

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2005

1 - Summary of Significant Accounting Policies

Reporting Entity

The City of Branson, Missouri is a municipal corporation governed by an elected mayor and a six member Board of Aldermen. In evaluating the City's financial reporting entity, management has considered all potential component units and has determined there are no component units over which the City is financially accountable. Financial accountability is based primarily on nonoperational or financial relationships with the City (as distinct from legal relationships). These financial statements include all the accounts for which the City is considered to be financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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.

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.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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. While property taxes are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by deferred revenue accounts.

The City reports the following major funds:

Major Governmental Funds

1. 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.
2. Tourism Tax Fund – is used to account for the proceeds of tourism revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.
3. Debt Service Fund – is used to account for the accumulation of resources for the payment of principal and interest on long-term debt.
4. Capital Projects Fund – is used to account for the acquisition, construction and renovation of major capital facilities.

Major Proprietary Funds

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

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund types:

Internal service fund to account for fleet management services provided to other departments on a cost reimbursement basis.

Permanent fund used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's perpetual care program for public cemeteries.

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

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

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and 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 nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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 cash equivalents" 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 money market mutual funds, guaranteed investment contracts, and repurchase agreements. The money market mutual funds are recorded at fair value, and the guaranteed investment contracts and repurchase agreements are stated at cost as they are not negotiable or transferable and are not affected by market fluctuations.

Statement of Cash Flows

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

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Receivables and Payables

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

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for uncollectibles. An allowance of approximately \$ 110,000 is recorded at September 30, 2005.

Inventories and Prepaid Items

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

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 is statutorily required to maintain customer utility deposits separate from City assets. Interest earned is credited back to customers. Restricted cash and cash equivalents and restricted investments are set aside for debt service payments and for required 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. Capital assets are defined as assets with an initial individual cost of more than \$ 5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

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

The City's capital assets are depreciated using the straight-line method over the estimated useful lives 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 years
Furniture	5 - 10 years
Infrastructure	10 - 20 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.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Long-term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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 costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

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

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.

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Prior Period Adjustment

Beginning fund balance for Governmental Activities on the Statement of Net Assets was restated to more accurately reflect the cumulative accrued interest payable on bonds issued by the City. The effect of this restatement on the beginning balance was a decrease of \$ 960,497 in the Governmental Activities on the Statement of Net Assets which resulted from accrued interest payable being increased by \$ 960,497. There was no effect on current revenue or expenditures as a result of this adjustment.

Pending Governmental Accounting Standards Board Statements

At September 30, 2005, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and Insurance Recoveries*, was issued in November 2003 and it will apply to financial statements of the City for fiscal year 2006. Statement No. 42 establishes guidance for accounting and reporting for the impairment of capital assets and for insurance recoveries. The provisions of this statement are effective for financial statements for periods beginning after December 15, 2004.

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued in April 2004. The objective of this statement is to establish uniform financial reporting standards for other postemployment benefit plans (OPEB plans). The term "other postemployment benefits" refers to postemployment benefits other than pension benefits and includes (a) postemployment healthcare benefits and, (b) other types of postemployment benefits (i.e., life insurance) if provided separately from a pension plan. This statement provides standards for measurement, recognition, and display of the assets, liabilities, and, where applicable, net assets and changes in net assets of such funds and for related disclosures. The provisions of this statement are effective for periods beginning after December 15, 2005.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1 - Summary of Significant Accounting Policies (Continued)

Pending Governmental Accounting Standards Board Statements (Continued)

GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section*, was issued in May 2004. This statement amends the portions of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles, guiding the preparation of the statistical section. Statement No. 44 establishes the objectives of the statistical section and the five categories of information it contains – financial trends information, revenue capacity information, debt capacity information, demographic and economic information, as well as operating information. The provisions of this statement are effective for periods beginning after June 15, 2005.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, was issued in June 2004. This statement establishes standards for the measurement, recognition and display of other postemployment benefits (OPEB) expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. The term “other postemployment benefits” refers to postemployment benefits other than pension benefits and includes (a) postemployment healthcare benefits and, (b) other types of postemployment benefits (i.e., life insurance) if provided separately from a pension plan. The provisions of this statement are effective for periods beginning after December 15, 2006.

GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*, was issued in December 2004. The objective of this statement is to enhance the usefulness and comparability of net asset information reported by state and local governments by clarifying the meaning of the phrase *legally enforceable* as it applies to restrictions imposed on net asset use by enabling legislation and by specifying the accounting and financial reporting requirements for those restricted net assets. This statement amends GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, paragraph 34. The requirements of this statement are effective for periods beginning after June 15, 2005.

CITY OF BRANSON, MISSOURI
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

1 - Summary of Significant Accounting Policies (Continued)

Pending Governmental Accounting Standards Board Statements (Continued)

GASB Statement No. 47, *Accounting for Termination Benefits*, was issued in July 2004. This statement establishes standards of accounting and financial reporting for termination benefits. Termination benefits are benefits provided by employers to employees as an inducement to hasten the termination of services or as a result of a voluntary early termination or as a consequence of the involuntary early termination of services. Termination benefits include early-retirement incentives, severance benefits and other termination-related benefits. The requirements of this Statement are effective in two parts. For termination benefits provided through an existing defined benefit OPEB plan, the provisions of this statement should be implemented simultaneously with the requirements of Statement No. 45. For all other termination benefits, this statement is effective for financial statements for periods beginning after June 15, 2005.

2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$ 204,117,772 difference are as follows:

Bonds payable	\$ (203,157,000)
Bond premium liability	(2,064,452)
Deferred amount on refunding	777,846
Issuance discount	586,519
Costs of issuance	2,600,939
Accrued interest payable	(2,151,344)
Compensated absences	(710,280)

Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	\$ (204,117,772)

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

2 - Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this \$ 33,775,670 difference are as follows:

Capital outlay	\$ 39,505,156
Depreciation expense	<u>(5,729,486)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 33,775,670</u>

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

2 - Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation states that “the issuance of long-term debt (e.g., 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, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$ 75,659,501 difference are as follows:

Debt issued or incurred:	
Issuance of special limited obligation bonds	\$ (80,000,000)
Premium on bonds	(2,085,146)
Bond issuance costs	895,645
Principal repayments:	
Special limited obligation bonds	3,560,000
Revenue bonds	<u>1,970,000</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (75,659,501)</u>

Another element of that reconciliation states that “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.” The details of this \$ 392,130 difference are as follows:

Compensated absences	\$ 9,295
Accrued interest	(189,646)
Amortization of issuance costs	(99,930)
Amortization of bond discounts/premiums	(14,618)
Amortization of deferred amount on refunding	<u>(97,231)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (392,130)</u>

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

3 - Stewardship, Compliance and Accountability

Budgetary Information

Budgeting

Missouri statutes require that all political subdivisions of the State prepare an annual budget. The City adopts annual budgets for all fund types. Governmental funds required to have legally adopted annual budgets are the general fund, the special revenue funds, and the debt service fund. Annual budgets for all governmental funds are adopted using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Budgets for proprietary funds are prepared using the accrual basis of accounting.

