



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

PREPARED BY

FINANCE DEPARTMENT
LEROY KOWALIK, DIRECTOR OF FINANCE



CITY OF LIVE OAK, TEXAS
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INTRODUCTORY SECTION



January 20, 2025

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

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

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, 2024.

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, 2024 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, 2024 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, 2024, the City has a land area of approximately 5.5 square miles and an estimated population of 16,385. 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 2026) 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 City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. Upon written request by the City 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. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the required supplementary information section of this report. For all other governmental funds with appropriated annual budgets, this comparison is presented in the supplementary section of this report.

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 2024 strong, and overall, the Metrocom sustained fiscal stability throughout Fiscal Year 2024. 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 showcased impressive growth and development trajectory, particularly in commercial retail, medical services, and residential projects. The Live Oak Town Center commercial retail project anchored by the Swedish giant, IKEA, continued to expand their footprint in 2024 with the groundbreaking of Dick's House of Sport. Dicks purchased the 15.5-acre tract abutting the Bridlewood Subdivision and backside of RBFCU's property. Owners broke ground in August 2024 with plans to build a 100,000 square foot store that would provide customers with an immersive shopping experience. Additional retail and restaurant spaces are planned in a multi-tenant commercial shell on the 15.5-acre tract. Live Oak's House of Sport will be the third new location in Texas. Aligning with the pickleball's rising popularity, Live Oak introduced Texas Pickle Hall, a 30,000 square-foot facility that will include 12 indoor courts and one outdoor stadium court. Pickle Realty Partners own the facility and has been slated to open in spring of 2025.

Live Oak's medical sector continues to expand and offer a variety of medical services to the northeast region of San Antonio. Methodist Hospital Northeast welcomed Chief Executive Officer Jerrica George in May 2024. Since her arrival, Methodist Healthcare completed construction on the 73,000 square-foot Medical Office Building Plaza II with a 100% occupancy rate. Notable tenants included Virtuosa GYN, Cardiology Clinic of San Antonio, Sports Medicine Associates of San Antonio, and Methodist Outpatient Surgery Center offering a 23,000 square-feet of outpatient surgical operating rooms and two technologically innovative robotic platforms to elevate care. Construction on Methodist Plaza I will begin in 2026. In addition, Dr. Derin Patel, MD, CEO of Hillside Primary Care expanded his practice by constructing a 27,000 square-foot, 3-story medical office and in-house pharmacy.

Gateway Shopping Center is the new headquarters for Alterman Inc., a Texas electrical contractor, that began construction on Phase I (2 building) in 2022 and completed in 2024. Alterman will begin construction on Phase II (2 additional buildings) in 2026 which will complete the headquarter campus. The Alterman Inc. headquarters added 1,999 employees and workforce to the area making Alterman Inc. Live Oak's Top Employer. Also, within the Gateway Shopping Center, Great Hearts Academy expanded its campus with the completion of Phase II in 2024 adding a wing designated for high school students and an athletic facility.

Compared to the national level, economic indicators such housing permits have remained positive. Live Oak is fortunate to have two residential projects kick off in 2019 and 2020, Vista Ridge and Skybrooke Subdivisions. These two residential projects continued in 2023/2024. Vista Ridge is a 202-home subdivision that completed phase II in 2023 and began the infrastructure and custom builds for phase III in 2024. Ongoing development from its 2020 launch, the Skybrooke Subdivision has 13 of the initial 146 lots remaining for sale as of 2025.

Live Oak outpaces national trends in unemployment and housing permits, cementing its reputation as a thriving center for business and community development.

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 Comprehensive Plan in 2019. The City completed a Park Master Plan and Facilities Plan in 2024. These 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 home to the San Antonio area's only IKEA Home Furnishings store. 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 III while construction is underway on Phase I and II. Construction is expected to be completed in mid 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 2024 budget, Council endorsed a financial policy that would have utilized \$3,215,945 of reserves to be used for contingencies (\$200,000), capital or capital related purchases (\$2,491,445) and one-time and/or emergency expenditures (\$524,500).

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 Parks Master Plan and Facilities Plan, along with 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 and II are complete with construction underway. Phase III 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, 2023. This was the seventeenth (17th) 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.

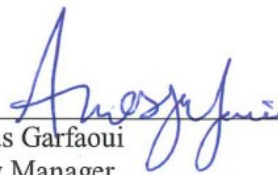
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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, 2023

Christopher P. Morrill

Executive Director/CEO

CITY OF LIVE OAK, TEXAS
ELECTED AND APPOINTED OFFICIALS
YEAR ENDED SEPTEMBER 30, 2024

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 | ANAS GARFAOUI |
| ASSISTANT CITY MANAGER | RON RUTHVEN |
| DIRECTOR OF FINANCE | LEROY KOWALIK |
| CITY SECRETARY | ISAURA GAYTAN |
| POLICE CHIEF | MICHAEL FRATUS |
| FIRE CHIEF | LINC SURBER |
| PUBLIC WORKS DIRECTOR | MARK WAGSTER |
| MUNICIPAL COURT JUDGE | ED PHILLIPS |
| CITY ATTORNEY | DENTON, NAVARRO, RODRIGUEZ, BERNAL, SANTEE & ZECH, P.C. |

City of Live Oak Overall Structure



City of Live Oak City Council



Mary M. Dennis
Mayor



Mendell Morgan
Council Member, Place 1



Robert "Bob" Tullgren
Council Member, Place 2
Mayor Pro Tem



Dr. Erin Perez
Council Member, Place 3



Ed Cimics
Council Member, Place 4



Aaron Dahl
Council Member, Place 5

City of Live Oak Executive Team



Anas Garfaoui
City Manager



Rob Ruthven
Assistant City Manager



Michael Fratus
Police Chief



Linc Surber
Fire Chief



Leroy Kowalik
Director of Finance &
Administrative Services



Mark Wagster
Director of Public Works



Isa 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, 2024, 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, 2024, 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

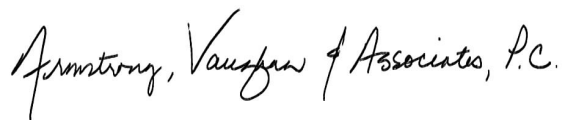
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Live Oak's basic financial statements. The supplementary information (as identified in the table of contents) is presented for purposes of additional analysis and are not a required 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 20, 2025 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 20, 2025

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, 2024. 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, 2024 by \$43.0 million (net position). Of this amount \$19.3 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 \$4.5 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, 2024, the City's governmental funds reported combined ending fund balances of \$35.0 million, a decrease of \$8.5 million. The decrease was largely from spending the 2022 bonds on street improvements.
- 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 start on page 16 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 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 starting on page 20 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 starting on page 26 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 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 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 starting on pages 68 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 \$43.0 million (net position). Of this amount \$19.3 million (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors.

The largest portion of the City's net position (47%) 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 next largest portion of the City's net position (45%) is unrestricted while approximately (8%) represents resources that are subject to external restrictions on how they may be used.

| | Net Position | | | | | |
|---------------------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Assets | | | | | | |
| Current and Other Assets | \$ 40,715,267 | \$ 46,559,736 | \$ 2,496,031 | \$ 2,400,714 | \$ 43,211,298 | \$ 48,960,450 |
| Capital Assets | 29,877,822 | 19,427,468 | 5,682,559 | 5,407,513 | 35,560,381 | 24,834,981 |
| Total Assets | <u>70,593,089</u> | <u>65,987,204</u> | <u>8,178,590</u> | <u>7,808,227</u> | <u>78,771,679</u> | <u>73,795,431</u> |
| Deferred Outflows of Resources | <u>2,977,156</u> | <u>4,929,556</u> | <u>355,859</u> | <u>572,289</u> | <u>3,333,015</u> | <u>5,501,845</u> |
| Liabilities | | | | | | |
| Current Liabilities | 5,007,830 | 2,397,443 | 794,605 | 720,521 | 5,802,435 | 3,117,964 |
| Long-term Liabilities | 31,981,284 | 36,324,664 | 989,829 | 1,211,526 | 32,971,113 | 37,536,190 |
| Total Liabilities | <u>36,989,114</u> | <u>38,722,107</u> | <u>1,784,434</u> | <u>1,932,047</u> | <u>38,773,548</u> | <u>40,654,154</u> |
| Deferred Inflows of Resources | <u>335,721</u> | <u>185,848</u> | <u>44,013</u> | <u>27,336</u> | <u>379,734</u> | <u>213,184</u> |
| Net Position | | | | | | |
| Net Investment in | | | | | | |
| Capital Assets | 14,542,751 | 11,348,915 | 5,682,560 | 5,407,513 | 20,225,311 | 16,756,428 |
| Restricted | 3,436,700 | 2,972,105 | - | - | 3,436,700 | 2,972,105 |
| Unrestricted | 18,265,959 | 17,687,785 | 1,023,442 | 1,013,620 | 19,289,401 | 18,701,405 |
| Total Net Position | <u>\$ 36,245,410</u> | <u>\$ 32,008,805</u> | <u>\$ 6,706,002</u> | <u>\$ 6,421,133</u> | <u>\$ 42,951,412</u> | <u>\$ 38,429,938</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, 2024, the City's net position increased by \$4.5 million. Economic activity continued to remain strong during 2024, as evident by the strong sales tax revenues.

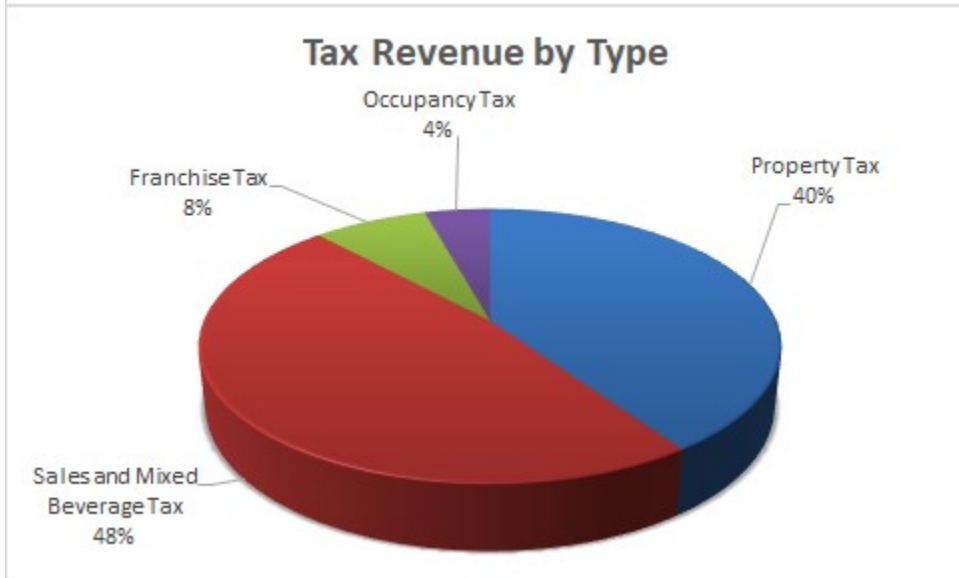
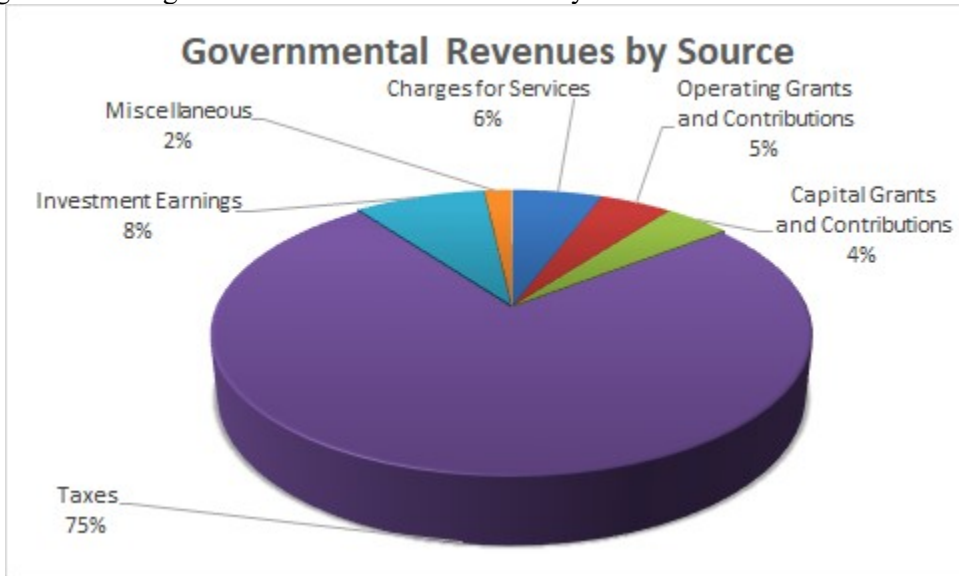
The following table indicates changes in net position for the governmental and business-type activities for the City as of September 30, 2024.

| | Changes in Net Position | | | | | |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 1,363,641 | \$ 1,590,571 | \$ 7,030,991 | \$ 6,078,838 | \$ 8,394,632 | \$ 7,669,409 |
| Operating Grants and Contributions | 1,085,765 | 1,086,832 | - | - | 1,085,765 | 1,086,832 |
| Capital Grants and Contributions | 989,500 | 1,554,000 | - | - | 989,500 | 1,554,000 |
| General Revenues | | | | | | |
| Taxes | | | | | | |
| Property Taxes | 7,181,821 | 7,002,739 | - | - | 7,181,821 | 7,002,739 |
| Sales and Mixed Beverage | 8,486,408 | 8,373,983 | - | - | 8,486,408 | 8,373,983 |
| Franchise Taxes | 1,350,833 | 1,371,927 | - | - | 1,350,833 | 1,371,927 |
| Occupancy Taxes | 776,067 | 617,770 | - | - | 776,067 | 617,770 |
| Investment Earnings | 1,982,558 | 1,785,128 | 90,237 | 70,879 | 2,072,795 | 1,856,007 |
| Miscellaneous | 414,841 | 417,220 | 60,000 | 39,500 | 474,841 | 456,720 |
| Total Revenues | <u>23,631,434</u> | <u>23,800,170</u> | <u>7,181,228</u> | <u>6,189,217</u> | <u>30,812,662</u> | <u>29,989,387</u> |
| Expenses: | | | | | | |
| General Government | 3,500,010 | 3,856,269 | - | - | 3,500,010 | 3,856,269 |
| Public Safety | 10,230,850 | 10,137,229 | - | - | 10,230,850 | 10,137,229 |
| Public Works | 4,597,691 | 4,492,807 | - | - | 4,597,691 | 4,492,807 |
| Recreation | 289,010 | 320,918 | - | - | 289,010 | 320,918 |
| Water and Wastewater | - | - | 6,218,387 | 5,350,560 | 6,218,387 | 5,350,560 |
| Storm Water | - | - | 640,630 | 560,409 | 640,630 | 560,409 |
| Interest and Fiscal Agent Fees | 814,610 | 864,477 | - | - | 814,610 | 864,477 |
| Total Expenses | <u>19,432,171</u> | <u>19,671,700</u> | <u>6,859,017</u> | <u>5,910,969</u> | <u>26,291,188</u> | <u>25,582,669</u> |
| INCREASE IN NET POSITION BEFORE TRANSFERS | 4,199,263 | 4,128,470 | 322,211 | 278,248 | 4,521,474 | 4,406,718 |
| Transfers In (Out) | <u>37,342</u> | <u>390,357</u> | <u>(37,342)</u> | <u>(390,357)</u> | - | - |
| CHANGE IN NET POSITION | 4,236,605 | 4,518,827 | 284,869 | (112,109) | 4,521,474 | 4,406,718 |
| BEGINNING 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> |
| ENDING NET POSITION | <u>\$ 36,245,410</u> | <u>\$ 32,008,805</u> | <u>\$ 6,706,002</u> | <u>\$ 6,421,133</u> | <u>\$ 42,951,412</u> | <u>\$ 38,429,938</u> |

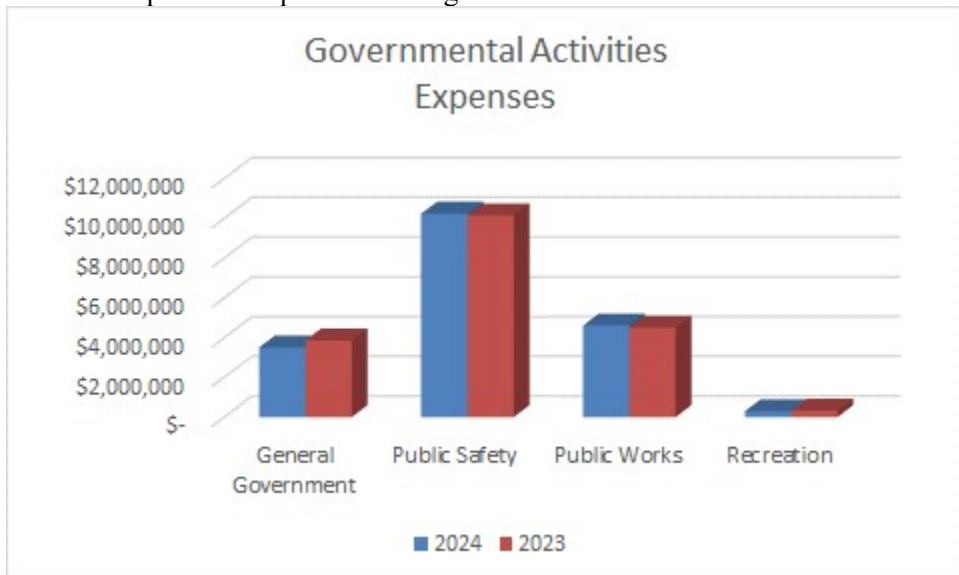
Governmental Activities – Governmental activities increased the City’s net position by \$4.2 million. Key elements are as follows:

- Revenues remained very stable, changing less than 1% from the prior year.
- Expenses decreased 1.2%, primarily in general government. The City is investing in significant capital improvements which do not show up in this statement until depreciation starts. Operations were largely unchanged.

