

CITY OF LIVE OAK, STATE OF CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2023



PREPARED BY THE FINANCE DEPARTMENT

CITY OF LIVE OAK, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY THE FINANCE DEPARTMENT

This page intentionally left blank.

TABLE OF CONTENTS

INTRODUCTORY SECTION (UNAUDITED):

Transmittal Letter	i
Organizational Chart	iv

FINANCIAL SECTION:

Independent Auditors' Report	1
Management Discussion and Analysis (Required Supplementary Information)	5
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	24
Statement of Cash Flows – Proprietary Funds	25
Notes to Basic Financial Statements	26

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED):

Budgetary Comparison Schedule by Department - General Fund	65
Budgetary Comparison Schedule – Program Income	66
Schedule of Proportionate Share of Net Pension Liability	67
Schedule of Plan Contributions	69
Schedule of Changes in the Net OPEB Asset and Related Ratios	71
Schedule of OPEB Plan Contributions	72
Notes to Required Supplementary Information	73

TABLE OF CONTENTS (continued)

FINANCIAL SECTION (continued):

SUPPLEMENTARY INFORMATION:

Nonmajor Governmental Funds:

Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	86
Budgetary Comparison Schedules:	
Streets and Roads	94
Traffic Safety.....	95
COPS	96
Sidewalk Improvement	97
Street Lighting	98
Mello Roos CFD 92-1	99
Fire Benefit Assessment	100
Mello Roos CFD 2004-1 Fire	101
Mello Roos CFD 2004-1 Police	102
Mello Roos CFD 2004-1 Animal Services	103
Mello Roos CFD 2004-1 Street Lighting.....	104
Mello Roos CFD 2004-1 Parks/Recreation/Pool	105
Mello Roos CFD 2004-1 Storm Drain	106
Parks and Recreation Impact Fees	107
Community Center Impact Fees	108
Public Works Impact Fees	109
General Government Impact Fees	110
Police Impact Fees	111
Fire Impact Fees	112
Signal Impact Fees	113
Flood Control Impact Fees	114
Storm Drain Connection Fees	115
Transportation	116
ARPA.....	117

Nonmajor Proprietary Funds:

Combining Statement of Net Position	118
Combining Statement of Revenues, Expenditures and Changes in Net Position	119
Combining Statement of Cash Flows	120

TABLE OF CONTENTS (continued)

STATISTICAL SECTION:

Narrative Summary	121
Financial Trend Information:	
Net Position by Component – Last Ten Fiscal Years	122
Changes in Net Position – Last Ten Fiscal years	123
Fund Balances of Governmental Funds – Last Ten Fiscal Years	125
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	126
Revenue Capacity Information:	
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	127
Property Tax Rates – All Overlapping Governments – Last Ten Fiscal Years	128
Principal Property Tax Payers – Current Year and Four Years Ago	129
Property Tax Levies and Collections – Last Ten Fiscal Years	130
Debt Capacity Information:	
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	131
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	132
Direct and Overlapping Bonded Debt	133
Computation of Legal Bonded Debt Margin	134
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Calendar Years	135
Principal Employers – Current Year and Four Years Ago.....	136
Operating Information:	
Full-Time and Part-Time City Government Employees – Last Ten Fiscal Years	137
Operating Indicators – Last Ten Fiscal Years	138
Capital Asset Statistics – Last Ten Fiscal Years	139
Sales Value History – Last Ten Years	140

This page intentionally left blank



December 28, 2023

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF LIVE OAK

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Live Oak for the fiscal year ended June 30, 2023. Although addressed to the City's governing body and its citizens, the ACFR is intended also to provide relevant financial information to creditors, investors, and other interested parties. This transmittal letter provides a summary of City of Live Oak finances, services, achievements and economic prospects for readers without a technical background. Those wishing a more detailed discussion of the City's financial results should refer to Management's Discussion and Analysis (MD&A) contained in the Financial Section of the ACFR.

Management takes sole responsible for the accuracy of the information contained in this report, the adequacy of its disclosures, and the fairness of its presentation. To provide a reasonable basis for making this representation, the City has established a system of internal controls designed to protect City assets from loss, to identify and record transactions accurately, and to compile the information necessary to produce financial statements in conformity with generally accepted accounting principles.

The City contracted with Rogers, Anderson, Malody & Scott, LLP, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The goal of the audit is to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatements and are fairly presented in conformity with the generally accepted accounting principles (GAAP). The City auditors have issued an unmodified ("clean") opinion that the City's financial statements for fiscal year ended June 30, 2023. This conclusion is the most favorable kind and is presented as the component of the financial section of this report.

REPORTING ENTITY

The City of Live Oak is a growing, rural community located on the Highway 99 corridor 60 miles north of Sacramento at the north end of Sutter County. Incorporated in 1947 and named for the oak forest that once dominated the landscape, Live Oak is rooted strongly in agriculture, surrounded on all sides by bountiful agriculture production including peaches, nuts, rice, and other crops. Live Oak has grown to a population of 9,300 residents and comprises of 3.1 square miles.

The City is a full-service general law city that operates under a Council-Manager form of government. The City's five Council Members are elected at large and serve four-year terms. The elections are staggered every two years, with three seats open in one election and two seats open in the next election. The Mayor and Vice-Mayor are elected by the City Council to serve one-year terms. The City Council appoints a City Manager to implement its policies and directives. All of the City departments operate under the supervision of the City Manager.

The City provides a full range of municipal services, including police and fire protection, street and park maintenance, community development, building inspection, code enforcement, recreation programs, finance, grants and general administration. The City also operates a municipal pool, water treatment plant and a wastewater treatment facility.

At one time a major hub for shipping produce, Live Oak is still linked to transportation with both the Union Pacific Railroad tracks and Highway 99 running north and south through the community. The world's smallest mountain range, the Sutter Buttes, is seven miles west of the city providing magnificent views of this natural attraction. The Feather River flows quietly less than two miles to the east.

The Live Oak City Council has responded to recent growth with significant policy accomplishments including adoption of a new 2030 General Plan, new zoning ordinance, building design guidelines, water/sewer/storm drain master plans and a streetscape design master plan for the Highway 99 corridor. Over 300 acres of highway frontage zoned for business growth was annexed in 2011. A state-of-the-art wastewater treatment plant was completed in 2012 ensuring adequate capacity for expected growth. The newly renovated Live Oak Depot, an icon of the community's historic link to the railroad, anchors the downtown core. New renovated parks provide recreational opportunities for Live Oak residents. Live Oak is poised as one of the nicest rural communities in the northern Sacramento Valley.

ECONOMIC CONDITION AND OUTLOOK

Property taxes, sales taxes, general taxes and assessments received by the City's governmental funds had a slight increase in revenues over the prior years as part of the recovery from the COVID-19 pandemic. These modest increases have restored the City's core revenue base to what it was received in the peak year of FY 2007-08. The widening of Highway 99 is expected to lead to new commercial opportunities. In the past 12 months, the City has experienced the addition of 41 new single-family homes, with another 30 pending permits.

In recent years, the City has leveraged various grant sources in funding significant public improvements projects including the City's new soccer park, sheriff and fire station rehabilitation and recent expansion of its bike/pedestrian trail system. Such projects add to the existing community assets and provides for new facilities for the betterment of public services being delivered to the City's residents.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

Highlights of activities and accomplishments for the fiscal year ended June 30, 2023 include the following:

- Began rehabilitation work on Pennington Road.
- Negotiated a new agreement with the represented employees.
- Began negotiations for public safety contracts.

FINANCIAL INFORMATION

The City's management staff is responsible for establishing and maintaining internal controls that safeguard the assets of the government from loss, theft, or misuse and allow the compilation of adequate accounting data for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed its likely benefits and that the evaluation of costs and benefits is subject to management estimates and judgments.

Budgetary Controls

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the majority of the funds are included in the annual appropriated budget. In administering the budget, the City Manager shall have the authority to provide each department with sufficient funding to meet its needs so long as a decision to vary from approved appropriations does not exceed, except in the case of emergencies, the total resources estimated to be available to the affected municipal fund at the time of the decision. If necessary, staff recommends budgetary changes during periodic financial status reports to the City Council.

The City continues to meet its responsibility for sound financial management as demonstrated by the statements and schedules included in the financial section of this report. The City does not present a budget for the Capital Improvement Fund because they are long-term in scope and are not adopted with the annual budget.

AWARD AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the City of Live Oak for its ACFR for the fiscal year ended June 30, 2022. This award recognizes the City's conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirement and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this ACFR represents the culmination of a concerted team effort by the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, staff in all City departments should be recognized for their timely and positive response to the requests for detailed information necessary to prepare the annual audit. The role of Rogers, Anderson, Malody & Scott, LLP, should also be acknowledged as a significant contribution.