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

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

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

Excess of Expenditures Over Appropriations

For the year ended September 30, 2005, expenditures exceeded appropriations in the debt service fund and the tourism tax fund by \$ 70,753 and \$ 85,966, respectively. The overexpenditures were funded by available fund balance in the debt service and tourism tax funds.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

4 - Property Taxes

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, 2004, upon which the 2004 levy was based and upon which the ad valorem tax revenues for the year ended September 30, 2005 are recorded, are as follows:

Real estate	\$ 317,080,460
Personal property and business personal	41,686,042
Utilities	<u>3,290,134</u>
	<u>\$ 362,056,636</u>

Property taxes are due and payable on November 1 and become delinquent on January 1.

The 2004 tax levy per \$ 100 assessed valuation was:

General	<u>\$ 0.4853</u>
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5 - Deposits and Investments

As of September 30, 2005, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Repurchase agreements	\$ 4,341,343	\$ -	\$ -	\$ -	\$ 4,341,343
Guaranteed investment contracts	322,800	-	-	85,404	237,396
Money market mutual funds	91,993,995	91,993,995	-	-	-
	<u>\$96,658,138</u>	<u>\$91,993,995</u>	<u>\$ -</u>	<u>\$ 85,404</u>	<u>\$ 4,578,739</u>

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

5 - Deposits and Investments (Continued)

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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Missouri statutes prohibit municipalities from investing in derivative, leveraged, or speculative securities. City Resolution No. 2004-R012 further limits the City's investments in securities to U.S. Treasury obligations. City agents invest funds for restricted debt reserves and unexpended debt proceeds in money market mutual funds, guaranteed investment contracts and repurchase agreements.

Concentration of Credit Risk

The City places no limit on the amount it may invest in any one issuer. Ninety-five percent of the City's investments are in money market mutual funds issued by Goldman Sachs.

Custodial Credit Risk-Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned. As of September 30, 2005, the carrying amount of the City's deposits was \$ 23,601,221. The City had bank balances of deposits of \$ 23,360,964 which were covered by federal depository insurance or by collateral held by the City's agent in the City's name. The City does not have a formal deposit policy for custodial credit risk.

Custodial Credit Risk-Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2005, the City's investments were not exposed to custodial credit risk.

CITY OF BRANSON, MISSOURI
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

5 - Deposits and Investments (Continued)

At year end, the City's deposit and investment balances, including debt restricted accounts held by City agents were as follows:

	Carrying Amount (approximates fair value) <hr/>
Investments:	
Guaranteed investment contracts, repurchase agreements, money market mutual funds	\$ 96,658,138
Book balance of deposits	23,602,221
Cash on hand	<hr/> 3,190
 Total restricted and unrestricted cash and investments presented in the statement of net assets and agency fund	 <hr/> <hr/> \$ 120,263,549

CITY OF BRANSON, MISSOURI
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

6 - Capital Assets

Capital asset activity for the year ended September 30, 2005 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 39,209,422	\$ 3,311,708	\$ -	\$ 42,521,130
Construction in progress	12,907,648	23,758,586	(7,741,317)	28,924,917
Total capital assets not being depreciated	52,117,070	27,070,294	(7,741,317)	71,446,047
Capital assets being depreciated:				
Buildings and fixtures	8,331,235	12,087,443	-	20,418,678
Equipment	5,692,326	717,615	(107,429)	6,302,512
Vehicles	1,389,536	-	-	1,389,536
Infrastructure	101,982,706	7,780,572	-	109,763,278
Furniture	105,753	64,419	-	170,172
Land improvements	1,680,401	-	-	1,680,401
Total capital assets being depreciated	119,181,957	20,650,049	(107,429)	139,724,577
Less accumulated depreciation for:				
Buildings and fixtures	(2,776,366)	(319,882)	-	(3,096,248)
Equipment	(3,236,125)	(631,821)	107,429	(3,760,517)
Vehicles	(1,267,492)	(45,356)	-	(1,312,848)
Infrastructure	(55,129,155)	(5,032,759)	-	(60,161,914)
Furniture	(77,706)	(8,543)	-	(86,249)
Land improvements	(780,112)	(83,686)	-	(863,798)
Total accumulated depreciation	(63,266,956)	(6,122,047)	107,429	(69,281,574)
Total capital assets being depreciated, net	55,915,001	14,528,002	-	70,443,003
Governmental activities capital assets, net	\$ 108,032,071	\$ 41,598,296	\$(7,741,317)	\$ 141,889,050

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

6 - Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 3,784,962	\$ -	\$ -	\$ 3,784,962
Construction in progress	243,276	6,586,597	(2,157,569)	4,672,304
Total capital assets not being depreciated	4,028,238	6,586,597	(2,157,569)	8,457,266
Capital assets being depreciated:				
Water and sewer treatment plants	65,780,012	-	-	65,780,012
Water and sewer mains and lines	33,557,233	2,482,567	-	36,039,800
Machinery and equipment	813,117	-	-	813,117
Total capital assets being depreciated	100,150,362	2,482,567	-	102,632,929
Less accumulated depreciation for:				
Water and sewer treatment plants	(20,140,991)	(1,863,923)	-	(22,004,914)
Water and sewer mains and lines	(9,906,492)	(931,962)	-	(10,838,454)
Machinery and equipment	(232,797)	(28,241)	-	(261,038)
Total accumulated depreciation	(30,280,280)	(2,824,126)	-	(33,104,406)
Total capital assets being depreciated, net	69,870,082	(341,559)	-	69,528,523
Business-type activities capital assets, net	<u>\$ 73,898,320</u>	<u>\$ 6,245,038</u>	<u>\$(2,157,569)</u>	<u>\$ 77,985,789</u>

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

Governmental activities:	
General government	\$ 357,675
Public safety	170,181
Public works	5,054,883
Engineering	16,192
Community development	2,820
Culture and recreation	127,734
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	392,562
Total depreciation expense - governmental activities	<u>\$ 6,122,047</u>
Business-type activities:	
Water and sewer	<u>\$ 2,824,126</u>

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

7 - Leases

Noncancellable 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 costs (property taxes, maintenance and insurance). Rental income includes minimum rentals plus contingent rentals based on sales.

Future lease income on minimum rentals is approximately \$ 354,000 per year.

For the year ended September 30, 2005, rental income for all operating leases was approximately \$ 899,900 including contingent rental income.

