



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023

PREPARED BY

FINANCE DEPARTMENT  
LEROY KOWALIK, DIRECTOR OF FINANCE



CITY OF LIVE OAK, TEXAS  
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## INTRODUCTORY SECTION



January 8, 2024

Honorable Mayor and Members of City Council  
City of Live Oak, Texas  
8001 Shin Oak Drive  
Live Oak, Texas 78233

Dear Mayor and Members of City Council:

The City of Live Oak, Texas is required to publish each year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Live Oak (the City) for the fiscal year ended September 30, 2023.

This report consists of management's representations concerning the finances of the City and deems the enclosed data to be accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of all City activities and funds. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The City also acknowledges all disclosures that are necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements have been audited by Armstrong, Vaughan & Associates, P.C., a firm of licensed public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the financial statements for the year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

As required by GAAP, management has provided a narrative introduction, overview and analysis to accompany the basic financial statement in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## PROFILE OF THE GOVERNMENT

The City is a home-rule city that was incorporated in 1960 and is located 17 miles northeast of downtown San Antonio. At September 30, 2023, the City has a land area of approximately 5.5 square miles and an estimated population of 15,840. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

The City has adopted a Council-Manager form of government. Policy-making and legislative authority are vested in a governing Council that is comprised of a Mayor and five Council members. The Mayor and Council members are all elected at large for a two-year term. Elections are staggered with the Mayor and two Council Members elected together (year 2024) and the three remaining members in 2025. The City Manager is appointed by the Council and is responsible for implementing council policy and day-to-day operations of the City.

The City provides a full range of municipal services including public safety (police, fire and first responder emergency medical services protection); residential and commercial solid waste sanitation services (through a franchise agreement with WM), water and wastewater services, public improvements, repair and maintenance of infrastructure, recreational and community activities and general administrative services. Transportation, treatment and disposal of sewage are provided under separate contracts with the San Antonio River Authority, Cibolo Creek Municipal Authority and San Antonio Water System (see note 13, Commitment and Contingencies, page 53 of the notes to the financial statements). The City provides water service to most of the City, with the San Antonio Water System providing water service to the remaining portion of the City.

The City of Live Oak Economic Development Corporation (EDC) is considered to meet the criteria of a component unit; therefore, has been included in the report as a discretely presented component unit. The EDC is governed by a seven-member board, consisting of three Council members and four other members appointed by City Council. The EDC is funded through a half cent Section 4B sales tax. The City is financially accountable for the EDC because the City appoints the governing body and the City is obligated to finance any deficits that may occur.

An annual budget serves as the foundation for the City's financial planning and control. All departments are required to submit requests for appropriations in May/June of each year. The City's Finance Director and City Manager use these requests as a starting point in developing a proposed budget. During the months of July and August, budget workshops are held with City Council members present. Public hearings for the budget are held in late August and early September.

The budget must provide a complete financial plan for all city funds for the ensuing fiscal year showing:

- All outstanding obligations
- Cash on hand to each fund
- The funds received from all sources and funds available from all sources
- The estimated revenue to cover the proposed budget
- The estimated tax rate required
- Proposed capital additions and deletions along with methods of financing them
- The total proposed expenditure shall not exceed the total estimated income

According to the city charter, the Council shall adopt the budget on or before the 20th day of the last month of the fiscal year currently ending.

At any time during the fiscal year, the manager may transfer part or all of any unencumbered appropriation balance among programs within a fund or department. Upon written request by the manager, the Council may transfer part of any unencumbered appropriation balance from one fund or department to another. Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered.

## LOCAL ECONOMY

The information presented in the financial statements are perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Live Oak operates.

The City is located at the center of one of the state's most active growth areas. It is adjacent to the City of San Antonio, the second largest city in Texas. The City is in close proximity to major airports and major military bases. The City is also strategically located at one of the busiest intersections in the San Antonio area, the Interstate 35 and Loop 1604 intersection. Live Oak's convenient location along the boundaries of Interstate 35, one of the largest transportation arteries in the nation, continues to provide a positive impact to the City.

The decision to adopt a sales tax for the Economic Development Corporation in 1996 has transformed the City from a modest community in the 1990's into one of the most prosperous communities in the Randolph AFB Metrocom area (Metrocom). The Metrocom is the northeast portion of the San Antonio metropolitan area which consists of several suburban cities around Randolph AFB. Growth in this area is reflective of the strength of the City's key economic clusters that include healthcare, education, retail and services. With the continued planned expansions of several current commercial developments and several new upcoming commercial developments, these economic sectors will continue to be the base of the City's economy.

Despite all the national news of high inflation, rising costs, supply chain and product availability issues, the City continued to see strong sales tax revenue remittances for the year. The City ended Fiscal Year 2023 very strong, and overall, the Metrocom sustained fiscal stability throughout Fiscal Year 2023. Entering the new fiscal year, the economy continues to be on a positive track in this area performing as good or better than any other area in the state or even the nation.

The City enjoyed several grand openings of retail and food establishments during the economic struggles in 2022-2023, with more slated to open in 2024 and onward. Northeast Lakeview College (NLC) expanded their footprint in 2022 with the newly constructed STEM building. The new Paluxy Hall, standing at 86,390 square feet, is the college's tenth facility on the growing campus. Paluxy Hall will allow NLC to expand its career and technical programs. Future use of the building includes expanding the nursing programs for the area. Additionally, NLC received \$7.7 million to construct an 11,000 square foot Veterans Center expected to be completed in Fall 2024. NLC and The Judson Early College Academy (JECA) offers students an opportunity to not only earn their high school degree, but also offers education paths that will earn an equivalent to an associate degree as well. Students have the ability to transfer these college credits to almost any college or university. Live Oak welcomed Wayland Baptist University in April 2021, offering an additional layer of education for the northeast region. Wayland Baptist began a renovation project in 2022, designating an entire floor to its Nursing program which was completed in 2023. The Eagle Ford Shale development, one of the nation's biggest oil and natural gas fields, has provided a tremendous economic impact to neighboring counties that has spilled over into this area. Over the last couple of years, the oil industry has been in the process of making a welcomed comeback and is still considered to have a solid presence in the area.



Compared to the national level, economic indicators such as the unemployment rate and housing permits have remained positive. Live Oak was very fortunate to have two residential projects kick off in 2019 and 2020, Vista Ridge and Skybrooke. These two residential projects continued in 2023 and 2024. Vista Ridge is a 202-home subdivision that completed phase II in 2022 and began the infrastructure for phase III in 2023. At the end of 2020, developers for the Skybrooke Subdivision began building for a future 146 additional single-family homes. The construction of homes continued in 2023-2024 with only 36 of the initial 146 lots remaining for sale.

Perhaps one of the biggest economic projects that should forever change the makeup for the City is the Live Oak Town Center (LOTC) project. The LOTC commercial retail project broke ground several years ago anchored by the Swedish giant, IKEA, serving the entire south region of Texas along with a BJ's Brewhouse, Olive Garden, Longhorn Steakhouse, Black Rifle Coffee Co., and Twin Peaks. In 2023, a large retailer purchased 15.5 acres within the LOTC and is slated to break ground in 2024. This retail project will be the third of its kind in the State of Texas.

Goodwill Industries constructed a new spacious store featuring a two-lane donor drive-thru and a modern layout of the showroom conveniently located in the Gateway Plaza at Loop 1604 and IH 35 corridor. Also in the Gateway Shopping Center, is the new headquarters for Alterman Inc., a Texas electrical contractor, that began construction on Phase I (2 building) in 2022 with an anticipated move-in date slated for February 2024. Alterman will begin construction on Phase II (2 additional buildings) in late-2025 which will complete the headquarter campus. Great Hearts Charter Academy began construction on Phase II in 2023 which will add a high school and athletic facility. This project is approximately 50% completed.

Methodist Hospital NE continues to expand, offering a variety of medical services to Live Oak and surrounding communities. In late 2022, Methodist staff broke ground on a three-floor medical office building (MOB), Methodist Plaza II. The 73,000 square foot building was completed in record time at the end of 2023. The expansion will have a second phase which will include an additional large-scale clinical services footprint, elevating support for the community. The groundbreaking for Methodist Plaza I is slated for late of 2024. Nearby the hospital, a 28,000 square foot indoor sports facility is slated to break ground mid 2024 adding an entertainment destination to Live Oak's business repertoire.

The City of Live Oak remains the premier business and community catalyst, focused on building economic prosperity in the City and throughout the region.

Economic Outlook: Because the City is adjacent to the City of San Antonio, the local economy is anchored by what happens in the San Antonio Metropolitan Statistical Area. This area enjoys the benefit of a diversified economy. Major anchors of the economy in this area are the medical/biomedical industry, the military industry, tourism, telecommunications, insurance, financial and manufacturing. The local state of economy continues to show signs of substantial growth and strength. As a result, commercial growth and sales tax receipts in Live Oak continue to be on a positive track. The unknown tracks of the national and global economies will be continually monitored to determine what impact, if any, it will have to the City.

## **LONG-TERM FINANCIAL PLANNING**

The City's Comprehensive Plan provided background information for a baseline analysis to formulate goals and objectives to guide our City through the years to 2040. The City reviewed, analyzed and formulated the City's newest Comprehensive Plan in 2019. The City completed a park Amenity and Future Use Plan in 2019 as well. These updated plans will guide the City well into the future.

The City is in constant communications with various developers to look at opportunities for development in the City's undeveloped areas. Several commercial businesses recently opened their doors around the City. There are also several big projects in the works, none bigger than the continued development of the Live Oak Town Center which is now home to the San Antonio area's only IKEA Home Furnishings store. The other big project is the development at Gateway Plaza, to include, the construction of the new Alterman Group, Inc. headquarters that will house approximately 500 employees. All this growth continues to strengthen the City's financial stability.

The City currently has four active incentive packages with businesses and developers. When the City is approached for a possible incentive package by a business or a developer, the City will perform a cost analysis on each one to help determine what is the true long-term benefit. Various factors are also considered for the justification and are dependent on the type of business and the need for that business at the time. The expected long-term benefits of tax abatements are the increase in property value for the property contained within the development or business. Other benefits include the stimulation of additional business and commercial development, the number of employees that will be brought into the City, and the quality of life that these developments would add to the City.

The City is also continuously looking at infrastructure needs. In a May 2022 bond election, residents passed a bond proposal which addressed areas of street improvements. Engineering efforts continue on Phase II while construction is underway on Phase I. Construction is expected to be completed in early 2025.

The City, with the assistance of the Regional Water Resource Development Group and Regional Water Alliance, is constantly monitoring the projected growth and water needs of the City.

### **RELEVANT FINANCIAL POLICIES**

Budgeting controls are governed by the City's Charter. Throughout the budgeting process, the City Council may make financial policies that dictate the uses and sources of funds for various needs. In the 2023 budget, Council endorsed a financial policy that would have utilized \$4,423,304 of reserves to be used for contingencies (\$200,000), capital or capital related purchases (\$3,893,804) and one-time and/or emergency expenditures (\$329,500).

### **MAJOR INITIATIVES**

The vision for the City of Live Oak is to be "The premier community to live learn work and play." This vision is supported by following the mission of serving with excellence, cultivating innovative and strategic partnerships alongside public and private investments to ensure that Live Oak is resilient, inclusive and prosperous. Goals for the year were to continue, or enhance, the level of professional services in all areas.

- Swift professional EMS First Responder and Fire response,
- Professional police department capable of responding to all requests for services both emergency and non-emergency
- Continue to monitor the street and sewer infrastructure maintenance program
- Improve city park operations
- Maintain City facilities
- Serving the City's residents with a positive attitude

With the completion of the Park Amenity and Future Use Plan and the completed update to the City's Comprehensive Plan, several projects identified within these plans will be studied for future planning. These plans should be a catalyst for the formulation of goals and objectives to guide the City's future.

The residents of Live Oak passed a \$18 million street bond package at the May 2022 election. Upon the passage of this bond package, engineering efforts for Phase I completed with construction underway. Phase II engineering is wrapping up with the bidding process soon to follow.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Live Oak for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2022. This was the sixteenth (16<sup>th</sup>) consecutive year that the City received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

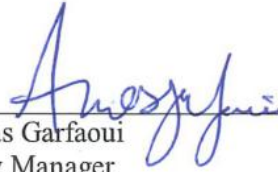
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible by the efficient and dedicated service of the entire staff of the finance and administration departments. We appreciate the efforts of everyone involved. We wish to also express our appreciation to the Mayor and all City Council members for their unfailing support in maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully Submitted,



Leroy Kowalik  
Finance Director



Anas Garfaoui  
City Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Live Oak  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morill*

Executive Director/CEO

CITY OF LIVE OAK, TEXAS  
ELECTED AND APPOINTED OFFICIALS  
YEAR ENDED SEPTEMBER 30, 2023

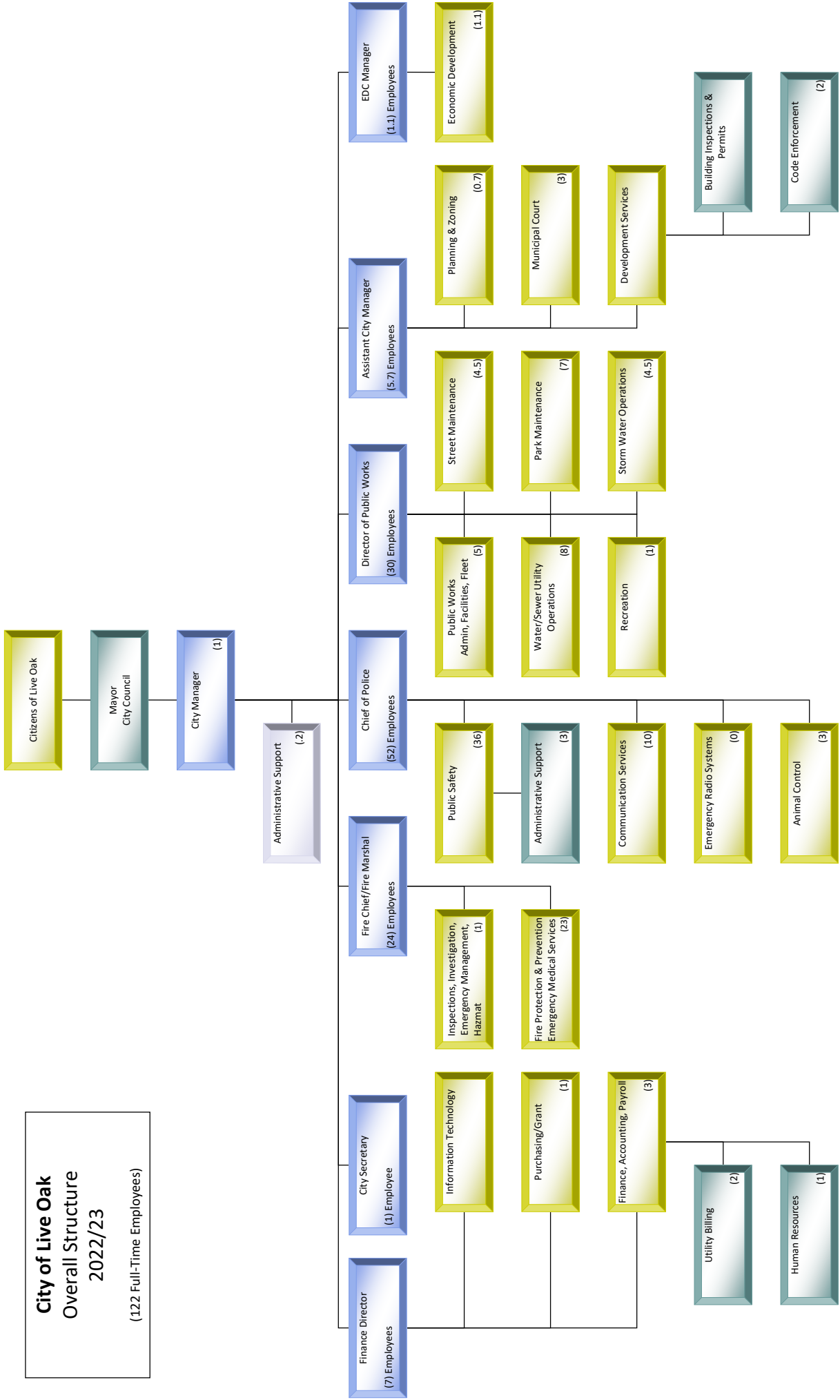
**ELECTED OFFICIALS**

MAYOR	MARY M. DENNIS
CITY COUNCIL, PLACE 1	MENDELL D. MORGAN
CITY COUNCIL, PLACE 2	ROBERT “BOB” TULLGREN
CITY COUNCIL, PLACE 3	DR. ERIN PEREZ
CITY COUNCIL, PLACE 4	ED CIMICS
CITY COUNCIL, PLACE 5	AARON DAHL

**APPOINTED OFFICIALS**

CITY MANAGER	GLEN MARTEL
ASSISTANT CITY MANAGER	ANAS GARFAOUI
DIRECTOR OF FINANCE	LEROY KOWALIK
CITY SECRETARY	ISAURA GAYTAN
POLICE CHIEF	GARY HOPPER
FIRE CHIEF	LINC SURBER
PUBLIC WORKS DIRECTOR	MARK WAGSTER
MUNICIPAL COURT JUDGE	ED PHILLIPS
CITY ATTORNEY	DENTON, NAVARRO, ROCHA, BERNAL & ZECH, P.C.

**City of Live Oak**  
**Overall Structure**  
**2022/23**  
 (122 Full-Time Employees)



# City of Live Oak City Council



**Mary M. Dennis**  
**Mayor**



**Mendell Morgan**  
**Council Member, Place 1**



**Robert "Bob" Tullgren**  
**Council Member, Place 2**



**Dr. Erin Perez**  
**Council Member, Place 3**



**Ed Cimics**  
**Council Member, Place 4**



**Aaron Dahl**  
**Council Member, Place 5**  
**Mayor Pro Tem**

# City of Live Oak Executive Team



**Glen Martel**  
City Manager



**Anas Garfaoui**  
Assistant City Manager



**Gary Hopper**  
Police Chief



**Linc Surber**  
Fire Chief



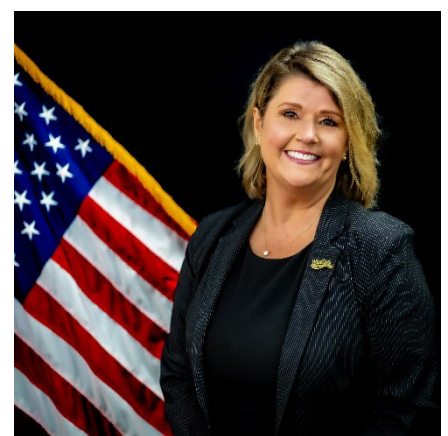
**Leroy Kowalik**  
Director of Finance &  
Administrative Services



**Mark Wagster**  
Director of Public Works



**Isaura Gaytan**  
City Secretary



**Donna Lowder**  
EDC Manager



FINANCIAL SECTION



# Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Live Oak, Texas

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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 City of Live Oak, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise City of Live Oak's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 City of Live Oak, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

City of Live Oak's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Live Oak's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Live Oak's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

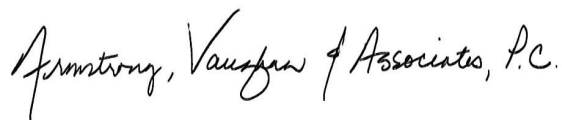
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Live Oak's basic financial statements. The supplementary information (as identified in the table of contents) is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2024 on our consideration of City of Live Oak's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 of Live Oak's internal control over financial reporting and compliance.



Armstrong, Vaughan & Associates, P.C.

January 8, 2024

## MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the City of Live Oak, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Live Oak for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2023 by \$38.4 million (net position). Of this amount \$18.7 million (unrestricted net position), may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased from operations by \$4.4 million. This increase is attributable to the City's ability to manage budgetary spending with available revenues during the fiscal year.
- As of September 30, 2023, the City's governmental funds reported combined ending fund balances of \$43.5 million, an increase of \$979 thousand. The increase was largely from general fund revenues that were higher than expectations (primarily interest income) and general fund expenditures that were lower than budgeted (across departments).
- No new debt was issued by the City.

### Overview of the Financial Statements

The management discussion and analysis is intended to serve as the introduction of the City of Live Oak, Texas' basic financial statements which are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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 financial presentation.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City'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.)

Both of 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 their user fees and charges (business-type activities). The governmental activities of the City include general government, debt service, special revenue funds, and capital projects. The business-type activities of the City include a water and wastewater operating fund, a utility development replacement and renewal fund and a storm water utility fund. The government-wide financial statements can be found on pages 16-19 of this report.

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

*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 available for current spending, as well as on balances of resources available for spending at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

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

The City maintains twelve (12) 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, 2022 street bond fund, capital projects fund and the debt service fund, which are considered to be major funds. Data from the other eight (8) governmental funds are combined into a single, aggregated presentation. Details of the eight (8) nonmajor governmental funds are presented in the other supplementary information section which begins on page 66. The City adopts an annual appropriated budget for all governmental funds except the capital project funds (2022 Street Bond Fund and Capital Project Fund). Budgetary comparison statements have been provided to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 20-25 of this report.

*Proprietary Funds* – The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. The City maintains two proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operation and maintenance of its water and wastewater utility, and its storm water utility. The basic proprietary fund financial statements can be found on pages 26-29 of this report.

Notes to the Basic Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-55 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s general fund budgetary comparisons and progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees and retirees. Required supplementary information can be found on pages 56-65 of the City’s annual comprehensive financial report.

The combining statements referred to earlier as the City’s nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and supporting schedules can be found on pages 67-83 of the City’s annual comprehensive financial report.

## Government-wide Financial Analysis

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$38.4 million (net position). Of this amount \$18.7 million (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors.