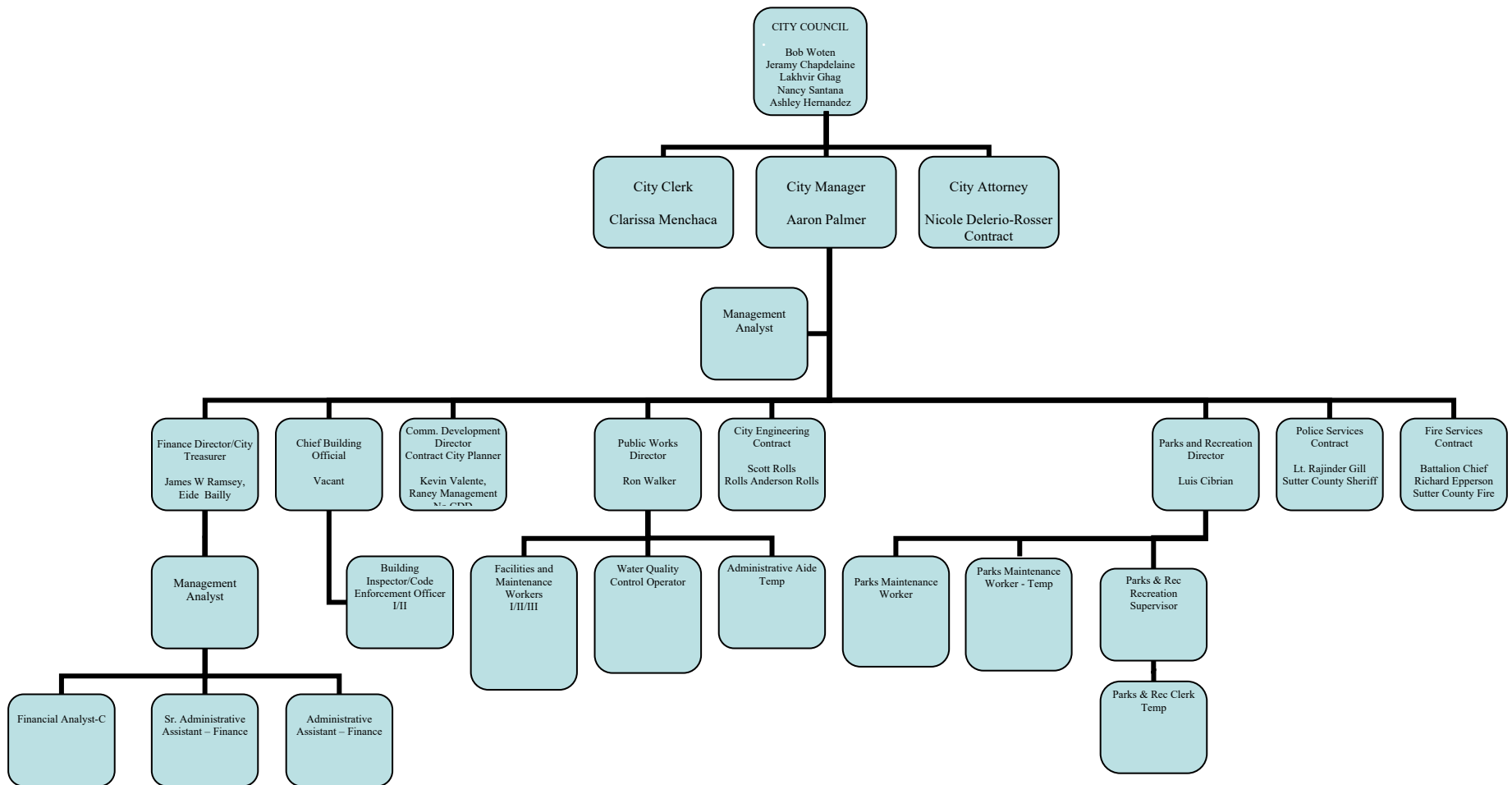
Finally, we wish to express our sincere appreciation to the Mayor and City Council for providing policy direction and a firm foundation of support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "James W. Ramsey". The signature is written in a cursive, flowing style.

James W Ramsey, CPA
Director of Finance

CITY OF LIVE OAK ORGANIZATIONAL CHART





ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants



Independent Auditor's Report

To the Honorable City Council
City of Live Oak, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Live Oak (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City'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, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 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

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'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 GAS 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 GAS, 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 the City'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 the City'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 and those schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 the City's basic financial statements. The combining and individual nonmajor fund financial statements, and the budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the budgetary comparison schedules are the responsibility of management and were 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 supplementary 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 comprehensive financial report (ACFR). The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 December 28, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 the City's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 28, 2023

This page intentionally left blank.

Management's Discussion and Analysis

The following discussion provides readers of the City of Live Oak, California's (City) financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This document should be read in conjunction with the accompanying Letter of Transmittal and basic financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$84,245,893 as of June 30, 2023, a decrease of \$1,734,214 from the prior year.
- The City's governmental funds reported a combined fund balance of \$6,156,957, a decrease of \$446,410 from the prior year.
- General Fund revenues of \$3,814,834 were \$110,854 higher than the prior year.
- General Fund expenditures of \$4,652,427 represented an increase of \$102,988 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, commonly referred to as the City's basic financial statements. The management's discussion and analysis introduces these statements and includes two different views of the City's financial activities and position: (1) Government-Wide Financial Statements provide information about the activities of the City as a whole and present a longer-term view of the City's finances; (2) fund financial statements provide detailed information about the individual functions of City government, telling how services were financed in the short-term as well as what remains for future spending.

Each set of statements presents the City's finances in a distinct way. To assist the reader in understanding the differences between them, a brief discussion of each follows, including the relationship of these statements to each other and the significant differences in the information they provide.

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of City finances in a manner similar to private sector business. These statements separate the City's activities into two areas:

Governmental Activities – these services are principally supported by taxes and intergovernmental revenues. Most of the City's basic services are considered to be governmental activities including public safety, community development, public works, parks and recreation, and general administration.

Business-Type Activities – these services rely upon user fees and charges to help cover all or most of their costs. The City's water and wastewater systems are reported here. Unlike governmental activities, these services are supported by charges supported by users based on the amount of the service they use.

Management's Discussion and Analysis

The two statements can be generally described as follows:

The Statement of Net Position presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them 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 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.

Notably, these statements differ from the fund financial statements in that they include all assets of the City (including infrastructure) and all liabilities (including long-term debt) and exclude certain interfund receivables, payables and other interfund activity. For additional reference, reconciliation between the two is provided on pages 19 and 22 of this report.

Fund Financial Statements

The fund financial statements provide detailed information about each of the City's most significant funds – not the City as a whole. Management establishes funds to help control and manage money for purposes. The City uses two types of funds: governmental and proprietary.

Governmental Funds – most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. This information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship between governmental activities (reported in the statement of net position and the statement of activities) and the governmental funds in reconciliation at the bottom of the fund financial statements.

Proprietary Funds – when the City charges customers for services it provides, whether outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds provide the same type of information as shown in the government-wide financial statements (i.e., business-type activities), only in more detail. The City uses enterprise funds to account for its water and sewer operations; in addition, the City uses enterprise funds to account for water and sewer connection fees.

NOTES TO 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.

City of Live Oak

Management's Discussion and Analysis

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report presents the following required supplementary information: budgetary comparisons for the City's General Fund and major special revenue funds as well as a description of the City's accounting policies with regard to the annual budget. The City also reports certain schedules related to the net pension liability and net OPEB asset.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements provide long-term and short-term information about the City's overall financial conditions. This analysis addresses the financial statements of the City as a whole.

Following is a summary of net position:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 28,795,769	\$ 27,049,337	\$ 5,221,911	\$ 5,883,051	\$ 34,017,680	\$ 32,932,388
Capital assets, net	28,694,346	28,835,154	32,540,827	34,034,467	61,235,173	62,869,621
Total assets	57,490,115	55,884,491	37,762,738	39,917,518	95,252,853	95,802,009
Deferred outflows	692,475	260,658	404,441	267,693	1,096,916	528,351
Current and other liabilities	3,625,934	1,626,674	507,921	580,252	4,133,855	2,206,926
Non-current liabilities	1,474,683	802,488	6,247,368	6,211,807	7,722,051	7,014,295
Total liabilities	5,100,617	2,429,162	6,755,289	6,792,059	11,855,906	9,221,221
Deferred inflows	177,603	628,999	70,367	500,033	247,970	1,129,032
Net position:						
Net investment in capital assets	28,451,964	28,551,024	26,933,171	28,172,308	55,385,135	56,723,332
Restricted	23,156,631	23,228,119	3,057,635	-	26,214,266	23,228,119
Unrestricted	1,295,775	1,307,845	1,350,717	4,720,811	2,646,492	6,028,656
Total Net Position	\$ 52,904,370	\$ 53,086,988	\$ 31,341,523	\$ 32,893,119	\$ 84,245,893	\$ 85,980,107

Net position represents the difference between the City's resources and its obligations. At June 30, 2023, the largest portion of the City's total net position, 66 percent, reflects the net investment in capital assets. This component of net position, which reflects the total amount of funds used to acquire those assets less any outstanding debt used for such acquisition, was \$55.4 million at June 30, 2023. These capital assets are used by the City to provide services to the citizens.