8 - Long-Term Debt

Special Limited Obligation Bonds

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

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds) Series 2003A of \$ 56,290,000 issued January 2003; 2.5% to 5.5% interest payable semiannually, principal payments due annually. Principal installments ranging from \$1,070,000 to \$ 3,875,000 with final maturity on December 1, 2032. Bonds maturing on or after December 1, 2017 may be called on or after December 1, 2012 at par. At September 30, 2005, \$ 49,280,000 of the bonds were outstanding.

The bonds were issued by the Missouri Development Finance Board (MDFB) and the proceeds were loaned to the City. The City demised certain properties (including City Hall and a fire station) to the MDFB, and the MDFB leased those properties to the City. The City's lease payments equal the required interest and principal payments on the bonds. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves for this bond issue at September 30, 2005 were approximately \$ 4,436,000.

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds) Series 2004A of \$ 40,000,000 issued June 2004; 2.8% to 5.625% interest payable semiannually, principal payments due annually. Principal installments ranging from \$ 150,000 to \$ 3,095,000 with final maturity on December 1, 2028. Bonds maturing on or after December 1, 2014 may be called on or after June 1, 2014 at par. At September 30, 2005, \$ 40,000,000 of the bonds were outstanding.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

8 - Long-Term Debt (Continued)

Special Limited Obligation Bonds (Continued)

The bonds were issued by the MDFB and the proceeds were made available to the City. The bond payments are made from amounts annually appropriated by the City. The City's obligation to make payments is secured by an annual appropriation covenant, future mortgages on a parking garage and a convention center, and, if ever realized, certain pledged revenues. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves for this bond issue at September 30, 2005 were approximately \$ 3,568,000.

Special Limited Obligation Bonds (Missouri Development Finance Board Infrastructure Facilities Bonds) Series 2005A of \$ 80,000,000 issued September 2005; 3.75% to 6.0% interest payable semiannually, principal payments due annually. Principal installments ranging from \$ 315,000 to \$ 6,930,000 with final maturity on June 1, 2035. Bonds maturing on or after June 1, 2025 may be called on or after June 1, 2015 at par. At September 30, 2005, \$ 80,000,000 of the bonds were outstanding.

The bonds were issued by the MDFB and the proceeds were made available to the City. The bond payments are made from amounts annually appropriated by the City. The City's obligation to make payments is secured by an annual appropriation covenant, future mortgages on a parking garage and a convention center, and, if ever realized, certain pledged revenues. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves for this bond issue at September 30, 2005 were approximately \$ 7,078,000.

Annual debt service requirements to maturity for special limited obligation bonds are as follows:

Year Ending September 30	Governmental Activities	
	Principal	Interest
2006	\$ 3,875,000	\$ 7,361,134
2007	1,200,000	8,408,504
2008	1,295,000	8,373,573
2009	1,870,000	8,330,167
2010	2,660,000	8,243,653
2011-2015	16,320,000	39,324,198
2016-2020	23,925,000	34,391,862
2021-2025	34,560,000	26,712,679
2026-2030	44,845,000	16,302,378
2031-2035	38,730,000	5,469,163
Total	\$ 169,280,000	\$ 162,917,311

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

8 - Long-Term Debt (Continued)

Revenue Bonds

The City issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The City has issued the following revenue bonds related to the Tourism Tax Fund, which is a governmental activity:

Limited Obligation Bonds (State Revolving Fund Program) Series 1994A of \$ 3,500,000 issued August 1994; 4.25% to 6.05% interest payable semiannually, principal payments due annually. Final maturity July 1, 2014. Bonds maturing after July 1, 2005 may be called on June 1, 2005 and every June 1 and December 1 thereafter at the following redemption prices:

June 1, 2005 and December 1, 2005	101% of par
June 1, 2006 and Thereafter	Par

Limited Obligation Bonds (State Revolving Fund Program) Series 1995A of \$ 17,450,000 issued May 1995; 4.75% to 6.05% interest payable semiannually, principal payments due annually. Final maturity July 1, 2016. Bonds maturing July 1, 2005 and thereafter may be called on July 1, 2004 and every July 1 thereafter at the following redemption prices:

July 1, 2005	101% of par
July 1, 2006 and Thereafter	Par

Tourism Tax Revenue Bonds, Series 1998A of \$ 9,630,000, issued May 1998; 3.75% to 5.00% interest payable semiannually, principal payments due annually. Final maturity January 1, 2010. Bonds maturing in year 2009 and thereafter may be called on January 1, 2008 and thereafter at par.

Tourism Tax Revenue Bonds, Series 1998B of \$ 17,435,000 issued May 1998; 3.75% to 5.0% interest payable semiannually, principal payments due annually. Final maturity January 1, 2018. Bonds maturing in years 2009 and thereafter may be called on January 1, 2008 and thereafter at the following redemption prices:

January 1, 2008 through December 31, 2008	101% of par
January 1, 2009 and Thereafter	Par

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

8 - Long-Term Debt (Continued)

Revenue Bonds (Continued)

Interest and principal on the tourism tax bonds are payable solely from revenues generated by the tourism tax of up to 4% of hotel and motel and tourist attraction revenues and up to ½% on restaurant food and drink sales within the City. Bond indentures require restricted accounts in order to accumulate necessary payment funding. Restricted investment reserves for the bond issues at September 30, 2005 were approximately \$ 6,362,500.

The City has issued the following revenue bonds related to the Water and Sewer Fund, which is a business-type activity:

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

Combined Waterworks and Sewerage System Bonds of \$ 5,050,000,
issued February 1, 1997; 3.7% to 4.8% interest payable
semiannually, principal retirements due annually. Final maturity
August 1, 2006. Bonds maturing August 1, 2003 and thereafter
may be called after August 1, 2002 at par.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

8 - Long-Term Debt (Continued)

Revenue Bonds (Continued)

Interest and principal payments on the Water and Sewer Fund Revenue Bonds are payable solely from water and sewer system revenues. Bond indentures require monthly cash transfers to restricted accounts in order to accumulate necessary payment funding. The bonds are secured by the City's waterworks and sewerage system. Restricted debt reserves for the issues at September 30, 2005 totaled approximately \$ 630,000. Restricted investment reserves for the issues at September 30, 2005 totaled approximately \$ 45,000.

