

FOR FISCAL YEAR ENDED
DECEMBER 31, 2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Branson, Missouri

PREPARED BY:

Department of Finance

**City of Branson, Missouri
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018**

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Introductory Section



July 30, 2019

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, 2018. 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, 2018 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. 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 including three prize-winning fishing and recreational lakes, 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 sewage and 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. The City adopted Priority Based Budgeting in FY2015 for future budget years. Priority-Based Budgeting is an approach to local government financial management which emphasizes strategic planning and the prioritization of those plans to accomplish the goals and objectives identified by the community and city leaders. 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, the annual Strategic Plan and the Priority Based Budgeting process. 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.

Factors Affecting Financial Condition

Local Economy— FY2016 was a high growth year in which the City reached peak growth, while 2017 remained stable from prior year and recent economic development activities. FY2018 again saw considerable growth with the announcement of several major economic development projects slated to open in FY2020. For 2018 performance, we look to previous year’s activities as measured by state sales tax filings. Overall sales tax filings increased by 2.0% from calendar year 2017 and still outpaced 2016 filings. Branson’s economy still continues to focus on the seasonal tourism industry.

Tourism—Branson and the Tri-Lakes Area attracted millions of visitors in 2018 who contributed over \$2 billion into the local economy. Last year, Branson was named in the top twenty-five U.S. destinations by TripAdvisor for the eighth year in a row. In 2016 and 2017, Trivago named Branson as the number one 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 M. Graham Clark Downtown Airport at Point 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	14.8%
Radius of 100 to 300 miles	28.7%
Radius of 300 to 650 miles	30.1%
Radius of 650 or more miles	26.3%

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. Branson is now home to 34 music theaters with over 40,000 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 draws millions of visitors each year. Throughout the year various festivals are held highlighting themes such as Bluegrass & BBQ, Southern Gospel Picnic, the new Star Spangled Summer, and of course, Old Time 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, cold water trout fisheries in the United States. Rainbow and brown trout abound. The 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 dollar, 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. The Branson Hills / Branson Shoppes development offers national brand retailers and presents a diversified mix of retail and food establishments. The development has easy access and is located on the north edge of Branson and 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 116.

You cannot be hungry in Branson, as visitors have an endless variety of restaurants and food establishments from which to choose. There are 129 restaurants, food trucks, coffee shops, and ice cream establishments with over 25,000 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. Branson began allowing food trucks in 2017.

Conference Facilities— Branson, with an abundance of amenities and a 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 a 220,000 square foot convention and exhibition complex, including two exhibit halls totaling 50,000 square feet, which connects to a 23,000 square foot ballroom. There are 12 additional meeting rooms on the second floor. All combined, the Branson Convention 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. In 2018, the city incorporated the concept of Priority-Based Budgeting into the budgetary approval process for capital requests. 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 bonded debt issues and 5 note debt issues outstanding. These issues include \$8,410,000 in revenue bonds for the Tourism Fund; \$28,000,000 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 \$152,548,003 debt issuances that is included within the Tax Increment Financing District. The TIF District is considered a blended component unit included in with the governmental funds presentation. The City is financially accountable for the District because the City approves the District's annual budget. The City also has \$12,091,512 in notes outstanding.

The City uses funding from the Tourism Tax and the Transportation Tax, to finance needed infrastructure extensions and improvements. Some of the projects during FY2018 included repairs to the city's aging water and sewer infrastructure.

Strategic Plan

The Board of Aldermen established guidelines for the Strategic Plan and the priorities needed to meet the goals of our city as described to us in our 2030 Community Plan. The departments have created an inventory of all the services performed 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 then used the following guidelines in the course of setting up their goals and as a basis for evaluating their performance. Below are the summarized priorities of our City:

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.

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 13th 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.

organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

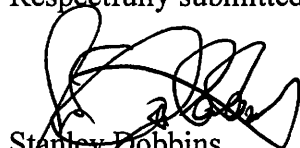
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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 their support concerning the 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,



Stanley Dobbins
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, 2017

Christopher P. Morrill

Executive Director/CEO

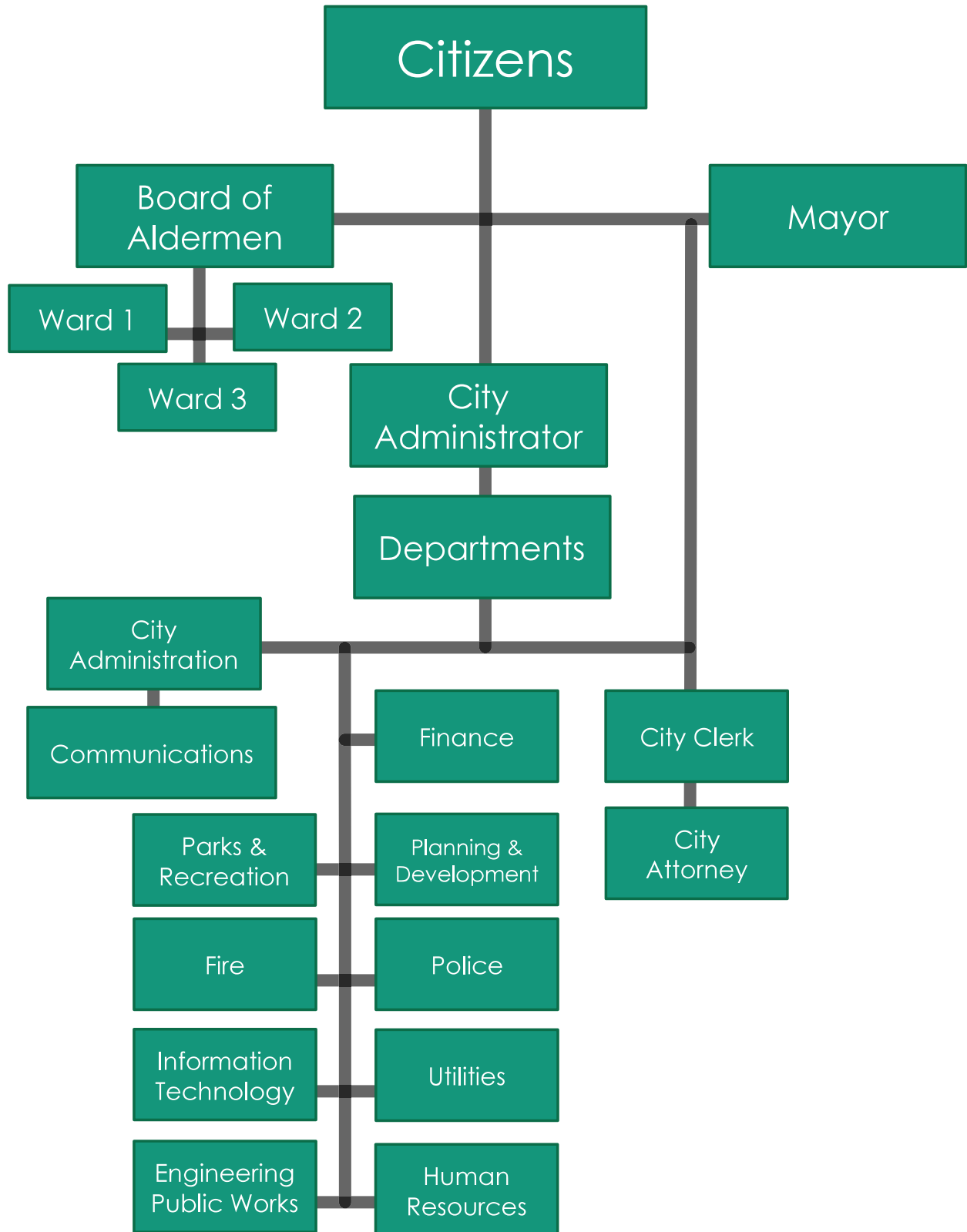
CITY OF BRANSON, MISSOURI

LIST OF PRINCIPAL OFFICIALS

As of December 31, 2018

Mayor	Karen Best
Alderman	Mike Booth
Alderman	Bob Simmons
Alderman	Cris Bohinc
Alderman	Rick Castillon
Alderman	Brian Clonts
Alderman	Kevin McConnell
City Administrator	Stanley Dobbins
City Attorney	Chris Lebeck
Finance Director	Jamie Rouch
Human Resources Director	Jan Fischer
City Engineer/Public Works Director	Keith Francis
Planning & Development Director	Joel Hornickel
Police Chief	Jeff Matthews
Fire Chief	Ted Martin
Utilities Director	Mike Ray
City Clerk	Lisa Westfall
Information Technology Director	Chad Forster
Parks & Recreation Director	Cindy Shook

Organizational Chart



Financial Section

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, the discretely presented component unit, 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, 2018, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Branson, Missouri, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 and the schedules of revenues, expenditures and changes in fund balances – budget and actual 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 July 30, 2019 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 solely 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 the effectiveness of the City's 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

July 30, 2019
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, 2018. 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 2018 by \$105,928,693
- The City's total net position increased by \$19,786,973. Of this amount, \$21,125,931 was an increase in the City's "governmental activities", while the City's "business-type activities" decreased by \$1,338,958
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$51,009,652. Approximately 12% of this total amount is unassigned.
- At December 31, 2018, the total unassigned fund balance for the General Fund was \$6,327,148 or approximately 39% of general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required 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 ten nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, public safety sales tax 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 and the Parks and Recreation 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 schedules 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 and 18 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 24-53 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 55-63 of this report. Other supplementary information includes certain combining and individual fund statements and schedules. These statements are found on pages 65-79 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, 2018, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$105,928,693. The largest portion of the City's net position \$205,355,689 reflects its net investment in capital assets (e.g. land, construction-in-progress, buildings and fixtures, vehicles, furniture, infrastructure, land improvements 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, 2018 and 2017:

	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Assets:						
Current and other assets	\$ 61,435,375	\$ 51,214,255	\$ 10,761,271	\$ 9,184,249	\$ 72,196,646	\$ 60,398,504
Capital assets	185,301,711	183,888,934	68,555,489	70,899,056	253,857,200	254,787,990
Total assets	<u>246,737,086</u>	<u>235,103,189</u>	<u>79,316,760</u>	<u>80,083,305</u>	<u>326,053,846</u>	<u>315,186,494</u>
Deferred outflows of resources:						
Deferred charge on refunding	4,414,584	4,892,115	-	-	4,414,584	4,892,115
Deferred outflows related to pensions	1,915,966	2,603,289	449,424	610,648	2,365,390	3,213,937
Total deferred outflows of resources	<u>6,330,550</u>	<u>7,495,404</u>	<u>449,424</u>	<u>610,648</u>	<u>6,779,974</u>	<u>8,106,052</u>
Liabilities:						
Long-term obligations	210,698,373	225,643,905	448,901	946,613	211,147,274	226,590,518
Other liabilities	4,050,607	4,484,407	2,412,683	1,623,057	6,463,290	6,107,464
Total liabilities	<u>214,748,980</u>	<u>230,128,312</u>	<u>2,861,584</u>	<u>2,569,670</u>	<u>217,610,564</u>	<u>232,697,982</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	1,982,688	2,953,610	-	-	1,982,688	2,953,610
Unavailable revenue - roadway	5,152,701	-	-	-	5,152,701	-
Deferred inflows related to pensions	1,662,634	581,970	390,000	136,512	2,052,634	718,482
Deferred inflows related to OPEB	86,297	-	20,243	-	106,540	-
Total deferred inflows of resources	<u>8,884,320</u>	<u>3,535,580</u>	<u>410,243</u>	<u>136,512</u>	<u>9,294,563</u>	<u>3,672,092</u>
Net Position:						
Net, investment in capital assets	136,800,200	129,168,601	68,555,489	70,899,056	205,355,689	200,067,657
Restricted	37,922,848	35,559,852	-	-	37,922,848	35,559,852
Unrestricted /(Deficit)	<u>(145,288,712)</u>	<u>(155,793,752)</u>	<u>7,938,868</u>	<u>7,088,715</u>	<u>(137,349,844)</u>	<u>(148,705,037)</u>
Total Net Position (deficit)	<u>\$ 29,434,336</u>	<u>\$ 8,934,701</u>	<u>\$ 76,494,357</u>	<u>\$ 77,987,771</u>	<u>\$ 105,928,693</u>	<u>\$ 86,922,472</u>

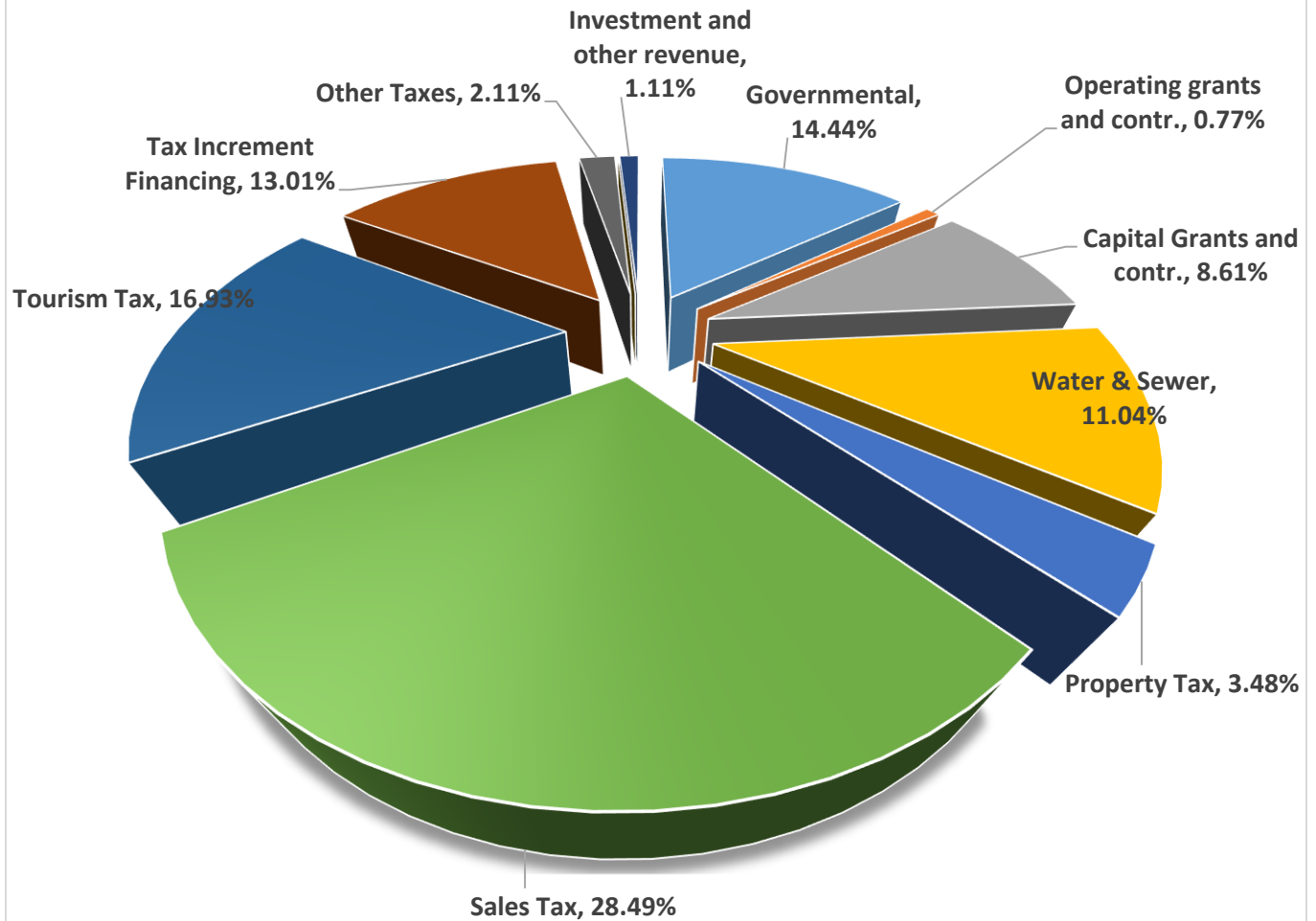
For the year ended December 31, 2018, the City's governmental activities net position increased by \$21,125,931. The City's business-type activities net position decreased by \$1,338,958, primarily as a result of operating expenses including depreciation exceeding operating revenues due to an increase in repairs and maintenance.

