7,302,707</u>	<u>\$ 13,842,671</u>	<u>\$ 1,418,611</u>	<u>\$ 672,446</u>	<u>\$ 26,587,857</u>	<u>\$ 1,540,384</u>	<u>\$ 51,364,676</u>

See Accompanying Notes to the Basic Financial Statements

**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, 2015**

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

Net changes in fund balances - total governmental funds \$ (3,093,345)

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	8,732,102
Depreciation expense	(7,918,694)
Disposal of capital assets	(1,380,839)

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

Deferred revenue - property taxes	5,912
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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 position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments	10,925,708
Debt issued	(62,560,000)
Refunding payment	68,769,444
Premium on refunding	(6,822,564)
Changes in deferred charge on refunding, bond premiums and discounts, net	(134,174)
Change in accrued interest payable	156,343

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	(70,604)
Change in net pension liability, deferred inflows and deferred outflows	258,276
Change in other post employment benefit obligations	(83,673)

Total changes in net position of governmental activities	\$ 6,783,892
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**CITY OF BRANSON, MISSOURI**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2015**

	Enterprise Water and Sewer	Internal Service Equipment Replacement
<b>Assets</b>		
Current assets		
Cash and investments	\$ 10,894,116	\$ -
Receivables (net of allowances for uncollectibles)		
Water and sewer billings	810,711	-
Leases and other	113,155	-
Other	7,610	-
Total current assets	11,825,592	-
Noncurrent assets		
Restricted cash and investments	41,758	-
Capital Assets		
Land and improvements	6,647,323	-
Other capital assets, net of depreciation	65,581,945	401,494
Total capital assets	72,229,268	401,494
Total noncurrent assets	72,271,026	401,494
Total assets	84,096,618	401,494
<b>Deferred outflows of resources</b>		
Deferred outflows related to pensions	440,423	-
<b>Liabilities</b>		
Current liabilities		
Accounts payable	871,072	-
Accrued liabilities	37,640	-
Utility deposits	1,019,742	-
Other liabilities	70,260	-
Due to other funds	-	120,381
Long-term liabilities due in one year	215,000	-
Total current liabilities	2,213,714	120,381
Noncurrent liabilities		
Long-term liabilities	324,271	-
Total noncurrent liabilities	324,271	-
Total liabilities	2,537,985	120,381
<b>Deferred inflows of resources</b>		
Deferred inflows related to pensions	76,462	-
<b>Net Position</b>		
Net investment in capital assets	72,229,268	401,494
Unrestricted (deficit)	9,693,326	(120,381)
Total net position	81,922,594	\$ 281,113
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(33,508)	
Net position of business-type activities	\$ 81,889,086	

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended December 31, 2015**

	<b>Enterprise Water and Sewer</b>	<b>Internal Service Equipment Replacement</b>
<b>Operating revenues</b>		
Charges for services (pledged as security for revenue bonds)		
Water	\$ 3,134,086	\$ -
Sewer	4,089,685	-
Miscellaneous	38,001	-
Total operating revenues	7,261,772	-
<b>Operating expenses</b>		
Personal services	2,925,962	-
Contractual services	3,030,391	-
Commodities	605,952	-
Depreciation	4,581,981	276,826
Total operating expenses	11,144,286	276,826
Operating income (loss)	(3,882,514)	(276,826)
<b>Nonoperating revenues (expenses)</b>		
Sewer capacity fees	115,032	-
Interest income	21,381	-
Interest expense	(17)	-
Total nonoperating revenues (expenses)	136,396	-
Income (loss) before transfers and capital contributions	(3,746,118)	(276,826)
Transfers in	2,030,004	-
Transfers out	(50,004)	-
Capital grants and contributions	401,987	-
Change in net position	(1,364,131)	(276,826)
Total net position-beginning of year	83,094,499	557,939
Prior period adjustment	192,226	
Total net position-end of year	\$ 81,922,594	\$ 281,113
Change in net position	\$ (1,364,131)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(18,785)	
Change in net position of business-type activities	\$ (1,382,916)	

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Cash Flows -**  
**Proprietary Funds**  
**For the year ended December 31, 2015**

	<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	\$ 7,562,166	\$ -
Payments to suppliers	(3,453,226)	-
Payments to employees for services	(2,942,352)	-
Net cash provided by (used in) operating activities	<u>1,166,588</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>		
Purchases of capital assets	(1,941,432)	-
Interest and bond cost paid on capital debt	(17)	-
Capital contributions	135,100	-
Sewer capacity fees	115,032	-
Net cash (used in) capital and related financing activities	<u>(1,691,317)</u>	<u>-</u>
<b>Cash flows from noncapital financing activities</b>		
Transfers from other funds	1,980,000	-
Net cash provided by noncapital financing activities	<u>1,980,000</u>	<u>-</u>
<b>Cash flows from investment activities</b>		
Interest and dividends	21,381	-
Net cash provided by investing activities	<u>21,381</u>	<u>-</u>
Net increase in cash and cash equivalents	1,476,652	-
Cash and cash equivalents, beginning of year	9,459,222	-
Cash and cash equivalents, end of year	<u>\$ 10,935,874</u>	<u>\$ -</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ (3,882,514)	\$ (276,826)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	4,581,981	276,826
Change in assets and liabilities:		
Receivables (net)	257,546	-
Accounts and other payables	183,117	-
Accrued expenses	(16,390)	-
Utility deposits	42,848	-
Net cash provided by (used in) operating activities	<u>\$ 1,166,588</u>	<u>\$ -</u>
<b>Cash consists of</b>		
Cash and investments	\$ 10,894,116	\$ -
Restricted cash and investments	41,758	-
	<u>\$ 10,935,874</u>	<u>\$ -</u>
<b>Noncash capital and related financing activities</b>		
Capital contribution	<u>\$ 266,887</u>	<u>\$ -</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF BRANSON, MISSOURI**  
**Statement of Net Position -**  
**Agency Fund**  
**December 31, 2015**

	<u>Agency Fund</u> <u>Landscape Trust</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 930,683
<b>Liabilities</b>	
Due to others	\$ 930,683

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**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 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 blended component unit, the Tax Increment Financing Commission (the Commission). The City is financially accountable for the Commission because the City approves the Commission's annual budget and outstanding debt of the Commission is expected to be repaid from payments in lieu of taxes and economic activity taxes collected by the City.

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 position 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 services. .

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, 2015**

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 from exchange and exchange like transactions 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, which provides funding for debt service on bonded debt on city infrastructure, pay-as-you-go infrastructure improvements as well as tourism marketing.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

*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, which provides funding for routine road maintenance along with transfers to capital projects for pay-as-you-go infrastructure improvements.

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

*Tax Increment Financing (TIF) Fund* – is used to account for the accumulation of resources within the special TIF districts and the payment of principal and interest on the long-term debt associated with each district.

**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.

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.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

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.

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 uncollectible. An allowance of \$787,415 is recorded at December 31, 2015.

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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.

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, 2015**

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 position. Bond premiums and discounts 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.

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.

Pensions

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government has two items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is deferred outflows related to pensions. See Note 8 for more information on this deferred outflow.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred revenue items, which arises under the accrual and modified accrual basis of accounting that qualifies for reporting in this category, are reported in the governmental activities statement of net position and the governmental funds balance sheet. The governmental activities and governmental funds report deferred revenues from property taxes received in the current year that are not recognized as revenue until the period for which they are levied. The governmental funds also report deferred revenue for delinquent taxes, which is recognized as revenue for governmental activities. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is deferred inflows related to pensions. See Note 8 for more information on this deferred outflow.

Net Position Classifications

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

**Net investment in capital assets** – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net position** – consisting of net position 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.

**Unrestricted net position** – consisting of net position that does not meet the definition of “restricted net position” or “net investment in capital assets.”

The City has a net position flow policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted net position first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balances

The governmental funds report the following fund balance classifications:

**Non-Spendable** – includes amounts that are legally or contractually required to be maintained. Such constraints are binding until legal or contractual requirements are repealed or amounts become spendable or not in spendable form, including but not limited to, inventory, prepaid, supplies, and long-term receivables.

**Restricted** – Externally imposed constraints, including but not limited to, creditors, grantors, contributors, and constraints by law and regulations. Such constraints are binding unless modified or rescinded by external body, laws, or regulations.

**Committed** – Specific purpose imposed by formal action, adoption of an ordinance, of the Board of Aldermen. Such constraint is binding unless modified or rescinded, by adoption of an ordinance, by the Board of Aldermen.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**Assigned** – Constrained by the Board of Aldermen, Finance Committee, or City Administrator’s expressed intent in accordance with the City’s fund balance policy. Such constraint is binding unless modified or eliminated by the Board of Aldermen, Finance Committee, or City Administrator, whoever made the assignment.

**Unassigned** – All amounts not included in other fund balance classifications. The General Fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

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

The City has established an operating reserve and a contingency reserve policy consisting of the following:

When preparing the annual proposed budget, the City Administrator will maintain in the General Fund an operating reserve of 20% of the current adopted budgeted expenditures. An operating reserve of 20% is also maintained in the Water and Sewer Fund. An operating reserve of 10% is maintained in the Recreation Fund.

Change in Accounting Principle

For the year ended December 31, 2015, the City implemented provisions of Governmental Accounting Standards Board (GASB) 68, Accounting and Financial Reporting for Pensions and GASB 71, Pension Transition for Contributions Made subsequent to the Measurement Date. These statements established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources and expenses for pensions that are provided to the employees of state and local government employers through pension plans administered through trusts.

As a result of the implementation, net position as of December 31, 2014, was restated as follows:

	Governmental activities	Business-type activities	Total
Net position, December 31, 2014, as previously reported	\$ (9,964,668)	\$ 83,079,776	\$ 73,115,108
Pension related deferred outflow of resources:			
Contributions subsequent to the measurement date	614,621	140,627	755,248
Restatement for pension accounting, effect of			
Net pension liability	<u>225,520</u>	<u>51,599</u>	<u>277,119</u>
Net position, December 31, 2014, as restated	<u>\$ (9,124,527)</u>	<u>\$ 83,272,002</u>	<u>\$ 74,147,475</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
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Pending Governmental Accounting Standards Board Statements

The Governmental Accounting Standards Board (GASB) has recently issued the following statements which may impact the City's financial reporting requirements in the future:

- GASB Statement No. 72 – *Fair Value Measurement and Application* – effective for the fiscal year beginning January 1, 2016
- GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* – effective for the fiscal year beginning January 1, 2017.
- GASB Statement No. 75 – *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* – effective for fiscal year beginning January 1, 2018.
- GASB Statement No. 77 – *Tax Abatement Disclosures* – effective for the fiscal year beginning January 1, 2016.
- GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants* – effective for fiscal year beginning January 1, 2016
- GASB Statement No. 80 – *Blending Requirements for Certain Component Units* – effective for the fiscal year beginning January 1, 2017.
- GASB Statement No. 81 – *Irrevocable Split-Interest Agreements* – effective for the fiscal year beginning January 1, 2017
- GASB Statement No. 82 – *An Amendment of GASB Statements No. 67 Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets that Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68* – effective for the fiscal year beginning January 1, 2017.

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.

**2 - Stewardship, Compliance and Accountability**

Budgetary Information

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.

RSMo section 302.341 requires the City to annually calculate the percentage of its general revenue that comes from traffic violations. Any such revenues that exceed 30% of total general revenues are required to be transferred to the Director of the Missouri Department of Revenue. In the current year, the City has reported fines and forfeitures, which includes traffic violations and other additional items, in the amount of \$395,143. This amount is approximately 2% of total general fund revenues of \$22,904,993 and, accordingly, the City believes that they are in compliance with the requirements of the Statute.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**3 - Deposits and Investments**

As of December 31, 2015, the City's cash and investments consisted of the following:

	<b>2015</b>
Investments:	
Short-term investments held in trust	\$ 20,274,680
Deposits	40,947,139
Petty cash	25,620
Total cash and investments	\$ 61,247,439

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

	<b>Government-wide statement of net position</b>	<b>Fiduciary fund statement of assets &amp; liabilities</b>	<b>Total</b>
Cash and investments	\$ 32,318,710	\$ 930,683	\$ 33,249,393
Restricted cash and investments	27,998,046	-	27,998,046
	\$ 60,316,756	\$ 930,683	\$ 61,247,439

*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.

*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, 2015, the City's investments consisted of short-term money market mutual funds held in trust.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

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. At December 31, 2015, the City's investments consisted of short-term money market mutual funds held in trust.

*Concentration of Credit Risk*

The City places no limit on the amount it may invest in any one issuer. At December 31, 2015, the City's investments consisted of short-term money market mutual funds 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, 2015, 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, 2015.

**4 - Taxes**

Taxes receivable as of December 31, 2015 were as follows:

<u>Fund</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Tourism Tax</u>	<u>Total</u>
General	\$ 123,367	\$ 1,919,287	\$ -	\$ 2,042,654
Tourism Tax	-	-	869,686	869,686
Transportation Sales Tax	-	956,638	-	956,638
Tax Increment Financing	-	38,251	-	38,251
Total	<u>\$ 123,367</u>	<u>\$ 2,914,176</u>	<u>\$ 869,686</u>	<u>\$ 3,907,229</u>

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**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

Tax revenues for the year ended December 31, 2015 were as follows:

Governmental funds:						
General	\$ 2,651,084	\$ 8,789,044	\$ -	\$ 1,170,682	\$ 357,208	\$ 12,968,018
Tourism Tax	-	-	11,201,343	-	-	11,201,343
Transportation Sales Tax	-	4,848,739	-	-	-	4,848,739
Tax Increment Financing	-	3,258,321	947,746	-	-	4,206,067
Nonmajor funds	-	-	-	-	198,106	198,106
Total	<u>\$ 2,651,084</u>	<u>\$ 16,896,104</u>	<u>\$ 12,149,089</u>	<u>\$ 1,170,682</u>	<u>\$ 555,314</u>	<u>\$ 33,422,273</u>

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, 2014, upon which the 2014 levy was based and upon which the ad valorem tax revenues for the period ended December 31, 2015 are recorded, are as follows:

Real estate	\$ 395,965,940
Personal property and business personal	<u>49,624,262</u>
	<u>\$ 445,590,202</u>

Property taxes are due and payable on November 1 and become delinquent on January 1. On January 1, a lien attaches to all real property for which taxes are unpaid. Amounts received prior to December 31<sup>st</sup> related to the 2015 tax year are deferred as those amounts are not recognized as revenue until the period for which they are levied.