Revenue bonds outstanding at year end are as follows:

Revenue bonds debt service requirements to maturity are as follows:

<u>Purpose</u>	<u>Issue</u>	<u>Installment ranges</u>	<u>Principal paid in 2005</u>	<u>Outstanding September 30, 2005</u>
Combined water and sewer	1992A	\$55,000-\$170,000	\$ 100,000	\$ 1,100,000
Combined water and sewer	1997	\$455,000-\$755,000	735,000	755,000
State revolving fund	1994A	\$113,000-\$291,000	175,000	2,097,000
State revolving fund	1995A	\$165,000-\$2,350,000	175,000	13,045,000
Tourism tax refunding	1998A	\$155,000-\$1,305,000	890,000	5,755,000
Tourism tax refunding	1998B	\$250,000-\$3,210,000	730,000	12,980,000

<u>Year Ending September 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2006	\$ 2,063,000	\$ 1,800,158
2007	2,157,000	1,692,677
2008	2,256,000	1,580,031
2009	2,357,000	1,463,825
2010	2,462,000	1,343,127
2011-2015	13,412,000	4,753,976
2016-2020	9,170,000	786,175
Total	<u>\$ 33,877,000</u>	<u>\$ 13,419,969</u>

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

8 - Long-Term Debt (Continued)

Revenue Bonds (Continued)

<u>Year Ending September 30</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2006	\$ 865,000	\$ 107,940
2007	115,000	64,605
2008	125,000	57,188
2009	130,000	49,125
2010	140,000	40,610
2011-2015	480,000	64,190
Total	<u>\$ 1,855,000</u>	<u>\$ 383,658</u>

Bond Indebtedness Limitation

Under the Missouri Constitution, the limit of general obligation bonded indebtedness is 10% of the most recent assessed valuation. The legal debt margin (constitutional debt limit – 2004 valuation) of the City at September 30, 2005 was approximately \$ 36,200,000. The City has no outstanding general obligation bonded debt at September 30, 2005.

Defeased Debt

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the liability for the defeased bonds is not included in the City's financial statements. At September 30, 2005, \$ 11,785,000 of the bonds which were considered defeased in prior years remained outstanding.

CITY OF BRANSON, MISSOURI
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

8 - Long-Term Debt (Continued)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2005 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
Revenue bonds	\$ 35,847,000	\$ -	\$ (1,970,000)	\$ 33,877,000	\$ 2,063,000
Special limited obligation bonds	92,840,000	80,000,000	(3,560,000)	169,280,000	3,875,000
Less deferred amounts:					
For issuance discounts	(621,831)	-	35,312	(586,519)	-
For issuance premiums	-	2,085,146	(20,694)	2,064,452	-
On refunding	(875,077)	-	97,231	(777,846)	-
Total bonds payable	127,190,092	82,085,146	(5,418,151)	203,857,087	5,938,000
Compensated absences	719,575	420,296	(429,591)	710,280	515,444
Governmental activity long-term liabilities	<u>\$ 127,909,667</u>	<u>\$ 82,505,442</u>	<u>\$ (5,847,742)</u>	<u>\$ 204,567,367</u>	<u>\$ 6,453,444</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 2,690,000	\$ -	\$ (835,000)	\$ 1,855,000	\$ 865,000
Compensated absences	145,689	154,270	(110,695)	189,264	136,680
Business-type activity long-term liabilities	<u>\$ 2,835,689</u>	<u>\$ 154,270</u>	<u>\$ (945,695)</u>	<u>\$ 2,044,264</u>	<u>\$ 1,001,680</u>

For governmental activities, compensated absences are generally liquidated by the general fund.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

9 - Defined Benefit Pension Plan

Plan Description

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability and death benefits to plan members and beneficiaries. LAGERS was created and is governed by state statute Section RSMo 70.600-70.755. As such, it is the System's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a), and it is tax exempt.

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

Funding Status

The City's full-time employees contribute 4% of their gross pay to the pension plan. The City is required by state statute to contribute at an actuarially determined rate. The rates for the past three years as a percentage of annual covered payroll are as follows:

	<u>General</u>	<u>Police</u>	<u>Fire</u>
2003	6.6%	4.7%	8.4%
2004	6.3%	4.4%	8.2%
2005	10.1%	7.8%	12.3%

The governing body of the City determines the contribution requirements of plan members. The contribution provisions of the City are established by state statute.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

9 - Defined Benefit Pension Plan (Continued)

Annual Pension Cost

For the plan year 2005, the City's annual pension cost of \$ 892,609 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2003 and/or February 28, 2004 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually, (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 4.2% per year, depending on age, attributable to seniority/merit, (d) pre-retirement mortality based on the 1983 Group Annuity Mortality table and (e) post-retirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back one year for men and seven years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 29, 2005 was 15 years.

Fiscal Year Ending June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2003	\$ 729,442	100%	-
2004	770,196	100%	-
2005	892,609	100%	-

Contributions Made by City

For the years ended September 30, 2005, 2004 and 2003, the City contributions in dollars and as a percentage of covered payroll were approximately \$ 687,000 (9.3%), \$ 452,000 (6.2%), and \$ 442,000 (6.6%), respectively, equal to the statutory required contribution for each year.

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

9 - Defined Benefit Pension Plan (Continued)

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Historical trend information may be found in the required supplementary information accompanying these basic financial statements.

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 natural disasters. These risks are covered by the City's participation in the Missouri Intergovernmental Risk Management Association (the Pool), a public entity risk pool currently operating as a common risk management and insurance program for its members. The City pays an annual premium to the Pool for its property, liability, workers' compensation, auto and crime insurance coverages. The Pool's governing agreement specifies that the Pool will be self-sustaining through member premiums and will reinsure through commercial carriers for claims in excess of specified stop loss amounts. Settlements have not exceeded insurance coverage for each of the last three years. There have been no reductions in insurance coverage from the prior year. Commercial insurance coverage is purchased for claims arising from employee health matters.

11 - Commitments and Contingencies

Capital Projects

Normal commitments have been made for future expenditures related to the City's capital projects program.

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

11 - Commitments and Contingencies (Continued)

Capital Projects (Continued)

In 2002 and 2003, the City acquired approximately 26 acres of the Lake Taneycomo lakefront property in the downtown district of Branson. In 2004, the City acquired approximately 12 additional acres, which when added to property the City previously owned totals 57 acres. The City is utilizing this property to develop a waterfront entertainment district and convention center. The City sought assistance from the State of Missouri and received approval of the state's participation in a tax increment-financing district. Construction is underway on the entertainment district portion of the project, with a projected opening date in mid 2006. Construction on the convention center and hotel began in July of 2005, with a projected opening date in 2007.

The City will continue to work with its chosen developer, HCW Development Company L.L.C., on this project through fruition.