Overall, the net position for the governmental and business-type activities of the City funds has deteriorated primarily due to increasing costs for salaries and benefits as well as increased supplies and maintenance costs.

City of Live Oak

Management's Discussion and Analysis

Restricted net position for governmental activities of \$23.1 million represents resources subject to external restrictions as to how they may be used. Unrestricted net position for governmental activities of \$1.3 million represents amounts that may be used to meet the City's ongoing obligations to its residents, businesses, customers, and creditors.

Following is a summary of changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 668,463	\$ 947,739	\$ 3,769,513	\$ 4,166,245	\$ 4,437,976	\$ 5,113,984
Operating grants and contributions	364,224	1,143,071	-	123,864	364,224	1,266,935
Capital grants and contributions	478,664	57,965	-	-	478,664	57,965
General revenues:						
Property taxes	2,330,230	1,843,633	-	-	2,330,230	1,843,633
Business privilege	598,071	520,544	-	-	598,071	520,544
Public utility	-	284,861	-	-	-	284,861
Franchise taxes	298,307	-	-	-	298,307	-
Transient occupancy taxes	-	745,456	-	-	-	745,456
Motor vehicle in lieu	457,867	-	-	-	457,867	-
Other taxes	1,262,269	-	-	-	1,262,269	-
Unrestricted grants and contributions	-	415,704	-	-	-	415,704
Use of money and property	347,278	358,364	70,369	(30,926)	417,647	327,438
Miscellaneous	20,847	306,961	-	-	20,847	306,961
Total revenues	6,826,220	6,624,298	3,839,882	4,259,183	10,666,102	10,883,481
Expenses:						
General government	970,176	931,014	-	-	970,176	931,014
Public safety	2,970,288	2,517,012	-	-	2,970,288	2,517,012
Public ways and facilities	583,760	1,243,057	-	-	583,760	52,895
Culture and recreation	1,499,961	1,207,729	-	-	1,499,961	1,207,729
Community development	975,406	52,895	-	-	975,406	1,243,057
Interest on long term debt	9,247	31,899	-	-	9,247	31,899
Water	-	-	1,927,586	1,770,843	1,927,586	1,770,843
Sewer	-	-	3,463,892	3,085,361	3,463,892	3,085,361
Total expenses	7,008,838	5,983,606	5,391,478	4,856,204	12,400,316	10,839,810
Excess - before transfers	(182,618)	640,692	(1,551,596)	(597,021)	(1,734,214)	43,671
Transfers	-	-	-	-	-	-
Change in net position	(182,618)	640,692	(1,551,596)	(597,021)	(1,734,214)	43,671
Net Position, Beginning	53,086,988	52,446,296	32,893,119	33,490,140	85,980,107	85,936,436
Net Position, Ending	\$ 52,904,370	\$ 53,086,988	\$ 31,341,523	\$ 32,893,119	\$ 84,245,893	\$ 85,980,107

Governmental Activities:

The City's governmental activities decreased the City's net position by \$182,618. Revenues, net of transfers, were \$6.8 million which represented an increase of \$201,922 or 3 percent, and expenses were \$7.0 million which represented an increase of \$1,025,232 or 17.1 percent. Governmental activities highlights include the following:

Taxes provided \$4.9 million or 7.2 percent of the total governmental activities revenue of the City. This amount is an increase of \$1,136,546 mainly due to a significant distribution for motor vehicle in lieu – unrestricted, with an increase of \$846,565 as compared to the prior year. Property taxes increased by \$486,597 due to the recognition of special assessments of the Mello-Roos taxes that were not imposed in the prior year.

Management's Discussion and Analysis

Charges for services, operating grants and capital grants provided \$1.5 million or 22.1 percent of the total governmental-activities revenue of the City. This amount is a decrease of \$637,424 million from the prior year and attributable to a decrease in grant funds received.

Business Type Activities

Business-type activities decreased the City's net position by \$1,551,596. Revenues were \$3.8 million. Business type activities highlights include the following:

Charges for services provided \$3.8 million or 98.2 percent of the total business type activities revenue of the City. This is a decrease of approximately 9.5 percent from the prior year due to increased consumption. Transfers between the governmental activities and business-type activities were eliminated during year due to no more construction projects.

Expenses were \$5.4 million, an increase of 11 percent primarily due to the recognition of a significant increase in the net pension liability due to the decrease of the discount rate from 7.15 percent to 6.90 percent recognized in the current year.

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

The City uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operation in more detail than the government-wide statements. The City's governmental funds provide information on near-term inflows, outflows and balances of spendable resources. The City's governmental funds reported combined fund balances at June 30, 2023 of \$6,156,957. The General Fund decreased by \$837,593 and all other Governmental Funds increased by \$391,183. Within the governmental funds, the decrease in fund balance was primarily attributable to increased public safety costs for police and fire.

Analysis of Major Governmental Funds

General Fund

There were no changes to the revenue budget or appropriations budget of the General Fund. General Fund revenues totaled \$3,814,834 in fiscal year 2022-23, which was a positive variance of \$216,368 as compared to the final budget amount and an increase of \$110,854 over last year. The variance is primarily attributable to an increase in property tax and sales tax revenues that were remitted to the City. The Fund ended with a negative variance of \$764,274 between the actual expenditures incurred and final budget amounts. The largest negative variance of \$413,079 was in police services due rising personnel costs and increased patrol hours.

The primary increases, as compared to the prior year, were in property taxes in the amount of \$147,068, offset by a decrease in other taxes of \$140,560. The increase in property taxes is due to elevated property values during the fiscal year. General Fund expenditures totaled \$4,652,427 in fiscal year 2022-23, an increase of \$102,988 over last year.

City of Live Oak

Management's Discussion and Analysis

At the end of fiscal year 2023, the fund balance for the City's General Fund was \$3,122,701 a decrease of \$837,593 over last year. The fund balance in General Fund comprised of \$6,514 in nonspendable fund balance, \$2,599,487 committed fund balance and \$516,700 unassigned fund balance. The nonspendable fund balance decreased by \$3,629, the committed fund balance remained flat, while the unassigned fund balance decreased \$833,964.

The following table summarizes the budget to actual results for the City's General Fund. Overall, the actual expenses for the year were slightly less than budgeted:

	As of June 30, 2023		
	Original Budget	Final Budget	Actual Amount
General government	\$ 901,638	\$ 901,638	\$ 741,180
Public safety	1,802,845	1,802,845	2,363,389
Public ways and facilities	31,000	31,000	73,385
Culture and recreation	774,074	774,074	1,008,866
Community development	192,675	192,675	299,154
Capital outlay	37,700	37,700	8,485
Debt service	148,221	148,221	157,968
	<u>\$ 3,888,153</u>	<u>\$ 3,888,153</u>	<u>\$ 4,652,427</u>

Program Income

There were no changes made to the original budget during the current year. The Fund ended with a positive revenue variance of \$84,685 primarily due to a grant reimbursement that was not considered at the time of budgeting. Program Income Fund revenues totaled \$380,829 in fiscal year 2022-23, an increase of \$136,904 due to loan payoffs. There were no Program Income Fund expenditures. At the end of fiscal year 2023 the Program Income Fund balance was \$380,829 an increase of \$84,685.

16-HOME-11532

There were no revenues or activities recorded in the 16-HOME-11532 Fund for fiscal year 2022-23.

Capital Improvement Project

The Capital Improvement Fund accounts for major City capital improvement projects. The Fund is budgeted on a project length basis and therefore is not comparable on an annual basis. Total grant reimbursements were \$478,664 due to the submissions of claims for ongoing projects. Expenditures totaled \$697,330 in fiscal year 2023. Expenditures are in capital outlay and primarily relate to capital improvements on Pennington Road.

Management's Discussion and Analysis

Other Governmental Funds

These funds are presented in aggregate on the face of the fund financial statements and individually in the Supplementary Information.