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

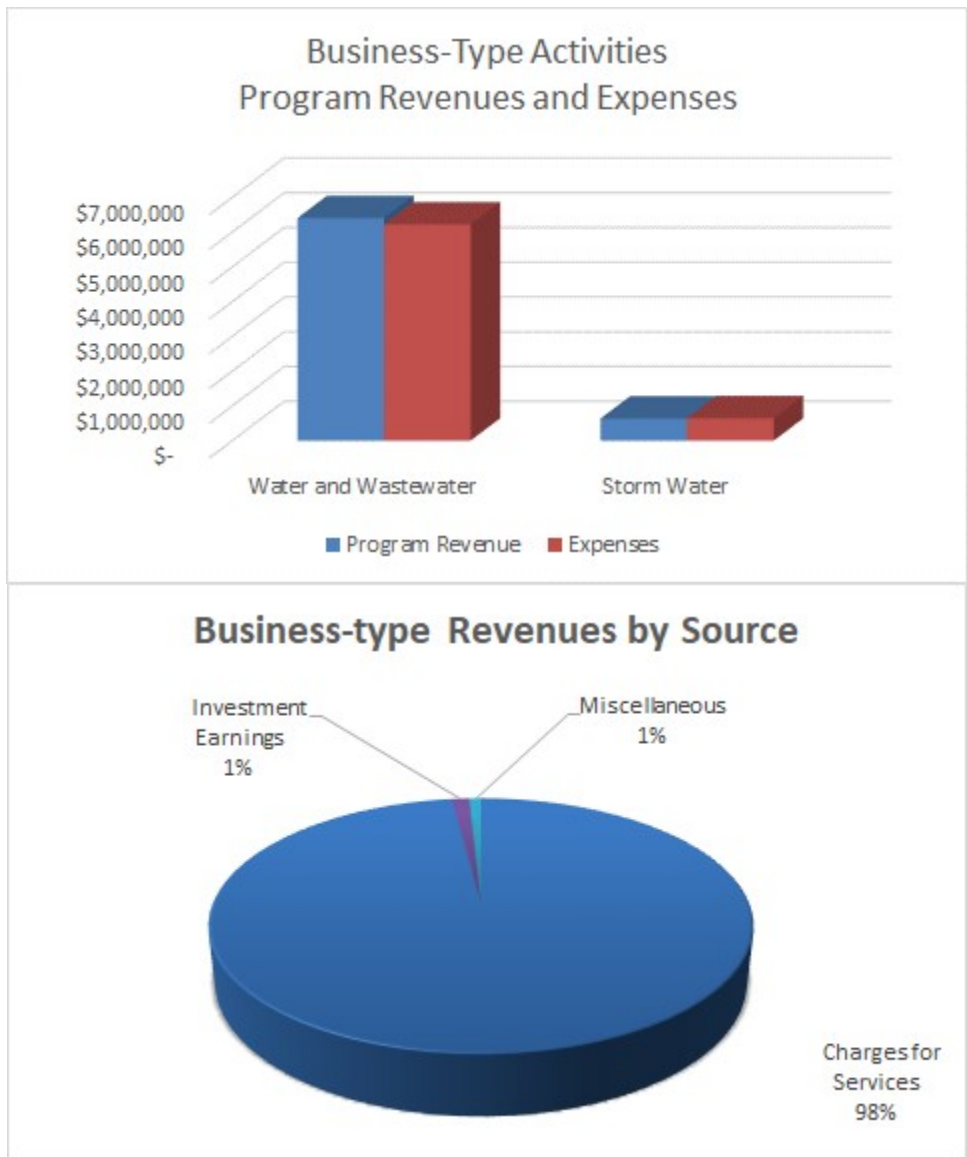


Below is a chart which depicts the expenses for all governmental activities.



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 14% (mostly depreciation related on recent purchases). After transfers, the Storm Water Fund increased net position by \$298 thousand. The Water and Wastewater Utility (which includes garbage) saw revenues increase 17%, of which 11% was related to garbage fees. The City took over billing for customers previously served directly by the contractor in the summer of 2023. Fiscal year 2024 is the first full year of these customers. Expenses increased 16%, of which 11% was related to the garbage contractor. In addition, 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 \$35.0 million, a decrease of \$8.5 million from the prior year. \$14.3 million (41%) of the ending fund balance is unassigned, which is available for spending at the City's discretion. The remaining amount of \$20.7 million (59%) 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 \$14.3 million compared to \$14.8 million in the prior year, a decrease of \$0.5 million. The City committed \$1.2 million for capital projects and transferred it to a separate fund. However, better than expected investment income and expenditures under budget helped offset the commitment. 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 11 months of general fund operating expenditures.

The debt service fund had a total restricted fund balance of \$601 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 III while construction is underway on Phase I and II. Construction is expected to be completed in mid 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 \$871 thousand, a small increase over the previous year. The Storm Water fund at the end of the current fiscal year had \$153 thousand in unrestricted net position: a small decrease.

Budgetary Highlights

General Fund – The City did not amend the General Fund budget in fiscal year 2023-2024. The budget anticipated reducing fund balance by \$2.9 million, primarily from a \$1.2 million transfer to capital projects. However, general fund revenues exceeded budgetary estimates by \$635 thousand and expenditures were less than budgetary estimates by \$2.2 million.

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

- \$0.6 million over budget in total revenues
 - Sales/Mixed Beverage Taxed – Fell short of projections by \$410 thousand. The budget expected more growth in sales tax but it held firm.
 - Fines and Forfeitures – Exceeded the budget by \$167 thousand. This is more of a cyclical trend.
 - Investment Earnings – Exceeded the budget by \$0.8 million. The City budgets conservatively as to not rely on investment income that is uncertain.

- \$2.2 million under budget in total expenditures
 - General Government:
 - Council – did not utilize the contingency budgets.
 - Planning and Zoning – Outside legal and engineering assistance was less than projected.
 - 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, 2024 amounted to \$35.6 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, 2024 included park improvements, several vehicles and continued street improvements from the bond proceeds. 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 | |
|----------------------------|----------------------------|----------------------|-----------------------------|---------------------|----------------------|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| 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 | 12,360,344 | 4,294,704 | - | - | 12,360,344 | 4,294,704 |
| Total Not Depreciated | <u>14,186,516</u> | <u>6,120,876</u> | <u>2,051,112</u> | <u>2,051,112</u> | <u>16,237,628</u> | <u>8,171,988</u> |
| Buildings and Improvements | 15,402,430 | 15,023,059 | - | - | 15,402,430 | 15,023,059 |
| Streets and Infrastructure | 14,429,370 | 14,429,370 | - | - | 14,429,370 | 14,429,370 |
| Machinery and Equipment | 14,772,967 | 10,798,490 | 2,246,453 | 1,865,698 | 17,019,420 | 12,664,188 |
| Water and Sewer System | - | - | 10,277,166 | 10,277,166 | 10,277,166 | 10,277,166 |
| Accumulated Depreciation | <u>(28,913,461)</u> | <u>(26,944,327)</u> | <u>(8,892,172)</u> | <u>(8,786,463)</u> | <u>(37,805,633)</u> | <u>(35,730,790)</u> |
| Total Depreciated | <u>15,691,306</u> | <u>13,306,592</u> | <u>3,631,447</u> | <u>3,356,401</u> | <u>19,322,753</u> | <u>16,662,993</u> |
| Total | <u>\$ 29,877,822</u> | <u>\$ 19,427,468</u> | <u>\$ 5,682,559</u> | <u>\$ 5,407,513</u> | <u>\$ 35,560,381</u> | <u>\$ 24,834,981</u> |

Long-Term Debt – As of September 30, 2024, the City had total bonded debt outstanding of \$21.8 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 | |
|--------------------------|----------------------------|----------------------|
| | 2024 | 2023 |
| General Obligation Bonds | | |
| Series 2022 | \$ 15,450,000 | \$ 15,975,000 |
| Series 2014 | <u>6,335,000</u> | <u>7,960,000</u> |
| TOTALS | <u>\$ 21,785,000</u> | <u>\$ 23,935,000</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 2024 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 2024 compared to 2023. 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 strong economy and some substantial commercial growth. 2024 reveals a continuation of the strong favorable economic environment. 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 2024 was \$0.385790 per \$100 valuation, slight decrease from 2023. Of this tax rate, \$0.274211 is utilized for general fund activities. The remaining amount of \$0.111579 is used for debt service. The rate for fiscal year 2024 was the no-new-revenue tax rate. 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 2024 very strong, and overall, the Metrocom sustained fiscal stability throughout Fiscal Year 2024. 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 showcased impressive growth and development trajectory, particularly in commercial retail, medical services, and residential projects. The Live Oak Town Center commercial retail project anchored by the Swedish giant, IKEA, continued to expand their footprint in 2024 with the groundbreaking of Dick's House of Sport. Dicks purchased the 15.5-acre tract abutting the Bridlewood Subdivision and backside of RBFCU's property. Owners broke ground in August 2024 with plans to build a 100,000 square foot store that would provide customers with an immersive shopping experience. Additional retail and restaurant spaces are planned in a multi-tenant commercial shell on the 15.5-acre tract. Live Oak's House of Sport will be the third new location in Texas. Aligning with the pickleball's rising popularity, Live Oak introduced Texas Pickle Hall, a 30,000 square-foot facility that will include 12 indoor courts and one outdoor stadium court. Pickle Realty Partners own the facility and has been slated to open in spring of 2025.

Live Oak's medical sector continues to expand and offer a variety of medical services to the northeast region of San Antonio. Methodist Hospital Northeast welcomed Chief Executive Officer Jerrica George in May 2024. Since her arrival, Methodist Healthcare completed construction on the 73,000 square-foot Medical Office Building Plaza II with a 100% occupancy rate. Notable tenants included Virtuosa GYN, Cardiology Clinic of San Antonio, Sports Medicine Associates of San Antonio, and Methodist Outpatient Surgery Center offering a 23,000 square-feet of outpatient surgical operating rooms and two technologically innovative robotic platforms to elevate care. Construction on Methodist Plaza I will begin in 2026. In addition, Dr. Derin Patel, MD, CEO of Hillside Primary Care expanded his practice by constructing a 27,000 square-foot, 3-story medical office and in-house pharmacy.

Gateway Shopping Center is the new headquarters for Alterman Inc., a Texas electrical contractor, that began construction on Phase I (2 building) in 2022 and completed in 2024. Alterman will begin construction on Phase II (2 additional buildings) in 2026 which will complete the headquarter campus. The Alterman Inc. headquarters added 1,999 employees and workforce to the area making Alterman Inc. Live Oak's Top Employer. Also, within the Gateway Shopping Center, Great Hearts Academy expanded its campus with the completion of Phase II in 2024 adding a wing designated for high school students and an athletic facility.

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, 2024

| | Primary Government | | | Component Unit |
|---------------------------------------|----------------------------|-----------------------------|---------------------|-------------------------------------|
| | Governmental Activities | Business-Type Activities | Total | Live Oak Economic Development |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 29,657,555 | \$ 1,865,879 | \$ 31,523,434 | \$ 5,251,770 |
| Investments | 8,616,272 | - | 8,616,272 | - |
| Receivables (net of allowances): | | | | |
| Property Taxes | 116,236 | - | 116,236 | - |
| Sales Tax | 1,511,334 | - | 1,511,334 | 503,778 |
| Other | 706,051 | 621,192 | 1,327,243 | - |
| Accrued Interest | 58,750 | - | 58,750 | - |
| Prepaid Expenses | 49,069 | 8,960 | 58,029 | - |
| Capital Assets: | | | | |
| Land | 1,179,151 | - | 1,179,151 | 570,194 |
| Construction in Progress | 12,360,344 | - | 12,360,344 | - |
| Water Rights | 647,021 | 2,051,112 | 2,698,133 | 304,541 |
| Buildings and Improvements (net) | 5,046,954 | - | 5,046,954 | - |
| Streets and Infrastructure (net) | 4,260,898 | - | 4,260,898 | - |
| Machinery and Equipment (net) | 6,383,454 | 713,179 | 7,096,633 | 42,322 |
| Water and Sewer System (net) | - | 2,918,268 | 2,918,268 | - |
| TOTAL ASSETS | <u>70,593,089</u> | <u>8,178,590</u> | <u>78,771,679</u> | <u>6,672,605</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Pension Related Outflows | 2,866,333 | 348,426 | 3,214,759 | - |
| Deferred OPEB Related Outflows | 57,366 | 7,433 | 64,799 | - |
| Deferred Charge on Bond Refunding | 53,457 | - | 53,457 | - |
| TOTAL DEFERRED OUTFLOWS | <u>\$ 2,977,156</u> | <u>\$ 355,859</u> | <u>\$ 3,333,015</u> | <u>\$ -</u> |

See accompanying notes to basic financial statements.

CITY OF LIVE OAK
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2024

| | Primary Government | | | Component Unit |
|--|----------------------------|-----------------------------|----------------------|-------------------------------------|
| | Governmental Activities | Business-Type Activities | Total | Live Oak Economic Development |
| LIABILITIES | | | | |
| Accounts Payable | \$ 4,494,587 | \$ 615,960 | \$ 5,110,547 | \$ 231,146 |
| Accrued Interest Payable | 165,033 | - | 165,033 | - |
| Accrued Wages | 344,240 | 42,297 | 386,537 | 4,415 |
| Customer Deposits Payable | 3,970 | 136,348 | 140,318 | - |
| Long-term Liabilities | | | | |
| Due in One Year | 1,559,920 | 14,735 | 1,574,655 | 2,808 |
| Due in More than One Year: | | | | |
| Bonds, Notes, Premiums and Absences | 22,843,623 | 44,123 | 22,887,746 | 8,422 |
| Net Pension Liability | 7,236,892 | 888,197 | 8,125,089 | - |
| Total Other Postemployment Benefit Liability | 340,849 | 42,774 | 383,623 | - |
| TOTAL LIABILITIES | <u>36,989,114</u> | <u>1,784,434</u> | <u>38,773,548</u> | <u>246,791</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Pension Related Inflows | 215,441 | 29,958 | 245,399 | - |
| Deferred OPEB Related Inflows | 120,280 | 14,055 | 134,335 | - |
| TOTAL DEFERRED INFLOWS | <u>335,721</u> | <u>44,013</u> | <u>379,734</u> | <u>-</u> |
| NET POSITION | | | | |
| Net Investment In Capital Assets | 14,542,751 | 5,682,560 | 20,225,311 | 917,057 |
| Restricted For: | | | | |
| Debt Service | 470,336 | - | 470,336 | - |
| Municipal Court | 205,568 | - | 205,568 | - |
| Tourism Development | 1,522,890 | - | 1,522,890 | - |
| Public Safety | 760,157 | - | 760,157 | - |
| Public Education | 477,749 | - | 477,749 | - |
| Unrestricted | 18,265,959 | 1,023,442 | 19,289,401 | 5,508,757 |
| TOTAL NET POSITION | <u>\$ 36,245,410</u> | <u>\$ 6,706,002</u> | <u>\$ 42,951,412</u> | <u>\$ 6,425,814</u> |

See accompanying notes to basic financial statements.

CITY OF LIVE OAK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| Functions and Programs | Expenses | Program Revenues | | |
|--|-----------------------------|----------------------------|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government: | | | | |
| <i>Governmental Activities:</i> | | | | |
| General Government | \$ 3,500,010 | \$ 1,057,482 | \$ 150,000 | \$ - |
| Public Safety | 10,230,850 | 232,120 | 19,503 | 52,000 |
| Public Works | 4,597,691 | 41,399 | - | 937,500 |
| Recreation | 289,010 | 32,640 | - | - |
| Interest and Fiscal Agent Fees | 814,610 | - | 916,262 | - |
| <i>Total Governmental Activities</i> | <u>19,432,171</u> | <u>1,363,641</u> | <u>1,085,765</u> | <u>989,500</u> |
| <i>Business-Type Activities</i> | | | | |
| Water/Wastewater Utilities | 6,218,387 | 6,398,153 | - | - |
| Storm Water Utility | 640,630 | 632,838 | - | - |
| <i>Total Business-Type Activities</i> | <u>6,859,017</u> | <u>7,030,991</u> | <u>-</u> | <u>-</u> |
| Total Primary Government | <u><u>\$ 26,291,188</u></u> | <u><u>\$ 8,394,632</u></u> | <u><u>\$ 1,085,765</u></u> | <u><u>\$ 989,500</u></u> |
| Component Unit: | | | | |
| Live Oak Economic Development | <u><u>\$ 2,542,313</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| General Revenues: | | | | |
| Taxes: | | | | |
| Property Taxes | | | | |
| Sales and Mixed Beverage Taxes | | | | |
| Franchise Taxes | | | | |
| Occupancy Taxes | | | | |
| Investment Earnings | | | | |
| Miscellaneous | | | | |
| Total General Revenues | | | | |
| Transfers In (Out) | | | | |
| Change in Net Position | | | | |
| Net Position at Beginning of Year | | | | |
| Net Position at End of Year | | | | |

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 |
| \$ (2,292,528) | \$ - | \$ (2,292,528) | \$ - |
| (9,927,227) | - | (9,927,227) | - |
| (3,618,792) | - | (3,618,792) | - |
| (256,370) | - | (256,370) | - |
| 101,652 | - | 101,652 | - |
| <u>(15,993,265)</u> | <u>-</u> | <u>(15,993,265)</u> | <u>-</u> |
| - | 179,766 | 179,766 | - |
| - | (7,792) | (7,792) | - |
| <u>-</u> | <u>171,974</u> | <u>171,974</u> | <u>-</u> |
| <u>(15,993,265)</u> | <u>171,974</u> | <u>(15,821,291)</u> | <u>-</u> |
| | | | <u>(2,542,313)</u> |
| 7,181,821 | - | 7,181,821 | - |
| 8,486,408 | - | 8,486,408 | 2,715,543 |
| 1,350,833 | - | 1,350,833 | - |
| 776,067 | - | 776,067 | - |
| 1,982,558 | 90,237 | 2,072,795 | 289,486 |
| 414,841 | 60,000 | 474,841 | 10,000 |
| <u>20,192,528</u> | <u>150,237</u> | <u>20,342,765</u> | <u>3,015,029</u> |
| <u>37,342</u> | <u>(37,342)</u> | <u>-</u> | <u>-</u> |
| 4,236,605 | 284,869 | 4,521,474 | 472,716 |
| <u>32,008,805</u> | <u>6,421,133</u> | <u>38,429,938</u> | <u>5,953,098</u> |
| <u>\$ 36,245,410</u> | <u>\$ 6,706,002</u> | <u>\$ 42,951,412</u> | <u>\$ 6,425,814</u> |