Litigation

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

CITY OF BRANSON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

12 - Interfund Transactions

Interfund transfers for the year ended September 30, 2005, consisted of the following:

Transfers to capital projects fund from:	
General fund	\$ 1,338,210
Debt service fund	68,338
Nonmajor governmental funds	14,604
	<hr/>
Total transfers to capital projects fund	\$ 1,421,152
	<hr/> <hr/>
Transfers to debt service fund from:	
General fund	\$ 750,000
	<hr/> <hr/>
Transfers to water and sewer fund from:	
Capital projects fund	\$ 279,998
Tourism tax fund	4,156,000
	<hr/>
Total transfers to water and sewer fund	\$ 4,435,998
	<hr/> <hr/>
Transfers to nonmajor governmental funds from:	
General fund	\$ 500,000
	<hr/> <hr/>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

13 - Fund Balance Reserves

The governmental fund financial statements include a number of reserves that are maintained for specific purposes. The nature and purposes of the significant reserves are:

Reserved for Encumbrances

An account to segregate commitments that have been appropriated but not yet expended.

CITY OF BRANSON, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

13 - Fund Balance Reserves (Continued)

Reserved for Other Purposes

An account to segregate monies that are reserved for marketing in the tourism tax fund, for a rainy day reserve in the general fund, and reserved for perpetual care by state statute in the nonmajor governmental funds.

Reserved for Inventories and Prepaid Expenses

An account to segregate monies relating to inventories and prepaid expenses that are not available for future spending.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BRANSON, MISSOURI

PENSION PLAN HISTORICAL TREND INFORMATION

September 30, 2005

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a Percentage of Covered Payroll
2/28/2003	\$ 8,562,502	\$ 8,060,738	\$ (501,764)	106%	\$ 6,710,434	-
2/29/2004	9,941,128	9,262,568	(678,560)	107%	7,285,784	-
2/28/2005	10,793,096	12,309,692	1,516,596	88%	7,361,612	21%

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2001 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations please contact the LAGERS office in Jefferson City, Missouri.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Recreation Fund – This fund is used to account for park and recreation programs and activities. The majority of the revenue is collected through charges for services, such as pool admissions and golf course fees.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Capital Projects Planning Fund – This fund is used to account for non-capital expenditures related to the planning of major capital projects.

Permanent Funds

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Perpetual Care Fund – This fund is used to account for monies legally restricted by statute for the care of the City cemetery.

CITY OF BRANSON, MISSOURI
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

September 30, 2005

	Special Revenue	Capital Projects	Permanent	Total
	Recreation	Capital Projects Planning	Perpetual Care	Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 318,230	\$ 32,934	\$ 3,460	\$ 354,624
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 53,111	\$ -	\$ -	\$ 53,111
Accrued expenses	19,652	-	-	19,652
Total liabilities	72,763	-	-	72,763
Fund balances:				
Reserved for:				
Encumbrances	9,965	-	-	9,965
Other purposes	-	-	3,460	3,460
Unreserved	235,502	32,934	-	268,436
Total fund balances	245,467	32,934	3,460	281,861
Total liabilities and fund balances	\$ 318,230	\$ 32,934	\$ 3,460	\$ 354,624

CITY OF BRANSON, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

Year Ended September 30, 2005

	Special Revenue	Capital Projects	Permanent	Total Nonmajor
	Recreation	Capital Projects Planning	Perpetual Care	Governmental Funds
Revenues:				
Taxes	\$ 59,901	\$ -	\$ -	\$ 59,901
Charges for services	669,565	-	-	669,565
Contributions and grants	9,008	-	-	9,008
Miscellaneous	189	-	100	289
Total revenues	<u>738,663</u>	<u>-</u>	<u>100</u>	<u>738,763</u>
Expenditures:				
Parks and recreation administration	210,747	-	-	210,747
Campground	220,346	-	-	220,346
Park programs	471,480	-	-	471,480
Community center	73,129	-	-	73,129
Swimming pool	86,556	-	-	86,556
Golf course	85,655	-	-	85,655
Recreation complex	214,105	-	-	214,105
Total expenditures	<u>1,362,018</u>	<u>-</u>	<u>-</u>	<u>1,362,018</u>
Excess (deficiency) of revenues over expenditures	<u>(623,355)</u>	<u>-</u>	<u>100</u>	<u>(623,255)</u>
Other financing sources (uses):				
Transfers in	500,000	-	-	500,000
Transfers out	(14,604)	-	-	(14,604)
Total other financing sources (uses)	<u>485,396</u>	<u>-</u>	<u>-</u>	<u>485,396</u>
Net change in fund balances	(137,959)	-	100	(137,859)
Fund balances, beginning of year	<u>383,426</u>	<u>32,934</u>	<u>3,360</u>	<u>419,720</u>
Fund balances, end of year	<u>\$ 245,467</u>	<u>\$ 32,934</u>	<u>\$ 3,460</u>	<u>\$ 281,861</u>

CITY OF BRANSON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUND

Year Ended September 30, 2005

	Original and Final Amended Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes:			
Transportation sales tax	\$4,133,507	\$ 4,057,524	\$ (75,983)
Ad valorem tax	800,000	800,000	-
Sales tax	559,127	454,023	(105,104)
Interest	100,000	257,054	157,054
Lease income	750,000	750,000	-
Total revenues	<u>6,342,634</u>	<u>6,318,601</u>	<u>(24,033)</u>
Expenditures:			
Debt service:			
Principal	3,560,000	3,560,000	-
Interest	2,535,674	2,538,089	(2,415)
Total expenditures	<u>6,095,674</u>	<u>6,098,089</u>	<u>(2,415)</u>
Other financing sources:			
Bonds issued	-	4,993,292	4,993,292
Premium on bonds	-	2,085,146	2,085,146
Transfers out	-	(68,338)	(68,338)
Total other financing sources	<u>-</u>	<u>7,010,100</u>	<u>7,010,100</u>
Net change in fund balances	246,960	7,230,612	6,983,652
Fund balances, beginning of year	<u>9,208,136</u>	<u>12,270,760</u>	<u>3,062,624</u>
Fund balances, end of year	<u>\$9,455,096</u>	<u>\$ 19,501,372</u>	<u>\$ 10,046,276</u>

CITY OF BRANSON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - RECREATION FUND

Year Ended September 30, 2005

	Original and Final Amended Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes:			
Cigarette tax	\$ 53,500	\$ 59,901	\$ 6,401
Charges for services:			
Campground	526,000	397,651	(128,349)
Recreation:			
Swimming pool	124,125	68,121	(56,004)
Park programs	110,991	78,110	(32,881)
Recreation complex	195,881	54,375	(141,506)
Golf course	42,000	43,399	1,399
Tennis revenues	4,000	5,542	1,542
Day camp	59,220	620	(58,600)
Community center	24,000	21,747	(2,253)
	<u>560,217</u>	<u>271,914</u>	<u>(288,303)</u>
Contributions and grants	5,000	9,008	4,008
Miscellaneous	673	189	(484)
Total revenues	<u>1,145,390</u>	<u>738,663</u>	<u>(406,727)</u>
Expenditures:			
Parks and recreation administration	211,143	209,435	1,708
Recreation complex	315,344	219,948	95,396
Campground	195,333	220,346	(25,013)
Park programs	428,072	473,468	(45,396)
Community center	88,562	73,322	15,240
Swimming pool	123,374	87,305	36,069
Golf course	90,654	83,935	6,719
Total expenditures	<u>1,452,482</u>	<u>1,367,759</u>	<u>84,723</u>
Other financing sources (uses):			
Transfers in	500,000	500,000	-
Transfers out	(14,000)	(14,604)	(604)
Total other financing sources (uses)	<u>486,000</u>	<u>485,396</u>	<u>(604)</u>
Net change in fund balances	178,908	(143,700)	(322,608)
Fund balances, beginning of year	171,076	379,202	208,126
Fund balances, end of year	<u>\$ 349,984</u>	<u>\$ 235,502</u>	<u>\$ (114,482)</u>