Analysis of Major Enterprise Funds

Water

The Water Fund is financed and operated in a manner similar to that of a private business. Overall, operating revenues increased \$116,031 compared to fiscal year 2022-23. In addition, operating expenses increased to \$1,890,067, up \$156,743 over the prior year. The primary driver for the increase in the current year is related to an allocation of a portion the net pension. As of June 30, 2023, the fund's net position went from \$9,622,183 in 2022 to \$8,616,675 in 2023 representing a decrease of \$1,005,508. The Fund's net investment in capital assets decreased by \$376,273 due to depreciation, offset by payments on outstanding debt. The Fund reported a deficit in unrestricted net position in the amount of (\$1,699,871) at the close of fiscal year 2023. Due to the age of the water system infrastructure, significant investments will be required in future years to update water lines and equipment.

Sewer

The Sewer Fund is financed and operated in a manner similar to that of a private business. As of June 30, 2023, the Fund's net position totaled \$19,667,213 of which \$16,616,625 remains invested in capital assets net of related debt. The fund's unrestricted net position was \$3,050,588 at the close of fiscal year 2023. Overall, operating revenues remained fairly constant at \$2,494,773 with an increase of \$58,296 over the prior year. Operating expenses totaled \$3,392,226 for the year, a 12.7 percent increase of \$381,733 over the prior year. Non-operating items did not significantly change from the previous year. Due to the age of the sewer system infrastructure, significant investments will be required in future years to update sewer lines and equipment.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City records all of its capital assets including infrastructure. At the end of 2023, the City had invested \$61.2 million in a broad range of capital assets, including park facilities, streets and roads improvements, and water well construction. Additional detailed information on the City's capital assets is presented in Note 4 to the financial statements.

The financial statements summarize the City's accounting policies regarding capital assets in Note 1 Section I of the note disclosures.

City of Live Oak

Management's Discussion and Analysis

As of June 30, 2023, the City's capital assets consisted of:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 6,584,996	\$ 6,584,996	\$ 233,241	\$ 233,241	\$ 6,818,237	\$ 6,818,237
Construction in progress	1,101,738	3,356,370	386,022	1,070,668	1,487,760	4,427,038
Right to use asset - equipment	45,150	45,150	22,514	22,514	67,664	67,664
Buildings and improvements	7,561,067	7,561,067	38,641	38,641	7,599,708	7,599,708
Equipment	4,981,010	4,830,684	1,680,365	1,597,191	6,661,375	6,427,875
Infrastructure	25,170,594	22,199,263	54,043,363	53,358,714	79,213,957	75,557,977
Less: Accumulated depreciation	(16,750,209)	(15,742,376)	(23,863,319)	(22,286,502)	(40,613,528)	(38,028,878)
Total capital assets, net	<u>\$ 28,694,346</u>	<u>\$ 28,835,154</u>	<u>\$ 32,540,827</u>	<u>\$ 34,034,467</u>	<u>\$ 61,235,173</u>	<u>\$ 62,869,621</u>

At June 30, 2023, major construction in progress include the undergrounding of utility lines in the governmental activities and business-type activities.

Long-term Debt:

At June 30, 2022 and 2023 the City had \$6.2 million and \$5.8 million respectively in long-term debt outstanding. The City made all scheduled repayments on existing debt on time. Additional detailed information about the City's total long-term liabilities is presented in Note 7 to the financial statements.

As of June 30, 2023, the City's debt consisted of:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Loan	\$ 52,883	\$ 105,766	\$ 4,030,408	\$ 4,222,159	\$ 4,083,291	\$ 4,327,925
Financed purchase	171,108	252,264	-	-	171,108	252,264
Lease liability	18,391	31,866	7,248	14,910	25,639	46,776
Certificates of participation	-	-	1,570,000	1,640,000	1,570,000	1,640,000
Total long-term liabilities	<u>\$ 242,382</u>	<u>\$ 389,896</u>	<u>\$ 5,607,656</u>	<u>\$ 5,877,069</u>	<u>\$ 5,850,038</u>	<u>\$ 6,266,965</u>

ECONOMIC FACTORS AND NEXT YEARS BUDGET

Assessed property values began increasing over the recent two years moving from \$546.9 million in 2022 to \$597.5 million in 2022. The City's revenue base has slowly increased over the past several years and are now nearly at the same level as it was in FY 2008-2009.

The local economy continued to improve during the fiscal year, however the effects of the pandemic are still being felt. Due to the age of the infrastructure system for its water and sewer services, the City expects to continue making significant investments in the upgrading of those systems.

The City continued to review and update various fees in fiscal year 2022-23. The City's development impact fees were updated in 2010-2011. Fee adjustments are necessary to ensure that the costs of providing services are matched closer to the fee revenues charged for providing these services.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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 demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Finance Department, 9955 Live Oak Blvd, Live Oak, California 95953, (530) 695-2112.

City of Live Oak

Statement of Net Position June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current:			
Cash and investments	\$ 7,506,963	\$ 6,140,595	\$ 13,647,558
Receivables:			
Accounts, net	526,552	428,549	955,101
Notes and loans	18,760,848	-	18,760,848
Leases	56,003	-	56,003
Accrued interest	44,302	26,545	70,847
Internal balances	1,380,495	(1,380,495)	-
Prepaid costs	6,924	2,139	9,063
Due from other governments	427,469	-	427,469
Noncurrent:			
Net OPEB asset	86,213	4,578	90,791
Capital assets not being depreciated	7,686,734	619,263	8,305,997
Capital assets, net of depreciation	<u>21,007,612</u>	<u>31,921,564</u>	<u>52,929,176</u>
Total Assets	<u>57,490,115</u>	<u>37,762,738</u>	<u>95,252,853</u>
Deferred Outflows of Resources:			
Deferred pension related items	635,141	399,059	1,034,200
Deferred OPEB related items	<u>57,334</u>	<u>5,382</u>	<u>62,716</u>
Total Deferred Outflows of Resources	<u>692,475</u>	<u>404,441</u>	<u>1,096,916</u>
Liabilities:			
Current:			
Accounts payable	1,307,820	184,730	1,492,550
Due to other governments	66,453	-	66,453
Salaries and benefits payable	23,125	20,364	43,489
Accrued interest	2,545	-	2,545
Deposits payable	192,932	6,303	199,235
Unearned revenue	1,867,576	-	1,867,576
Compensated absences	14,799	26,590	41,389
Bonds, notes, and leases	150,684	269,934	420,618
Noncurrent:			
Compensated absences	64,589	81,167	145,756
Bonds, notes, and leases	91,698	5,337,722	5,429,420
Net pension liability	<u>1,318,396</u>	<u>828,479</u>	<u>2,146,875</u>
Total Liabilities	<u>5,100,617</u>	<u>6,755,289</u>	<u>11,855,906</u>
Deferred Inflows of Resources:			
Deferred pension related items	113,216	71,145	184,361
Deferred OPEB related items	7,809	(778)	7,031
Lease related	<u>56,578</u>	<u>-</u>	<u>56,578</u>
Total Deferred Inflows of Resources	<u>177,603</u>	<u>70,367</u>	<u>247,970</u>
Net Position:			
Net investment in capital assets	28,451,964	26,933,171	55,385,135
Restricted for:			
Public safety	1,843,298	-	1,843,298
Public ways and facilities	1,863,561	-	1,863,561
Community development	18,730,833	-	18,730,833
Culture and recreation	632,726	-	632,726
Capital projects	-	3,057,635	3,057,635
Net OPEB asset	86,213	-	86,213
Unrestricted	<u>1,295,775</u>	<u>1,350,717</u>	<u>2,646,492</u>
Total Net Position	<u>\$ 52,904,370</u>	<u>\$ 31,341,523</u>	<u>\$ 84,245,893</u>

The accompanying notes are an integral part of these financial statements.

City of Live Oak

Statement of Activities Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	\$ 970,176	\$ 422,183	\$ 7,477	\$ -
Public safety	2,970,288	2,754	145,426	-
Public ways and facilities	583,760	195,292	211,321	478,664
Culture and recreation	1,499,961	48,234	-	-
Community development	975,406	-	-	-
Interest on long-term debt	9,247	-	-	-
Total Governmental Activities	7,008,838	668,463	364,224	478,664
Business-Type Activities:				
Water	1,927,586	915,239	-	-
Sewer	3,463,892	2,494,773	-	-
Water Connection	-	160,335	-	-
Sewer Connection	-	199,166	-	-
Total Business-Type Activities	5,391,478	3,769,513	-	-
Total Primary Government	\$ 12,400,316	\$ 4,437,976	\$ 364,224	\$ 478,664

General Revenues:

Taxes:

Property taxes
Business privilege
Franchise taxes
Motor vehicle in lieu
Other taxes

Use of money and property

Miscellaneous

Total General Revenues

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (540,516)	\$ -	\$ (540,516)
(2,822,108)	-	(2,822,108)
301,517	-	301,517
(1,451,727)	-	(1,451,727)
(975,406)	-	(975,406)
(9,247)	-	(9,247)
<u>(5,497,487)</u>	<u>-</u>	<u>(5,497,487)</u>
-	(1,012,347)	(1,012,347)
-	(969,119)	(969,119)
-	160,335	160,335
-	199,166	199,166
<u>-</u>	<u>(1,621,965)</u>	<u>(1,621,965)</u>
<u>(5,497,487)</u>	<u>(1,621,965)</u>	<u>(7,119,452)</u>
2,330,230	-	2,330,230
598,071	-	598,071
298,307	-	298,307
457,867	-	457,867
1,262,269	-	1,262,269
347,278	70,369	417,647
20,847	-	20,847
<u>5,314,869</u>	<u>70,369</u>	<u>5,385,238</u>
(182,618)	(1,551,596)	(1,734,214)
<u>53,086,988</u>	<u>32,893,119</u>	<u>85,980,107</u>
<u>\$ 52,904,370</u>	<u>\$ 31,341,523</u>	<u>\$ 84,245,893</u>

This page intentionally left blank.