Changes in Net Position

The following table reflects the revenues and expenses for the fiscal years ended December 31, 2018 and 2017 from the City's activities:

City of Branson Statement of Activity						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Program Revenues:						
Charges for services						
Governmental	\$ 11,495,459	\$ 11,471,492	\$ -	\$ -	\$ 11,495,459	\$ 11,471,492
Water and sewer	-	-	8,790,151	8,536,453	8,790,151	8,536,453
Capital grants and contr.	5,722,903	174,147	1,134,890	432,346	6,857,793	606,493
Operating grants and contr.	252,824	142,781	361,367	-	614,191	142,781
General Revenues:						
Property tax	2,770,947	2,732,499	-	-	2,770,947	2,732,499
Sales tax	22,682,678	17,185,398	-	-	22,682,678	17,185,398
Tourism tax	13,479,554	13,115,362	-	-	13,479,554	13,115,362
Tax increment financing	10,363,039	10,422,701	-	-	10,363,039	10,422,701
Other taxes	1,676,491	1,686,608	-	-	1,676,491	1,686,608
Investment revenue	877,979	651,932	4,953	16,301	882,932	668,233
Other	13,464	10,130	-	-	13,464	10,130
Total revenues	<u>69,335,338</u>	<u>57,593,050</u>	<u>10,291,361</u>	<u>8,985,100</u>	<u>79,626,699</u>	<u>66,578,150</u>
Expenses:						
General government	6,095,805	7,057,095	-	-	6,095,805	7,057,095
Public safety	8,542,237	8,129,672	-	-	8,542,237	8,129,672
Public works	8,181,103	16,397,028	-	-	8,181,103	16,397,028
Engineering services	739,362	735,943	-	-	739,362	735,943
Community development	1,018,182	835,081	-	-	1,018,182	835,081
Culture and recreation	2,896,901	3,098,794	-	-	2,896,901	3,098,794
Convention center	6,961,319	6,892,726	-	-	6,961,319	6,892,726
Tourism	3,397,493	2,979,235	-	-	3,397,493	2,979,235
Interst and debt issuance costs	9,631,194	10,452,754	-	-	9,631,194	10,452,754
Water and sewer utility	-	-	12,376,130	11,926,162	12,376,130	11,926,162
Total expenses	<u>47,463,596</u>	<u>56,578,328</u>	<u>12,376,130</u>	<u>11,926,162</u>	<u>59,839,726</u>	<u>68,504,490</u>
Changes in net assets before transfers	21,871,742	1,014,722	(2,084,769)	(2,941,062)	19,786,973	(1,926,340)
Transfers	<u>(745,811)</u>	<u>(109,654)</u>	<u>745,811</u>	<u>109,654</u>	<u>-</u>	<u>-</u>
Change in net position	21,125,931	905,068	(1,338,958)	(2,831,408)	19,786,973	(1,926,340)
Net position, beginning	8,934,701	8,029,633	77,987,771	80,819,179	86,922,472	88,848,812
Prior period adjustment	<u>(626,296)</u>	<u>-</u>	<u>(154,456)</u>	<u>-</u>	<u>(780,752)</u>	<u>-</u>
Net position, ending	<u>\$ 29,434,336</u>	<u>\$ 8,934,701</u>	<u>\$ 76,494,357</u>	<u>\$ 77,987,771</u>	<u>\$ 105,928,693</u>	<u>\$ 86,922,472</u>

2018 Revenues (Government-Wide Basis)

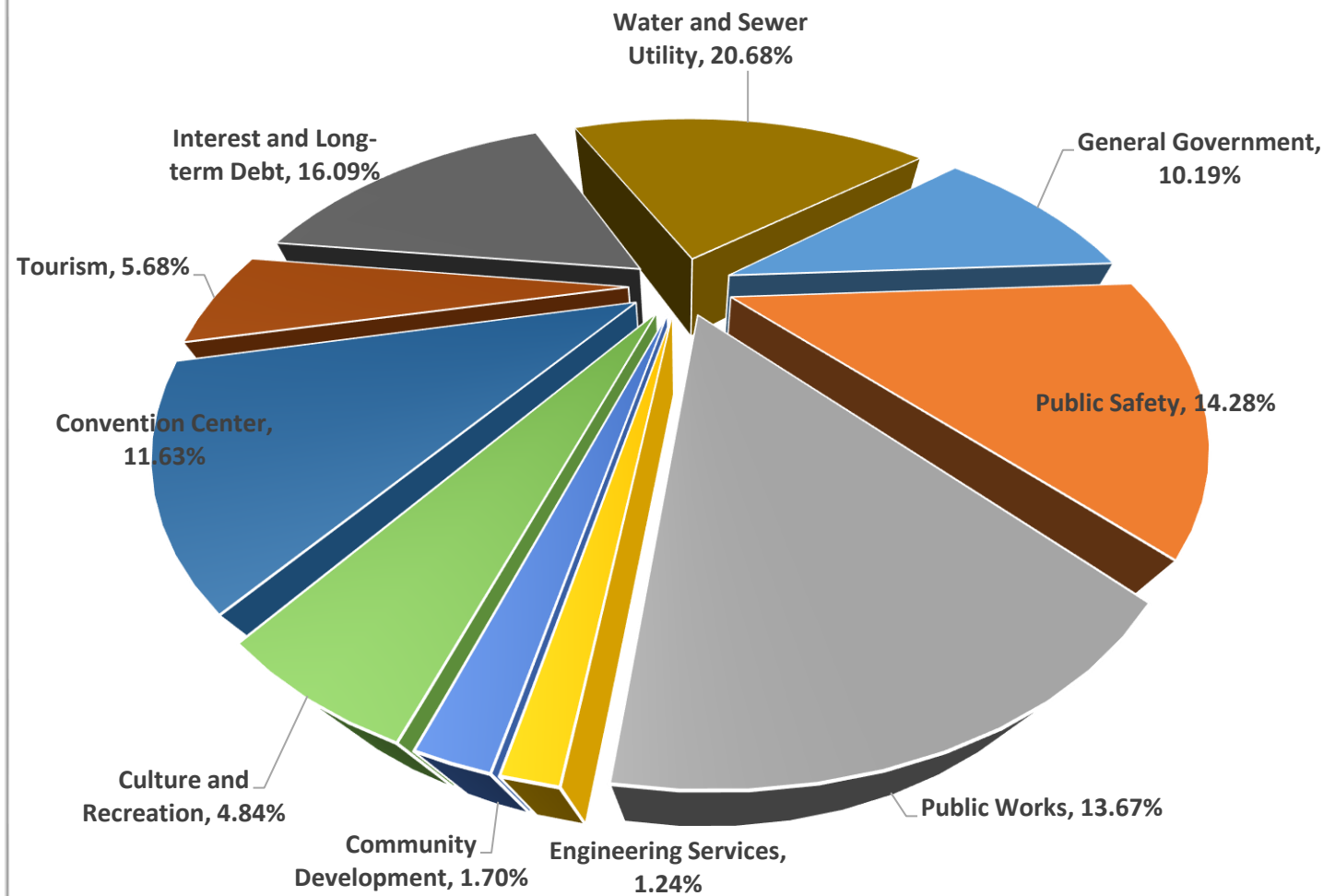


Governmental activities

Governmental activities increased the City's net position by \$21,125,931

- Sales and property taxes increased approximately \$5,535,728 mainly due to an increase in sales
- Tourism tax increased approximately \$364,192 due to an increase in tourism
- Tax increment financing taxes decreased approximately \$59,662, this represents a portion of sales and tourism taxes increases occurring outside of the TIF area
- Charges for services increased approximately \$23,967 due to an increase in personnel and benefits rates with Administrative fees
- Investment earnings increased approximately \$226,047 due to an increase in interest rates and higher account balances subject to interest income
- Capital grants increased approximately \$5,548,756 due to the contribution of highway 76 from MODOT
- Public works expenses decreased approximately \$8,215,925 mainly due to a decrease in projects
- Transfers to Water Sewer Capital increased by \$636,157 from 2017.

2018 Expenses (Government-Wide Basis)



Business-type activities.

For the fiscal year ended December 31, 2018 business-type activities decreased the City's net position by \$1,338,958 due to an increase in repairs and maintenance.

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 \$51,009,652. Of this amount, \$6,327,148 or approximately 12% 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 \$228,157, restricted amounts of \$42,822,146 committed amounts of \$710,377 and assigned amounts of \$921,824.

The fund balance of the City’s General Fund decreased \$343,286 during the current fiscal year due an increase in expenses.

The tourism tax fund has a fund balance at December 31, 2018 of \$12,374,986, an increase of \$1,829,687 over 2017 due to a decrease in capital project expenditures in 2018. Committed fund balance totaling \$710,377 is for tourism related purposes and \$11,664,609 is restricted for debt service.

The transportation sales tax fund has a restricted fund balance of \$2,104,452. 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 \$921,824, an increase of \$583,726 from 2017 due to a decrease in capital outlay expenditures for various projects.

The tax increment financing fund has a fund balance of \$22,780,634, an increase of \$295,619 over the prior year. This balance is restricted for debt service.

The public safety fund was added in FY2018 as a result of a voter approved sales tax on the November 2017 ballot. The public safety fund balance ended December 31, 2018 at \$3,651,613. This balance is restricted for Public Safety.

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 \$7,938,868, an increase of \$850,153 from December 31, 2017. 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 down \$293,958 from budget mostly due to a decrease in taxes. FY2018 expenditures were \$371,353 less than 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, 2018 amount to \$253,857,200 (net of accumulated depreciation). This investment in capital assets includes land, buildings and fixtures, vehicles, furniture, infrastructure, land improvements, equipment, park facilities, roads, highways, bridges, and construction-in-process. Major capital asset events during the current fiscal year included the following:

Governmental

- Server/SAN Hardware - \$284,910
- Electronic Management Software \$59,312
- The following projects will continue into FY2019 and beyond with the project to date totals listed below:
 - Downtown Streetscape - \$12,847,044
 - Hwy 76 Revitalization – \$20,786,473

Business Type

- Replace Well #11 Pump - \$60,675
- Lift Station #17 and other pump rebuilds - \$60,799
- Rebuild Cooper Creek Influent Pumps - \$62,700
- Seal Cliff Drive Clearwell - \$34,000
- Aqua Dam Storage Building - \$25,372
- Replace Compton Sulfur Dioxide Feeders - \$31,168
- Replace Lift Station #10 Generator – \$75,625
- Rebuild Cooper Creek Aerators/Booster Upgrade - \$39,235
- The following projects will continue into FY2019 and beyond with the project to date totals listed below:
 - Compton Flood Protection Study - \$92,000
 - Cooper Creek Sewer Plant - \$605,509
 - Cooper Creek Wastewater Treatment Plant Intermediate - \$932,136
 - Sunset Lift Station Upgrade - \$390,845
 - Lift Station #10 & #34 - \$31,238

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

	Governmental Activities		Business-type Activities		Total	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Land and right of way	\$ 56,072,247	\$ 54,773,468	\$ 3,905,511	\$ 3,905,511	\$ 59,977,758	\$ 58,678,979
Construction in progress	34,589,648	34,743,634	4,703,334	2,863,175	39,292,982	37,606,809
Buildings and fixtures	44,564,442	47,157,058	34,203,576	36,049,436	78,768,018	83,206,494
Equipment	3,545,343	2,647,257	3,528,244	3,572,861	7,073,587	6,220,118
Vehicles	1,291,961	1,563,500	-	-	1,291,961	1,563,500
Infrastructure	44,216,727	41,833,838	22,214,824	24,506,928	66,431,551	66,340,766
Furniture	9,765	38,286	-	-	9,765	38,286
Land improvements	1,011,578	1,131,893	-	-	1,011,578	1,131,893
Total	\$ 185,301,711	\$ 183,888,934	\$ 68,555,489	\$ 70,897,911	\$ 253,857,200	\$ 254,786,845

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 \$188,968,003.

City of Branson Outstanding Bonds

	Governmental Activities		Business-type Activities		Total	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Bonds:						
Revenue	\$ 8,410,000	\$ 11,595,000	\$ -	\$ -	\$ 8,410,000	\$ 11,595,000
Tax increment financing	152,558,003	159,888,003	-	-	152,558,003	159,888,003
Special Limited Obligation	28,000,000	29,580,000	-	-	28,000,000	29,580,000
Total	\$ 188,968,003	\$ 201,063,003	\$ -	\$ -	\$ 188,968,003	\$ 201,063,003

Economic Factors and Next Year's Budget

- General Fund revenues for FY2019 are projected to be \$20,413,496, an decrease of \$163,448 from the FY2018 actual amount. The City budgeted a 1.5% growth in sales tax for FY2019.
- The FY2019 annual budget for the General Fund expenditures are estimated at \$21,611,411 an increase of \$3,088,122 from the 2018 actual amount.
- Health insurance expenses are budgeted at a 4.9% increase for the City for FY2018
- Water rates increased by 2% and Sewer rates increased 6% in 2018 as a result from the rate study in an effort to become self-sustaining in this fund.
- The City continues to use Priority Based Budgeting. This process allows 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, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	76 Entertainment Community Improvement District
Assets				
Cash and investments	\$ 17,283,248	\$ 9,258,070	\$ 26,541,318	\$ 596,291
Receivables, net:				
Taxes	4,585,477	-	4,585,477	-
Leases	114,485	61,321	175,806	-
Intergovernmental	2,146,306	-	2,146,306	78,626
Other	6,685,853	465,892	7,151,745	-
Water and sewer	-	1,033,604	1,033,604	-
Internal balances	57,616	(57,616)	-	-
Prepays and inventories	222,947	-	222,947	-
Restricted cash and investments	30,339,443	-	30,339,443	-
Capital Assets:				
Land and construction in progress, non-depreciable	90,661,895	8,608,844	99,270,739	-
Other capital assets, net of depreciation	94,639,816	59,946,645	154,586,461	-
Total assets	246,737,086	79,316,760	326,053,846	674,917
Deferred outflows of resources				
Deferred charge on refunding	4,414,584	-	4,414,584	-
Deferred outflows related to pensions	1,915,966	449,424	2,365,390	-
Total deferred outflows of resources	6,330,550	449,424	6,779,974	-
Liabilities				
Accounts payable and accrued expenses	2,653,350	1,083,535	3,736,885	2,743
Accrued interest payable	1,252,897	-	1,252,897	-
Deposits	144,360	1,084,006	1,228,366	-
Long-term liabilities:				
Due in one year	15,058,420	245,142	15,303,562	-
Due in more than one year	195,639,953	448,901	196,088,854	-
Total liabilities	214,748,980	2,861,584	217,610,564	2,743
Deferred inflows of resources				
Deferred revenue - property taxes	1,982,688	-	1,982,688	-
Deferred revenue - roadway	5,152,701	-	5,152,701	-
Deferred inflows related to OPEB	86,297	20,243	106,540	-
Deferred inflows related to pensions	1,662,634	390,000	2,052,634	-
Total deferred inflows of resources	8,884,320	410,243	9,294,563	-
Net Position (Deficit)				
Net investment in capital assets	136,800,200	68,555,489	205,355,689	-
Restricted for:				
Debt service	35,813,184	-	35,813,184	-
Tourism and transportation	2,104,454	-	2,104,454	-
Nonexpendable perpetual care	5,210	-	5,210	-
Unrestricted (deficit)	(145,288,712)	7,938,868	(137,349,844)	672,174
Total net position (deficit)	\$ 29,434,336	\$ 76,494,357	\$ 105,928,693	\$ 672,174

See Accompanying Notes to the Basic Financial Statements

CITY OF BRANSON, MISSOURI
Statement of Activities
For the year ended December 31, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services, Fees, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	76 Entertainment Community Improvement District
Governmental Activities								
General government	\$ 6,095,805	\$ 3,549,662	\$ -	\$ -	\$ (2,546,143)	\$ -	\$ (2,546,143)	\$ -
Public safety	8,542,237	25,375	-	-	(8,516,862)	-	(8,516,862)	-
Public works	8,181,103	565,405	-	5,722,903	(1,892,795)	-	(1,892,795)	-
Engineering	739,362	-	-	-	(739,362)	-	(739,362)	-
Community development	1,018,182	1,040,419	-	-	22,237	-	22,237	-
Culture and recreation	2,896,901	1,646,141	154,745	-	(1,096,015)	-	(1,096,015)	-
Convention center	6,961,319	4,668,457	98,079	-	(2,194,783)	-	(2,194,783)	-
Tourism	3,397,493	-	-	-	(3,397,493)	-	(3,397,493)	-
Interest and debt issuance costs	9,631,194	-	-	-	(9,631,194)	-	(9,631,194)	-
Total Governmental Activities	47,463,596	11,495,459	252,824	5,722,903	(29,992,410)	-	(29,992,410)	-
Business-Type Activities								
Water and sewer	12,376,130	8,790,151	361,367	1,134,890	-	(2,089,722)	(2,089,722)	-
Total Business-Type Activities	12,376,130	8,790,151	361,367	1,134,890	-	(2,089,722)	(2,089,722)	-
Total Primary Government	\$ 59,839,726	\$ 20,285,610	\$ 614,191	\$ 6,857,793	(29,992,410)	(2,089,722)	(32,082,132)	-
Component Unit								
76 Entertainment Community Improvement District	\$ 284,967	\$ -	\$ -	\$ -	-	-	-	(284,967)
General Revenues								
Taxes								
Property taxes					2,770,947	-	2,770,947	-
Sales taxes - general					11,674,001	-	11,674,001	-
Sales taxes - transportation					6,248,143	-	6,248,143	-
Sales taxes - public safety					4,760,534	-	4,760,534	-
Tourism taxes					13,479,554	-	13,479,554	-
Tax increment financing					10,363,039	-	10,363,039	-
Other taxes					1,676,491	-	1,676,491	516,256
Other					13,464	-	13,464	-
Unrestricted investment earnings					877,979	4,953	882,932	8,338
Transfers					(745,811)	745,811	-	-
Total general revenues and transfers					51,118,341	750,764	51,869,105	524,594
Changes in net position					21,125,931	(1,338,958)	19,786,973	239,627
Net position (deficit) - beginning of year					8,934,701	77,987,771	86,922,472	432,547
Prior period adjustment					(626,296)	(154,456)	(780,752)	-
Net position (deficit) - beginning of year, restated					8,308,405	77,833,315	86,141,720	432,547
Net position (deficit) - end of year					\$ 29,434,336	\$ 76,494,357	\$ 105,928,693	\$ 672,174