CITY OF BRANSON, MISSOURI

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND

Year Ended September 30, 2005

	Balance October 1, 2004	Additions	Deductions	Balance, September 30, 2005
<u>Landscape Trust</u>				
Assets:				
Cash and cash equivalents	\$ 451,627	\$ 350,261	\$ 71,675	\$ 730,213
Liabilities:				
Due to others	\$ 451,627	\$ 350,261	\$ 71,675	\$ 730,213



Berberich Trahan & Co.

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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, City Administrator
and Board of Aldermen
City of Branson, Missouri:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Branson, Missouri, as of and for the year ended September 30, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 11, 2005. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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*.

This report is intended solely for the information and use of the governing body, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Berberich Trahan & Co., P.A.

November 11, 2005

RSM McGladrey Network
An Independently Owned Member

STATISTICAL SECTION

CITY OF BRANSON, MISSOURI
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
 LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Government</u>	<u>Tourism</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Community Development</u>	<u>Engineering Services</u>	<u>Leisure Services</u>	<u>Debt Service</u>	<u>Total</u>
1995-96	\$ 1,878,444	\$ 1,241,815	\$ 3,619,923	\$ 1,428,376	\$ 541,903	\$ 4,010,564	\$ 1,735,694	\$ 7,602,983	\$ 22,059,702
1996-97	2,252,042	803,331	3,269,543	878,472	483,502	410,117	1,018,548	8,299,975	17,415,530
1997-98	2,850,204	2,640,342	3,035,050	1,484,672	432,848	305,326	577,695	9,130,996	20,457,134
1998-99	2,834,550	2,357,080	3,443,778	1,530,318	496,481	306,274	891,576	10,195,885	22,055,942
1999-00	2,923,341	2,594,732	3,811,491	1,444,038	510,798	333,264	903,910	7,400,564	19,922,138
2000-01	3,100,281	2,611,558	4,147,861	1,618,008	512,859	391,080	1,025,372	7,987,171	21,394,190
2001-02	3,326,893	2,600,000	4,436,413	1,745,717	585,674	471,478	1,035,766	8,229,220	22,431,161
2002-03	3,106,030	2,823,843	4,636,878	1,807,382	636,590	489,232	1,023,857	10,451,182	24,974,994
2003-04	3,269,221	2,950,686	4,768,290	1,686,681	625,675	523,707	1,039,792	10,090,058	24,954,110
2004-05	3,312,040	3,145,185	5,103,631	1,748,692	628,712	513,703	1,362,018	10,056,874	25,870,855

1. Includes General, Special Revenue and Debt Service Funds.

CITY OF BRANSON, MISSOURI
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1&2)
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Ad valorem Taxes & TIF</u>	<u>Sales Taxes</u>	<u>Tourism Taxes</u>	<u>Franchise Fees & leases</u>	<u>Interest</u>	<u>Licenses, Fines & Permits</u>	<u>Charges for Services</u>	<u>Miscellaneous</u>	<u>Total</u>
1995-96	\$ 1,197,861	\$ 10,121,248	\$ 4,756,478	\$ 1,015,471	\$ 2,185,097	\$ 471,505	\$ 891,461	\$ 971,984	\$ 21,611,105
1996-97	1,149,362	10,314,943	3,445,707	1,057,712	1,754,843	495,421	792,855	271,477	19,282,320
1997-98	1,218,176	10,428,419	6,722,524	1,154,416	1,707,109	532,046	832,300	277,480	22,872,470
1998-99	1,397,188	10,842,489	9,959,003	1,152,764	1,786,041	847,001	666,699	526,203	27,177,388
1999-00	1,417,007	11,993,406	9,966,756	1,519,737	2,393,972	839,326	1,258,460	656,826	30,045,490
2000-01	1,597,568	12,152,891	10,107,008	1,469,578	3,153,844	676,507	1,299,209	269,241	30,725,846
2001-02	1,650,155	12,571,576	10,937,901	1,539,500	2,284,980	859,112	1,469,985	146,178	31,459,387
2002-03	1,727,592	12,821,235	10,843,815	1,442,447	1,992,103	863,173	1,611,844	75,831	31,378,040
2003-04	1,773,199	12,633,284	10,678,801	1,491,677	1,638,491	938,042	1,798,570	80,675	31,032,739
2004-05	1,875,088	12,776,193	10,495,936	1,575,642	1,448,316	1,015,515	1,640,235	150,712	30,977,637

1. Includes General, Special Revenue and Debt Service Funds.
2. Special assessment collections have been excluded.

**CITY OF BRANSON, MISSOURI
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Ad valorem Taxes & TIF</u>	<u>Sales Taxes</u>	<u>Motor Fuel Taxes</u>	<u>Financial Institution</u>	<u>Franchise Taxes</u>	<u>Cigarette Taxes</u>	<u>Tourism Taxes</u>	<u>County TIF Sales Taxes</u>	<u>Total</u>
1995-96	\$ 1,197,861	\$ 9,798,063	\$ 130,194	\$ 8,100	\$ 245,455	\$ 77,533	\$ 4,756,478	\$ 107,357	\$ 16,321,041
1996-97	1,149,362	9,922,152	142,991	4,846	257,397	64,432	2/ 3,445,707	180,522	15,167,409
1997-98	1,218,176	9,991,384	146,725	4,034	305,738	75,576	2/ 6,722,524	210,700	18,674,857
1998-99	1,397,188	10,524,205	148,708	710	313,370	55,197	9,959,003	168,866	22,567,247
1999-00	1,417,007	11,623,573	152,722	251	746,941	56,568	9,966,756	160,292	24,124,110
2000-01	1,597,568	11,767,372	153,451	975	458,809	46,971	10,107,008	184,122	24,316,276
2001-02	1,650,155	12,133,640	219,615	140	490,065	47,359	10,937,901	170,822	25,649,697
2002-03	1,721,808	12,325,184	243,981	5,783	482,139	53,733	10,843,815	192,554	25,868,997
2003-04	1,773,199	12,156,293	255,940	4,499	525,083	56,347	10,678,801	164,379	25,614,541
2004-05	1,875,088	12,227,183	262,098	749	550,556	59,901	10,495,936	227,011	25,698,522

1. Includes General, Special Revenue and Debt Service Funds.

2. 1997 tourism tax collections represent 7 months collection due to legal challenge to increase in tax rate from 2% to 4%.
1998 collections represent 11 months collection at the increased rate.