CITY OF LIVE OAK
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

| | Major Funds | | | |
|---|----------------------|-------------------|---------------------|------------------------|
| | General Fund | Debt Service | Capital Projects | 2022 Street Bond |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 9,665,564 | \$ 600,667 | \$ 5,497,749 | \$ 11,171,999 |
| Investments | 8,616,272 | - | - | - |
| Receivables (net of allowances): | | | | |
| Property Taxes | 81,535 | 34,702 | - | - |
| Sales Tax | 1,511,334 | - | - | - |
| Other | 276,970 | - | - | - |
| Accrued Interest | 58,750 | - | - | - |
| Prepaid Items | 49,069 | - | - | - |
| TOTAL ASSETS | <u>\$ 20,259,494</u> | <u>\$ 635,369</u> | <u>\$ 5,497,749</u> | <u>\$ 11,171,999</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| <i>Liabilities:</i> | | | | |
| Accounts Payable | \$ 1,300,856 | \$ - | \$ 212,774 | \$ 2,796,662 |
| Accrued Wages | 344,240 | - | - | - |
| Deposits | 3,970 | - | - | - |
| <i>Total Liabilities</i> | <u>1,649,066</u> | <u>-</u> | <u>212,774</u> | <u>2,796,662</u> |
| <i>Deferred Inflows of Resources:</i> | | | | |
| Unavailable Property Tax Revenue | 85,281 | 34,702 | - | - |
| Unavailable Sales Tax Revenue | 754,731 | - | - | - |
| <i>Total Deferred Inflows of Resources</i> | <u>840,012</u> | <u>34,702</u> | <u>-</u> | <u>-</u> |
| <i>Fund Balances:</i> | | | | |
| Nonspendable: | | | | |
| Prepaid Items | 49,069 | - | - | - |
| Restricted for: | | | | |
| Debt Service | - | 600,667 | - | - |
| Municipal Court | - | - | - | - |
| Tourism Development | - | - | - | - |
| Public Safety | - | - | - | - |
| Public Education | - | - | - | - |
| Street Improvements | - | - | - | 8,375,337 |
| Committed For: | | | | |
| Asset Replacement | 3,341,905 | - | - | - |
| Weed Abatement | 54,601 | - | - | - |
| Capital Projects | - | - | 5,284,975 | - |
| Unassigned | 14,324,841 | - | - | - |
| <i>Total Fund Balances</i> | <u>17,770,416</u> | <u>600,667</u> | <u>5,284,975</u> | <u>8,375,337</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | <u>\$ 20,259,494</u> | <u>\$ 635,369</u> | <u>\$ 5,497,749</u> | <u>\$ 11,171,999</u> |

See accompanying notes to basic financial statements.

| Other Nonmajor Governmental Funds | Total Governmental Funds |
|--|--------------------------------|
| \$ 2,721,577 | \$ 29,657,556 |
| - | 8,616,272 |
| - | 116,237 |
| - | 1,511,334 |
| 429,082 | 706,052 |
| - | 58,750 |
| - | 49,069 |
| <u>\$ 3,150,659</u> | <u>\$ 40,715,270</u> |
| | |
| \$ 184,295 | \$ 4,494,587 |
| - | 344,240 |
| - | 3,970 |
| <u>184,295</u> | <u>4,842,797</u> |
| | |
| - | 119,983 |
| - | 754,731 |
| <u>-</u> | <u>874,714</u> |
| | |
| - | 49,069 |
| - | 600,667 |
| 205,568 | 205,568 |
| 1,522,890 | 1,522,890 |
| 760,157 | 760,157 |
| 477,749 | 477,749 |
| - | 8,375,337 |
| - | 3,341,905 |
| - | 54,601 |
| - | 5,284,975 |
| - | 14,324,841 |
| <u>2,966,364</u> | <u>34,997,759</u> |
| | |
| <u>\$ 3,150,659</u> | <u>\$ 40,715,270</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, 2024

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 34,997,759

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. 29,877,822

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized as revenue in the funds. 874,714

Accrued vacation leave payable is not due and payable in the current period and, therefore, is not reported in the funds. (639,681)

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 | (21,785,000) | |
| Unamortized Premiums | (1,978,865) | |
| Deferred Charges on Bond Refundings | 53,457 | |
| Accrued Interest Payable | <u>(165,033)</u> | (23,875,441) |

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 | (7,236,892) | |
| Pension Related Deferred Inflows | (215,441) | |
| Pension Related Deferred Outflows | <u>2,866,333</u> | (4,586,000) |

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

| | | |
|--------------------------------|---------------|------------------|
| OPEB Liability | (340,849) | |
| OPEB Related Deferred Inflows | (120,280) | |
| OPEB Related Deferred Outflows | <u>57,366</u> | <u>(403,763)</u> |

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 36,245,410

CITY OF LIVE OAK
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Major Funds | | | |
|--|----------------------|-------------------|---------------------|------------------------|
| | General Fund | Debt Service | Capital Projects | 2022 Street Bond |
| REVENUES | | | | |
| Property Taxes | \$ 5,031,173 | \$ 2,134,306 | \$ - | \$ - |
| Sales and Mixed Beverage Taxes | 8,627,625 | - | - | - |
| Franchise Taxes | 1,188,233 | - | - | - |
| Occupancy Tax | - | - | - | - |
| Licenses and Permits | 358,027 | - | - | - |
| Grants and Donations | 220,093 | 916,262 | 847,500 | - |
| Charges for Services | 314,911 | - | - | - |
| Fines and Forfeitures | 652,753 | - | - | - |
| Investment Earnings | 1,054,518 | 71,080 | 246,445 | 479,934 |
| Miscellaneous | 246,465 | - | - | - |
| TOTAL REVENUES | <u>17,693,798</u> | <u>3,121,648</u> | <u>1,093,945</u> | <u>479,934</u> |
| EXPENDITURES | | | | |
| <i>Current:</i> | | | | |
| General Government | 2,585,421 | - | - | - |
| Public Safety | 9,022,282 | - | - | - |
| Public Works | 3,010,311 | - | - | - |
| Recreation | 412,880 | - | - | - |
| <i>Capital Outlay</i> | 1,219,707 | - | 1,763,554 | 10,139,660 |
| <i>Debt Service:</i> | | | | |
| Principal | - | 2,150,000 | - | - |
| Interest and Fiscal Charges | - | 1,083,025 | - | - |
| TOTAL EXPENDITURES | <u>16,250,601</u> | <u>3,233,025</u> | <u>1,763,554</u> | <u>10,139,660</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>1,443,197</u> | <u>(111,377)</u> | <u>(669,609)</u> | <u>(9,659,726)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sales of Capital Assets | 92,850 | - | - | - |
| Transfers In | 275,231 | 170,502 | 1,200,000 | - |
| Transfers Out | (1,614,891) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1,246,810)</u> | <u>170,502</u> | <u>1,200,000</u> | <u>-</u> |
| Net Change in Fund Balance | 196,387 | 59,125 | 530,391 | (9,659,726) |
| Fund Balances at Beginning of Year | <u>17,574,029</u> | <u>541,542</u> | <u>4,754,584</u> | <u>18,035,063</u> |
| Fund Balances at End of Year | <u>\$ 17,770,416</u> | <u>\$ 600,667</u> | <u>\$ 5,284,975</u> | <u>\$ 8,375,337</u> |

See accompanying notes to basic financial statements.

| Other Nonmajor Governmental Funds | Total Governmental Funds |
|--|--------------------------------|
| \$ - | \$ 7,165,479 |
| - | 8,627,625 |
| 21,644 | 1,209,877 |
| 776,067 | 776,067 |
| - | 358,027 |
| - | 1,983,855 |
| 1,800 | 316,711 |
| 131,582 | 784,335 |
| 130,587 | 1,982,564 |
| 71,503 | 317,968 |
| <u>1,133,183</u> | <u>23,522,508</u> |
| 630,517 | 3,215,938 |
| 98,581 | 9,120,863 |
| - | 3,010,311 |
| - | 412,880 |
| 22,904 | 13,145,825 |
| - | 2,150,000 |
| - | <u>1,083,025</u> |
| <u>752,002</u> | <u>32,138,842</u> |
| <u>381,181</u> | <u>(8,616,334)</u> |
| - | 92,850 |
| 6,500 | 1,652,233 |
| - | <u>(1,614,891)</u> |
| <u>6,500</u> | <u>130,192</u> |
| 387,681 | (8,486,142) |
| <u>2,578,683</u> | <u>43,483,901</u> |
| <u>\$ 2,966,364</u> | <u>\$ 34,997,759</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, 2024

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ (8,486,142)

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 | 12,521,733 | |
| Depreciation Expense | <u>(2,071,379)</u> | 10,450,354 |

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 16,081

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 | 2,150,000 | |
| Amortization of Premiums, Losses | <u>253,206</u> | 2,403,206 |

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. (94,881)

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. (3,231)

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 | (63,991) | |
| Accrued Interest | <u>15,209</u> | <u>(48,782)</u> |

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 4,236,605

CITY OF LIVE OAK
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2024

| | Business-Type Activities | | |
|---|--------------------------|-------------------|---------------------|
| | Major Funds | | |
| | Water and Wastewater | Storm Water | Total |
| ASSETS | | | |
| <i>Current Assets:</i> | | | |
| Cash and Cash Equivalents | \$ 1,579,017 | \$ 286,862 | \$ 1,865,879 |
| Accounts Receivable, Net of Allowance: | | | |
| Customer Accounts | 547,684 | 73,508 | 621,192 |
| Prepaid Expenses | 8,960 | - | 8,960 |
| <i>Total Current Assets</i> | <u>2,135,661</u> | <u>360,370</u> | <u>2,496,031</u> |
| <i>Noncurrent Assets:</i> | | | |
| Capital Assets: | | | |
| Water Rights | 2,051,112 | - | 2,051,112 |
| Water and Wastewater System (net) | 2,918,268 | - | 2,918,268 |
| Transportation and Equipment (net) | 295,956 | 417,223 | 713,179 |
| <i>Total Noncurrent Assets</i> | <u>5,265,336</u> | <u>417,223</u> | <u>5,682,559</u> |
| TOTAL ASSETS | <u>7,400,997</u> | <u>777,593</u> | <u>8,178,590</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Pension Related Outflows | 251,346 | 97,080 | 348,426 |
| Deferred OPEB Related Outflows | 5,496 | 1,937 | 7,433 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>256,842</u> | <u>99,017</u> | <u>355,859</u> |
| TOTAL ASSETS & DEFERRED OUTFLOWS | <u>\$ 7,657,839</u> | <u>\$ 876,610</u> | <u>\$ 8,534,449</u> |
| LIABILITIES | | | |
| <i>Current Liabilities:</i> | | | |
| Accounts Payable | \$ 599,298 | \$ 16,662 | \$ 615,960 |
| Accrued Wages | 31,496 | 10,801 | 42,297 |
| Current Portion of Compensated Absences | 10,265 | 4,470 | 14,735 |
| Customer Deposits Payable | 136,348 | - | 136,348 |
| <i>Total Current Liabilities</i> | <u>777,407</u> | <u>31,933</u> | <u>809,340</u> |
| <i>Noncurrent Liabilities:</i> | | | |
| Compensated Absences | 30,794 | 13,329 | 44,123 |
| Net Pension Liability | 657,009 | 231,188 | 888,197 |
| Total Other Postemployment Benefit Liability | 30,740 | 12,034 | 42,774 |
| <i>Total Noncurrent Liabilities</i> | <u>718,543</u> | <u>256,551</u> | <u>975,094</u> |
| TOTAL LIABILITIES | <u>1,495,950</u> | <u>288,484</u> | <u>1,784,434</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Pension Related Inflows | 15,494 | 14,464 | 29,958 |
| Deferred OPEB Related Inflows | 10,233 | 3,822 | 14,055 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>25,727</u> | <u>18,286</u> | <u>44,013</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 5,265,337 | 417,223 | 5,682,560 |
| Unrestricted | 870,825 | 152,617 | 1,023,442 |
| TOTAL NET POSITION | <u>6,136,162</u> | <u>569,840</u> | <u>6,706,002</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION | <u>\$ 7,657,839</u> | <u>\$ 876,610</u> | <u>\$ 8,534,449</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, 2024

| | Business-Type Activities | | |
|--|--------------------------------------|---------------------------|---------------------|
| | Major Funds | | |
| | Water and Wastewater Utilities | Storm Water Utility | Total |
| OPERATING REVENUES | | | |
| Water Sales | \$ 1,900,101 | \$ - | \$ 1,900,101 |
| Sewer Charges | 2,802,130 | - | 2,802,130 |
| Garbage Collection | 1,573,060 | - | 1,573,060 |
| Storm Water Charges | - | 628,738 | 628,738 |
| Penalties and Fees | 117,338 | - | 117,338 |
| Other Charges | 5,524 | 4,100 | 9,624 |
| TOTAL OPERATING REVENUES | 6,398,153 | 632,838 | 7,030,991 |
| OPERATING EXPENSES | | | |
| Personnel | 913,530 | 413,154 | 1,326,684 |
| Supplies | 188,458 | 25,101 | 213,559 |
| Administration and Other | 341,649 | 79,413 | 421,062 |
| Maintenance | 119,329 | 49,951 | 169,280 |
| Sewage Treatment | 2,593,930 | - | 2,593,930 |
| Garbage Service | 1,592,420 | - | 1,592,420 |
| Utilities | 194,807 | 4,129 | 198,936 |
| Water Lease | 42,967 | - | 42,967 |
| Depreciation | 231,297 | 68,882 | 300,179 |
| TOTAL OPERATING EXPENSES | 6,218,387 | 640,630 | 6,859,017 |
| OPERATING INCOME (LOSS) | 179,766 | (7,792) | 171,974 |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment Earnings | 74,794 | 15,443 | 90,237 |
| Gain on Sale of Equipment | 60,000 | - | 60,000 |
| TOTAL NONOPERATING REVENUES | 134,794 | 15,443 | 150,237 |
| INCOME BEFORE TRANSFERS | 314,560 | 7,651 | 322,211 |
| TRANSFERS | | | |
| Transfers In | - | 408,391 | 408,391 |
| Transfers Out | (327,502) | (118,231) | (445,733) |
| TOTAL TRANSFERS | (327,502) | 290,160 | (37,342) |
| CHANGE IN NET POSITION | (12,942) | 297,811 | 284,869 |
| NET POSITION AT BEGINNING OF YEAR | 6,149,104 | 272,029 | 6,421,133 |
| NET POSITION AT END OF YEAR | \$ 6,136,162 | \$ 569,840 | \$ 6,706,002 |

See accompanying notes to basic financial statements.

CITY OF LIVE OAK
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Business-Type Activities | | |
|---|--------------------------------------|---------------------------|----------------------------|
| | Major Funds | | |
| | Water and Wastewater Utilities | Storm Water Utility | Total |
| Cash Flows From Operating Activities: | | | |
| Cash Received From Customers | \$ 6,418,277 | \$ 638,288 | \$ 7,056,565 |
| Cash Paid to Supplier for Goods & Services | (5,026,400) | (151,666) | (5,178,066) |
| Cash Paid for Employee Salaries and Benefits | (899,454) | (404,279) | (1,303,733) |
| Net Cash Provided (Used) by Operating Activities | <u>492,423</u> | <u>82,343</u> | <u>574,766</u> |
| Cash Flows From Capital and Related Financing Activities: | | | |
| Acquisition and Construction of Capital Assets | (166,834) | (408,391) | (575,225) |
| Proceeds from Sale of Equipment | 60,000 | - | 60,000 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(106,834)</u> | <u>(408,391)</u> | <u>(515,225)</u> |
| Cash Flows From Noncapital Financing Activities: | | | |
| Transfers from Other Funds | - | 408,391 | 408,391 |
| Transfers to Other Funds | (327,502) | (118,231) | (445,733) |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>(327,502)</u> | <u>290,160</u> | <u>(37,342)</u> |
| Cash Flows From Investing Activities: | | | |
| Interest and Investment Earnings | 74,794 | 15,443 | 90,237 |
| Net Cash Provided (Used) by Investing Activities | <u>74,794</u> | <u>15,443</u> | <u>90,237</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 132,881 | (20,445) | 112,436 |
| Cash and Cash Equivalents at Beginning of Year: | <u>1,446,136</u> | <u>307,307</u> | <u>1,753,443</u> |
| Cash and Cash Equivalents at End of Year: | <u><u>\$ 1,579,017</u></u> | <u><u>\$ 286,862</u></u> | <u><u>\$ 1,865,879</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, 2024

| | Business-Type Activities | | |
|---|--------------------------------------|---------------------------|-------------------|
| | Major Funds | | |
| | Water and Wastewater Utilities | Storm Water Utility | Total |
| Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income | \$ 179,766 | \$ (7,792) | \$ 171,974 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation | 231,297 | 68,882 | 300,179 |
| Decrease (Increase) in Assets: | | | |
| Accounts Receivable (net) | 20,629 | 5,450 | 26,079 |
| Prepaid Expenses | (8,960) | - | (8,960) |
| Deferred Pension Related Outflows | 153,095 | 61,575 | 214,670 |
| Deferred OPEB Related Outflows | 1,255 | 505 | 1,760 |
| Increase (Decrease) in Liabilities: | | | |
| Accounts Payable | 56,120 | 6,928 | 63,048 |
| Accrued Wages | 10,409 | 1,132 | 11,541 |
| Compensated Absences | (4,120) | 4,613 | 493 |
| Customer Deposits | (505) | - | (505) |
| Net Pension Liability | (161,059) | (64,779) | (225,838) |
| Total OPEB Liability | 2,602 | 1,046 | 3,648 |
| Deferred Pension Related Inflows | 15,494 | 6,231 | 21,725 |
| Deferred OPEB Related Inflows | (3,600) | (1,448) | (5,048) |
| Net Cash Provided (Used) by Operating Activities | \$ 492,423 | \$ 82,343 | \$ 574,766 |

See accompanying notes to basic financial statements.

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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, 2024

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, 2023, and became due October 1, 2023 have been assessed to finance the budget of the fiscal year beginning October 1, 2023 and, accordingly, have been reflected as deferred inflow of resources and taxes receivable in the fund financial statement at September 30, 2024.

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, 2024

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, 2024

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, 2023 and past due after January 31, 2024. 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, 2024

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, 2024

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, 2024

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, 2024

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, 2024

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.

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, 2024

NOTE 2 -- INVESTMENTS (CONTINUED)

The City's investments at September 30, 2024 are as shown below:

| Investment Type | Reported Value | Weighted Average Maturity in Days | Rating | Agency |
|--|----------------------|--|--------|-------------------|
| Primary Government: | | | | |
| <i>Reported in Cash Equivalents</i> | | | | |
| Texpool (Local Government Investment Pool) | \$ 30,381,823 | 20 | AAAm | Standard & Poor's |
| <i>Reported as Investments</i> | | | | |
| U.S. Agency Securities | 7,827,043 | 203 | AA+ | Standard & Poor's |
| Local Government Bonds | 789,229 | 160 | AA/AAA | Standard & Poor's |
| <i>Total Reported as Investments</i> | <u>8,616,272</u> | 199 | | |
| Total Primary Government | <u>\$ 38,998,095</u> | 60 | | |
| Economic Development Corporation (EDC): | | | | |
| <i>Reported in Cash Equivalents</i> | | | | |
| Texpool (Local Government Investment Pool) | \$ 5,219,753 | 20 | AAAm | Standard & Poor's |
| Total EDC | <u>\$ 5,219,753</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, 2024:

| Investments Reported at Fair Value | Fair Value | Level 1 | Level 2 | Level 3 |
|------------------------------------|---------------------|-------------|---------------------|-------------|
| Primary Government: | | | | |
| U.S. Agency Securities | \$ 7,827,043 | \$ - | \$ 7,827,043 | \$ - |
| Local Government Bonds | 789,229 | - | 789,229 | - |
| Total Primary Government | <u>\$ 8,616,272</u> | <u>\$ -</u> | <u>\$ 8,616,272</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, 2024

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, 2024:

| | 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 | \$ 102,855 | \$ 43,377 | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | 1,511,334 | - | - | - | - | 503,778 |
| Franchise Taxes | 249,569 | - | 5,046 | - | - | - |
| Occupancy Taxes | - | - | 354,204 | - | - | - |
| Customers | - | - | - | 692,428 | 73,508 | - |
| Other | 27,401 | - | 69,832 | - | - | - |
| Gross Receivables | 1,891,159 | 43,377 | 429,082 | 692,428 | 73,508 | 503,778 |
| Less: Allowance for Uncollectibles | (21,320) | (8,675) | - | (144,744) | - | - |
| Net Total Receivables | <u>\$ 1,869,839</u> | <u>\$ 34,702</u> | <u>\$ 429,082</u> | <u>\$ 547,684</u> | <u>\$ 73,508</u> | <u>\$ 503,778</u> |

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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 2024, the assessed tax rate for the City was \$0.38579 per \$100 on an assessed valuation of \$2.42 billion (before taking into account exemptions and frozen properties). This is broken out as \$0.274211 per \$100 for maintenance and operations and \$0.111579 per \$100 for debt retirement. Total tax levy for fiscal year 2024 (tax year 2023) is \$7.5 million. As of September 30, 2024, the delinquent current taxes for 2024 were \$65.8 thousand.