City of Live Oak

Balance Sheet Governmental Funds June 30, 2023

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>Program Income</u>	<u>16-HOME-11532</u>
Assets:			
Cash and investments	\$ -	\$ 379,229	\$ -
Receivables:			
Accounts	50,223	-	-
Accrued interest	12,264	1,600	-
Notes and loans	110,408	12,784,609	5,028,534
Leases	56,003	-	-
Due from other funds	3,622,486	-	-
Prepaid items	6,514	-	-
Due from other governments	165,172	-	-
Total Assets	\$ 4,023,070	\$ 13,165,438	\$ 5,028,534
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 579,220	\$ -	\$ -
Due to other governments	66,453	-	-
Salaries and benefits payable	20,123	-	-
Deposits payable	7,466	-	-
Due to other funds	-	-	2,028
Unearned revenues	-	-	-
Total Liabilities	673,262	-	2,028
Deferred Inflows of Resources:			
Unavailable revenues	170,529	-	-
Deferred loan payments	-	12,784,609	5,028,534
Lease related	56,578	-	-
Total Deferred Inflows of Resources	227,107	12,784,609	5,028,534
Fund Balances:			
Nonspendable	6,514	-	-
Restricted	-	380,829	-
Committed	2,599,487	-	-
Unassigned	516,700	-	(2,028)
Total Fund Balances	3,122,701	380,829	(2,028)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,023,070	\$ 13,165,438	\$ 5,028,534

The accompanying notes are an integral part of these financial statements.

Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 7,127,734	\$ 7,506,963
476,329	-	526,552
-	30,438	44,302
-	837,297	18,760,848
-	-	56,003
-	-	3,622,486
-	410	6,924
<u>211,321</u>	<u>50,976</u>	<u>427,469</u>
<u>\$ 687,650</u>	<u>\$ 8,046,855</u>	<u>\$ 30,951,547</u>
\$ 660,688	\$ 67,912	\$ 1,307,820
-	-	66,453
-	3,002	23,125
-	185,466	192,932
466,689	1,773,274	2,241,991
-	1,867,576	1,867,576
<u>1,127,377</u>	<u>3,897,230</u>	<u>5,699,897</u>
211,321	5,825	387,675
-	837,297	18,650,440
-	-	56,578
<u>211,321</u>	<u>843,122</u>	<u>19,094,693</u>
-	410	6,924
-	5,081,651	5,462,480
-	-	2,599,487
<u>(651,048)</u>	<u>(1,775,558)</u>	<u>(1,911,934)</u>
<u>(651,048)</u>	<u>3,306,503</u>	<u>6,156,957</u>
<u>\$ 687,650</u>	<u>\$ 8,046,855</u>	<u>\$ 30,951,547</u>

This page intentionally left blank.

City of Live Oak

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2023

Fund balances of governmental funds \$ 6,156,957

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.

Capital assets, not depreciated/amortized	7,686,734
Capital assets, net of depreciation/amortization	21,007,612

Liabilities that are not due and payable in the current period and, therefore, are not reported in the governmental funds. These liabilities consist of:

Bonds, notes, and leases	(242,382)
Compensated absences	(79,388)
Accrued interest	(2,545)

Some other assets are not financial resources and therefore, are not reported in the governmental funds. Unavailable revenue is shown in the governmental statement, because it will not be available as a current financial resource.

Since this revenue is earned, it is recognized in the government-wide statements.

19,038,115

Pension and OPEB related items are not reported in the governmental fund financial statements since they are not related to current financial resources, with the exception of contributions to the pension and OPEB plans, which are recorded as expenditures in the governmental funds and deferred outflows of resources in the statement of net position. The pension and related items included in governmental activities consist of:

Net OPEB asset	86,213
Deferred outflows related to OPEB	57,334
Deferred inflows related to OPEB	(7,809)
Net pension liability	(1,318,396)
Deferred outflows related to pension	635,141
Deferred inflows related to pension	(113,216)

Net Position of Governmental Activities

\$ 52,904,370

The accompanying notes are an integral part of these financial statements.

City of Live Oak

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023**

	<u>Special Revenue Fund</u>		
	<u>General</u>	<u>Program Income</u>	<u>16-HOME-11532</u>
Revenues:			
Taxes and assessments	\$ 3,236,602	\$ -	\$ -
Licenses and permits	276,862	-	-
Fines and forfeitures	1,251	-	-
Use of money and property	203,693	18,504	-
Intergovernmental	13,486	66,181	-
Charges for services	69,617	-	-
Other revenue	13,323	-	-
Total Revenues	<u>3,814,834</u>	<u>84,685</u>	<u>-</u>
Expenditures:			
Current:			
General government	741,180	-	-
Public safety	2,363,389	-	-
Public ways and facilities	73,385	-	-
Culture and recreation	1,008,866	-	-
Community development	299,154	-	-
Capital outlay	8,485	-	-
Debt service:			
Principal	147,514	-	-
Interest	10,454	-	-
Total Expenditures	<u>4,652,427</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(837,593)	84,685	-
Fund Balances, Beginning of Year	<u>3,960,294</u>	<u>296,144</u>	<u>(2,028)</u>
Fund Balances, End of Year	<u>\$ 3,122,701</u>	<u>\$ 380,829</u>	<u>\$ (2,028)</u>

The accompanying notes are an integral part of these financial statements.

Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,034,834	\$ 4,271,436
-	352,774	629,636
-	2,754	4,005
-	58,898	281,095
478,664	498,264	1,056,595
-	9,783	79,400
-	145,426	158,749
<u>478,664</u>	<u>2,102,733</u>	<u>6,480,916</u>
-	125,000	866,180
-	440,629	2,804,018
-	497,097	570,482
-	173,207	1,182,073
-	145,396	444,550
697,330	196,240	902,055
-	-	147,514
-	-	10,454
<u>697,330</u>	<u>1,577,569</u>	<u>6,927,326</u>
(218,666)	525,164	(446,410)
<u>(432,382)</u>	<u>2,781,339</u>	<u>6,603,367</u>
<u>\$ (651,048)</u>	<u>\$ 3,306,503</u>	<u>\$ 6,156,957</u>

City of Live Oak

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2023

Net changes in fund balances - total governmental funds \$ (446,410)

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

Governmental funds include capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period:

Capital outlay reported as expenditures, net of expensed items	867,025
Depreciation expense	(1,007,833)

Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the governmental funds. 345,304

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments:

Repayment of debt principal	147,514
-----------------------------	---------

Accrued interest expense is not recorded in the governmental funds. The following amount is the change in accrued interest. 1,207

Expenses in the statement of activities that do not use current financial resources are not reported as expenditures in the funds.

Changes in compensated absences liability	5,707
Changes in net OPEB asset and related outflows/inflows	340
Changes in net pension liability and related outflows/inflows	<u>(95,472)</u>

Change in Net Position of Governmental Activities \$ (182,618)

The accompanying notes are an integral part of these financial statements.