See Accompanying Notes to the Basic Financial Statements

CITY OF BRANSON, MISSOURI
Balance Sheet - Governmental Funds
December 31, 2018

	<u>General</u>	<u>Tourism Tax</u>	<u>Transportation Sales Tax</u>	<u>Capital Projects</u>	<u>Public Safety</u>	<u>Tax Increment Financing</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets								
Cash and investments	\$ 7,372,491	\$ -	\$ 1,311,349	\$ 1,094,507	\$ 2,490,110	\$ 1,970,833	\$ 2,588,504	\$ 16,827,794
Receivables, net:								
Taxes	2,408,073	1,031,724	1,145,228	-	-	-	452	4,585,477
Leases	114,485	-	-	-	-	-	-	114,485
Intergovernmental	-	-	-	-	-	2,146,306	-	2,146,306
Other	244,661	-	5,158,719	-	1,282,473	-	-	6,685,853
Due from other funds	141,041	-	-	-	-	789,337	33,454	963,832
Advance receivable	-	710,377	-	-	-	-	-	710,377
Restricted cash and investments	-	11,708,069	-	-	-	18,627,736	3,638	30,339,443
Prepays and inventories	222,947	-	-	-	-	-	-	222,947
Total assets	<u>\$ 10,503,698</u>	<u>\$13,450,170</u>	<u>\$ 7,615,296</u>	<u>\$ 1,094,507</u>	<u>\$ 3,772,583</u>	<u>\$ 23,534,212</u>	<u>\$ 2,626,048</u>	<u>\$ 62,596,514</u>
Liabilities								
Accounts payable	\$ 752,796	\$ 969,577	\$ 100,499	\$ 172,683	\$ 77,583	\$ 1,950	\$ -	\$ 2,075,088
Accrued liabilities	511,915	-	22,960	-	43,387	-	-	578,262
Deposits	144,360	-	-	-	-	-	-	144,360
Due to other funds	503,160	105,607	234,684	-	-	-	-	843,451
Advance payable	710,377	-	-	-	-	-	-	710,377
Total liabilities	<u>2,622,608</u>	<u>1,075,184</u>	<u>358,143</u>	<u>172,683</u>	<u>120,970</u>	<u>1,950</u>	<u>-</u>	<u>4,351,538</u>
Deferred inflows of resources								
Deferred roadway receivable	-	-	5,152,701	-	-	-	-	5,152,701
Deferred property tax receivable	1,330,995	-	-	-	-	751,628	-	2,082,623
Total deferred inflows	<u>1,330,995</u>	<u>-</u>	<u>5,152,701</u>	<u>-</u>	<u>-</u>	<u>751,628</u>	<u>-</u>	<u>7,235,324</u>
Fund Balances								
Nonspendable:								
Prepays and inventory	222,947	-	-	-	-	-	-	222,947
Perpetual care	-	-	-	-	-	-	5,210	5,210
Restricted for:								
Public works	-	-	2,104,452	-	-	-	-	2,104,452
Debt service	-	11,664,609	-	-	-	22,780,634	2,620,838	37,066,081
Public Safety	-	-	-	-	3,651,613	-	-	3,651,613
Committed for:								
Advance receivable	-	710,377	-	-	-	-	-	710,377
Assigned for:								
Capital outlay	-	-	-	921,824	-	-	-	921,824
Unassigned (deficit)	6,327,148	-	-	-	-	-	-	6,327,148
Total fund balances (deficit)	<u>6,550,095</u>	<u>12,374,986</u>	<u>2,104,452</u>	<u>921,824</u>	<u>3,651,613</u>	<u>22,780,634</u>	<u>2,626,048</u>	<u>51,009,652</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 10,503,698</u>	<u>\$13,450,170</u>	<u>\$ 7,615,296</u>	<u>\$ 1,094,507</u>	<u>\$ 3,772,583</u>	<u>\$ 23,534,212</u>	<u>\$ 2,626,048</u>	<u>\$ 62,596,514</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, 2018

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

Ending fund balances - total governmental funds	\$ 51,009,652
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	185,301,711
Long-term assets are not available to pay for current period expenditures and are therefore deferred in the fund statements - property taxes	99,935
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	4,414,584
Deferred outflows related to pensions	1,915,966
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	(1,252,897)
Long-term liabilities	(210,698,373)
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	(1,662,634)
Deferred inflows related to OPEB	(86,297)
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 \$46,229 are included above.	<u>392,689</u>
Total net position of governmental activities	<u><u>\$ 29,434,336</u></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, 2018

	General	Tourism Tax	Transportation Sales Tax	Capital Projects	Public Safety	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 13,573,726	\$12,364,279	\$ 5,161,287	\$ -	\$ 4,760,534	\$ 4,376,287	\$ 186,866	\$ 40,422,979
Tax increment financing	-	-	-	-	-	10,363,039	-	10,363,039
Licenses and permits	944,720	-	-	-	25,015	-	-	969,735
Court fines	169,310	-	-	-	-	-	-	169,310
Lease and rent	1,544,418	-	-	-	-	455,000	-	1,999,418
Charges for services	7,706,307	-	-	-	-	-	-	7,706,307
Intergovernmental	-	-	-	-	173,857	-	77,773	251,630
Interest income	187,684	114,384	-	-	12,729	558,917	4,265	877,979
Miscellaneous	252,861	98,079	565,405	-	13,464	-	-	929,809
Total revenues	<u>24,379,026</u>	<u>12,576,742</u>	<u>5,726,692</u>	<u>-</u>	<u>4,985,599</u>	<u>15,753,243</u>	<u>268,904</u>	<u>63,690,206</u>
Expenditures								
Current:								
General government	5,726,516	-	-	-	-	-	-	5,726,516
Public safety	-	-	-	-	8,373,794	-	-	8,373,794
Public works	734,072	-	4,239,264	-	-	-	-	4,973,336
Engineering	689,255	-	-	-	-	-	-	689,255
Community development	1,009,306	-	-	-	-	-	-	1,009,306
Culture and recreation	2,521,760	-	-	-	-	-	-	2,521,760
Convention center	5,166,315	-	-	-	-	-	-	5,166,315
Tourism	-	3,397,493	-	-	-	-	-	3,397,493
Capital outlay	-	-	-	297,675	1,826,418	-	-	2,124,093
Debt service:								
Principal retirement	236,420	4,402,401	-	-	-	7,330,000	1,580,000	13,548,821
Interest and fiscal charges	56,939	825,484	-	-	-	7,438,339	1,350,531	9,671,293
Total expenditures	<u>16,140,583</u>	<u>8,625,378</u>	<u>4,239,264</u>	<u>297,675</u>	<u>10,200,212</u>	<u>14,768,339</u>	<u>2,930,531</u>	<u>57,201,982</u>
Excess of revenues over (under) expenditures	<u>8,238,443</u>	<u>3,951,364</u>	<u>1,487,428</u>	<u>(297,675)</u>	<u>(5,214,613)</u>	<u>984,904</u>	<u>(2,661,627)</u>	<u>6,488,224</u>
Other financing sources (uses)								
Sale of assets	157,338	12,724	-	-	-	(9,832)	-	160,230
Transfers in	261,715	-	10,502	881,401	8,722,777	-	2,445,317	12,321,712
Transfers (out)	(9,000,782)	(2,134,401)	(1,252,887)	-	-	(679,453)	-	(13,067,523)
Total other financing sources (uses)	<u>(8,581,729)</u>	<u>(2,121,677)</u>	<u>(1,242,385)</u>	<u>881,401</u>	<u>8,722,777</u>	<u>(689,285)</u>	<u>2,445,317</u>	<u>(585,581)</u>
Net change in fund balances	(343,286)	1,829,687	245,043	583,726	3,508,164	295,619	(216,310)	5,902,643
Fund balances (deficit) - beginning of year	6,893,381	10,545,299	1,859,409	338,098	143,449	22,485,015	2,842,358	45,107,009
Fund balances (deficit) - end of year	<u>\$ 6,550,095</u>	<u>\$12,374,986</u>	<u>\$ 2,104,452</u>	<u>\$ 921,824</u>	<u>\$ 3,651,613</u>	<u>\$ 22,780,634</u>	<u>\$ 2,626,048</u>	<u>\$ 51,009,652</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, 2018

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

Net changes in fund balances - total governmental funds	\$ 5,902,643
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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	8,223,962
Depreciation expense	(6,807,592)

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	13,548,821
Changes in deferred charge on refunding, bond premiums and discounts, net	(71,353)
Change in accrued interest payable	111,452

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	(93,222)
Change in net pension liability, deferred inflows and deferred outflows	(26,108)
Change in total OPEB liability, deferred inflows and deferred outflows	(118,126)

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

	<u>455,454</u>
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Total changes in net position of governmental activities	<u><u>\$ 21,125,931</u></u>
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CITY OF BRANSON, MISSOURI
Statement of Net Position
Proprietary Funds
December 31, 2018

	Enterprise Water and Sewer	Internal Service Equipment Replacement
Assets		
Current assets		
Cash and investments	\$ 9,258,070	\$ 455,454
Receivables (net of allowances for uncollectibles)		
Water and sewer billings	1,033,604	-
Leases and other	61,321	-
Other	465,892	-
Total current assets	10,818,887	455,454
Noncurrent assets		
Capital Assets		
Land and improvements and construction in progress	8,608,844	-
Other capital assets, net of depreciation	59,946,645	46,229
Total capital assets	68,555,489	46,229
Total noncurrent assets	68,555,489	46,229
Total assets	79,374,376	501,683
Deferred outflows of resources		
Deferred outflows related to pensions	449,424	-
Liabilities		
Current liabilities		
Accounts payable	938,454	-
Accrued liabilities	67,351	-
Utility deposits	1,084,006	-
Other liabilities	77,730	-
Due to other funds	-	120,381
Long-term liabilities due in one year	245,142	-
Total current liabilities	2,412,683	120,381
Noncurrent liabilities		
Long-term liabilities	448,901	-
Total noncurrent liabilities	448,901	-
Total liabilities	2,861,584	120,381
Deferred inflows of resources		
Deferred inflows related to pensions and OPEB	410,243	-
Net Position		
Net investment in capital assets	68,555,489	46,229
Unrestricted (deficit)	7,996,484	335,073
Total net position	76,551,973	\$ 381,302
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(57,616)	
Net position of business-type activities	\$ 76,494,357	

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, 2018

	<u>Enterprise</u> <u>Water and</u> <u>Sewer</u>	<u>Internal Service</u> <u>Equipment</u> <u>Replacement</u>
Operating revenues		
Charges for services (pledged as security for revenue bonds)		
Water	4,016,240	\$ -
Sewer	4,598,702	-
Internal service	-	520,228
Miscellaneous	175,209	-
Total operating revenues	<u>8,790,151</u>	<u>520,228</u>
Operating expenses		
Personal services	3,420,335	-
Contractual services	3,355,822	64,774
Commodities	625,894	-
Depreciation	4,968,679	52,925
Total operating expenses	<u>12,370,730</u>	<u>117,699</u>
Operating income (loss)	<u>(3,580,579)</u>	<u>402,529</u>
Nonoperating revenues (expenses)		
Interest income	4,953	-
Intergovernmental	361,367	-
Gain (loss) on disposal of capital assets	(1,782)	-
Interest expense	(26)	-
Total nonoperating revenues (expenses)	<u>364,512</u>	<u>-</u>
Income (loss) before transfers and capital contributions	(3,216,067)	402,529
Transfers in	756,313	-
Transfers out	(10,502)	-
Capital grants and contributions	<u>1,134,890</u>	<u>-</u>
Change in net position	<u>(1,335,366)</u>	<u>402,529</u>
Total net position-beginning of year	78,041,795	(21,227)
Prior period adjustment	(154,456)	-
Total net position-beginning of year, restated	<u>77,887,339</u>	<u>(21,227)</u>
Total net position-end of year	<u>76,551,973</u>	<u>\$ 381,302</u>
Change in net position	(1,335,366)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(3,592)</u>	
Change in net position of business-type activities	<u>(1,338,958)</u>	

See Accompanying Notes to the Basic Financial Statements

CITY OF BRANSON, MISSOURI
Statement of Cash Flows -
Proprietary Funds
For the year ended December 31, 2018

	Enterprise	Internal Service
	Water and	Equipment
	Sewer	Replacement
Cash flows from operating activities		
Receipts from customers	\$ 8,857,754	\$ 520,228
Payments to suppliers	(3,495,339)	(64,774)
Payments to employees for services	(3,375,523)	-
Net cash provided by (used in) operating activities	1,986,892	455,454
Cash flows from capital and related financing activities		
Purchases of capital assets	(1,492,004)	-
Interest and bond cost paid on capital debt	(26)	-
Net cash (used in) capital and related financing activities	(1,130,663)	-
Cash flows from noncapital financing activities		
Transfers from other funds	745,811	-
Net cash provided by noncapital financing activities	745,811	-
Cash flows from investment activities		
Interest and dividends	4,953	-
Net cash provided by investing activities	4,953	-
Net increase in cash and cash equivalents	1,606,993	455,454
Cash and cash equivalents, beginning of year	7,651,077	-
Cash and cash equivalents, end of year	\$ 9,258,070	\$ 455,454
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ (3,580,579)	\$ 402,529
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	4,968,679	52,925
Pension and OPEB	33,831	
Change in assets and liabilities:		
Receivables (net)	26,379	-
Accounts and other payables	486,377	-
Accrued expenses	10,981	-
Utility deposits	41,224	-
Net cash provided by (used in) operating activities	\$ 1,986,892	\$ 455,454
Cash consists of		
Cash and investments	\$ 9,258,070	\$ 455,454
	\$ 9,258,070	\$ 455,454
Noncash capital and related financing activities		
Capital contribution	\$ 35,065	\$ -

See Accompanying Notes to the Basic Financial Statements

CITY OF BRANSON, MISSOURI
Statement of Net Position -
Agency Fund
December 31, 2018

	<u>Agency Fund</u> <u>Landscape Trust</u>
Assets	
Cash and cash equivalents	<u>\$ 862,742</u>
Liabilities	
Due to others	<u>\$ 862,742</u>

See Accompanying Notes to the Basic Financial Statements

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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.

The 76 Entertainment Community Improvement District (CID) is a discretely presented component unit of the City. The governing board of the CID is appointed by the Mayor and board of alderman. The CID's budget must be approved by the City. No separate financial statements are issued.

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, 2018

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, 2018

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.

Public Safety Fund - is used to account for the proceeds of public safety sales tax requiring a separate accounting because of legal or regulatory provisions or administrative action, which provides funding for public safety including activities related to police and fire departments.

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, 2018

The City follows GASB 72, *Fair Value Measurement and Application*, which establishes a framework for measuring fair value that requires or permits fair value measurement and enhances disclosures about fair value measurements. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction. There is a fair value hierarchy which requires an entity to maximize the use of the observable inputs when measuring fair value. The guidance requires three levels of fair value measurement based on the respective inputs.

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 \$1,672,937 is recorded at December 31, 2018.

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 acquisition 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.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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

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

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of employee service and the plan's fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liability.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

For purposes of measuring the collective 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.

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 other items are deferred inflows related to pensions and OPEB. For more information, see Note 8 for deferred inflows related to pensions and Note 9 for deferred inflows related to OPEB.

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."

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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.

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.

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. 83 – *Certain Asset Retirement Obligations* – effective for the fiscal year beginning January 1, 2019.
- GASB Statement No. 84 – *Fiduciary Activities* – effective for the fiscal year beginning January 1, 2019.
- GASB Statement No. 87 – *Leases* – effective for the fiscal year beginning January 1, 2020.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

- GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Borrowings and Direct Placements* – effective for the fiscal year beginning January 1, 2019.
- GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period* – effective for the fiscal year beginning January 1, 2019.
- GASB Statement No. 90 – *Majority Equity Interest*- effective for the fiscal year beginning January 1, 2019
- GASB Statement No. 91 – *Conduit Debt Obligation*- effective for the fiscal year beginning January 1, 2021

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.

Reclassifications

The Public Safety Tax was passed in 2017 and the City started receiving collections in 2018. The City elected to create the Public Safety Fund which going forward will report all public safety activity. Previously this activity had been accounted for within the General Fund. Public Safety amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

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 \$169,310. This amount is approximately .7% of total general fund revenues of \$24,379,026 and, accordingly, the City believes that they are in compliance with the requirements of the Statute.

3 - Deposits and Investments

As of December 31, 2018, the City's cash and investments consisted of the following:

	2018
Investments:	
Short-term investments held in trust	\$ 25,782,524
Deposits	31,931,359
Petty cash	29,620
	\$ 57,743,503

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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

	Government-wide statement of net position	Fiduciary fund statement of assets & liabilities	Total
Cash and investments	\$ 26,541,318	\$ 862,742	\$ 27,404,060
Restricted cash and investments	30,339,443	-	30,339,443
	<u>\$ 56,880,761</u>	<u>\$ 862,742</u>	<u>\$ 57,743,503</u>

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investment.

Level 1 inputs are quoted prices in active markets for identical assets;

Level 2 inputs are significant other observable inputs, either directly or indirectly observable, and fair value can be determined through the use of models or other valuation methodologies;

Level 3 inputs are significant unobservable inputs in situations where there is little or no market activity for the asset or liability and the entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The City has the following recurring fair value measurement as of year-end:

Money market mutual funds are valued at Level 2 using pricing models that maximize the use of observable inputs for similar securities.

As of December 31, 2018, the City had the following investments and maturities:

Investment type	Fair value	Maturities	hierarchy
Insured sweep account	\$ 9,052,480	N/A	N/A
Money market mutual funds	12,981,115	N/A	Level 2
	<u>\$ 22,033,595</u>		

Investment Policy

Missouri State Statutes authorize the City to deposit funds in open accounts and certificates of deposit. Statutes also require that collateral pledged must have a fair value equal to 100% 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

City of Branson, Missouri
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For the Year Ended December 31, 2018

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, 2018, the City's investments consisted of short-term money market mutual funds held in trust.

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, 2018, 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, 2018, 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, 2018, the City's deposits were insured with Federal depository insurance or collateralized by securities held in the City's name by their financial institution's agent.

4 - Taxes

Taxes receivable as of December 31, 2018 were as follows:

<u>Fund</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Tourism Tax</u>	<u>Total</u>
General	\$ 97,117	\$ 2,310,956	\$ -	\$ 2,408,073
Tourism tax	-	-	1,031,724	1,031,724
Transportation sales tax	-	1,145,228	-	1,145,228
Debt Service Fund	-	452	-	452
Total	<u>\$ 97,117</u>	<u>\$ 3,456,636</u>	<u>\$ 1,031,724</u>	<u>\$ 4,585,477</u>

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Tax revenues for the year ended December 31, 2018 were as follows:

	Property Tax	Sales Tax	Tourism Tax	Franchise Tax	Other Tax	Total
<u>Governmental Funds</u>						
General	\$ 2,770,947	\$ 9,428,829	\$ -	\$ 1,303,339	\$ 70,611	\$ 13,573,726
Tourism tax	-	-	12,364,279	-	-	12,364,279
Transportation sales tax	-	5,161,287	-	-	-	5,161,287
Public Safety Tax	-	4,760,534	-	-	-	4,760,534
Tax increment financing	-	3,261,012	1,115,275	-	-	4,376,287
Nonmajor funds	-	186,866	-	-	-	186,866
Total	<u>\$ 2,770,947</u>	<u>\$ 22,798,528</u>	<u>\$ 13,479,554</u>	<u>\$ 1,303,339</u>	<u>\$ 70,611</u>	<u>\$ 40,422,979</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, 2017, upon which the 2017 levy was based and upon which the ad valorem tax revenues for the period ended December 31, 2018 are recorded, are as follows:

Real estate	\$ 390,964,990
Personal property and business personal	<u>52,436,014</u>
	<u>\$ 443,401,004</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 31st related to the 2018 tax year are deferred as those amounts are not recognized as revenue until the period for which they are levied.