NOTE 5 -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

| | Beginning Balance | Additions | Transfers | Disposals | Ending Balance |
|---|----------------------|----------------------|--------------------|------------------|----------------------|
| Governmental Activities: | | | | | |
| <i>Capital Assets, Not Being Depreciated:</i> | | | | | |
| Land | \$ 1,179,151 | \$ - | \$ - | \$ - | \$ 1,179,151 |
| Water Rights | 647,021 | - | - | - | 647,021 |
| Construction in Progress | 4,294,704 | 11,001,961 | (2,936,321) | - | 12,360,344 |
| <i>Total Capital Assets Not Being Depreciated</i> | <u>6,120,876</u> | <u>11,001,961</u> | <u>(2,936,321)</u> | <u>-</u> | <u>14,186,516</u> |
| <i>Capital Assets, Being Depreciated:</i> | | | | | |
| Buildings and Improvements | 15,023,059 | 446,416 | - | (67,045) | 15,402,430 |
| Streets and Infrastructure | 14,429,370 | - | - | - | 14,429,370 |
| Machinery and Equipment | 10,798,490 | 1,073,356 | 2,936,321 | (35,200) | 14,772,967 |
| <i>Total Capital Assets Being Depreciated</i> | <u>40,250,919</u> | <u>1,519,772</u> | <u>2,936,321</u> | <u>(102,245)</u> | <u>44,604,767</u> |
| <i>Accumulated Depreciation:</i> | | | | | |
| Buildings and Improvements | (9,782,457) | (640,064) | - | 67,045 | (10,355,476) |
| Streets and Infrastructure | (9,510,292) | (658,180) | - | - | (10,168,472) |
| Machinery and Equipment | (7,651,578) | (773,135) | - | 35,200 | (8,389,513) |
| <i>Total Accumulated Depreciation</i> | <u>(26,944,327)</u> | <u>(2,071,379)</u> | <u>-</u> | <u>102,245</u> | <u>(28,913,461)</u> |
| Total Capital Assets Being Depreciated, Net | <u>13,306,592</u> | <u>(551,607)</u> | <u>2,936,321</u> | <u>-</u> | <u>15,691,306</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 19,427,468</u> | <u>\$ 10,450,354</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 29,877,822</u> |

Depreciation expense was charged to the governmental functions as follows

| | |
|---|---------------------|
| <i>Governmental Activities:</i> | |
| General Government | \$ 156,035 |
| Public Safety | 896,513 |
| Public Works | 1,015,296 |
| Recreation | 3,535 |
| <i>Total Depreciation Expense - Governmental Activities</i> | <u>\$ 2,071,379</u> |

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 5 -- CAPITAL ASSETS (Continued)

| | Beginning Balance | Additions | Transfers | Disposals | Ending Balance |
|---|----------------------|-------------------|-------------|------------------|---------------------|
| Business-Type Activities: | | | | | |
| <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 | 10,277,166 | - | - | - | 10,277,166 |
| Machinery and Equipment | 1,865,698 | 575,226 | - | (194,471) | 2,246,453 |
| <i>Total Capital Assets Being Depreciated</i> | <u>12,142,864</u> | <u>575,226</u> | <u>-</u> | <u>(194,471)</u> | <u>12,523,619</u> |
| <i>Accumulated Depreciation:</i> | | | | | |
| Waster/Wastewater System | (7,171,305) | (187,593) | - | - | (7,358,898) |
| Machinery and Equipment | (1,615,158) | (112,587) | - | 194,471 | (1,533,274) |
| <i>Total Accumulated Depreciation</i> | <u>(8,786,463)</u> | <u>(300,180)</u> | <u>-</u> | <u>194,471</u> | <u>(8,892,172)</u> |
| Total Capital Assets Being Depreciated, Net | <u>3,356,401</u> | <u>275,046</u> | <u>-</u> | <u>-</u> | <u>3,631,447</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 5,407,513</u> | <u>\$ 275,046</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,682,559</u> |

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

| | |
|--|-------------------|
| <i>Business-Type Activities:</i> | |
| Water and Sewer System | \$ 231,298 |
| Storm Water Utility | 68,882 |
| <i>Total Depreciation Expense - Business Type Activities</i> | <u>\$ 300,180</u> |

| | Beginning Balance | Additions | Transfers | Deletions | Ending Balance |
|--|----------------------|------------------|-------------|-----------------|-------------------|
| Discrete Component Unit | | | | | |
| Live Oak Economic Development Corporation | | | | | |
| <i>Capital Assets, Not Being Depreciated:</i> | | | | | |
| Land | \$ 570,194 | \$ - | \$ - | \$ - | \$ 570,194 |
| Water Rights | 304,541 | - | - | - | 304,541 |
| <i>Total Assets Not Being Depreciated</i> | <u>874,735</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>874,735</u> |
| <i>Capital Assets, Being Depreciated:</i> | | | | | |
| Machinery and Equipment | 26,330 | 49,791 | - | (26,330) | 49,791 |
| <i>Total Capital Assets Being Depreciated</i> | <u>26,330</u> | <u>49,791</u> | <u>-</u> | <u>(26,330)</u> | <u>49,791</u> |
| <i>Accumulated Depreciation:</i> | | | | | |
| Machinery and Equipment | (26,330) | (7,469) | - | 26,330 | (7,469) |
| <i>Total Accumulated Depreciation</i> | <u>(26,330)</u> | <u>(7,469)</u> | <u>-</u> | <u>26,330</u> | <u>(7,469)</u> |
| Total Capital Assets Being Depreciated, Net | <u>-</u> | <u>42,322</u> | <u>-</u> | <u>-</u> | <u>42,322</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 874,735</u> | <u>\$ 42,322</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 917,057</u> |

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 6 -- LONG-TERM LIABILITIES

Long-term liabilities at September 30, 2024 were comprised of the following items:

| | Balance 10/1/2023 | Additions | Reductions | Balance 9/30/2024 | Due Within One Year |
|--|----------------------|---------------------|------------------------|----------------------|------------------------|
| <i>Governmental Activities:</i> | | | | | |
| Bonds and Related Premiums | \$ 26,174,544 | \$ - | \$ (2,410,679) | \$ 23,763,865 | \$ 1,400,000 |
| Compensated Absences | 575,687 | 207,913 | (143,922) | 639,678 | 159,920 |
| Net Pension Liability | 9,266,365 | 5,016,632 | (7,046,105) | 7,236,892 | - |
| Other Postemployment Benefit Liability | 308,068 | 40,121 | (7,340) | 340,849 | - |
| <i>Total Governmental Activities</i> | <u>36,324,664</u> | <u>5,264,666</u> | <u>(9,608,046)</u> | <u>31,981,284</u> | <u>1,559,920</u> |
| <i>Business-Type Activities</i> | | | | | |
| Net Pension Liability | 1,114,035 | 603,117 | (828,955) | 888,197 | - |
| Other Postemployment Benefit Liability | 39,126 | 5,095 | (1,447) | 42,774 | - |
| Compensated Absences | 58,365 | 15,084 | (14,591) | 58,858 | 14,735 |
| <i>Total Business-Type Activities</i> | <u>1,211,526</u> | <u>623,296</u> | <u>(844,993)</u> | <u>989,829</u> | <u>14,735</u> |
| <i>Total Primary Government</i> | <u>\$ 37,536,190</u> | <u>\$ 5,887,962</u> | <u>\$ (10,453,039)</u> | <u>\$ 32,971,113</u> | <u>\$ 1,574,655</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, 2024

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, 2024, however an estimate of potential future arbitrage has been recorded in these financials of \$464,369.

Changes in the bonds for the year ending September 30, 2024 were as follows:

| | Balance 9/30/2023 | Additions | Reductions | Balance 9/30/2024 | Due Within One Year |
|--------------------------------------|----------------------|-------------|-----------------------|----------------------|------------------------|
| <i>Governmental Activities:</i> | | | | | |
| Public Offerings: | | | | | |
| 2022 General Obligation Bonds | \$ 15,975,000 | \$ - | \$ (525,000) | \$ 15,450,000 | \$ 550,000 |
| Private Placements: | | | | | |
| 2014 General Obligation Bonds | 7,960,000 | - | (1,625,000) | 6,335,000 | 850,000 |
| Unamortized Premiums | 2,239,544 | - | (260,679) | 1,978,865 | - |
| <i>Total Governmental Activities</i> | <u>\$ 26,174,544</u> | <u>\$ -</u> | <u>\$ (2,410,679)</u> | <u>\$ 23,763,865</u> | <u>\$ 1,400,000</u> |

The annual debt service requirements on these bonds as of September 30, 2024 are as follows:

| Year Ending September 30, | Governmental Activities | | | | |
|------------------------------|--------------------------|---------------------|----------------------------|---------------------|----------------------|
| | Public Offering Bonds | | Private Placement Bonds | | Total |
| | Principal | Interest | Principal | Interest | |
| 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 | 670,000 | 618,300 | 585,000 | 154,600 | 2,027,900 |
| 2030-2034 | 3,885,000 | 2,554,500 | 3,280,000 | 404,000 | 10,123,500 |
| 2035-2039 | 4,955,000 | 1,481,750 | - | - | 6,436,750 |
| 2040-2042 | 3,570,000 | 289,200 | - | - | 3,859,200 |
| Total | <u>\$ 15,450,000</u> | <u>\$ 7,720,200</u> | <u>\$ 6,335,000</u> | <u>\$ 1,407,000</u> | <u>\$ 30,912,200</u> |

CITY OF LIVE OAK
 BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2024

NOTE 8 -- PENSION PLAN – TEXAS MUNICIPAL RETIREMENT SYSTEM

A. Plan Description

The City participates as one of 919 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.

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, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|--|-----|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 62 |
| Inactive Employees Entitled to but Not Yet Receiving Benefits | 25 |
| Active Employees | 116 |
| | 203 |
| | 203 |

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 17.94% and 19.28% for calendar years 2023 and 2024 respectively. The City's contributions to TMRS for the year ended September 30, 2024 were \$1,654,778, and were equal to the required contributions.

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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, 2023, 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, 2023 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 are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are 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 the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, 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 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, 2024

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% | 6.70% |
| Core Fixed Income | 6.00% | 4.70% |
| Non-Core Fixed Income | 20.00% | 8.00% |
| Other Public and Private Markets | 12.00% | 8.00% |
| Real Estate | 12.00% | 7.60% |
| Hedge Funds | 5.00% | 6.40% |
| Private Equity | 10.00% | 11.60% |
| | <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, 2024

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, 2022 | \$ 57,346,532 | \$ 46,966,132 | \$ 10,380,400 |
| Changes for the year: | | | |
| Service Cost | 1,537,814 | - | 1,537,814 |
| Interest | 3,842,715 | - | 3,842,715 |
| Change of Benefit Terms | - | - | - |
| Difference Between Expected and Actual Experience | 239,220 | - | 239,220 |
| Changes of Assumptions | (334,264) | - | (334,264) |
| Contributions - Employer | - | 1,532,688 | (1,532,688) |
| Contributions - Employee | - | 598,039 | (598,039) |
| Net Investment Income | - | 5,444,892 | (5,444,892) |
| Benefit Payments, Including Refunds of Employee Contributions | (2,372,669) | (2,372,669) | - |
| Administrative Expense | - | (34,581) | 34,581 |
| Other Changes | - | (242) | 242 |
| Net Changes | 2,912,816 | 5,168,127 | (2,255,311) |
| Balance at December 31, 2023 | \$ 60,259,348 | \$ 52,134,259 | \$ 8,125,089 |

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 | \$ 16,182,835 | \$ 8,125,089 | \$ 1,466,246 |

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.

J. Pension Expense

For the year ended September 30, 2024, the City recognized pension expense of \$1,760,217.

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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, 2024, 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 | \$ 752,269 | \$ 2,966 |
| Changes in Actuarial Assumptions | - | 242,433 |
| Differences Between Projected and Actual Investment Earnings | 1,248,534 | - |
| Contributions Subsequent to the Measurement Date | 1,213,956 | - |
| | \$ 3,214,759 | \$ 245,399 |

The City reported \$1,213,956 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (December 31, 2023) will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| For the Fiscal Year Ended September 30, | |
|---|--------------|
| 2025 | \$ 706,883 |
| 2026 | 555,771 |
| 2027 | 947,684 |
| 2028 | (454,934) |
| Thereafter | - |
| | \$ 1,755,404 |

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, 2024

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, 2023, the valuation and measurement date, consisted of:

| | |
|--|-----|
| Inactive Employees or Beneficiaries Currently Receiving Benefits | 62 |
| Inactive Employees Entitled to but Not Yet Receiving Benefits | 25 |
| Active Employees | 116 |
| | 203 |

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 | 3.60% to 11.85% Including Inflation |
| Discount Rate | 3.77% (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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). |
| 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 addition, 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor. |

The City’s contributions to TMRS for retirees were \$9,383 for the fiscal year ended September 30, 2024 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% |
| 2024 | 0.33% | 0.11% |

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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, 2023 was calculated as follows:

| | Total OPEB Liability |
|--|-------------------------|
| Balance at December 31, 2022 | \$ 347,194 |
| Changes for the year: | |
| Service Cost | 12,815 |
| Interest | 14,148 |
| Change of Benefit Terms | - |
| Difference Between Expected and Actual Experience | (244) |
| Changes of Assumptions | 18,253 |
| Benefit Payments | (8,543) |
| Net Changes | 36,429 |
| Balance at December 31, 2023 | \$ 383,623 |

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 3.77% 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 2.77% | Discount Rate 3.77% | Discount Rate 4.77% |
|----------------------|------------------------|------------------------|------------------------|
| Total OPEB Liability | \$ 459,264 | \$ 383,623 | \$ 324,319 |

For the year ended September 30, 2024, the City recognized OPEB expense of \$12,968. Also as of September 30, 2024, 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 | \$ 5,711 | \$ 16,679 |
| Changes in Actuarial Assumptions | 52,163 | 117,656 |
| Contributions Subsequent to the Measurement Date | 6,925 | - |
| | \$ 64,799 | \$ 134,335 |

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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

Deferred outflows of resources in the amount of \$6,925 is related to OPEB benefits resulting from contributions subsequent to the measurement date (December 31, 2023), and will be recognized as a reduction of the total OPEB liability for the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| For the Fiscal Year Ended September 30, | | |
|---|-----------|-----------------|
| 2025 | \$ | (17,580) |
| 2026 | | (17,157) |
| 2027 | | (26,906) |
| 2028 | | (16,397) |
| 2029 | | 1,579 |
| Thereafter | | - |
| | <u>\$</u> | <u>(76,461)</u> |

NOTE 10 -- TRANSFERS BETWEEN FUNDS

Transfers during the fiscal year ending September 30, 2024 consisted of the following:

| Transfer From | Transfer To | Amount | Purpose |
|-----------------------|-----------------------|---------------------|--------------------------|
| <i>Cash Transfers</i> | | | |
| Water & Sewer | General Fund | \$ 157,000 | Payment in Lieu of Taxes |
| Water & Sewer | Debt Service | 170,502 | Funding for Debt Service |
| Storm Water | General Fund | 118,231 | Payment in Lieu of Taxes |
| General Fund | Storm Water | 408,391 | Capital Asset Purchase |
| General Fund | Capital Projects | 1,200,000 | Supplement Other Sources |
| General Fund | Nonmajor Governmental | 6,500 | Supplement Other Sources |
| | | <u>\$ 2,060,624</u> | |

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 2024.

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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> | Estimated Project Cost to City | Expended to Date | Estimated Future Commitment |
|---|-----------------------------------|---------------------|--------------------------------|
| Governmental Activities: | | | |
| Shin Oak Village Trail Engineering | \$ 28,152 | \$ 17,601 | \$ 10,551 |
| Street Bond Project Engineering | 1,988,306 | 1,647,011 | 341,295 |
| Street Bond Construction | 13,899,387 | 9,173,128 | 4,726,259 |
| CCTV Sewer and Improvement Plan Engineering | 89,707 | 77,575 | 12,132 |
| Landscaping Design | 111,075 | 84,500 | 26,575 |
| Park Parking Lot Engineering | 214,785 | 16,105 | 198,680 |
| Shin Oak Trail Engineering | 34,949 | 25,699 | 9,250 |
| Shin Oak Trail Construction | 274,834 | 13,000 | 261,834 |
| Total Estimated Future Commitments | \$ 16,641,195 | \$ 11,054,619 | \$ 5,586,576 |

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, 2024

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, 2024, the City reimbursed the business \$62,207. As of September 30, 2024, the City has a potential abatement commitment remaining of \$1,249,036.

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 \$610,027 of HOT revenues collected during the year ending September 30, 2024. As of September 30, 2024, the City has a potential commitment remaining of \$8,548,601.

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, 2024, the City rebated \$195,070 in personal and real property taxes and \$679,559 in sales tax. As of September 30, 2024, the City has a remaining potential commitment of \$14,811,022.

CITY OF LIVE OAK
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

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, 2024, the EDC rebated \$339,779 in sales tax. As of September 30, 2024, the EDC has a remaining potential commitment of \$5,347,805.