City of Live Oak

Statement of Net Position Proprietary Funds June 30, 2023

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Assets:				
Current:				
Cash and investments	\$ -	\$ 3,093,746	\$ 3,046,849	\$ 6,140,595
Receivables:				
Accounts, net	92,423	336,126	-	428,549
Accrued interest	-	15,759	10,786	26,545
Prepaid costs	1,262	877	-	2,139
Due from other funds	-	70,447	-	70,447
Total Current Assets	93,685	3,516,955	3,057,635	6,668,275
Noncurrent:				
Net OPEB asset	2,289	2,289	-	4,578
Capital assets not being depreciated	32,707	586,556	-	619,263
Capital assets, net of accumulated depreciation	11,167,463	20,754,101	-	31,921,564
Total Noncurrent Assets	11,202,459	21,342,946	-	32,545,405
Total Assets	11,296,144	24,859,901	3,057,635	39,213,680
Deferred Outflows of Resources:				
Deferred pension related items	170,006	229,053	-	399,059
Deferred OPEB related items	2,691	2,691	-	5,382
Total Deferred Outflows of Resources	172,697	231,744	-	404,441
Liabilities:				
Current:				
Accounts payable	81,898	102,832	-	184,730
Salaries and benefits payable	9,264	11,100	-	20,364
Deposits payable	1,653	4,650	-	6,303
Due to other funds	1,450,942	-	-	1,450,942
Compensated absences	10,344	16,246	-	26,590
Bonds, notes and leases	43,133	226,801	-	269,934
Total Current Liabilities	1,597,234	361,629	-	1,958,863
Noncurrent:				
Compensated absences	31,575	49,592	-	81,167
Bonds, notes and leases	840,491	4,497,231	-	5,337,722
Net pension liability	352,946	475,533	-	828,479
Total Noncurrent Liabilities	1,225,012	5,022,356	-	6,247,368
Total Liabilities	2,822,246	5,383,985	-	8,206,231
Deferred Inflows of Resources:				
Deferred pension related items	30,309	40,836	-	71,145
Deferred OPEB related items	(389)	(389)	-	(778)
Total Deferred Inflows of Resources	29,920	40,447	-	70,367
Net Position:				
Net investment in capital assets	10,316,546	16,616,625	-	26,933,171
Restricted for capital projects	-	-	3,057,635	3,057,635
Unrestricted	(1,699,871)	3,050,588	-	1,350,717
Total Net Position	\$ 8,616,675	\$ 19,667,213	\$ 3,057,635	\$ 31,341,523

The accompanying notes are an integral part of these financial statements.

City of Live Oak

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Funds			Totals
	Water	Sewer	Other Enterprise Funds	
Operating Revenues:				
Sales and service charges	\$ 915,239	\$ 2,494,773	\$ 359,501	\$ 3,769,513
Total Operating Revenues	<u>915,239</u>	<u>2,494,773</u>	<u>359,501</u>	<u>3,769,513</u>
Operating Expenses:				
Salaries and benefits	679,565	834,445	-	1,514,010
Administration	35,003	103	-	35,106
Power	293,717	287,029	-	580,746
Insurance	55,037	147,502	-	202,539
Supplies	87,033	105,242	-	192,275
Repair and extension	45,695	378,818	-	424,513
Professional services	144,708	422,718	-	567,426
Depreciation expense	468,551	1,108,266	-	1,576,817
Other expense	80,758	108,103	-	188,861
Total Operating Expenses	<u>1,890,067</u>	<u>3,392,226</u>	<u>-</u>	<u>5,282,293</u>
Operating Income (Loss)	<u>(974,828)</u>	<u>(897,453)</u>	<u>359,501</u>	<u>(1,512,780)</u>
Nonoperating Revenues (Expenses)				
Interest revenue	6,839	39,808	23,722	70,369
Interest expense	(37,519)	(71,666)	-	(109,185)
Total Nonoperating Revenues (Expenses)	<u>(30,680)</u>	<u>(31,858)</u>	<u>23,722</u>	<u>(38,816)</u>
Changes in Net Position	(1,005,508)	(929,311)	383,223	(1,551,596)
Net Position, Beginning of Fiscal Year	<u>9,622,183</u>	<u>20,596,524</u>	<u>2,674,412</u>	<u>32,893,119</u>
Net Position, End of Fiscal Year	<u>\$ 8,616,675</u>	<u>\$ 19,667,213</u>	<u>\$ 3,057,635</u>	<u>\$ 31,341,523</u>

The accompanying notes are an integral part of these financial statements.

City of Live Oak

Statement of Cash Flows Proprietary Funds Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Cash flows from operating activities:				
Cash received from customers and users	\$ 911,341	\$ 2,622,582	\$ 359,501	\$ 3,893,424
Cash paid to suppliers for goods and services	(733,592)	(1,493,257)	-	(2,226,849)
Cash paid to employees for services	(739,766)	(1,059,608)	-	(1,799,374)
Net cash provided by (used for) operating activities	<u>(562,017)</u>	<u>69,717</u>	<u>359,501</u>	<u>(132,799)</u>
Cash flows from non-capital financing activities:				
Cash borrowed and due to other funds	684,975	(70,447)	-	614,528
Net cash provided by non-capital financing activities	<u>684,975</u>	<u>(70,447)</u>	<u>-</u>	<u>614,528</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(48,447)	(34,730)	-	(83,177)
Transfer of construction in progress	-	(449,000)	449,000	-
Repayment of excess grant proceeds	-	-	-	-
Principal paid on capital debt	(43,831)	(225,582)	-	(269,413)
Interest paid on capital debt	(37,519)	(71,666)	-	(109,185)
Net cash provided (used) by capital and related financing activities	<u>(129,797)</u>	<u>(780,978)</u>	<u>449,000</u>	<u>(461,775)</u>
Cash flows from investing activities:				
Interest received	6,839	28,151	15,188	50,178
Net increase (decrease) in cash and cash equivalents	-	(753,557)	823,689	70,132
Cash and cash equivalents at beginning of year	-	3,847,303	2,223,160	6,070,463
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 3,093,746</u>	<u>\$ 3,046,849</u>	<u>\$ 6,140,595</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	<u>\$ (974,828)</u>	<u>\$ (897,453)</u>	<u>\$ 359,501</u>	<u>\$ (1,512,780)</u>
Adjustments to reconcile operating income (loss) net cash provided by operating activities:				
Depreciation	468,551	1,108,266	-	1,576,817
Changes in pension related items	(54,508)	(217,546)	-	(272,054)
Changes in OPEB related items	(17)	(17)	-	(34)
(Increase) decrease in accounts receivable	(3,898)	127,809	-	123,911
(Increase) decrease in prepaid costs	1,443	1,001	-	2,444
Increase (decrease) in accounts payable	6,316	(46,447)	-	(40,131)
Increase (decrease) in salaries and benefits payable	(8,473)	(12,619)	-	(21,092)
Increase (decrease) in deposits payable	600	1,704	-	2,304
Increase (decrease) in compensated absences	2,797	5,019	-	7,816
Total adjustments	<u>412,811</u>	<u>967,170</u>	<u>-</u>	<u>1,379,981</u>
Net cash provided (used) by operating activities	<u>\$ (562,017)</u>	<u>\$ 69,717</u>	<u>\$ 359,501</u>	<u>\$ (132,799)</u>
Non-Cash Investing, Capital and Financing Activities:	None	None	None	None

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Financial Reporting Entity

The City operates under a Council form of government and provides the following services: public safety, highways and streets, health and sanitation, culture-recreation, public improvements, planning and zoning, general administrative services, and water and sewer.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the City's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City Council. Separate financial statements for the City of Live Oak Public Improvement Corporation are not issued.

Blended Component Units

City of Live Oak Public Improvement Corporation (Corporation)

The Corporation, established August 18, 1987, was formed to assist the City in the financing of real or personal property for the benefit of the City of Live Oak. The Corporation is the lessor for the City's Farmers Home Administration Loan, the City's 2004 Certificates of Participation, and the City's 2003 Certificates of Participation and makes debt service payments on behalf of the City. The City Council is the governing body of the Corporation and because its financial and operational relationship with the City is closely integrated, the Corporation's loans payable are reported in the governmental activities, certificates of participation in the water and sewer enterprise funds and certificates of participation in the sewer enterprise fund financial statements.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A) Financial Reporting Entity (continued)

Joint Agencies

The City is a participant in Small Cities Organized Risk Effort (SCORE), the purpose of which is for member-cities to share in the administrative costs of providing liability and workers' compensation insurance. SCORE is composed of 19 member-cities and is governed by a board of directors appointed by the member-cities. Complete financial information can be obtained from the SCORE offices in San Francisco, California. The City is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

The City is a participant in California Joint Powers Risk Management Authority (CJPRMA), the purpose of which is to provide excess coverage for its members. The CJPRMA is governed by a board of directors representing its member-cities. Complete financial information can be obtained from the claims administrator at 3201 Doolan Road, Suite 285, Livermore, California 94551. The City is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B) Basis of Presentation

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the City and its blended component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B) Basis of Presentation (continued)

The fund financial statements provide information about the City's funds, including blended component units. Funds are organized into major categories: governmental and proprietary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as public safety, community development, and recreation and culture services.
- The Program Income fund is a special revenue fund used to account for revenues and expenditures related to HOME, CDBG and EDBG program income. Funding comes primarily from program income from federal grants.
- The 16-HOME-11532 fund is a special revenue fund used to account for HOME grant funds used for the Kristen Court Phase 2 project.
- The Capital Improvement Project fund is a capital projects fund used to account for revenues and expenditures for capital projects.