The 2014 tax levy per \$ 100 assessed valuation was:

General	<u>\$ 0.5942</u>
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**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**5 - Capital Assets**

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 53,652,652	\$ -	\$ -	\$ 53,652,652
Construction in progress	5,635,131	5,520,587	-	11,155,718
<b>Total Capital assets not being depreciated</b>	<b>59,287,783</b>	<b>5,520,587</b>	<b>-</b>	<b>64,808,370</b>
Capital Assets being depreciated:				
Buildings and fixtures	77,562,424	25,960	32,359	77,556,025
Equipment	12,286,612	1,293,262	250,472	13,329,402
Vehicles	1,483,390	406,382	20,628	1,869,144
Infrastructure	168,662,214	-	-	168,662,214
Furniture	2,954,716	-	-	2,954,716
Land improvements	2,792,601	162,804	25,586	2,929,819
<b>Total capital assets being depreciated</b>	<b>265,741,957</b>	<b>1,888,408</b>	<b>329,045</b>	<b>267,301,320</b>
Less accumulated depreciation for:				
Buildings and fixtures	22,938,745	2,613,259	-	25,552,004
Equipment	10,221,152	588,464	250,472	10,559,144
Vehicles	936,155	153,050	20,628	1,068,577
Infrastructure	115,167,463	4,199,680	-	119,367,143
Furniture	2,132,392	284,036	-	2,416,428
Land improvements	1,615,725	98,990	213	1,714,502
<b>Total accumulated depreciation</b>	<b>153,011,632</b>	<b>7,937,479</b>	<b>271,313</b>	<b>160,677,798</b>
<b>Total capital assets being depreciated, net</b>	<b>112,730,325</b>	<b>(6,049,071)</b>	<b>57,732</b>	<b>106,623,522</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 172,018,108</b>	<b>\$ (528,484)</b>	<b>\$ 57,732</b>	<b>\$ 171,431,892</b>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 3,905,511	\$ -	\$ -	\$ 3,905,511
Construction in progress	1,742,293	999,519	-	2,741,812
Total Capital assets not being depreciated	<u>5,647,804</u>	<u>999,519</u>	<u>-</u>	<u>6,647,323</u>
Capital Assets being depreciated:				
Water and sewer treatment plants	75,249,551	56,802	-	75,306,353
Water and sewer mains and lines	54,082,669	583,040	-	54,665,709
Machinery and equipment	5,255,523	568,958	-	5,824,481
Total capital assets being depreciated	<u>134,587,743</u>	<u>1,208,800</u>	<u>-</u>	<u>135,796,543</u>
Less accumulated depreciation for:				
Water and sewer treatment plants	34,578,986	1,874,085	-	36,453,071
Water and sewer mains and lines	28,839,223	2,184,507	-	31,023,730
Machinery and equipment	2,214,408	523,389	-	2,737,797
Total accumulated depreciation	<u>65,632,617</u>	<u>4,581,981</u>	<u>-</u>	<u>70,214,598</u>
Total capital assets being depreciated, net	<u>68,955,126</u>	<u>(3,373,181)</u>	<u>-</u>	<u>65,581,945</u>
Business-type activities capital assets, net	<u>\$ 74,602,930</u>	<u>\$ (2,373,662)</u>	<u>\$ -</u>	<u>\$ 72,229,268</u>

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

Governmental activities:	
General government	\$ 789,380
Public safety	120,428
Public works	4,207,603
Engineering	49,280
Culture and recreation	402,137
Convention center	2,091,825
Internal service	<u>276,826</u>
Total depreciation expense - governmental activities	<u>\$ 7,937,479</u>
Business-type activities:	
Water and sewer	<u>\$ 4,581,891</u>

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**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 \$237,000 per year.

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

For the year ended December 31, 2015, lease income for all operating leases was approximately \$936,358.

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, 2015 the lease receivable balance was \$113,155.

Future minimum lease payments to be received are as follows:

2016	\$	16,604
2017		17,103
2018		17,616
2019		18,144
2020-2022		43,688
Present value of minimum lease payments	\$	113,155

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 thirty (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 \$450,000 under this agreement for the year ended December 31, 2015.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**7 - Long-Term Obligations**

Long-term obligations activity for year ended December 31, 2015 was as follows:

	Beginning Balance	Prior Period Adjustment	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>						
Bonds payable						
Revenue Bonds	\$ 19,535,000	\$ -	\$ -	\$ 2,955,000	\$ 16,580,000	\$ 3,070,000
Special Limited Obligation Bond	33,945,000	-	-	1,340,000	32,605,000	1,490,000
Discounts	(106,448)	-	-	(15,854)	(90,594)	(15,854)
Total bonds payable	<u>53,373,552</u>	<u>-</u>	<u>-</u>	<u>4,279,146</u>	<u>49,094,406</u>	<u>4,544,146</u>
Tax increment financing						
Bonds payable	180,660,190	-	62,560,000	73,140,000	170,080,190	4,875,000
Premiums	1,802,799	-	6,822,564	1,582,717	7,042,646	387,896
Total bonds payable	<u>182,462,989</u>	<u>-</u>	<u>69,382,564</u>	<u>74,722,717</u>	<u>177,122,836</u>	<u>5,262,896</u>
Notes Payable	<u>2,905,542</u>	<u>-</u>	<u>-</u>	<u>600,707</u>	<u>2,304,835</u>	<u>578,278</u>
Compensated absences **	1,188,880	-	1,232,007	1,161,403	1,259,484	1,200,000
Net pension obligation **	269,595	(225,520)	2,729,956	2,051,230	722,801	-
Other post employment benefits **	598,605	-	144,747	61,074	682,278	-
<b>Governmental activities</b>						
<b>long-term obligations</b>	<u>240,799,163</u>	<u>(225,520)</u>	<u>73,489,274</u>	<u>82,876,277</u>	<u>231,186,640</u>	<u>11,585,320</u>
<b>Business-type activities:</b>						
Compensated absences	199,781	-	233,454	215,750	217,485	215,000
Net pension obligation	61,683	(51,599)	636,817	477,609	169,292	-
Other post employment benefits	132,867	-	33,953	14,326	152,494	-
Business-type activities long-term obligations	<u>394,331</u>	<u>(51,599)</u>	<u>904,224</u>	<u>707,685</u>	<u>539,271</u>	<u>215,000</u>
Total Primary Government	<u>\$ 241,193,494</u>	<u>\$ (277,119)</u>	<u>\$ 74,393,498</u>	<u>\$ 83,583,962</u>	<u>\$ 231,725,911</u>	<u>\$ 11,800,320</u>

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

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**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 \$16,580,000. For the year ended December 31, 2015, principal and interest paid were \$3,826,863 and total tourism tax revenues for the year were \$11,201,343. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves related to these bonds was \$4,926,248 at December 31, 2015. The City has issued the following revenue bonds for the purpose of funding various City infrastructure projects:

	Balance at December 31, 2015
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 \$2,250,000 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.	2,350,000
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 \$640,000 to \$3,140,000. Final maturity January 1, 2018. Bonds maturing after January 1, 2016 and thereafter may be called at par.	5,250,000
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 \$250,000 to \$1,345,000. Final maturity January 1, 2022. Bonds maturing after January 1, 2016 and thereafter may be called at par.	7,140,000
	\$ 16,580,000

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**Special Limited Obligation Bonds**

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

	<u>Balance at December 31, 2015</u>
Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Revenue Bonds) Series 2011A, \$35,810,000 issued November 15, 2011; 3.0% to 5.0% interest payable semiannually, principal payments due annually ranging from \$560,000 to \$2,795,000 with final maturity on December 1, 2031.	<u>\$ 32,605,000</u>

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.

The MDFB 2012A 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 for the 2012A 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 2011A bonds. During the year ended December 31, 2015, waterfall amounts of \$1,126,602 were transferred to the City's Debt Service Fund from the Tax Increment Financing Fund to be used for the 2011A debt service requirements. Total waterfall amounts since inception is \$4,636,248.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**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, 2015

**Branson Landing TIF Plan**

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Refunding Bonds - City of Branson, Missouri - Branson Landing Project) Series 2012A, \$33,450,000 issued December 6, 2012; 3.0% to 4.0% interest payable semiannually, remaining principal payments due annually ranging from \$1,900,000 to \$2,805,000 with final maturity on December 1, 2027. 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.

\$ 28,370,000

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds - City of Branson, Missouri - Branson Landing Project) Series 2005A, \$80,000,000 issued September 2005; 3.75% to 6.0% interest payable semiannually, remaining principal payments due annually ranging from \$1,020,000 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. On June 1, 2015, bonds with stated maturities in the years after 2025 and thereafter in the aggregate principal amount of \$67,110,000 were refunded and defeased.

8,565,000

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds - City of Branson, Missouri - Branson Landing Project) Series 2015A, \$62,560,000 issued June 1, 2015; 3.75% to 5.0% interest payable semiannually, remaining principal payments due annually ranging from \$2,645,000 to \$10,195,000 with final maturity on June 1, 2034. 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.

62,020,000

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 , \$18,560,000 issued August 2005; 5.25% to 5.50% interest payable semiannually, remaining principal payments due annually ranging from \$555,000 to \$1,760,000 with final maturity on June 1, 2029.

14,800,000

113,755,000

**City of Branson, Missouri**  
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**For the Year Ended December 31, 2015**

On February 24, 2015, the City issued \$62,560,000 in revenue bonds at a premium of \$6,822,564 to refund \$67,110,000 of Series 2005A revenue bonds. The average interest rate of the new bonds is 4.6 percent. The City refunded these bonds to reduce total debt service payments over a period of twenty years and will realize a net savings of \$11,829,302 with a present value savings of \$7,433,935.

	<u>Balance at</u> <u>December 31, 2015</u>
<b>Branson Hills and Shoppes TIF Plan</b>	
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, \$14,760,000 issued March 2005; 6.25% to 7.05% interest payable semiannually, principal payment due with final maturity on May 1, 2027.	13,365,000
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.	1,899,338
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, \$3,385,000 issued April 2007; 5.75% interest payable semiannually, principal due at final maturity on May 1, 2026	3,385,000
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, \$35,545,000 issued November 2006; 5.90% to 5.95% interest payable semiannually, remaining principal payments due annually ranging from \$970,000 to \$5,780,000 with final maturity on November 1, 2029.	29,555,000
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.	8,120,852
	56,325,190
Total tax increment financing revenue bonds	\$ 170,080,190

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**Notes Payable**

The City has the following notes payable related to its governmental activities:

	<u>Balance at December 31, 2015</u>
Promissory note payable (Industrial Development Authority) in the amount of \$4,956,636 issued March 10, 2011; 3.49%, principal payments due annually ranging from \$472,205 to \$560,557 with final maturity on June 1, 2020.	\$ 1,321,981
Promissory note payable (Industrial Development Authority) in the amount of \$1,091,000 issued July 20, 2011; 4.79%, principal payments due semiannually ranging from \$18,659 to \$71,609 with final maturity on October 1, 2026.	982,854
	\$ 2,304,835

The March 10, 2011 promissory note was issued by the Industrial Development Authority (IDA) and the proceeds were used to finance certain road improvements to the Route 248 and Route 65 interchange in connection with a cost participation agreement the City had with the Missouri Highway and Transportation Commission. The note was purchased by the Ozark Mountain Bank (the Bank) and under the terms of the financing agreement the City will make payments to the Bank on behalf of the IDA.

The July 20, 2011 promissory note was issued by the Industrial Development Authority (IDA) and the proceeds were used to finance certain energy efficient improvements to City Hall and the Branson Convention Center. The note was purchased by the Ozark Mountain Bank (the Bank) and under the terms of the financing agreement the City will make payments to the Bank on behalf of the IDA.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
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Revenue, Special Limited Obligation Bonds, Tax Increment Financing, and Notes Payable debt service requirements to maturity are as follows:

	<b>Governmental activities</b>					
	<b>Revenue Bonds</b>		<b>Special Limited Obligation</b>		<b>TIF - Branson Landing</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	3,070,000	708,178	1,490,000	1,438,781	3,795,000	5,146,363
2017	1,915,000	515,832	1,535,000	1,394,081	4,140,000	4,973,563
2018	3,185,000	418,253	1,580,000	1,348,031	4,500,000	4,781,863
2019	3,305,000	286,667	1,630,000	1,300,631	4,915,000	4,549,200
2020	1,880,000	177,418	1,710,000	1,219,131	12,405,000	4,116,913
2021-2025	3,225,000	127,712	9,745,000	4,910,031	32,545,000	15,748,563
2026-2030	-	-	12,120,000	2,538,075	32,370,000	7,506,413
2031-2034	-	-	2,795,000	139,750	19,085,000	1,596,456
	<u>\$ 16,580,000</u>	<u>\$ 2,234,060</u>	<u>\$ 32,605,000</u>	<u>\$ 14,288,511</u>	<u>\$ 113,755,000</u>	<u>\$ 48,419,334</u>

	<b>Primary Government</b>					
	<b>TIF - Branson Hill</b>		<b>Notes Payable</b>		<b>Total</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	1,080,000	2,895,393	578,278	92,706	10,013,278	10,281,421
2017	1,195,000	2,831,133	603,992	71,864	9,388,992	9,786,473
2018	1,330,000	2,760,030	294,637	50,027	10,889,637	9,358,204
2019	1,460,000	2,680,895	67,299	38,871	11,377,299	8,856,264
2020	1,610,000	2,594,025				
2021-2025	10,375,000	11,351,130	484,862	135,189	56,374,862	32,272,625
2026-2030	39,275,190	3,615,814	275,968	16,812	84,041,158	13,677,114
2031-2034	-	-	-	-	21,880,000	1,736,206
	<u>\$ 56,325,190</u>	<u>\$ 28,728,420</u>	<u>\$ 2,305,036</u>	<u>\$ 405,469</u>	<u>\$ 203,965,226</u>	<u>\$ 85,968,307</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 \$247.2 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 \$28,370,000 Series 2012A, \$8,565,000 Series 2005A and \$62,020,000 Series 2015A 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 2012A, 2005A and 2015A bonds total approximately \$162.1 million. Incremental taxes are pledged to make payments on these obligations for a period not to exceed 23 years.

For the year ended December 31, 2015, principal and interest paid on tax increment financing bonds totaled approximately \$13.4 million. Incremental tax revenues from the City totaled approximately \$4.2 million. The remaining funds necessary to meet the current year debt service

**City of Branson, Missouri**  
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requirements were derived from city contributions, incremental tax revenues from other taxing districts and governmental entities, lease revenues, and interest income totaling approximately \$11.7 million and from prior incremental tax revenues held in debt service funds by the bond trustees. A Waterfall agreement is in place to designate the order of the flow of funds

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, 2015, based on the 2014 valuation, was \$92,426,907. The total net outstanding indebtedness of the City was \$18,884,835 as of December 31, 2015, leaving a remaining available legal debt capacity of \$66,615,824 as of that date.

**8 - Defined Benefit Pension Plan**

Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at [www.molagers.org](http://www.molagers.org).

Benefits provided.

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

**City of Branson, Missouri**  
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retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	<u>2015 Valuation</u>
Benefit Multiplier:	2.00%
Final Average Salary:	3 years
Member Contributions:	4.00%

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

Employees covered by benefit terms

At June 30, 2015, the following employees were covered by the benefit terms:

	General	Police	Fire	Total
Inactive employees or beneficiaries currently receiving benefits	79	24	6	109
Inactive employees entitled to but not yet receiving benefits	43	31	7	81
Active employees	148	39	37	224
	270	94	50	414

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% of their gross pay to the pension plan. Employer contribution rates are 14% (General), 14.30 % (Police) and 10.80 % (Fire) of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2015.

Actuarial assumptions

The total pension liability in the February 28, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5%
Salary Increase	3.5 % to 6.8 % including inflation
Investment rate of return	7.25 %

Mortality rates were based on the 1994 Group Annuity Mortality Table set back 3 years for both males and females.