**CITY OF BRANSON, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS (1 & 2)
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Total Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio of Delinquent Taxes to Total Tax Levy</u>
1995-96	\$ 1,282,382	N/A	N/A	N/A	\$ 1,096,842	85.53%	\$ 111,680	8.71%
1996-97	1,178,605	N/A	N/A	N/A	1,149,363	97.52%	149,488	12.68%
1997-98	1,247,654	N/A	N/A	N/A	1,213,369	97.25%	115,766	9.28%
1998-99	1,322,779	N/A	N/A	N/A	1,390,453	105.12%	150,706	11.39%
1999-00	1,403,536	\$ 1,347,282	95.99%	\$ 69,725	1,417,007	100.96%	202,146	14.40%
2000-01	1,536,423	1,509,443	98.24%	88,125	1,597,568	103.98%	200,706	13.06%
2001-02	1,614,120	1,567,743	97.13%	82,412	1,650,155	102.23%	135,721	8.41%
2002-03	1,659,600	1,544,823	93.08%	182,769	1,727,592	104.10%	156,997	9.46%
2003-04	1,680,982	1,580,924	94.05%	192,275	1,773,199	105.49%	130,870	7.79%
2004-05	1,835,944	1,690,524	92.08%	184,564	1,875,088	102.13%	66,579	3.63%

1. Collection data is presented on the cash basis.
2. Collection data is provided by Taney County Collector's Office.
N/A = not available.

CITY OF BRANSON, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY (1 & 2)
LAST TEN FISCAL YEARS

Fiscal Year	Real Estate		Personal Property		Utilities		Total		Ratio of Total Assessed Value to Total Est
	Assessed Value (1)	Estimated Actual Value							
1995-96	\$ 240,016,554	\$ 804,783,924	\$ 30,762,591	\$ 93,219,973	\$ 2,068,176	\$ 5,381,052	\$ 272,847,321	\$ 903,384,949	30.20%
1996-97	252,786,780	854,843,575	25,413,891	77,011,791	2,419,668	7,449,722	280,620,339	939,305,088	29.88%
1997-98	240,103,260	816,876,731	22,724,044	68,860,739	2,631,082	8,135,408	265,458,386	893,872,878	29.70%
1998-99	243,179,400	831,634,375	29,848,387	90,449,658	2,551,102	7,892,160	275,578,889	929,976,193	29.63%
1999-00	257,190,270	880,978,451	30,044,100	91,042,727	5,169,003	16,050,009	292,403,373	988,071,187	29.59%
2000-01	280,645,820	985,608,680	34,659,830	105,029,788	4,782,415	14,479,636	320,088,065	1,105,118,104	28.96%
2001-02	291,490,520	1,027,215,193	36,453,685	110,465,712	5,413,881	16,856,173	333,358,086	1,154,537,078	28.87%
2002-03	298,745,230	1,062,750,998	38,110,747	115,487,112	5,894,988	18,372,089	342,750,965	1,196,610,199	28.64%
2003-04	302,711,970	1,089,600,946	39,658,511	120,177,306	4,152,336	12,876,375	346,522,817	1,222,654,627	28.34%
2004-05	317,080,460	1,160,184,206	41,008,721	124,268,852	3,967,455	12,398,296	362,056,636	1,296,851,354	27.92%

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%.

CITY OF BRANSON, MISSOURI
PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (1)
PER \$100 ASSESSED VALUATION
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City of Branson</u>	<u>Branson R-4</u>	<u>Ambulance District</u> 3	<u>State Levy</u>	<u>Handicapped</u>	<u>Health</u>	<u>Total Levy Resident</u>	<u>Surtax</u> 2	<u>Total Levy Commercial</u> 2
1995-96	0.4700	2.9800	0.1800	0.0300	0.0700	0.0800	3.8100	0.1500	3.9600
1996-97	0.4200	3.0700	0.1800	0.0300	0.0800	0.0800	3.8600	0.1500	4.0100
1997-98	0.4700	3.2400	0.2000	0.0300	0.0300	0.0900	4.0600	0.1500	4.2100
1998-99	0.4800	3.2400	0.2000	0.0300	0.0900	0.0900	4.1300	0.1500	4.2800
1999-00	0.4800	3.2400	0.2000	0.0300	0.0900	0.0900	4.1300	0.1500	4.2800
2000-01	0.4800	3.2800	0.2009	0.0300	0.0900	0.0904	4.1713	0.1500	4.3213
2001-02	0.4842	3.2800	0.2009	0.0300	0.0900	0.0904	4.1755	0.1500	4.3255
2002-03	0.4842	3.3700	0.2009	0.0300	0.0904	0.1400	4.3155	0.1500	4.4655
2003-04	0.4851	3.4500	-	0.0300	0.0904	0.1404	4.1959	0.1500	4.3459
2004-05	0.4853	3.4500	-	0.0300	0.0904	0.1404	4.1959	0.1500	4.3459

1. Information provided by Taney County, which is responsible for assessing and collecting such taxes by contract with the City.
2. 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 2004-05 is \$4.3459.
3. The Ambulance District levy was replaced by a \$.25 sales tax in 2004.

CITY OF BRANSON, MISSOURI
 PRINCIPAL TAXPAYERS
 SEPTEMBER 30, 2005

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUATION</u> 1	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Chateau on the Lake	Hotel	\$ 7,244,290	2.11%
Tanger Properties	Retail	5,555,790	1.60%
Factory Stores of America	Retail	4,290,270	1.34%
Radisson Hotel	Hotel	3,948,390	1.16%
Factory Merchants Mall	Retail	3,548,320	1.07%
Grand Palace	Theatre	3,433,780	1.02%
Branson's Magical Mansion, Inc.	Theatre	3,190,770	0.92%
Welk Resort Center	Theatre/hotel	3,160,050	0.92%
Moon River Enterprises	Theatre/restaurant	2,377,410	0.69%
Remington Theatre Complex	Theatre	2,182,000	0.63%
Howard Johnson Hotel	Hotel	2,085,720	0.62%
Lodge of the Ozarks	Theatre/hotel	2,071,900	0.60%
MGH Performing Arts Center	Theatre	1,985,020	0.52%
Yakov Smirnoff	Theatre	1,814,820	0.52%
KHOZ 102.9 FM	Theatre	1,804,640	0.52%
Ramada Inn/Gwin's Home Cannery	Hotel/restaurant	1,799,330	0.52%
Grand Plaza Hotel	Theatre	1,799,260	0.51%
Dixie Stampede	Theatre	1,773,190	0.51%
Moore Life Ministries, Inc.	Theatre	1,762,820	0.50%
K-Mart	Retail	1,729,900	0.49%
Percent of Assessed Valuation		\$ 57,557,670	16.61%

1. Information provided by the Taney County Assessors Office

CITY OF BRANSON, MISSOURI
 COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
 SEPTEMBER 30, 2005

Jurisdiction	Net Bonded General Obligation Debt Outstanding	% Applicable to City of Branson	Amount Applicable to City
Direct: City of Branson	\$ -	100%	\$ -
* Overlapping: R-4 School District	51,350,000	67.32%	34,568,820

* Information provided by the financial officer of the Branson R-4 School District.