The 2017 tax levy per \$ 100 assessed valuation was:

General	<u>\$ 0.6077</u>
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City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

5 - Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases and adjustments	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 54,773,468	\$ 1,298,779	\$ -	\$ 56,072,247
Construction in progress	34,743,634	-	153,986	34,589,648
Total capital assets not being depreciated	<u>89,517,102</u>	<u>1,298,779</u>	<u>153,986</u>	<u>90,661,895</u>
Capital assets being depreciated:				
Buildings and fixtures	77,909,657	35,000	-	77,944,658
Equipment	13,957,010	1,331,898	255,481	15,033,426
Vehicles	3,112,891	67,141	-	3,180,032
Infrastructure	168,667,750	5,645,130	-	174,312,880
Furniture	2,954,716	-	-	2,954,716
Land improvements	3,092,108	-	-	3,092,108
Total capital assets being depreciated	<u>269,694,132</u>	<u>7,079,169</u>	<u>255,481</u>	<u>276,517,820</u>
Less accumulated depreciation for:				
Buildings and fixtures	30,752,598	2,627,618	-	33,380,216
Equipment	11,309,751	433,813	255,481	11,488,083
Vehicles	1,549,393	338,678	-	1,888,071
Infrastructure	126,833,913	3,262,240	-	130,096,153
Furniture	2,916,431	28,520	-	2,944,951
Land improvements	1,960,214	120,316	-	2,080,530
Total accumulated depreciation	<u>175,322,300</u>	<u>6,811,185</u>	<u>255,481</u>	<u>181,878,004</u>
Total capital assets being depreciated, net	<u>94,371,832</u>	<u>267,984</u>	<u>-</u>	<u>94,639,816</u>
Governmental activities capital assets, net	<u>\$ 183,888,934</u>	<u>\$ 1,566,763</u>	<u>\$ 153,986</u>	<u>\$ 185,301,711</u>

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

	Beginning Balance	Increases	Decreases and adjustments	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and right of way	\$ 3,905,511	\$ -	\$ -	\$ 3,905,511
Construction in progress	2,863,174	1,840,159	-	4,703,333
Total capital assets not being depreciated	<u>6,768,685</u>	<u>1,840,159</u>	<u>-</u>	<u>8,608,844</u>
Capital assets being depreciated:				
Water and sewer treatment plants	76,285,846	60,270	-	76,346,116
Water and sewer mains and lines	60,026,380	35,065	-	60,061,445
Machinery and equipment	7,534,641	713,510	30,501	8,217,650
Total capital assets being depreciated	<u>143,846,867</u>	<u>808,845</u>	<u>30,501</u>	<u>144,625,211</u>
Less accumulated depreciation for:				
Water and sewer treatment plants	40,236,411	1,906,129	-	42,142,540
Water and sewer mains and lines	35,519,453	2,327,164	-	37,846,617
Machinery and equipment	3,960,632	735,386	6,609	4,689,409
Total accumulated depreciation	<u>79,716,496</u>	<u>4,968,679</u>	<u>6,609</u>	<u>84,678,566</u>
Total capital assets being depreciated, net	<u>64,130,371</u>	<u>(4,159,834)</u>	<u>23,892</u>	<u>59,946,645</u>
Business-type activities capital assets, net	<u>\$ 70,899,056</u>	<u>\$ (2,319,675)</u>	<u>\$ 23,892</u>	<u>\$ 68,555,489</u>

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

Governmental activities:	
General Government	\$ 861,992
Public Safety	103,340
Public Works	3,610,562
Engineering	42,287
Culture and Recreation	345,076
Convention Center	1,795,003
Internal Service	52,925
Total depreciation expense - governmental activities	<u>\$ 6,811,185</u>
Business-type activities:	
Water and sewer	<u>\$ 4,968,679</u>

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.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Future lease income on minimum rentals is approximately \$439,000 per year.

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

For the year ended December 31, 2018, lease income for all operating leases was approximately \$1,135,453.

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, 2018 the lease receivable balance was \$61,321.

Future minimum lease payments to be received are as follows:

2019	18,144
2020	18,688
2021	19,249
2022	5,240
Present value of minimum lease payments	\$ 61,321

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 1/4th of 1 percent of sales in excess of \$15 million within the defined boundary area. The total annual lease payments cannot exceed \$455,000. The City received \$455,000 under this agreement for the year ended December 31, 2018.

The City has entered into various leases for equipment, which have bargain purchase options and have been classified in the financial statements as capital assets.

The following table details property under capital leases by major classification at December 31, 2018:

	Governmental
Assets under capital lease	Activities
Equipment	\$ 605,747
Less Accumulated Depreciation	(134,758)
	\$ 470,989

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

The future minimum lease obligations and the net present value of these lease payments as of December 31, 2018 were as follows:

Future Minimum Lease Payments	
Year Ending December 31:	Governmental Activities
2019	\$ 125,896
2020	125,896
Total minimum lease payments	251,792
Less amounts representing interest	(6,410)
Present value of minimum lease payments	\$ 245,382

7 - Long-Term Obligations

Long-term obligations activity for year ended December 31, 2018 was as follows:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds Payable					
Revenue Bonds	\$ 11,595,000	\$ -	\$ 3,185,000	\$ 8,410,000	\$ 3,305,000
Special Limited Obligation Bonds	29,580,000	-	1,580,000	28,000,000	1,630,000
Discounts	(59,062)	-	(9,706)	(49,356)	-
Total bonds payable	41,115,938	-	4,755,294	36,360,644	4,935,000
Tax increment financing					
Bonds payable	159,888,003	-	7,330,000	152,558,003	6,900,000
Premiums	6,602,691	-	415,882	6,186,809	387,896
Total bonds payable	166,490,694	-	7,745,882	158,744,812	7,287,896
Notes payable	1,122,565	-	294,436	828,129	67,299
Certificates of Participation	12,000,000	-	982,000	11,018,000	1,060,000
Capital leases	422,767	-	177,385	245,382	121,636
Compensated absences**	1,493,367	93,222	-	1,586,589	1,586,589
Net pension liability**	2,131,373	1,264,274	3,006,156	389,491	-
Total OPEB Liability**	1,493,497	31,829	-	1,525,326	-
Governmental activities					
long-term obligations	226,270,201	1,389,325	16,961,153	210,698,373	15,058,420
Business-type activities:					
Compensated absences	251,044	235,792	241,694	245,142	245,142
Net pension liability	499,698	296,558	705,148	91,108	-
Total OPEB Liability	350,327	7,466	-	357,793	-
Business-type activities					
long-term obligations	1,101,069	539,816	946,842	694,043	245,142
Total Primary Government	\$ 227,371,270	\$ 1,929,141	\$ 17,907,995	\$ 211,392,416	\$ 15,303,562

** For governmental activities, compensated absences, net pension liability, and total OPEB liability are generally liquidated by the general fund.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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 \$8,410,000. For the year ended December 31, 2018, principal and interest paid were \$3,185,000 and total tourism tax revenues for the year were \$13,479,554. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves related to these bonds was \$10,603,943 at December 31, 2018. The City has issued the following revenue bonds for the purpose of funding various City infrastructure projects:

	<u>Balance at December 31, 2018</u>
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 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.	<u>6,570,000</u>
	<u>\$ 8,410,000</u>

Special Limited Obligation Bonds

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

	<u>Balance at December 31, 2018</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>\$ 28,000,000</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, 2018, waterfall amounts of \$679,453 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 \$7,835,198.

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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, 2018

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.

\$ 22,325,000

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 int he aggregate principal amount of \$67,110,000 were refunded and defeased.

4,185,000

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.

12,790,000

101,320,000

City of Branson, Missouri
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For the Year Ended December 31, 2018

	<u>Balance at</u> <u>December 31, 2018</u>
Branson Hills and Shoppes TIF Plan	
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.	12,805,000
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	3,250,000
Tax Increment Refunding Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Shoppes Redevelopment Project) Series 2017A, \$28,025,000 issued August 2017; 3.0% to 4.0% interest payable semiannually, with final maturity on November 1, 2027.	25,100,000
Tax Increment Refunding Revenue Bonds (The Industrial Development Authority of the City of Branson, Missouri, Missouri Limited Obligation Tax Increment Revenue Bonds - Branson Shoppes Redevelopment Project) Series 2017B, \$8,668,665 issued August 2017; 10% interest, principal payment due with final maturity on November 1, 2029. This bond is subordinate to the Series 2017A Bond.	8,183,665
	51,238,003
Total tax increment financing revenue bonds	\$ 152,558,003

Notes Payable

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

	<u>Balance at</u> <u>December 31, 2018</u>
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.	828,129
	\$ 828,129

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Certificate of Participation

Certificates of Participation in the amount of \$12,000,000 were issued June 1, 2017; 3.57%, principal payments due annually ranging from \$982,000 to \$1,403,000, with a final maturity on June 1, 2027.

\$11,018,000

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.

Revenue, Special Limited Obligation Bonds, Tax Increment Financing, and Notes Payable debt service requirements to maturity are as follows:

	Governmental activities					
	Revenue Bonds		Special Limited Obligation		TIF - Branson Landing	
	Principal	Interest	Principal	Interest	Principal	Interest
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	1,880,000	98,458	1,795,000	1,133,631	5,130,000	3,690,813
2022	1,345,000	29,254	1,870,000	1,061,831	6,375,000	3,448,888
2023-2027	-	-	10,595,000	4,066,682	37,725,000	12,656,650
2028-2032	-	-	10,400,000	1,325,713	24,575,000	4,640,381
2033-2035	-	-	-	-	10,195,000	414,700
	<u>\$ 8,410,000</u>	<u>\$ 591,797</u>	<u>\$ 28,000,000</u>	<u>\$ 10,107,619</u>	<u>\$ 101,320,000</u>	<u>\$ 33,517,545</u>

	Primary Government					
	TIF - Branson Hill		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	1,985,000	2,436,871	1,127,299	432,214	12,962,299	9,005,583
2020	2,045,000	2,377,321	1,173,215	391,043	19,213,215	8,281,826
2021	2,105,000	2,315,971	1,222,826	348,115	12,132,826	7,586,988
2022	2,165,000	2,252,821	1,273,181	303,291	13,028,181	7,096,085
2023-2027	30,164,338	9,160,614	7,049,608	774,708	85,533,946	26,658,654
2028-2032	12,773,665	1,069,524	-	-	47,748,665	7,035,618
2033-2035	-	-	-	-	10,195,000	414,700
	<u>\$ 51,238,003</u>	<u>\$ 19,613,122</u>	<u>\$ 11,846,129</u>	<u>\$ 2,249,371</u>	<u>\$ 200,814,132</u>	<u>\$ 66,079,454</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 \$205.6 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

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

such bond payments from any other sources of its revenues. However, the Branson Landing TIF Plan's \$24,400,000 Series 2012A, \$5,880,000 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 \$134.8 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, 2018, principal and interest paid on tax increment financing bonds totaled approximately \$7.3 million. Incremental tax revenues from the City totaled approximately \$4.4 million. The remaining funds necessary to meet the current year debt service requirements were derived from city contributions, incremental tax revenues from other taxing districts and governmental entities, lease revenues, and interest income totaling approximately \$11.4 million and from prior incremental tax revenues held in debt service funds by the bond trustees.

Bond Indebtedness Limitation

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

The City has no outstanding general obligation debt. The City has issued multiple series of Tourism Tax Revenue Bonds. Although they are not general obligation bonds, the outstanding Tourism Tax Revenue Bonds and any additional Tourism Tax Revenue Bonds are payable from a pledge of the City's Tourism Tax and therefore count against the indebtedness limits imposed by the Missouri Constitution. The legal debt capacity of 20% of the City's assessed valuation as of December 31, 2018, based on the 2017 valuation, was \$88,680,200. The total net outstanding indebtedness of the City was \$17,006,811 as of December 31, 2018, leaving a remaining available legal debt capacity of \$71,673,389 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

City of Branson, Missouri
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a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits provided

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

	<u>2018 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, 2018, the following employees were covered by the benefit terms:

	General	Police	Fire	Total
Inactive employees or beneficiaries currently receiving benefits	97	30	6	133
Inactive employees entitled to but not yet receiving benefits	60	31	12	103
Active employees	159	42	42	243
	316	103	60	479

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 13.4% (General), 16.9 % (Police) and 8.1 % (Fire) of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2018 and was rolled forward to June 30, 2018.

Actuarial assumptions

The total pension liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Inflation	3.25%
Salary Increase	3.25 % to 6.55 % including inflation
Investment rate of return	7.25 %

Mortality rates were based on the 2014 Mortality Table set back 3 years for both males and females.

The actuarial assumptions used in the February 28, 2018 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	43.00%	5.00%
Fixed Income	26.00%	3.00%
Real Assets	21.00%	3.25%
Strategic Investments	10.00%	5.60%

Discount rate

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

City of Branson, Missouri
Notes to the Basic Financial Statements
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Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 12/31/2017	\$ 46,411,114	\$ 43,780,043	\$ 2,631,071
Changes for the year			
Service Cost	1,525,600	-	1,525,600
Interest on Total Pension Liability	3,358,620	-	3,358,620
Difference between expected and actual experience	676,175	-	676,175
Benefit payments, including refunds of employee contributions	(1,699,265)	-	(1,699,265)
Contributions - employer	-	1,570,838	(1,570,838)
Contributions - employee	-	479,272	(479,272)
Net investment income	-	5,629,289	(5,629,289)
Benefit payments, including refunds of employee contributions	-	(1,699,265)	1,699,265
Pension Plan Administrative Expense	-	(35,259)	35,259
Other (Net Transfer)	-	66,727	(66,727)
Net changes	3,861,130	6,011,602	(2,150,472)
Balances at 12/31/2018	\$ 50,272,244	\$ 49,791,645	\$ 480,599

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.

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability (TPL)	\$58,187,484	\$50,272,244	\$43,823,442
Plan Fiduciary Net Position	\$49,791,644	\$49,791,645	\$49,791,644
Net Pension Liability (Asset)(NPL)	\$8,395,840	\$480,599	\$(5,968,202)

City of Branson, Missouri
Notes to the Basic Financial Statements
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2018 the employer recognized pension expense of \$1,628,771. 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>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$ 731,783	\$ (445,378)	\$ 171,653	\$ (104,471)
Differences in assumptions	531,066	-	124,571	-
Excess (deficit) investment returns	-	(1,217,256)	-	(285,529)
Contributions subsequent to the measurement date	653,117	-	153,200	-
Total	<u>\$ 1,915,966</u>	<u>\$ (1,662,634)</u>	<u>\$ 449,424</u>	<u>\$ (390,000)</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 2018.

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

	<u>Deferred Outflows (Inflows) of Resources</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Year ended December 31:		
2019	\$ 358,795	\$ 84,162
2020	56,811	13,326
2021	(486,461)	(114,108)
2022	(314,153)	(73,690)
2023	(3,530)	(828)
Thereafter	(11,247)	(2,638)
	<u>\$ (399,785)</u>	<u>\$ (93,776)</u>

City of Branson, Missouri
Notes to the Basic Financial Statements
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Payable to the Pension Plan

At December 31, 2018, the City reported a payable of \$169,140 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2018.

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. 75 (GASB Statement 75). Retirees and spouses have the same benefits as active employees, and they are not required to terminate participation upon Medicare eligibility.

Funding Policy

The City does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Active Employees	261
Retirees and Surviving Spouses*	12
Spouses of Current Retirees**	8
Total	281

* 6 retirees with medical coverage and 12 with dental coverage

** 2 spouses with medical coverage and 8 with dental coverage

Total OPEB Liability

The City's total OPEB liability of \$1,883,119 was measured as of September 30, 2018 and was determined by an actuarial valuation as of September 30, 2017.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

City of Branson, Missouri
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Valuation date	September 30, 2017
Actuarial cost method	Entry Age Normal
Inflation	2.50%
Salary increases	3.00%
Discount rate	4.18%
Healthcare cost trend rates	Medical cost trend rate of 6.9% for 2017, gradually decreasing to an ultimate rate of 4.0% for 2091 and beyond

The discount rate was based on the 20 Year Bond GO Index.

Mortality rates were based on the RP-2014 Mortality for Employees and Healthy Annuitants, with generational projection per Scale MP-2016.

Changes in the total OPEB liability are as follows:

	Governmental Activities	Business-Type Activities	Total
Total OPEB Liability - Beginning of Year	\$ 1,493,497	\$ 350,327	\$ 1,843,824
Service cost	120,124	28,177	148,301
Interest	57,824	13,563	71,387
Changes in assumptions or other inputs	(95,547)	(22,412)	(117,959)
Benefit payments	(50,572)	(11,862)	(62,434)
Total OPEB Liability - End of Year	\$ 1,525,326	\$ 357,793	\$ 1,883,119

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using the discount rate that is one percentage point lower (3.18%) or one percentage point higher (5.18%) than the current discount rate.

	1% Decrease 3.18%	Discount Rate 4.18%	1% Increase 5.18%
Total OPEB Liability	\$ 2,108,892	\$ 1,883,119	\$ 1,686,903

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current cost trend rate.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 1,618,435	\$ 1,883,119	\$ 2,207,951

For the year ended December 31, 2018, the City recognized OPEB expense of \$208,269.