The City reports the following proprietary funds:

- The Water fund is an enterprise fund used to account for activity related to providing customers with water service and billing for services provided by the City.
- The Sewer fund is an enterprise fund used to account for activity related to providing customers with sewer service and billing for services provided by the City.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C) Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are recognized as revenue when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D) Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

E) Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the City considers all highly liquid investments with an original maturity of three months or less and amounts held in the City's investment pool to be cash and cash equivalents.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F) Investments

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the City could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Income from pooled investments is allocated to the individual funds based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Income from non-pooled investments is recorded based on the specific investments held by the fund.

G) Receivables

Receivables for governmental activities consist mainly of accounts, interest, taxes, intergovernmental, and notes and loans. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Receivables for enterprise funds consist mainly of user fees and interest. Management records an allowance for doubtful accounts based on actual customer balances that the City Council has approved to be written off. At June 30, 2023, the allowance for doubtful accounts was \$18.

H) Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items under both the accrual and modified accrual basis of accounting. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The City records both prepaid costs for expenditures/expenses paid for services that will benefit future periods and prepaid insurance for the net investment in a joint powers self-insurance agency.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I) Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer and similar items) are defined by the City as assets with a cost greater than \$5,000 (\$10,000 for enterprise funds) for assets other than infrastructure and \$75,000 for infrastructure and an estimated useful life of more than two years. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Equipment	3-25
Structures and improvements	5-50
Infrastructure	20-75

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Right to use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

J) Property Tax

Sutter County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Property taxes are levied on a fiscal year (July 1 – June 30). The secured property tax assessments are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. The unsecured property tax assessments are due on August 1 and become delinquent after August 31. Property taxes become a lien on the property effective January 1 of the preceding year.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J) Property Tax (continued)

The City recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year-end.

K) Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

L) Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M) Compensated Absences

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which is paid at the date of termination from City employment. All compensated pay is accrued when incurred in the government-wide and proprietary fund financial statements. For all governmental funds, termination pay-outs expected to be paid out of current financial resources are recorded as fund liabilities. Compensated absences recorded within Governmental Activities are expected to be primarily liquidated by the General Fund as they become due. Amounts recorded within Business-type Activities are expected to be liquidated from the both the Water and Sewer funds, as appropriate.

N) Pensions

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

O) Deferred Outflows/Inflows 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 a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items which qualify for reporting in this category. These items relate to outflows from changes in the net pension liability and the net OPEB asset and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has three types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the period of availability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second and third items relate to inflows from changes in the net pension liability and net OPEB asset and are reportable on the Statement of Net Position.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P) Estimates (continued)

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan), the assets of which are held by the California Employers' Retiree Benefit Trust (CERBT), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

R) Net Position

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three categories. These categories apply only to net position which is determined only for proprietary funds and at the government-wide level, and are described below:

- **Net investment in capital assets** - describes the portion of net position which is represented by the current net book value of the capital assets, less the outstanding balance of debt issued to finance these assets.
- **Restricted net position** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers
- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$26,128,053 of restricted net position, of which \$6,457,225 is restricted by enabling legislation.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R) Net Position (continued)

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

S) Fund Balance

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2023, fund balance for governmental funds is made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the City’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the City’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S) Fund Balance (continued)

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A) Deficit Fund Balance/Net Position

The following non-major special revenue funds had a deficit fund balance:

The 14-HOME-9274 Fund had a fund balance deficit of \$3,945, which is expected to be eliminated in the future through grant reimbursements.

The Mello Roos CFD 2004-1 Street Lighting Fund had a fund balance deficit of \$55,541, which is expected to be eliminated in the future through special assessment revenues.

The 13-CDBG-8933 Skate Park Fund had a fund balance deficit of \$430,713, which is expected to be reimbursed by future grant reimbursements.

The CDBG PI Waiver Water Main Fund had a fund balance deficit of \$246,000, which is expected to be eliminated in the future through grant reimbursements.

The State Grants fund had a fund balance deficit of \$1,039,359, which is expected to be eliminated in the future through grant reimbursements.

City of Live Oak

Notes to Financial Statements June 30, 2023

3) CASH AND INVESTMENTS

A) Financial Statement Presentation

As of June 30, 2023, the City's cash and investments are reported in the financial statements as follows:

Cash and investments in primary government	
Governmental activities	\$ 7,506,963
Business-type activities	<u>6,140,595</u>
Total cash and investments in primary government	<u>13,647,558</u>
Total cash and investments	<u>\$ 13,647,558</u>

As of June 30, 2023, the City's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 1,020
Deposits with financial institutions	<u>4,147,941</u>
Total cash	<u>4,148,961</u>
Investments:	
Certificate of deposit	31,000
Local Agency Investment Fund	8,886,566
Money market funds	<u>581,031</u>
Total investments	<u>9,498,597</u>
Total cash and investments	<u>\$ 13,647,558</u>

Notes to Financial Statements
June 30, 2023

3) CASH AND INVESTMENTS (continued)

B) Cash

At year end, the carrying amount of the City’s cash deposits was \$4,147,941 and the bank balance was \$4,262,061. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the City had cash on hand of \$1,020.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The City’s investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the City’s deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized.

C) Investments

Pursuant to Section 53646 of the Government Code, the City prepares an investment policy annually and presents it to the City Council for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the City’s investment policy the City may invest or deposit in the following:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Credit Quality
U.S. government obligations	5 years	None	None	None
U.S. government agencies	5 years	None	None	None
Repurchase agreements	1 year	None	None	None
Banker’s acceptances	180 days	40%	30%	None
Commercial paper	270 days	30%	5%	A-1 or equivalent
Medium-term notes	5 years	30%	None	A
Certificates of deposit	5 years	None	None	None
Negotiable certificates of deposit	5 years	30%	None	AA
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million	None
California Asset Management Program (CAMP)	N/A	None	None	None
Money market mutual funds	N/A	20%	10%	Highest rating

Fair Value Measurements - The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

City of Live Oak

Notes to Financial Statements June 30, 2023

3) CASH AND INVESTMENTS (continued)

C) Investments (continued)

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The City's position in external investment pools is, in itself, regarded as a type of investment, and looking through to the underlying investments of the pool is not appropriate. Therefore, the City's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2023, the City had the following recurring fair value measurements.

Investment Type	Fair Value	Level		
		1	2	3
Certificate of Deposit	\$ 31,000	\$ -	\$ 31,000	\$ -
Investments measured at amortized cost:				
Money market mutual funds	581,031			
Investments exempt from fair value hierarchy:				
Local Agency Investment Fund (LAIF)	8,886,566			
Total investments	\$ 9,498,597			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit exposure to fair value losses resulting from increases in interest rates, the City's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the City to meet all projected obligations. Any investments that mature more than five years from the date of purchase cannot occur without prior approval of the City Council.

At June 30, 2023, the City had the following investments all of which had a maturity of 5 years or less:

Investment Type	12 Months	Total
	or less	
Certificate of deposit	\$ 31,000	\$ 31,000
Local Agency Investment Fund (LAIF)	8,886,566	8,886,566
Money market mutual funds	581,031	581,031
Total investments	\$ 9,498,597	\$ 9,498,597

3) CASH AND INVESTMENTS (continued)

C) Investments (continued)

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2023, the City investments were all pooled with the State of California Local Agency Investment Fund which is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the City's investment policy requires that all of its managed investments be held in safekeeping by a third-party bank trust department.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. As of June 30, 2023, the City investments were mostly pooled with the State of California Local Agency Investment Fund which holds a diversified portfolio of high-quality investments.

D) Investment in External Investment Pools

The City of Live Oak maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2023, the City's investment in LAIF valued at amortized cost was \$8,886,566 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$178.3 billion.