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, 2024

| | Budgeted Amounts | | 2024 | Variance With | 2023 |
|---|----------------------|----------------------|----------------------|------------------------|----------------------|
| | Original | Final | Actual | Final Budget - | Actual |
| | | | Amounts | Positive (Negative) | |
| REVENUES | | | | | |
| Property Taxes | \$ 5,018,229 | \$ 5,018,229 | \$ 5,031,173 | \$ 12,944 | \$ 4,816,313 |
| Sales and Mixed Beverage Taxes | 9,037,659 | 9,037,659 | 8,627,625 | (410,034) | 8,580,736 |
| Franchise Taxes | 1,129,000 | 1,129,000 | 1,188,233 | 59,233 | 1,196,938 |
| Licenses and Permits | 320,100 | 320,100 | 358,027 | 37,927 | 683,409 |
| Grants and Donations | 266,859 | 266,859 | 220,093 | (46,766) | 200,187 |
| Charges for Services | 314,000 | 314,000 | 314,911 | 911 | 261,518 |
| Fines and Forfeitures | 486,000 | 486,000 | 652,753 | 166,753 | 600,192 |
| Investment Earnings | 265,000 | 265,000 | 1,054,518 | 789,518 | 819,602 |
| Miscellaneous | 222,200 | 222,200 | 246,465 | 24,265 | 277,597 |
| TOTAL REVENUES | 17,059,047 | 17,059,047 | 17,693,798 | 634,751 | 17,436,492 |
| EXPENDITURES | | | | | |
| <i>General Government</i> | | | | | |
| Council | 245,650 | 245,650 | 27,095 | 218,555 | 39,616 |
| City Manager | 336,950 | 336,950 | 258,368 | 78,582 | 287,896 |
| City Secretary | 595,575 | 595,575 | 553,515 | 42,060 | 523,948 |
| Municipal Court | 388,605 | 388,605 | 366,095 | 22,510 | 352,169 |
| Finance | 881,425 | 881,425 | 797,207 | 84,218 | 783,484 |
| Emergency Management Office | 21,835 | 21,835 | 11,077 | 10,758 | 11,339 |
| Planning and Zoning | 246,750 | 246,750 | 94,570 | 152,180 | 163,057 |
| Development Services | 289,450 | 289,450 | 182,634 | 106,816 | 355,670 |
| Information Technology | 368,390 | 368,390 | 294,860 | 73,530 | 318,371 |
| <i>Total General Government</i> | 3,374,630 | 3,374,630 | 2,585,421 | 789,209 | 2,835,550 |
| <i>Public Safety</i> | | | | | |
| Police | 5,146,705 | 5,146,705 | 4,902,241 | 244,464 | 4,624,801 |
| Communication Services | 910,580 | 910,580 | 807,493 | 103,087 | 779,960 |
| Fire and EMS | 3,481,690 | 3,481,690 | 3,312,548 | 169,142 | 3,086,715 |
| <i>Total Public Safety</i> | 9,538,975 | 9,538,975 | 9,022,282 | 516,693 | 8,491,476 |
| <i>Public Works</i> | | | | | |
| General Service | 1,425,600 | 1,425,600 | 1,244,045 | 181,555 | 1,094,538 |
| Street Maintenance | 837,900 | 837,900 | 618,950 | 218,950 | 562,105 |
| Animal Control | 346,954 | 346,954 | 306,347 | 40,607 | 288,670 |
| Parks Maintenance | 1,004,700 | 1,004,700 | 840,969 | 163,731 | 733,645 |
| <i>Total Public Works</i> | 3,615,154 | 3,615,154 | 3,010,311 | 604,843 | 2,678,958 |
| <i>Recreation</i> | 428,050 | 428,050 | 412,880 | 15,170 | 306,257 |
| <i>Capital Outlay</i> | 1,464,505 | 1,464,505 | 1,219,707 | 244,798 | 1,922,616 |
| TOTAL EXPENDITURES | 18,421,314 | 18,421,314 | 16,250,601 | 2,170,713 | 16,234,857 |
| Excess (Deficiency) of Revenues | | | | | |
| Over (Under) Expenditures | (1,362,267) | (1,362,267) | 1,443,197 | 2,805,464 | 1,201,635 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Sales of Capital Assets | 10,000 | 10,000 | 92,850 | 82,850 | 95,890 |
| Transfers In | 275,231 | 275,231 | 275,231 | - | 267,693 |
| Transfers Out | (1,860,500) | (1,860,500) | (1,614,891) | 245,609 | (2,945,581) |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,575,269) | (1,575,269) | (1,246,810) | 328,459 | (2,581,998) |
| Net Change in Fund Balance | (2,937,536) | (2,937,536) | 196,387 | 3,133,923 | (1,380,363) |
| Fund Balances, Beginning | 17,574,029 | 17,574,029 | 17,574,029 | - | 18,954,392 |
| Fund Balances, Ending | \$ 14,636,493 | \$ 14,636,493 | \$ 17,770,416 | \$ 3,133,923 | \$ 17,574,029 |

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% |

| Total Pension Liability | | | | | |
|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| \$ 1,137,393 | \$ 1,209,051 | \$ 1,345,179 | \$ 1,366,918 | \$ 1,415,428 | \$ 1,537,814 |
| 2,784,093 | 2,954,026 | 3,138,460 | 3,327,514 | 3,581,905 | 3,842,715 |
| - | - | - | - | - | - |
| (36,322) | 79,572 | (94,234) | 772,985 | 888,080 | 239,220 |
| | (120,659) | - | - | - | (334,264) |
| (1,437,472) | (1,369,443) | (1,545,975) | (1,652,971) | (1,792,855) | (2,372,669) |
| 2,447,692 | 2,752,547 | 2,843,430 | 3,814,446 | 4,092,558 | 2,912,816 |
| 41,395,859 | 43,843,551 | 46,596,098 | 49,439,528 | 53,253,974 | 57,346,532 |
| <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> | <u>\$ 60,259,348</u> |

| Plan Fiduciary Net Position | | | | | |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| \$ 1,251,580 | \$ 1,327,871 | \$ 1,484,831 | \$ 1,391,456 | \$ 1,409,048 | \$ 1,532,688 |
| 457,572 | 482,735 | 534,711 | 536,949 | 558,197 | 598,039 |
| (1,075,277) | 5,422,735 | 3,105,921 | 5,799,469 | (3,689,593) | 5,444,892 |
| (1,437,472) | (1,369,443) | (1,545,975) | (1,652,971) | (1,792,855) | (2,372,669) |
| (20,761) | (30,606) | (20,073) | (26,798) | (31,884) | (34,581) |
| (1,085) | (919) | (785) | 184 | 38,047 | (242) |
| (825,443) | 5,832,373 | 3,558,630 | 6,048,289 | (3,509,040) | 5,168,127 |
| 35,861,323 | 35,035,880 | 40,868,253 | 44,426,883 | 50,475,172 | 46,966,132 |
| <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> | <u>\$ 52,134,259</u> |

| | | | | | |
|--------------|--------------|--------------|--------------|---------------|--------------|
| \$ 8,807,671 | \$ 5,727,845 | \$ 5,012,645 | \$ 2,778,802 | \$ 10,380,400 | \$ 8,125,089 |
| 79.91% | 87.71% | 89.86% | 94.78% | 81.90% | 86.52% |
| \$ 6,536,742 | \$ 6,885,257 | \$ 7,638,722 | \$ 7,670,696 | \$ 7,974,240 | \$ 8,543,410 |
| 134.74% | 83.19% | 65.62% | 36.23% | 130.17% | 95.10% |



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% |
| 2024 | 1,654,778 | 1,654,778 | - | 8,753,654 | 18.9% |

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.

| Total OPEB Liability | | |
|----------------------|-------------------|-------------------|
| 2021 | 2022 | 2023 |
| \$ 25,313 | \$ 27,112 | \$ 12,815 |
| 9,374 | 9,227 | 14,148 |
| - | - | - |
| (11,379) | 8,851 | (244) |
| 15,946 | (182,304) | 18,253 |
| (7,670) | (7,177) | (8,543) |
| 31,584 | (144,291) | 36,429 |
| 459,901 | 491,485 | 347,194 |
| <u>\$ 491,485</u> | <u>\$ 347,194</u> | <u>\$ 383,623</u> |
| \$ 7,670,696 | \$ 7,974,240 | \$ 8,543,410 |
| 6.41% | 4.35% | 4.49% |

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% |
| 2024 | 9,383 | 9,383 | - | 8,753,654 | 0.11% |

*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, 2024

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.

The appropriated budget is prepared by fund, function, and department. Following approval of the budget by the Mayor and City Council, the City Manager and budget official may make transfers of appropriations within a department. Transfers of appropriations between departments or an increase in the budget requires the approval of the City Council. For the general fund, the legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is considered to be the department level. For all other funds the legal level of budgetary control is considered to be the fund level.

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 | 22 Years (Longest amortization ladder) |
| Asset Valuation Method | 10 Year Smoothed Fair Value; 12% Soft Corridor |
| Inflation | 2.50% |
| Salary Increases | 3.60% to 11.85% Including Inflation |
| Investment Rate of Return | 6.75% |
| Retirement Age | Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022. |
| Mortality | Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). |

CITY OF LIVE OAK
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
 SEPTEMBER 30, 2024

Pension Plan (Continued)

Changes in Benefit Terms:

None

Changes in Actuarial Assumptions:

2023 New mortality 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 | 3.60% to 11.85% Including Inflation |
| Discount Rate | 3.77% (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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). |
| 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 addition, 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor. |

Changes in Benefit Terms:

None

Changes in Assumptions:

2023 Discount rate reduced to 3.77%
 2022 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, 2024

| | Special Revenue Funds | | | |
|--|-----------------------|-------------------|---------------------|-------------------|
| | Forfeiture | Child Safety | Court Technology | Court Security |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 400,741 | \$ 174,341 | \$ 125,330 | \$ 80,724 |
| Receivables (net of allowances): | | | | |
| Other | - | 3,192 | - | - |
| | <u>\$ 400,741</u> | <u>\$ 177,533</u> | <u>\$ 125,330</u> | <u>\$ 80,724</u> |
| TOTAL ASSETS | | | | |
| | <u>\$ 400,741</u> | <u>\$ 177,533</u> | <u>\$ 125,330</u> | <u>\$ 80,724</u> |
| LIABILITIES AND FUND BALANCE | | | | |
| <i>Liabilities:</i> | | | | |
| Accounts Payable | \$ - | \$ 415 | \$ 353 | \$ 133 |
| <i>Total Liabilities</i> | <u>-</u> | <u>415</u> | <u>353</u> | <u>133</u> |
| <i>Fund Balance:</i> | | | | |
| Restricted For: | | | | |
| Municipal Court | - | - | 124,977 | 80,591 |
| Tourism Development | - | - | - | - |
| Public Safety | 400,741 | 177,118 | - | - |
| Public Education | - | - | - | - |
| <i>Total Fund Balances</i> | <u>400,741</u> | <u>177,118</u> | <u>124,977</u> | <u>80,591</u> |
| TOTAL LIABILITIES AND FUND BALANCES | | | | |
| | <u>\$ 400,741</u> | <u>\$ 177,533</u> | <u>\$ 125,330</u> | <u>\$ 80,724</u> |

| 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> |
| \$ 57,022 | \$ 472,703 | \$ 99,212 | \$ 1,311,504 | \$ 2,721,577 |
| <u>66,640</u> | <u>5,046</u> | <u>-</u> | <u>354,204</u> | <u>429,082</u> |
| <u>\$ 123,662</u> | <u>\$ 477,749</u> | <u>\$ 99,212</u> | <u>\$ 1,665,708</u> | <u>\$ 3,150,659</u> |
| | | | | |
| \$ 38,179 | \$ - | \$ 2,397 | \$ 142,818 | \$ 184,295 |
| <u>38,179</u> | <u>-</u> | <u>2,397</u> | <u>142,818</u> | <u>184,295</u> |
| | | | | |
| - | - | - | - | 205,568 |
| - | - | - | 1,522,890 | 1,522,890 |
| 85,483 | - | 96,815 | - | 760,157 |
| - | 477,749 | - | - | 477,749 |
| <u>85,483</u> | <u>477,749</u> | <u>96,815</u> | <u>1,522,890</u> | <u>2,966,364</u> |
| | | | | |
| <u>\$ 123,662</u> | <u>\$ 477,749</u> | <u>\$ 99,212</u> | <u>\$ 1,665,708</u> | <u>\$ 3,150,659</u> |

CITY OF LIVE OAK
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | |
|--|-----------------------|-------------------|---------------------|-------------------|
| | Forfeiture | Child Safety | Court Technology | Court Security |
| REVENUES | | | | |
| Franchise Taxes | \$ - | \$ - | \$ - | \$ - |
| Occupancy Tax | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | 97,055 | - | 15,805 | 18,722 |
| Investment Earnings | 13,929 | 7,326 | 6,469 | 3,480 |
| Miscellaneous | - | 19,503 | - | - |
| TOTAL REVENUES | <u>110,984</u> | <u>26,829</u> | <u>22,274</u> | <u>22,202</u> |
| EXPENDITURES | | | | |
| <i>Current:</i> | | | | |
| General Government | - | - | 8,167 | 11,146 |
| Public Safety | 57,873 | 3,501 | - | - |
| <i>Capital Outlay</i> | - | - | 8,429 | - |
| TOTAL EXPENDITURES | <u>57,873</u> | <u>3,501</u> | <u>16,596</u> | <u>11,146</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>53,111</u> | <u>23,328</u> | <u>5,678</u> | <u>11,056</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balance | 53,111 | 23,328 | 5,678 | 11,056 |
| Fund Balances, Beginning | <u>347,630</u> | <u>153,790</u> | <u>119,299</u> | <u>69,535</u> |
| Fund Balances, Ending | <u>\$ 400,741</u> | <u>\$ 177,118</u> | <u>\$ 124,977</u> | <u>\$ 80,591</u> |