The 2nd largest portion of the City's net position (44%) is its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. 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. The largest portion of the City's net position (49%) is unrestricted while approximately (7%) represents resources that are subject to external restrictions on how they may be used.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$ 46,559,736	\$ 44,920,912	\$ 2,400,714	\$ 2,184,725	\$ 48,960,450	\$ 47,105,637
Capital Assets	19,427,468	17,483,705	5,407,513	5,540,080	24,834,981	23,023,785
Total Assets	<u>65,987,204</u>	<u>62,404,617</u>	<u>7,808,227</u>	<u>7,724,805</u>	<u>73,795,431</u>	<u>70,129,422</u>
<b>Deferred Outflows of Resources</b>	<u>4,929,556</u>	<u>1,517,896</u>	<u>572,289</u>	<u>171,011</u>	<u>5,501,845</u>	<u>1,688,907</u>
<b>Liabilities</b>						
Current Liabilities	2,397,443	1,711,094	720,521	606,872	3,117,964	2,317,966
Long-term Liabilities	36,324,664	31,999,811	1,211,526	441,771	37,536,190	32,441,582
Total Liabilities	<u>38,722,107</u>	<u>33,710,905</u>	<u>1,932,047</u>	<u>1,048,643</u>	<u>40,654,154</u>	<u>34,759,548</u>
<b>Deferred Inflows of Resources</b>	<u>185,848</u>	<u>2,721,630</u>	<u>27,336</u>	<u>313,931</u>	<u>213,184</u>	<u>3,035,561</u>
<b>Net Position</b>						
Net Investment in Capital Assets	11,348,915	6,894,960	5,407,513	5,540,079	16,756,428	12,435,039
Restricted	2,972,105	2,602,649	-	-	2,972,105	2,602,649
Unrestricted	17,687,785	17,992,369	1,013,620	993,163	18,701,405	18,985,532
Total Net Position	<u>\$ 32,008,805</u>	<u>\$ 27,489,978</u>	<u>\$ 6,421,133</u>	<u>\$ 6,533,242</u>	<u>\$ 38,429,938</u>	<u>\$ 34,023,220</u>

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

During the year ending September 30, 2023, the City's net position increased by \$4.4 million. Economic activity continued to remain strong during 2023, as evident of the strong sales tax revenues.

The following table indicates changes in net position for the governmental and business-type activities for the City as of September 30, 2023.

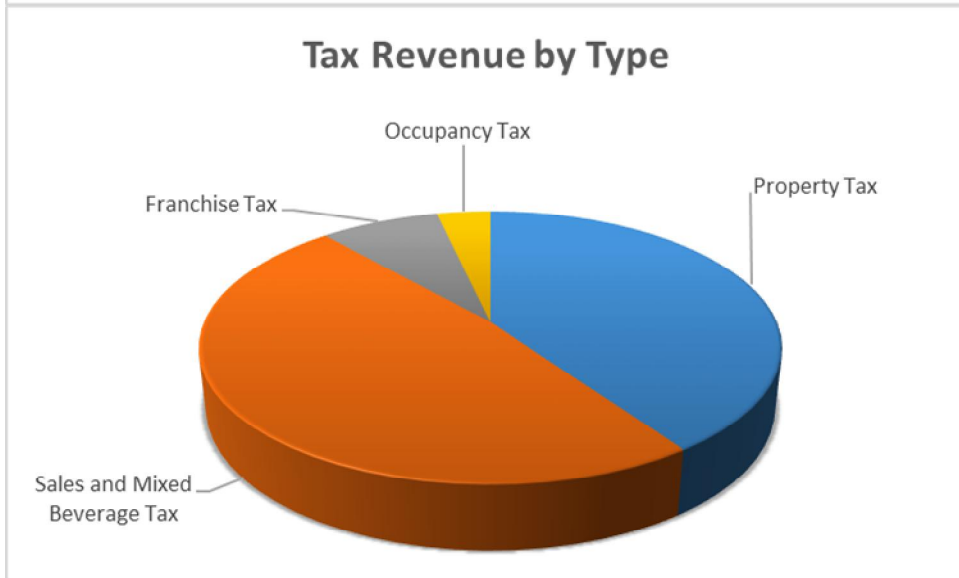
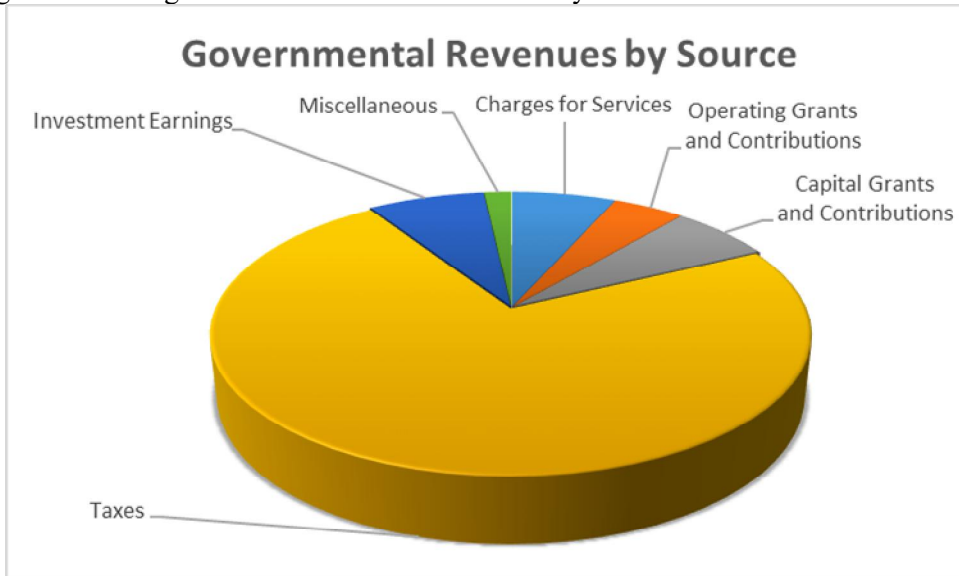
	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 1,590,571	\$ 1,297,508	\$ 6,078,838	\$ 5,322,623	\$ 7,669,409	\$ 6,620,131
Operating Grants and Contributions	1,086,832	5,000,325	-	-	1,086,832	5,000,325
Capital Grants and Contributions	1,554,000	245,500	-	-	1,554,000	245,500
General Revenues						
Taxes						
Property Taxes	7,002,739	6,114,498	-	-	7,002,739	6,114,498
Sales and Mixed Beverage	8,373,983	8,550,755	-	-	8,373,983	8,550,755
Franchise Taxes	1,371,927	1,387,232	-	-	1,371,927	1,387,232
Occupancy Taxes	617,770	575,556	-	-	617,770	575,556
Investment Earnings	1,785,128	(82,158)	70,879	8,246	1,856,007	(73,912)
Miscellaneous	417,220	308,307	39,500	-	456,720	308,307
Total Revenues	<u>23,800,170</u>	<u>23,397,523</u>	<u>6,189,217</u>	<u>5,330,869</u>	<u>29,989,387</u>	<u>28,728,392</u>
<b>Expenses:</b>						
General Government	3,856,269	3,480,760	-	-	3,856,269	3,480,760
Public Safety	10,137,229	8,297,164	-	-	10,137,229	8,297,164
Public Works	4,492,807	3,042,640	-	-	4,492,807	3,042,640
Recreation	320,918	262,652	-	-	320,918	262,652
Water and Wastewater	-	-	5,350,560	4,364,698	5,350,560	4,364,698
Storm Water	-	-	560,409	477,217	560,409	477,217
Interest and Fiscal Agent Fees	864,477	679,313	-	-	864,477	679,313
Total Expenses	<u>19,671,700</u>	<u>15,762,529</u>	<u>5,910,969</u>	<u>4,841,915</u>	<u>25,582,669</u>	<u>20,604,444</u>
<b>INCREASE IN NET POSITION BEFORE TRANSFERS</b>	4,128,470	7,634,994	278,248	488,954	4,406,718	8,123,948
Transfers In (Out)	<u>390,357</u>	<u>317,626</u>	<u>(390,357)</u>	<u>(317,626)</u>	-	-
<b>CHANGE IN NET POSITION</b>	4,518,827	7,952,620	(112,109)	171,328	4,406,718	8,123,948
<b>BEGINNING NET POSITION</b>	<u>27,489,978</u>	<u>19,537,358</u>	<u>6,533,242</u>	<u>6,361,914</u>	<u>34,023,220</u>	<u>25,899,272</u>
<b>ENDING NET POSITION</b>	<u>\$ 32,008,805</u>	<u>\$ 27,489,978</u>	<u>\$ 6,421,133</u>	<u>\$ 6,533,242</u>	<u>\$ 38,429,938</u>	<u>\$ 34,023,220</u>

*Governmental Activities* – Governmental activities increased the City’s net position by \$4.5 million. Key elements are as follows:

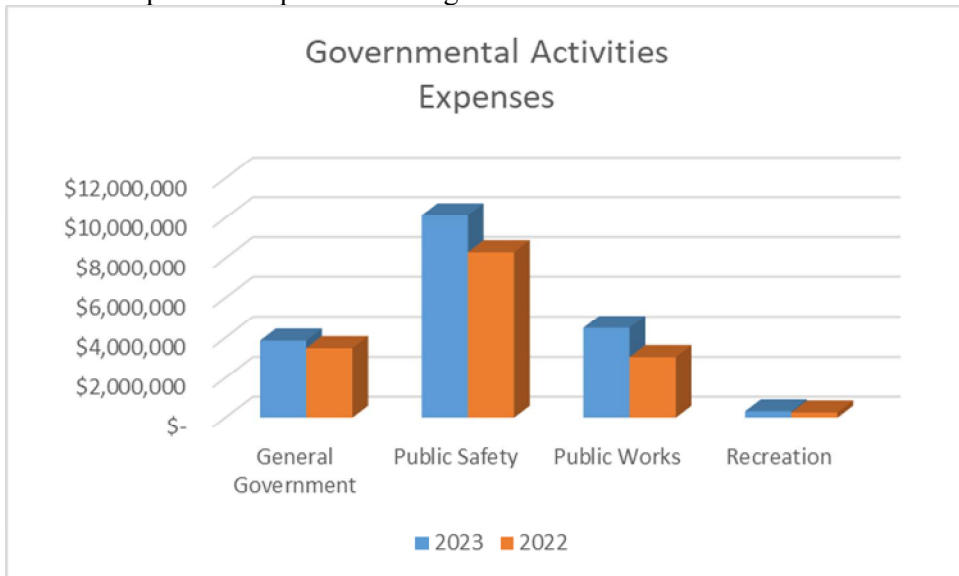
- Significant capital grants from the Economic Development Corporation and increased investment earnings helped offset the loss of the American Rescue Plan grant revenue of 2022.
- Property tax growth was used to make debt service payments on the 2022 street bonds. However, the principal repayment is not reflected as an expense on the statement of activities.
- Expenses increased \$3.9 million, of which \$1.6 million was related to changes in the performance of the City’s pension plan. The remaining increase is largely attributable to increases to personnel salaries and benefits and the increased cost of goods and services necessary to serve the citizens of Live Oak.



The following charts show governmental activities revenues by source and a breakdown of taxes by type.

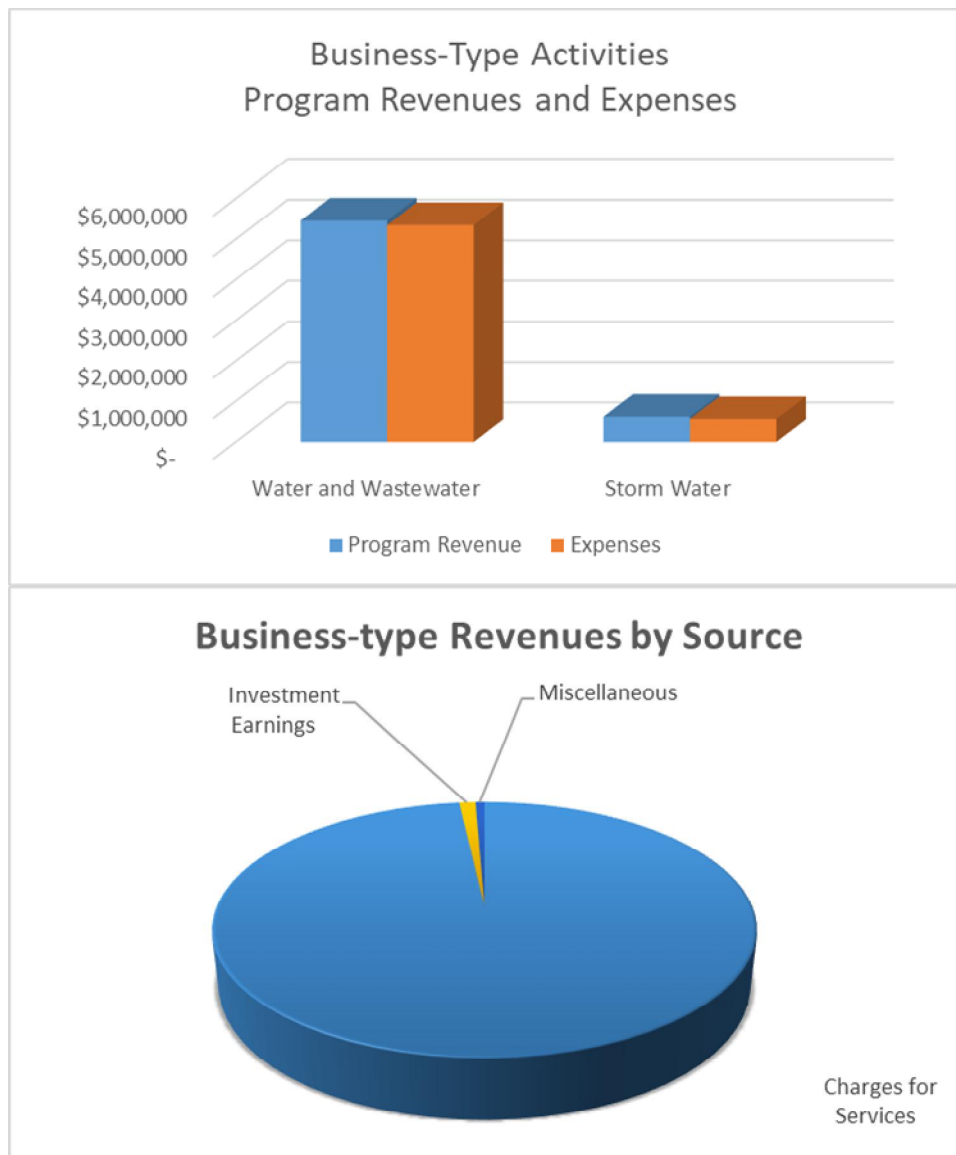


Below is a chart which depicts the expenses for all governmental activities.



*Business-Type Activities* - The City's business-type activities consist of water, wastewater, stormwater and garbage services. These activities have rates and spending plans established by the City Council.

The City's smallest business-type activity (Storm Water) remained largely unchanged with operating revenues increasing 2% and expenses increasing 17% (mostly employment related). After transfers, the Storm Water Fund increased net position by \$7 thousand. The Water and Wastewater Utility (which includes garbage) saw revenues increase 16%, primarily from increased consumption and rate increases for sewer treatment. Garbage revenues also increased as the City has taken over billing for customers previously served directly by the contractor. Expenses increased 22%, primarily from the filling of personnel vacancies, sewage treatment and the expansion of the garbage customer base. The City is gradually increasing sewer rates to keep up with increases from wastewater treatment providers San Antonio River Authority and Cibolo Creek Municipal Authority. A comparison between expenses and program revenues (charges for services) relating to water, wastewater and storm water operations follows. The major revenue source for business-type activities consists almost entirely of charges for services.



## Financial Analysis of the Government's Funds

As noted earlier, the City of Live Oak uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* - The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$43.5 million, an increase of \$1.0 million from the prior year. \$14.8 million (34%) of the ending fund balance is unassigned, which is available for spending at the City's discretion. The remaining amount of \$28.7 million (66%) is nonspendable, restricted, assigned, or committed for specific purposes.

The City's general fund is the chief operating fund of the City and is used to account for all financial resources except those required to be accounted for by another fund. Property and sales taxes provide the major source of income. At the end of the current fiscal year, the unassigned fund balance portion of the general fund was \$14.8 million compared to \$16.2 million in the prior year, a decrease of \$1.4 million. The City committed \$2.9 million for capital projects and transferred it to a separate fund. However, better than expected investment income and expenditures under budget helped reduce the full impact on fund balance. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents a little over one (1) year of general fund operating expenditures.

The debt service fund had a total restricted fund balance of \$542 thousand. The total fund balance is restricted for the payment of debt service.

The City issued \$16.5 million in bonds to fund street improvements in 2022. Engineering efforts continue on Phase II while construction is underway on Phase I. Construction is expected to be completed in early 2025.

*Proprietary Funds* – The City's proprietary funds provide the same type of information found in the government-wide financial statements. Unrestricted net position of the water and sewer fund was \$819 thousand, a slight increase over the previous year. The Storm Water fund at the end of the current fiscal year had \$194 thousand in unrestricted net position. This was a minor decrease over the previous year.

## Budgetary Highlights

*General Fund* – The City amended the budget to spend some additional grant revenue but the amendment did not change the overall expected change in fund balance. The budget anticipated reducing fund balance by \$4.7 million, primarily from a \$2.9 million transfer to capital projects. However, general fund revenues exceeded budgetary estimates by \$1.4 million and expenditures were less than budgetary estimates by \$2.0 million.

Below is a brief summarization of the major differences between the final amended budget and actual results for both revenues and expenditures.

- \$1.4 million over budget in total revenues
  - Licenses and Permits – Exceeded the budget by \$239 thousand due to continued economic growth within the City.
  - Investment Earnings – Exceeded the budget by \$700 thousand as increasing interest rates brought in more than expected. The City budgets conservatively as to not rely on investment income that is uncertain.
- \$2.0 million under budget in total expenditures
  - General Government:

- Council – did not utilize the contingency budgets.
- City Secretary – Legal services were not as high as expected.
- Public Safety – Expenditures were under budget primarily from vacancies during the year that have largely been filled near year end.
- Public Works – Emergency contingencies were not utilized.

## Capital Asset and Debt Administration

*Capital Assets* - The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023 amounted to \$24.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, park facilities, the water and wastewater system plants and service lines, machinery and equipment, and construction in progress.

The City's most significant additions during the year ending September 30, 2023 included significant park improvements, radios and several vehicles. More detailed information if desired on the City's capital asset activity is presented in the notes to the financial statements (note 5, page 41).

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,179,151	\$ 1,179,151	\$ -	\$ -	\$ 1,179,151	\$ 1,179,151
Water Rights	647,021	647,021	2,051,112	2,051,112	2,698,133	2,698,133
Construction in Progress	4,294,704	3,471,032	-	-	4,294,704	3,471,032
Total Not Depreciated	<u>6,120,876</u>	<u>5,297,204</u>	<u>2,051,112</u>	<u>2,051,112</u>	<u>8,171,988</u>	<u>7,348,316</u>
Buildings and Improvements	15,023,059	14,174,373	-	-	15,023,059	14,174,373
Streets and Infrastructure	14,429,370	14,429,370	-	-	14,429,370	14,429,370
Machinery and Equipment	10,798,490	8,830,495	1,865,698	1,822,919	12,664,188	10,653,414
Water and Sewer System	-	-	10,277,166	10,496,025	10,277,166	10,496,025
Accumulated Depreciation	(26,944,327)	(25,247,737)	(8,786,463)	(8,829,976)	(35,730,790)	(34,077,713)
Total Depreciated	<u>13,306,592</u>	<u>12,186,501</u>	<u>3,356,401</u>	<u>3,488,968</u>	<u>16,662,993</u>	<u>15,675,469</u>
Total	<u>\$ 19,427,468</u>	<u>\$ 17,483,705</u>	<u>\$ 5,407,513</u>	<u>\$ 5,540,080</u>	<u>\$ 24,834,981</u>	<u>\$ 23,023,785</u>

*Long-Term Debt* – As of September 30, 2023, the City had total bonded debt outstanding of \$23.9 million. This amount is backed by the full faith and credit of the City, although both the Economic Development Corporation and water/sewer operations have historically contributed to the debt service. No new debt was issued.

The City maintained its Aa3 rating from Moody's Investor Services during the Series 2022 bond issue process. The City has no legal debt limit provision in its charter. More detailed information about the City's long-term liabilities is presented in notes 6 and 7 (beginning on page 43) of the notes to the financial statements.

	Governmental Activities	
	2023	2022
General Obligation Bonds		
Series 2022	\$ 15,975,000	\$ 16,490,000
Series 2014	<u>7,960,000</u>	<u>9,525,000</u>
TOTALS	<u>\$ 23,935,000</u>	<u>\$ 26,015,000</u>

## **Economic Factors and Next Year's Budgets and Rates**

The City's elected and appointed officials considered many factors when setting the fiscal year 2023 budget, tax rates, and fees that will be charged for the business-type activities. One of the most significant factors continues to be the City's recent revenue trends. The City's general fund revenue is primarily made up of property taxes, sales taxes, and franchise fees. Franchise fees remained relatively flat in 2023 compared to 2022. Sales tax revenues continue to make up the biggest source of primary revenue. The City has seen some substantial increases in its sales tax revenue since 2015.

These increases are reflective of a continued strong economy and some substantial commercial growth. 2023 reveals a continuation of the strong comeback from the pandemic prone 2020 fiscal year. The economy in the area continues to be extremely favorable. Sales tax will always be continually monitored because of its volatile nature. A very slight increase over last year's budget was approved and management will keep close watch to see what effects the economy would have throughout the year.

The general fund's largest controllable revenue source is property taxes. The property tax rate during fiscal year 2023 was \$0.410220 per \$100 valuation, unchanged from 2022. Of this tax rate, \$0.283077 is utilized for general fund activities. The remaining amount of \$0.127143 is used for debt service. The rate for fiscal year 2023 was above the no-new-revenue tax rate because of the new debt service requirements of the recently passed 2022 bond series. The City's portion of the sales tax rate is one and one-half cents, with an additional half cent for economic development. The general fund receives one and one-half cent with a half cent as an instrument of property tax reduction.

Despite all the national news of high inflation, rising costs, supply chain and product availability issues, the City continued to see strong sales tax revenue remittances for the year. The City ended Fiscal Year 2023 very strong, and overall, the Metrocom sustained fiscal stability throughout Fiscal Year 2023. Entering the new fiscal year, the economy continues to be on a positive track in this area performing as good or better than any other area in the state or even the nation.

The City enjoyed several grand openings of retail and food establishments during the economic struggles in 2022-2023, with more slated to open in 2024 and onward. Northeast Lakeview College (NLC) expanded their footprint in 2022 with the newly constructed STEM building. The new Paluxy Hall, standing at 86,390 square feet, is the college's tenth facility on the growing campus. Paluxy Hall will allow NLC to expand its career and technical programs. Future use of the building includes expanding the nursing programs for the area. Additionally, NLC received \$7.7 million to construct an 11,000 square foot Veterans Center expected to be completed in Fall 2024. NLC and The Judson Early College Academy (JECA) offers students an opportunity to not only earn their high school degree, but also offers education paths that will earn an equivalent to an associate degree as well. Students have the ability to transfer these college credits to almost any college or university. Live Oak welcomed Wayland Baptist University in April 2021, offering an additional layer of education for the northeast region. Wayland Baptist began a renovation project in 2022, designating an entire floor to its Nursing program which was completed in 2023. The Eagle Ford Shale development, one of the nation's biggest oil and natural gas fields, has provided a tremendous economic impact to neighboring counties that has spilled over into this area. Over the last couple of years, the oil industry has been in the process of making a welcomed comeback and is still considered to have a solid presence in the area.