The actuarial assumptions used in the February 28, 2015 valuation were based on the results of an actuarial experience study for the period March 1, 2005 through February 28, 2010.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	48.50%	5.50%
Fixed Income	25.00%	2.25%
Real Assets	20.00%	4.50%
Strategic Assets	6.50%	7.50%

Discount rate

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

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
<b>Balances at 6/30/2014</b>	\$36,642,522	\$36,588,363	\$54,159
<b>Changes for the year</b>			
Service Cost	1,347,957	--	1,347,957
Interest on Total Pension Liability	2,661,466	--	2,661,466
Difference between expected and actual experience	(461,358)	--	(461,358)
Benefit payments, including refunds of employee contributions	(1,210,854)	--	(1,210,854)
Contributions - employer	--	1,387,590	(1,387,590)
Contributions - employee	--	401,034	(401,034)
Net investment income	--	721,022	(721,022)
Benefit payments, including refunds of employee contributions	--	(1,210,854)	1,210,854
Pension Plan Administrative Expense	--	(34,206)	34,206
Other (Net Transfer)	--	234,691	(234,691)
<b>Net changes</b>	<b>\$2,337,211</b>	<b>\$1,499,277</b>	<b>\$837,934</b>
<b>Balances at 6/30/2015</b>	<b>\$38,979,733</b>	<b>\$38,087,640</b>	<b>\$892,093</b>

**City of Branson, Missouri**  
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Sensitivity of the net pension liability to changes in the discount rate

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (6.25%) or one percentage point higher (8.25 %) than the current rate.

**Sensitivity of Net Pension Liability to the Single Discount Rate**

	<b>1% Decrease 6.25%</b>	<b>Current Single Discount Rate Assumption 7.25%</b>	<b>1% Increase 8.25%</b>
Total Pension Liability (TPL)	\$ 44,902,029	\$ 38,979,733	\$ 34,093,313
Plan Fiduciary Net Position	38,087,640	38,087,640	38,087,640
Net Pension Liability (Asset)(NPL)	<u>\$ 6,814,389</u>	<u>\$ 892,093</u>	<u>(\$ 3,994,327)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015 the employer recognized pension expense of \$1,302,134. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences in experience	\$ 4,747	(\$325,972)	\$ 1,114	(\$76,462)
Excess (deficit) investment returns	1,269,660	--	297,821	--
Contributions subsequent to the measurement date	603,188	--	141,488	--
Total	<u>\$1,877,595</u>	<u>(\$325,972)</u>	<u>\$ 440,423</u>	<u>(\$76,462)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending 2015.

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

	<b>Deferred Outflows (Inflows) of Resources</b>			
	Governmental Activities		Business-type Activities	
Year ended December 31:				
2015	\$	264,940	\$	62,146
2016		264,940		62,146
2017		264,940		62,146
2018		264,937		62,146
2019		(37,932)		(8,898)
Thereafter		(73,388)		(17,215)
	\$	948,435	\$	222,473

Payable to the Pension Plan

At December 31, 2015, the City reported a payable of \$210,555 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2015.

**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, 2015, the amount of expected employer contributions to the plan, and changes in the City's net OPEB obligation.

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	Governmental Activities	Business-Type Activities	Total Primary Government
Annual required contribution	\$ 144,423	\$ 33,877	\$ 178,300
Interest on net OPEB obligation	22,194	5,206	27,400
Adjustment to annual required contribution	(21,870)	(5,130)	(27,000)
Annual OPEB cost (expense)	144,747	33,953	178,700
Less: Net employer contributions	61,074	14,326	75,400
Increase in net OPEB obligation	83,673	19,627	103,300
Net OPEB obligation - beginning of year	598,605	132,867	731,472
Net OPEB obligation - end of year	\$ 682,278	\$ 152,494	\$ 834,772

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, 2015 is as follows:

Year Ended Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	166,200	23.7%	611,572
12/31/2014	166,200	27.9%	731,472
12/31/2015	178,700	25.9%	834,772

Funded Status and Funding Progress

As of September 30, 2015, which represents most recent actuarial valuation date, the actuarial accrued liability for benefits within the plan for the City is \$1,562,500. 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 \$10,921,000, which results in a ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll of 14.0 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.

The projected unit credit actuarial cost method is used in the September 30, 2015. At the 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

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

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 3.75 percent investment rate of return. The actuarial assumptions for the healthcare cost inflation rate is an initial growth factor of 4.3 and 5.0 percent for medical and dental coverage, respectively, with both declining to an ultimate inflation rate of 4.4% for medical and 4.3% for dental. 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 a 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, 2015, the City paid \$455,461 under this lease agreement.

Capital Projects

Commitments have been made for future expenditures related to the City's Five Year Capital Improvement program. At December 31, 2015, the City had approximately \$16.6 million in outstanding construction commitments.

Convention Center Operating Agreement

The City and convention center management has an agreement with SMG, a Pennsylvania general partnership with headquarters in West Conshohocken, PA. For the year ended December 31, 2015, the city paid to SMG \$135,000 under this new management agreement.

Airport Pay for Performance Agreement

The City has entered into a Pay for Performance Agreement and a 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

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

Agreement exceed \$2,000,000 on an annual basis. Total fees under the Agreement for 2015 were \$54,778 of which \$40,000 is recorded as a payable in accordance with GAAP in the Tourism Fund as of December 31, 2015. In addition, any obligations under this Agreement are subject to annual appropriation by the Board of Aldermen.

Tri-Lakes Biosolids Coalition - Jointly Governed Organization

The City has entered into a Cooperation Agreement with Taney County and Cities located in Stone and Taney Counties to form the Tri-lakes Biosolids Coalition (Coalition). Under this agreement, the City will utilize the regional biosolids dewatering and drying facility to provide a long-term solution for the processing and handling of wastewater sludge generated from the City's wastewater treatment facilities. The City of Branson has contracted to operate the regional biosolids dewatering and drying facilities and to provide management, administrative and maintenance services. The Coalition's board is composed of one member from the governing board of each of the municipalities. The City paid \$280,986 for processing and handling of wastewater sludge for the year ended December 31, 2015.

The City has entered into a separate lease agreement with Taney County to lease property for the Tri-lakes Biosolids coalition facility. The County will lease property and an existing building at the Cooper Creek Wastewater Plant and also construct an addition to the existing building which after being combined will house the Tri-Lakes Biosolids Dewatering and Drying Facility. The City of Branson contributed \$250,000 to upgrade the original construction and design of the addition to ensure its conformity to the same architectural style and quality of the existing building.

Encumbrances

Outstanding encumbrances at December 31, 2015 were as follows: General Fund \$76,211; Transportation Sales Tax Fund \$411,263; and the Capital Projects Fund \$4,560,499

Litigation

On January 14, 2010, a judgment was issued by the Circuit Court of Taney County - Taney County Circuit Court Case No. 03-CV-787034 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, but a legal description of the land contained in the judgment of that case included certain real property owned by the City. In 2011, the Missouri Southern District Court of Appeals vacated the January 14, 2010 judgment and remanded the case back to the trial court, finding the City to have been a party for purposes of the trial court's January 14, 2010 judgment, and further finding the trial court committed plain error in entering that judgment. On March 31, 2011, a separate, but related, action was filed in the Circuit Court of Taney County, Case No. 11-AF-CC00244 which seeks to quiet title to certain real property south of the real property involved in the first case. In 2013, judgments were entered in favor of the City in both of the above cases. For the most part, these rulings were upheld on appeal. On October 30, 2015 the Southern District Court of Appeals generally upheld the legal findings of the district court in these matters, while deciding that the litigant, Douglas Coverdell, was entitled to argue his adverse possession claims. Those matters are in the discovery stage. 11-AF-CC00244 was stayed by the Court of Appeals pending the resolution of the leftover claims in the 03-CV-78704 matter.

Related to the above cases, a federal lawsuit claiming ownership of certain properties within the Branson Landing development was filed against the City, HCW Development Company (HCW), and Empire District Electric Company. The suit was based on many of the same facts and circumstances in the 03-CV-787034 action. The plaintiff sought damages of \$150 million. That case

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

was dismissed by Federal Judge Gary Fenner on July 30, 2014 because the Federal Court lacked subject matter jurisdiction over the matter.

In association with the above, the City was involved in two separate litigation actions related to two title insurance companies on separate policies the City had on properties effected by the above lawsuits. Those cases sought claims related to fees paid and expenses incurred by the City to defend its title to its property upon which it held title insurance. In connection with litigation involving one of the title insurance companies, HCW has made a cross-claim against the City for alleged breach of the Master Lease Agreement between HCW and the City related to the Branson Landing. The City, HCW, and the title company engaged in mediation to resolve those matters and on August 29, 2014 an agreement was finalized to that end. Under the agreement, legal fees associated with the City's continued defense of its title to certain properties discussed above will be covered by title insurance, and the City will be issued a new 90 million dollar title policy to cover property at the Branson Landing. In addition, the City will share in recovery of monies recovered against the other title insurance company. The outcome and any potential amount the City might recover are not reasonably estimable at this time. In general, there are no reportable gains or losses that would impact the City's financial position as of December 31, 2015

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.

**12 - Interfund Activity**

Interfund transfers for the year ended December 31, 2015, 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>Tax Increment Financing</u>	<u>Business-type Water and Sewer</u>	
Governmental :						
General	\$ -	\$ 304,613	\$ -	\$ -	\$ -	\$ 304,613
Capital projects	255,208	5,014,409	173,226	-	-	5,442,843
Tax Increment Financing	93,947	-	-	-	-	93,947
Transportation Sales Tax	-	716,496	-	-	50,004	766,500
Other Governmental	527,085	528,840	1,221,000	1,126,602	-	3,403,527
Business-type:						
Water and Sewer	-	2,030,004	-	-	-	2,030,004
<b>Total</b>	<b>\$876,240</b>	<b>\$8,594,362</b>	<b>\$ 1,394,226</b>	<b>\$ 1,126,602</b>	<b>\$ 50,004</b>	<b>\$ 12,041,434</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 including the waterfall provision discussed in Note 7, (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.

**City of Branson, Missouri**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2015**

Interfund receivable and payable balances at December 31, 2015 were as follows:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>				<u>Total</u>
	<u>General</u>	<u>Tourism Tax</u>	<u>Transportation Sales Tax</u>	<u>Internal Service</u>	
General	\$ -	\$ 65,366	\$ -	\$ 120,381	\$ 185,747
Other governmental	\$ 35,104				\$ 35,104
Tax Increment Financing	380,099	66,103	190,088	-	636,290
	<u>\$ 415,203</u>	<u>\$ 131,469</u>	<u>\$ 190,088</u>	<u>\$ 120,381</u>	<u>\$ 857,141</u>

The interfund payable due to the General Fund represents timing differences of when amounts are paid and reimbursed for current operating costs and for deficit pooled cash balances.

During 2015, the Tourism Fund loaned the General Fund \$1,000,000 to purchase a military statue, recorded as an advance receivable and payable in the respective funds. The interfund-loan is to be repaid in 10 annual payments, including 1% interest, commencing July 1, 2016.

**13 - Assets Held for Redevelopment**

The City is an owner of fee interest in real property consisting of approximately 120 acres fronting West Highway 76, known as the Old Branson Airport. In 2011, the City entered into an agreement that conveyed to the City all of the interest in certain properties. In connection with the agreement and conveyance, the City has recorded assets held for redevelopment of \$1,120,816.

**14 - Subsequent Events**

The City of Branson has entered into an agreement with Ballparks of America to redevelop the property known as the Old Branson Airport. The Ballparks of America is set to open in July 2016.

The City has evaluated subsequent events through June 22, 2016, the date the financial statements were available to be issued.

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**Required Supplementary  
Information**

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## 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 Changes in Net Pension Liability and Related Ratios
- Schedule of Contributions
- Schedules of Funding Progress – Other Post-Employment Benefits

### 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 restricted, committed or assigned fund balance because they do not constitute expenditures or liabilities.

In connection with the implementation of GASB 54, the Convention Center Fund, Recreation Fund, Old School, and Red Roof Fund (combined funds) are reported in the General Fund as these separate fund activities do not qualify for reporting as special revenue funds. A reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds is as follows:

Change in General Fund balance-budget basis	\$	464,624
Change in fund balance from combined funds-budget basis		407,432
Total reconciled change in fund balance-budget basis		872,056
Adjustments-encumbrances beginning of year		81,509
Adjustments-encumbrances end of year		76,211
Total reconciled change in fund balance-GAAP basis	\$	1,029,776
Fund balance beginning of year -budget basis	\$	5,663,007
Total reconciled change in fund balance-budget basis		872,056
Fund balance beginning of year from combined funds-budget basis		691,433
Total reconciled fund balance, beginning of year-budget basis		7,226,496
Adjustments-encumbrances end of year		76,211
Fund balance -end of year-GAAP basis	\$	7,302,707

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - General Fund**  
**For the year ended December 31, 2015**

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>				
Taxes	\$ 12,420,038	\$ 12,420,038	\$ 12,869,693	\$ 449,655
Licenses and permits:	653,025	653,025	652,482	(543)
City court fines	485,000	485,000	395,143	(89,857)
Lease and rent	1,111,924	1,111,924	1,208,575	96,651
Charges for services	1,091,293	1,091,293	1,065,715	(25,578)
Intergovernmental	-	-	25,272	25,272
Interest Income	40,000	40,000	238,501	198,501
Miscellaneous	93,141	93,141	215,464	122,323
Total revenues	<u>15,894,421</u>	<u>15,894,421</u>	<u>16,670,845</u>	<u>776,424</u>
<b>Expenditures:</b>				
General government:				
Mayor and Board	106,547	106,547	60,615	45,932
City Administration	516,762	516,762	474,483	42,279
Human Resources	416,208	416,208	390,774	25,434
Administrative Services	3,828,066	3,942,263	3,570,844	371,419
Finance	823,054	823,054	783,890	39,164
Legal	282,069	332,069	305,784	26,285
Total general government	<u>5,972,706</u>	<u>6,136,903</u>	<u>5,586,390</u>	<u>550,513</u>
Public safety:				
Police	4,107,602	4,117,602	3,798,782	318,820
Fire	3,163,768	3,186,686	3,061,181	125,505
Total public safety	<u>7,271,370</u>	<u>7,304,288</u>	<u>6,859,963</u>	<u>444,325</u>
Public works				
Engineering	711,225	711,225	639,530	71,695
Community Development	565,194	565,194	571,624	(6,430)
Debt service	815,267	815,267	818,624	(3,357)
Total public works	<u>1,331,686</u>	<u>1,331,686</u>	<u>1,429,778</u>	<u>97,392</u>
Total expenditures	<u>15,469,373</u>	<u>15,666,488</u>	<u>14,609,742</u>	<u>1,056,746</u>
Excess of revenues over (under) expenditures	425,048	227,933	2,061,103	1,833,170
<b>Other Financing Sources (Uses):</b>				
Sale of assets	-	-	50,810	50,810
Transfers in	159,951	159,951	129,951	(30,000)
Transfers (out)	(1,722,085)	(1,928,085)	(1,777,240)	150,845
Total other financing sources (uses)	<u>(1,562,134)</u>	<u>(1,768,134)</u>	<u>(1,596,479)</u>	<u>171,655</u>
Change in fund balances	<u>\$ (1,137,086)</u>	<u>\$ (1,540,201)</u>	464,624	<u>\$ 2,004,825</u>
Fund balance, beginning of year - budget basis			<u>5,663,007</u>	
Fund balance - end of year - budget basis			6,127,631	
Adjustments:				
Encumbrances			76,211	
Fund balance - end of year - GAAP basis			<u>\$ 6,203,842</u>	
Net change in fund balance - budget basis			\$ 464,624	
Adjustments:				
Encumbrances - beginning of year			81,509	
Encumbrances - end of year			76,211	
Net change in fund balance - GAAP basis			<u>\$ 622,344</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, 2015**