Deferred Inflows of Resources

At December 31, 2018 the City reported deferred inflows related to OPEB from the following sources:

	Deferred Inflows of Resources
Changes of assumptions	\$ (106,540)

City of Branson, Missouri
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Amount reported as deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Deferred Inflows of Resources</u>
2019	\$ (11,419)
2020	(11,419)
2021	(11,419)
2022	(11,419)
2023	(11,419)
Thereafter	(49,445)
	<u>\$ (106,540)</u>

Prior Period Adjustment

The implementation of GASB 75 resulted in a prior period adjustment to the total OPEB liability and net position of \$626,296 for Governmental Activities and \$154,456 for Business-Type Activities as of January 1, 2018.

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, 2018, the City paid \$455,000 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, 2018, the City had approximately \$1.0 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, 2018, the city paid to SMG \$141,867 under this new management agreement.

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For the Year Ended December 31, 2018

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 Agreement exceed \$2,000,000 on an annual basis. Total fees under the Agreement for 2018 were \$54,392. 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 \$415,019 for processing and handling of wastewater sludge for the year ended December 31, 2018.

The City has 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, 2018 were as follows: General Fund \$32,108, Transportation Sales Tax Fund \$124,475, Public Safety Fund \$1,876,947, and the Capital Project Fund \$364,745.

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

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

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 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, 2018.

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, 2018, 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	\$ -	\$ 261,715	\$ -	\$ -	\$ -	\$ 261,715
Capital projects	278,005	571,509	31,887	-	-	881,401
Public Safety	8,722,777	-	-	-	-	8,722,777
Transportation Sales Tax	-	-	-	-	10,502	10,502
Other Governmental	-	544,864	1,221,000	679,453	-	2,445,317
Business-type:						
Water and Sewer	-	756,313	-	-	-	756,313
Total	\$ 9,000,782	\$ 2,134,401	\$ 1,252,887	\$ 679,453	\$ 10,502	\$ 13,078,025

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

City of Branson, Missouri
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

accordance with budgetary authorizations, (4) to fund capital and repair and maintenance needs including treatment plan expansion in the Water and Sewer Fund.

Interfund receivable and payable balances at December 31, 2018 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	\$ -	\$ 20,660	\$ -	\$ 120,381	\$ 141,041
Other governmental	33,454	-	-	-	33,454
Tax Increment Financing	469,706	84,947	234,684	-	789,337
	<u>\$ 503,160</u>	<u>\$ 105,607</u>	<u>\$ 234,684</u>	<u>\$ 120,381</u>	<u>\$ 963,832</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.

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. At December 31, 2018, the amount is \$710,377.



The City of Branson is committed to its citizens and to those who visit here, to ensure a safe and environmentally sound community. We will work as a team to maintain and promote the growth of our City, and to provide professional, courteous service to all through fair and open communication. We look to tomorrow, remembering yesterday, dedicated to excellence today.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION

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

Such information includes:

- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Tourism Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Transportation Sales Tax Fund
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Contributions
- Schedule of Changes in the City’s Total OPEB Liability and Related Ratios

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 (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	\$	(314,905)
Change in fund balance from combined funds-budget basis		52,031
Total reconciled change in fund balance-budget basis		(262,874)
Adjustments-encumbrances beginning of year		(112,520)
Adjustments-encumbrances end of year		32,108
Total reconciled change in fund balance-GAAP basis	\$	(343,286)
Fund balance General Fund beginning of year -budget basis	\$	5,776,357
Total reconciled change in fund balance-budget basis		(262,874)
Fund balance beginning of year from combined funds-budget basis		1,004,504
Total reconciled fund balance, beginning of year-budget basis		6,517,987
Adjustments-encumbrances end of year		32,108
Fund balance -end of year-GAAP basis	\$	6,550,095

CITY OF BRANSON, MISSOURI
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the year ended December 31, 2018

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
Revenues:				
Taxes	\$ 13,797,073	\$ 13,797,073	\$ 13,503,115	\$ (293,958)
Licenses and permits:	910,477	910,477	931,887	21,410
City court fines	210,000	210,000	169,310	(40,690)
Lease and rent	1,582,143	1,582,143	1,544,418	(37,725)
Charges for services	1,565,409	1,565,409	1,404,541	(160,868)
Intergovernmental	-	-	-	-
Interest Income	235,000	235,000	187,684	(47,316)
Miscellaneous	116,986	116,986	98,117	(18,869)
Total revenues	<u>18,417,088</u>	<u>18,417,088</u>	<u>17,839,072</u>	<u>(578,016)</u>
Expenditures:				
General government:				
Mayor and Board	141,333	141,333	123,645	17,688
City Administration	442,684	442,684	495,069	(52,385)
Human Resources	606,455	606,455	513,588	92,867
Administrative Services	3,237,304	3,237,304	3,201,988	35,316
Finance	943,514	943,514	941,569	1,945
Legal	551,320	551,320	387,845	163,475
Total general government	<u>5,922,610</u>	<u>5,922,610</u>	<u>5,663,704</u>	<u>258,906</u>
Public works	770,713	770,713	734,980	35,733
Engineering	764,751	764,751	689,495	75,256
Community Development	854,380	854,380	991,558	(137,178)
Debt service	431,995	431,995	293,359	138,636
Total expenditures	<u>8,744,449</u>	<u>8,744,449</u>	<u>8,373,096</u>	<u>371,353</u>
Excess of revenues over (under) expenditures	9,672,639	9,672,639	9,465,976	(206,663)
Other Financing Sources (Uses):				
Sale of assets	-	-	157,338	157,338
Transfers in	161,926	161,926	392,208	230,282
Transfers (out)	(3,977,315)	(12,906,220)	(10,330,427)	2,575,793
Total other financing sources (uses)	<u>(3,815,389)</u>	<u>(12,744,294)</u>	<u>(9,780,881)</u>	<u>2,963,413</u>
Change in fund balances	<u>\$ 5,857,250</u>	<u>\$ (3,071,655)</u>	(314,905)	<u>\$ 2,756,750</u>
Fund balance, beginning of year - budget basis			<u>5,776,357</u>	
Fund balance - end of year - budget basis			5,461,452	
Adjustments:				
Encumbrances			32,108	
Fund balance - end of year - GAAP basis			<u>\$ 5,493,560</u>	
Net change in fund balance - budget basis			\$ (314,905)	
Adjustments:				
Encumbrances - beginning of year			(111,520)	
Encumbrances - end of year			32,108	
Net change in fund balance - GAAP basis			<u>\$ (394,317)</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, 2018

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
Revenues:				
Taxes	\$ 13,376,743	\$ 13,376,743	\$ 12,364,279	\$ (1,012,464)
Miscellaneous	-	-	8,079	8,079
Interest Income	289,619	289,619	127,108	(162,511)
Total revenues	<u>13,666,362</u>	<u>13,666,362</u>	<u>12,499,466</u>	<u>(1,166,896)</u>
Expenditures:				
Tourism	2,739,116	2,747,793	3,397,493	(649,700)
Capital outlay	-	-	-	-
Debt service:				
Principal	3,420,829	3,420,829	4,403,043	(982,214)
Interest and fiscal charges	436,483	436,483	824,842	(388,359)
Total expenditures	<u>6,596,428</u>	<u>6,605,105</u>	<u>8,625,378</u>	<u>(2,020,273)</u>
Excess of revenues over (under) expenditures	7,069,934	7,061,257	3,874,088	(3,187,169)
Other financing sources (uses):				
Bond proceeds	-	-	-	-
Transfers in	-	-	90,000	90,000
Transfers (out)	(3,648,341)	(3,648,341)	(2,134,401)	1,513,940
Total other financing sources (uses)	<u>(3,648,341)</u>	<u>(3,648,341)</u>	<u>(2,044,401)</u>	<u>1,603,940</u>
Change in fund balances	<u>\$ 3,421,593</u>	<u>\$ 3,412,916</u>	1,829,687	<u>\$ (1,583,229)</u>
Fund balance, beginning of year			<u>10,545,299</u>	
Fund balance - end of year - budget basis			<u>\$ 12,374,986</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, 2018

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
Revenues:				
Taxes	\$ 6,255,681	\$ 6,255,681	\$ 5,161,287	\$ (1,094,394)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	565,405	565,405
Total revenues	<u>6,255,681</u>	<u>6,255,681</u>	<u>5,726,692</u>	<u>(528,989)</u>
Expenditures:				
Public works	3,956,874	3,956,874	3,895,820	61,054
Total expenditures	<u>3,956,874</u>	<u>3,956,874</u>	<u>3,895,820</u>	<u>61,054</u>
Excess of revenues over expenditures	2,298,807	2,298,807	1,830,872	(467,935)
Transfer In	50,000	50,000	10,502	(39,498)
Transfers (out)	(2,348,807)	(2,469,807)	(1,252,887)	1,216,920
Total other financing sources (uses)	<u>(2,298,807)</u>	<u>(2,419,807)</u>	<u>(1,242,385)</u>	<u>1,177,422</u>
Change in fund balances	<u>\$ -</u>	<u>\$ (121,000)</u>	588,487	<u>\$ 709,487</u>
Fund balance, beginning of year			<u>1,391,490</u>	
Fund balance - end of year - budget basis			1,979,977	
Adjustments:				
Encumbrances			124,475	
Fund balance - end of year - GAAP basis			<u>\$ 2,104,452</u>	
Net change in fund balance - budget basis			\$ 588,487	
Adjustments:				
Encumbrances - beginning of year			(467,919)	
Encumbrances - end of year			124,475	
Net change in fund balance - GAAP basis			<u>\$ 245,043</u>	

CITY OF BRANSON, MISSOURI
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Public Safety Fund
For the year ended December 31, 2018

	Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 4,760,534	\$ 4,760,534
Licenses and Permits			25,015	25,015
Intergovernmental	-	-	173,857	173,857
Miscellaneous	-	-	12,729	12,729
Interest Income	-	-	13,464	13,464
Total revenues	-	-	4,985,599	4,985,599
Expenditures:				
Public safety:				
Police	8,302,564	8,302,564	10,239,830	(1,937,266)
Total public safety	8,302,564	8,302,564	10,239,830	(1,937,266)
Capital Outlay	-	-	1,826,418	(1,826,418)
Total expenditures	8,302,564	8,302,564	12,066,248	(3,763,684)
Excess of revenues over (under) expenditures	(8,302,564)	(8,302,564)	(7,080,649)	1,221,915
Other financing sources (uses):				
Transfers in	-	8,722,777	8,722,777	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	8,722,777	8,722,777	-
Change in fund balances	\$ (8,302,564)	\$ 420,213	1,642,128	\$ 1,221,915
Fund balance, beginning of year			132,538	
Fund balance - end of year - budget basis			1,774,666	
Adjustments:				
Encumbrances			1,876,947	
Fund balance - end of year - GAAP basis			\$ 3,651,613	
Net change in fund balance - budget basis			\$ 1,642,128	
Adjustments:				
Encumbrances - beginning of year			(10,911)	
Encumbrances - end of year			1,876,947	
Net change in fund balance - GAAP basis			\$ 3,508,164	

**CITY OF BRANSON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

Schedule of Changes in Net Pension Liability and Related Ratios*

<i>Fiscal year ending December 31,</i>	2018	2017	2016	2015
Total Pension Liability				
Service Cost	\$ 1,525,600	\$ 1,417,413	\$ 1,352,747	\$ 1,347,957
Interest on the Total Pension Liability	3,358,620	3,102,353	2,827,004	2,661,466
Difference between expected and actual experience	676,175	455,911	(479,297)	(461,358)
Assumption Changes	-	-	1,376,648	-
Benefit Payments	(1,699,265)	(1,295,988)	(1,325,410)	(1,210,854)
Net Change in Total Pension Liability	3,861,130	3,679,689	3,751,692	2,337,211
Total Pension Liability beginning	46,411,114	42,731,425	38,979,733	36,642,522
Total Pension Liability ending	\$ 50,272,244	\$ 46,411,114	\$ 42,731,425	\$ 38,979,733
Plan Fiduciary Net Position				
Contributions-employer	\$ 1,570,838	\$ 1,451,423	\$ 1,391,471	\$ 1,387,590
Contributions-employee	479,272	456,371	430,515	401,034
Pension Plan Net Investment income	5,629,289	4,611,656	(56,853)	721,022
Benefit Payments	(1,699,265)	(1,295,988)	(1,325,410)	(1,210,854)
Pension Plan Administrative expense	(35,259)	(34,560)	(32,222)	(34,206)
Other	66,727	18,678	77,322	234,691
Net Change in Plan Fiduciary Net Position	6,011,602	5,207,580	484,823	1,499,277
Plan Fiduciary Net Position beginning	43,780,043	38,572,463	38,087,640	36,588,363
Plan Fiduciary Net Position ending	\$ 49,791,645	\$ 43,780,043	\$ 38,572,463	\$ 38,087,640
Employer Net Pension Liability	\$ 480,599	\$ 2,631,071	\$ 4,158,962	\$ 892,093
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	99.04%	94.33%	90.27%	97.71%
Covered Payroll **	\$ 11,493,657	\$ 11,094,683	\$ 10,044,006	\$ 9,931,048
Employer's Net Pension Liability as a percentage of covered employee payroll	4.18%	23.71%	41.41%	8.98%

Notes to schedule:

* GASB 68 requires presentation of ten years. As of December 31, 2018, only four years of information is available

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

**CITY OF BRANSON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$1,593,229	\$1,556,515	\$1,322,437	\$1,387,947	\$1,484,882	\$1,486,822	\$1,415,810	\$1,344,555	\$1,015,825	\$928,942
Contributions in relation to the actuarially determined contribution	1,593,229	1,556,515	1,322,438	1,377,017	1,456,538	1,368,240	1,269,236	1,199,751	955,321	928,942
Contribution deficiency (excess)	\$ -	\$ -	\$ (1)	\$ 10,930	\$ 28,344	\$ 118,582	\$ 146,574	\$ 144,804	\$ 60,504	\$ -
Covered payroll	\$12,202,879	\$11,772,556	\$10,623,124	\$10,207,057	\$10,295,108	\$9,802,448	\$9,762,376	\$9,812,494	\$9,148,437	\$8,769,605
Contributions as a percentage of covered-employee payroll	13.06%	13.22%	12.45%	13.49%	14.15%	13.96%	13.00%	12.23%	10.44%	10.59%

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

**CITY OF BRANSON, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

Notes to Schedule of Contributions

Valuation Date February 28, 2018

Notes: The roll-forward of the total pension liability from February 28, 2018 to June 30, 2018 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age Normal and Modified Terminal Funding

Amortization method A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining amortization period Multiple bases from 11 to 20 years

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

Inflation assumption 3.25% wage inflation; 2.5% price inflation

Salary increases 3.25% to 6.55% including wage inflation

Investment rate of return 7.25%, net of investment expense

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

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

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

CITY OF BRANSON, MISSOURI

Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total OPEB Liability	2018
Service cost	\$ 148,301
Interest	71,387
Changes of assumptions	(117,959)
Benefit payments	(62,434)
Net change in total OPEB liability	39,295
Total OPEB liability - beginning	1,843,824
Total OPEB liability - ending	\$ 1,883,119
 Covered payroll	 \$ 12,117,565
 Total OPEB liability as a percentage of covered payroll	 16%

* - Data became available with the inception of GASB 75 during fiscal year 2018, therefore 10 years of data is unavailable.

Note: No assets are accumulated in a trust to pay related benefits for this plan.

Changes in assumption and other inputs reflect the effects of changes in the discount rate each period:
- The discount rate increased from 3.64% on December 31, 2017 to 4.18% on December 31, 2018.



The City of Branson is committed to its citizens and to those who visit here, to ensure a safe and environmentally sound community. We will work as a team to maintain and promote the growth of our City, and to provide professional, courteous service to all through fair and open communication. We look to tomorrow, remembering yesterday, dedicated to excellence today.