Special Revenue Funds

| Emergency Radio | Public Education | Alamo Area SWAT | Hotel Motel Occupancy | Total Nonmajor Funds |
|--------------------|---------------------|-----------------------|-----------------------------|----------------------------|
| \$ - | \$ 21,644 | \$ - | \$ - | \$ 21,644 |
| - | - | - | 776,067 | 776,067 |
| 1,800 | - | - | - | 1,800 |
| - | - | - | - | 131,582 |
| 3,910 | 23,944 | - | 71,529 | 130,587 |
| - | - | 52,000 | - | 71,503 |
| <u>5,710</u> | <u>45,588</u> | <u>52,000</u> | <u>847,596</u> | <u>1,133,183</u> |
| - | - | - | 611,204 | 630,517 |
| 14,372 | - | 22,835 | - | 98,581 |
| - | - | 14,475 | - | 22,904 |
| <u>14,372</u> | <u>-</u> | <u>37,310</u> | <u>611,204</u> | <u>752,002</u> |
| (8,662) | 45,588 | 14,690 | 236,392 | 381,181 |
| - | - | 6,500 | - | 6,500 |
| - | - | 6,500 | - | 6,500 |
| (8,662) | 45,588 | 21,190 | 236,392 | 387,681 |
| <u>94,145</u> | <u>432,161</u> | <u>75,625</u> | <u>1,286,498</u> | <u>2,578,683</u> |
| <u>\$ 85,483</u> | <u>\$ 477,749</u> | <u>\$ 96,815</u> | <u>\$ 1,522,890</u> | <u>\$ 2,966,364</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|-------------------|-------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Fines and Forfeitures | \$ 52,000 | \$ 52,000 | \$ 97,055 | \$ 45,055 | \$ 138,665 |
| Investment Earnings | 3,000 | 3,000 | 13,929 | 10,929 | 4,688 |
| TOTAL REVENUES | <u>55,000</u> | <u>55,000</u> | <u>110,984</u> | <u>55,984</u> | <u>143,353</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| Public Safety | 93,000 | 93,000 | 57,873 | 35,127 | 3,152 |
| <i>Capital Outlay</i> | 10,000 | 10,000 | - | 10,000 | - |
| TOTAL EXPENDITURES | <u>103,000</u> | <u>103,000</u> | <u>57,873</u> | <u>45,127</u> | <u>3,152</u> |
| Net Change in Fund Balance | (48,000) | (48,000) | 53,111 | 101,111 | 140,201 |
| FUND BALANCE, BEGINNING | <u>347,630</u> | <u>347,630</u> | <u>347,630</u> | <u>-</u> | <u>207,429</u> |
| FUND BALANCE, ENDING | <u>\$ 299,630</u> | <u>\$ 299,630</u> | <u>\$ 400,741</u> | <u>\$ 101,111</u> | <u>\$ 347,630</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|-------------------|-------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Investment Earnings | \$ 4,000 | \$ 4,000 | \$ 7,326 | \$ 3,326 | \$ 5,935 |
| Miscellaneous | 16,000 | 16,000 | 19,503 | 3,503 | 17,065 |
| TOTAL REVENUES | <u>20,000</u> | <u>20,000</u> | <u>26,829</u> | <u>6,829</u> | <u>23,000</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| Public Safety | 6,000 | 6,000 | 3,501 | 2,499 | 6,187 |
| Public Works | 44,735 | 44,735 | - | 44,735 | 1,852 |
| TOTAL EXPENDITURES | <u>50,735</u> | <u>50,735</u> | <u>3,501</u> | <u>47,234</u> | <u>8,039</u> |
| Net Change in Fund Balance | (30,735) | (30,735) | 23,328 | 54,063 | 14,961 |
| FUND BALANCE, BEGINNING | <u>153,790</u> | <u>153,790</u> | <u>153,790</u> | <u>-</u> | <u>138,829</u> |
| FUND BALANCE, ENDING | <u>\$ 123,055</u> | <u>\$ 123,055</u> | <u>\$ 177,118</u> | <u>\$ 54,063</u> | <u>\$ 153,790</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|-------------------|-------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Fines and Forfeitures | \$ 13,000 | \$ 13,000 | \$ 15,805 | \$ 2,805 | \$ 15,332 |
| Investment Earnings | 2,000 | 2,000 | 6,469 | 4,469 | 5,340 |
| TOTAL REVENUES | <u>15,000</u> | <u>15,000</u> | <u>22,274</u> | <u>7,274</u> | <u>20,672</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| General Government | 16,000 | 16,000 | 8,167 | 7,833 | 9,544 |
| <i>Capital Outlay</i> | 10,000 | 10,000 | 8,429 | 1,571 | 8,155 |
| TOTAL EXPENDITURES | <u>26,000</u> | <u>26,000</u> | <u>16,596</u> | <u>9,404</u> | <u>17,699</u> |
| Net Change in Fund Balance | (11,000) | (11,000) | 5,678 | 16,678 | 2,973 |
| FUND BALANCE, BEGINNING | <u>119,299</u> | <u>119,299</u> | <u>119,299</u> | <u>-</u> | <u>116,326</u> |
| FUND BALANCE, ENDING | <u>\$ 108,299</u> | <u>\$ 108,299</u> | <u>\$ 124,977</u> | <u>\$ 16,678</u> | <u>\$ 119,299</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|------------------|------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Fines and Forfeitures | \$ 13,000 | \$ 13,000 | \$ 18,722 | \$ 5,722 | \$ 17,833 |
| Investment Earnings | 1,000 | 1,000 | 3,480 | 2,480 | 2,381 |
| TOTAL REVENUES | <u>14,000</u> | <u>14,000</u> | <u>22,202</u> | <u>8,202</u> | <u>20,214</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| General Government | 20,375 | 20,375 | 11,146 | 9,229 | 5,037 |
| <i>Capital Outlay</i> | 5,000 | 5,000 | - | 5,000 | - |
| TOTAL EXPENDITURES | <u>25,375</u> | <u>25,375</u> | <u>11,146</u> | <u>14,229</u> | <u>5,037</u> |
| Net Change in Fund Balance | (11,375) | (11,375) | 11,056 | 22,431 | 15,177 |
| FUND BALANCE, BEGINNING | <u>69,535</u> | <u>69,535</u> | <u>69,535</u> | <u>-</u> | <u>54,358</u> |
| FUND BALANCE, ENDING | <u>\$ 58,160</u> | <u>\$ 58,160</u> | <u>\$ 80,591</u> | <u>\$ 22,431</u> | <u>\$ 69,535</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|------------------|------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Charges for Services | \$ 5,000 | \$ 5,000 | \$ 1,800 | \$ (3,200) | \$ 8,437 |
| Investment Earnings | 2,000 | 2,000 | 3,910 | 1,910 | 3,983 |
| TOTAL REVENUES | <u>7,000</u> | <u>7,000</u> | <u>5,710</u> | <u>(1,290)</u> | <u>12,420</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| Public Safety | 26,570 | 26,570 | 14,372 | 12,198 | 27,059 |
| <i>Capital Outlay</i> | 2,500 | 2,500 | - | 2,500 | - |
| TOTAL EXPENDITURES | <u>29,070</u> | <u>29,070</u> | <u>14,372</u> | <u>14,698</u> | <u>27,059</u> |
| Net Change in Fund Balance | (22,070) | (22,070) | (8,662) | 13,408 | (14,639) |
| FUND BALANCE, BEGINNING | <u>94,145</u> | <u>94,145</u> | <u>94,145</u> | <u>-</u> | <u>108,784</u> |
| FUND BALANCE, ENDING | <u>\$ 72,075</u> | <u>\$ 72,075</u> | <u>\$ 85,483</u> | <u>\$ 13,408</u> | <u>\$ 94,145</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|-------------------|-------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Franchise Taxes | \$ 35,000 | \$ 35,000 | \$ 21,644 | \$ (13,356) | \$ 25,178 |
| Investment Earnings | 10,000 | 10,000 | 23,944 | 13,944 | 18,447 |
| TOTAL REVENUES | <u>45,000</u> | <u>45,000</u> | <u>45,588</u> | <u>588</u> | <u>43,625</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| General Government | - | - | - | - | - |
| <i>Capital Outlay</i> | 65,000 | 65,000 | - | 65,000 | 14,908 |
| TOTAL EXPENDITURES | <u>65,000</u> | <u>65,000</u> | <u>-</u> | <u>65,000</u> | <u>14,908</u> |
| Net Change in Fund Balance | (20,000) | (20,000) | 45,588 | 65,588 | 28,717 |
| FUND BALANCE, BEGINNING | <u>432,161</u> | <u>432,161</u> | <u>432,161</u> | <u>-</u> | <u>403,444</u> |
| FUND BALANCE, ENDING | <u>\$ 412,161</u> | <u>\$ 412,161</u> | <u>\$ 477,749</u> | <u>\$ 65,588</u> | <u>\$ 432,161</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|--|------------------|------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Miscellaneous | \$ 52,000 | \$ 52,000 | \$ 52,000 | \$ - | \$ 39,000 |
| TOTAL REVENUES | <u>52,000</u> | <u>52,000</u> | <u>52,000</u> | <u>-</u> | <u>39,000</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| Public Safety | 24,700 | 24,700 | 22,835 | 1,865 | 17,258 |
| <i>Capital Outlay</i> | 19,940 | 19,940 | 14,475 | 5,465 | 11,074 |
| TOTAL EXPENDITURES | <u>44,640</u> | <u>44,640</u> | <u>37,310</u> | <u>7,330</u> | <u>28,332</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>7,360</u> | <u>7,360</u> | <u>14,690</u> | <u>7,330</u> | <u>10,668</u> |
| OTHER SOURCES (USES) | | | | | |
| Transfers In | 6,500 | 6,500 | 6,500 | - | 6,500 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>6,500</u> | <u>6,500</u> | <u>6,500</u> | <u>-</u> | <u>6,500</u> |
| Net Change in Fund Balance | 13,860 | 13,860 | 21,190 | 7,330 | 17,168 |
| FUND BALANCE, BEGINNING | <u>75,625</u> | <u>75,625</u> | <u>75,625</u> | <u>-</u> | <u>58,457</u> |
| FUND BALANCE, ENDING | <u>\$ 89,485</u> | <u>\$ 89,485</u> | <u>\$ 96,815</u> | <u>\$ 7,330</u> | <u>\$ 75,625</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance with Final Budget- Positive (Negative) | 2023 Actual Amounts |
|-----------------------------------|---------------------|---------------------|---------------------------|--|---------------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Occupancy Tax | \$ 615,000 | \$ 615,000 | \$ 776,067 | \$ 161,067 | \$ 617,770 |
| Investment Earnings | 25,000 | 25,000 | 71,529 | 46,529 | 54,926 |
| TOTAL REVENUES | <u>640,000</u> | <u>640,000</u> | <u>847,596</u> | <u>207,596</u> | <u>672,696</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| General Government | 640,000 | 640,000 | 611,204 | 28,796 | 633,156 |
| TOTAL EXPENDITURES | <u>640,000</u> | <u>640,000</u> | <u>611,204</u> | <u>28,796</u> | <u>633,156</u> |
| Net Change in Fund Balance | - | - | 236,392 | 236,392 | 39,540 |
| FUND BALANCE, BEGINNING | <u>1,286,498</u> | <u>1,286,498</u> | <u>1,286,498</u> | <u>-</u> | <u>1,246,958</u> |
| FUND BALANCE, ENDING | <u>\$ 1,286,498</u> | <u>\$ 1,286,498</u> | <u>\$ 1,522,890</u> | <u>\$ 236,392</u> | <u>\$ 1,286,498</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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 Actual Amounts | Variance With Final Budget - Positive (Negative) | 2023 Actual |
|--|-------------------|-------------------|---------------------------|---|-------------------|
| | Original | Final | | | |
| REVENUES | | | | | |
| Property Taxes | \$ 2,135,686 | \$ 2,135,686 | \$ 2,134,306 | \$ (1,380) | \$ 2,167,628 |
| Grants and Contributions | 916,262 | 916,262 | 916,262 | - | 918,497 |
| Investment Earnings | 12,000 | 12,000 | 71,080 | 59,080 | 77,763 |
| TOTAL REVENUES | 3,063,948 | 3,063,948 | 3,121,648 | 57,700 | 3,163,888 |
| EXPENDITURES | | | | | |
| <i>Debt Service:</i> | | | | | |
| Principal | 2,150,000 | 2,150,000 | 2,150,000 | - | 2,080,000 |
| Interest and Fiscal Charges | 1,084,450 | 1,084,450 | 1,083,025 | 1,425 | 1,153,771 |
| TOTAL EXPENDITURES | 3,234,450 | 3,234,450 | 3,233,025 | 1,425 | 3,233,771 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (170,502) | (170,502) | (111,377) | 59,125 | (69,883) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 170,502 | 170,502 | 170,502 | - | 170,745 |
| TOTAL OTHER FINANCING SOURCES (USES) | 170,502 | 170,502 | 170,502 | - | 170,745 |
| Net Change in Fund Balance | - | - | 59,125 | 59,125 | 100,862 |
| FUND BALANCE - BEGINNING | 541,542 | 541,542 | 541,542 | - | 440,680 |
| FUND BALANCE - ENDING | \$ 541,542 | \$ 541,542 | \$ 600,667 | \$ 59,125 | \$ 541,542 |

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, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

| | Budgeted Amounts | | 2024 | Variance with | 2023 |
|-------------------------------------|---------------------|---------------------|---------------------|---|---------------------|
| | Original | Final | Actual Amounts | Final Budget- Positive (Negative) | Actual Amounts |
| REVENUES | | | | | |
| Sales Tax | \$ 2,833,886 | \$ 2,833,886 | \$ 2,715,630 | \$ (118,256) | \$ 2,686,754 |
| Investment Earnings | 125,000 | 125,000 | 289,486 | 164,486 | 250,629 |
| Miscellaneous | 10,000 | 10,000 | 10,000 | - | 10,000 |
| TOTAL REVENUES | <u>2,968,886</u> | <u>2,968,886</u> | <u>3,015,116</u> | <u>46,230</u> | <u>2,947,383</u> |
| EXPENDITURES | | | | | |
| <i>Current:</i> | | | | | |
| General Government | 783,420 | 783,420 | 401,704 | 381,716 | 440,821 |
| Contributions to Primary Government | | | | | |
| For Administrative Overhead | 240,000 | 240,000 | 240,000 | - | 290,000 |
| In Support of Debt Service | 916,262 | 916,262 | 916,262 | - | 918,497 |
| In Support of Capital Outlay | 1,224,359 | 1,424,359 | 1,024,359 | 400,000 | 1,433,702 |
| <i>Capital Outlay</i> | 157,310 | 157,310 | 1,528 | 155,782 | 224,706 |
| TOTAL EXPENDITURES | <u>3,321,351</u> | <u>3,521,351</u> | <u>2,583,853</u> | <u>937,498</u> | <u>3,307,726</u> |
| Net Change in Fund Balance | (352,465) | (552,465) | 431,263 | 983,728 | (360,343) |
| FUND BALANCE, BEGINNING | <u>4,837,147</u> | <u>4,837,147</u> | <u>4,837,147</u> | <u>-</u> | <u>5,197,490</u> |
| FUND BALANCE, ENDING | <u>\$ 4,484,682</u> | <u>\$ 4,284,682</u> | <u>\$ 5,268,410</u> | <u>\$ 983,728</u> | <u>\$ 4,837,147</u> |

CITY OF LIVE OAK
 COMPARATIVE BALANCE SHEETS
 GENERAL FUND
 SEPTEMBER 30, 2024 AND 2023

| | 2024 | 2023 |
|---|--------------------------|--------------------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 9,665,564 | \$ 6,958,421 |
| Investments | 8,616,272 | 11,210,532 |
| Receivables (net of allowances): | | |
| Property Taxes | 81,535 | 71,519 |
| Sales Tax | 1,511,334 | 1,473,504 |
| Other | 276,970 | 311,665 |
| Accrued Interest | 58,750 | 56,689 |
| Prepaid Items | 49,069 | 34,335 |
| TOTAL ASSETS | \$ 20,259,494 | \$ 20,116,665 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | |
| <i>Liabilities:</i> | | |
| Accounts Payable | \$ 1,300,856 | \$ 1,457,998 |
| Accrued Wages | 344,240 | 254,457 |
| Deposits | 3,970 | 3,670 |
| <i>Total Liabilities</i> | <i>1,649,066</i> | <i>1,716,125</i> |
| <i>Deferred Inflows of Resources:</i> | | |
| Unavailable Property Tax Revenue | 85,281 | 71,519 |
| Unavailable Sales Tax Revenue | 754,731 | 754,992 |
| <i>Total Deferred Inflows of Resources</i> | <i>840,012</i> | <i>826,511</i> |
| <i>Fund Balances:</i> | | |
| <i>Nonspendable:</i> | | |
| Prepaid Items | 49,069 | 34,335 |
| <i>Committed For:</i> | | |
| Asset Replacement | 3,341,905 | 2,752,335 |
| Weed Abatement | 54,601 | 12,154 |
| Unassigned | 14,324,841 | 14,775,205 |
| <i>Total Fund Balances</i> | <i>17,770,416</i> | <i>17,574,029</i> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 20,259,494 | \$ 20,116,665 |

CITY OF LIVE OAK
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES
 GENERAL FUND
 FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

| | 2024 | 2023 |
|--|---------------|---------------|
| REVENUES | | |
| Property Taxes | \$ 5,031,173 | \$ 4,816,313 |
| Sales and Mixed Beverage Taxes | 8,627,625 | 8,580,736 |
| Franchise Taxes | 1,188,233 | 1,196,938 |
| Licenses and Permits | 358,027 | 683,409 |
| Grants and Donations | 220,093 | 200,187 |
| Charges for Services | 314,911 | 261,518 |
| Fines and Forfeitures | 652,753 | 600,192 |
| Investment Earnings | 1,054,518 | 819,602 |
| Miscellaneous | 246,465 | 277,597 |
| TOTAL REVENUES | 17,693,798 | 17,436,492 |
| EXPENDITURES | | |
| <i>Current</i> | | |
| General Government | 2,585,421 | 2,835,550 |
| Public Safety | 9,022,282 | 8,491,476 |
| Public Works | 3,010,311 | 2,678,958 |
| Recreation | 412,880 | 306,257 |
| <i>Capital Outlay</i> | 1,219,707 | 1,922,616 |
| TOTAL EXPENDITURES | 16,250,601 | 16,234,857 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,443,197 | 1,201,635 |
| OTHER FINANCING SOURCES (USES) | | |
| Sales of Capital Assets | 92,850 | 95,890 |
| Transfers In | 275,231 | 267,693 |
| Transfers Out | (1,614,891) | (2,945,581) |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,246,810) | (2,581,998) |
| Net Change in Fund Balance | 196,387 | (1,380,363) |
| Fund Balances, Beginning | 17,574,029 | 18,954,392 |
| Fund Balances, Ending | \$ 17,770,416 | \$ 17,574,029 |



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 | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2015* | 2016* | 2017 | 2018 |
| <i>Governmental Activities</i> | | | | |
| Net Investment in Capital Assets | \$ 10,047,544 | \$ 2,498,042 | \$ 337,900 | \$ 1,410,757 |
| Restricted | 1,884,219 | 1,944,020 | 2,083,220 | 2,425,330 |
| Unrestricted | 5,221,828 | 9,903,047 | 8,980,757 | 8,797,162 |
| <i>Total Governmental Activities</i> | | | | |
| <i>Net Position</i> | <u>\$ 17,153,591</u> | <u>\$ 14,345,109</u> | <u>\$ 11,401,877</u> | <u>\$ 12,633,249</u> |
| <i>Business-Type Activities</i> | | | | |
| Net Investment in Capital Assets | \$ 5,209,804 | \$ 5,263,431 | \$ 5,054,357 | \$ 5,058,875 |
| Restricted | - | - | - | - |
| Unrestricted | 1,871,554 | 1,626,416 | 1,239,452 | 1,298,275 |
| <i>Total Business-Type Activities</i> | | | | |
| <i>Net Position</i> | <u>\$ 7,081,358</u> | <u>\$ 6,889,847</u> | <u>\$ 6,293,809</u> | <u>\$ 6,357,150</u> |
| <i>Primary Government</i> | | | | |
| Net Investment in Capital Assets | \$ 11,471,565 | \$ 7,761,473 | \$ 5,392,257 | \$ 6,469,632 |
| Restricted | 1,884,219 | 1,944,020 | 2,083,220 | 2,425,330 |
| Unrestricted | 7,093,382 | 11,529,463 | 10,220,209 | 10,095,437 |
| <i>Total Primary Government Net Position</i> | <u>\$ 20,449,166</u> | <u>\$ 21,234,956</u> | <u>\$ 17,695,686</u> | <u>\$ 18,990,399</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 | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| \$ 1,722,478 | \$ 2,804,778 | \$ 3,330,278 | \$ 6,894,960 | \$ 11,348,915 | \$ 14,542,751 |
| 2,491,719 | 2,520,596 | 2,553,132 | 2,602,649 | 2,972,105 | 3,436,700 |
| 11,150,185 | 10,966,166 | 13,653,948 | 17,992,369 | 17,687,785 | 18,265,959 |
| <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> | <u>\$ 36,245,410</u> |
| \$ 5,568,799 | \$ 5,356,887 | \$ 5,732,376 | \$ 5,540,079 | \$ 5,407,513 | \$ 5,682,560 |
| - | - | - | - | - | - |
| 1,108,878 | 1,223,156 | 629,538 | 993,163 | 1,013,620 | 1,023,442 |
| <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> | <u>\$ 6,706,002</u> |
| \$ 7,291,277 | \$ 8,161,665 | \$ 9,062,654 | \$ 12,435,039 | \$ 16,756,428 | \$ 20,225,311 |
| 2,491,719 | 2,520,596 | 2,553,132 | 2,602,649 | 2,972,105 | 3,436,700 |
| 12,259,063 | 12,189,322 | 14,283,486 | 18,985,532 | 18,701,405 | 19,289,401 |
| <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> | <u>\$ 42,951,412</u> |

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

| | Fiscal Year | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2015* | 2016* | 2017 | 2018 |
| Expenses | | | | |
| <i>Governmental Activities</i> | | | | |
| General Government | \$ 5,914,432 | \$ 8,380,379 | \$ 5,832,574 | \$ 3,957,565 |
| Public Safety | 6,716,420 | 6,548,599 | 7,141,799 | 7,208,670 |
| Public Works | 2,574,042 | 2,680,500 | 2,724,691 | 2,785,890 |
| Recreation | 177,765 | 201,719 | 236,786 | 244,312 |
| Interest and Fiscal Agent Fees | 683,723 | 684,213 | 633,911 | 579,660 |
| <i>Total Governmental Activities Expenses</i> | <u>16,066,382</u> | <u>18,495,410</u> | <u>16,569,761</u> | <u>14,776,097</u> |
| <i>Business-Type Activities</i> | | | | |
| Water/Wastewater Utilities | 3,317,600 | 3,410,251 | 3,705,811 | 3,907,259 |
| Storm Water Utility | 397,259 | 580,855 | 477,189 | 509,026 |
| <i>Total Business-Type Activities</i> | <u>3,714,859</u> | <u>3,991,106</u> | <u>4,183,000</u> | <u>4,416,285</u> |
| Total Primary Government Expenses | <u><u>\$ 19,781,241</u></u> | <u><u>\$ 22,486,516</u></u> | <u><u>\$ 20,752,761</u></u> | <u><u>\$ 19,192,382</u></u> |
| Program Revenues | | | | |
| <i>Governmental Activities</i> | | | | |
| Charges for Service: | | | | |
| General Government | \$ 208,017 | \$ 53,086 | \$ 1,028,765 | \$ 46,408 |
| Public Safety | 531,948 | 672,712 | 669,876 | 897,738 |
| Public Works | 281,317 | 167,563 | 200,946 | 291,422 |
| Recreation | 63,496 | 57,689 | 63,893 | 65,127 |
| Operating Grants and Contributions | 77,500 | 32,500 | 44,845 | 974,452 |
| Capital Grants and Contributions | - | - | 270,000 | - |
| <i>Total Governmental Activities</i> | <u>1,162,278</u> | <u>983,550</u> | <u>2,278,325</u> | <u>2,275,147</u> |
| <i>Program Revenues</i> | <u>1,162,278</u> | <u>983,550</u> | <u>2,278,325</u> | <u>2,275,147</u> |
| <i>Business-Type Activities</i> | | | | |
| Charges for Service: | | | | |
| Water/Wastewater Utilities | 3,550,228 | 3,351,518 | 3,285,822 | 4,027,254 |
| Storm Water Utility | 552,245 | 557,942 | 526,365 | 592,047 |
| Operating Grants and Contributions | - | - | - | - |
| Capital Grants and Contributions | - | - | 147,337 | 197,698 |
| <i>Total Business-Type Activities</i> | <u>4,102,473</u> | <u>3,909,460</u> | <u>3,959,524</u> | <u>4,816,999</u> |
| <i>Program Revenues</i> | <u>4,102,473</u> | <u>3,909,460</u> | <u>3,959,524</u> | <u>4,816,999</u> |
| Total Primary Government Program Revenues | <u><u>\$ 5,264,751</u></u> | <u><u>\$ 4,893,010</u></u> | <u><u>\$ 6,237,849</u></u> | <u><u>\$ 7,092,146</u></u> |