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>				
Taxes	\$ 10,167,374	\$ 10,167,374	\$ 11,201,343	\$ 1,033,969
Interest Income	339,795	339,795	373,901	34,106
Total revenues	<u>10,507,169</u>	<u>10,507,169</u>	<u>11,575,244</u>	<u>1,068,075</u>
<b>Expenditures:</b>				
Tourism	2,857,762	3,560,949	3,249,908	311,041
Debt service:				
Principal	3,535,124	3,535,124	3,471,166	63,958
Interest and fiscal charges	980,022	980,022	964,753	15,269
Total expenditures	<u>7,372,908</u>	<u>8,076,095</u>	<u>7,685,827</u>	<u>390,268</u>
Excess of revenues over (under) expenditures	3,134,261	2,431,074	3,889,417	1,458,343
<b>Other financing sources (uses):</b>				
Transfers (out)	<u>(10,409,951)</u>	<u>(10,409,951)</u>	<u>(8,594,362)</u>	<u>1,815,589</u>
Total other financing sources (uses)	<u>(10,409,951)</u>	<u>(10,409,951)</u>	<u>(8,594,362)</u>	<u>1,815,589</u>
Change in fund balances	<u>\$ (7,275,690)</u>	<u>\$ (7,978,877)</u>	<u>(4,704,945)</u>	<u>\$ 3,273,932</u>
Fund balance, beginning of year			<u>18,547,616</u>	
Fund balance - end of year - budget basis			13,842,671	
Adjustments:				
Encumbrances			-	
Fund balance - end of year - GAAP basis			<u>\$ 13,842,671</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, 2015**

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>				
Taxes	\$ 4,669,351	\$ 4,669,351	\$ 4,848,739	\$ 179,388
Total revenues	<u>4,669,351</u>	<u>4,669,351</u>	<u>4,879,929</u>	<u>210,578</u>
<b>Expenditures:</b>				
Public works	4,502,851	4,502,851	4,559,409	(56,558)
Total expenditures	<u>4,502,851</u>	<u>4,502,851</u>	<u>4,559,409</u>	<u>(56,558)</u>
Excess of revenues over expenditures	166,500	166,500	320,520	154,020
<b>Other financing sources (uses):</b>				
Transfer In	766,500	766,500	766,500	-
Transfers (out)	(1,221,000)	(1,394,226)	(1,394,226)	-
Total other financing sources (uses)	<u>(454,500)</u>	<u>(627,726)</u>	<u>(627,726)</u>	<u>-</u>
Change in fund balances	<u>\$ (288,000)</u>	<u>\$ (461,226)</u>	<u>(307,206)</u>	<u>\$ 154,020</u>
Fund balance, beginning of year			<u>1,314,554</u>	
Fund balance - end of year - budget basis			1,007,348	
Adjustments:				
Encumbrances			411,263	
Fund balance - end of year - GAAP basis			<u>\$ 1,418,611</u>	
Net change in fund balance - budget basis			\$ (307,206)	
Adjustments:				
Encumbrances - beginning of year			(538,041)	
Encumbrances - end of year			411,263	
Net change in fund balance - GAAP basis			<u>\$ (433,984)</u>	

**CITY OF BRANSON, MISSOURI**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Schedule of Changes in Net Pension Liability and Related**  
**Ratios\***

<i>Fiscal year ending June 30,</i>	<b>2015</b>
<b>Total Pension Liability</b>	
Service Cost	\$ 1,347,957
Interest on the Total Pension Liability	2,661,466
Benefit Changes	-
Difference between expected and actual experience	(461,358)
Assumption Changes	-
Benefit Payments	1,210,854
Refunds	
<b>Net Change in Total Pension Liability</b>	<u>2,337,211</u>
<b>Total Pension Liability beginning</b>	<u>36,642,522</u>
<b>Total Pension Liability ending</b>	<u>\$ 38,979,733</u>
<b>Plan Fiduciary Net Position</b>	
Contributions-employer	\$ 1,387,590
Contributions-employee	401,034
Pension Plan Net Investment income	721,022
Benefit Payments	1,210,854
Refunds	-
Pension Plan Administrative expense	34,206
Other	234,691
<b>Net Change in Plan Fiduciary Net Position</b>	<u>1,499,277</u>
<b>Plan Fiduciary Net Position beginning</b>	<u>36,588,363</u>
<b>Plan Fiduciary Net Position ending</b>	<u>\$ 38,087,640</u>
<b>Employer Net Pension Liability</b>	<u>\$ 892,093</u>
<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	97.71%
<b>Covered Employee Payroll **</b>	\$ 9,931,048
<b>Employer's Net Pension Liability as a percentage of covered employee payroll</b>	8.98%

**Notes to schedule:**

\* GASB 68 requires presentation of ten years. As of December 31, 2015, only one year of information is available

\*\* Covered payroll is measured as of the measurement date ending 6/30

**CITY OF BRANSON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS  
Last 10 Fiscal Years**

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Actuarially determined contribution	\$1,387,947	\$1,484,882	\$1,486,822	\$1,415,641	\$1,345,475	\$1,278,498	\$736,273	\$797,285	\$771,212	\$798,550
Contributions in relation to the actuarially determined contribution	1,377,017	1,456,538	1,368,240	1,269,068	1,200,567	955,280	928,829	810,939	813,622	791,947
Contribution deficiency (excess)	\$10,929	\$28,344	\$118,582	\$146,574	\$144,908	\$323,218	(\$192,556)	(\$13,654)	(\$42,410)	\$6,603
 Covered-employee payroll*	\$10,207,057	\$10,295,108	\$9,802,448	\$9,761,060	\$9,818,967	\$9,148,437	\$8,769,605	\$8,733,635	\$8,249,171	\$7,926,983
Contributions as a percentage of covered-employee payroll	13.49%	14.15%	13.96%	13.00%	12.23%	10.44%	10.59%	9.29%	9.86%	9.99%

\*Covered payroll is presented as of the City's fiscal year end 12/31

**CITY OF BRANSON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**Notes to Schedule of Contributions**

**Valuation Date** February 28, 2015

**Notes:** The roll-forward of the total pension liability from February 28, 2015 to June 30, 2015 reflects expected service cost and interest reduced by actual benefit payments and administrative costs

**Methods and assumptions used to determine contribution rates:**

**Actuarial cost method** Entry Age Normal

**Amortization method** Level Percentage of Payroll, Closed

**Remaining amortization period** Multiple bases from 14 to 23 years

**Asset valuation method** 5-year smoothed market; 20% corridor

**Inflation assumption** 3.5% wage inflation; 3% price inflation

**Salary increases** 3.5% to 6.8% including wage inflation

**Investment rate of return** 7.25%, net of investment and administrative expense

**Retirement age** Experience-based table of rates that are specific to the type of eligibility condition.

**Mortality** 105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

**CITY OF BRANSON, MISSOURI**

Schedule of Funding Progress - Other Post- Employment Benefits

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%	\$ 9,679,000	11%
9/30/2011	-	1,174,800	1,174,800	0%	10,700,000	11%
9/30/2013	-	1,302,300	1,302,300	0%	12,345,000	11%
9/30/2015	-	1,562,500	1,562,500	-	10,921,000	14%

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**Other Supplementary Information  
Combining and Individual Fund  
Statements and Schedules**

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**CITY OF BRANSON, MISSOURI**  
**Combining Balance Sheet - General Fund**  
**December 31, 2015**

	<b>General</b>	<b>Convention Center</b>	<b>Recreation</b>	<b>Old School</b>	<b>Red Roof</b>	<b>Total</b>
<b>Assets</b>						
Cash and investments	\$ 5,952,160	\$ 615,573	\$ 520,118	\$ 76,450	\$ 3,271	\$ 7,167,572
Receivables, net:						
Taxes	2,042,654	-	-	-	-	2,042,654
Leases	121,387	-	-	-	-	121,387
Other	123,306	222,838	351	-	-	346,495
Due from other funds	120,381	65,366	-	-	-	185,747
Prepays and inventories	86,244	137,792	-	-	-	224,036
Assets held for redevelopment	1,120,816	-	-	-	-	1,120,816
Total assets	<u>\$ 9,566,948</u>	<u>\$ 1,041,569</u>	<u>\$ 520,469</u>	<u>\$ 76,450</u>	<u>\$ 3,271</u>	<u>\$ 11,208,707</u>
<b>Liabilities</b>						
Accounts payable	\$ 350,679	\$ 430,653	\$ 42,427	\$ 22	\$ -	\$ 823,781
Accrued liabilities	393,190	52,036	17,756	-	-	462,982
Deposits	26,373	-	-	-	-	26,373
Due to other funds	415,203	-	-	-	-	415,203
Advance payable	1,000,000	-	-	-	-	1,000,000
Total liabilities	<u>2,185,445</u>	<u>482,689</u>	<u>60,183</u>	<u>22</u>	<u>-</u>	<u>2,728,339</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue - property taxes	1,177,661	-	-	-	-	1,177,661
<b>Fund Balances</b>						
Nonspendable:						
Prepays and inventory	86,244	137,792	-	-	-	224,036
Assets held for redevelopment	1,120,816	-	-	-	-	1,120,816
Committed for:						
Contractual and other	133,997	-	-	-	-	133,997
Assigned for:						
Contractual and other	30,384	-	-	-	-	30,384
Unassigned (deficit)	4,832,401	421,088	460,286	76,428	3,271	5,793,474
Total fund balances	<u>6,203,842</u>	<u>558,880</u>	<u>460,286</u>	<u>76,428</u>	<u>3,271</u>	<u>7,302,707</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 9,566,948</u>	<u>\$ 1,041,569</u>	<u>\$ 520,469</u>	<u>\$ 76,450</u>	<u>\$ 3,271</u>	<u>\$ 11,208,707</u>

**CITY OF BRANSON, MISSOURI**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**General Fund**  
**For the year ended December 31, 2015**

	General	Convention Center	Recreation	Old School	Red Roof	Eliminations	Total
<b>Revenues:</b>							
Taxes	\$ 12,869,693	\$ -	\$ 98,325	\$ -	\$ -	\$ -	\$ 12,968,018
Licenses and permits	652,482	-	9,108	-	-	-	661,590
Court fines	395,143	-	-	-	-	-	395,143
Lease and rent	1,208,575	-	-	-	-	-	1,208,575
Charges for services	1,065,715	4,556,378	1,487,507	-	-	-	7,109,600
Intergovernmental	25,272	-	-	-	-	-	25,272
Interest income	238,501	-	-	-	-	-	238,501
Miscellaneous	215,464	-	82,830	-	-	-	298,294
Total revenues	<u>16,670,845</u>	<u>4,556,378</u>	<u>1,677,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,904,993</u>
<b>Expenditures:</b>							
Current:							
General government	5,513,050	-	-	259	-	-	5,513,309
Public safety	6,822,224	-	-	-	-	-	6,822,224
Public works	639,530	-	-	-	-	-	639,530
Engineering	571,624	-	-	-	-	-	571,624
Community development	771,982	-	-	-	-	-	771,982
Culture and recreation	-	-	2,225,512	-	-	-	2,225,512
Convention center	-	4,685,516	-	-	-	-	4,685,516
Debt service:							
Principal retirement	84,542	-	-	-	-	-	84,542
Interest and fiscal charges	49,070	-	-	-	-	-	49,070
Total expenditures	<u>14,452,022</u>	<u>4,685,516</u>	<u>2,225,512</u>	<u>259</u>	<u>-</u>	<u>-</u>	<u>21,363,309</u>
Excess of revenues over (under) expenditures	<u>2,218,823</u>	<u>(129,138)</u>	<u>(547,742)</u>	<u>(259)</u>	<u>-</u>	<u>-</u>	<u>1,541,684</u>
<b>Other financing sources (uses):</b>							
Sale of assets	50,810	-	-	-	-	-	50,810
Transfers in	129,951	434,662	649,909	-	-	(901,000)	313,522
Transfers (out)	(1,777,240)	-	-	-	-	901,000	(876,240)
Total other financing sources (uses)	<u>(1,596,479)</u>	<u>434,662</u>	<u>649,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(511,908)</u>
Net change in fund balances	622,344	305,524	102,167	(259)	-	-	1,029,776
Fund balances - beginning of year	<u>5,581,498</u>	<u>253,356</u>	<u>358,119</u>	<u>76,687</u>	<u>3,271</u>	<u>-</u>	<u>6,272,931</u>
Fund balances (deficit) - end of year	<u>\$ 6,203,842</u>	<u>\$ 558,880</u>	<u>\$ 460,286</u>	<u>\$ 76,428</u>	<u>\$ 3,271</u>	<u>\$ -</u>	<u>\$ 7,302,707</u>

**CITY OF BRANSON, MISSOURI**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**December 31, 2015**

<b>Assets</b>	<u>Debt Service</u>	<u>Perpetual Care</u>	<u>Total Other Governmental Funds</u>
Cash and investments			
Receivables, net:	\$ 1,461,908	\$ 5,110	\$ 1,467,018
Taxes	38,251	-	38,251
Due from other funds	35,104	-	35,104
Restricted Investments	11	-	11
Total assets	<u>\$ 1,535,274</u>	<u>\$ 5,110</u>	<u>\$ 1,540,384</u>
<b>Fund Balances</b>			
Nonspendable:			
Perpetual care	-	5,110	5,110
Restricted for:			
Debt Service	1,535,274	-	1,535,274
Total fund balances	<u>1,535,274</u>	<u>5,110</u>	<u>1,540,384</u>
Total liabilities and fund balance	<u>\$ 1,535,274</u>	<u>\$ 5,110</u>	<u>\$ 1,540,384</u>

**CITY OF BRANSON, MISSOURI**  
**Combining Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - Non-Major Governmental Funds**  
**For the year ended December 31, 2015**

	Debt Service	Perpetual Care	Total Other Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 198,106	\$ -	\$ 198,106
Intergovernmental	198,106	200	198,306
Interest income	18	-	18
Total revenues	<u>396,230</u>	<u>200.00</u>	<u>396,430</u>
<b>Expenditures:</b>			
Debt service:			
Principal retirement	1,340,000	-	1,340,000
Interest and fiscal charges	1,481,481	-	1,481,481
Total expenditures	<u>2,821,481</u>	<u>-</u>	<u>2,821,481</u>
Excess of revenues over (under) expenditures	<u>(2,425,251)</u>	<u>200.00</u>	<u>(2,425,051)</u>
<b>Other financing sources (uses):</b>			
Transfers in	3,403,527	-	3,403,527
Total other financing sources (uses)	<u>3,403,527</u>	<u>-</u>	<u>3,403,527</u>
Net change in fund balances	<u>978,276</u>	<u>200.00</u>	<u>978,476</u>
Fund balances (deficit) - beginning of year	<u>556,998</u>	<u>4,910</u>	<u>561,908</u>
Fund balances (deficit) - end of year	<u>\$ 1,535,274</u>	<u>\$ 5,110</u>	<u>\$ 1,540,384</u>