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

CITY OF BRANSON, MISSOURI
Combining Balance Sheet - General Fund
December 31, 2018

	General	Convention Center	Recreation	Total
Assets				
Cash and investments	\$ 5,946,831	\$ 832,309	\$ 593,351	\$ 7,372,491
Receivables, net:				
Taxes	2,408,073	-	-	2,408,073
Leases	114,485	-	-	114,485
Other	194,709	36,320	13,632	244,661
Due from other funds	120,381	20,660	-	141,041
Prepays and inventories	130,008	92,939	-	222,947
Total assets	<u>\$ 8,914,487</u>	<u>\$ 982,228</u>	<u>\$ 606,983</u>	<u>\$ 10,503,698</u>
Liabilities				
Accounts payable	\$ 248,648	\$ 433,527	\$ 70,621	\$ 752,796
Accrued liabilities	483,387	-	28,528	511,915
Deposits	144,360	-	-	144,360
Due to other funds	503,160	-	-	503,160
Advance payable	710,377	-	-	710,377
Total liabilities	<u>2,089,932</u>	<u>433,527</u>	<u>99,149</u>	<u>2,622,608</u>
Deferred inflows of resources				
Unavailable revenue - property taxes	1,330,995	-	-	1,330,995
Fund Balances				
Nonspendable:				
Prepays and inventory	130,008	92,939	-	222,947
Other asset	-	-	-	-
Unassigned (deficit)	5,363,552	455,762	507,834	6,327,148
Total fund balances	<u>5,493,560</u>	<u>548,701</u>	<u>507,834</u>	<u>6,550,095</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 8,914,487</u>	<u>\$ 982,228</u>	<u>\$ 606,983</u>	<u>\$ 10,503,698</u>

CITY OF BRANSON, MISSOURI
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances -
General Fund
For the year ended December 31, 2018

	General	Convention Center	Recreation	Eliminations	Total
Revenues:					
Taxes	\$ 13,503,115	\$ -	\$ 70,611	\$ -	\$ 13,573,726
Licenses and permits	931,887	-	12,833	-	944,720
Court fines	169,310	-	-	-	169,310
Lease and rent	1,544,418	-	-	-	1,544,418
Charges for services	1,404,541	4,668,458	1,633,308	-	7,706,307
Intergovernmental	-	-	-	-	-
Interest income	187,684	-	-	-	187,684
Miscellaneous	98,117	-	154,744	-	252,861
Total revenues	<u>17,839,072</u>	<u>4,668,458</u>	<u>1,871,496</u>	<u>-</u>	<u>24,379,026</u>
Expenditures:					
Current:					
General government	5,726,516	-	-	-	5,726,516
Public safety	-	-	-	-	-
Public works	734,072	-	-	-	734,072
Engineering	689,255	-	-	-	689,255
Community development	1,009,306	-	-	-	1,009,306
Culture and recreation	-	-	2,521,760	-	2,521,760
Convention center	-	5,166,315	-	-	5,166,315
Debt service:					
Principal retirement	236,420	-	-	-	236,420
Interest and fiscal charges	56,939	-	-	-	56,939
Total expenditures	<u>8,452,508</u>	<u>5,166,315</u>	<u>2,521,760</u>	<u>-</u>	<u>16,140,583</u>
Excess of revenues over (under) expenditures	9,386,564	(497,857)	(650,264)	-	8,238,443
Other financing sources (uses):					
Sale of assets	157,338	-	-	-	157,338
Transfers in	392,208	389,152	810,000	(1,329,645)	261,715
Transfers (out)	(10,330,427)	-	-	1,329,645	(9,000,782)
Total other financing sources (uses)	<u>(9,780,881)</u>	<u>389,152</u>	<u>810,000</u>	<u>-</u>	<u>(8,581,729)</u>
Net change in fund balances	(394,317)	(108,705)	159,736	-	(343,286)
Fund balances - beginning of year	5,887,877	657,406	348,098	-	6,893,381
Fund balances (deficit) - end of year	<u>\$ 5,493,560</u>	<u>\$ 548,701</u>	<u>\$ 507,834</u>	<u>\$ -</u>	<u>\$ 6,550,095</u>

CITY OF BRANSON, MISSOURI
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2018

Assets	<u>Debt Service</u>	<u>Perpetual Care</u>	<u>Total Other Governmental Funds</u>
Cash and investments			
Receivables, net:	\$ 2,583,294	\$ 5,210	\$ 2,588,504
Taxes	452	-	452
Due from other funds	33,454	-	33,454
Restricted Investments	3,638	-	3,638
Total assets	<u>\$ 2,620,838</u>	<u>\$ 5,210</u>	<u>\$ 2,626,048</u>
Fund Balances			
Nonspendable:			
Perpetual care	-	5,210	5,210
Restricted for:			
Debt Service	2,620,838	-	2,620,838
Total fund balances	<u>2,620,838</u>	<u>5,210</u>	<u>2,626,048</u>
Total liabilities and fund balance	<u>\$ 2,620,838</u>	<u>\$ 5,210</u>	<u>\$ 2,626,048</u>

CITY OF BRANSON, MISSOURI
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Non-Major Governmental Funds
For the year ended December 31, 2018

	<u>Debt Service</u>	<u>Perpetual Care</u>	<u>Total Other Governmental Funds</u>
Revenues:			
Taxes	\$ 186,866	\$ -	\$ 186,866
Intergovernmental	77,673	100	77,773
Interest income	4,265	-	4,265
Total revenues	<u>268,804</u>	<u>100.00</u>	<u>268,904</u>
Expenditures:			
Debt service:			
Principal retirement	1,580,000	-	1,580,000
Interest and fiscal charges	1,350,531	-	1,350,531
Total expenditures	<u>2,930,531</u>	<u>-</u>	<u>2,930,531</u>
Excess of revenues over (under) expenditures	<u>(2,661,727)</u>	<u>100.00</u>	<u>(2,661,627)</u>
Other financing sources (uses):			
Transfers in	<u>2,445,317</u>	<u>-</u>	<u>2,445,317</u>
Total other financing sources (uses)	<u>2,445,317</u>	<u>-</u>	<u>2,445,317</u>
Net change in fund balances	<u>(216,410)</u>	<u>100.00</u>	<u>(216,310)</u>
Fund balances - beginning of year	<u>2,837,248</u>	<u>5,110</u>	<u>2,842,358</u>
Fund balances - end of year	<u>\$ 2,620,838</u>	<u>\$ 5,210</u>	<u>\$ 2,626,048</u>

**City of Branson, Missouri
Combining Balance Sheet
Tax Increment Financing Commission
December 31, 2018**

	Branson Landing	Branson Hills	Total
Assets			
Cash and investments	\$ 1,236,585	\$ 734,248	\$ 1,970,833
Receivables:			
Intergovernmental	1,278,642	867,664	2,146,306
Due from other funds	493,795	295,542	789,337
Restricted cash and investments	12,155,385	6,472,351	18,627,736
Total assets	\$ 15,164,407	\$ 8,369,805	\$ 23,534,212
Liabilities			
Liabilities:			
Accounts payable	\$ -	\$ 1,950	\$ 1,950
Total liabilities	-	1,950	1,950
Deferred inflows of resources			
Unavailable revenue - property taxes	528,945	222,683	751,628
Fund balances:			
Restricted for debt service	14,635,462	8,145,172	22,780,634
Total fund balances	14,635,462	8,145,172	22,780,634
Total deferred inflows, and fund balances	\$ 15,164,407	\$ 8,369,805	\$ 23,534,212

City of Branson, Missouri
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Tax Increment Financing Commission
For the year ended December 31, 2018

	Branson Landing	Branson Hills	Total
Revenues:			
Taxes	\$ 2,896,095	\$ 1,480,192	\$ 4,376,287
Tax increment financing	6,194,040	4,168,999	10,363,039
Lease revenues	455,000	-	455,000
Interest	448,405	110,512	558,917
Total revenues	<u>9,993,540</u>	<u>5,759,703</u>	<u>15,753,243</u>
Expenditures			
Debt service:			
Principal	4,500,000	2,830,000	7,330,000
Interest	4,794,713	2,643,626	7,438,339
Total expenditures	<u>9,294,713</u>	<u>5,473,626</u>	<u>14,768,339</u>
Excess of revenues over (under) expenditures	698,827	286,077	984,904
Other financing sources (uses):			
Capital contributions	(25,048)	15,216	(9,832)
Transfers out	(679,453)	-	(679,453)
Total other financing sources (uses)	<u>(704,501)</u>	<u>15,216</u>	<u>(689,285)</u>
Net change in fund balances	(5,674)	301,293	295,619
Fund balances - beginning of year	<u>14,641,136</u>	<u>7,843,879</u>	<u>22,485,015</u>
Fund balances - end of year	<u>\$ 14,635,462</u>	<u>\$ 8,145,172</u>	<u>\$ 22,780,634</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, 2018

	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (negative)
Revenues:			
Charges for services	\$ 4,599,134	\$ 4,668,458	\$ 69,324
Total revenues	<u>4,599,134</u>	<u>4,668,458</u>	<u>69,324</u>
Expenditures:			
Convention center	4,832,890	5,166,315	(333,425)
Total expenditures	<u>4,832,890</u>	<u>5,166,315</u>	<u>(333,425)</u>
Excess of revenues over (under) expenditures	(233,756)	(497,857)	(264,101)
Other financing sources (uses):			
Transfers in	897,000	389,152	(507,848)
Total other financing sources (uses)	<u>897,000</u>	<u>389,152</u>	<u>(507,848)</u>
Change in fund balances	<u>\$ 663,244</u>	(108,705)	<u>\$ (771,949)</u>
Fund balances, beginning of year		<u>657,406</u>	
Fund balances, end of year		<u>\$ 548,701</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, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 78,000	\$ 70,611	\$ (7,389)
Licenses and permits	-	12,833	12,833
Charges for services	1,624,000	1,633,308	9,308
Miscellaneous	-	154,744	154,744
Total revenues	1,702,000	1,871,496	169,496
Expenditures:			
Culture and recreation	2,606,486	2,520,760	85,726
Excess of revenues over (under) expenditures	(904,486)	(649,264)	255,222
Other financing sources (uses):			
Transfers in	810,000	810,000	-
Total other financing sources (uses)	810,000	810,000	-
Change in fund balances	\$ (94,486)	160,736	\$ 255,222
Fund balance, beginning of year		347,098	
Fund balance - end of year - budget basis		507,834	
Adjustments:			
Encumbrances		-	
Fund balance, end of year		\$ 507,834	
Net change in fund balance - budget basis		\$ 160,736	
Adjustments:			
Encumbrances - beginning of year		(1,000)	
Encumbrances - end of year		-	
Net change in fund balance - GAAP basis		\$ 159,736	

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, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 212,259	\$ 264,539	\$ 52,280
Interest income	-	4,265	4,265
Total revenues	<u>212,259</u>	<u>268,804</u>	<u>56,545</u>
Expenditures:			
Debt Service:			
Principal	1,580,000	1,580,000	-
Interest	1,350,531	1,350,531	-
Total expenditures	<u>2,930,531</u>	<u>2,930,531</u>	<u>-</u>
Excess of revenues over (under) expenditures	(2,718,272)	(2,661,727)	56,545
Other Financing Sources (Uses)			
Transfers in	1,966,887	2,445,317	478,430
Total other financing sources (uses)	<u>1,966,887</u>	<u>2,445,317</u>	<u>478,430</u>
Change in fund balances	<u>\$ (751,385)</u>	(216,410)	<u>\$ 534,975</u>
Fund balance, beginning of year		<u>2,837,248</u>	
Fund balance, end of year		<u>\$ 2,620,838</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, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Miscellaneous	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Capital outlay	\$ 990,000	\$ 662,420	\$ 327,580
Total expenditures	<u>990,000</u>	<u>662,420</u>	<u>327,580</u>
Excess of revenues over (under) expenditures	(990,000)	(662,420)	327,580
Other financing sources (uses):			
Transfers in	990,000	881,401	(108,599)
Total other financing sources (uses)	<u>990,000</u>	<u>881,401</u>	<u>(108,599)</u>
Change in fund balances	<u>\$ -</u>	218,981	<u>\$ 218,981</u>
Fund balance, beginning of year		<u>338,098</u>	
Fund balance - end of year		<u>\$ 557,079</u>	
Adjustments:			
Encumbrances		364,745	
Fund balance - end of year - GAAP basis		<u>\$ 921,824</u>	
Net change in fund balance - budget basis		\$ 218,981	
Adjustments:			
Encumbrances - beginning of year		-	
Encumbrances - end of year		364,745	
Net change in fund balance - GAAP basis		<u>\$ 583,726</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, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 2,907,764	\$ 2,896,095	\$ (11,669)
Tax increment financing	6,325,297	6,194,040	(131,257)
Lease revenues	455,000	455,000	-
Investment income	369,000	448,405	79,405
Total revenues	<u>10,057,061</u>	<u>9,993,540</u>	<u>(63,521)</u>
Expenditures:			
Debt Service:			
Principal	4,500,000	4,500,000	-
Interest	4,796,663	4,794,713	1,950
Finance	3,000	-	3,000
Total expenditures	<u>9,299,663</u>	<u>9,294,713</u>	<u>4,950</u>
Excess of revenues over (under) expenditures	757,398	698,827	(58,571)
Other Financing Sources (Uses)			
Capital contributions	-	(25,048)	(25,048)
Transfers out	-	(679,453)	(679,453)
Total other financing sources (uses)	<u>-</u>	<u>(704,501)</u>	<u>(704,501)</u>
Change in fund balances	<u>\$ 757,398</u>	(5,674)	<u>\$ (763,072)</u>
Fund balance, beginning of year		<u>14,641,136</u>	
Fund balance, end of year		<u>\$ 14,635,462</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, 2018

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 801,050	\$ 1,480,192	\$ 679,142
Tax increment financing	4,822,828	4,168,999	(653,829)
Interest	37,269	110,512	73,243
Total revenues	5,661,147	5,759,703	98,556
Expenditures:			
Debt Service:			
Principal	2,830,000	2,830,000	-
Interest	2,643,626	2,643,626	-
Total expenditures	5,473,626	5,473,626	-
Other Financing Sources (Uses)			
Capital contributions	15,216	15,216	-
Total other financing sources (uses)	15,216	15,216	-
Change in fund balances	\$ 202,737	301,293	\$ 98,556
Fund balance, beginning of year		7,843,879	
Fund balance, end of year		\$ 8,145,172	

CITY OF BRANSON, MISSOURI

Statement of Changes in Assets and Liabilities -
Agency Fund
For the year ended December 31, 2018

Landscape Trust Fund	Balance December 31, 2017	Additions	Deductions	Balance December 31, 2018
Assets				
Cash and cash investments	<u>\$ 851,034</u>	<u>\$ 28,813</u>	<u>\$ 17,105</u>	<u>\$ 862,742</u>
Liabilities				
Due to others	<u>\$ 851,034</u>	<u>\$ 28,813</u>	<u>\$ 17,105</u>	<u>\$ 862,742</u>

**City of Branson, Missouri
Balance Sheet
Component Unit
December 31, 2018**

76 Entertainment Community Improvement District

Assets

Cash and investments	\$ 596,291
Intergovernmental receivables	78,626
Total assets	<u>\$ 674,917</u>

Liabilities

Liabilities:	
Accounts payable	\$ 2,743
Total liabilities	<u>2,743</u>

Fund balances:

Unrestricted	672,174
Total fund balances	<u>672,174</u>

Total deferred inflows, and fund balances	<u>\$ 674,917</u>
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City of Branson, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Component Unit
For the year ended December 31, 2018

76 Entertainment Community Improvement District

Revenues:	
Taxes	\$ 516,256
Investment income	8,338
Total revenues	<u>524,594</u>
Expenditures	
General government	<u>284,967</u>
Total expenditures	<u>284,967</u>
Net change in fund balances	239,627
Fund balances - beginning of year	<u>432,547</u>
Fund balances - end of year	<u><u>\$ 672,174</u></u>

Statistical Section

STATISTICAL SECTION

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

Contents

Table

Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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Revenue Capacity

These tables contain information to help the reader assess the City's most significant local revenue sources: sales tax, tourism tax, and property tax.

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Debt Capacity

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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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)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Government activities										
Net Investment										
in capital assets	\$ 144,289,962	\$ 129,557,224	\$ 126,777,920	\$ 123,688,092	\$ 122,866,191	\$ 115,739,014	\$ 115,152,798	\$ 127,898,033	\$ 129,168,601	\$ 136,800,200
Restricted	14,686,790	21,582,752	20,830,167	24,479,925	44,856,588	44,517,308	41,951,381	38,647,161	35,559,852	37,922,848
Unrestricted	14,845,152	9,950,868	5,922,405	2,753,471	(182,552,519)	(170,220,990)	(159,444,814)	(158,582,215)	(155,793,752)	(145,288,712)
Total governmental activities net position	<u>\$ 173,821,904</u>	<u>\$ 161,090,844</u>	<u>\$ 153,530,492</u>	<u>\$ 150,921,488</u>	<u>\$ (14,829,740)</u>	<u>\$ (9,964,668)</u>	<u>\$ (2,340,635)</u>	<u>\$ 7,962,979</u>	<u>\$ 8,934,701</u>	<u>\$ 29,434,336</u>
Business-type activities										
Net Investment										
in capital assets	\$ 75,955,579	\$ 81,930,467	\$ 81,599,165	\$ 79,235,984	\$ 77,211,991	\$ 74,602,930	\$ 72,229,268	\$ 72,789,732	\$ 70,899,056	\$ 68,555,489
Restricted	189,393	3,217,997	2,461,091	120,209	-	-	-	-	-	-
Unrestricted	4,123,488	4,435,196	4,765,345	7,205,369	7,380,807	8,476,846	9,659,818	8,029,447	7,088,715	7,938,868
Total business-type activities net position	<u>\$ 80,268,460</u>	<u>\$ 89,583,660</u>	<u>\$ 88,825,601</u>	<u>\$ 86,561,562</u>	<u>\$ 84,592,798</u>	<u>\$ 83,079,776</u>	<u>\$ 81,889,086</u>	<u>\$ 80,819,179</u>	<u>\$ 77,987,771</u>	<u>\$ 76,494,357</u>
Primary government										
Net Investment										
in capital assets	\$ 220,245,541	\$ 211,487,691	\$ 208,377,085	\$ 202,924,076	\$ 200,078,182	\$ 190,341,944	\$ 187,382,066	\$ 200,687,765	\$ 200,067,657	\$ 205,355,689
Restricted	14,876,183	24,800,749	23,291,258	24,600,134	44,856,588	44,517,308	41,951,381	38,647,161	35,559,852	37,922,848
Unrestricted (deficit)	18,968,640	14,386,064	10,687,750	9,958,840	(175,171,712)	(161,744,144)	(149,784,996)	(150,552,768)	(148,705,037)	(137,349,844)
Total primary government net position	<u>\$ 254,090,364</u>	<u>\$ 250,674,504</u>	<u>\$ 242,356,093</u>	<u>\$ 237,483,050</u>	<u>\$ 69,763,058</u>	<u>\$ 73,115,108</u>	<u>\$ 79,548,451</u>	<u>\$ 88,782,158</u>	<u>\$ 86,922,472</u>	<u>\$ 105,928,693</u>