TABLE 2

| | | Fiscal Year | | | | | | | | | |
|----|-------------------|-------------|-------------------|------|-------------------|------|-------------------|----|-------------------|----|-------------------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | | | | |
| \$ | 3,531,774 | \$ | 3,115,843 | \$ | 3,237,399 | \$ | 3,480,760 | \$ | 3,856,269 | \$ | 3,500,010 |
| | 7,968,939 | | 8,627,416 | | 8,446,080 | | 8,297,164 | | 10,137,229 | | 10,230,850 |
| | 2,924,373 | | 2,833,678 | | 2,988,661 | | 3,042,640 | | 4,492,807 | | 4,597,691 |
| | 217,299 | | 226,927 | | 233,671 | | 262,652 | | 320,918 | | 289,010 |
| | 530,842 | | 488,674 | | 353,002 | | 679,313 | | 864,477 | | 814,610 |
| | <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> | | <u>19,432,171</u> |
| | 4,238,501 | | 4,424,702 | | 5,012,383 | | 4,364,698 | | 5,350,560 | | 6,218,387 |
| | 499,022 | | 527,844 | | 520,732 | | 477,217 | | 560,409 | | 640,630 |
| | <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>6,859,017</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> | \$ | <u>26,291,188</u> |
| \$ | 37,393 | \$ | 30,323 | \$ | 1,308,041 | \$ | 1,010,196 | \$ | 1,326,428 | \$ | 1,057,482 |
| | 795,870 | | 763,135 | | 219,695 | | 227,002 | | 217,967 | | 232,120 |
| | 581,828 | | 278,556 | | 10,957 | | 16,633 | | 8,752 | | 41,399 |
| | 68,502 | | 28,999 | | 36,442 | | 43,677 | | 37,424 | | 32,640 |
| | 1,063,034 | | 1,047,285 | | 924,949 | | 5,000,325 | | 1,086,832 | | 1,085,765 |
| | - | | - | | 39,000 | | 245,500 | | 1,554,000 | | 989,500 |
| | <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> | | <u>3,438,906</u> |
| | 3,990,018 | | 4,098,610 | | 4,282,722 | | 4,723,605 | | 5,462,311 | | 6,398,153 |
| | 565,855 | | 605,410 | | 614,169 | | 599,018 | | 616,527 | | 632,838 |
| | - | | - | | 158,000 | | - | | - | | - |
| | 839,295 | | - | | 608,037 | | - | | - | | - |
| | <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>7,030,991</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> | \$ | <u>10,469,897</u> |

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

| | Fiscal Year | | | |
|--|------------------------|------------------------|------------------------|------------------------|
| | 2015* | 2016* | 2017 | 2018 |
| Net (Expenses)/Revenue | | | | |
| Governmental Activities | \$ (14,904,104) | \$ (17,511,860) | \$ (14,291,436) | \$ (12,500,950) |
| Business-Type Activities | 387,614 | (81,646) | (223,476) | 400,714 |
| Total Primary Government Net Expenses | <u>\$ (14,516,490)</u> | <u>\$ (17,593,506)</u> | <u>\$ (14,514,912)</u> | <u>\$ (12,100,236)</u> |
| Governmental Revenues and Other | | | | |
| Changes in Net Position | | | | |
| <i>Governmental Activities</i> | | | | |
| Taxes: | | | | |
| Property Taxes | \$ 4,770,375 | \$ 4,816,434 | \$ 5,302,619 | \$ 5,405,636 |
| Sales and Mixed Beverage Taxes | 7,515,505 | 7,855,281 | 5,942,495 | 6,110,869 |
| Franchise Taxes | 1,179,497 | 1,170,417 | 1,143,688 | 1,140,210 |
| Occupancy Taxes | 436,420 | 540,765 | 596,882 | 592,016 |
| Interest and Investment Earnings | 69,873 | 162,719 | 158,707 | 215,721 |
| Miscellaneous | 54,254 | 41,487 | 29,296 | 93,879 |
| Transfers | 103,803 | 116,275 | 397,898 | 402,016 |
| <i>Total Governmental Activities</i> | <u>14,129,727</u> | <u>14,703,378</u> | <u>13,571,585</u> | <u>13,960,347</u> |
| <i>Business-Type Activities</i> | | | | |
| Interest and Investment Earnings | 1,105 | 6,410 | 16,534 | 36,099 |
| Miscellaneous | - | - | 8,802 | 56,641 |
| Transfers | (103,803) | (116,275) | (397,989) | (402,016) |
| <i>Total Business-Type Activities</i> | <u>(102,698)</u> | <u>(109,865)</u> | <u>(372,653)</u> | <u>(309,276)</u> |
| Total Primary Government | <u>\$ 14,027,029</u> | <u>\$ 14,593,513</u> | <u>\$ 13,198,932</u> | <u>\$ 13,651,071</u> |
| Changes In Net Position | | | | |
| Government Activities | \$ (774,377) | \$ (2,808,482) | \$ (719,851) | \$ 1,459,397 |
| Business-Type Activities | 284,916 | (191,511) | (596,129) | 91,438 |
| Total Primary Government | <u>\$ (489,461)</u> | <u>\$ (2,999,993)</u> | <u>\$ (1,315,980)</u> | <u>\$ 1,550,835</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 | | | | | |
|----|---------------------|------------------------|------------------------|-----------------------|------------------------|------------------------|------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| \$ | (12,626,600) | \$ (13,144,240) | \$ (12,719,729) | \$ (9,219,196) | \$ (15,440,297) | \$ (15,993,265) | |
| | 657,645 | (248,526) | 129,813 | 480,708 | 167,869 | 171,974 | |
| \$ | <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> | <u>\$ (15,821,291)</u> | |
| \$ | 5,683,767 | \$ 5,763,038 | \$ 6,045,605 | \$ 6,114,498 | \$ 7,002,739 | \$ 7,181,821 | |
| | 6,895,667 | 6,556,209 | 7,629,564 | 8,550,755 | 8,373,983 | 8,486,408 | |
| | 1,136,462 | 1,064,713 | 1,202,761 | 1,387,232 | 1,371,927 | 1,350,833 | |
| | 631,720 | 360,884 | 521,757 | 575,556 | 617,770 | 776,067 | |
| | 413,511 | 286,389 | 14,499 | (82,158) | 1,785,128 | 1,982,558 | |
| | 182,194 | 160,583 | 192,367 | 308,307 | 417,220 | 414,841 | |
| | 414,412 | (120,418) | 358,994 | 317,626 | 390,357 | 37,342 | |
| | <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> | <u>20,229,870</u> | |
| | 70,578 | 17,307 | 872 | 8,246 | 70,879 | 90,237 | |
| | 6,716 | 13,167 | 10,180 | - | 39,500 | 60,000 | |
| | (414,412) | 120,418 | (358,994) | (317,626) | (390,357) | (37,342) | |
| | <u>(337,118)</u> | <u>150,892</u> | <u>(347,942)</u> | <u>(309,380)</u> | <u>(279,978)</u> | <u>112,895</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> | <u>\$ 20,342,765</u> | |
| \$ | 2,731,133 | \$ 927,158 | \$ 3,245,818 | \$ 7,952,620 | \$ 4,518,827 | \$ 4,236,605 | |
| | 320,527 | (97,634) | (218,129) | 171,328 | (112,109) | 284,869 | |
| \$ | <u>3,051,660</u> | <u>\$ 829,524</u> | <u>\$ 3,027,689</u> | <u>\$ 8,123,948</u> | <u>\$ 4,406,718</u> | <u>\$ 4,521,474</u> | |

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

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 |
| <i>General Fund:</i> | | | | |
| Nonspendable | \$ 10,022 | \$ 15,458 | \$ 114,631 | \$ 17,800 |
| Restricted | 15,465 | 13,523 | 6,747 | 3,660 |
| Committed | 1,978,705 | 1,943,738 | 2,482,170 | 2,553,151 |
| Assigned | - | - | - | - |
| Unassigned | 7,536,197 | 8,617,515 | 9,346,943 | 10,044,706 |
| <i>Total General Fund</i> | <u>\$ 9,540,389</u> | <u>\$ 10,590,234</u> | <u>\$ 11,950,491</u> | <u>\$ 12,619,317</u> |
| <i>All Other Governmental Funds:</i> | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - |
| Restricted | 10,237,843 | 5,157,188 | 2,529,428 | 2,421,670 |
| Committed | 748,666 | 928,678 | 1,207,089 | 788,234 |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| <i>Total All Other Governmental Funds</i> | <u>\$ 10,986,509</u> | <u>\$ 6,085,866</u> | <u>\$ 3,736,517</u> | <u>\$ 3,209,904</u> |

TABLE 3

| Fiscal Year | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| \$ 21,300 | \$ 17,082 | \$ 32,456 | \$ 30,013 | \$ 34,335 | \$ 49,069 |
| 19,989 | 10,883 | - | - | - | - |
| 2,970,258 | 4,462,775 | 4,967,942 | 2,681,697 | 2,764,489 | 3,396,506 |
| - | 88,778 | - | - | - | - |
| 11,745,322 | 10,283,739 | 12,601,788 | 16,242,682 | 14,775,205 | 14,324,841 |
| <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> | <u>\$ 17,770,416</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2,471,730 | 2,509,713 | 2,612,807 | 20,657,627 | 21,155,288 | 11,942,368 |
| 1,297,881 | 1,121,594 | 738,369 | 2,893,067 | 4,754,584 | 5,284,975 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <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> | <u>\$ 17,227,343</u> |

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

| | Fiscal Year | | | |
|--|-----------------------|-----------------------|---------------------|-------------------|
| | 2015 | 2016 | 2017 | 2018 |
| REVENUES | | | | |
| Taxes | \$ 12,086,031 | \$ 12,637,054 | \$ 12,939,413 | \$ 13,217,790 |
| Fines and Forfeitures | 470,667 | 466,763 | 446,246 | 580,805 |
| Licenses and Permits | 329,905 | 220,009 | 248,451 | 341,623 |
| Charges for Services | 126,610 | 134,278 | 140,784 | 133,876 |
| Grants and Donations | 213,157 | 162,500 | 1,442,844 | 1,165,176 |
| Investment Earnings | 62,677 | 108,984 | 158,707 | 215,721 |
| Miscellaneous | 76,125 | 84,658 | 134,192 | 95,655 |
| TOTAL REVENUES | <u>13,365,172</u> | <u>13,814,246</u> | <u>15,510,637</u> | <u>15,750,646</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 5,502,218 | 7,855,639 | 5,576,329 | 3,783,937 |
| Public Safety | 6,055,839 | 5,898,901 | 6,129,095 | 6,452,232 |
| Public Works | 1,792,428 | 1,833,522 | 1,870,241 | 2,020,134 |
| Recreation | 178,235 | 201,719 | 233,257 | 239,247 |
| Capital Outlay | 1,123,191 | 831,073 | 682,087 | 1,112,806 |
| Debt Service: | | | | |
| Principal | 1,550,000 | 1,625,000 | 1,675,000 | 1,725,000 |
| Interest and Fiscal Agent Fees | 791,505 | 782,038 | 731,618 | 677,093 |
| Bond Issue Costs | - | - | - | - |
| TOTAL EXPENDITURES | <u>16,993,416</u> | <u>19,027,892</u> | <u>16,897,627</u> | <u>16,010,449</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,628,244)</u> | <u>(5,213,646)</u> | <u>(1,386,990)</u> | <u>(259,803)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sales of Capital Assets | 68 | - | - | - |
| Transfers In | 2,048,548 | 1,893,100 | 890,383 | 910,101 |
| Transfers Out | (474,250) | (530,252) | (492,485) | (508,085) |
| Debt Issuance | - | - | - | - |
| Bond Premium | - | - | - | - |
| Payments to Refunding Escrow Agent | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,574,366</u> | <u>1,362,848</u> | <u>397,898</u> | <u>402,016</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (2,053,878)</u> | <u>\$ (3,850,798)</u> | <u>\$ (989,092)</u> | <u>\$ 142,213</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 14.4% | 15.6% | 13.1% | 14.8% |

TABLE 4

| | | Fiscal Year | | | | | | | | | |
|----|-------------------|-------------|-------------------|------|-------------------|------|-------------------|----|-------------------|----|--------------------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | | | | |
| \$ | 14,251,690 | \$ | 13,689,336 | \$ | 15,268,089 | \$ | 16,579,772 | \$ | 17,404,563 | \$ | 17,779,048 |
| | 598,291 | | 498,726 | | 549,331 | | 601,283 | | 772,022 | | 784,335 |
| | 619,216 | | 311,189 | | 846,269 | | 543,855 | | 683,409 | | 358,027 |
| | 143,585 | | 86,886 | | 283,859 | | 304,244 | | 269,955 | | 316,711 |
| | 1,156,657 | | 1,160,914 | | 821,929 | | 5,097,849 | | 2,493,684 | | 1,983,855 |
| | 413,511 | | 286,389 | | 14,501 | | (82,162) | | 1,785,119 | | 1,982,564 |
| | 291,071 | | 255,954 | | 274,536 | | 279,007 | | 333,662 | | 317,968 |
| | <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> | | <u>23,522,508</u> |
| | 3,269,456 | | 2,949,970 | | 2,956,407 | | 3,429,868 | | 3,483,287 | | 3,215,938 |
| | 6,837,579 | | 7,721,922 | | 7,711,591 | | 8,039,551 | | 8,545,132 | | 9,120,863 |
| | 2,039,282 | | 2,012,575 | | 2,072,066 | | 2,193,264 | | 2,680,810 | | 3,010,311 |
| | 208,943 | | 214,835 | | 226,089 | | 253,199 | | 306,257 | | 412,880 |
| | 514,931 | | 977,965 | | 749,103 | | 3,935,371 | | 5,000,589 | | 13,145,825 |
| | 1,695,000 | | 1,735,000 | | 1,795,000 | | 1,870,000 | | 2,080,000 | | 2,150,000 |
| | 625,983 | | 588,625 | | 522,408 | | 453,884 | | 1,153,771 | | 1,083,025 |
| | - | | - | | - | | 249,535 | | - | | - |
| | <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> | | <u>32,138,842</u> |
| | 2,282,847 | | 88,502 | | 2,025,850 | | 2,899,176 | | 492,568 | | (8,616,334) |
| | - | | - | | 52,881 | | 84,955 | | 95,890 | | 92,850 |
| | 887,912 | | 892,108 | | 425,224 | | 2,644,126 | | 3,335,938 | | 1,652,233 |
| | (473,500) | | (1,012,526) | | (45,157) | | (2,326,500) | | (2,945,581) | | (1,614,891) |
| | - | | - | | - | | 16,490,000 | | - | | - |
| | - | | - | | - | | 1,759,967 | | - | | - |
| | - | | - | | - | | - | | - | | - |
| | <u>414,412</u> | | <u>(120,418)</u> | | <u>432,948</u> | | <u>18,652,548</u> | | <u>486,247</u> | | <u>130,192</u> |
| \$ | <u>2,697,259</u> | \$ | <u>(31,916)</u> | \$ | <u>2,458,798</u> | \$ | <u>21,551,724</u> | \$ | <u>978,815</u> | \$ | <u>(8,486,142)</u> |
| | 16.1% | | 15.8% | | 15.3% | | 13.9% | | 16.7% | | 16.5% |

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 |
|----------------|--------------|-------------------------------|------------|--------------|----------------|
| 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 |
| 2024 | 7,165,479 | 8,627,625 | 776,067 | 1,209,877 | 17,779,048 |

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 |
|----------------|-------------------------|------------------------|---------------------------------|------------------------------------|-----------------------------|
| 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 |
| 2024 | 1,307,927,842 | 1,250,162,486 | 491,468,335 | 2,066,621,993 | 0.385790 |

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 |
| 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 |
| 2024 | 0.274211 | 0.111579 | 0.385790 | 1.0346 | 1.0105 |

| Fiscal Year | Overlapping Rates | | | | |
|-------------|-------------------------|-----------------------------|--------------|--------------------|--------------------------|
| | Alamo Community College | San Antonio River Authority | Bexar County | Bexar County Flood | University Health System |
| 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 |
| 2024 | 0.14915 | 0.01800 | 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 | 2024 | | | 2015 | | |
|-------------------------------------|-------------------------|------|---|------------------------|------|---|
| | 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 | \$ 79,891,370 | 1 | 3.87% | \$ 41,036,690 | 3 | 4.24% |
| Methodist Healthcare System | 75,234,740 | 2 | 3.64% | 66,951,722 | 1 | 6.91% |
| Blue Atlantic Mira Loma LP | 58,519,880 | 3 | 2.83% | | | |
| IKEA Property Inc | 54,894,110 | 4 | 2.66% | | | |
| Continental 136 Fund | 49,900,000 | 5 | 2.41% | 28,000,000 | 4 | 2.89% |
| JHG Aspire I LLC | 47,500,000 | 6 | 2.30% | | | |
| MCN Villas-SA LLC | 44,500,000 | 7 | 2.15% | | | |
| AT Heritage LP | 43,000,000 | 8 | 2.08% | | | |
| 13012 Oak Terrace SA LLC | 29,700,000 | 9 | 1.44% | | | |
| SA Development Company LP | 26,806,232 | 10 | 1.30% | 17,021,493 | 7 | 1.76% |
| Mira Loma LLC | | | | 63,500,000 | 2 | 6.56% |
| MBS-Colonade Ltd | | | | 27,250,000 | 5 | 2.81% |
| Redus TX Properties, LLC | | | | 21,903,419 | 6 | 2.26% |
| Jordan Ford, Inc. | | | | 13,581,080 | 8 | 1.40% |
| Target Corporation | | | | 13,264,230 | 9 | 1.37% |
| HD Development Property, LP | | | | 11,896,090 | 10 | 1.23% |
| TOTALS | \$ 509,946,332 | | 24.68% | \$ 304,404,724 | | 31.43% |
| TOTAL TAXABLE ASSESSED VALUE | \$ 2,066,621,993 | | | \$ 968,468,534 | | |