**City of Branson, Missouri  
Combining Balance Sheet  
Tax Increment Financing Commission  
December 31, 2015**

	<u>Branson Meadows</u>	<u>Branson Landing</u>	<u>Branson Hills</u>	<u>Total</u>
<b>Assets</b>				
Cash and investments	\$ -	\$ 1,716,180	\$ 566,684	\$ 2,282,864
Receivables:				
Intergovernmental	-	820,526	616,861	1,437,387
Due from other funds	-	355,750	280,540	636,290
Restricted cash and investments	-	12,691,663	10,338,366	23,030,029
Total assets	<u>\$ -</u>	<u>\$ 15,584,119</u>	<u>\$ 11,802,451</u>	<u>\$ 27,386,570</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue - property taxes	-	662,482	136,231	798,713
<b>Fund balances:</b>				
Restricted for debt service	-	14,921,637	11,666,220	26,587,857
Total fund balances	<u>-</u>	<u>14,921,637</u>	<u>11,666,220</u>	<u>26,587,857</u>
Total deferred inflows, and fund balances	<u>\$ -</u>	<u>\$ 15,584,119</u>	<u>\$ 11,802,451</u>	<u>\$ 27,386,570</u>

**City of Branson, Missouri**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Tax Increment Financing Commission**  
**For the year ended December 31, 2015**

	Branson Meadows	Branson Landing	Branson Hills	Total
<b>Revenues:</b>				
Taxes	\$ -	\$ 2,803,806	\$ 1,402,261	\$ 4,206,067
Intergovernmental activity taxes	-	6,522,126	4,021,328	10,543,454
Lease revenues	-	450,000	-	450,000
Interest	-	767,373	10,112	777,485
Total revenues	<u>-</u>	<u>10,543,305</u>	<u>5,433,701</u>	<u>15,977,006</u>
<b>Expenditures</b>				
Debt service:				
Principal	-	4,015,000	2,015,000	6,030,000
Interest	-	4,523,106	3,133,035	7,656,141
Bond issuance costs	-	425,741	-	425,741
Total expenditures	<u>-</u>	<u>8,963,847</u>	<u>5,148,035</u>	<u>14,111,882</u>
Excess of revenues over (under) expenditures	-	1,579,458	285,666	1,865,124
<b>Other financing sources (uses):</b>				
<b>Bond Proceeds</b>	-	62,560,000	-	62,560,000
Sale of assets	-	(7,406)	-	(7,406)
Payment to bond escrow agent	-	(68,769,444)	-	(68,769,444)
Premium	-	6,822,564	-	6,822,564
Transfers in	-	172,812	-	172,812
Transfers out	-	(1,205,467)	-	(1,205,467)
Total other financing sources (uses)	<u>-</u>	<u>(426,941)</u>	<u>-</u>	<u>(426,941)</u>
Net change in fund balances	-	1,152,517	285,666	1,438,183
Fund balances - beginning of year	<u>-</u>	<u>13,769,120</u>	<u>11,380,554</u>	<u>25,149,674</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 14,921,637</u>	<u>\$ 11,666,220</u>	<u>\$ 26,587,857</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, 2015**

	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
<b>Revenues:</b>			
Charges for services	\$ 5,005,800	\$ 4,556,378	\$ (449,422)
Total revenues	<u>5,005,800</u>	<u>4,556,378</u>	<u>(449,422)</u>
<b>Expenditures:</b>			
Convention center	6,145,350	4,685,516	1,459,834
Total expenditures	<u>6,145,350</u>	<u>4,685,516</u>	<u>1,459,834</u>
Excess of revenues over (under) expenditures	(1,139,550)	(129,138)	1,010,412
<b>Other financing sources (uses):</b>			
Transfers in	386,018	434,662	48,644
Total other financing sources (uses)	<u>386,018</u>	<u>434,662</u>	<u>48,644</u>
Change in fund balances	<u>\$ (753,532)</u>	305,524	<u>\$ 1,059,056</u>
Fund balances, beginning of year		<u>253,356</u>	
Fund balances, end of year		<u>\$ 558,880</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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Taxes	\$ 72,000	\$ 98,325	\$ 26,325
		9,108	\$ 9,108
Charges for services	1,374,412	1,487,507	113,095
Miscellaneous	75,000	82,830	7,830
Total revenues	<u>1,521,412</u>	<u>1,677,770</u>	<u>156,358</u>
<b>Expenditures:</b>			
Culture and recreation	<u>2,241,947</u>	<u>2,225,512</u>	<u>16,435</u>
Excess of revenues over (under) expenditures	(720,535)	(547,742)	172,793
<b>Other financing sources (uses):</b>			
Transfers in	<u>515,000</u>	<u>649,909</u>	<u>134,909</u>
Total other financing sources (uses)	<u>515,000</u>	<u>649,909</u>	<u>134,909</u>
Change in fund balances	<u>\$ (205,535)</u>	<u>102,167</u>	<u>\$ 307,702</u>
Fund balance, beginning of year		358,119	
Fund balance, end of year		<u>\$ 460,286</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Old School Fund**  
**For the year ended December 31, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Expenditures:</b>			
General governmental	\$ 49,465	\$ 259	\$ 49,206
Total expenditures	49,465	259	49,206
Excess of revenues over (under) expenditures	(49,465)	(259)	49,206
Change in fund balances	\$ (49,465)	(259)	\$ 49,206
Fund balance, beginning of year		76,687	
Fund balance - end of year		\$ 76,428	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Red Roof Mall Fund**  
**For the year ended December 31, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Lease and rent	\$ 6,000	\$ -	\$ (6,000)
Total revenues	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
<b>Expenditures:</b>			
General Government	140,000	-	140,000
Total expenditures	<u>140,000</u>	<u>-</u>	<u>140,000</u>
Excess of revenues over (under) expenditures	(134,000)	-	134,000
<b>Other financing sources (uses):</b>			
Transfers in	120,000	-	(120,000)
Change in fund balances	<u>\$ (14,000)</u>	<u>-</u>	<u>\$ 14,000</u>
Fund balance, beginning of year		<u>3,271</u>	
Fund balance (deficit) - end of year		<u>\$ 3,271</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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Interest act taxes	\$ 181,881	\$ 396,212	\$ 214,331
Interest income	-	18	18
Total revenues	<u>181,881</u>	<u>396,230</u>	<u>214,349</u>
<b>Expenditures:</b>			
Debt Service:			
Principal	1,340,000	1,340,000	-
Interest	1,481,481	1,481,481	-
Total expenditures	<u>2,821,481</u>	<u>2,821,481</u>	<u>-</u>
Excess of revenues over (under) expenditures	(2,639,600)	(2,425,251)	214,349
<b>Other Financing Sources (Uses)</b>			
Transfers in	3,501,751	3,403,527	(98,224)
Transfers out	(351,945)	-	351,945
Total other financing sources (uses)	<u>3,149,806</u>	<u>3,403,527</u>	<u>253,721</u>
Change in fund balances	<u>\$ 510,206</u>	978,276	<u>\$ 468,070</u>
Fund balance (deficit), beginning of year		<u>556,998</u>	
Fund balance (deficit), end of year		<u>\$ 1,535,274</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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Capital outlay	\$ 4,652,000	\$ 6,843,694	\$ (2,191,694)
Total expenditures	<u>4,652,000</u>	<u>6,843,694</u>	<u>(2,191,694)</u>
Excess of revenues over (under) expenditures	(4,652,000)	(6,843,694)	(2,191,694)
<b>Other financing sources (uses):</b>			
Transfers in	<u>4,574,500</u>	<u>5,442,843</u>	<u>868,343</u>
Total other financing sources (uses)	<u>4,574,500</u>	<u>5,442,843</u>	<u>868,343</u>
Change in fund balances	<u>\$ (77,500)</u>	<u>(1,400,851)</u>	<u>\$ (1,323,351)</u>
Fund balance, beginning of year		<u>2,073,297</u>	
Fund balance - end of year		<u>\$ 672,446</u>	
<b>Adjustments:</b>			
Encumbrances		<u>4,560,499</u>	
Fund balance - end of year - GAAP basis		<u>\$ 5,232,945</u>	
Net change in fund balance - budget basis		\$ (1,400,851)	
<b>Adjustments:</b>			
Encumbrances - beginning of year		(8,433,801)	
Encumbrances - end of year		<u>4,560,499</u>	
Net change in fund balance - GAAP basis		<u>\$ (5,274,153)</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Branson Landing TIF Project**  
**For the year ended December 31, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Taxes	\$ 2,903,258	\$ 2,803,806	\$ 99,452
Intergovernmental activity	3,546,289	6,522,126	(2,975,837)
Lease revenues	450,000	450,000	-
Interest	358,960	767,373	(408,413)
Total revenues	<u>7,258,507</u>	<u>10,543,305</u>	<u>(3,284,798)</u>
<b>Expenditures:</b>			
Debt Service:			
Principal	3,475,000	4,015,000	540,000
Interest	5,690,144	4,523,106	1,167,038
Total expenditures	<u>9,165,144</u>	<u>8,538,106</u>	<u>1,707,038</u>
Excess of revenues over (under) expenditures	(1,906,637)	2,005,199	3,911,836
<b>Other Financing Sources (Uses)</b>			
Sale of asset		(7,406)	(7,406)
Premium		6,822,564	6,822,564
Bond proceeds	-	62,560,000	62,560,000
Payment to bond escrow agent	-	(68,769,444)	(68,769,444)
Transfers in	1,944,889	172,812	(1,772,077)
Transfers out	(700,000)	(1,205,467)	(505,467)
Total other financing sources (uses)	<u>1,244,889</u>	<u>(426,941)</u>	<u>(1,671,830)</u>
Change in fund balances	<u>\$ (661,748)</u>	1,578,258	<u>\$ 2,240,006</u>
Fund balance, beginning of year		<u>13,769,120</u>	
Fund balance, end of year		<u>\$ 15,347,378</u>	

**CITY OF BRANSON, MISSOURI**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Branson Hills TIF Project**  
**For the year ended December 31, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Taxes	\$ 772,274	\$ 1,402,261	\$ (629,987)
Intergovernmental activity	3,019,547	4,021,328	(1,001,781)
Interest	536	10,112	(9,576)
Total revenues	3,792,357	5,433,701	(1,641,344)
<b>Expenditures:</b>			
Debt Service:			
Principal	970,000	2,015,000	1,045,000
Interest	3,161,453	3,133,035	28,418
Total expenditures	4,131,453	5,148,035	1,073,418
Change in fund balances	\$ (339,096)	285,666	\$ 624,762
Fund balance, beginning of year		11,380,554	
Fund balance, end of year		\$ 11,666,220	

**CITY OF BRANSON, MISSOURI**

Statement of Changes in Assets and Liabilities -  
Agency Fund  
For the year ended December 31, 2015

<b>Landscape Trust Fund</b>	<b>Balance December 31, 2014</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2015</b>
<b>Assets</b>				
Cash and cash investments	<u>\$ 925,362</u>	<u>\$ 14,230</u>	<u>\$ 8,909</u>	<u>\$ 930,683</u>
<b>Liabilities</b>				
Due to others	<u>\$ 925,362</u>	<u>\$ 14,230</u>	<u>\$ 8,909</u>	<u>\$ 930,683</u>

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## **Statistical Section**

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# 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.

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**Sources:** Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

Table 1

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Government activities</b>										
Net Investment										
in capital assets	\$ 22,280,129	\$ 141,919,127	\$ 145,177,108	\$ 144,289,962	\$ 129,557,224	\$ 126,777,920	\$ 123,688,092	\$ 122,866,191	\$ 115,739,014	\$ 115,152,798
Restricted	17,980,262	17,204,507	17,791,624	14,686,790	21,582,752	20,830,167	24,479,925	44,856,588	44,517,308	40,951,381
Unrestricted	20,709,745	16,681,197	13,200,540	14,845,152	9,950,868	5,922,405	2,753,471	(182,552,519)	(170,220,990)	(158,444,814)
Total governmental activities net position	\$ 60,970,136	\$ 175,804,831	\$ 176,169,272	\$ 173,821,904	\$ 161,090,844	\$ 153,530,492	\$ 150,921,488	\$ (14,829,740)	\$ (9,964,668)	\$ (2,340,635)
<b>Business-type activities</b>										
Net Investment										
in capital assets	\$ 75,427,333	\$ 73,609,515	\$ 77,523,944	\$ 75,955,579	\$ 81,930,467	\$ 81,599,165	\$ 79,235,984	\$ 77,211,991	\$ 74,602,930	\$ 72,229,268
Restricted	-	172,367	185,812	189,393	3,217,997	2,461,091	120,209	-	-	-
Unrestricted	1,530,171	1,801,365	2,982,009	4,123,488	4,435,196	4,765,345	7,205,369	7,380,807	8,476,846	9,659,818
Total business-type activities net position	\$ 76,957,504	\$ 75,583,247	\$ 80,691,765	\$ 80,268,460	\$ 89,583,660	\$ 88,825,601	\$ 86,561,562	\$ 84,592,798	\$ 83,079,776	\$ 81,889,086
<b>Primary government</b>										
Net Investment										
in capital assets	\$ 97,707,462	\$ 215,528,642	\$ 217,620,480	\$ 220,245,541	\$ 211,487,691	\$ 208,377,085	\$ 202,924,076	\$ 200,078,182	\$ 190,341,944	\$ 187,382,066
Restricted	17,980,262	17,376,874	17,977,436	14,876,183	24,800,749	23,291,258	24,600,134	44,856,588	44,517,308	41,951,381
Unrestricted (deficit)	22,239,916	18,482,562	21,263,121	18,968,640	14,386,064	10,687,750	9,958,840	(175,171,712)	(161,744,144)	(149,784,996)
Total primary government net position	\$ 137,927,640	\$ 251,388,078	\$ 256,861,037	\$ 254,090,364	\$ 250,674,504	\$ 242,356,093	\$ 237,483,050	\$ 69,763,058	\$ 73,115,108	\$ 79,548,451

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

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

In 2013, the City implemented GASB 61; as a result of this the TIF Commission component unit is now blended with the Governmental activities.