**Economic Outlook:** Because the City is adjacent to the City of San Antonio, the local economy is anchored by what happens in the San Antonio Metropolitan Statistical Area. This area enjoys the benefit of a diversified economy. Major anchors of the economy in this area are the medical/biomedical industry, the military industry, tourism, telecommunications, insurance, financial and manufacturing. The local state of economy continues to show signs of substantial growth and strength. As a result, commercial growth and sales tax receipts in Live Oak continue to be on a positive track.

## **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the finance department, at the City of Live Oak, 8001 Shin Oak Drive, Live Oak, Texas 78233.

## BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements
  - Governmental funds
  - Proprietary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF LIVE OAK  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Live Oak Economic Development
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 33,178,918	\$ 1,753,443	\$ 34,932,361	\$ 4,893,883
Investments	11,210,532	-	11,210,532	-
Receivables (net of allowances):				
Property Taxes	103,641	-	103,641	-
Sales Tax	1,473,504	-	1,473,504	491,168
Other	502,117	647,271	1,149,388	-
Accrued Interest	56,689	-	56,689	-
Prepaid Expenses	34,335	-	34,335	6,810
Capital Assets:				
Land	1,179,151	-	1,179,151	570,194
Construction in Progress	4,294,704	-	4,294,704	-
Water Rights	647,021	2,051,112	2,698,133	304,541
Buildings and Improvements (net)	5,240,602	-	5,240,602	-
Streets and Infrastructure (net)	4,919,078	-	4,919,078	-
Machinery and Equipment (net)	3,146,912	250,540	3,397,452	-
Water and Sewer System (net)	-	3,105,861	3,105,861	-
<b>TOTAL ASSETS</b>	65,987,204	7,808,227	73,795,431	6,266,596
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Pension Related Outflows	4,795,452	563,096	5,358,548	-
Deferred OPEB Related Outflows	73,174	9,193	82,367	-
Deferred Charge on Bond Refunding	60,930	-	60,930	-
<b>TOTAL DEFERRED OUTFLOWS</b>	\$ 4,929,556	\$ 572,289	\$ 5,501,845	\$ -

See accompanying notes to basic financial statements.



CITY OF LIVE OAK  
STATEMENT OF NET POSITION (CONTINUED)  
SEPTEMBER 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Live Oak Economic Development
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,958,730	\$ 552,912	\$ 2,511,642	\$ 299,602
Accrued Interest Payable	180,242	-	180,242	-
Accrued Wages	254,801	30,756	285,557	3,448
Customer Deposits Payable	3,670	136,853	140,523	-
Long-term Liabilities				
Due in One Year	2,293,922	14,591	2,308,513	2,612
Due in More than One Year:				
Bonds, Notes, Premiums and Absences	24,456,309	43,774	24,500,083	7,836
Net Pension Liability	9,266,365	1,114,035	10,380,400	-
Total Other Postemployment Benefit Liability	308,068	39,126	347,194	-
<b>TOTAL LIABILITIES</b>	38,722,107	1,932,047	40,654,154	313,498
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Pension Related Inflows	20,205	8,233	28,438	-
Deferred OPEB Related Inflows	165,643	19,103	184,746	-
<b>TOTAL DEFERRED INFLOWS</b>	185,848	27,336	213,184	-
<b>NET POSITION</b>				
Net Investment In Capital Assets	11,348,915	5,407,513	16,756,428	874,735
Restricted For:				
Debt Service	393,422	-	393,422	-
Municipal Court	188,834	-	188,834	-
Tourism Development	1,286,498	-	1,286,498	-
Public Safety	671,190	-	671,190	-
Public Education	432,161	-	432,161	-
Unrestricted	17,687,785	1,013,620	18,701,405	5,078,363
<b>TOTAL NET POSITION</b>	\$ 32,008,805	\$ 6,421,133	\$ 38,429,938	\$ 5,953,098

See accompanying notes to basic financial statements.

CITY OF LIVE OAK  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

<b>Functions and Programs</b>	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<i>Governmental Activities:</i>				
General Government	\$ 3,856,269	\$ 1,326,428	\$ 150,000	\$ -
Public Safety	10,137,229	217,967	18,335	39,000
Public Works	4,492,807	8,752	-	1,515,000
Recreation	320,918	37,424	-	-
Interest and Fiscal Agent Fees	864,477	-	918,497	-
<i>Total Governmental Activities</i>	<u>19,671,700</u>	<u>1,590,571</u>	<u>1,086,832</u>	<u>1,554,000</u>
<i>Business-Type Activities</i>				
Water/Wastewater Utilities	5,350,560	5,462,311	-	-
Storm Water Utility	560,409	616,527	-	-
<i>Total Business-Type Activities</i>	<u>5,910,969</u>	<u>6,078,838</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 25,582,669</u>	<u>\$ 7,669,409</u>	<u>\$ 1,086,832</u>	<u>\$ 1,554,000</u>
<b>Component Unit:</b>				
Live Oak Economic Development	<u>\$ 3,083,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>General Revenues:</b>				
Taxes:				
Property Taxes				
Sales and Mixed Beverage Taxes				
Franchise Taxes				
Occupancy Taxes				
Investment Earnings				
Miscellaneous				
<b>Total General Revenues</b>				
Transfers In (Out)				
<b>Change in Net Position</b>				
<b>Net Position at Beginning of Year</b>				
<b>Net Position at End of Year</b>				

See accompanying notes to basic financial statements.

Primary Government			Component Unit
Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-Type Activities	Total	Live Oak Economic Development
\$ (2,379,841)	\$ -	\$ (2,379,841)	\$ -
(9,861,927)	-	(9,861,927)	-
(2,969,055)	-	(2,969,055)	-
(283,494)	-	(283,494)	-
54,020	-	54,020	-
<u>(15,440,297)</u>	<u>-</u>	<u>(15,440,297)</u>	<u>-</u>
-	111,751	111,751	-
-	56,118	56,118	-
<u>-</u>	<u>167,869</u>	<u>167,869</u>	<u>-</u>
<u>(15,440,297)</u>	<u>167,869</u>	<u>(15,272,428)</u>	<u>-</u>
			<u>(3,083,099)</u>
7,002,739	-	7,002,739	-
8,373,983	-	8,373,983	2,667,773
1,371,927	-	1,371,927	-
617,770	-	617,770	-
1,785,128	70,879	1,856,007	250,629
417,220	39,500	456,720	10,000
<u>19,568,767</u>	<u>110,379</u>	<u>19,679,146</u>	<u>2,928,402</u>
<u>390,357</u>	<u>(390,357)</u>	<u>-</u>	<u>-</u>
4,518,827	(112,109)	4,406,718	(154,697)
<u>27,489,978</u>	<u>6,533,242</u>	<u>34,023,220</u>	<u>6,107,795</u>
<u>\$ 32,008,805</u>	<u>\$ 6,421,133</u>	<u>\$ 38,429,938</u>	<u>\$ 5,953,098</u>

CITY OF LIVE OAK  
BALANCE SHEET – GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023

	Major Funds			
	General Fund	Debt Service	Capital Projects	2022 Street Bond
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 6,958,421	\$ 541,542	\$ 4,884,654	\$ 18,207,584
Investments	11,210,532	-	-	-
Receivables (net of allowances):				
Property Taxes	71,519	32,122	-	-
Sales Tax	1,473,504	-	-	-
Other	311,665	-	5,860	-
Accrued Interest	56,689	-	-	-
Prepaid Items	34,335	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 20,116,665</u>	<u>\$ 573,664</u>	<u>\$ 4,890,514</u>	<u>\$ 18,207,584</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,457,998	\$ -	\$ 135,930	\$ 172,521
Accrued Wages	254,457	-	-	-
Deposits	3,670	-	-	-
<i>Total Liabilities</i>	<u>1,716,125</u>	<u>-</u>	<u>135,930</u>	<u>172,521</u>
<i>Deferred Inflows of Resources:</i>				
Unavailable Property Tax Revenue	71,519	32,122	-	-
Unavailable Sales Tax Revenue	754,992	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>826,511</u>	<u>32,122</u>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>				
Nonspendable:				
Prepaid Items	34,335	-	-	-
Restricted for:				
Debt Service	-	541,542	-	-
Municipal Court	-	-	-	-
Tourism Development	-	-	-	-
Public Safety	-	-	-	-
Public Education	-	-	-	-
Street Improvements	-	-	-	18,035,063
Committed For:				
Asset Replacement	2,752,335	-	-	-
Weed Abatement	12,154	-	-	-
Capital Projects	-	-	4,754,584	-
Unassigned	14,775,205	-	-	-
<i>Total Fund Balances</i>	<u>17,574,029</u>	<u>541,542</u>	<u>4,754,584</u>	<u>18,035,063</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 20,116,665</u>	<u>\$ 573,664</u>	<u>\$ 4,890,514</u>	<u>\$ 18,207,584</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,586,717	\$ 33,178,918
-	11,210,532
-	103,641
-	1,473,504
184,591	502,116
-	56,689
-	34,335
<u>\$ 2,771,308</u>	<u>\$ 46,559,735</u>
\$ 192,281	\$ 1,958,730
344	254,801
-	3,670
<u>192,625</u>	<u>2,217,201</u>
-	103,641
-	754,992
<u>-</u>	<u>858,633</u>
-	34,335
-	541,542
188,834	188,834
1,286,498	1,286,498
671,190	671,190
432,161	432,161
-	18,035,063
-	2,752,335
-	12,154
-	4,754,584
-	14,775,205
<u>2,578,683</u>	<u>43,483,901</u>
<u>\$ 2,771,308</u>	<u>\$ 46,559,735</u>

See accompanying notes to basic financial statements.



CITY OF LIVE OAK  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 43,483,901

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 19,427,468

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized as revenue in the funds. 858,633

Accrued vacation leave payable is not due and payable in the current period and, therefore, is not reported in the funds. (575,686)

Long-term liabilities, including bonds payable and related premiums, are not due and payable in the current period and therefore, not reported in the funds:

Bonds Payable	(23,935,000)	
Unamortized Premiums	(2,239,544)	
Deferred Charges on Bond Refundings	60,930	
Accrued Interest Payable	<u>(180,242)</u>	(26,293,856)

Net Pension Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources are not reported in governmental funds:

Net Pension Liability	(9,266,365)	
Pension Related Deferred Inflows	(20,205)	
Pension Related Deferred Outflows	<u>4,795,452</u>	(4,491,118)

OPEB Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources are not reported in governmental funds:

OPEB Liability	(308,068)	
OPEB Related Deferred Inflows	(165,643)	
OPEB Related Deferred Outflows	<u>73,174</u>	<u>(400,537)</u>

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 32,008,805

CITY OF LIVE OAK  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Major Funds			
	General Fund	Debt Service	Capital Projects	2022 Street Bond
<b>REVENUES</b>				
Property Taxes	\$ 4,816,313	\$ 2,167,628	\$ -	\$ -
Sales and Mixed Beverage Taxes	8,580,736	-	-	-
Franchise Taxes	1,196,938	-	-	-
Occupancy Tax	-	-	-	-
Licenses and Permits	683,409	-	-	-
Grants and Donations	200,187	918,497	1,375,000	-
Charges for Services	261,518	-	-	-
Fines and Forfeitures	600,192	-	-	-
Investment Earnings	819,602	77,763	134,288	657,766
Miscellaneous	277,597	-	-	-
<b>TOTAL REVENUES</b>	<u>17,436,492</u>	<u>3,163,888</u>	<u>1,509,288</u>	<u>657,766</u>
<b>EXPENDITURES</b>				
<i>Current:</i>				
General Government	2,835,550	-	-	-
Public Safety	8,491,476	-	-	-
Public Works	2,678,958	-	-	-
Recreation	306,257	-	-	-
<i>Capital Outlay</i>	1,922,616	-	2,538,771	505,065
<i>Debt Service:</i>				
Principal	-	2,080,000	-	-
Interest and Fiscal Charges	-	1,153,771	-	-
<b>TOTAL EXPENDITURES</b>	<u>16,234,857</u>	<u>3,233,771</u>	<u>2,538,771</u>	<u>505,065</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,201,635</u>	<u>(69,883)</u>	<u>(1,029,483)</u>	<u>152,701</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of Capital Assets	95,890	-	-	-
Transfers In	267,693	170,745	2,891,000	-
Transfers Out	(2,945,581)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,581,998)</u>	<u>170,745</u>	<u>2,891,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(1,380,363)	100,862	1,861,517	152,701
<b>Fund Balances at Beginning of Year</b>	<u>18,954,392</u>	<u>440,680</u>	<u>2,893,067</u>	<u>17,882,362</u>
<b>Fund Balances at End of Year</b>	<u>\$ 17,574,029</u>	<u>\$ 541,542</u>	<u>\$ 4,754,584</u>	<u>\$ 18,035,063</u>

See accompanying notes to basic financial statements.



Other Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 6,983,941
-	8,580,736
25,178	1,222,116
617,770	617,770
-	683,409
-	2,493,684
8,437	269,955
171,830	772,022
95,700	1,785,119
56,065	333,662
<u>974,980</u>	<u>23,742,414</u>
647,737	3,483,287
53,656	8,545,132
1,852	2,680,810
-	306,257
34,137	5,000,589
-	2,080,000
-	1,153,771
<u>737,382</u>	<u>23,249,846</u>
<u>237,598</u>	<u>492,568</u>
-	95,890
6,500	3,335,938
-	(2,945,581)
<u>6,500</u>	<u>486,247</u>
244,098	978,815
<u>2,334,585</u>	<u>42,505,086</u>
<u>\$ 2,578,683</u>	<u>\$ 43,483,901</u>

See accompanying notes to basic financial statements.



CITY OF LIVE OAK  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 978,815

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	3,870,881	
Depreciation Expense	(1,927,118)	1,943,763

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (38,145)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, which the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Repayments	2,080,000	
Amortization of Premiums, Losses	277,491	2,357,491

Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined pension expense exceeded contributions. (716,575)

Governmental funds report required contributions to OPEB as expenditures. However, in the Statement of Activities the cost of the expense is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined OPEB expense exceeded contributions. (13,595)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated Absences	(4,730)	
Accrued Interest	11,803	7,073

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 4,518,827

CITY OF LIVE OAK  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
SEPTEMBER 30, 2023

	Business-Type Activities		
	Major Funds		
	Water and Wastewater Utilities	Storm Water Utility	Total
<b>ASSETS</b>			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 1,446,136	\$ 307,307	\$ 1,753,443
Accounts Receivable, Net of Allowance:			
Customer Accounts	568,313	78,958	647,271
<i>Total Current Assets</i>	<u>2,014,449</u>	<u>386,265</u>	<u>2,400,714</u>
<i>Noncurrent Assets:</i>			
Capital Assets:			
Water Rights	2,051,112	-	2,051,112
Water and Wastewater System (net)	3,105,861	-	3,105,861
Transportation and Equipment (net)	172,826	77,714	250,540
<i>Total Noncurrent Assets</i>	<u>5,329,799</u>	<u>77,714</u>	<u>5,407,513</u>
<b>TOTAL ASSETS</b>	<u>7,344,248</u>	<u>463,979</u>	<u>7,808,227</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension Related Outflows	404,441	158,655	563,096
Deferred OPEB Related Outflows	6,751	2,442	9,193
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>411,192</u>	<u>161,097</u>	<u>572,289</u>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<u>\$ 7,755,440</u>	<u>\$ 625,076</u>	<u>\$ 8,380,516</u>
<b>LIABILITIES</b>			
<i>Current Liabilities:</i>			
Accounts Payable	\$ 543,178	\$ 9,734	\$ 552,912
Accrued Wages	21,087	9,669	30,756
Current Portion of Compensated Absences	11,295	3,296	14,591
Customer Deposits Payable	136,853	-	136,853
<i>Total Current Liabilities</i>	<u>712,413</u>	<u>22,699</u>	<u>735,112</u>
<i>Noncurrent Liabilities:</i>			
Compensated Absences	33,884	9,890	43,774
Net Pension Liability	818,068	295,967	1,114,035
Total Other Postemployment Benefit Liability	28,138	10,988	39,126
<i>Total Noncurrent Liabilities</i>	<u>880,090</u>	<u>316,845</u>	<u>1,196,935</u>
<b>TOTAL LIABILITIES</b>	<u>1,592,503</u>	<u>339,544</u>	<u>1,932,047</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension Related Inflows	-	8,233	8,233
Deferred OPEB Related Inflows	13,833	5,270	19,103
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>13,833</u>	<u>13,503</u>	<u>27,336</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,329,799	77,714	5,407,513
Unrestricted	819,305	194,315	1,013,620
<b>TOTAL NET POSITION</b>	<u>6,149,104</u>	<u>272,029</u>	<u>6,421,133</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<u>\$ 7,755,440</u>	<u>\$ 625,076</u>	<u>\$ 8,380,516</u>

See accompanying notes to basic financial statements.

CITY OF LIVE OAK  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities		
	Major Funds		
	Water and Wastewater Utilities	Storm Water Utility	Total
<b>OPERATING REVENUES</b>			
Water Sales	\$ 1,844,681	\$ -	\$ 1,844,681
Sewer Charges	2,530,989	-	2,530,989
Garbage Collection	994,837	-	994,837
Storm Water Charges	-	613,727	613,727
Penalties and Fees	87,002	-	87,002
Other Charges	4,802	2,800	7,602
<b>TOTAL OPERATING REVENUES</b>	<b>5,462,311</b>	<b>616,527</b>	<b>6,078,838</b>
<b>OPERATING EXPENSES</b>			
Personnel	948,823	392,845	1,341,668
Supplies	186,182	26,990	213,172
Administration and Other	273,497	75,858	349,355
Maintenance	125,991	39,937	165,928
Sewage Treatment	2,377,364	-	2,377,364
Garbage Service	1,003,943	-	1,003,943
Utilities	189,417	3,479	192,896
Water Lease	20,714	-	20,714
Depreciation	224,629	21,300	245,929
<b>TOTAL OPERATING EXPENSES</b>	<b>5,350,560</b>	<b>560,409</b>	<b>5,910,969</b>
<b>OPERATING INCOME (LOSS)</b>	<b>111,751</b>	<b>56,118</b>	<b>167,869</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment Earnings	57,005	13,874	70,879
Gain on Sale of Equipment	39,500	-	39,500
<b>TOTAL NONOPERATING REVENUES</b>	<b>96,505</b>	<b>13,874</b>	<b>110,379</b>
<b>INCOME BEFORE TRANSFERS</b>	<b>208,256</b>	<b>69,992</b>	<b>278,248</b>
<b>TRANSFERS</b>			
Transfers In	29,500	48,081	77,581
Transfers Out	(357,245)	(110,693)	(467,938)
<b>TOTAL TRANSFERS</b>	<b>(327,745)</b>	<b>(62,612)</b>	<b>(390,357)</b>
<b>CHANGE IN NET POSITION</b>	<b>(119,489)</b>	<b>7,380</b>	<b>(112,109)</b>
<b>NET POSITION AT BEGINNING OF YEAR</b>	<b>6,268,593</b>	<b>264,649</b>	<b>6,533,242</b>
<b>NET POSITION AT END OF YEAR</b>	<b>\$ 6,149,104</b>	<b>\$ 272,029</b>	<b>\$ 6,421,133</b>

See accompanying notes to basic financial statements.

CITY OF LIVE OAK  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities		
	Major Funds		
	Water and Wastewater Utilities	Storm Water Utility	Total
<b>Cash Flows From Operating Activities:</b>			
Cash Received From Customers	\$ 5,403,753	\$ 619,790	\$ 6,023,543
Cash Paid to Supplier for Goods & Services	(4,069,368)	(141,669)	(4,211,037)
Cash Paid for Employee Salaries and Benefits	(890,115)	(370,542)	(1,260,657)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>444,270</u>	<u>107,579</u>	<u>551,849</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Acquisition and Construction of Capital Assets	(65,281)	(48,081)	(113,362)
Proceeds from Sale of Equipment	39,500	-	39,500
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(25,781)</u>	<u>(48,081)</u>	<u>(73,862)</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Transfers from Other Funds	29,500	48,081	77,581
Transfers to Other Funds	(357,245)	(110,693)	(467,938)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>(327,745)</u>	<u>(62,612)</u>	<u>(390,357)</u>
<b>Cash Flows From Investing Activities:</b>			
Interest and Investment Earnings	57,005	13,874	70,879
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>57,005</u>	<u>13,874</u>	<u>70,879</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	147,749	10,760	158,509
<b>Cash and Cash Equivalents at Beginning of Year:</b>	<u>1,298,387</u>	<u>296,547</u>	<u>1,594,934</u>
<b>Cash and Cash Equivalents at End of Year:</b>	<u><u>\$ 1,446,136</u></u>	<u><u>\$ 307,307</u></u>	<u><u>\$ 1,753,443</u></u>

See accompanying notes to basic financial statements.

CITY OF LIVE OAK  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities		
	Major Funds		
	Water and Wastewater Utilities	Storm Water Utility	Total
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income	\$ 111,751	\$ 56,118	\$ 167,869
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	224,629	21,300	245,929
Decrease (Increase) in Assets:			
Accounts Receivable (net)	(60,743)	3,263	(57,480)
Deferred Pension Related Outflows	(289,487)	(112,337)	(401,824)
Deferred OPEB Related Outflows	391	155	546
Increase (Decrease) in Liabilities:			
Accounts Payable	107,740	4,595	112,335
Accrued Wages	(1,079)	208	(871)
Compensated Absences	(640)	(1,825)	(2,465)
Customer Deposits	2,185	-	2,185
Net Pension Liability	563,947	223,215	787,162
Total OPEB Liability	(10,705)	(4,237)	(14,942)
Deferred Pension Related Inflows	(215,159)	(87,404)	(302,563)
Deferred OPEB Related Inflows	11,440	4,528	15,968
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 444,270</b>	<b>\$ 107,579</b>	<b>\$ 551,849</b>

See accompanying notes to basic financial statements.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Live Oak, Texas, are presented in accordance with generally accepted accounting principles (GAAP) applicable to state and local governmental units as set forth by the Government Accounting Standards Board (GASB). A summary of the City's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

A. Reporting Entity

The City, for financial purposes, includes all of the activities and funds relevant to the operations of the City of Live Oak. These operations include the police department, fire department, municipal court, street department, animal control, parks and recreation, and community development.