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General government	\$ 4,813,249	\$ 6,288,554	\$ 6,508,380	\$ 7,317,045	\$ 7,559,988	\$ 7,332,752	\$ 6,095,239	\$ 6,573,714	\$ 7,057,095	\$ 6,095,805
Public safety	5,656,388	6,717,714	6,566,479	6,946,404	7,058,754	6,685,683	6,673,594	7,372,503	8,129,672	8,542,237
Public works	2,663,332	9,482,818	14,784,274	9,678,260	8,766,285	8,661,621	9,362,157	7,974,953	16,397,028	8,181,103
Engineering services	606,672	658,103	552,491	585,196	603,529	540,389	628,328	673,679	735,943	739,362
Community development	1,293,578	1,430,800	825,744	1,381,794	824,607	734,863	777,043	919,153	835,081	1,018,182
Culture and recreation	2,099,264	2,643,310	2,784,808	2,781,959	2,748,371	2,420,135	2,453,437	2,871,391	3,098,794	2,896,901
Convention Center	5,348,111	7,471,163	8,389,119	9,790,922	8,376,158	6,893,851	6,758,400	6,754,370	6,892,726	6,961,319
Tourism	2,392,731	2,248,108	3,634,159	2,282,803	2,716,287	2,516,263	3,249,908	2,401,175	2,979,235	3,397,493
Interest on long-term debt	3,635,473	3,824,038	2,800,553	3,343,781	12,354,440	12,018,310	10,555,017	10,431,870	10,452,754	9,631,194
Total governmental expense	<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>	<u>45,972,808</u>	<u>56,578,328</u>	<u>47,463,596</u>
Business-type activities:										
Water & sewer services	8,526,666	8,270,508	9,228,202	9,438,946	10,394,694	10,486,575	11,165,608	11,551,798	11,926,162	12,376,130
Total business-type activities expense	<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>11,165,608</u>	<u>11,551,798</u>	<u>11,926,162</u>	<u>12,376,130</u>
Total primary governmental expense	<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>\$ 57,718,731</u>	<u>\$ 57,524,606</u>	<u>\$ 68,504,490</u>	<u>\$ 59,839,726</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,746,768	\$ 2,802,297	\$ 2,694,761	\$ 3,683,018	\$ 2,508,255	\$ 2,705,888	\$ 2,748,871	\$ 2,834,494	\$ 4,394,667	\$ 3,549,662
Public safety	19,968	13,466	152,213	256,570	267,602	390,890	27,908	31,586	64,211	25,375
Public works	2,424	-	-	30,000	4,010	3,516	31,190	13,748	40,397	565,405
Engineering services	1,165	1,616	-	-	-	-	-	-	-	-
Community development	229,631	162,255	21,730	28,443	472,401	477,072	746,117	832,600	905,978	1,040,419
Culture and recreation	1,390,871	1,519,887	1,337,484	1,341,381	1,413,677	1,496,882	1,579,445	1,879,137	1,664,334	1,646,141
Convention center	4,001,137	4,637,819	4,986,726	6,648,205	5,038,015	3,709,824	4,556,378	4,337,371	4,401,905	4,668,457
Tourism	-	-	-	-	-	-	-	-	-	-
Operating grants & contributions	45,565	315,980	1,401,141	452,643	49,729	475,597	25,271	172,387	142,781	252,824
Capital grants & contributions	1,016,376	251,439	1,420,806	2,671,184	644,664	426,354	198,306	216,062	174,147	5,722,903
Total governmental program revenues	<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>	<u>\$ 10,317,385</u>	<u>\$ 11,788,420</u>	<u>\$ 17,471,186</u>

Changes in Net Position, Cont.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for services - water & sewer	\$ 5,856,243	\$ 6,077,393	\$ 6,991,270	\$ 6,972,901	\$ 7,100,903	\$ 7,268,825	\$ 7,376,804	\$ 8,109,639	\$ 8,536,453	\$ 8,790,151
Capital grants & contributions	1,199,077	3,996,655	788,201	119,837	455,753	893,453	401,987	1,267,680	432,346	1,496,257
Total business-type activities program revenues	7,055,320	10,074,048	7,779,471	7,092,738	7,556,656	8,162,278	7,778,791	9,377,319	8,968,799	10,286,408
Total primary governmental program revenues	\$ 16,509,225	\$ 19,778,807	\$ 19,794,332	\$ 22,204,182	\$ 17,955,009	\$ 17,848,301	\$ 17,692,277	\$ 19,694,704	\$ 20,757,219	\$ 27,757,594
Net (expense)revenue										
Governmental activities	\$ (19,054,893)	\$ (31,059,849)	\$ (34,831,146)	\$ (28,996,720)	\$ (40,610,066)	\$ (38,117,844)	\$ (36,639,637)	\$ (35,655,423)	\$ (44,789,908)	\$ (29,992,410)
Business-type activities	(1,471,346)	1,803,540	(1,448,731)	(2,346,208)	(2,838,038)	(2,324,297)	(3,386,817)	(2,174,479)	(2,957,363)	(2,089,722)
Total primary governmental net expense	\$ (20,526,239)	\$ (29,256,309)	\$ (36,279,877)	\$ (31,342,928)	\$ (43,448,104)	\$ (40,442,141)	\$ (40,026,454)	\$ (37,829,902)	\$ (47,747,271)	\$ (32,082,132)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property tax	\$ 2,370,101	\$ 2,560,923	\$ 2,648,293	\$ 2,553,081	\$ 2,649,129	\$ 2,548,007	\$ 2,656,996	\$ 2,705,460	\$ 2,732,499	\$ 2,770,947
Sales tax	12,102,118	12,321,436	12,478,162	12,459,908	12,696,407	16,402,367	16,896,104	17,662,010	17,185,398	22,682,678
Tourism tax	10,888,188	10,907,769	10,453,937	10,321,084	11,110,923	11,862,618	12,149,089	13,284,968	13,115,362	13,479,554
Other taxes	1,360,473	1,396,916	1,453,969	1,232,656	1,418,674	1,952,282	1,725,996	1,694,796	1,686,608	1,676,491
Intergovernmental Activity taxes	-	-	-	-	10,263,563	10,123,821	10,543,454	10,889,839	10,422,701	10,363,039
Other	-	-	-	-	9,297	-	-	8,151	10,130	13,464
(Loss)/gain on sale of capital assets	-	104,256	15,047	17,870	29,814	-	-	-	-	-
Unrestricted investment earnings	876,037	888,518	885,386	681,791	876,763	861,000	1,431,890	791,407	651,932	877,979
Insurance recoveries	-	-	-	-	-	31,780	-	-	-	-
Transfers out	(1,000,000)	(8,061,223)	(664,000)	(55,000)	(852,590)	(798,959)	(1,980,000)	(1,077,594)	(109,654)	(745,811)
Total governmental activities	26,596,917	20,118,595	27,270,794	27,211,390	38,201,980	42,982,916	43,423,529	45,959,037	45,694,976	51,118,341
Business-type activities:										
Unrestricted investment earnings	48,041	31,030	23,919	26,422	16,684	12,316	21,381	26,978	16,301	4,953
Gain of sale of capital assets	-	-	2,753	747	-	-	-	-	-	-
Transfers in	1,000,000	8,061,223	664,000	55,000	852,590	798,959	1,980,000	1,077,594	109,654	745,811
Total business-type activities	1,048,041	8,092,253	690,672	82,169	869,274	811,275	2,001,381	1,104,572	125,955	750,764
Total primary government	\$ 27,644,958	\$ 28,210,848	\$ 27,961,466	\$ 27,293,559	\$ 39,071,254	\$ 43,794,191	\$ 45,424,910	\$ 47,063,609	\$ 45,820,931	\$ 51,869,105
Change in Net Position										
Governmental activities	\$ 7,542,024	\$ (10,941,254)	\$ (7,560,352)	\$ (1,785,330)	\$ (2,408,086)	\$ 4,865,072	\$ 6,783,892	\$ 10,303,614	\$ 905,068	\$ 21,125,931
Business-type activities	(423,305)	9,895,793	(758,059)	(2,264,039)	(1,968,764)	(1,513,022)	(1,385,436)	(1,069,907)	(2,831,408)	(1,338,958)
Total primary government	\$ 7,118,719	\$ (1,045,461)	\$ (8,318,411)	\$ (4,049,369)	\$ (4,376,850)	\$ 3,352,050	\$ 5,398,456	\$ 9,233,707	\$ (1,926,340)	\$ 19,786,973

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)

	<u>2009</u>								
General Fund									
Reserved	\$ 1,319,086								
Unreserved	5,739,682								
Total General Fund	<u>\$ 7,058,768</u>								
All other governmental funds									
Reserved	\$ 19,583,280								
Unreserved, reported in:									
Special revenue funds	5,357,555								
Capital project funds	(10,675,562)								
Debt service funds	56,553								
Permanent funds	-								
Total all other governmental funds	<u>\$ 14,321,826</u>								
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund									
Nonspendable	\$ 27,612	\$ 1,242,963	\$ 1,233,132	\$ 1,201,990	\$ 1,313,165	\$ 1,344,852	\$ 215,770	\$ 214,907	\$ 222,947
Committed	-	45,315	57,280	133,997	133,997	133,997	18,968	-	-
Assigned	65,075	130,506	36,896	30,384	30,384	30,384	39,497	-	-
Unassigned	5,463,010	6,688,556	5,662,339	4,736,771	4,795,385	5,793,474	6,600,566	6,821,923	6,327,148
	<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>	<u>\$ 6,874,801</u>	<u>\$ 7,036,830</u>	<u>\$ 6,550,095</u>
All other governmental funds									
Nonspendable	\$ 92,690	\$ 4,660	\$ 4,910	\$ 4,910	\$ 4,910	\$ 1,005,110	\$ 5,110	\$ 5,110	\$ 5,210
Restricted	22,597,488	20,825,507	24,475,015	44,851,678	45,549,880	42,384,413	39,949,331	36,919,091	42,822,146
Committed	463,660	-	-	428,847	-	-	904,418	807,880	710,377
Assigned	3,774,721	3,638,638	3,321,522	1,719,943	2,073,297	672,446	635,867	338,098	921,824
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>	<u>\$ 41,494,726</u>	<u>\$ 38,070,179</u>	<u>\$ 44,459,557</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)										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 26,668,284	\$ 27,076,663	\$ 27,069,935	\$ 26,635,541	\$ 31,057,777	\$ 32,556,847	\$ 33,422,273	\$ 35,342,355	\$ 34,753,078	\$ 40,422,979
Licenses and permits	648,553	594,662	630,822	752,465	751,652	952,870	661,590	783,214	852,069	969,735
Court fines	653,158	721,396	462,319	424,167	444,825	498,717	395,143	237,417	207,727	169,310
Charges for services	6,506,679	6,537,071	7,028,189	5,342,403	7,095,138	6,147,508	7,109,600	7,223,801	7,383,873	7,706,307
Lease and rent	1,202,484	1,299,524	1,270,272	1,082,494	1,538,945	1,633,637	1,658,575	1,732,489	1,870,966	1,999,418
Lease termination	-	-	1,420,806	-	-	-	-	-	-	-
Intergovernmental activity	216,243	315,981	67,057	1,292,613	10,263,563	10,123,821	10,543,454	10,889,839	10,779,731	10,614,669
Contributions from component unit	-	-	1,234,122	425,632	49,729	-	-	-	-	-
Investment earnings	876,037	888,518	885,386	681,791	876,763	861,000	1,431,890	791,407	651,932	877,979
Miscellaneous and contributions	107,630	313,010	353,163	184,270	306,118	1,032,522	553,062	1,031,996	409,041	929,809
Total revenues	\$ 36,879,068	\$ 37,746,825	\$ 40,422,071	\$ 36,821,376	\$ 52,384,510	\$ 53,806,922	\$ 55,775,587	\$ 58,032,518	\$ 56,908,417	\$ 63,690,206
Expenditures										
General government	\$ 4,813,249	\$ 5,919,194	\$ 5,399,751	\$ 6,508,377	\$ 6,705,697	\$ 6,872,357	\$ 5,514,797	\$ 5,994,443	\$ 5,938,293	\$ 5,872,744
Public safety	5,656,388	5,980,396	6,452,560	6,917,136	6,837,956	6,638,367	6,822,224	7,236,632	7,715,134	8,373,794
Public works	2,663,332	3,128,528	3,875,368	4,166,290	4,119,375	3,913,635	5,324,229	4,160,826	5,231,650	4,973,336
Engineering	606,672	595,835	487,858	516,275	508,776	510,405	571,624	627,763	676,951	689,255
Community Development	1,293,578	1,359,711	825,744	1,376,767	820,381	732,572	771,982	919,153	830,492	863,078
Culture and recreation	2,099,264	2,020,121	2,141,406	2,217,011	2,194,652	2,146,143	2,225,512	2,519,170	2,683,548	2,521,760
Convention Center	5,348,111	5,385,970	5,645,608	7,163,096	5,698,650	4,596,620	4,685,516	4,736,154	4,944,870	5,166,315
Tourism	2,392,731	2,479,293	3,897,022	2,282,803	2,946,340	2,516,263	3,249,908	2,401,175	2,979,235	3,397,493
Capital outlay	6,224,332	745,892	6,588,219	372,336	4,619,594	2,267,075	6,843,694	10,341,417	15,705,541	2,124,093
Debt service:										
Principal	2,787,000	2,927,000	3,062,869	3,978,187	9,463,804	9,263,333	10,925,708	11,370,810	9,981,267	13,548,821
Cost of Issuance	-	-	691,412	-	-	-	425,741	-	-	-
Interest	3,635,473	3,683,624	2,745,690	3,254,415	12,173,553	11,782,615	10,151,445	10,444,343	10,261,690	9,671,293
Advance refunding payment	-	-	5,490,478	-	-	-	-	-	-	-
Total expenditures	\$ 37,520,130	\$ 34,225,564	\$ 47,303,985	\$ 38,752,693	\$ 56,088,778	\$ 51,239,385	\$ 57,512,380	\$ 60,751,886	\$ 66,948,671	\$ 57,201,982
Excess of revenues over (under) expenditures	(641,062)	3,521,261	(6,881,914)	(1,931,317)	(3,704,268)	2,567,537	(1,736,793)	(2,719,368)	(10,040,254)	6,488,224
Other financing sources (uses)										
Transfers in (out)	(1,000,000)	(8,061,223)	(664,000)	(55,000)	(852,590)	(852,590)	(1,971,091)	(1,069,139)	(99,533)	(745,811)
Notes Issuance	-	-	-	8,084	46,319	46,319	1,419	793,358	12,000,000	-
Proceeds from the sale of capital assets	-	-	-	8,084	46,319	46,319	1,419	-	64,271	160,230
Insurance recoveries	-	-	-	4,234,773	216,801	216,801	-	-	-	-
Capital contribution	-	-	-	-	-	-	-	-	(7,135,652)	-
Bonds issued	-	15,535,000	-	-	-	-	62,560,000	-	36,693,665	-
Issuance premium on bonds	-	(98,377)	-	-	-	-	6,822,564	-	335,837	-
Payments to refunded bond escrow agent	-	(7,854,917)	(35,788,589)	-	-	-	(68,769,444)	-	(35,080,852)	-
Bonds, notes or leases issued, net	-	-	42,527,636	-	139,099	139,099	-	-	-	-
Total other financing sources (uses)	(1,000,000)	(479,517)	6,075,047	4,187,857	(450,371)	(450,371)	(1,356,552)	(275,781)	6,777,736	(585,581)
Net change in fund balances	\$ (1,641,062)	\$ 3,041,744	\$ (806,867)	\$ 2,256,540	\$ (4,154,639)	\$ 2,117,166	\$ (3,093,345)	\$ (2,995,149)	\$ (3,262,518)	\$ 5,902,643
Debt service as a percentage of noncapital expenditures	20.52%	19.75%	15.96%	18.84%	42.04%	42.98%	42.44%	43.28%	39.50%	42.16%

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>
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
2016	2,699,618	14,155,555	416,102	220,278	1,163,718	89,653	12,293,076	31,038,000
2017	2,745,181	13,691,359	424,453	249,427	1,196,737	73,166	12,072,872	30,453,195
2018	2,769,867	15,498,931	424,970	177,421	1,303,339	70,611	12,364,279	32,609,418

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.

Note: Under the Sales Tax category, a Public Safety Tax was added in 2018.

Table 6

CITY OF BRANSON, MISSOURI TAXABLE SALES BY CATEGORY LAST TEN FISCAL YEARS											
TAXPAYER CATEGORY		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
		TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
		SALES	SALES	SALES	SALES	SALES	SALES	SALES	SALES	SALES	SALES
General Merchandise	Retail	\$ 293,755,942	\$ 305,409,447	\$ 304,129,831	\$ 304,221,868	\$ 317,482,589	\$319,781,532	\$337,426,588	\$352,651,695	\$349,743,273	\$361,032,683
Apparel Stores	Retail	149,567,706	159,559,192	160,920,220	161,241,244	160,710,474	163,101,294	157,707,986	151,660,682	140,202,575	137,370,741
Eating & Drinking Estab.	Restaurant	139,578,728	144,308,545	136,259,334	137,183,377	142,971,391	150,784,134	162,112,204	167,827,081	170,603,961	166,753,198
Lodging and Campgrounds	Lodging	136,213,320	144,420,254	137,644,396	132,745,848	143,412,507	150,132,785	158,358,112	166,525,286	165,874,988	167,776,898
Theaters & Live Entertainment	Theater	110,920,763	110,492,928	104,837,779	103,111,671	102,825,242	109,628,537	105,402,652	118,924,449	107,223,022	108,749,372
Non-Theater Entertainment	Amusement	39,744,145	27,375,675	26,159,203	38,938,056	40,162,361	45,659,229	48,297,569	52,811,878	58,496,889	59,069,260
Grocery & Liquor Stores	Grocery	30,043,796	40,811,110	40,072,158	18,226,500	29,887,999	33,575,712	31,593,662	30,358,203	28,914,245	28,309,017
Automotive Sales, Leasing & Service	Automotive	26,532,936	31,155,749	30,760,824	26,660,992	21,571,973	31,557,138	31,593,662	42,933,973	46,463,482	46,649,999
Ice Cream, Candy, Coffee Shops	Restaurant	9,507,717	9,396,129	9,051,637	9,465,643	10,000,439	10,727,287	11,577,803	11,663,155	12,434,540	14,370,936
Other	Other	57,355,398	66,595,045	68,319,561	71,427,996	70,359,000	69,697,715	72,424,943	74,846,211	77,441,740	82,379,751
Total		\$ 993,220,451	\$ 1,039,524,074	\$1,018,154,943	\$1,003,223,195	\$1,039,383,975	\$1,084,645,363	\$1,116,495,181	\$1,170,202,613	\$1,157,398,715	\$1,172,461,855
N/A - Information not available											
City direct sales tax rate = 1.5%											
Information provided by City of Branson based on business tax filings with the Missouri Dept. of Revenue											
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 7

City of Branson, Missouri Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years					
Fiscal Year	City Direct Rate	Taney County	Ambulance District	Missouri State	Tourism* Enhancement
2009	1.500%	1.500%	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%
2016	1.500%	1.625%	0.250%	4.225%	1.000%
2017	1.500%	1.625%	0.250%	4.225%	1.000%
2018	2.000%	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*

City of Branson Sales Tax:

As of 2018, the City's tax consists of 1.0% General Sales, 0.5% Transportation and 0.5% Public Safety tax.