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

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

Table 2

**CITY OF BRANSON, MISSOURI**  
**Changes in Net Position**  
**LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental activities:										
General government	\$ 3,331,264	\$ 4,528,246	\$ 4,939,024	\$ 4,813,249	\$ 6,288,554	\$ 6,508,380	\$ 7,317,045	\$ 7,559,988	\$ 7,332,752	\$ 6,095,239
Public safety	5,614,712	5,708,173	7,284,189	5,656,388	6,717,714	6,566,479	6,946,404	7,058,754	6,685,683	6,673,594
Public works	7,417,832	8,120,098	9,139,399	2,663,332	9,482,818	14,784,274	9,678,260	8,766,285	8,661,621	9,362,157
Engineering services	613,902	646,429	726,971	606,672	658,103	552,491	585,196	603,529	540,389	628,328
Community development	709,621	1,086,542	1,461,803	1,293,578	1,430,800	825,744	1,381,794	824,607	734,863	777,043
Culture and recreation	2,270,578	2,010,813	2,316,661	2,099,264	2,643,310	2,784,808	2,781,959	2,748,371	2,420,135	2,453,437
Convention Center	-	872,144	7,229,165	5,348,111	7,471,163	8,389,119	9,790,922	8,376,158	6,893,851	6,758,400
Tourism	2,714,475	2,754,357	2,453,257	2,392,731	2,248,108	3,634,159	2,282,803	2,716,287	2,516,263	3,249,908
Interest on long-term debt	5,515,916	6,000,615	3,938,218	3,635,473	3,824,038	2,800,553	3,343,781	12,354,440	12,018,310	10,555,017
Total governmental expense	<u>28,188,300</u>	<u>31,727,417</u>	<u>39,488,687</u>	<u>28,508,798</u>	<u>40,764,608</u>	<u>46,846,007</u>	<u>44,108,164</u>	<u>51,008,419</u>	<u>47,803,867</u>	<u>46,553,123</u>
Business-type activities:										
Water & sewer services	<u>7,587,129</u>	<u>7,938,306</u>	<u>8,701,225</u>	<u>8,526,666</u>	<u>8,270,508</u>	<u>9,228,202</u>	<u>9,438,946</u>	<u>10,394,694</u>	<u>10,486,575</u>	<u>11,163,088</u>
Total business-type activities expense	<u>7,587,129</u>	<u>7,938,306</u>	<u>8,701,225</u>	<u>8,526,666</u>	<u>8,270,508</u>	<u>9,228,202</u>	<u>9,438,946</u>	<u>10,394,694</u>	<u>10,486,575</u>	<u>11,163,088</u>
Total primary governmental expense	<u>\$ 35,775,429</u>	<u>\$ 39,665,723</u>	<u>\$ 48,189,912</u>	<u>\$ 37,035,464</u>	<u>\$ 49,035,116</u>	<u>\$ 56,074,209</u>	<u>\$ 53,547,110</u>	<u>\$ 61,403,113</u>	<u>\$ 58,290,442</u>	<u>\$ 57,716,211</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,777,350	\$ 2,470,833	\$ 2,589,876	\$ 2,746,768	\$ 2,802,297	\$ 2,694,761	\$ 3,683,018	\$ 2,508,255	\$ 2,705,888	\$ 2,748,871
Public safety	341,522	43,849	43,281	19,968	13,466	152,213	256,570	267,602	390,890	27,908
Public works	75,061	13,740	30,307	2,424	-	-	30,000	4,010	3,516	31,190
Engineering services	11,773	2,002	1,577	1,165	1,616	-	-	-	-	-
Community development	799,609	740,409	591,472	229,631	162,255	21,730	28,443	472,401	477,072	746,117
Culture and recreation	1,076,808	1,164,916	1,224,259	1,390,871	1,519,887	1,337,484	1,341,381	1,413,677	1,496,882	1,579,445
Convention center	-	-	3,937,780	4,001,137	4,637,819	4,986,726	6,648,205	5,038,015	3,709,824	4,556,378
Tourism	119,620	19,442	-	-	-	-	-	-	-	-
Operating grants & contributions	345,589	45,622	206,563	45,565	315,980	1,401,141	452,643	49,729	475,597	25,271
Capital grants & contributions	265,216	381,654	2,750,119	1,016,376	251,439	1,420,806	2,671,184	644,664	426,354	198,306
Total governmental program revenues	<u>\$ 4,812,548</u>	<u>\$ 4,882,467</u>	<u>\$ 11,375,234</u>	<u>\$ 9,453,905</u>	<u>\$ 9,704,759</u>	<u>\$ 12,014,861</u>	<u>\$ 15,111,444</u>	<u>\$ 10,398,353</u>	<u>\$ 9,686,023</u>	<u>\$ 9,913,486</u>

**Changes in Net Position, Cont.**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Business-type activities:</b>										
Charges for services - water & sewer	\$ 4,980,028	\$ 5,195,680	\$ 5,906,548	\$ 5,856,243	\$ 6,077,393	\$ 6,991,270	\$ 6,972,901	\$ 7,100,903	\$ 7,268,825	\$ 7,376,804
Capital grants & contributions	-	596,804	6,523,130	1,199,077	3,996,655	788,201	119,837	455,753	893,453	401,987
<b>Total business-type activities program revenues</b>	<b>4,980,028</b>	<b>5,792,484</b>	<b>12,429,678</b>	<b>7,055,320</b>	<b>10,074,048</b>	<b>7,779,471</b>	<b>7,092,738</b>	<b>7,556,656</b>	<b>8,162,278</b>	<b>7,778,791</b>
<b>Total primary governmental program revenues</b>	<b>\$ 9,792,576</b>	<b>\$ 10,674,951</b>	<b>\$ 23,804,912</b>	<b>\$ 16,509,225</b>	<b>\$ 19,778,807</b>	<b>\$ 19,794,332</b>	<b>\$ 22,204,182</b>	<b>\$ 17,955,009</b>	<b>\$ 17,848,301</b>	<b>\$ 17,692,277</b>
<b>Net (expense)revenue</b>										
Governmental activities	\$ (23,375,752)	\$ (26,844,950)	\$ (28,113,453)	\$ (19,054,893)	\$ (31,059,849)	\$ (34,831,146)	\$ (28,996,720)	\$ (40,610,066)	\$ (38,117,844)	\$ (36,639,637)
Business-type activities	(2,607,101)	(2,145,822)	3,728,453	(1,471,346)	1,803,540	(1,448,731)	(2,346,208)	(2,838,038)	(2,324,297)	(3,384,297)
<b>Total primary governmental net expense</b>	<b>\$ (25,982,853)</b>	<b>\$ (28,990,772)</b>	<b>\$ (24,385,000)</b>	<b>\$ (20,526,239)</b>	<b>\$ (29,256,309)</b>	<b>\$ (36,279,877)</b>	<b>\$ (31,342,928)</b>	<b>\$ (43,448,104)</b>	<b>\$ (40,442,141)</b>	<b>\$ (40,023,934)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
<b>Taxes:</b>										
Property tax	\$ 1,793,951	\$ 2,061,835	\$ 2,052,194	\$ 2,370,101	\$ 2,560,923	\$ 2,648,293	\$ 2,553,081	\$ 2,649,129	\$ 2,548,007	\$ 2,656,996
Sales tax	12,884,856	12,443,263	12,981,038	12,102,118	12,321,436	12,478,162	12,459,908	12,696,407	16,402,367	16,896,104
Tourism tax	10,935,304	11,810,276	11,769,977	10,888,188	10,907,769	10,453,937	10,321,084	11,110,923	11,862,618	12,149,089
Other taxes	1,730,423	1,079,175	1,512,676	1,360,473	1,396,916	1,453,969	1,232,656	1,418,674	1,952,282	1,725,996
Intergovernmental Activity taxes	-	-	-	-	-	-	-	10,263,563	10,123,821	10,543,454
Other	-	-	-	-	-	-	-	9,297	-	-
(Loss)/gain on sale of capital assets	60,347	9,515	-	-	104,256	15,047	17,870	29,814	-	-
Unrestricted investment earnings	4,513,670	2,397,427	1,505,009	876,037	888,518	885,386	681,791	876,763	861,000	1,431,890
Insurance recoveries	-	-	-	-	-	-	-	-	31,780	-
Transfers out	(1,658,925)	(725,608)	(1,343,000)	(1,000,000)	(8,061,223)	(664,000)	(55,000)	(852,590)	(798,959)	(1,980,000)
<b>Total governmental activities</b>	<b>30,259,626</b>	<b>29,075,883</b>	<b>28,477,894</b>	<b>26,596,917</b>	<b>20,118,595</b>	<b>27,270,794</b>	<b>27,211,390</b>	<b>38,201,980</b>	<b>42,982,916</b>	<b>43,423,529</b>
<b>Business-type activities:</b>										
Unrestricted investment earnings	59,211	45,957	37,065	48,041	31,030	23,919	26,422	16,684	12,316	21,381
Gain of sale of capital assets	280,073	-	-	-	-	2,753	747	-	-	-
Transfers in	1,658,925	725,608	1,343,000	1,000,000	8,061,223	664,000	55,000	852,590	798,959	1,980,000
<b>Total business-type activities</b>	<b>1,998,209</b>	<b>771,565</b>	<b>1,380,065</b>	<b>1,048,041</b>	<b>8,092,253</b>	<b>690,672</b>	<b>82,169</b>	<b>869,274</b>	<b>811,275</b>	<b>2,001,381</b>
<b>Total primary government</b>	<b>\$ 32,257,835</b>	<b>\$ 29,847,448</b>	<b>\$ 29,857,959</b>	<b>\$ 27,644,958</b>	<b>\$ 28,210,848</b>	<b>\$ 27,961,466</b>	<b>\$ 27,293,559</b>	<b>\$ 39,071,254</b>	<b>\$ 43,794,191</b>	<b>\$ 45,424,910</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 6,883,874	\$ 2,230,933	\$ 364,441	\$ 7,542,024	\$ (10,941,254)	\$ (7,560,352)	\$ (1,785,330)	\$ (2,408,086)	\$ 4,865,072	\$ 6,783,892
Business-type activities	(608,892)	(1,374,257)	5,108,518	(423,305)	9,895,793	(758,059)	(2,264,039)	(1,968,764)	(1,513,022)	(1,382,916)
<b>Total primary government</b>	<b>\$ 6,274,982</b>	<b>\$ 856,676</b>	<b>\$ 5,472,959</b>	<b>\$ 7,118,719</b>	<b>\$ (1,045,461)</b>	<b>\$ (8,318,411)</b>	<b>\$ (4,049,369)</b>	<b>\$ (4,376,850)</b>	<b>\$ 3,352,050</b>	<b>\$ 5,400,976</b>

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 TIF Commission and tax increment financing activities were removed from the Primary Government presentation and shown as a discretely presented component unit.

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

In 2013, the City implemented GASB 61; as a result of this the TIF Commission component unit is now blended with the Governmental activities.

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)

	2005	2006	2007	2008	2009	
General Fund						
Reserved	\$ 1,650,890	\$ 1,756,039	\$ 2,200,693	\$ 1,265,717	\$ 1,319,086	
Unreserved	3,196,765	6,029,006	4,534,005	8,062,100	5,739,682	
Total General Fund	<u>\$ 4,847,655</u>	<u>\$ 7,785,045</u>	<u>\$ 6,734,698</u>	<u>\$ 9,327,817</u>	<u>\$ 7,058,768</u>	
All other governmental funds						
Reserved	\$ 18,110,669	\$ 20,786,620	\$ 10,928,435	\$ 41,091,787	\$ 19,583,280	
Unreserved, reported in:						
Special revenue funds	17,461,153	14,250,375	17,620,241	12,648,957	5,357,555	
Capital project funds	(3,837,893)	(10,687,320)	(1,859,546)	(29,245,744)	(10,675,562)	
Debt service funds	92,278	86,300	82,229	71,068	56,553	
Permanent funds	13,616	14,220	9,670	-	-	
Total all other governmental funds	<u>\$ 31,839,823</u>	<u>\$ 24,450,195</u>	<u>\$ 26,781,029</u>	<u>\$ 24,566,068</u>	<u>\$ 14,321,826</u>	
	2010	2011	2012	2013	2014	2015
General Fund						
Nonspendable	\$ 27,612	\$ 1,242,963	\$ 1,233,132	\$ 1,201,990	\$ 1,313,165	\$ 1,344,852
Committed	-	45,315	57,280	133,997	133,997	133,997
Assigned	65,075	130,506	36,896	30,384	30,384	30,384
Unassigned	5,463,010	6,688,556	5,662,339	4,736,771	4,795,385	5,793,474
	<u>\$ 5,555,697</u>	<u>\$ 8,107,340</u>	<u>\$ 6,989,647</u>	<u>\$ 6,103,142</u>	<u>\$ 6,272,931</u>	<u>\$ 7,302,707</u>
All other governmental funds						
Nonspendable	\$ 92,690	\$ 4,660	\$ 4,910	\$ 4,910	\$ 4,910	\$ 1,005,110
Restricted	22,597,488	20,825,507	24,475,015	44,851,678	45,549,880	42,384,413
Committed	463,660	-	-	428,847	-	-
Assigned	3,774,721	3,638,638	3,321,522	1,719,943	2,073,297	672,446
Unassigned (deficit)	-	(898,756)	(857,165)	(477,967)	556,997	-
	<u>\$ 26,928,559</u>	<u>\$ 23,570,049</u>	<u>\$ 26,944,282</u>	<u>\$ 46,527,411</u>	<u>\$ 48,185,084</u>	<u>\$ 44,061,969</u>

Note: In 2008 the Tax Increment Financing funds were removed from the primary government presentation and shown as a discretely presented component unit. In 2013, the City implemented GASB 61; as a result of this the TIF Commission component unit is now blended with the Governmental activities.

Note: In 2011 GASB 54 was implemented which changes the Fund Balance classifications. 2010 has been restated for the new categories as well.