The governmental reporting entity consists of the City and its component unit. Blended component units, although legally separate entities, are, in substance, part of the government's operations, and data from these units are combined with the data of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. The City has one discretely presented component unit with a September 30 fiscal year end.

*Discretely presented component unit*

The City of Live Oak Economic Development Corporation (EDC) is governed by a seven-member board, consisting of three council members and four others appointed by city council. The EDC is focused on building economic prosperity in the City of Live Oak. The EDC is funded through a half cent Section 4B sales tax. The EDC provides direct services and benefits to the City of Live Oak, its business community, and citizens and functions as an integral part of the City's operations by promoting and incentivizing economic growth and development for the community. The EDC and the City of Live Oak have both a financial and operational relationship which requires that the EDC's financial statements be discretely presented into the City's financial statements. Separate financial statements are not issued for the EDC.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and statement of activities. Government-wide statements report information on all of the activities of the City. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. The values of interfund services provided and used are not eliminated in the government-wide financial statements, as elimination of those charges would distort the direct costs reported for the various functions. Governmental activities are supported mainly by taxes and intergovernmental revenues. Business-type activities are financed whole or in part by fees charged to external parties for goods and services. The City has no fiduciary funds.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. 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 or segment. Taxes and other items not properly included in program revenues are reported as general revenues.



CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash revenue types, which have been accrued, revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. 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. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 30 (thirty) days of the end of the current fiscal period. Receivables which are measurable but not collectible are reported as deferred inflows of resources. Property taxes which are levied prior to September 30, 2022, and became due October 1, 2022 have been assessed to finance the budget of the fiscal year beginning October 1, 2022 and, accordingly, have been reflected as deferred inflow of resources and taxes receivable in the fund financial statement at September 30, 2023.

Franchise taxes, hotel/motel taxes, interest and fees associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenue in the current fiscal period. All other revenue items received by the government are considered to be measurable and available only when the cash is received by the City.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The proprietary funds are accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when liabilities are incurred.
- Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from non-operating. 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 government reports the following major governmental funds:

**General Fund** is the general operating fund of the City and is always classified as a major fund. The general fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, sales taxes and franchise fees. Primary expenditures are for general government, public safety, public works and recreation.

**Debt Service Fund** accounts for financial resources to be used for the payment of long term debt.

**Capital Projects Fund** holds committed funds for projects authorized by City Council.

**2022 Street Bond Fund** holds the issuance of the voter approved bonds for street improvements. The engineering and related construction will be accounted for in this fund.

The government reports the following major proprietary funds:

**Water and Wastewater Utility Fund** accounts for water and sewage treatment services provided to citizens and businesses.

**Storm Water Fund** accounts for fees charged to citizens and businesses for impervious cover to develop systems to collect and distribute storm water within the City.

D. Cash and Cash Equivalents

The City considers all highly liquid investments including cash in banks, cash on hand, and local government investment pools to be cash equivalents.

E. Investments

State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). Statutes allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investments (Continued)

Investments are stated at fair value except for certificates of deposit and local government investment pools. Those investments are stated at amortized cost. The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable values or reflective of future fair values. Furthermore, while the City believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

F. Receivables

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2022 and past due after January 31, 2023. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables (Continued)

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred inflows of resources in the fund statements. Receivables are shown net of an allowance for uncollectibles.

G. Short-Term Inter-fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

H. Prepaid Items

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. Prepaid Items of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets are reported in the applicable governmental or business type activities column in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$5,000 or more. Infrastructure assets include city-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets, donated works of art and capital assets received in a service concession arrangement 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 assets lives are not capitalized. Interest has not been capitalized during the construction period on property plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Useful Lives (Years)
Buildings	15-25
Streets and Infrastructure	20-30
Equipment	5-10
Water and Sewer System	25-50

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

The City's employees earn vacation and sick leave which may either be taken or accumulated, up to certain amounts. Only unused vacation will be paid upon resignation or retirement. Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Vested or accumulated vacation leave and compensatory time that is expected to be liquidated with expendable available resources is reported as an expenditure and fund liability of the governmental fund that will pay for it. The City is responsible for payment of vested or accumulated vacation leave and compensatory time. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable available financial resources are reported in the government wide statements. Vested or accumulated vacation leave and compensatory time of the proprietary funds is recorded as an expense and liability of that fund as the benefits accrue to employees. Compensated absences are reported in the governmental funds only if they have matured (i.e., unused reimbursable leave outstanding following an employee's resignation or retirement). The general fund is the governmental fund that has typically been used in prior years to liquidate the liability for compensated absences.

K. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has deferred outflows related to a pension, other postemployment benefit and differences resulting from debt refundings.

*Deferred inflows of resources* represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified basis of accounting. Unavailable revenues from property tax are deferred and recognized as an inflow of resources in the period the amounts become available. The City also has pension and OPEB related deferred inflows.

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deduction from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The general fund has typically been used in prior years to liquidate pension liabilities.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. OPEB Liability

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions, and OPEB expense, information about the Total OPEB Liability of the Texas Municipal Retirement System (TMRS) and additions to/deduction from TMRS's Total OPEB Liability have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. The general fund has typically been used in the prior year to liquidate OPEB liabilities.

N. Long-Term Obligations

Debt is defined as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For this purpose, debt does not include leases, except for contracts reported as a financed purchase of the underlying asset, or accounts payable.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities or proprietary fund type statement of net position. On new bond issues, bond premium and discounts are deferred and amortized over the life of the term of the related debt. Loss on refundings and bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance

Five categories of fund balances were created and defined by GASB 54. These five categories are as follows:

- **Restricted** – These funds are governed by externally enforceable restrictions.
- **Non-spendable** – These funds are not available for expenditures based on legal or contractual requirements. An example might be inventories and prepaid expenditures.
- **Committed** - Fund balances in this category are limited by the government’s highest level of decision making (in this case the City Council). Any changes of this designation must be done in the same manner that it was implemented. For example, if funds are committed by resolution, the commitment could only be released with another resolution.
- **Assigned** – For funds to be assigned, there must be an intended use which can be established by the City Council or an official delegated by the Council, such as a City Manager or Finance Director. Assigned fund balance is delegated by the City Council to the Director of Finance.
- **Unassigned** - This classification is the default for all funds that do not fit into the other categories. The general fund is the only fund that reports a positive fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for a specific purposes, it may be necessary to report a negative unassigned fund balance in that particular fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City’s Council or its designated official has provided otherwise in its commitments or assignment actions.

Q. Inter-fund Transactions

Legally authorized transfers are treated as inter-fund transfers and are included in the results of operations of both governmental and proprietary funds.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise. For the City, those revenues are charges for services. Operating expenses are necessary costs incurred to provide the service that is the primary activity. Revenues and expenses not meeting these definitions are reported as non-operating.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

T. Changes in Accounting Principles and Adoption of New Pronouncements

As of October 1, 2022, the City implemented Governmental Accounting Standards Board Statement 96 regarding subscription bases information technology arrangements (SBITAs) (contracts that confer the right to use another's information technology asset). The City performed an evaluation of its significant contracts and found no significant SBITAs at this time that would require changes in their treatment or disclosure.

NOTE 2 -- INVESTMENTS

The City Council has adopted a written investment policy regarding the investments of its funds as defined by the Public Funds Act of 1995 (Chapter 2256, Texas Government Code). The City's investment policy requires all deposits to be fully collateralized. Investments held in pools shall be continuously rated no lower than AAA or AAAM or at an equivalent rating by at least one nationally recognized rating service. The investments of the City are in compliance with the Council's investment policies. All significant legal and contractual provisions for investments were complied with during the year. Investments at year end are representative of the types of investments maintained by the City during the year.

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the Act), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAM (or equivalent) rating by at least one nationally recognized rating service; and (3) maintain the fair value of its underlying investment portfolio within one-half of one percent of the value of its shares.

Texpool is an external investment tailored to meet the investment needs of Texas local governments and are valued at amortized cost. It does not have any minimum or maximum transaction or balance amounts and the investment balances are accessible on the same day as the request pending end of business time constraints.



CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 2 -- INVESTMENTS (CONTINUED)

The City's investments at September 30, 2023 are as shown below:

Investment Type	Reported Value	Weighted Average Maturity in Days	Rating	Agency
<b>Primary Government:</b>				
<i>Reported in Cash Equivalents</i>				
Texpool (Local Government Investment Pool)	\$ 34,068,036	20	AAAm	Standard & Poor's
<i>Reported as Investments</i>				
U.S. Agency Securities	9,804,049	434	AA+	Standard & Poor's
Local Government Bonds	1,406,483	338	AA/AAA	Standard & Poor's
<i>Total Reported as Investments</i>	<u>11,210,532</u>	572		
<b>Total Primary Government</b>	<u>\$ 45,278,568</u>	120		
<b>Economic Development Corporation (EDC):</b>				
<i>Reported in Cash Equivalents</i>				
Texpool (Local Government Investment Pool)	\$ 4,795,267	20	AAAm	Standard & Poor's
<b>Total EDC</b>	<u>\$ 4,795,267</u>	20		

*Investment valuation.* The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The City's investments for all funds at fiscal year end are listed below at fair value. The City has the following recurring fair value measurements as of September 30, 2023:

Investments Reported at Fair Value	Fair Value	Level 1	Level 2	Level 3
<b>Primary Government:</b>				
U.S. Agency Securities	\$ 9,804,049	\$ -	\$ 9,804,049	\$ -
Local Government Bonds	1,406,483	-	1,406,483	-
<b>Total Primary Government</b>	<u>\$ 11,210,532</u>	<u>\$ -</u>	<u>\$ 11,210,532</u>	<u>\$ -</u>

The following is an analysis of the investment risks of the City.

*Interest Rate Risk.* In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its operating investment portfolio to less than one year. The City's investment policy limits the final stated maturity of any security to no more than five years. As a matter of policy, the City holds all investments to maturity.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 2 -- INVESTMENTS (Continued)

*Credit Risk.* The City’s investment policy states that municipal obligations and other debt investments will be rated not less than A and pools will be no lower than AAA rated. The state comptroller of public accounts exercises oversight responsibility over TexPool, a local government investment pool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters.

*Custodial Credit Risk.* The City’s (and the Economic Development Corporation’s) deposits are collateralized by a combination of FDIC coverage and pledged collateral from the City’s depository. Funds were fully covered.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the government securities owned by the City are held by its agent in the City’s name.

*Concentration of Credit Risk.* None of the City’s investments in any one agency exceeded 3% of total investments.

NOTE 3 -- RECEIVABLES

Receivables consist of the following as of September 30, 2023:

	Governmental Funds			Proprietary Fund	Proprietary Fund	Discrete Component Unit
	General	Debt Service	Other Nonmajor Funds	Water and Wastewater Utility	Storm Water Utility	Economic Development Corporation
<i>Receivables:</i>						
Property Taxes	\$ 89,399	\$ 40,153	\$ -	\$ -	\$ -	\$ -
Sales Tax	1,473,504	-	-	-	-	491,168
Franchise Taxes	248,599	-	5,789	-	-	-
Occupancy Taxes	-	-	129,689	-	-	-
Customers	-	-	-	673,557	71,588	-
Other	63,066	-	49,113	39,500	7,370	-
Gross Receivables	1,874,568	40,153	184,591	713,057	78,958	491,168
Less: Allowance for Uncollectibles	(17,880)	(8,031)	-	(144,744)	-	-
Net Total Receivables	<u>\$ 1,856,688</u>	<u>\$ 32,122</u>	<u>\$ 184,591</u>	<u>\$ 568,313</u>	<u>\$ 78,958</u>	<u>\$ 491,168</u>

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 4 -- PROPERTY TAX

Taxes are levied on and payable as of October 1. The City has contracted with the Bexar County Tax Assessor/Collector to collect taxes on its behalf. Current year taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action. For fiscal year 2023, the assessed tax rate for the City was \$0.410220 per \$100 on an assessed valuation of \$2.16 billion. This is broken out as \$0.283077 per \$100 for maintenance and operations and \$0.127143 per \$100 for debt retirement. Total tax levy for fiscal year 2023 (tax year 2022) is \$7.17 million. As of September 30, 2023, the delinquent current taxes for 2023 were \$49.6 thousand.

NOTE 5 -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Transfers	Disposals	Ending Balance
<b>Governmental Activities:</b>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$ 1,179,151	\$ -	\$ -	\$ -	\$ 1,179,151
Water Rights	647,021	-	-	-	647,021
Construction in Progress	3,471,032	2,511,201	(1,687,529)	-	4,294,704
<i>Total Capital Assets Not Being Depreciated</i>	<u>5,297,204</u>	<u>2,511,201</u>	<u>(1,687,529)</u>	<u>-</u>	<u>6,120,876</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings and Improvements	14,174,373	72,365	776,321	-	15,023,059
Streets and Infrastructure	14,429,370	-	-	-	14,429,370
Machinery and Equipment	8,830,495	1,287,315	911,208	(230,528)	10,798,490
<i>Total Capital Assets Being Depreciated</i>	<u>37,434,238</u>	<u>1,359,680</u>	<u>1,687,529</u>	<u>(230,528)</u>	<u>40,250,919</u>
<i>Accumulated Depreciation:</i>					
Buildings and Improvements	(9,236,655)	(545,802)	-	-	(9,782,457)
Streets and Infrastructure	(8,852,112)	(658,180)	-	-	(9,510,292)
Machinery and Equipment	(7,158,970)	(723,136)	-	230,528	(7,651,578)
<i>Total Accumulated Depreciation</i>	<u>(25,247,737)</u>	<u>(1,927,118)</u>	<u>-</u>	<u>230,528</u>	<u>(26,944,327)</u>
Total Capital Assets Being Depreciated, Net	<u>12,186,501</u>	<u>(567,438)</u>	<u>1,687,529</u>	<u>-</u>	<u>13,306,592</u>
Governmental Activities Capital Assets, Net	<u>\$ 17,483,705</u>	<u>\$ 1,943,763</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,427,468</u>

Depreciation expense was charged to the governmental functions as follows

<i>Governmental Activities:</i>	
General Government	\$ 111,754
Public Safety	889,204
Public Works	919,092
Recreation	7,068
<i>Total Depreciation Expense - Governmental Activities</i>	<u>\$ 1,927,118</u>

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 5 -- CAPITAL ASSETS (Continued)

	Beginning Balance	Additions	Transfers	Disposals	Ending Balance
<b>Business-Type Activities:</b>					
<i>Capital Assets, Not Being Depreciated:</i>					
Water Rights	\$ 2,051,112	\$ -	\$ -	\$ -	\$ 2,051,112
<i>Total Assets Not Being Depreciated</i>	<u>2,051,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,051,112</u>
<i>Capital Assets, Being Depreciated:</i>					
Waster/Wastewater System	10,496,025	-	-	(218,859)	10,277,166
Machinery and Equipment	1,822,919	113,362	-	(70,583)	1,865,698
<i>Total Capital Assets Being Depreciated</i>	<u>12,318,944</u>	<u>113,362</u>	<u>-</u>	<u>(289,442)</u>	<u>12,142,864</u>
<i>Accumulated Depreciation:</i>					
Waster/Wastewater System	(7,196,051)	(194,113)	-	218,859	(7,171,305)
Machinery and Equipment	(1,633,925)	(51,816)	-	70,583	(1,615,158)
<i>Total Accumulated Depreciation</i>	<u>(8,829,976)</u>	<u>(245,929)</u>	<u>-</u>	<u>289,442</u>	<u>(8,786,463)</u>
Total Capital Assets Being Depreciated, Net	<u>3,488,968</u>	<u>(132,567)</u>	<u>-</u>	<u>-</u>	<u>3,356,401</u>
Business-Type Activities Capital Assets, Net	<u>\$ 5,540,080</u>	<u>\$ (132,567)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,407,513</u>

Depreciation expense was charged to the business-type activities as follows

<i>Business-Type Activities:</i>	
Water and Sewer System	\$ 224,629
Storm Water Utility	21,300
<i>Total Depreciation Expense - Business Type Activities</i>	<u>\$ 245,929</u>

	Beginning Balance	Additions	Deletions	Deletions	Ending Balance
<b>Discrete Component Unit</b>					
<b>Live Oak Economic Development Corporation</b>					
<i>Capital Assets, Not Being Depreciated:</i>					
Land	\$ 345,488	\$ 224,706	\$ -	\$ -	\$ 570,194
Water Rights	304,541	-	-	-	304,541
<i>Total Assets Not Being Depreciated</i>	<u>650,029</u>	<u>224,706</u>	<u>-</u>	<u>-</u>	<u>874,735</u>
<i>Capital Assets, Being Depreciated:</i>					
Machinery and Equipment	26,330	-	-	-	26,330
<i>Total Capital Assets Being Depreciated</i>	<u>26,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,330</u>
<i>Accumulated Depreciation:</i>					
Machinery and Equipment	(26,330)	-	-	-	(26,330)
<i>Total Accumulated Depreciation</i>	<u>(26,330)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,330)</u>
Total Capital Assets Being Depreciated, Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-Type Activities Capital Assets, Net	<u>\$ 650,029</u>	<u>\$ 224,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 874,735</u>

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 6 -- LONG-TERM LIABILITIES

Long-term liabilities at September 30, 2023 were comprised of the following items:

	Balance 9/30/2022	Additions	Reductions	Balance 9/30/2023	Due Within One Year
<i>Governmental Activities:</i>					
Bonds and Related Premiums	\$ 28,539,508	\$ -	\$ (2,364,964)	\$ 26,174,544	\$ 2,150,000
Compensated Absences	570,957	147,469	(142,739)	575,687	143,922
Net Pension Liability	2,451,929	8,448,689	(1,634,253)	9,266,365	-
Other Postemployment Benefit Liability	437,417	40,219	(169,568)	308,068	-
<i>Total Governmental Activities</i>	<u>31,999,811</u>	<u>8,636,377</u>	<u>(4,311,524)</u>	<u>36,324,664</u>	<u>2,293,922</u>
<i>Business-Type Activities</i>					
Net Pension Liability	326,873	1,126,317	(339,155)	1,114,035	-
Other Postemployment Benefit Liability	54,068	5,816	(20,758)	39,126	-
Compensated Absences	60,830	12,743	(15,208)	58,365	14,591
<i>Total Business-Type Activities</i>	<u>441,771</u>	<u>1,144,876</u>	<u>(375,121)</u>	<u>1,211,526</u>	<u>14,591</u>
<i>Total Primary Government</i>	<u>\$ 32,441,582</u>	<u>\$ 9,781,253</u>	<u>\$ (4,686,645)</u>	<u>\$ 37,536,190</u>	<u>\$ 2,308,513</u>

Compensated absences and other postemployment benefit obligations for governmental activities are generally liquidated by the general fund. Because the other post-employment benefit liability does not have a trust, normally a portion of that liability would be reported as due within one year. However, the plan uses annual contributions to purchase term life insurance policies on retirees. The only exposure to the City relates to annual contributions based on a percentage of payroll to cover these premiums that are estimated to be less than \$10,000 across all opinion units. Based on the immateriality of the current portion and in an effort to not clutter the statement of net position, the City reports the entire liability as due in more than one year.

NOTE 7 -- BONDS PAYABLE

The City has two outstanding bond issues:

General Obligation Bonds, Series 2022 were issued in August 2022 for a face amount of \$16.49 million. The bonds mature serially through 2042 and bear interest at 4-5%. The bonds were issued to conduct street improvements.

General Obligation and Refunding Bonds, Series 2014 were issued in July 2014 for a face amount of \$19.515 million. The bonds were used to finance streets, bridges, sidewalks and park improvements as well as refunding portions of Series 2004 and Series 2005 outstanding bonds. The bonds mature serially through 2034 and bear interest at 4%. The bonds were privately placed but contain no subjective acceleration clauses, events of default with finance-related consequences or termination events with finance-related consequences.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 7 -- BONDS PAYABLE (CONTINUED)

These bonds are primarily secured by future property tax levies. General obligation bonds, combination tax and revenue bonds, and certificates of obligation are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest income tax regulations under those provisions. The City has not incurred any arbitrage rebates as of September 30, 2023, however an estimate of potential future arbitrage has been recorded in these financials of \$136,775.

Changes in the bonds for the year ending September 30, 2023 were as follows:

	Balance 9/30/2022	Additions	Reductions	Balance 9/30/2023	Due Within One Year
<i>Governmental Activities:</i>					
Public Offerings:					
2022 General Obligation Bonds	\$ 16,490,000	\$ -	\$ (515,000)	\$ 15,975,000	\$ 525,000
Private Placements:					
2014 General Obligation Bonds	9,525,000	-	(1,565,000)	7,960,000	1,625,000
Unamortized Premiums	2,524,508	-	(284,964)	2,239,544	-
<i>Total Governmental Activities</i>	<u>\$ 28,539,508</u>	<u>\$ -</u>	<u>\$ (2,364,964)</u>	<u>\$ 26,174,544</u>	<u>\$ 2,150,000</u>

The annual debt service requirements on these bonds as of September 30, 2023 are as follows:

Year Ending September 30,	Governmental Activities				
	Public Offering Bonds		Private Placement Bonds		Total
	Principal	Interest	Principal	Interest	
2024	\$ 525,000	\$ 763,050	\$ 1,625,000	\$ 318,400	\$ 3,231,450
2025	550,000	736,800	850,000	253,400	2,390,200
2026	580,000	709,300	520,000	219,400	2,028,700
2027	605,000	680,300	540,000	198,600	2,023,900
2028	635,000	650,050	560,000	177,000	2,022,050
2029-2033	3,700,000	2,739,500	3,155,000	530,200	10,124,700
2034-2038	4,720,000	1,717,750	710,000	28,400	7,176,150
2039-2042	4,660,000	486,500	-	-	5,146,500
Total	<u>\$ 15,975,000</u>	<u>\$ 8,483,250</u>	<u>\$ 7,960,000</u>	<u>\$ 1,725,400</u>	<u>\$ 34,143,650</u>

CITY OF LIVE OAK  
 BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2023

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM

A. Plan Description

The City participates as one of 892 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the member’s benefit is calculated based on the sum of the member’s contributions, with interest, and the City-financed monetary credits with interest. The retiring member may select one of seven monthly benefit payment options. Members may also choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total member's contributions and interest.