**CITY OF BRANSON, MISSOURI
REVENUE BOND COVERAGE - TOURISM TAX BONDS
LAST TEN FISCAL YEARS**

Fiscal Year	Tourism Taxes	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1995-96	\$ 4,756,478	\$ 1,241,815	\$ 3,514,663	\$ 303,000	\$ 1,879,750	\$ 2,182,750	1.61%
*1996-97	3,445,707	803,331	2,642,376	487,000	2,485,754	2,972,754	0.89%
1997-98	6,722,524	2,640,342	4,082,182	1,260,000	2,065,951	3,325,951	1.23%
1998-99	9,959,003	2,357,081	7,601,922	1,381,000	2,730,059	4,111,059	1.85%
1999-00	9,966,756	2,594,732	7,372,024	1,633,000	2,415,559	4,048,559	1.82%
2000-01	10,107,008	2,611,558	7,495,450	1,682,000	2,348,702	4,030,702	1.86%
2001-02	10,937,901	2,600,000	8,337,901	1,744,000	2,368,911	4,112,911	2.03%
2002-03	10,843,815	2,823,843	8,019,972	1,811,000	2,179,148	3,990,148	2.01%
2003-04	10,678,801	3,227,536	7,451,265	1,887,000	2,093,091	3,980,091	1.87%
2004-05	10,495,936	3,145,185	7,350,751	1,970,000	1,988,785	3,958,785	1.86%

*Tourism Tax Declared Unconstitutional; Reinstated November 7, 1997

**CITY OF BRANSON, MISSOURI
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>POPULATION</u> 2	<u>PER CAPITA INCOME</u> (county) 2	<u>MEDIAN AGE</u> (county) 2	<u>EDUCATION LEVEL IN YEARS OF SCHOOLING</u> (county) 2	<u>PUBLIC SCHOOL ENROLLMENT</u> 1	<u>UNEMPLOYMENT RATE</u> 2
1995-96	4,484	27,246	N/A	N/A	2,523	7.4%
1996-97	N/A	28,500	N/A	N/A	2,619	7.2%
1997-98	N/A	29,876	39.1	N/A	2,676	8.5%
1998-99	N/A	30,012	38.9	N/A	2,800	7.3%
1999-00	6,050	30,625	38.7	N/A	2,889	7.4%
2000-01	6,189	30,997	38.8	12.9	2,923	8.1%
2001-02	6,170	30,826	40.9	12.8	2,995	8.3%
2002-03	6,231	30,956	40.5	N/A	3,143	7.5%
2003-04	N/A	N/A	N/A	N/A	3,416	7.5%
2004-05	7,000	31,997	43	N/A	3,415	7.5%

1 Information provided by the Branson R-4 School District

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

N/A = not available

**CITY OF BRANSON, MISSOURI
PROPERTY VALUE OF NEW CONSTRUCTION
LAST TEN FISCAL YEARS**

Fiscal Year	PROPERTY VALUE				Commercial/	Residential Construction	
	Real Estate 1	Personal Property 1	Utilities 1	Total 1	Value 2	Number of Res. Units 2	Value 2
1995-96	\$ 804,783,924	\$ 93,219,973	\$ 5,381,052	\$ 903,384,949	\$ 19,292,302	76	\$ 3,186,000
1996-97	854,843,575	77,011,791	7,449,722	939,305,088	9,771,893	184	13,027,000
1997-98	816,876,731	68,860,739	8,135,408	893,872,878	28,066,457	185	15,809,000
1998-99	831,734,375	90,449,658	7,892,160	929,976,193	48,259,890	154	17,465,635
1999-00	880,978,451	91,042,727	16,050,009	988,071,187	29,743,443	333	31,662,055
2000-01	985,608,680	105,029,788	14,479,636	1,105,118,104	27,343,172	130	14,016,019
2001-02	1,027,215,193	110,465,712	16,856,173	1,154,537,078	29,016,639	306	31,558,192
2002-03	1,062,750,998	115,487,112	18,372,089	1,196,610,199	30,775,504	229	30,632,713
2003-04	1,089,600,946	120,177,306	12,876,375	1,222,654,627	42,577,737	373	33,975,281
2004-05	1,160,184,206	124,268,852	12,398,296	1,296,851,354	106,328,196	111	12,419,818

1. Information provided by Taney County Assessor's Office.
2. Information provided by the City of Branson building department.

City of Branson, Missouri
Miscellaneous Statistics
September 30, 2005

Date of Incorporation	April 1, 1912
Form of Government	Council-Manager
Number of full-time employees	213
Area in square miles	19

City of Branson facilities and services:

Miles of streets	89
Number of street lights	1,460

Culture & Recreation:

Number of parks	15
RV parks	1
Park acreage	285
Number of playgrounds	8
Number of golf courses	1
Number of swimming pools	1

Fire Protection:

Number of stations	3
Number of firemen and officers	36
Number of volunteer firefighters	35
Number of calls answered	2,757
Number of inspections conducted	766

Police Protection:

Number of stations	1
Number of community substations	2
Number of policemen and officers	48
Number of calls answered	29,632
Number of law violations	2,803
Physical arrests	993
Traffic violations	2,287
Parking violations	1,842

Sewerage System:

Miles of sanitary sewers	123.25
Miles of storm sewers	30
Number of treatment plants	2
Number of service connections	6,178
Average daily treatment in gallons	3,266,000
Maximum treatment capacity in gallons	8,700,000

Water System:

Miles of water lines	81.5
Number of production plants	2
Number of service connections	3,916
Average daily production in gallons	3,463,000
Maximum water production capacity in gallons	11,547,360

Facilities and services not included in reporting entity:

Education:

Number of primary schools	1
Elementary schools	1
Intermediate schools	1
Number of junior high schools	1
Number of senior high schools	1
Number of teachers	279
Number of students	3,415

Hospitals:

Number of hospitals	1
Number of patient beds	145