Table 4

CITY OF BRANSON, MISSOURI										
Changes in Fund Balances of Governmental Funds										
LAST TEN FISCAL YEARS										
(modified accrual basis of accounting)										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$ 26,715,964	\$ 27,329,795	\$ 28,314,241	\$ 26,668,284	\$ 27,076,663	\$ 27,069,935	\$ 26,635,541	\$ 31,057,777	\$ 32,556,847	\$ 33,422,273
Licenses and permits	1,175,142	1,205,100	1,061,481	648,553	594,662	630,822	752,465	751,652	952,870	661,590
Court fines	257,509	429,633	642,078	653,158	721,396	462,319	424,167	444,825	498,717	395,143
Charges for services	1,155,310	2,128,886	6,180,864	6,506,679	6,537,071	7,028,189	5,342,403	7,095,138	6,147,508	7,109,600
Lease and rent	959,224	1,118,492	1,065,826	1,202,484	1,299,524	1,270,272	1,082,494	1,538,945	1,633,637	1,658,575
Lease termination	-	-	-	-	-	1,420,806	-	-	-	-
Intergovernmental activity	628,570	26,208	-	216,243	315,981	-	67,057	1,292,613	10,263,563	10,123,821
Contributions from component unit	-	-	-	-	-	1,234,122	425,632	49,729	-	-
Investment earnings	4,513,670	2,397,427	1,505,009	876,037	888,518	885,386	681,791	876,763	861,000	1,431,890
Miscellaneous and contributions	1,843,675	650,014	613,085	107,630	313,010	353,163	184,270	306,118	1,032,522	553,062
<b>Total revenues</b>	<b>\$ 37,249,064</b>	<b>\$ 35,285,555</b>	<b>\$ 39,382,584</b>	<b>\$ 36,879,068</b>	<b>\$ 37,746,825</b>	<b>\$ 40,422,071</b>	<b>\$ 36,821,376</b>	<b>\$ 52,384,510</b>	<b>\$ 53,806,922</b>	<b>\$ 55,775,587</b>
<b>Expenditures</b>										
General government	\$ 3,736,872	\$ 5,190,074	\$ 4,593,757	\$ 4,813,249	\$ 5,919,194	\$ 5,399,751	\$ 6,508,377	\$ 6,705,697	\$ 6,872,357	\$ 5,514,797
Public safety	5,384,949	5,798,774	6,814,114	5,656,388	5,980,396	6,452,560	6,917,136	6,837,956	6,638,367	6,822,224
Public works	2,102,618	2,716,631	2,901,678	2,663,332	3,128,528	3,875,368	4,166,290	4,119,375	3,913,635	5,324,229
Engineering	1,305,458	1,462,282	662,870	606,672	595,835	487,858	516,275	508,776	510,405	571,624
Community Development	-	-	1,386,627	1,293,578	1,359,711	825,744	1,376,767	820,381	732,572	771,982
Culture and recreation	1,754,399	1,838,694	2,096,656	2,099,264	2,020,121	2,141,406	2,217,011	2,194,652	2,146,143	2,225,512
Convention Center	-	-	5,162,094	5,348,111	5,385,970	5,645,608	7,163,096	5,698,650	4,596,620	4,685,516
Tourism	2,714,475	2,995,042	2,679,977	2,392,731	2,479,293	3,897,022	2,282,803	2,946,340	2,516,263	3,249,908
Capital outlay	44,911,191	36,981,252	7,614,255	6,224,332	745,892	6,588,219	372,336	4,619,594	2,267,075	6,843,694
Debt service:										
Principal	5,938,000	2,572,000	2,676,000	2,787,000	2,927,000	3,062,869	3,978,187	9,463,804	9,263,333	10,925,708
Cost of Issuance	500,538	-	-	-	-	691,412	-	-	-	425,741
Interest	4,269,991	6,049,762	3,777,489	3,635,473	3,683,624	2,745,690	3,254,415	12,173,553	11,782,615	10,151,445
Advance refunding payment	-	-	-	-	-	5,490,478	-	-	-	-
<b>Total expenditures</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>\$ 47,303,985</b>	<b>\$ 38,752,693</b>	<b>\$ 56,088,778</b>	<b>\$ 51,239,385</b>	<b>\$ 57,512,380</b>
<b>Excess of revenues over (under) expenditures</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>(6,881,914)</b>	<b>(1,931,317)</b>	<b>(3,704,268)</b>	<b>2,567,537</b>	<b>(1,736,793)</b>
<b>Other financing sources (uses)</b>										
Transfers in (out)	(1,658,925)	(692,162)	(1,343,000)	(1,000,000)	(8,061,223)	(664,000)	(55,000)	(852,590)	(852,590)	(1,971,091)
Proceeds from the sale of capital assets	60,347	-	-	-	-	-	8,084	46,319	46,319	1,419
Insurance recoveries	-	-	-	-	-	-	4,234,773	216,801	216,801	-
Refunding bonds issued	-	1,840,000	-	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	15,535,000	-	-	-	-	62,560,000
Issuance premium on bonds	-	-	-	-	(98,377)	-	-	-	-	6,822,564
Payments to refunded bond escrow agent	-	(1,681,461)	-	-	(7,854,917)	(35,788,589)	-	-	-	(68,769,444)
Bonds, notes or leases issued, net	-	-	-	-	-	42,527,636	-	139,099	139,099	-
<b>Total other financing sources (uses)</b>	<b>(1,598,578)</b>	<b>(533,623)</b>	<b>(1,343,000)</b>	<b>(1,000,000)</b>	<b>(479,517)</b>	<b>6,075,047</b>	<b>4,187,857</b>	<b>(450,371)</b>	<b>(450,371)</b>	<b>(1,356,552)</b>
<b>Net change in fund balances</b>	<b>\$ (36,968,005)</b>	<b>\$ (30,852,579)</b>	<b>\$ (2,325,933)</b>	<b>\$ (1,641,062)</b>	<b>\$ 3,041,744</b>	<b>\$ (806,867)</b>	<b>\$ 2,256,540</b>	<b>\$ (4,154,639)</b>	<b>\$ 2,117,166</b>	<b>\$ (3,093,345)</b>
Debt service as a percentage of noncapital expenditures	38.65%	30.12%	19.70%	20.52%	19.75%	15.96%	18.84%	42.04%	42.98%	42.44%

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.

In 2013, the City implemented GASB 61; as a result of this the TIF Component Unit is now blended with the Governmental activities.

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)**

<u>Fiscal Year</u>	<u>Ad valorem Taxes</u>	<u>Sales Taxes</u>	<u>Motor Fuel Taxes</u>	<u>911 Taxes</u>	<u>Franchise Taxes</u>	<u>Cigarette Taxes</u>	<u>Tourism Taxes</u>	<u>Total</u>
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	27,187,044
2011	2,683,867	12,478,162	237,976	228,641	908,505	78,847	10,453,937	27,069,935
2012	2,621,893	12,082,847	377,060	236,900	928,980	66,777	10,321,084	26,635,541
2013	2,658,259	12,314,581	381,136	226,779	1,032,038	74,701	10,294,447	26,981,941
2014	2,532,237	12,867,716	396,693	226,767	1,248,044	86,549	10,968,483	28,326,489
2015	2,648,771	13,225,121	412,662	220,278	1,209,287	98,325	11,201,343	29,015,787

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

<b>CITY OF BRANSON, MISSOURI TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS</b>											
<b>TAXPAYER CATEGORY</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
		<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>
		<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>	<b>SALES</b>
General Merchandise	Retail	\$ 233,238,711	\$ 247,941,199	\$ 274,916,762	\$ 293,755,942	\$ 305,409,447	\$ 304,129,831	\$ 304,221,868	\$317,482,589	\$319,781,532	\$337,426,588
Apparel Stores	Retail	144,203,807	156,639,697	153,781,942	149,567,706	159,559,192	160,920,220	161,241,244	160,710,474	163,101,294	157,707,986
Eating & Drinking Estab.	Restaurant	127,624,964	140,899,909	140,575,324	139,578,728	144,308,545	136,259,334	137,183,377	142,971,391	150,784,134	162,112,204
Lodging and Campgrounds	Lodging	136,073,056	147,904,609	145,965,525	136,213,320	144,420,254	137,644,396	132,745,848	143,412,507	150,132,785	158,358,112
Theaters & Live Entertainment	Theater	117,618,250	132,746,946	131,198,900	110,920,763	110,492,928	104,837,779	103,111,671	102,825,242	109,628,537	105,402,652
Non-Theater Entertainment	Amusement	49,144,737	43,430,933	42,250,999	39,744,145	27,375,675	26,159,203	38,938,056	40,162,361	45,659,229	48,297,569
Grocery & Liquor Stores	Grocery	39,661,454	42,577,167	37,874,690	30,043,796	40,811,110	40,072,158	18,226,500	29,887,999	33,575,712	40,028,609
Automotive Sales, Leasing & Service	Automotive	34,427,998	37,854,669	31,906,102	26,532,936	31,155,749	30,760,824	26,660,992	21,571,973	31,557,138	31,593,662
Ice Cream, Candy, Coffee Shops	Restaurant	7,136,372	7,919,103	9,173,807	9,507,717	9,396,129	9,051,637	9,465,643	10,000,439	10,727,287	11,039,427
Other	Other	48,138,601	52,664,196	55,790,979	57,355,398	66,595,045	68,319,561	71,427,996	70,359,000	69,697,715	73,226,451
Total		<u>\$937,267,950</u>	<u>\$ 1,010,578,428</u>	<u>\$1,023,435,030</u>	<u>\$ 993,220,451</u>	<u>\$1,039,524,074</u>	<u>\$1,018,154,943</u>	<u>\$1,003,223,195</u>	<u>\$1,039,383,975</u>	<u>\$1,084,645,363</u>	<u>\$1,125,193,260</u>
<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 Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years</b>					
<b>Fiscal Year</b>	<b>City Direct Rate</b>	<b>Taney County</b>	<b>Ambulance District</b>	<b>Missouri State</b>	<b>Tourism Enhancement</b>
2006	1.500%	1.500%	0.250%	4.225%	1.000% *
2007	1.500%	1.500%	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%
2011	1.500%	1.625%	0.250%	4.225%	1.000%
2012	1.500%	1.625%	0.250%	4.225%	1.000%
2013	1.500%	1.625%	0.250%	4.225%	1.000%
2014	1.500%	1.625%	0.250%	4.225%	1.000%
2015	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**

<u>TAXPAYER CATEGORY</u>		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
	<u>Rate</u>										
Food & Beverage	0.5%	\$ 165,341,642	\$ 183,826,494	\$ 192,232,182	\$ 185,492,490	\$ 189,410,826	\$ 185,915,054	\$ 184,191,502	\$192,692,662	\$195,046,352	\$207,816,296
Hotel/Motel	4%	108,838,475	117,508,578	123,261,606	118,544,535	119,770,515	114,314,645	108,863,270	114,850,886	119,983,144	126,605,037
Theaters & Live Entertainment	4%	85,079,727	89,343,455	96,945,457	92,319,474	91,214,446	82,348,037	80,190,214	80,908,396	84,697,440	81,558,025
Amusements	4%	39,962,350	45,445,089	39,173,591	32,769,206	33,739,168	34,119,917	33,126,047	35,312,122	39,087,101	41,751,344
Overnight Rentals	4%	16,662,845	18,107,712	21,069,582	16,176,190	16,946,656	17,503,855	19,366,302	21,051,438	22,160,638	23,407,084
Ticket & Package Resellers	4%	2,199,980	2,785,245	2,500,028	2,516,223	2,772,319	2,222,503	2,384,765	2,535,074	2,856,730	2,949,664
Campground	4%	4,514,672	4,946,058	6,230,486	4,765,733	6,347,949	6,887,015	5,142,011	1,292,207	0	0
Total		<b>\$ 422,599,691</b>	<b>\$ 457,016,573</b>	<b>\$ 475,182,446</b>	<b>\$ 447,818,118</b>	<b>\$ 453,853,930</b>	<b>\$ 436,424,011</b>	<b>\$ 428,122,100</b>	<b>\$447,350,578</b>	<b>\$463,831,405</b>	<b>\$484,087,450</b>

Information provided by City of Branson.

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		
2006	76,972,950	239,188,800	918,710	44,976,176	362,056,636	4.1959	4.3469	1,296,533,149	27.92%
2007	86,838,260	242,921,000	908,690	47,643,099	378,311,049	4.1969	4.3461	1,368,117,043	27.65%
2008	91,625,510	245,957,340	907,650	47,429,491	385,919,991	4.1961	4.3510	1,402,145,694	27.52%
2009	93,546,920	327,653,640	800,410	58,490,528	480,491,498	4.2010	4.7612	1,700,183,943	28.26%
2010	124,023,461	265,362,796	866,180	59,963,492	450,215,929	4.6112	4.8232	1,670,939,514	26.94%
2011	146,247,385	279,274,073	928,940	56,826,281	483,276,679	4.6266	4.7766	1,822,396,575	26.52%
2012	150,241,732	270,660,662	958,770	54,572,853	476,434,017	4.7930	4.9430	1,809,922,558	26.32%
2013	142,171,721	279,589,720	958,520	49,339,802	472,059,763	4.7930	4.9430	1,779,492,309	26.53%
2014	146,345,757	264,379,295	1,253,490	50,725,309	462,703,851	4.8846	5.0346	1,760,584,931	26.28%
2015	155,318,764	248,114,476	1,232,900	47,468,397	452,134,537	4.9636	5.1136	1,746,942,710	25.88%

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**

<p align="center"><b>CITY OF BRANSON, MISSOURI PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS PER \$100 ASSESSED VALUATION LAST TEN FISCAL YEARS</b></p>										
Fiscal Year	City of Branson	Branson R-4	Ambulance District	State Levy	Handicapped	Sr. Citizens Service Fund	Health	Total Levy Resident	Surtax	Total Levy Commercial
2006	0.4853	3.4508	-	0.0300	0.0904		0.1404	4.1969	0.1500	4.3469
2007	0.4853	3.4500	-	0.0300	0.0904		0.1404	4.1961	0.1500	4.3461
2008	0.4902	3.4500	-	0.0300	0.0904		0.1404	4.2010	0.1500	4.3510
2009	0.4535	3.9000	-	0.0300	0.0873		0.1404	4.6112	0.1500	4.7612
2010	0.5116	3.8582	-	0.0300	0.0864		0.1404	4.6266	0.1500	4.7766
2011	0.5186	3.8605	-	0.0300	0.0880	0.0500	0.1404	4.6875	0.1500	4.8375
2012	0.5394	3.9436	-	0.0300	0.0896	0.0500	0.1404	4.7930	0.1500	4.9430
2013	0.5464	4.0280	-	0.0300	0.0898	0.0500	0.1404	4.8846	0.1500	5.0346
2014	0.5636	4.0886	-	0.0300	0.0910	0.0500	0.1404	4.9636	0.1500	5.1136
2015	0.5739	4.1489	-	0.0300	0.0926	0.0500	0.1404	5.0358	0.1500	5.1858

*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 2014 AND NINE YEARS AGO**

Taxpayer		2015			2006		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Chateau on the Lake	Lodging	\$ 8,195,970	1	1.77%	\$ 7,244,290	1	2.17%
Tanger Mall	Retail	6,855,170	2	1.48%	\$ 5,555,790	2	1.67%
Sight & Sound Theatre	Theater	6,217,210	3	1.34%	N/A	N/A	N/A
Branson Landing Hotel	Lodging	4,950,080	4	1.07%	N/A	N/A	N/A
Branson Meadows Mall	Retail	N/A	N/A	N/A	4,290,270	3	1.29%
Radisson Hotel	Lodging	N/A	N/A	N/A	3,948,390	4	1.18%
Wal-Mart	Retail	3,492,300	5	0.75%	N/A	N/A	N/A
Summit Natural Gas	Utilities	3,212,200	6	0.69%	N/A	N/A	N/A
Grand Palace	Theater	N/A	N/A	N/A	\$ 3,316,890	6	0.99%
Factory Merchants (Red Roof)	Retail	N/A	N/A	N/A	3,548,320	5	1.06%
Branson Promenade Hotel/Condos	Lodging	2,951,790	7	0.64%	N/A	N/A	N/A
Moon River Enterprises	Theater	N/A	N/A	N/A	2,377,410	9	0.71%
Shoppes at Branson Hills	Retail	2,346,680	8	0.51%	N/A	N/A	N/A
Mansion America Theater	Theater	2,258,660	9	0.49%	3,190,770	7	0.96%
Welk Resort	Lodging/Theater	2,251,610	10	0.49%	3,160,050	8	0.95%
Remington Theater	Theater	N/A	N/A	N/A	2,182,000	10	0.65%
<b>Totals</b>		<b>\$ 42,731,670</b>			<b>\$ 38,814,180</b>		<b>11.64%</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 *
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%	57,576	1,892,416	98.91%
2008	2,017,499	1,995,285	98.90%	65,442	2,060,727	102.14%
2009	2,302,621	2,247,701	97.61%	144,655	2,392,356	103.90%
2010	2,436,745	2,135,966	87.66%	356,522	2,492,488	102.29%
2011	2,501,491	2,396,963	95.82%	113,116	2,510,079	100.34%
2012	2,549,098	2,465,048	96.70%	85,329	2,550,377	100.05%
2013	2,555,077	2,459,780	96.27%	88,361	2,548,141	99.73%
2014	2,669,204	2,407,594	90.20%	29,242	2,436,836	91.29%
2015	2,654,532	2,607,799	98.24%	-	2,607,799	98.24%

*Collection data is presented on the cash basis.*

*Collection data is provided by Taney County Collector's Office.*

*\* Total Tax Levy is provided by Taney County Collector's Office and is not changed from year to year even if more taxes have been levied in the following years.*