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	97
Inactive Employees Entitled to but Not Yet Receiving Benefits	88
Active Employees	116
	301
	301

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of member’s total compensation, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city’s contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The City matches employee contributions 2 to 1. The contribution rates for the City were 17.67% and 17.94% for calendar years 2022 and 2023 respectively. The City's contributions to TMRS for the year ended September 30, 2023 were \$1,508,857, and were equal to the required contributions.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM (CONTINUED)

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

E. Actuarial Assumptions

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall Payroll Growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).



CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM (CONTINUED)

E. Actuarial Assumptions (Continued)

The target allocation and best estimates of 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 (Arithmetic)
Global Equity	35.00%	7.70%
Core Fixed Income	6.00%	4.90%
Non-Core Fixed Income	20.00%	8.70%
Other Public and Private Markets	12.00%	8.10%
Real Estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private Equity	10.00%	11.80%
	<u>100.00%</u>	

F. Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make 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 payments to determine the Total Pension Liability.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM (CONTINUED)

G. Changes in Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2021	\$ 53,253,974	\$ 50,475,172	\$ 2,778,802
Changes for the year:			
Service Cost	1,415,428	-	1,415,428
Interest	3,581,905	-	3,581,905
Change of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	888,080	-	888,080
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,409,048	(1,409,048)
Contributions - Employee	-	558,197	(558,197)
Net Investment Income	-	(3,689,593)	3,689,593
Benefit Payments, Including Refunds of Employee Contributions	(1,792,855)	(1,792,855)	-
Administrative Expense	-	(31,884)	31,884
Other Changes	-	38,047	(38,047)
Net Changes	4,092,558	(3,509,040)	7,601,598
Balance at December 31, 2022	\$ 57,346,532	\$ 46,966,132	\$ 10,380,400

H. Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	Discount Rate 5.75%	Discount Rate 6.75%	Discount Rate 7.75%
Net Pension Liability	\$ 18,329,181	\$ 10,380,400	\$ 3,850,692

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

J. Pension Expense

For the year ended September 30, 2023, the City recognized pension expense of \$2,308,209.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM (CONTINUED)

K. Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 1,020,227	\$ 25,783
Changes in Actuarial Assumptions	-	2,655
Differences Between Projected and Actual Investment Earnings	3,246,455	-
Contributions Subsequent to the Measurement Date	1,091,866	-
	\$ 5,358,548	\$ 28,438

The City reported \$1,091,866 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (December 31, 2022) will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Plan Year Ended December 31,	
2023	\$ 594,165
2024	1,187,930
2025	1,036,818
2026	1,419,331
Thereafter	-
	\$ 4,238,244

NOTE 9 -- OTHER POST EMPLOYMENT BENEFITS (OPEB)

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

CITY OF LIVE OAK  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2023

NOTE 9 -- OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post-employment benefit," or OPEB. Membership in the plan at December 31, 2022, the valuation and measurement date, consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefits	58
Inactive Employees Entitled to but Not Yet Receiving Benefits	26
Active Employees	116
	200

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. The following key assumptions were used in developing the actuarial valuation:

Inflation	2.50%	
Salary Increases	3.50% to 11.50% Including Inflation	
Discount Rate	4.05% (Fidelity Index's 20-Year Municipal GO AA Index)	
Administrative Expenses		All administrative expenses are paid thro the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees		2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates - Disabled Retirees		2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In additional, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The City's contributions to TMRS for retirees were \$8,210 for the fiscal year ended September 30, 2023 and were equal to the required contributions. The SDBF required contribution rates were as follows:

Calendar Year	Total SDBF Contribution Rate	Retiree Portion of SDBF Contribution Rate
2023	0.33%	0.10%
2022	0.20%	0.09%

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 9 -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

The City's Total OPEB Liability (TOL), based on the above actuarial factors, as of December 31, 2022 was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2021	\$ 491,485
Changes for the year:	
Service Cost	27,112
Interest	9,227
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	8,851
Changes of Assumptions	(182,304)
Benefit Payments	(7,177)
Net Changes	(144,291)
Balance at December 31, 2022	\$ 347,194

There is no separate trust maintained to fund this Total OPEB Liability. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

The following presents the TOL of the City, calculated using the discount rate of 4.05% as well as what the City's TOL would be if it were calculated using a discount rate that is 1-percentage point lower and 1-percentage point higher than the current rate:

	Discount Rate 3.05%	Discount Rate 4.05%	Discount Rate 5.05%
Total OPEB Liability	\$ 416,848	\$ 347,194	\$ 292,817

For the year ended September 30, 2023, the City recognized OPEB expense of \$23,378. Also as of September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 14,588	\$ 31,186
Changes in Actuarial Assumptions	61,693	153,560
Contributions Subsequent to the Measurement Date	6,086	-
	\$ 82,367	\$ 184,746

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 9 -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Deferred outflows of resources in the amount of \$6,086 is related to OPEB benefits resulting from contributions subsequent to the measurement date (December 31, 2022), and will be recognized as a reduction of the total OPEB liability for the plan year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Plan Year Ended December 31,	
2023	\$ (17,281)
2024	(20,866)
2025	(20,443)
2026	(30,192)
2027	(19,683)
Thereafter	-
	\$ (108,465)

NOTE 10 -- TRANSFERS BETWEEN FUNDS

Transfers during the fiscal year ending September 30, 2023 consisted of the following:

Transfer From	Transfer To	Amount	Purpose
<i>Cash Transfers</i>			
Water & Sewer	General Fund	\$ 186,500	Payment in Lieu of Taxes
Storm Water	General Fund	81,193	Payment in Lieu of Taxes
Storm Water	Water & Sewer	29,500	Supplement Other Sources
Water & Sewer	Debt Service	170,745	Funding for Debt Service
General Fund	Storm Water	48,081	Capital Asset Purchase
General Fund	Capital Projects	2,891,000	Supplement Other Sources
General Fund	Nonmajor Governmental	6,500	Supplement Other Sources
		\$3,413,519	

NOTE 11 -- CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 12 -- RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City contracts with the Texas Municipal League (TML) to provide insurance coverage for property and casualty, and workers compensation. TML is a multi-employer group that provides for a combination of modified self-insurance and stop-loss coverage. Contributions are set annually by TML. Liability by the City is generally limited to the contributed amounts. There were no significant changes in coverage during fiscal year 2023.

CITY OF LIVE OAK  
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2023

NOTE 13 -- COMMITMENTS

*Long-term Contracts*

Under a contract with the San Antonio River Authority, the river authority is to provide transportation, treatment and disposal of sewage for the portion of the City of Live Oak located on the east side of Interstate Highway 35. The contract is ongoing with rates negotiated annually.

A separate contract with the Cibolo Creek Municipal Authority provides for the municipal authority to provide transportation, treatment and disposal of sewage for that area of the City located on the west side of Interstate Highway 35. There are no connections to that system due to the sparse development in that area. The contract began June 9, 1983, and is for a period of fifty (50) years or until the system “debt” is paid off, whichever is longer.

The City contracts with the San Antonio Water System (SAWS) to provide water service and sewer service billing for the area of the City of Live Oak south of Toepperwein Road. The original agreement began in 1977 and was for a period of twenty-five (25) years with a twenty-five (25) year option at SAWS sole discretion. It covers an area east of the City Public Service (CPS) right-of-way just west of Avery Road. A second agreement began in 1979 and is for a period of twenty-five (25) years with a twenty-five (25) year option by mutual consent and buy-out of facilities at the termination at current replacement cost less two-percent (2%) annual depreciation allowance. It covers an area west of the CPS right-of-way to Interstate Highway 35.

*Purchase Commitments*

<i>Primary Government:</i>	<u>Estimated Project Cost to City</u>	<u>Expended to Date</u>	<u>Estimated Future Commitment</u>
Governmental Activities:			
Walking Trail	\$ 262,000	\$ 187,066	\$ 74,934
Generator Project	1,500,000	621,753	878,247
Engineering Tasks	1,172,211	895,202	277,009
Total Estimated Future Commitments	<u>\$ 2,934,211</u>	<u>\$ 1,704,021</u>	<u>\$ 1,230,190</u>

NOTE 14 -- LITIGATION

The City is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the City’s liability in these cases, if decided adversely to the City, will not have a material effect on the City’s financial position.

CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 15 -- TAX ABATEMENTS

The City entered into an agreement on December 15, 2015 with a business in the community in accordance with Article III, Section 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code to promote state or local economic development and to stimulate business and commercial activity in the City. The agreement is to provide a reimbursement of property taxes paid for personal and real property in excess of a base value prior to the improvements. The payments are conditional on employment growth and staff wage requirements being maintained. The agreement commenced on January 1, 2019, the first full tax year after the facilities were fully developed, and will continue for 12 years thereafter until fiscal year 2031 with a maximum benefit of \$1,500,000 in reimbursable property taxes. During the year ended September 30, 2023, the City reimbursed the business \$58,532. As of September 30, 2023, the City has a potential abatement commitment remaining of \$1,311,242.

The City entered into an agreement on September 8, 2014 with a business who constructed a hotel and conference center. This agreement is a one-time initiative to incentivize the Hotel to construct and maintain a conference center within the City. The agreement is in accordance with Section 351.101(a) of the Texas Tax Code which provides in pertinent part that revenue from the “municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following: (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both (2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants; and (3) advertising and conducting solicitations and promotion programs to attract tourist and convention delegates or registrants to the municipality or its vicinity”. The agreement provides for the payment of hotel occupancy taxes (HOT) to the Hotel to support the maintenance and operations of the hotel and conference center. The terms of the agreement call for a payment of \$270,000 annually of HOT revenues collected by the City from sources other than the Hotel for a period of no less than ten years or until the Hotel achieves \$6,000,000 in gross room revenues with a maximum period of 20 years. In addition, the City will pay 100% of all HOT revenue collected from the Hotel until \$7,646,730 is paid up to a maximum period of 20 years. The Hotel began operations during the 2017 fiscal year. The City paid a total of \$582,256 of HOT revenues collected during the year ending September 30, 2023. As of September 30, 2023, the City has a potential commitment remaining of \$9,158,628.

The City entered into an agreement on January 31, 2017, with a business and developer in the community in accordance with Article III, Section 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code to promote state or local economic development and to stimulate business and commercial activity in the City. The agreement is to provide a reimbursement of a property taxes paid for personal and real property associated with a public improvements project over a base levy. The business will also get a sales tax reimbursement based on increases in sales tax attributable to the project. The agreement commenced in 2019, the first year of the incentives, and will continue for 20 years thereafter until 2039 with a maximum benefit of \$19,100,000 in reimbursable property and sales taxes. During the year ending September 30, 2023, the City rebated \$140,768 in personal and real property taxes and \$741,326 in sales tax. As of September 30, 2023, the City has a remaining potential commitment of \$15,685,650.



CITY OF LIVE OAK  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2023

NOTE 15 -- TAX ABATEMENTS (Continued)

The Live Oak Economic Development Corporation (EDC) entered into an agreement on April 3, 2017, with a business and developer in the community in accordance with Chapter 501 and 505 of the Texas Local Government Code to promote state or local economic development and to stimulate business and commercial activity in the EDC. The agreement is to provide a reimbursement of a percentage sales taxes associated with increases in sales tax attributable to a public improvements projects. The agreement commenced in 2019, the first year of the incentives, and will continue for 20 years thereafter until 2039 with a maximum benefit of \$7,900,000. During the year ending September 30, 2023, the EDC rebated \$370,663 in sales tax. As of September 30, 2023, the EDC has a remaining potential commitment of \$5,687,585.



## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Budgetary Comparison Schedule - General Fund
- Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 Plan Years
- Schedule of Contributions - Last 10 Fiscal Years
- Schedule of Changes in Total Other Post-Employment Benefit Liability and Related Ratios



CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL – GENERAL FUND  
YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		2023	Variance With	2022
	Original	Final	Actual	Final Budget -	Actual
			Amounts	Positive (Negative)	
<b>REVENUES</b>					
Property Taxes	\$ 4,760,039	\$ 4,760,039	\$ 4,816,313	\$ 56,274	\$ 4,695,834
Sales and Mixed Beverage Taxes	8,421,966	8,421,966	8,580,736	158,770	8,602,471
Franchise Taxes	1,137,000	1,137,000	1,196,938	59,938	1,270,523
Licenses and Permits	444,600	444,600	683,409	238,809	543,855
Grants and Donations	58,702	198,702	200,187	1,485	4,158,864
Charges for Services	294,500	294,500	261,518	(32,982)	274,822
Fines and Forfeitures	484,000	484,000	600,192	116,192	478,049
Investment Earnings	120,000	120,000	819,602	699,602	(169,460)
Miscellaneous	222,200	222,200	277,597	55,397	215,923
<b>TOTAL REVENUES</b>	<b>15,943,007</b>	<b>16,083,007</b>	<b>17,436,492</b>	<b>1,353,485</b>	<b>20,070,881</b>
<b>EXPENDITURES</b>					
<i>General Government</i>					
Council	245,630	170,630	39,616	131,014	61,705
City Manager	302,425	302,425	287,896	14,529	349,569
City Secretary	560,005	635,005	523,948	111,057	492,354
Municipal Court	379,505	379,505	352,169	27,336	285,132
Finance	833,620	833,620	783,484	50,136	717,112
Emergency Management Office	16,835	16,835	11,339	5,496	11,442
Planning and Zoning	196,685	196,685	163,057	33,628	185,495
Development Services	397,570	397,570	355,670	41,900	412,429
Information Technology	349,150	349,150	318,371	30,779	285,846
<i>Total General Government</i>	<b>3,281,425</b>	<b>3,281,425</b>	<b>2,835,550</b>	<b>445,875</b>	<b>2,801,084</b>
<i>Public Safety</i>					
Police	4,935,973	4,935,973	4,624,801	311,172	4,341,419
Communication Services	867,977	867,977	779,960	88,017	722,513
Fire and EMS	3,248,409	3,248,409	3,086,715	161,694	2,943,402
<i>Total Public Safety</i>	<b>9,052,359</b>	<b>9,052,359</b>	<b>8,491,476</b>	<b>560,883</b>	<b>8,007,334</b>
<i>Public Works</i>					
General Service	1,224,615	1,224,615	1,094,538	130,077	1,062,297
Street Maintenance	780,715	820,715	562,105	258,610	407,340
Animal Control	352,380	352,380	288,670	63,710	232,895
Parks Maintenance	739,600	839,600	733,645	105,955	490,732
<i>Total Public Works</i>	<b>3,097,310</b>	<b>3,237,310</b>	<b>2,678,958</b>	<b>558,352</b>	<b>2,193,264</b>
<i>Recreation</i>	311,750	311,750	306,257	5,493	253,199
<i>Capital Outlay</i>	2,329,485	2,329,485	1,922,616	406,869	3,389,130
<b>TOTAL EXPENDITURES</b>	<b>18,072,329</b>	<b>18,212,329</b>	<b>16,234,857</b>	<b>1,977,472</b>	<b>16,644,011</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,129,322)</b>	<b>(2,129,322)</b>	<b>1,201,635</b>	<b>3,330,957</b>	<b>3,426,870</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sales of Capital Assets	10,000	10,000	95,890	85,890	84,955
Transfers In	267,693	267,693	267,693	-	146,881
Transfers Out	(2,897,500)	(2,897,500)	(2,945,581)	(48,081)	(2,306,500)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,619,807)</b>	<b>(2,619,807)</b>	<b>(2,581,998)</b>	<b>37,809</b>	<b>(2,074,664)</b>
<b>Net Change in Fund Balance</b>	<b>(4,749,129)</b>	<b>(4,749,129)</b>	<b>(1,380,363)</b>	<b>3,368,766</b>	<b>1,352,206</b>
<b>Fund Balances, Beginning</b>	<b>18,954,392</b>	<b>18,954,392</b>	<b>18,954,392</b>	<b>-</b>	<b>17,602,186</b>
<b>Fund Balances, Ending</b>	<b>\$ 14,205,263</b>	<b>\$ 14,205,263</b>	<b>\$ 17,574,029</b>	<b>\$ 3,368,766</b>	<b>\$ 18,954,392</b>

**CITY OF LIVE OAK**  
**SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST TEN PLAN YEARS\***

	Total Pension Liability			
	2014	2015	2016	2017
Service Cost	\$ 1,011,607	\$ 1,059,135	\$ 1,086,530	\$ 1,125,289
Interest (on the Total Pension Liability)	2,168,610	2,329,533	2,395,426	2,587,229
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	(136,236)	(466,676)	298,495	399,593
Change of Assumptions	-	142,698	-	-
Benefit Payments, Including Refunds of Employee Contributions	(749,226)	(788,473)	(950,786)	(965,840)
Net Change in Total Pension Liability	2,294,755	2,276,217	2,829,665	3,146,271
Total Pension Liability - Beginning	30,848,951	33,143,706	35,419,923	38,249,588
Total Pension Liability - Ending	<u>\$ 33,143,706</u>	<u>\$ 35,419,923</u>	<u>\$ 38,249,588</u>	<u>\$ 41,395,859</u>
	Plan Fiduciary Net Position			
	2014	2015	2016	2017
Contributions - Employer	\$ 1,082,444	\$ 1,189,471	\$ 1,188,375	\$ 1,212,063
Contributions - Employee	422,371	428,304	436,358	451,405
Net Investment Income	1,447,711	40,569	1,916,181	4,286,046
Benefit Payments, Including Refunds of Employee Contributions	(749,226)	(788,473)	(950,786)	(965,840)
Administrative Expense	(15,112)	(24,707)	(21,626)	(22,195)
Other	(1,242)	(1,220)	(1,165)	(1,125)
Net Change in Plan Fiduciary Net Position	2,186,946	843,944	2,567,337	4,960,354
Plan Fiduciary Net Position - Beginning	25,302,742	27,489,688	28,333,632	30,900,969
Plan Fiduciary Net Position - Ending	<u>\$ 27,489,688</u>	<u>\$ 28,333,632</u>	<u>\$ 30,900,969</u>	<u>\$ 35,861,323</u>
Net Pension Liability - Ending	\$ 5,654,018	\$ 7,086,291	\$ 7,348,619	\$ 5,534,536
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.94%	79.99%	80.79%	86.63%
Covered Payroll	\$ 6,033,684	\$ 6,118,632	\$ 6,233,680	\$ 6,448,645
Net Pension Liability as a Percentage of Covered Payroll	93.71%	115.81%	117.89%	85.82%

\*GASB 68 requires 10 years of data to be provided in this schedule. The City will develop the schedule prospectively as data becomes available.

Total Pension Liability

2018	2019	2020	2021	2022
\$ 1,137,393	\$ 1,209,051	\$ 1,345,179	\$ 1,366,918	\$ 1,415,428
2,784,093	2,954,026	3,138,460	3,327,514	3,581,905
-	-	-	-	-
(36,322)	79,572	(94,234)	772,985	888,080
	(120,659)	-	-	-
(1,437,472)	(1,369,443)	(1,545,975)	(1,652,971)	(1,792,855)
2,447,692	2,752,547	2,843,430	3,814,446	4,092,558
41,395,859	43,843,551	46,596,098	49,439,528	53,253,974
<u>\$ 43,843,551</u>	<u>\$ 46,596,098</u>	<u>\$ 49,439,528</u>	<u>\$ 53,253,974</u>	<u>\$ 57,346,532</u>

Plan Fiduciary Net Position

2018	2019	2020	2021	2022
\$ 1,251,580	\$ 1,327,871	\$ 1,484,831	\$ 1,391,456	\$ 1,409,048
457,572	482,735	534,711	536,949	558,197
(1,075,277)	5,422,735	3,105,921	5,799,469	(3,689,593)
(1,437,472)	(1,369,443)	(1,545,975)	(1,652,971)	(1,792,855)
(20,761)	(30,606)	(20,073)	(26,798)	(31,884)
(1,085)	(919)	(785)	184	38,047
(825,443)	5,832,373	3,558,630	6,048,289	(3,509,040)
35,861,323	35,035,880	40,868,253	44,426,883	50,475,172
<u>\$ 35,035,880</u>	<u>\$ 40,868,253</u>	<u>\$ 44,426,883</u>	<u>\$ 50,475,172</u>	<u>\$ 46,966,132</u>

\$ 8,807,671	\$ 5,727,845	\$ 5,012,645	\$ 2,778,802	\$ 10,380,400
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79.91%	87.71%	89.86%	94.78%	81.90%
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\$ 6,536,742	\$ 6,885,257	\$ 7,638,722	\$ 7,670,696	\$ 7,974,240
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134.74%	83.19%	65.62%	36.23%	130.17%
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CITY OF LIVE OAK  
 SCHEDULE OF CITY PENSION CONTRIBUTIONS  
 LAST TEN FISCAL YEARS\*

Fiscal Year Ending September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,094,224	\$ 1,187,234	\$ (93,010)	\$ 6,104,168	19.4%
2016	1,143,310	1,233,310	(90,000)	6,458,084	19.1%
2017	1,113,480	1,203,480	(90,000)	6,379,408	18.9%
2018	1,156,712	1,246,712	(90,000)	6,543,573	19.1%
2019	1,196,447	1,286,447	(90,000)	6,681,856	19.3%
2020	1,337,617	1,427,617	(90,000)	7,356,642	19.4%
2021	1,366,326	1,366,326	-	7,518,669	18.2%
2022	1,404,119	1,404,119	-	7,885,920	17.8%
2023	1,508,857	1,508,857	-	8,446,090	17.9%

\*GASB 68 requires 10 fiscal years of data to be provided in this schedule. The City will develop the schedule prospectively as data becomes available.

CITY OF LIVE OAK  
SCHEDULE OF CHANGES – TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY  
AND RELATED RATIOS  
LAST TEN PLAN YEARS\*

	Total OPEB Liability			
	2017	2018	2019	2020
Service Cost	\$ 12,897	\$ 15,035	\$ 14,459	\$ 21,388
Interest on Total OPEB Liability	9,901	10,256	13,245	10,526
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	-	47,457	(65,907)	(7,483)
Change of Assumptions or Other Inputs	25,673	(23,260)	62,653	64,548
Benefit Payments	(1,290)	(1,961)	(2,066)	(2,292)
Net Change in Total OPEB Liability	47,181	47,527	22,384	86,687
Total OPEB Liability - Beginning	256,122	303,303	350,830	373,214
Total OPEB Liability - Ending	<u>\$ 303,303</u>	<u>\$ 350,830</u>	<u>\$ 373,214</u>	<u>\$ 459,901</u>
 Covered Payroll	 \$ 6,448,645	 \$ 6,536,742	 \$ 6,885,257	 \$ 7,638,722
 Total OPEB Liability as a Percentage of Covered Payroll	 4.70%	 5.37%	 5.42%	 6.02%

\*GASB Statement No. 75 requires 10 years of data to be provided in this schedule. The City will develop the schedule prospectively as data becomes available.