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 |
| 2015 | \$ 4,863,092 | \$ 4,848,896 | 99.71% | \$ 9,715 | \$ 4,858,611 | 99.91% |
| 2016 | 5,069,178 | 4,990,227 | 98.44% | 74,969 | 5,065,196 | 99.92% |
| 2017 | 5,320,407 | 5,247,854 | 98.64% | 69,175 | 5,317,029 | 99.94% |
| 2018 | 5,510,833 | 5,422,439 | 98.40% | 83,122 | 5,505,561 | 99.90% |
| 2019 | 5,731,799 | 5,646,854 | 98.52% | 66,449 | 5,713,303 | 99.68% |
| 2020 | 5,841,744 | 5,811,636 | 99.48% | (9,743) | 5,801,893 | 99.32% |
| 2021 | 6,210,081 | 6,176,273 | 99.46% | (24,776) | 6,151,497 | 99.06% |
| 2022 | 6,310,379 | 6,274,592 | 99.43% | 7,524 | 6,282,116 | 99.55% |
| 2023 | 7,171,300 | 7,121,674 | 99.31% | (44,094) | 7,077,580 | 98.69% |
| 2024 | 7,477,555 | 7,411,804 | 99.12% | - | 7,411,804 | 99.12% |

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 | | | | | | | |
|---|-------------|------------------|------|------------------|------|------------------|------|------------------|
| | 2024 | | 2023 | | 2022 | | 2021 | |
| | Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total |
| Full-Service Restaurant | 1 | 19.3 | 1 | 19.5 | 1 | 16.6 | 3 | 16.2 |
| Home Centers | 2 | 15.9 | 2 | 15.6 | 2 | 15.3 | 2 | 13.8 |
| Furniture Sales | 3 | 14.7 | 3 | 14.1 | 3 | 14.5 | 1 | 17.6 |
| Undefined | 4 | 6.7 | 6 | 5.8 | 18 | 1.0 | 20 | 1.1 |
| General Merchandise Stores | 5 | 6.7 | 4 | 6.5 | 4 | 6.8 | 4 | 7.3 |
| Radio, TV & Electronic Stores | 6 | 5.2 | 5 | 6.2 | 5 | 6.8 | 5 | 6.5 |
| General Medical & Surgical Hospitals | 7 | 3.0 | 8 | 2.7 | 6 | 4.7 | 7 | 2.5 |
| Clothing Accessories Stores | 8 | 3.0 | 7 | 3.1 | 7 | 3.2 | 6 | 3.4 |
| Department Stores | 9 | 2.1 | 9 | 2.1 | 9 | 2.1 | 12 | 2.1 |
| New Car Dealers | 10 | 2.1 | 11 | 1.7 | 12 | 1.7 | 13 | 1.8 |
| Jewelry Stores | 11 | 1.9 | 10 | 1.9 | 8 | 2.1 | 9 | 2.2 |
| Gasoline Station Convenience Stores | 12 | 1.7 | 13 | 1.6 | 14 | 1.6 | 14 | 1.6 |
| Building Equipment Contractors | 13 | 1.5 | | | | | | |
| Beer, Wine and Liquor Stores | 14 | 1.4 | 12 | 1.7 | 11 | 1.8 | 10 | 2.1 |
| Automotive Parts, Access and Tires | 15 | 1.4 | 16 | 1.2 | 20 | 1.0 | 16 | 1.2 |
| All Other Home Furnishing Stores | 16 | 1.2 | 14 | 1.5 | 10 | 1.8 | 8 | 2.2 |
| Business to Business Electronic Markets | 17 | 1.2 | 18 | 0.9 | 13 | 1.7 | 15 | 1.6 |
| Motion Picture Theaters | 18 | 1.1 | | | | | | |
| Miscellaneous Retailer | 19 | 0.9 | 15 | 1.4 | 15 | 1.6 | 17 | 1.2 |
| Automotive Repair | 20 | 0.7 | 17 | 1.0 | 17 | 1.1 | 18 | 1.1 |
| Electric Power Generators | | | 19 | 0.9 | | | | |
| Outdoor Power Equipment | | | 20 | 0.9 | 19 | 1.0 | 19 | 1.1 |
| Wireless Telecommunications | | | | | 16 | 1.5 | 11 | 2.1 |
| Limited-Service Restaurants | | | | | | | | |
| Other Appliances | | | | | | | | |
| Construction | | | | | | | | |
| Electronics, Applications, Computers | | | | | | | | |
| Shoe Stores | | | | | | | | |
| Wholesalers Durable | | | | | | | | |
| Total | | <u>91.7</u> | | <u>90.3</u> | | <u>87.9</u> | | <u>88.7</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.

TABLE 10

| Fiscal Year | | | | | | | | | | | |
|-------------|------------------|------|------------------|------|------------------|------|------------------|------|------------------|------|------------------|
| 2020 | | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | |
| Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total | Rank | Percent of Total |
| 3 | 7.8 | 4 | 7.8 | 3 | 8.0 | 3 | 8.3 | 3 | 8.5 | 4 | 8.4 |
| 2 | 13.4 | 2 | 10.9 | 1 | 12.3 | 1 | 12.6 | 1 | 12.0 | 1 | 11.0 |
| 1 | 17.6 | 1 | 17.1 | 6 | 5.5 | 6 | 5.4 | 6 | 5.7 | 5 | 6.3 |
| 7 | 4.8 | 7 | 3.3 | | | | | | | | |
| 4 | 7.2 | 5 | 6.8 | 4 | 7.5 | 4 | 7.3 | 4 | 7.8 | 3 | 8.4 |
| 5 | 6.4 | 3 | 7.9 | 2 | 9.7 | 2 | 9.5 | 2 | 9.4 | 2 | 10.4 |
| 8 | 2.9 | 8 | 3.2 | 10 | 3.0 | 10 | 3.0 | 14 | 2.5 | 12 | 2.9 |
| 16 | 1.7 | 12 | 2.0 | 12 | 2.5 | 12 | 2.5 | 12 | 2.6 | 14 | 2.5 |
| 10 | 2.1 | 9 | 2.7 | 8 | 3.4 | 9 | 3.4 | 8 | 3.7 | 8 | 4.3 |
| 12 | 2.0 | 13 | 1.9 | 15 | 2.1 | 15 | 2.2 | 15 | 2.1 | 16 | 1.7 |
| 14 | 1.8 | 11 | 2.1 | 11 | 2.6 | 11 | 2.8 | 10 | 3.3 | 9 | 3.6 |
| 15 | 1.8 | 19 | 1.3 | | | | | | | | |
| 9 | 2.3 | 15 | 1.8 | 17 | 1.6 | 19 | 1.2 | | | 18 | 1.3 |
| 17 | 1.7 | 17 | 1.6 | 16 | 1.8 | 16 | 1.9 | 16 | 1.9 | 15 | 2.0 |
| 11 | 2.0 | 14 | 1.8 | 9 | 3.2 | 8 | 3.6 | 9 | 3.5 | 10 | 3.4 |
| 19 | 0.9 | | | | | | | | | | |
| | | 16 | 1.7 | 13 | 2.4 | 13 | 2.5 | 11 | 2.7 | 13 | 2.8 |
| | | 18 | 1.5 | | | | | 17 | 1.2 | | |
| | | | | 19 | 1.3 | 20 | 1.1 | | | | |
| 20 | 0.9 | | | | | 18 | 1.2 | 18 | 1.2 | 20 | 1.1 |
| 18 | 1.1 | 20 | 1.0 | 20 | 1.1 | | | | | | |
| 13 | 1.9 | 10 | 2.6 | 7 | 5.2 | 7 | 5.4 | 7 | 5.4 | 6 | 5.2 |
| 6 | 5.6 | 6 | 5.6 | 5 | 6.3 | 5 | 6.2 | 5 | 5.8 | 7 | 4.7 |
| | | | | 14 | 2.3 | 14 | 2.3 | 13 | 2.6 | 11 | 3.2 |
| | | | | 18 | 1.3 | 17 | 1.6 | | | | |
| | | | | | | | | 19 | 1.0 | 19 | 1.2 |
| | | | | | | | | 20 | 1.0 | | |
| | | | | | | | | | | 17 | 1.3 |
| | <u>85.9</u> | | <u>84.6</u> | | <u>83.1</u> | | <u>84.0</u> | | <u>83.9</u> | | <u>85.7</u> |

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

TABLE 11

| Fiscal Year | Governmental Activities | | | Business-Type | Total Primary Government | Percent of Personal Income | Per Capita |
|-------------|--------------------------|----------------------------|------------|---------------|--------------------------|----------------------------|------------|
| | General Obligation Bonds | Certificates of Obligation | Tax Notes | Tax Notes | | | |
| 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 |
| 2024 | 23,763,865 | - | - | - | 23,763,865 | 3.52% | 1,450 |

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 | | | | |
| 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 |
| 2024 | 23,763,865 | - | - | - | 23,763,865 | (470,336) | 23,293,529 | 1.13% | 1,422 |

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 | \$ 707,460,000 | 0.86% | \$ 6,084,156 |
| Bexar County | 2,222,135,000 | 0.86% | 19,110,361 |
| Bexar County Hospital District | 1,280,820,000 | 0.86% | 11,015,052 |
| Judson ISD | 827,669,085 | 8.88% | 73,497,015 |
| North East ISD | 1,147,705,000 | 1.10% | <u>12,624,755</u> |
| Subtotal, Overlapping Debt | | | 122,331,339 |
| City Direct Debt | | | <u>23,763,865</u> |
| TOTAL DIRECT AND OVERLAPPING DEBT | | | <u><u>\$ 146,095,204</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 | | \$ | <u>2,066,621,993</u> |
| | | | |
| 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. | | \$ | 206,662,199 |
| | | | |
| Amount of Applicable Debt: | | | |
| Outstanding Debt | \$ | 23,763,865 | |
| Less Debt Service Net Position | | <u>(470,336)</u> | <u>23,293,529</u> |
| | | | |
| DEBT MARGIN | | \$ | <u><u>183,368,670</u></u> |
| | | | |
| Total Net Debt as a Percentage of Debt Margin | | | 12.70% |

| <u>Fiscal Year</u> | <u>Debt Limit</u> | <u>Total Net Debt Applicable to Limit</u> | <u>Debt Margin</u> |
|--------------------|-------------------|---|--------------------|
| 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 |
| 2023 | 187,235,696 | (25,781,122) | 161,454,574 |

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 |
|----------------|------------|--------------------|----------------------------------|---------------|----------------------|----------------------|
| 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% |
| 2024 | 16,385 | 676,028,715 | 41,259 | 35.1 | 12,646 | 3.9% |

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 | 2024 | | | 2015 | | |
|------------------------|----------------|------|---|----------------|------|---|
| | EMPLOYEES | RANK | PERCENTAGE OF TOTAL CITY EMPLOYMENT | EMPLOYEES | RANK | PERCENTAGE OF TOTAL CITY EMPLOYMENT |
| Joint Base San Antonio | 82,639 | 1 | 7.09% | | | |
| H-E-B Food Stores | 20,000 | 2 | 1.72% | 20,000 | 1 | 1.98% |
| USAA | 18,100 | 3 | 1.55% | 17,000 | 2 | 1.68% |
| City of San Antonio | 14,500 | 4 | 1.24% | 9,154 | 5 | 0.90% |
| Northside ISD | 12,900 | 5 | 1.11% | 12,751 | 3 | 1.26% |
| Methodist Healthcare | 12,000 | 6 | 1.03% | 8,118 | 6 | 0.90% |
| North East ISD | 8,208 | 7 | 0.70% | 10,052 | 4 | 0.99% |
| UT Health Science | 7,930 | 8 | 0.68% | | | |
| San Antonio ISD | 7,500 | 9 | 0.64% | 7,000 | 7 | 0.80% |
| Baptist Health Systems | 7,291 | 10 | 0.63% | 6,498 | 8 | 0.64% |
| JP Morgan Chase | | | | 5,200 | 9 | 0.51% |
| Wells Fargo | | | | 5,153 | 10 | 0.51% |
| Total | <u>191,068</u> | | <u>16.39%</u> | <u>100,926</u> | | <u>10.17%</u> |

| LIVE OAK EMPLOYERS | 2024 | | 2015 | |
|------------------------------|--------------|------|--------------|------|
| | EMPLOYEES | RANK | EMPLOYEES | RANK |
| Alterman, Inc. | 1,999 | 1 | | |
| Randolph Brooks FCU | 1,560 | 2 | 928 | 1 |
| Northeast Methodist Hospital | 883 | 3 | 751 | 2 |
| Judson ISD | 459 | 4 | 352 | 4 |
| Jordan Ford | 256 | 5 | 171 | 6 |
| NE Lakeview College | 201 | 6 | 470 | 3 |
| Target | 222 | 7 | 176 | 5 |
| Ikea Home Furnishings | 185 | 8 | | |
| Home Depot | 155 | 9 | 163 | 7 |
| World Car | 145 | 10 | 125 | 9 |
| Best Buy | | | 150 | 8 |
| City of Live Oak | | | 119 | 10 |
| Total | <u>6,065</u> | | <u>3,405</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>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>2024</u> |
| <u>General Government</u> | | | | | | | | | | |
| Business Office | 9.0 | 9.3 | 9.3 | 9.3 | 7.3 | 7.3 | 6.0 | 6.0 | 6.0 | 6.0 |
| Finance | 4.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 5.0 | 6.0 | 6.0 | 5.0 |
| Manager | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Development | 3.5 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 2.0 | 2.0 |
| <u>Public Safety</u> | | | | | | | | | | |
| Police | | | | | | | | | | |
| Officers | 32.0 | 32.0 | 32.0 | 32.0 | 35.0 | 35.0 | 35.0 | 35.0 | 35.0 | 35.0 |
| Civilians | 15.0 | 18.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 17.0 | 17.0 | 17.0 |
| Fire | | | | | | | | | | |
| Civilians | 1.5 | 1.0 | 0.0 | 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 | 21.0 | 22.0 | 22.0 | 24.0 | 24.0 | 24.0 |
| <u>Public Works</u> | | | | | | | | | | |
| General Services | 11.0 | 7.0 | 7.0 | 7.0 | 8.0 | 8.0 | 7.0 | 7.0 | 8.5 | 9.5 |
| Parks | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 7.0 | 7.0 | 8.0 | 8.0 |
| <u>Water and Sewer</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> | <u>14.5</u> |
| TOTAL | <u>119.0</u> | <u>117.3</u> | <u>114.3</u> | <u>114.3</u> | <u>117.3</u> | <u>118.3</u> | <u>120.0</u> | <u>122.0</u> | <u>122.0</u> | <u>122.0</u> |

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>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
| <u>Police</u> | | | | |
| Traffic Violations | 5,494 | 4,110 | 4,345 | 6,319 |
| Arrests | 411 | 305 | 242 | 620 |
| <u>Fire</u> | | | | |
| Fire Calls | 436 | 594 | 673 | 290 |
| EMS Calls | 1,017 | 1,011 | 43 | 1,579 |
| Inspections | 923 | 1,083 | 1,043 | 651 |
| <u>Public Works</u> | | | | |
| Streets Resurfacing (Miles) | 0.0 | 1.2 | 1.2 | 14.2 |
| Sidewalk Construction (Feet) | 1,056 | 1,056 | - | - |
| <u>Water</u> | | | | |
| Service Connections | 2,777 | 2,885 | 2,876 | 2,928 |
| Average Daily Consumption in Gallons: | | | | |
| Pumpage | 1,226,056 | 1,386,816 | 1,200,000 | 1,325,802 |
| Billing | 1,037,195 | 1,236,047 | 1,040,341 | 1,041,742 |
| Average | 1,131,626 | 1,311,432 | 1,120,171 | 1,183,772 |
| <u>Sewer</u> | | | | |
| Service Connections | 4,713 | 4,716 | 4,720 | 4,853 |
| Average Daily Treatment in Gallons | 761,108 | 1,236,046 | 1,200,000 | 1,320,356 |

Source: Various City Departments.

TABLE 18

| Fiscal Year | | | | | |
|-------------|-----------|-----------|-----------|-----------|-----------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 5,772 | 5,087 | 4,458 | 9,340 | 12,078 | 11,337 |
| 399 | 672 | 606 | 752 | 821 | 828 |
| 282 | 546 | 721 | 697 | 1,192 | 1,329 |
| 1,549 | 1,174 | 1,470 | 1,698 | 1,333 | 1,471 |
| 761 | 1,005 | 1,156 | 1,060 | 956 | 1,056 |
| 5.2 | 0.0 | 0.0 | 0.0 | 0.0 | 12.0 |
| 12,660 | 12,810 | 1,000 | 700 | 10,646 | 1,890 |
| 2,940 | 2,957 | 2,915 | 2,949 | 3,142 | 3,153 |
| 1,088,196 | 1,365,003 | 980,597 | 1,283,844 | 1,377,958 | 1,510,509 |
| 935,647 | 1,104,140 | 1,026,732 | 1,073,332 | 1,149,074 | 1,069,043 |
| 1,011,922 | 1,234,572 | 1,003,665 | 1,178,588 | 1,263,516 | 1,289,776 |
| 4,865 | 4,882 | 4,920 | 4,904 | 4,980 | 5,057 |
| 1,079,259 | 1,124,707 | 1,158,475 | 1,340,000 | 743,023 | 1,087,197 |

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

TABLE 19

| <u>Function</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>2024</u> |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Police</u> | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Officers | 35 | 35 | 35 | 36 | 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 | 21 | 21 | 22 | 22 | 24 | 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 | 45.5 | 45.5 | 45.5 | 46.3 | 48.1 | 48.3 | 48.3 | 49.0 | 49.4 |
| <u>Water</u> | | | | | | | | | | |
| Water Mains (Miles) | 35.0 | 35.0 | 55.0 | 55.0 | 55.5 | 57.4 | 57.7 | 57.7 | 57.7 | 57.7 |
| Number of Hydrants | 440 | 440 | 440 | 497 | 532 | 537 | 564 | 568 | 573 | 580 |
| <u>Sewer</u> | | | | | | | | | | |
| Sanitary Sewers (Miles) | 43.00 | 43.00 | 60.00 | 60.00 | 60.80 | 62.68 | 62.79 | 62.79 | 64.30 | 64.30 |
| <u>Storm Water</u> | | | | | | | | | | |
| Storm Sewers (Feet) | 13,400 | 13,400 | 13,400 | 13,400 | 19,400 | 21,577 | 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 Mayor, City Council and management of
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, 2024, 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 20, 2025.

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.

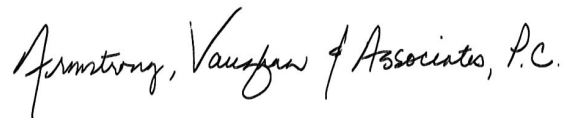
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 20, 2025