Table 13

<b>CITY OF BRANSON, MISSOURI</b>								
<b>Ratios of Outstanding Debt by Type</b>								
<b>Last Ten Fiscal Years</b>								
<b>Fiscal Year</b>	<b><u>Governmental Activities</u></b>			<b><u>Business-Type Activities</u></b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
	<b>Special Revenue Bonds</b>	<b>Notes Payable</b>	<b>Tax Increment Financing</b>	<b>Water &amp; Sewer Revenue Bonds</b>				
2006	197,219,000	-	-	990,000		198,209,000	78.42%	28,885
2007	70,002,000	-	-	875,000		70,877,000	39.00%	9,953
2008	67,326,000	-	-	750,000		68,076,000	34.22%	9,156
2009	64,539,000	-	-	620,000		65,159,000	30.91%	8,445
2010	68,907,000	-	-	480,000		69,387,000	31.26%	8,812
2011	64,592,000	5,639,767	-	330,000		70,561,767	26.89%	6,707
2012	61,119,000	5,134,580	-	170,000		66,423,580	24.19%	6,035
2013	57,681,000	3,482,875	185,145,190	-		246,309,065	85.41%	21,836
2014	53,373,552	2,389,804	182,462,989	-		238,226,345	77.64%	20,873
2015	49,094,406	2,304,835	177,122,836	-		228,522,077	74.48%	20,023

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.  
In 2013, the City implemented GASB 61; as a result of this the TIF Component Unit is now blended with the Governmental activities.  
Information provided by the City of Branson Economic Development Division and contains information from other sources.  
Per Capita is calculated using the population of 7499  
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>December 31, 2015</b>			
<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: R-4 School District	71,650,000	72.87%	\$ 52,213,542
Taney County	-	<u>47.83%</u>	<u>-</u>
Subtotal, overlapping debt			52,213,542
City of Branson - Direct debt			<u>228,522,077</u>
Total direct and overlapping debt			<u>\$ 280,735,619</u>
<p><i>Sources: Assessed value data used to estimate applicable percentages provided by the County and Assessment Debt outstanding data provided by the county.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>			

**Table 15**

<b>CITY OF BRANSON, MISSOURI Legal Debt Margin Information LAST TEN FISCAL YEARS</b>										
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 75,662,210	\$ 77,183,998	\$ 96,098,300	\$ 90,043,186	\$ 96,655,336	\$ 96,655,336	\$ 95,286,803	\$ 94,411,953	\$ 92,540,770	\$ 90,426,907
Total debt applicable to limit	<u>26,937,260</u>	<u>19,436,890</u>	<u>22,331,128</u>	<u>19,888,233</u>	<u>24,751,072</u>	<u>22,107,137</u>	<u>24,466,076</u>	<u>22,249,262</u>	<u>16,609,967</u>	<u>23,811,083</u>
Legal debt margin	<u>\$ 48,724,950</u>	<u>\$ 57,747,108</u>	<u>\$ 73,767,172</u>	<u>\$ 70,154,953</u>	<u>\$ 71,904,264</u>	<u>\$ 74,548,199</u>	<u>\$ 70,820,727</u>	<u>\$ 72,162,691</u>	<u>\$ 75,930,803</u>	<u>\$ 66,615,824</u>
Total net debt applicable to limit as a percentage of debt	36%	25%	23%	22%	26%	23%	26%	24%	18%	26%
<b>Legal Debt Margin Calculation for Fiscal Year 2014</b>										
										452,134,537
										90,426,907
										16,580,000
										18,884,835
										2,304,835
										<u>18,884,835</u>
										4,926,248
										<u>23,811,083</u>
										<u>\$ 66,615,824</u>
<p><i>Note: Under state finance law, the city's outstanding general obligation debt should not exceed 10 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.</i></p>										

Table 16

CITY OF BRANSON, MISSOURI PLEGGED REVENUE COVERAGE LAST TEN FISCAL YEARS							
Fiscal Year	<u>Tourism Tax Revenue Bonds</u>						
	<u>Tourism Tax Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Debt Service Requirements Interest</u>	<u>Total</u>	<u>Coverage</u>
2006	10,935,304	2,096,656	8,220,829	2,063,000	1,884,480	3,947,480	2.08
2007	11,810,276	2,099,264	8,815,234	2,157,000	1,909,197	4,066,197	2.17
2008	11,769,977	2,020,121	9,090,000	2,256,000	1,581,911	3,837,911	2.37
2009	10,888,188	2,141,406	8,495,457	2,357,000	1,545,988	3,902,988	2.18
2010	10,907,769	2,217,011	8,428,476	2,462,000	1,343,401	3,805,401	2.21
2011	10,453,937	2,194,652	6,556,915	2,455,000	1,591,946	4,046,946	1.62
2012	10,321,084	2,516,263	7,804,821	2,803,000	1,345,386	4,148,386	1.88
2013	10,294,447	2,946,338	7,348,109	2,878,000	1,192,948	4,070,948	1.81
2014	10,968,483	2,516,264	8,452,219	2,896,000	1,033,732	3,929,732	2.15
2015	11,201,343	3,249,908	7,951,435	2,955,000	871,863	3,826,863	2.08
<u>**Water &amp; Sewer Revenue Bonds</u>							
	<u>Water &amp; Sewer Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Debt Service Requirements Interest</u>	<u>Total</u>	<u>Coverage</u>
2005	3,604,003	4,236,308	(632,305)	835,000	156,662	991,662	(0.64)
2006	3,997,956	4,577,632	(579,676)	865,000	107,940	972,940	(0.60)
2007	4,616,278	4,934,497	(318,219)	115,000	64,605	179,605	(1.77)
2008	5,368,710	5,586,910	(218,200)	125,000	57,188	182,188	(1.20)
2009	5,663,961	4,878,421	785,540	130,000	60,720	190,720	4.12
2010	5,978,496	4,686,561	1,291,935	140,000	31,440	171,440	7.54
2011	6,935,185	5,438,532	1,496,653	150,000	15,720	165,720	9.03
2012	6,926,349	5,591,008	1,335,341	160,000	21,615	181,615	7.35
2013*	7,191,923	5,816,601	1,375,322	170,000	11,135	181,135	7.59
*Debt Obligation for the Water & Sewer Fund were paid off in 2013							
<u>***Annual Appropriation Bonds</u>							
	<u>General Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Debt Service Requirements Interest</u>	<u>Total</u>	<u>Coverage</u>
2006	37,249,064	16,998,771	20,250,293	3,875,000	2,385,511	6,260,511	3.23
2007	35,285,555	20,001,497	15,284,058	415,000	2,110,607	2,525,607	6.05
2008	39,382,584	26,297,773	13,084,811	420,000	2,106,470	2,526,470	5.18
2009	36,879,068	24,873,325	12,005,743	430,000	2,064,110	2,494,110	4.81
2010	37,746,825	26,869,048	10,877,777	465,000	2,061,979	2,526,979	4.30
2011	39,301,255	28,725,317	10,575,938	-	2,043,377	2,043,377	5.18
2012	36,821,376	31,147,755	5,673,621	-	1,603,150	1,603,150	3.54
2013	37,304,650	34,451,421	2,853,229	560,000	1,534,931	2,094,931	1.36
2014	38,839,552	37,701,347	1,138,205	1,305,000	1,518,131	2,823,131	0.40
2015	39,601,781	38,297,081	1,304,700	1,340,000	1,478,981	2,818,981	0.46
**The water and sewer fund has been supported by transfers from the tourism tax fund.							
*** 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. Amount 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 17**

<p align="center"><b>CITY OF BRANSON, MISSOURI</b>  <b>Demographic and Economic Statistics</b>  <b>Last Ten Fiscal years</b></p>							
FISCAL YEAR	POPULATION	PERSONAL INCOME	AVERAGE ANNUAL WAGE	MEDIAN AGE	EDUCATION LEVEL IN YEARS OF SCHOOLING (county)	PUBLIC SCHOOL ENROLLMENT	UNEMPLOYMENT RATE
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	6.6%
2008	7,716	210,831,984	27,324	39.5	14.2	4,066	7.5%
2009	7,874	221,975,934	28,191	41.3	14.1	4,206	12.3%
2010	10,520	262,452,960	24,948	46.1	13.4	4,379	13.9%
2011	10,660	259,336,480	24,328	46.3	13.2	4,545	12.9%
2012	10,800	279,406,800	25,871	44.0	13.3	4,615	9.4%
2013	10,936	275,324,736	25,176	44.7	13.3	4,575	10.4%
2014	11,064	265,491,744	23,996	44.5	13.3	4,632	9.6%
2015	10,942	262,564,232	23,996	44.5	13.3	4,632	9.6%

*Source: Branson Department of Public Relations/Economic Development*

**Table 18**

<b>CITY OF BRANSON, MISSOURI</b> <b>Principal Employers in Branson Area</b> <b>CURRENT YEAR AND NINE YEARS AGO</b>								
		2015			2006			
Taxpayer		Number	Percentage of		Number	Percentage of		
		of	Rank	Total	of	Rank	Total	
		Employees		Employment	Employees		Employment	
Herschend Family Entertainment	Theme Parks	1800	1	6.80%	442	5	1.95%	
Cox Health (Skaggs)	Hospital	1139	2	4.31%	658	1	2.90%	
Big Cedar Resort	Lodging	850	3	3.21%	N/A	N/A	0.00%	
Branson Public Schools	Education	613	4	2.32%	311	3	1.37%	
Wal-mart (2 stores)	Retail	607	5	2.29%	184	9	0.81%	
Hilton Hotels/Convention Center	Lodging	275	6	1.04%	N/A	N/A	0.00%	
College of the Ozarks	Education	258	7	0.98%	N/A	N/A	0.00%	
City of Branson	Government	252	8	0.95%	196	7	0.86%	
Wyndham Vacation Resorts	Lodging	231	9	0.87%	N/A	N/A	0.00%	
Westgate Resorts	Lodging	228	10	0.86%	N/A	N/A	0.00%	
Totals		6,253		23.64%	1,791		7.90%	

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

**Table 19**

<b>CITY OF BRANSON, MISSOURI</b>										
<b>Full-time Equivalent City Government Employees by Function</b>										
<b>Last Ten Fiscal years</b>										
<b><u>Full-time Equivalent Employees as of December 31, 2015</u></b>										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
Administrative services	24	25	32	29	29	29	27	27	21	21
Finance	9	9	8	9	9	9	9	11	11	13
Planning	11	13	11	11	12	12	13	13	13	12
<b>Police</b>										
Officers	53	53	52	44	43	43	45	45	45	41
Civilians	4	4	4	12	15	15	15	15	15	13
<b>Fire</b>										
Firefighters	35	37	41	36	37	37	38	38	38	39
Civilians	1	2	4	2	2	2	2	2	2	1
<b>Public Works/Utilities</b>										
Facilities	27	28	29	20	11	11	10	10	10	8
Water	20	22	16	16	17	17	16	17	18	19
Wastewater	24	25	23	24	24	24	24	24	23	23
Other	6	6	6	5	8	8	13	13	21	21
Engineering	9	9	7	8	8	8	7	7	8	8
Parks & Recreation	11	12	13	11	18	18	18	18	18	17
<b>TOTAL</b>	<b>234</b>	<b>245</b>	<b>246</b>	<b>227</b>	<b>233</b>	<b>233</b>	<b>237</b>	<b>240</b>	<b>243</b>	<b>236</b>
Per City Budget	281	301	321	254	235	235	237	240	243	244
<i>Sources: Various government departments.</i>										

Table 20

<b>CITY OF BRANSON, MISSOURI</b>										
<b>Operating Indicators by Function</b>										
<b>Last Ten Fiscal years</b>										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Function</b>										
<b>Police Department</b>										
Physical arrests	1,091	1,316	1,553	1,338	1,771	1,682	1,263	1,281	1,407	927
Parking violations (CY)	1,606	2,280	2,125	2,103	2,192	1,845	2,076	2,225	2,125	4,007
Traffic violations	3,342	5,837	8,370	9,606	8,511	5,401	5,529	5,606	5,870	4,236
<b>Fire Department</b>										
Emergency Responses	2,644	3,098	3,479	3,296	3,574	2,402	3,627	3,215	3,745	4,077
Fires extinguished	68	44	53	66	56	76	77	98	63	18
Inspections	1,400	1,540	1,728	1,737	1,262	1,643	1,453	1,327	2,323	1,824
<b>Planning &amp; Development</b>										
Building permits issued (CY)	2,870	1,793	1,650	1,740	1,506	1,438	1,882	1,488	1,438	1,367
Building inspections (CY)	5,700	4,411	3,321	3,598	3,900	3,390	3,685	2,628	3,408	3,825
<b>Public Works</b>										
Street Resurfacing	1.5	1.42	0	1.6	2	3.6	4.64	2.65	1.58	11.4
Potholes Repaired	1,144	2,685	1,234	1,912	1,080	2,606	7,273	3,854	4,223	2,241
New water connections	196	72	57	15	59	14	7	14	27	13
Water main breaks	55	45	42	47	112	101	74	68	120	62
Average daily consumption	2,851,000	3,769,786	3,584,106	3,357,000	3,468,906	3,464,452	3,463,386	3,443,134	3,451,852	3,349,000
Peak daily consumption	5,120,000	7,056,000	6,270,000	5,983,000	6,282,000	6,616,000	6,380,000	6,194,000	5,650,000	5,762,000
Average daily sewage treatment	3.479 mgd	3.95 mgd	4.29mgd	4.16 mgd	4.12 mgd	4.46 mgd	3.83 mgd	4.06 mgd	3.76 mgd	7.05
<b>Parks &amp; Recreation</b>										
Pool admissions	21,995	22,297	31,587	27,953	26,524	30,864	24,873	17,268	19,236	22,974
Golf - rounds	7,630	9,038	9,608	7,683	6,740	4,621	5,529	4,973	5,421	4,539
Athletic field - events	87	90	94	98	101	99	100	99	78	71
<i>Sources: Various government departments.</i>										
<i>Note: Indicators are not available for the general governmental function.</i>										

Table 21

<b>CITY OF BRANSON, MISSOURI</b>										
<b>Capital Asset Statistics by Function/Program</b>										
<b>Last Ten Fiscal years</b>										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Function</b>										
<b>Police Department</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	2	2	2	2	2	0	0	0	0	0
Patrol Units	13	14	15	16	16	16	16	18	18	18
<b>Fire Department</b>										
Fire Stations	3	3	3	3	3	3	3	3	3	3
<b>Public Works</b>										
Street (miles)	84.23	97	97	0	97.5	97.5	97.5	88.55	88.55	88.55
Street Lights	1,517	1,609	1,609	0	1,631	1,643	1,625	1,633	1,676	1,675
* Traffic Signals	10	12	13	13	15	12	12	12	12	12
*Other traffic signals maintained by Missouri Dept of Transportation										
<b>Utilities</b>										
Water mains (miles)	90	90	92.09	95.3	93.86	95	95.15	95.15	95.15	100
Fire Hydrants	865	865	882	580	743	763	763	763	763	580
Storage capacity (thousand gals)	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	4,800,000	4,800,000	4,800,000	4,800,000
<b>Utilities</b>										
Sanitary sewers (miles)	130	179	210	172	231	233	233	234	234	210
Storm sewers (miles)	65	65	65	80	65	65	65	65	65	213
Treatment capacity (thousand gals)	8,700,000	8,700,000	8,700,000	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	290	290	290	290	290	290	290	290	290	290
Playgrounds	9	9	9	9	9	9	9	9	9	9
Baseball/softball fields	8	8	8	8	8	8	8	8	8	8
Soccer/football fields	3	3	3	3	3	3	3	3	3	3
Community/recreation centers	2	2	2	2	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
<i>Sources: Various government departments.</i>										
<i>Note: Indicators are not available for the general governmental function.</i>										