No assets are accumulated in a trust that meets the criteria in of GASB Codification P22.101 or P52.101 to pay related benefits.

<u>Total OPEB Liability</u>	
<u>2021</u>	<u>2022</u>
\$ 25,313	\$ 27,112
9,374	9,227
-	-
(11,379)	8,851
15,946	(182,304)
<u>(7,670)</u>	<u>(7,177)</u>
31,584	(144,291)
<u>459,901</u>	<u>491,485</u>
<u>\$ 491,485</u>	<u>\$ 347,194</u>
 \$ 7,670,696	 \$ 7,974,240
 6.41%	 4.35%

CITY OF LIVE OAK  
 SCHEDULE OF CITY OTHER POSTEMPLOYMENT BENEFIT CONTRIBUTIONS  
 LAST TEN FISCAL YEARS\*

Fiscal Year Ending September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 10,795	\$ 10,795	\$ -	\$ 6,543,573	0.16%
2019	11,864	11,864	-	6,681,856	0.18%
2020	13,794	13,794	-	7,356,642	0.19%
2021	6,033	6,033	-	7,518,669	0.08%
2022	7,324	7,324	-	7,885,920	0.09%
2023	8,210	8,210	-	8,446,090	0.10%

\*GASB 75 requires 10 fiscal years of data to be provided in this schedule. The City will develop the schedule prospectively as data becomes available.

CITY OF LIVE OAK  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2023

**Budgetary Information**

The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. Annual budgets are adopted for all governmental funds except the capital projects funds. Project-length financial plans are adopted for capital projects funds.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level. The city manager may transfer budgeted amounts within departments within any fund; however, transfers between departments and funds must be approved by City Council.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at year-end and do not constitute expenditures or liabilities because the commitments must be reappropriated and honored during the subsequent year.

**Pension Plan**

*Valuation Date:*

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (13) months later.

*Methods and Assumptions Used to Determine Contribution Rates:*

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	23 Years
Asset Valuation Method	10 Year Smoothed Fair Value; 12% Soft Corridor
Inflation	2.50%
Salary Increases	3.50% to 11.5% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.  Pre-retirement: PUB (10) mortality tables, with the public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

*Other Information*

Notes There were no benefit changes during the year.

CITY OF LIVE OAK  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
SEPTEMBER 30, 2023

**Pension Plan (Continued)**

Changes in Benefit Terms:

None

Changes in Actuarial Assumptions:

2019 New retirement and mortality assumptions  
2015 Investment rate of return lowered from 7% to 6.75%

**Other Postemployment Benefit**

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate	4.05% (Fidelity Index's 20-Year Municipal GO AA Index)
Administrative Expenses	All administrative expenses are paid throe the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In additional, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Changes in Benefit Terms:

None

Changes in Assumptions:

2023 Discount rate increased to 4.05%  
2021 Discount rate reduced to 1.84%  
2020 Discount rate reduced to 2.00%  
2019 Discount rate reduced to 2.75%  
2018 Discount rate increased to 3.71%  
2017 Discount rate reduced to 3.31%

## **SUPPLEMENTARY INFORMATION**

Supplementary information includes combining nonmajor individual fund statements which are not required by the GASB, nor a part of the basic financial statements.

Such statements and schedules include:

- Combining Statements – Nonmajor Governmental Funds
- Individual Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Nonmajor Funds with Legally Adopted Budgets
- Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Discretely Presented Component Unit – Economic Development Corporation
- Comparative Statements – General Fund





CITY OF LIVE OAK  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues and expenditures that are legally restricted for a specific purpose.

- **Forfeiture Fund** - Accounts for revenues from seized assets and the allowed expenditure of that revenue for public safety.
- **Child Safety Fund** - Accounts for the drug awareness and prevention program, school crossing guards, and other child safety programs.
- **Court Technology** - Accounts for a portion of municipal fines that are allocated to court technology and the allowed expenditures.
- **Court Security Fund** - Accounts for a portion of municipal fines that are allocated to building security and the allowed expenditures.
- **Emergency Radio** – Accounts for revenues received from the rental of the Live Oak radio system by other agencies and the expenditures necessary to manage and enhance the emergency radio system.
- **Public Education** - Accounts franchise fees restricted for capital expenditures associated with public, educational and governmental facilities.
- **Alamo Area Swat** – Accounts for revenues received from participating entities of the Alamo Regional SWAT team, and the expenditures necessary to fund the training and equipment needs of the SWAT team.
- **Hotel Motel Occupancy** – Accounts for collections of occupancy taxes in the City restricted for tourism development.

CITY OF LIVE OAK  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2023

	Special Revenue Funds			
	Forfeiture	Child Safety	Court Technology	Court Security
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 345,980	\$ 150,986	\$ 121,249	\$ 69,879
Receivables (net of allowances):				
Other	1,650	3,323	-	-
<b>TOTAL ASSETS</b>	<b>\$ 347,630</b>	<b>\$ 154,309</b>	<b>\$ 121,249</b>	<b>\$ 69,879</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Liabilities:</i>				
Accounts Payable	\$ -	\$ 519	\$ 1,950	\$ -
Accrued Wages	-	-	-	344
<i>Total Liabilities</i>	-	519	1,950	344
<i>Fund Balance:</i>				
Restricted For:				
Municipal Court	-	-	119,299	69,535
Tourism Development	-	-	-	-
Public Safety	347,630	153,790	-	-
Public Education	-	-	-	-
<i>Total Fund Balances</i>	347,630	153,790	119,299	69,535
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 347,630</b>	<b>\$ 154,309</b>	<b>\$ 121,249</b>	<b>\$ 69,879</b>

Special Revenue Funds				
<u>Emergency Radio</u>	<u>Public Education</u>	<u>Alamo Area SWAT</u>	<u>Hotel Motel Tax</u>	<u>Total Nonmajor Funds</u>
\$ 93,773	\$ 426,372	\$ 77,175	\$ 1,301,303	\$ 2,586,717
<u>44,140</u>	<u>5,789</u>	<u>-</u>	<u>129,689</u>	<u>184,591</u>
<u>\$ 137,913</u>	<u>\$ 432,161</u>	<u>\$ 77,175</u>	<u>\$ 1,430,992</u>	<u>\$ 2,771,308</u>
\$ 43,768	\$ -	\$ 1,550	\$ 144,494	\$ 192,281
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>344</u>
<u>43,768</u>	<u>-</u>	<u>1,550</u>	<u>144,494</u>	<u>192,625</u>
-	-	-	-	188,834
-	-	-	1,286,498	1,286,498
94,145	-	75,625	-	671,190
<u>-</u>	<u>432,161</u>	<u>-</u>	<u>-</u>	<u>432,161</u>
<u>94,145</u>	<u>432,161</u>	<u>75,625</u>	<u>1,286,498</u>	<u>2,578,683</u>
<u>\$ 137,913</u>	<u>\$ 432,161</u>	<u>\$ 77,175</u>	<u>\$ 1,430,992</u>	<u>\$ 2,771,308</u>

CITY OF LIVE OAK  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds			
	Forfeiture	Child Safety	Court Technology	Court Security
<b>REVENUES</b>				
Franchise Taxes	\$ -	\$ -	\$ -	\$ -
Occupancy Tax	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	138,665	-	15,332	17,833
Investment Earnings	4,688	5,935	5,340	2,381
Miscellaneous	-	17,065	-	-
<b>TOTAL REVENUES</b>	<u>143,353</u>	<u>23,000</u>	<u>20,672</u>	<u>20,214</u>
<b>EXPENDITURES</b>				
<i>Current:</i>				
General Government	-	-	9,544	5,037
Public Safety	3,152	6,187	-	-
Public Works	-	1,852	-	-
<i>Capital Outlay</i>	-	-	8,155	-
<b>TOTAL EXPENDITURES</b>	<u>3,152</u>	<u>8,039</u>	<u>17,699</u>	<u>5,037</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>140,201</u>	<u>14,961</u>	<u>2,973</u>	<u>15,177</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	140,201	14,961	2,973	15,177
<b>Fund Balances, Beginning</b>	<u>207,429</u>	<u>138,829</u>	<u>116,326</u>	<u>54,358</u>
<b>Fund Balances, Ending</b>	<u>\$ 347,630</u>	<u>\$ 153,790</u>	<u>\$ 119,299</u>	<u>\$ 69,535</u>

Special Revenue Funds

Emergency Radio	Public Education	Alamo Area SWAT	Hotel Motel Occupancy	Total Nonmajor Funds
\$ -	\$ 25,178	\$ -	\$ -	\$ 25,178
-	-	-	617,770	617,770
8,437	-	-	-	8,437
-	-	-	-	171,830
3,983	18,447	-	54,926	95,700
-	-	39,000	-	56,065
<u>12,420</u>	<u>43,625</u>	<u>39,000</u>	<u>672,696</u>	<u>974,980</u>
-	-	-	633,156	647,737
27,059	-	17,258	-	53,656
-	-	-	-	1,852
-	14,908	11,074	-	34,137
<u>27,059</u>	<u>14,908</u>	<u>28,332</u>	<u>633,156</u>	<u>737,382</u>
<u>(14,639)</u>	<u>28,717</u>	<u>10,668</u>	<u>39,540</u>	<u>237,598</u>
-	-	6,500	-	6,500
-	-	6,500	-	6,500
<u>(14,639)</u>	<u>28,717</u>	<u>17,168</u>	<u>39,540</u>	<u>244,098</u>
<u>108,784</u>	<u>403,444</u>	<u>58,457</u>	<u>1,246,958</u>	<u>2,334,585</u>
<u>\$ 94,145</u>	<u>\$ 432,161</u>	<u>\$ 75,625</u>	<u>\$ 1,286,498</u>	<u>\$ 2,578,683</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FORFEITURE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Fines and Forfeitures	\$ 52,000	\$ 52,000	\$ 138,665	\$ 86,665	\$ 97,540
Investment Earnings	260	260	4,688	4,428	700
<b>TOTAL REVENUES</b>	<u>52,260</u>	<u>52,260</u>	<u>143,353</u>	<u>91,093</u>	<u>98,240</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Safety	55,000	55,000	3,152	51,848	-
<i>Capital Outlay</i>	10,000	10,000	-	10,000	4,366
<b>TOTAL EXPENDITURES</b>	<u>65,000</u>	<u>65,000</u>	<u>3,152</u>	<u>61,848</u>	<u>4,366</u>
<b>Net Change in Fund Balance</b>	(12,740)	(12,740)	140,201	152,941	93,874
<b>FUND BALANCE, BEGINNING</b>	<u>207,429</u>	<u>207,429</u>	<u>207,429</u>	<u>-</u>	<u>113,555</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 194,689</u>	<u>\$ 194,689</u>	<u>\$ 347,630</u>	<u>\$ 152,941</u>	<u>\$ 207,429</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
CHILD SAFETY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Investment Earnings	\$ 200	\$ 200	\$ 5,935	\$ 5,735	\$ 826
Miscellaneous	16,000	16,000	17,065	1,065	17,584
<b>TOTAL REVENUES</b>	<u>16,200</u>	<u>16,200</u>	<u>23,000</u>	<u>6,800</u>	<u>18,410</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Safety	6,000	6,000	6,187	(187)	958
Public Works	16,800	16,800	1,852	14,948	-
<b>TOTAL EXPENDITURES</b>	<u>22,800</u>	<u>22,800</u>	<u>8,039</u>	<u>14,761</u>	<u>958</u>
<b>Net Change in Fund Balance</b>	(6,600)	(6,600)	14,961	21,561	17,452
<b>FUND BALANCE, BEGINNING</b>	<u>138,829</u>	<u>138,829</u>	<u>138,829</u>	<u>-</u>	<u>121,377</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 132,229</u>	<u>\$ 132,229</u>	<u>\$ 153,790</u>	<u>\$ 21,561</u>	<u>\$ 138,829</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
COURT TECHNOLOGY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Fines and Forfeitures	\$ 13,000	\$ 13,000	\$ 15,332	\$ 2,332	\$ 12,037
Investment Earnings	1,000	1,000	5,340	4,340	785
<b>TOTAL REVENUES</b>	<u>14,000</u>	<u>14,000</u>	<u>20,672</u>	<u>6,672</u>	<u>12,822</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Government	16,000	16,000	9,544	6,456	19,899
<i>Capital Outlay</i>	10,000	10,000	8,155	1,845	1,819
<b>TOTAL EXPENDITURES</b>	<u>26,000</u>	<u>26,000</u>	<u>17,699</u>	<u>8,301</u>	<u>21,718</u>
<b>Net Change in Fund Balance</b>	(12,000)	(12,000)	2,973	14,973	(8,896)
<b>FUND BALANCE, BEGINNING</b>	<u>116,326</u>	<u>116,326</u>	<u>116,326</u>	<u>-</u>	<u>125,222</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 104,326</u>	<u>\$ 104,326</u>	<u>\$ 119,299</u>	<u>\$ 14,973</u>	<u>\$ 116,326</u>



CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
COURT SECURITY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 17,833	\$ 7,833	\$ 13,657
Investment Earnings	500	500	2,381	1,881	358
<b>TOTAL REVENUES</b>	<u>10,500</u>	<u>10,500</u>	<u>20,214</u>	<u>9,714</u>	<u>14,015</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Government	20,200	20,200	5,037	15,163	17,305
<i>Capital Outlay</i>	5,000	5,000	-	5,000	-
<b>TOTAL EXPENDITURES</b>	<u>25,200</u>	<u>25,200</u>	<u>5,037</u>	<u>20,163</u>	<u>17,305</u>
<b>Net Change in Fund Balance</b>	(14,700)	(14,700)	15,177	29,877	(3,290)
<b>FUND BALANCE, BEGINNING</b>	<u>54,358</u>	<u>54,358</u>	<u>54,358</u>	<u>-</u>	<u>57,648</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 39,658</u>	<u>\$ 39,658</u>	<u>\$ 69,535</u>	<u>\$ 29,877</u>	<u>\$ 54,358</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
EMERGENCY RADIO FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Charges for Services	\$ 37,000	\$ 37,000	\$ 8,437	\$ (28,563)	\$ 29,422
Investment Earnings	200	200	3,983	3,783	580
<b>TOTAL REVENUES</b>	<u>37,200</u>	<u>37,200</u>	<u>12,420</u>	<u>(24,780)</u>	<u>30,002</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Safety	39,670	39,670	27,059	12,611	20,438
<i>Capital Outlay</i>	2,500	2,500	-	2,500	-
<b>TOTAL EXPENDITURES</b>	<u>42,170</u>	<u>42,170</u>	<u>27,059</u>	<u>15,111</u>	<u>20,438</u>
<b>Net Change in Fund Balance</b>	(4,970)	(4,970)	(14,639)	(9,669)	9,564
<b>FUND BALANCE, BEGINNING</b>	<u>108,784</u>	<u>108,784</u>	<u>108,784</u>	<u>-</u>	<u>99,220</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 103,814</u>	<u>\$ 103,814</u>	<u>\$ 94,145</u>	<u>\$ (9,669)</u>	<u>\$ 108,784</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
PUBLIC EDUCATION FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Franchise Taxes	\$ 40,000	\$ 40,000	\$ 25,178	\$ (14,822)	\$ 24,771
Investment Earnings	1,000	1,000	18,447	17,447	2,664
<b>TOTAL REVENUES</b>	<u>41,000</u>	<u>41,000</u>	<u>43,625</u>	<u>2,625</u>	<u>27,435</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Government	-	-	-	-	-
<i>Capital Outlay</i>	25,000	25,000	14,908	10,092	3,645
<b>TOTAL EXPENDITURES</b>	<u>25,000</u>	<u>25,000</u>	<u>14,908</u>	<u>10,092</u>	<u>3,645</u>
<b>Net Change in Fund Balance</b>	16,000	16,000	28,717	12,717	23,790
<b>FUND BALANCE, BEGINNING</b>	<u>403,444</u>	<u>403,444</u>	<u>403,444</u>	<u>-</u>	<u>379,654</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 419,444</u>	<u>\$ 419,444</u>	<u>\$ 432,161</u>	<u>\$ 12,717</u>	<u>\$ 403,444</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
ALAMO AREA SWAT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Miscellaneous	\$ 45,500	\$ 45,500	\$ 39,000	\$ (6,500)	\$ 45,500
<b>TOTAL REVENUES</b>	<u>45,500</u>	<u>45,500</u>	<u>39,000</u>	<u>(6,500)</u>	<u>45,500</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
Public Safety	16,500	16,500	17,258	(758)	10,821
<i>Capital Outlay</i>	<u>8,600</u>	<u>8,600</u>	<u>11,074</u>	<u>(2,474)</u>	<u>6,417</u>
<b>TOTAL EXPENDITURES</b>	<u>25,100</u>	<u>25,100</u>	<u>28,332</u>	<u>(3,232)</u>	<u>17,238</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>20,400</u>	<u>20,400</u>	<u>10,668</u>	<u>(9,732)</u>	<u>28,262</u>
<b>OTHER SOURCES (USES)</b>					
Transfers In	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>6,500</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>6,500</u>
<b>Net Change in Fund Balance</b>	26,900	26,900	17,168	(9,732)	34,762
<b>FUND BALANCE, BEGINNING</b>	<u>58,457</u>	<u>58,457</u>	<u>58,457</u>	<u>-</u>	<u>23,695</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 85,357</u>	<u>\$ 85,357</u>	<u>\$ 75,625</u>	<u>\$ (9,732)</u>	<u>\$ 58,457</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
HOTEL MOTEL TAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Occupancy Tax	\$ 525,000	\$ 525,000	\$ 617,770	\$ 92,770	\$ 575,556
Investment Earnings	5,000	5,000	54,926	49,926	9,003
<b>TOTAL REVENUES</b>	<u>530,000</u>	<u>530,000</u>	<u>672,696</u>	<u>142,696</u>	<u>584,559</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Government	575,000	575,000	633,156	(58,156)	591,580
<b>TOTAL EXPENDITURES</b>	<u>575,000</u>	<u>575,000</u>	<u>633,156</u>	<u>(58,156)</u>	<u>591,580</u>
<b>Net Change in Fund Balance</b>	(45,000)	(45,000)	39,540	84,540	(7,021)
<b>FUND BALANCE, BEGINNING</b>	<u>1,246,958</u>	<u>1,246,958</u>	<u>1,246,958</u>	<u>-</u>	<u>1,253,979</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 1,201,958</u>	<u>\$ 1,201,958</u>	<u>\$ 1,286,498</u>	<u>\$ 84,540</u>	<u>\$ 1,246,958</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
DEBT SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance With Final Budget - Positive (Negative)	2022 Actual
	Original	Final			
<b>REVENUES</b>					
Property Taxes	\$ 2,143,029	\$ 2,143,029	\$ 2,167,628	\$ 24,599	\$ 1,410,617
Grants and Contributions	918,497	918,497	918,497	-	738,985
Investment Earnings	3,000	3,000	77,763	74,763	5,816
<b>TOTAL REVENUES</b>	<u>3,064,526</u>	<u>3,064,526</u>	<u>3,163,888</u>	<u>99,362</u>	<u>2,155,418</u>
<b>EXPENDITURES</b>					
<i>Debt Service:</i>					
Principal	2,080,000	2,080,000	2,080,000	-	1,870,000
Interest and Fiscal Charges	1,155,271	1,155,271	1,153,771	1,500	453,884
<b>TOTAL EXPENDITURES</b>	<u>3,235,271</u>	<u>3,235,271</u>	<u>3,233,771</u>	<u>1,500</u>	<u>2,323,884</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(170,745)</u>	<u>(170,745)</u>	<u>(69,883)</u>	<u>100,862</u>	<u>(168,466)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	170,745	170,745	170,745	-	170,745
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>170,745</u>	<u>170,745</u>	<u>170,745</u>	<u>-</u>	<u>170,745</u>
<b>Net Change in Fund Balance</b>	-	-	100,862	100,862	2,279
<b>FUND BALANCE - BEGINNING</b>	<u>440,680</u>	<u>440,680</u>	<u>440,680</u>	<u>-</u>	<u>438,401</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 440,680</u>	<u>\$ 440,680</u>	<u>\$ 541,542</u>	<u>\$ 100,862</u>	<u>\$ 440,680</u>

CITY OF LIVE OAK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
DISCRETELY PRESENTED COMPONENT UNIT  
ECONOMIC DEVELOPMENT CORPORATION  
MODIFIED ACCRUAL BASIS OF ACCOUNTING  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget- Positive (Negative)	2022 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Sales Tax	\$ 2,643,656	\$ 2,643,656	\$ 2,686,754	\$ 43,098	\$ 2,731,390
Investment Earnings	20,000	20,000	250,629	230,629	35,285
Miscellaneous	10,000	10,000	10,000	-	10,000
<b>TOTAL REVENUES</b>	<u>2,673,656</u>	<u>2,673,656</u>	<u>2,947,383</u>	<u>273,727</u>	<u>2,776,675</u>
<b>EXPENDITURES</b>					
<i>Current:</i>					
General Government	579,800	579,800	440,821	138,979	367,065
Contributions to Primary Government					
For Administrative Overhead	150,000	290,000	290,000	-	150,000
In Support of Debt Service	918,497	918,497	718,497	200,000	938,985
In Support of Capital Outlay	458,702	1,833,702	1,633,702	200,000	367,726
<i>Capital Outlay</i>	-	230,000	224,706	5,294	300,975
<b>TOTAL EXPENDITURES</b>	<u>2,106,999</u>	<u>3,851,999</u>	<u>3,307,726</u>	<u>544,273</u>	<u>2,124,751</u>
<b>Net Change in Fund Balance</b>	566,657	(1,178,343)	(360,343)	818,000	651,924
<b>FUND BALANCE, BEGINNING</b>	<u>5,197,490</u>	<u>5,197,490</u>	<u>5,197,490</u>	<u>-</u>	<u>4,545,566</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 5,764,147</u>	<u>\$ 4,019,147</u>	<u>\$ 4,837,147</u>	<u>\$ 818,000</u>	<u>\$ 5,197,490</u>