Table 8

**CITY OF BRANSON, MISSOURI
TOURISM TAX SALES BY CATEGORY
Last Ten Fiscal Years**

<u>TAXPAYER CATEGORY</u>		<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
	<u>Rate</u>										
Food & Beverage	0.5%	\$ 185,492,490	\$ 189,410,826	\$ 185,915,054	\$ 184,191,502	\$ 192,692,662	\$ 195,046,352	\$ 207,816,296	\$ 216,625,964	\$ 218,547,992	\$ 228,735,352
Hotel/Motel	4%	118,544,535	119,770,515	114,314,645	108,863,270	114,850,886	119,983,144	126,605,037	133,349,106	131,954,840	135,839,336
Theaters & Live Entertainment	4%	92,319,474	91,214,446	82,348,037	80,190,214	80,908,396	84,697,440	81,558,025	94,181,252	83,061,748	88,556,223
Amusements	4%	32,769,206	33,739,168	34,119,917	33,126,047	35,312,122	39,087,101	41,751,344	46,284,700	52,569,707	56,809,486
Overnight Rentals	4%	16,176,190	16,946,656	17,503,855	19,366,302	21,051,438	22,160,638	23,407,084	25,708,863	25,341,657	26,113,617
Campground	4%	2,516,223	2,772,319	2,222,503	2,384,765	2,535,074	2,856,730	2,949,664	3,270,352	3,280,101	3,556,751
Ticket & Package Resellers	4%	4,765,733	6,347,949	6,887,015	5,142,011	1,292,207	0	0	0	0	0
Total		\$452,583,851	\$460,201,879	\$443,311,026	\$433,264,111	\$448,642,785	\$463,831,405	\$484,087,450	\$519,420,236	\$514,756,045	\$539,610,765

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				Total Taxable Assessed Value	Total Direct Tax Rate		Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Agriculture	Personal Property	Residential	Commercial			
2009	93,546,920	327,653,640	800,410	58,490,528	480,491,498	4.6112	4.7612	1,700,183,943	28.26%
2010	124,023,461	265,362,796	866,180	59,963,492	450,215,929	4.6266	4.7766	1,670,939,514	26.94%
2011	146,247,385	279,274,073	928,940	56,826,281	483,276,679	4.6875	4.8375	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	4.8846	5.0346	1,779,492,309	26.53%
2014	146,345,757	264,379,295	1,253,490	50,725,309	462,703,851	4.9636	5.1136	1,760,584,931	26.28%
2015	155,318,764	248,114,476	1,232,900	47,468,397	452,134,537	5.0358	5.1858	1,746,942,710	25.88%
2016	142,397,524	252,484,406	1,084,010	48,444,326	444,410,266	5.1299	5.2799	1,694,308,826	26.23%
2017	148,190,521	239,805,458	1,062,820	51,213,437	440,272,236	5.1793	5.3293	1,693,391,233	26.00%
2018	148,120,399	241,819,101	1,025,490	52,436,014	443,401,004	5.1926	5.3426	1,702,708,500	26.04%

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

CITY OF BRANSON, MISSOURI PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS PER \$100 ASSESSED VALUATION LAST TEN FISCAL YEARS									
Fiscal Year	City of Branson	Branson R-4	State Levy	Handicapped	Sr. Citizens Service Fund	Health	Total Levy Resident	Surtax	Total Levy Commercial
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
2016	0.5942	4.2222	0.0300	0.0931	0.0500	0.1404	5.1299	0.1500	5.2799
2017	0.6023	4.2566	0.0300	0.1000	0.0500	0.1404	5.1793	0.1500	5.3293
2018	0.6077	4.2645	0.0300	0.1000	0.0500	0.1404	5.1926	0.1500	5.3426

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 2018 AND NINE YEARS AGO**

Taxpayer		2018			2009		
		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	1.85%	\$ 8,961,060	2	1.86%
Tanger Mall	Retail	6,855,170	2	1.55%	\$ 6,127,750	3	1.28%
Sight & Sound Theatre	Theater	6,217,210	3	1.40%	\$ 11,905,900	1	2.48%
Branson Landing Hotel	Lodging	4,950,080	4	1.12%	N/A	N/A	N/A
Shoppes at Branson Meadows	Retail	N/A	N/A	N/A	3,850,020	7	0.80%
Factory Merchants (Red Roof)	Retail	N/A	N/A	N/A	3,779,880	8	0.79%
Wal-Mart	Retail	3,492,300	5	0.79%	5,035,630	5	1.05%
Grand Palace	Theater	N/A	N/A	N/A	3,086,770	10	0.64%
Summit Natural Gas	Utilities	2,994,580	6	0.68%	N/A	N/A	N/A
Branson Promenade Hotel/Condos	Lodging	2,951,790	7	0.67%	5,772,900	4	1.20%
Mansion America Theater	Theater	2,258,660	8	0.51%	3,354,640	9	0.70%
Welk Resort	Theater & Lodging	2,251,610	9	0.51%	N/A	N/A	N/A
Radisson Hotel	Lodging	2,240,000	10	0.51%	\$ 4,178,350	6	0.87%
Totals		\$ 34,211,400		7.72%	\$ 47,091,840		9.80%

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 *
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%	366,827	2,502,793	102.71%
2011	2,501,491	2,396,963	95.82%	114,266	2,511,229	100.39%
2012	2,549,098	2,465,048	96.70%	86,656	2,551,704	100.10%
2013	2,555,077	2,459,780	96.27%	92,497	2,552,277	99.89%
2014	2,669,204	2,407,594	90.20%	33,771	2,441,365	91.46%
2015	2,557,410	2,527,505	98.83%	64,673	2,592,178	101.36%
2016	2,621,027	2,642,325	100.81%	96,344	2,738,669	104.49%
2017	2,712,328	2,675,349	98.64%	59,144	2,734,493	100.82%
2018	2,732,644	2,715,563	99.37%	-	2,715,563	99.37%

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

CITY OF BRANSON, MISSOURI								
Ratios of Outstanding Debt by Type								
Last Ten Fiscal Years								
Fiscal Year	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		Total Primary Government	Percentage of Personal Income	Per Capita
	Special Revenue Bonds	Notes Payable	Tax Increment Financing	Water & Sewer Revenue Bonds				
2009	64,539,000	-	-	620,000		65,159,000	32.75%	8,764
2010	68,907,000	-	-	480,000		69,387,000	32.91%	8,993
2011	64,592,000	5,639,767	-	330,000		70,561,767	31.79%	8,961
2012	61,119,000	5,134,580	-	170,000		66,423,580	25.31%	6,314
2013	57,681,000	3,482,875	185,145,190	-		246,309,065	89.70%	22,380
2014	53,373,552	2,389,804	182,462,989	-		238,226,345	82.60%	21,119
2015	49,094,406	2,304,835	170,080,190	-		221,479,431	72.18%	19,406
2016	44,625,000	2,331,600	164,020,190	-		210,976,790	68.76%	18,486
2017	41,175,000	13,545,333	159,888,003	-		214,608,336	69.94%	18,776
2018	36,410,000	12,091,512	152,558,003	-		201,059,515	65.53%	16,914

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

CITY OF BRANSON, MISSOURI Direct and Overlapping Governmental Activities Debt December 31, 2018			
<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	73,885,000	69.16%	\$ 51,096,148
Taney County	-	<u>45.39%</u>	<u>-</u>
Subtotal, overlapping debt			51,096,148
City of Branson - Direct debt			<u>201,059,515</u>
Total direct and overlapping debt			<u>\$ 252,155,663</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

CITY OF BRANSON, MISSOURI Legal Debt Margin Information LAST TEN FISCAL YEARS										
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt Limit	\$ 90,043,186	\$ 96,655,336	\$ 96,655,336	\$ 95,286,803	\$ 94,411,953	\$ 92,540,770	\$ 90,426,907	\$ 88,882,053	\$ 88,054,447	\$ 88,680,200
Total debt applicable to limit	<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>	<u>12,330,596</u>	<u>22,545,442</u>	<u>17,006,811</u>
Legal debt margin	<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>	<u>\$ 76,551,457</u>	<u>\$ 65,509,005</u>	<u>\$ 71,673,389</u>
Total net debt applicable to limit as a percentage of debt	22%	26%	23%	26%	24%	18%	26%	14%	26%	19%
Legal Debt Margin Calculation for Fiscal Year 2017										
										443,401,004
										88,680,200
										8,410,000
										12,091,512
										<u>20,501,512</u>
										(3,494,701)
										<u>17,006,811</u>
										<u>\$ 71,673,389</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</u> <u>Interest</u>		<u>Total</u>	<u>Coverage</u>
2009	10,888,188	3,913,635	8,495,457	2,357,000	1,545,988		3,902,988	2.18
2010	10,907,769	5,324,229	8,428,476	2,462,000	1,343,401		3,805,401	2.21
2011	10,453,937	4,160,826	6,556,915	2,455,000	1,591,946		4,046,946	1.62
2012	10,321,084	2,979,235	7,341,849	2,803,000	1,345,386		4,148,386	1.77
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
2016	12,293,076	2,401,175	9,891,901	3,070,000	708,179		3,778,179	2.62
2017	12,072,872	2,979,234	9,093,638	1,915,000	515,832		2,430,832	3.74
2018	12,364,279	3,351,777	9,012,502	3,185,000	418,253		3,603,253	2.50
<u>**Water & Sewer Revenue Bonds</u>								
	<u>Water & Sewer Revenues</u>	<u>Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Debt Service Requirements</u> <u>Interest</u>		<u>Total</u>	<u>Coverage</u>
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 was 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</u> <u>Interest</u>		<u>Total</u>	<u>Coverage</u>
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	39,798,581	43,400,498	(3,601,917)	1,340,000	1,478,981		2,818,981	(1.28)
2016	41,995,886	46,525,423	(4,529,537)	1,490,000	1,438,781		2,928,781	(1.55)
2017	41,341,507	53,175,249	(11,833,742)	1,535,000	1,394,081		2,929,081	(4.04)
2018	47,936,963	42,433,643	5,503,320	1,580,000	1,348,031		2,928,031	1.88
**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">CITY OF BRANSON, MISSOURI Demographic and Economic Statistics Last Ten Fiscal years</p>							
FISCAL YEAR	POPULATION	PERSONAL INCOME	AVERAGE ANNUAL WAGE	MEDIAN AGE	EDUCATION LEVEL IN YEARS OF SCHOOLING (county)	PUBLIC SCHOOL ENROLLMENT	UNEMPLOYMENT RATE
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	11,285	323,563,520	28,672	40.7	13.9	4,806	8.6%
2016	11,511	337,962,960	29,360	42.1	13.1	4,812	9.1%
2017	11,430	335,139,030	29,321	40.0	13.3	4,806	3.8%
2018	11,887	354,678,386	29,837	40.7	13.3	4,836	2.7%

Source: *Census.gov, MissouriEconomy.org, TaneyCountyPartnership.com*

Table 18

CITY OF BRANSON, MISSOURI (TANEY COUNTY) Principal Employers in Branson Area CURRENT YEAR AND NINE YEARS AGO							
Taxpayer		2018			2009		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Herschend Family Entertainment	Theme Parks	2,000	1	7.98%	400	5	1.80%
Kanakuk Kamps	Summer Camp	1,645	2	6.57%	N/A	N/A	0.00%
Big Cedar/Top of the Rock/Bass Pro	Hospitality/Retail	1,350	3	5.39%	550	4	2.47%
Cox Health (Skaggs)	Hospital/Medical	1,242	4	4.96%	1,139	1	5.11%
Branson Schools	Education	667	5	2.66%	558	3	2.50%
Wal-mart (2 stores)	Retail	541	6	2.16%	607	2	2.72%
Westgate Resorts	Lodging	475	7	1.90%	228	10	1.02%
Wyndham Resorts	Lodging	412	8	1.64%	231	9	1.04%
College of the Ozarks	Education	366	9	1.46%	258	7	1.16%
City of Branson	Government	350	10	1.40%	252	8	0.00%
	Totals	7,048		28.13%	3,823		16.03%

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

Table 19

CITY OF BRANSON, MISSOURI										
Full-time Equivalent City Government Employees by Function										
Last Ten Fiscal years										
<u>Full-time Equivalent Employees as of December 31, 2018</u>										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Administrative services	29	29	29	27	27	21	23	24	25	34
Finance	9	9	9	9	11	11	13	13	13	14
Planning	11	12	12	13	13	13	12	12	11	11
Police										
Officers	44	43	43	45	45	45	46	41	48	51
Civilians	12	15	15	15	15	15	15	22	17	20
Fire										
Firefighters	36	37	37	38	38	38	39	39	42	45
Civilians	2	2	2	2	2	2	1	2	2	2
Public Works/Utilities										
Facilities	20	11	11	10	10	10	8	8	10	2
Water	16	17	17	16	17	18	19	21	24	18
Wastewater	24	24	24	24	24	23	23	26	19	24
Other	5	8	8	13	13	21	22	24	21	22
Engineering	8	8	8	7	7	8	8	12	13	12
Parks & Recreation	11	18	18	18	18	18	18	20	20	22
TOTAL	227	233	233	237	240	243	247	264	265	277
Per City Budget	254	235	235	237	240	243	247	267	269	274
<i>Sources: Various government departments.</i>										

Table 20

CITY OF BRANSON, MISSOURI										
Operating Indicators by Function										
Last Ten Fiscal years										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
Police Department										
Physical arrests	1,338	1,771	1,682	1,263	1,281	1,407	927	1,441	1,425	1,612
Parking violations (CY)	2,103	2,192	1,845	2,076	2,225	2,125	4,007	2,511	2,989	2,328
Traffic violations	9,606	8,511	5,401	5,529	5,606	5,870	4,236	2,088	4,534	1,783
Fire Department										
Emergency Responses	3,296	3,574	2,402	3,627	3,215	3,745	4,077	4,398	4,428	4,868
Fires extinguished	66	56	76	77	98	63	18	31	56	62
Inspections	1,737	1,262	1,643	1,453	1,327	2,323	1,824	3,790	2,880	3,276
Planning & Development										
Building permits issued (CY)	1,740	1,506	1,438	1,882	1,488	1,438	1,367	1,439	1,459	1,677
Building inspections (CY)	3,598	3,900	3,390	3,685	2,628	3,408	3,825	3,550	4,051	4,491
Public Works										
Street Resurfacing	1.6	2	3.6	4.64	2.65	1.58	11.4	2.3	11	9.8
Potholes Repaired	1,912	1,080	2,606	7,273	3,854	4,223	2,241	3,493	351	348
New water connections	15	59	14	7	14	27	13	27	34	7
Water main breaks	47	112	101	74	68	120	62	80	101	16
Average daily consumption	3,357,000	3,468,906	3,464,452	3,463,386	3,443,134	3,451,852	3,349,000	3,424,169	3,248,273	3,212,246
Peak daily consumption	5,983,000	6,282,000	6,616,000	6,380,000	6,194,000	5,650,000	5,762,000	6,442,000	5,464,000	5,411,000
Average daily sewage treatment	4.16 mgd	4.12 mgd	4.46 mgd	3.83 mgd	4.06 mgd	3.76 mgd	7.05 mgd	5.36 mgd	5.36 mgd	5.36 mgd
Parks & Recreation										
Pool admissions	27,953	26,524	30,864	24,873	17,268	19,236	22,974	20,382	20,240	17,840
Golf - rounds	7,683	6,740	4,621	5,529	4,973	5,421	4,539	4,323	2,515	1,430
Athletic field - events	98	101	99	100	99	78	71	70	68	64
<i>Sources: Various government departments.</i>										
<i>Note: Indicators are not available for the general governmental function.</i>										

Table 21

CITY OF BRANSON, MISSOURI										
Capital Asset Statistics by Function/Program										
Last Ten Fiscal years										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
Police Department										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	2	2	0	0	0	0	0	0	0	0
Patrol Units	16	16	16	16	18	18	18	18	18	18
Fire Department										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works										
Street (miles)	0	97.5	97.5	97.5	88.55	88.55	88.55	94.5	94.5	94.5
Street Lights	0	1,631	1,643	1,625	1,633	1,676	1,675	1,664	1,662	1,662
* Traffic Signals	13	15	12	12	12	12	12	12	16	16
*Other traffic signals maintained by Missouri Dept of Transportation										
Utilities										
Water mains (miles)	95.3	93.86	95	95.15	95.15	95.15	100	102	103	106
Fire Hydrants	580	743	763	763	763	763	580	595	612	945
Storage capacity (thousand gals)	5,700,000	5,700,000	5,700,000	4,800,000	4,800,000	4,800,000	4,800,000	4,700,000	4,700,000	4,700,000
Utilities										
Sanitary sewers (miles)	172	231	233	233	234	234	210	210	210	218
Storm sewers (miles)	80	65	65	65	65	65	65	65	38.6	38.6
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
Parks & Recreation										
Acreage	290	290	290	290	290	290	290	300	300	300
Playgrounds	9	9	9	9	9	9	9	10	11	11
Baseball/softball fields	8	8	8	8	8	8	8	8	6	6
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	0
<i>Sources: Various government departments.</i>										
<i>Note: Indicators are not available for the general governmental function.</i>										

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and Board of Alderman
City of Branson, Missouri

We have audited 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

July 30, 2019
Wichita, Kansas