CITY OF LIVE OAK  
COMPARATIVE BALANCE SHEETS  
GENERAL FUND  
SEPTEMBER 30, 2023 AND 2022

	2023	2022
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 6,958,421	\$ 11,053,515
Investments	11,210,532	7,918,227
Receivables (net of allowances):		
Property Taxes	71,519	66,909
Sales Tax	1,473,504	1,558,280
Other	311,665	291,782
Accrued Interest	56,689	27,267
Prepaid Items	34,335	30,013
<b>TOTAL ASSETS</b>	<b>\$ 20,116,665</b>	<b>\$ 20,945,993</b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ 1,457,998	\$ 858,436
Accrued Wages	254,457	251,546
Deposits	3,670	4,270
<i>Total Liabilities</i>	<i>1,716,125</i>	<i>1,114,252</i>
 <i>Deferred Inflows of Resources:</i>		
Unavailable Property Tax Revenue	71,519	65,415
Unavailable Sales Tax Revenue	754,992	811,934
<i>Total Deferred Inflows of Resources</i>	<i>826,511</i>	<i>877,349</i>
 <i>Fund Balances:</i>		
<i>Nonspendable:</i>		
Prepaid Items	34,335	30,013
<i>Committed For:</i>		
Asset Replacement	2,752,335	2,666,143
Weed Abatement	12,154	15,554
Unassigned	14,775,205	16,242,682
<i>Total Fund Balances</i>	<i>17,574,029</i>	<i>18,954,392</i>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	 <b>\$ 20,116,665</b>	 <b>\$ 20,945,993</b>



CITY OF LIVE OAK  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES  
 GENERAL FUND  
 FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
<b>REVENUES</b>		
Property Taxes	\$ 4,816,313	\$ 4,695,834
Sales and Mixed Beverage Taxes	8,580,736	8,602,471
Franchise Taxes	1,196,938	1,270,523
Licenses and Permits	683,409	543,855
Grants and Donations	200,187	4,158,864
Charges for Services	261,518	274,822
Fines and Forfeitures	600,192	478,049
Investment Earnings	819,602	(169,460)
Miscellaneous	277,597	215,923
<b>TOTAL REVENUES</b>	17,436,492	20,070,881
<b>EXPENDITURES</b>		
<i>Current</i>		
General Government	2,835,550	2,801,084
Public Safety	8,491,476	8,007,334
Public Works	2,678,958	2,193,264
Recreation	306,257	253,199
<i>Capital Outlay</i>	1,922,616	3,389,130
<b>TOTAL EXPENDITURES</b>	16,234,857	16,644,011
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	1,201,635	3,426,870
<b>OTHER FINANCING SOURCES (USES)</b>		
Sales of Capital Assets	95,890	84,955
Transfers In	267,693	146,881
Transfers Out	(2,945,581)	(2,306,500)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(2,581,998)	(2,074,664)
<b>Net Change in Fund Balance</b>	(1,380,363)	1,352,206
<b>Fund Balances, Beginning</b>	18,954,392	17,602,186
<b>Fund Balances, Ending</b>	\$ 17,574,029	\$ 18,954,392



## STATISTICAL SECTION

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

### Financial Trends (Tables 1 through 4)

- Net Position by Component
- Change in Net Position
- Fund Balances - Governmental Funds
- Changes in Fund Balances - Governmental Funds

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

### Revenue Capacity (Tables 5 through 10)

- Tax Revenues by Source - Governmental Funds
- Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Taxpayers
- Property Tax Levies and Collections
- Top 20 Sales Tax Providers by Business Class

*These schedules contain information to help readers assess the factors affecting the City's ability to generate its property and sales tax.*

### Debt Capacity (Tables 11 through 14)

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Debt Margin Information

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

### Demographic and Economic Information (Tables 15 through 16)

- Demographic and Economic Statistics
- Principal Employers

*These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments.*

### Operating Information (Tables 17 through 19)

- Full-time Equivalent City Government Employees by Function
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

*These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.*

CITY OF LIVE OAK  
NET POSITION, BY COMPONENT  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2014*	2015*	2016*	2017
<i>Governmental Activities</i>				
Net Investment in Capital Assets	\$ 7,684,247	\$ 10,047,544	\$ 2,498,042	\$ 337,900
Restricted	3,179,395	1,884,219	1,944,020	2,083,220
Unrestricted	10,791,866	5,221,828	9,903,047	8,980,757
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 21,655,508</u>	<u>\$ 17,153,591</u>	<u>\$ 14,345,109</u>	<u>\$ 11,401,877</u>
<i>Business-Type Activities</i>				
Net Investment in Capital Assets	\$ 5,025,941	\$ 5,209,804	\$ 5,263,431	\$ 5,054,357
Restricted	-	-	-	-
Unrestricted	2,233,452	1,871,554	1,626,416	1,239,452
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>\$ 7,259,393</u>	<u>\$ 7,081,358</u>	<u>\$ 6,889,847</u>	<u>\$ 6,293,809</u>
<i>Primary Government</i>				
Net Investment in Capital Assets	\$ 12,710,188	\$ 11,471,565	\$ 7,761,473	\$ 5,392,257
Restricted	3,179,395	1,884,219	1,944,020	2,083,220
Unrestricted	13,025,318	7,093,382	11,529,463	10,220,209
<i>Total Primary Government Net Position</i>	<u>\$ 28,914,901</u>	<u>\$ 20,449,166</u>	<u>\$ 21,234,956</u>	<u>\$ 17,695,686</u>

*\*Years 2016 and prior included the Live Oak Economic Development Corporation as a blended component unit. These years have not been restated for the change on this schedule.*

TABLE 1

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	1,410,757	\$	1,722,478	\$	2,804,778	\$	3,330,278	\$	6,894,960	\$	11,348,915
	2,425,330		2,491,719		2,520,596		2,553,132		2,602,649		2,972,105
	8,797,162		11,150,185		10,966,166		13,653,948		17,992,369		17,687,785
	<u>12,633,249</u>		<u>15,364,382</u>		<u>16,291,540</u>		<u>19,537,358</u>		<u>27,489,978</u>		<u>32,008,805</u>
\$	5,058,875	\$	5,568,799	\$	5,356,887	\$	5,732,376	\$	5,540,079	\$	5,407,513
	-		-		-		-		-		-
	1,298,275		1,108,878		1,223,156		629,538		993,163		1,013,620
	<u>6,357,150</u>		<u>6,677,677</u>		<u>6,580,043</u>		<u>6,361,914</u>		<u>6,533,242</u>		<u>6,421,133</u>
\$	6,469,632	\$	7,291,277	\$	8,161,665	\$	9,062,654	\$	12,435,039	\$	16,756,428
	2,425,330		2,491,719		2,520,596		2,553,132		2,602,649		2,972,105
	10,095,437		12,259,063		12,189,322		14,283,486		18,985,532		18,701,405
	<u>18,990,399</u>		<u>22,042,059</u>		<u>22,871,583</u>		<u>25,899,272</u>		<u>34,023,220</u>		<u>38,429,938</u>

CITY OF LIVE OAK  
CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2014*	2015*	2016*	2017
<b>Expenses</b>				
<i>Governmental Activities</i>				
General Government	\$ 3,247,132	\$ 5,914,432	\$ 8,380,379	\$ 5,832,574
Public Safety	6,176,238	6,716,420	6,548,599	7,141,799
Public Works	2,496,790	2,574,042	2,680,500	2,724,691
Recreation	194,147	177,765	201,719	236,786
Interest and Fiscal Agent Fees	883,904	683,723	684,213	633,911
<i>Total Governmental Activities Expenses</i>	<u>12,998,211</u>	<u>16,066,382</u>	<u>18,495,410</u>	<u>16,569,761</u>
<i>Business-Type Activities</i>				
Water/Wastewater Utilities	3,608,033	3,317,600	3,410,251	3,705,811
Storm Water Utility	398,244	397,259	580,855	477,189
<i>Total Business-Type Activities</i>	<u>4,006,277</u>	<u>3,714,859</u>	<u>3,991,106</u>	<u>4,183,000</u>
<b>Total Primary Government Expenses</b>	<u>\$ 17,004,488</u>	<u>\$ 19,781,241</u>	<u>\$ 22,486,516</u>	<u>\$ 20,752,761</u>
<b>Program Revenues</b>				
<i>Governmental Activities</i>				
Charges for Service:				
General Government	\$ 68,028	\$ 208,017	\$ 53,086	\$ 1,028,765
Public Safety	734,979	531,948	672,712	669,876
Public Works	220,522	281,317	167,563	200,946
Recreation	58,118	63,496	57,689	63,893
Operating Grants and Contributions	15,635	77,500	32,500	44,845
Capital Grants and Contributions	-	-	-	270,000
<i>Total Governmental Activities</i>	<u>1,097,282</u>	<u>1,162,278</u>	<u>983,550</u>	<u>2,278,325</u>
<i>Program Revenues</i>	<u>1,097,282</u>	<u>1,162,278</u>	<u>983,550</u>	<u>2,278,325</u>
<i>Business-Type Activities</i>				
Charges for Service:				
Water/Wastewater Utilities	3,495,489	3,550,228	3,351,518	3,285,822
Storm Water Utility	550,201	552,245	557,942	526,365
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	147,337
<i>Total Business-Type Activities</i>	<u>4,045,690</u>	<u>4,102,473</u>	<u>3,909,460</u>	<u>3,959,524</u>
<i>Program Revenues</i>	<u>4,045,690</u>	<u>4,102,473</u>	<u>3,909,460</u>	<u>3,959,524</u>
<b>Total Primary Government</b>				
Program Revenues	<u>\$ 5,142,972</u>	<u>\$ 5,264,751</u>	<u>\$ 4,893,010</u>	<u>\$ 6,237,849</u>

TABLE 2

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	3,957,565	\$	3,531,774	\$	3,115,843	\$	3,237,399	\$	3,480,760	\$	3,856,269
	7,208,670		7,968,939		8,627,416		8,446,080		8,297,164		10,137,229
	2,785,890		2,924,373		2,833,678		2,988,661		3,042,640		4,492,807
	244,312		217,299		226,927		233,671		262,652		320,918
	579,660		530,842		488,674		353,002		679,313		864,477
	<u>14,776,097</u>		<u>15,173,227</u>		<u>15,292,538</u>		<u>15,258,813</u>		<u>15,762,529</u>		<u>19,671,700</u>
	3,907,259		4,238,501		4,424,702		5,012,383		4,364,698		5,350,560
	509,026		499,022		527,844		520,732		477,217		560,409
	<u>4,416,285</u>		<u>4,737,523</u>		<u>4,952,546</u>		<u>5,533,115</u>		<u>4,841,915</u>		<u>5,910,969</u>
\$	<u>19,192,382</u>	\$	<u>19,910,750</u>	\$	<u>20,245,084</u>	\$	<u>20,791,928</u>	\$	<u>20,604,444</u>	\$	<u>25,582,669</u>
\$	46,408	\$	37,393	\$	30,323	\$	1,308,041	\$	1,010,196	\$	1,326,428
	897,738		795,870		763,135		219,695		227,002		217,967
	291,422		581,828		278,556		10,957		16,633		8,752
	65,127		68,502		28,999		36,442		43,677		37,424
	974,452		1,063,034		1,047,285		924,949		5,000,325		1,086,832
	-		-		-		39,000		245,500		1,554,000
	<u>2,275,147</u>		<u>2,546,627</u>		<u>2,148,298</u>		<u>2,539,084</u>		<u>6,543,333</u>		<u>4,231,403</u>
	4,027,254		3,990,018		4,098,610		4,282,722		4,723,605		5,462,311
	592,047		565,855		605,410		614,169		599,018		616,527
	-		-		-		158,000		-		-
	<u>197,698</u>		<u>839,295</u>		<u>-</u>		<u>608,037</u>		<u>-</u>		<u>-</u>
	<u>4,816,999</u>		<u>5,395,168</u>		<u>4,704,020</u>		<u>5,662,928</u>		<u>5,322,623</u>		<u>6,078,838</u>
\$	<u>7,092,146</u>	\$	<u>7,941,795</u>	\$	<u>6,852,318</u>	\$	<u>8,202,012</u>	\$	<u>11,865,956</u>	\$	<u>10,310,241</u>

CITY OF LIVE OAK  
CHANGE IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2014*	2015*	2016*	2017
<b>Net (Expenses)/Revenue</b>				
Governmental Activities	\$ (11,900,929)	\$ (14,904,104)	\$ (17,511,860)	\$ (14,291,436)
Business-Type Activities	39,413	387,614	(81,646)	(223,476)
Total Primary Government Net Expenses	<u>\$ (11,861,516)</u>	<u>\$ (14,516,490)</u>	<u>\$ (17,593,506)</u>	<u>\$ (14,514,912)</u>
<b>Governmental Revenues and Other</b>				
<b>Changes in Net Position</b>				
<i>Governmental Activities</i>				
Taxes:				
Property Taxes	\$ 3,877,655	\$ 4,770,375	\$ 4,816,434	\$ 5,302,619
Sales and Mixed Beverage Taxes	6,607,876	7,515,505	7,855,281	5,942,495
Franchise Taxes	1,060,879	1,179,497	1,170,417	1,143,688
Occupancy Taxes	403,004	436,420	540,765	596,882
Interest and Investment Earnings	37,346	69,873	162,719	158,707
Miscellaneous	39,380	54,254	41,487	29,296
Transfers	249,785	103,803	116,275	397,898
<i>Total Governmental Activities</i>	<u>12,275,925</u>	<u>14,129,727</u>	<u>14,703,378</u>	<u>13,571,585</u>
<i>Business-Type Activities</i>				
Interest and Investment Earnings	746	1,105	6,410	16,534
Miscellaneous	-	-	-	8,802
Transfers	(249,785)	(103,803)	(116,275)	(397,989)
<i>Total Business-Type Activities</i>	<u>(249,039)</u>	<u>(102,698)</u>	<u>(109,865)</u>	<u>(372,653)</u>
Total Primary Government	<u>\$ 12,026,886</u>	<u>\$ 14,027,029</u>	<u>\$ 14,593,513</u>	<u>\$ 13,198,932</u>
<b>Changes In Net Position</b>				
Government Activities	\$ 374,996	\$ (774,377)	\$ (2,808,482)	\$ (719,851)
Business-Type Activities	(209,626)	284,916	(191,511)	(596,129)
Total Primary Government	<u>\$ 165,370</u>	<u>\$ (489,461)</u>	<u>\$ (2,999,993)</u>	<u>\$ (1,315,980)</u>

\*Years 2016 and prior included the Live Oak Economic Development Corporation as a blended component unit.

These years have not been restated for the change on this schedule.



TABLE 2 (Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ (12,500,950)	\$ (12,626,600)	\$ (13,144,240)	\$ (12,719,729)	\$ (9,219,196)	\$ (15,440,297)
400,714	657,645	(248,526)	129,813	480,708	167,869
<u>\$ (12,100,236)</u>	<u>\$ (11,968,955)</u>	<u>\$ (13,392,766)</u>	<u>\$ (12,589,916)</u>	<u>\$ (8,738,488)</u>	<u>\$ (15,272,428)</u>
\$ 5,405,636	\$ 5,683,767	\$ 5,763,038	\$ 6,045,605	\$ 6,114,498	\$ 7,002,739
6,110,869	6,895,667	6,556,209	7,629,564	8,550,755	8,373,983
1,140,210	1,136,462	1,064,713	1,202,761	1,387,232	1,371,927
592,016	631,720	360,884	521,757	575,556	617,770
215,721	413,511	286,389	14,499	(82,158)	1,785,128
93,879	182,194	160,583	192,367	308,307	417,220
402,016	414,412	(120,418)	358,994	317,626	390,357
<u>13,960,347</u>	<u>15,357,733</u>	<u>14,071,398</u>	<u>15,965,547</u>	<u>17,171,816</u>	<u>19,959,124</u>
36,099	70,578	17,307	872	8,246	70,879
56,641	6,716	13,167	10,180	-	39,500
(402,016)	(414,412)	120,418	(358,994)	(317,626)	(390,357)
<u>(309,276)</u>	<u>(337,118)</u>	<u>150,892</u>	<u>(347,942)</u>	<u>(309,380)</u>	<u>(279,978)</u>
<u>\$ 13,651,071</u>	<u>\$ 15,020,615</u>	<u>\$ 14,222,290</u>	<u>\$ 15,617,605</u>	<u>\$ 16,862,436</u>	<u>\$ 19,679,146</u>
\$ 1,459,397	\$ 2,731,133	\$ 927,158	\$ 3,245,818	\$ 7,952,620	\$ 4,518,827
91,438	320,527	(97,634)	(218,129)	171,328	(112,109)
<u>\$ 1,550,835</u>	<u>\$ 3,051,660</u>	<u>\$ 829,524</u>	<u>\$ 3,027,689</u>	<u>\$ 8,123,948</u>	<u>\$ 4,406,718</u>

CITY OF LIVE OAK  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
<i>General Fund:</i>				
Nonspendable	\$ 10,127	\$ 10,022	\$ 15,458	\$ 114,631
Restricted	10,416	15,465	13,523	6,747
Committed	1,846,355	1,978,705	1,943,738	2,482,170
Assigned	-	-	-	-
Unassigned	6,816,883	7,536,197	8,617,515	9,346,943
<i>Total General Fund</i>	<u>\$ 8,683,781</u>	<u>\$ 9,540,389</u>	<u>\$ 10,590,234</u>	<u>\$ 11,950,491</u>
<i>All Other Governmental Funds:</i>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	13,477,756	10,237,843	5,157,188	2,529,428
Committed	419,239	748,666	928,678	1,207,089
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total All Other Governmental Funds</i>	<u>\$ 13,896,995</u>	<u>\$ 10,986,509</u>	<u>\$ 6,085,866</u>	<u>\$ 3,736,517</u>

TABLE 3

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 17,800	\$ 21,300	\$ 17,082	\$ 32,456	\$ 30,013	\$ 34,335
3,660	19,989	10,883	-	-	-
2,553,151	2,970,258	4,462,775	4,967,942	2,681,697	2,764,489
-	-	88,778	-	-	-
10,044,706	11,745,322	10,283,739	12,601,788	16,242,682	14,775,205
<u>\$ 12,619,317</u>	<u>\$ 14,756,869</u>	<u>\$ 14,863,257</u>	<u>\$ 17,602,186</u>	<u>\$ 18,954,392</u>	<u>\$ 17,574,029</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,421,670	2,471,730	2,509,713	2,612,807	20,657,627	21,155,288
788,234	1,297,881	1,121,594	738,369	2,893,067	4,754,584
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,209,904</u>	<u>\$ 3,769,611</u>	<u>\$ 3,631,307</u>	<u>\$ 3,351,176</u>	<u>\$ 23,550,694</u>	<u>\$ 25,909,872</u>

**CITY OF LIVE OAK  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	Fiscal Year			
	2014	2015	2016	2017
<b>REVENUES</b>				
Taxes	\$ 10,258,025	\$ 12,086,031	\$ 12,637,054	\$ 12,939,413
Fines and Forfeitures	507,975	470,667	466,763	446,246
Licenses and Permits	260,592	329,905	220,009	248,451
Charges for Services	124,020	126,610	134,278	140,784
Grants and Donations	121,648	213,157	162,500	1,442,844
Investment Earnings	36,398	62,677	108,984	158,707
Miscellaneous	87,284	76,125	84,658	134,192
<b>TOTAL REVENUES</b>	<u>11,395,942</u>	<u>13,365,172</u>	<u>13,814,246</u>	<u>15,510,637</u>
<b>EXPENDITURES</b>				
Current:				
General Government	2,773,943	5,502,218	7,855,639	5,576,329
Public Safety	5,599,405	6,055,839	5,898,901	6,129,095
Public Works	1,689,321	1,792,428	1,833,522	1,870,241
Recreation	194,147	178,235	201,719	233,257
Capital Outlay	499,420	1,123,191	831,073	682,087
Debt Service:				
Principal	1,155,000	1,550,000	1,625,000	1,675,000
Interest and Fiscal Agent Fees	801,003	791,505	782,038	731,618
Bond Issue Costs	133,226	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>12,845,465</u>	<u>16,993,416</u>	<u>19,027,892</u>	<u>16,897,627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,449,523)</u>	<u>(3,628,244)</u>	<u>(5,213,646)</u>	<u>(1,386,990)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of Capital Assets	-	68	-	-
Transfers In	1,534,275	2,048,548	1,893,100	890,383
Transfers Out	(170,300)	(474,250)	(530,252)	(492,485)
Debt Issuance	19,515,000	-	-	-
Bond Premium	1,538,966	-	-	-
Payments to Refunding Escrow Agent	(10,164,455)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>12,253,486</u>	<u>1,574,366</u>	<u>1,362,848</u>	<u>397,898</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 10,803,963</u>	<u>\$ (2,053,878)</u>	<u>\$ (3,850,798)</u>	<u>\$ (989,092)</u>
Debt Service as a Percentage of Noncapital Expenditures	15.1%	14.4%	15.6%	13.1%

TABLE 4

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	13,217,790	\$	14,251,690	\$	13,689,336	\$	15,268,089	\$	16,579,772	\$	17,404,563
	580,805		598,291		498,726		549,331		601,283		772,022
	341,623		619,216		311,189		846,269		543,855		683,409
	133,876		143,585		86,886		283,859		304,244		269,955
	1,165,176		1,156,657		1,160,914		821,929		5,097,849		2,493,684
	215,721		413,511		286,389		14,501		(82,162)		1,785,119
	95,655		291,071		255,954		274,536		279,007		333,662
	<u>15,750,646</u>		<u>17,474,021</u>		<u>16,289,394</u>		<u>18,058,514</u>		<u>23,323,848</u>		<u>23,742,414</u>
	3,783,937		3,269,456		2,949,970		2,956,407		3,429,868		3,483,287
	6,452,232		6,837,579		7,721,922		7,711,591		8,039,551		8,545,132
	2,020,134		2,039,282		2,012,575		2,072,066		2,193,264		2,680,810
	239,247		208,943		214,835		226,089		253,199		306,257
	1,112,806		514,931		977,965		749,103		3,935,371		5,000,589
	1,725,000		1,695,000		1,735,000		1,795,000		1,870,000		2,080,000
	677,093		625,983		588,625		522,408		453,884		1,153,771
	-		-		-		-		249,535		-
	<u>16,010,449</u>		<u>15,191,174</u>		<u>16,200,892</u>		<u>16,032,664</u>		<u>20,424,672</u>		<u>23,249,846</u>
	(259,803)		2,282,847		88,502		2,025,850		2,899,176		492,568
	-		-		-		52,881		84,955		95,890
	910,101		887,912		892,108		425,224		2,644,126		3,335,938
	(508,085)		(473,500)		(1,012,526)		(45,157)		(2,326,500)		(2,945,581)
	-		-		-		-		16,490,000		-
	-		-		-		-		1,759,967		-
	-		-		-		-		-		-
	<u>402,016</u>		<u>414,412</u>		<u>(120,418)</u>		<u>432,948</u>		<u>18,652,548</u>		<u>486,247</u>
\$	<u>142,213</u>	\$	<u>2,697,259</u>	\$	<u>(31,916)</u>	\$	<u>2,458,798</u>	\$	<u>21,551,724</u>	\$	<u>978,815</u>
	14.8%		16.1%		15.8%		15.3%		13.9%		16.7%

CITY OF LIVE OAK  
TAX REVENUE BY SOURCE – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year	Property	Sales & Use Mixed Beverage	Occupancy	Franchise	Total Taxes
2014	\$ 3,814,512	\$ 4,979,630	\$ 403,004	\$ 1,060,879	\$ 10,258,025
2015	4,808,043	5,662,071	436,420	1,179,497	12,086,031
2016	5,006,176	5,919,696	540,765	1,170,417	12,637,054
2017	5,256,348	5,942,495	596,882	1,143,688	12,939,413
2018	5,402,347	6,083,217	592,016	1,140,210	13,217,790
2019	5,674,876	6,808,632	631,720	1,136,462	14,251,690
2020	5,758,565	6,505,174	360,884	1,064,713	13,689,336
2021	6,034,025	7,581,891	521,757	1,130,416	15,268,089
2022	6,106,451	8,602,471	575,556	1,295,294	16,579,772
2023	6,983,941	8,580,736	617,770	1,222,116	17,404,563

CITY OF LIVE OAK  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

TABLE 6

Fiscal Year	Residential Property	Commercial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2014	\$ 499,621,822	\$ 574,309,145	\$ 158,629,313	\$ 915,301,654	0.445401
2015	560,159,849	586,655,656	178,346,971	968,468,534	0.510000
2016	618,580,846	682,811,268	193,678,796	1,107,713,318	0.467691
2017	651,413,768	748,015,483	182,210,553	1,217,218,698	0.446837
2018	705,864,315	772,575,189	202,211,523	1,276,227,981	0.443475
2019	738,730,967	833,932,717	211,536,410	1,361,127,274	0.437087
2020	790,222,690	935,482,894	243,208,157	1,482,497,427	0.414686
2021	853,977,288	994,810,925	267,134,986	1,581,653,227	0.412217
2022	913,769,524	1,000,631,684	291,565,848	1,622,835,360	0.410220
2023	1,162,464,713	1,124,833,331	414,941,086	1,872,356,958	0.410220

Source: Bexar County Appraisal District

NOTES: Property in the City of Live Oak is reassessed every year at estimated actual value. For this reason, assessed value is equal to estimated actual value. Tax rates are per \$100 of assessed value. Total taxable assessed value is before any applicable freeze adjustments.

CITY OF LIVE OAK  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

TABLE 7

Fiscal Year	City Direct Rates			Overlapping Rates	
	General Fund	Debt Service	Total Direct	Judson ISD	Northeast ISD
2014	0.356360	0.089041	0.445401	1.4250	1.4406
2015	0.356363	0.153637	0.510000	1.4250	1.4406
2016	0.330927	0.136764	0.467691	1.4200	1.4150
2017	0.322620	0.124217	0.446837	1.4700	1.3850
2018	0.324175	0.119300	0.443475	1.4250	1.3650
2019	0.324394	0.112693	0.437087	1.4400	1.3600
2020	0.311410	0.103276	0.414686	1.3584	1.2900
2021	0.313911	0.098306	0.412217	1.2749	1.2684
2022	0.313724	0.096496	0.410220	1.2700	1.2525
2023	0.283077	0.127143	0.410220	1.2200	1.1822

Fiscal Year	Overlapping Rates				
	Alamo Community College	San Antonio River Authority	Bexar County	Bexar County Flood	University Health System
2014	0.14915	0.17500	0.28382	0.03068	0.27624
2015	0.14915	0.01750	0.28382	0.03068	0.27624
2016	0.14915	0.01729	0.29750	0.01700	0.27624
2017	0.14915	0.01729	0.29325	0.01570	0.29325
2018	0.14915	0.01729	0.29123	0.01287	0.27624
2019	0.14915	0.01858	0.27743	0.02367	0.27624
2020	0.14915	0.01858	0.27743	0.02367	0.27624
2021	0.14915	0.01858	0.27743	0.02367	0.27624
2022	0.14915	0.01858	0.27633	0.02367	0.27624
2023	0.14915	0.01836	0.27633	0.02367	0.27624

Source: Bexar County Tax Offices

NOTE: Overlapping rates are those of local and county governments that apply within the City of Live Oak. Not all overlapping rates apply to all City of Live Oak property owners.



CITY OF LIVE OAK  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND NINE YEARS AGO  
 (UNAUDITED)

TABLE 8

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Randolph Brooks FCU	\$ 79,054,460	1	4.22%	\$ 44,500,144	2	4.86%
Methodist Healthcare System	66,603,610	2	3.56%	41,959,742	3	4.58%
Blue Atlantic Mira Loma LP	54,500,000	3	2.91%			
IKEA Property Inc	51,695,680	4	2.76%			
Continental 136 Fund	46,500,000	5	2.48%	28,000,000	5	3.06%
JHG Aspire I LLC	44,554,230	6	2.38%			
MCN Villas-SA LLC	41,300,000	7	2.21%			
AT Heritage LP	37,673,600	8	2.01%			
SA Development Company LP	26,006,947	9	1.39%	14,770,403	7	1.61%
29 SC Live Oak LP	25,610,580	10	1.37%			
GPIF Mira Loma LLC				50,651,329	1	5.53%
MBS-Colonade Ltd				28,900,000	4	3.16%
Redus TX Properties, LLC				19,882,020	6	2.17%
Jordan Ford, Inc.				11,903,060	8	1.30%
Target Corporation				11,902,688	9	1.30%
HD Development Property, LP				11,441,490	10	1.25%
TOTALS	<u>\$ 473,499,107</u>		<u>25.29%</u>	<u>\$ 263,910,876</u>		<u>28.83%</u>
TOTAL TAXABLE ASSESSED VALUE	<u>\$ 1,872,356,958</u>			<u>\$ 915,301,654</u>		

Source: Bexar County Appraisal District



CITY OF LIVE OAK  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

TABLE 9

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	% of Levy		Amount	% of Levy
2014	\$ 4,053,449	\$ 3,978,852	98.16%	\$ 70,713	\$ 4,049,565	99.90%
2015	4,863,092	4,848,896	99.71%	9,347	4,858,243	99.90%
2016	5,069,178	4,990,227	98.44%	74,599	5,064,826	99.91%
2017	5,320,407	5,247,854	98.64%	68,634	5,316,488	99.93%
2018	5,510,833	5,422,439	98.40%	82,638	5,505,077	99.90%
2019	5,731,799	5,646,854	98.52%	67,090	5,713,944	99.69%
2020	5,841,744	5,811,636	99.48%	(9,731)	5,801,905	99.32%
2021	6,210,081	6,176,273	99.46%	(26,285)	6,149,988	99.03%
2022	6,310,379	6,274,592	99.43%	7,951	6,282,543	99.56%
2023	7,171,300	7,121,674	99.31%	-	7,121,674	99.31%

*Source: Bexar County Appraisal District*

CITY OF LIVE OAK  
TOP TWENTY SALES TAX PROVIDERS BY BUSINESS CLASS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Business Class	Fiscal Year							
	2023		2022		2021		2020	
	Rank	Percent of Total	Rank	Percent of Total	Rank	Percent of Total	Rank	Percent of Total
Full-Service Restaurant	1	19.5	1	16.6	3	16.2	3	7.8
Home Centers	2	15.6	2	15.3	2	13.8	2	13.4
Furniture Sales	3	14.1	3	14.5	1	17.6	1	17.6
General Merchandise Stores	4	6.5	4	6.8	4	7.3	4	7.2
Radio, TV & Electronic Stores	5	6.2	5	6.8	5	6.5	5	6.4
Undefined	6	5.8	18	1.0	20	1.1	7	4.8
Clothing Accessories Stores	7	3.1	7	3.2	6	3.4	16	1.7
General Medical & Surgical Hospitals	8	2.7	6	4.7	7	2.5	8	2.9
Department Stores	9	2.1	9	2.1	12	2.1	10	2.1
Jewelry Stores	10	1.9	8	2.1	9	2.2	14	1.8
New Car Dealers	11	1.7	12	1.7	13	1.8	12	2.0
Beer, Wine and Liquor Stores	12	1.7	11	1.8	10	2.1	9	2.3
Gasoline Station Convenience Stores	13	1.6	14	1.6	14	1.6	15	1.8
All Other Home Furnishing Stores	14	1.5	10	1.8	8	2.2	11	2.0
Miscellaneous Retailer	15	1.4	15	1.6	17	1.2		
Automotive Parts, Access and Tires	16	1.2	20	1.0	16	1.2	17	1.7
Automotive Repair	17	1.0	17	1.1	18	1.1		
Business to Business Electronic Markets	18	0.9	13	1.7	15	1.6	19	0.9
Electric Power Generators	19	0.9					20	0.9
Outdoor Power Equipment	20	0.9	19	1.0	19	1.1	18	1.1
Wireless Telecommunications			16	1.5	11	2.1	13	1.9
Limited-Service Restaurants							6	5.6
Motion Picture Theaters								
Other Appliances								
Construction								
Electronics, Applications, Computers								
Shoe Stores								
Wholesalers Durable								
Amusement, Gambling, Recreation								
Direct Selling Establishment								
Total		<u>90.3</u>		<u>87.9</u>		<u>88.7</u>		<u>85.9</u>

Source: Muniservices

Texas Tax Code 321.3022(c) declares specific information on vendor and amounts to be confidential and is not subject to public inspection. The City of Live Oak understands the value of this information and determined that presentation by business class is the best way to convey this information.



CITY OF LIVE OAK  
RATIOS OF DEBT OUTSTANDING BY TYPE  
LAST TEN FISCAL YEARS

TABLE 11

Fiscal Year	Governmental Activities			Business-Type Activities	Total Primary Government	Percent of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Tax Notes			
2014	\$ 23,876,889	\$ 765,000	\$ 320,000	\$ 245,000	\$25,206,889	7.31%	1,709
2015	22,541,707	520,000	240,000	125,000	23,426,707	6.13%	1,550
2016	21,141,525	265,000	160,000	-	21,566,525	4.74%	1,405
2017	19,701,343	-	80,000	-	19,781,343	3.97%	1,256
2018	17,946,161	-	-	-	17,946,161	3.43%	1,134
2019	16,140,979	-	-	-	16,140,979	3.23%	1,015
2020	14,295,797	-	-	-	14,295,797	2.82%	888
2021	12,319,679	-	-	-	12,319,679	2.31%	694
2022	28,539,508	-	-	-	28,539,508	4.35%	1,571
2023	26,174,544	-	-	-	26,174,544	3.84%	1,441

*NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. See Table 6 for the City's property tax value data. City population data can be found in Table 15.*

CITY OF LIVE OAK  
RATIOS OF GENERAL BONDED DEBT OUSTANDING  
LAST TEN FISCAL YEARS

TABLE 12

Fiscal Year	General Bonded Debt Outstanding					Less Resources Restricted for Debt Service	Net Debt Outstanding	Percentage of Taxable Value of Property	Per Capita
	Governmental			Business-Type					
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Tax Notes	Total				
2014	\$ 23,876,889	\$ 765,000	\$ 320,000	\$ 245,000	\$ 25,206,889	\$ (279,438)	\$24,927,451	2.72%	1,690
2015	22,541,707	520,000	240,000	125,000	23,426,707	(351,067)	23,075,640	2.38%	1,527
2016	21,141,525	265,000	160,000	-	21,566,525	(364,915)	21,201,610	1.91%	1,382
2017	19,701,343	-	80,000	-	19,781,343	(372,025)	19,409,318	1.59%	1,232
2018	17,946,161	-	-	-	17,946,161	(380,881)	17,565,280	1.38%	1,110
2019	16,140,979	-	-	-	16,140,979	(399,456)	15,741,523	1.16%	990
2020	14,295,797	-	-	-	14,295,797	(431,503)	13,864,294	0.94%	861
2021	12,319,679	-	-	-	12,319,679	(378,726)	11,940,953	0.75%	673
2022	28,539,508	-	-	-	28,539,508	(268,064)	28,271,444	1.74%	1,556
2023	26,174,544	-	-	-	26,174,544	(393,422)	25,781,122	1.38%	1,419

*NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. See Table 6 for the City's property tax value data. City population data can be found in Table 15.*

CITY OF LIVE OAK  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
CURRENT YEAR

TABLE 13

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>	<u>Estimated Share of Overlapping Debt</u>
<i>Debt repaid with property taxes:</i>			
Alamo CCD	\$ 773,715,000	0.86%	\$ 6,653,949
Bexar County	2,148,125,000	0.86%	18,473,875
Bexar County Hospital District	1,320,585,000	0.86%	11,357,031
Judson ISD	612,604,085	8.88%	54,399,243
North East ISD	1,261,620,000	1.10%	<u>13,877,820</u>
Subtotal, Overlapping Debt			104,761,918
City Direct Debt			<u>26,174,544</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u><u>\$ 130,936,462</u></u>

*NOTES: The overlapping debt was received from the Municipal Advisory Council of Texas. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.*

*Overlapping debt is the proportionate share of the debts of local jurisdictions located wholly or in part within the limits of the City of Live Oak. This schedule is intended to demonstrate the total debt that the City of Live Oak property tax payers will be expected to repay. The amount of debt applicable to the City of Live Oak is computed by (a) determining what portion of total assessed value of the overlapping jurisdiction lies within the limits of the City and (b) applying this percentage to the total governmental activities debt of the overlapping jurisdiction.*



CITY OF LIVE OAK  
DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

TABLE 14

Assessed Value		\$ 1,872,356,958
Debt Limit - Texas statues do not provide a legal debt limit for cities; however, through accepted practice a practical "economic" debt limit is considered to be 10% of the assessed value.		\$ 187,235,696
Amount of Applicable Debt:		
Outstanding Debt	\$ 26,174,544	
Less Debt Service Net Position	<u>(393,422)</u>	<u>25,781,122</u>
DEBT MARGIN		<u><u>\$ 161,454,574</u></u>
Total Net Debt as a Percentage of Debt Margin		15.97%

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Debt Margin</u>
2014	\$ 91,530,165	\$ (24,682,451)	\$ 66,847,714
2015	96,846,853	(23,227,774)	73,619,079
2016	110,771,332	(21,201,610)	89,569,722
2017	121,721,870	(19,409,318)	102,312,552
2018	127,622,798	(17,565,280)	110,057,518
2019	136,112,727	(15,741,523)	120,371,204
2020	148,249,743	(13,864,294)	134,385,449
2021	158,165,323	(11,940,953)	146,224,370
2022	162,283,536	(28,271,444)	134,012,092

CITY OF LIVE OAK  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

TABLE 15

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2014	14,751	\$ 345,026,000	\$ 23,390	35.5	6,997	4.7%
2015	15,116	382,223,000	25,286	37.4	6,999	3.2%
2016	15,346	454,971,000	29,648	37.9	7,272	3.9%
2017	15,749	498,755,000	31,669	38.6	7,197	3.2%
2018	15,820	522,993,000	33,059	38.3	8,215	3.2%
2019	15,908	499,925,000	31,426	38.6	7,327	2.8%
2020	16,104	506,084,000	31,426	35.6	7,986	6.7%
2021	17,749	533,804,000	30,075	35.1	7,959	6.7%
2022	18,166	656,301,248	36,128	34.5	6,155	3.5%
2023	18,166	682,333,000	37,561	34.5	12,163	3.2%

*Sources: Population, personal income, median age and education level information are provided by the United States Census Bureau. School enrollment information is provided by the Judson Independent School District and Alamo Colleges. Unemployment data is provided by the Texas Workforce Commission.*

CITY OF LIVE OAK  
TOP TEN PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

TABLE 16

SAN ANOTNIO EMPLOYERS	2023			2014		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
Joint Base San Antonio	82,639	1	7.23%			
H-E-B Food Stores	20,000	2	1.75%	20,000	1	1.98%
USAA	19,000	3	1.66%	16,000	2	1.58%
City of San Antonio	13,420	4	1.17%	9,154	5	0.90%
Northside ISD	12,206	5	1.07%	12,751	3	1.26%
Methodist Healthcare	12,000	6	1.05%	8,118	6	0.80%
North East ISD	8,208	7	0.72%	10,052	4	0.99%
San Antonio ISD	7,500	8	0.66%	7,000	8	0.69%
UT Health Science	7,200	9	0.63%			
Baptist Health Systems	6,490	10	0.57%	7,205	7	0.71%
Rackspace						
JP Morgan Chase				5,200	9	0.51%
Wells Fargo				5,153	10	0.51%
Total	<u>188,663</u>		<u>16.51%</u>	<u>100,633</u>		<u>9.93%</u>

LIVE OAK EMPLOYERS	2023		2014	
	EMPLOYEES	RANK	EMPLOYEES	RANK
Randolph Brooks FCU	1,348	1	888	1
Northeast Methodist Hospital	883	2	700	2
Judson ISD	393	3	331	4
Jordan Ford	250	4	228	5
NE Lakeview College	201	5	468	3
Target	203	6	150	8
Ikea Home Furnishings	195	7		
Home Depot	162	8	161	7
World Car	145	9	175	6
Best Buy	130	10	131	9
City of Live Oak			119	10
Total	<u>3,910</u>		<u>3,351</u>	

*Source: City of Live Oak Economic Development Corporation and the San Antonio Economic Development Foundation.*

*Note: The City of Live Oak is a suburb of the City of San Antonio, where a significant portion of Live Oak residents commute to work. Information is presented for San Antonio.*



CITY OF LIVE OAK  
 FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

TABLE 17

<u>Function</u>	<u>Full-Time Equivalent Employees as of September 30,</u>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>General Government</u>										
Business Office	9.0	9.0	9.3	9.3	9.3	7.3	7.3	6.0	6.0	6.0
Finance	4.0	4.0	6.0	6.0	6.0	6.0	6.0	5.0	6.0	6.0
Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Development	3.5	3.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	2.0
<u>Public Safety</u>										
Police										
Officers	32.0	32.0	32.0	32.0	32.0	35.0	35.0	35.0	35.0	35.0
Civilians	15.0	15.0	18.0	16.0	16.0	16.0	16.0	16.0	17.0	17.0
Fire										
Civilians	1.5	1.5	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Firefighters and Officers	20.0	20.0	20.0	20.0	20.0	21.0	22.0	22.0	24.0	24.0
<u>Public Works</u>										
General Services	11.0	11.0	7.0	7.0	7.0	8.0	8.0	7.0	7.0	8.5
Parks	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0	8.0
<u>Water and Sewer</u>	<u>16</u>	<u>16</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>17</u>	<u>15</u>	<u>14.5</u>
<b>TOTAL</b>	<b><u>119.0</u></b>	<b><u>119.0</u></b>	<b><u>117.3</u></b>	<b><u>114.3</u></b>	<b><u>114.3</u></b>	<b><u>117.3</u></b>	<b><u>118.3</u></b>	<b><u>120.0</u></b>	<b><u>122.0</u></b>	<b><u>122.0</u></b>

Source: City Adopted Budgets

Note Full-time equivalent is based on the schedule hours of positions to a 40 hour work week.

CITY OF LIVE OAK  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

<u>Function</u>	<u>Fiscal Year</u>			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Police</u>				
Traffic Violations	8,706	5,494	4,110	4,345
Arrests	545	411	305	242
<u>Fire</u>				
Fire Calls	308	436	594	673
EMS Calls	1,128	1,017	1,011	43
Inspections	415	923	1,083	1,043
<u>Public Works</u>				
Streets Resurfacing (Miles)	0.0	0.0	1.2	1.2
Sidewalk Construction (Feet)	155	1,056	1,056	-
<u>Water</u>				
Service Connections	2,731	2,777	2,885	2,876
Average Daily Consumption in Gallons:				
Pumpage	1,026,292	1,226,056	1,386,816	1,200,000
Billing	1,015,011	1,037,195	1,236,047	1,040,341
Average	1,020,652	1,131,626	1,311,432	1,120,171
<u>Sewer</u>				
Service Connections	4,710	4,713	4,716	4,720
Average Daily Treatment in Gallons	1,266,534	761,108	1,236,046	1,200,000

*Source: Various City Departments.*

TABLE 18

<b>Fiscal Year</b>					
2018	2019	2020	2021	2022	2023
6,319	5,772	5,087	4,458	9,340	12,078
620	399	672	606	752	821
290	282	546	721	697	1,192
1,579	1,549	1,174	1,470	1,698	1,333
651	761	1,005	1,156	1,060	956
14.2	5.2	0.0	0.0	0.0	0.0
-	12,660	12,810	1,000	700	10,646
2,928	2,940	2,957	2,915	2,949	3,142
1,325,802	1,088,196	1,365,003	980,597	1,283,844	1,377,958
1,041,742	935,647	1,104,140	1,026,732	1,073,332	1,149,074
1,183,772	1,011,922	1,234,572	1,003,665	1,178,588	1,263,516
4,853	4,865	4,882	4,920	4,904	4,980
1,320,356	1,079,259	1,124,707	1,158,475	1,340,000	743,023

CITY OF LIVE OAK  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

TABLE 19

<u>Function</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Police</u>										
Stations	1	1	1	1	1	1	1	1	1	1
Officers	36	35	35	35	36	36	36	36	36	36
<u>Fire</u>										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Fighters	22	22	22	22	21	21	22	22	24	24
<u>Recreation</u>										
Community Centers	1	1	1	1	1	1	1	1	1	1
Parks	3	3	3	3	3	3	3	3	3	3
Swimming Pools	1	1	1	1	1	1	1	1	1	1
<u>Public Works</u>										
Miles of Streets	45.0	45.0	45.5	45.5	45.5	46.3	48.1	48.3	48.3	49.0
<u>Water</u>										
Water Mains (Miles)	35.0	35.0	35.0	55.0	55.0	55.5	57.4	57.7	57.7	57.7
Number of Hydrants	436	440	440	440	497	532	537	564	568	573
<u>Sewer</u>										
Sanitary Sewers (Miles)	43	43	43	60	60	61	63	63	63	64
<u>Storm Water</u>										
Storm Sewers (Feet)	13,400	13,400	13,400	13,400	13,400	19,400	21,577	21,577	21,577	21,577

Source: Various City Departments



COMPLIANCE SECTION



# Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## 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*

### INDEPENDENT AUDITOR'S REPORT

To the City Council and management  
City of Live Oak

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 City of Live Oak as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise City of Live Oak's basic financial statements, and have issued our report thereon dated January 8, 2024.

#### ***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered City of Live Oak'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 City of Live Oak's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Live Oak'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 a 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 internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether City of Live Oak'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 results 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.



Armstrong, Vaughan & Associates, P.C.

January 8, 2024