City of Live Oak

Notes to Financial Statements June 30, 2023

4) CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2023, was as follows:

Governmental Activities

	Balance at June 30, 2022	Transfers/ Adjustments	Additions	Retirements	Balance at June 30, 2023
Capital assets not being depreciated or amortized:					
Land	\$ 6,584,996	\$ -	\$ -	\$ -	\$ 6,584,996
Construction in progress	3,356,370	(2,955,030)	700,398	-	1,101,738
Total capital assets not being depreciated or amortized	<u>9,941,366</u>	<u>(2,955,030)</u>	<u>700,398</u>	<u>-</u>	<u>7,686,734</u>
Capital assets being depreciated and amortized:					
Right to use asset - equipment	45,150	-	-	-	45,150
Buildings and improvements	7,561,067	-	-	-	7,561,067
Equipment	4,830,684	-	150,326	-	4,981,010
Infrastructure	22,199,263	-	2,971,331	-	25,170,594
Total capital assets being depreciated and amortized	<u>34,636,164</u>	<u>-</u>	<u>3,121,657</u>	<u>-</u>	<u>37,757,821</u>
Less accumulated depreciation and amortization for:					
Right to use asset - equipment	(13,545)	-	(13,545)	-	(27,090)
Buildings and improvements	(2,303,952)	-	(210,855)	-	(2,514,807)
Equipment	(3,640,246)	3,260	(251,708)	-	(3,888,694)
Infrastructure	(9,784,633)	(3,260)	(531,725)	-	(10,319,618)
Total accumulated depreciation and amortization	<u>(15,742,376)</u>	<u>-</u>	<u>(1,007,833)</u>	<u>-</u>	<u>(16,750,209)</u>
Net capital assets being depreciated and amortized	<u>18,893,788</u>	<u>-</u>	<u>2,113,824</u>	<u>-</u>	<u>21,007,612</u>
Governmental activities capital assets, net	<u>\$ 28,835,154</u>	<u>\$ (2,955,030)</u>	<u>\$ 2,814,222</u>	<u>\$ -</u>	<u>\$ 28,694,346</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

4) CAPITAL ASSETS (continued)

Business-Type Activities	Balance at June 30, 2022	Transfers/ Adjustments	Additions	Retirements	Balance at June 30, 2023
Capital assets not being depreciated or amortized:					
Land	\$ 233,241	\$ -	\$ -	\$ -	\$ 233,241
Construction in progress	1,070,668	(684,646)	-	-	386,022
Total capital assets not being depreciated or amortized	<u>1,303,909</u>	<u>(684,646)</u>	<u>-</u>	<u>-</u>	<u>619,263</u>
Capital assets being depreciated and amortized:					
Right to use asset - equipment	22,514	-	-	-	22,514
Buildings and improvements	38,641	-	-	-	38,641
Equipment	1,597,191	-	83,174	-	1,680,365
Infrastructure	53,358,714	-	684,649	-	54,043,363
Total capital assets being depreciated and amortized	<u>55,017,060</u>	<u>-</u>	<u>767,823</u>	<u>-</u>	<u>55,784,883</u>
Less accumulated depreciation and amortization for:					
Right to use asset - equipment	(7,692)	-	(7,690)	-	(15,382)
Buildings and improvements	(38,641)	-	-	-	(38,641)
Equipment	(1,455,193)	-	(29,560)	-	(1,484,753)
Infrastructure	(20,784,976)	-	(1,539,567)	-	(22,324,543)
Total accumulated depreciation and amortization	<u>(22,286,502)</u>	<u>-</u>	<u>(1,576,817)</u>	<u>-</u>	<u>(23,863,319)</u>
Net capital assets being depreciated and amortized	<u>32,730,558</u>	<u>-</u>	<u>(808,994)</u>	<u>-</u>	<u>31,921,564</u>
Business-type activities capital assets, net	<u>\$ 34,034,467</u>	<u>\$ (684,646)</u>	<u>\$ (808,994)</u>	<u>\$ -</u>	<u>\$ 32,540,827</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 33,386
Public safety	145,532
Community development	527,051
Culture and recreation	299,908
Public ways and facilities	1,956
Total depreciation and amortization - governmental activities	<u>\$ 1,007,833</u>
Water utility	\$ 468,551
Sewer utility	1,108,266
Total depreciation and amortization - business-type activities	<u>\$ 1,576,817</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

4) CAPITAL ASSETS (continued)

Construction in Progress

Construction in progress for governmental activities and business-type activities relate primarily to work performed on the following projects:

	<u>Balance</u>
Governmental activities:	
Parks and recreation:	
Rec trail segment 4	\$ 97,389
City signs	113,911
Total parks and recreation	<u>211,300</u>
Streets and roads:	
Pennington Road project	890,438
Total streets and roads	<u>890,438</u>
Total governmental activities	<u>\$ 1,101,738</u>
Business-type activities:	
Sewer enterprise:	
P St. Lift Station	\$ 386,022
Total sewer enterprise	<u>386,022</u>
Total business-type activities	<u>\$ 386,022</u>

5) INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due to and due from balances as of June 30, 2023:

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 1,773,274
General Fund	Capital Improvement Project	466,689
General Fund	16-HOME-11532	2,028
General Fund	Water	1,380,495
Sewer	Water	70,447
		<u>\$ 3,692,933</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

6) LOANS RECEIVABLE

At June 30, 2023, the City had the following loans receivable, including principal and accrued interest:

Loan Type	Governmental Activities		
	Principal	Interest	Total
CDBG Housing Rehab	\$ 424,751	\$ 120,092	\$ 544,843
CDBG First Time Home Buyer	378,000	212,117	590,117
CDBG Public Improvements	680,800	-	680,800
EDBG Business Assistance	18,267	14	18,281
HOME Owner Occupied Rehab	1,445,336	148,235	1,593,571
HOME First Time Home Buyer	142,000	70,702	212,702
HOME Housing New Construction	12,000,000	1,986,445	13,986,445
HOME Program Income First Time Home Buyer	127,000	66,052	193,052
HOME Program Income Owner Occupied Rehab	55,483	17,845	73,328
City Loan First Time Home Buyer	75,000	35,926	110,926
Impact Fees Housing New Construction	667,349	89,434	756,783
Total	\$ 16,013,986	\$ 2,746,862	\$ 18,760,848

A total of \$18,760,848 was recorded as loans receivable at June 30, 2023. These represent low interest notes principal portion to finance multi-family and single-family construction and rehabilitation projects, home buyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with interest rates at 0.00 to 5.00 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of \$18,650,440 have been established in the Governmental Funds Balance Sheet for the housing and business loan principal and interest payments.

City of Live Oak

Notes to Financial Statements June 30, 2023

7) LONG-TERM LIABILITIES

Debt Service Requirements

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

Type of Indebtedness	Balance June 30, 2022	Retirements	Balance June 30, 2023	Amounts Due Within One Year
Governmental activities:				
Direct borrowings:				
City of Yuba City Loan	\$ 105,766	\$ (52,883)	\$ 52,883	\$ 52,883
Financed purchase: fire engine	252,264	(81,156)	171,108	84,054
Lease liability	31,866	(13,475)	18,391	13,747
Total governmental activities	<u>\$ 389,896</u>	<u>\$ (147,514)</u>	<u>\$ 242,382</u>	<u>\$ 150,684</u>
Business-type activities:				
Direct borrowings and private placements:				
State Department of Water				
Resources revolving fund loan	\$ 4,222,159	\$ (191,751)	\$ 4,030,408	\$ 193,668
Certificates of participation	1,640,000	(70,000)	1,570,000	70,000
Lease liability	14,910	(7,662)	7,248	6,266
Total business-type activities	<u>\$ 5,877,069</u>	<u>\$ (269,413)</u>	<u>\$ 5,607,656</u>	<u>\$ 269,934</u>

For business-type activities, all debt is accounted for in the proprietary fund where the liability occurred.

Individual issues of debt payable outstanding at June 30, 2023, are as follows:

A. Governmental Activities

The City of Yuba City loan, dated August 2012 in the amount of \$528,825, payable in semi-annual installments of \$26,156 to \$26,728 with an interest rate of 0.228% and a maturity of September 2, 2023. The loan was used to provide funding to the Sutter Animal Services Authority. In the event of default, the City will forfeit all rights and interest in the animal control facility. Total outstanding as of June 30, 2023 is \$52,883. Debt service requirements for the loan are as follows:

Year Ended June 30,	Loans		
	Principal	Interest	Total
2024	\$ 52,883	\$ -	\$ 52,883
Total	<u>\$ 52,883</u>	<u>\$ -</u>	<u>\$ 52,883</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

7) LONG-TERM LIABILITIES (continued)

A. Governmental Activities (continued)

The City entered into a lease purchase agreement with US Bancorp Government Leasing and Financing Inc in January 2018. Using the lease proceeds, the City purchased a fire engine from Ferrara Rev Group for \$549,863. The fire engine was delivered to the City in September 2018 and went into service at that time. The lease arrangement goes out seven years at an interest rate of 3.57% with annual payments commencing in January 2019. The lease is an obligation of the City's General Fund and is accounted for as a long-term general liability. Total outstanding as of June 30, 2023 is \$171,108. Debt service requirements for the financing lease are as follows:

Year Ended June 30,	Fire Engine		
	Principal	Interest	Total
2024	\$ 84,054	\$ 6,109	\$ 90,163
2025	87,054	3,108	90,162
Total	<u>\$ 171,108</u>	<u>\$ 9,217</u>	<u>\$ 180,325</u>

B. Business-Type Activities

The City entered into a direct borrowing loan with the State Department of Water Resources on February 26, 2010 in the amount of \$6,040,511, payable in annual installments of \$175,812 to \$231,656 with an interest rate of 1.00% and a maturity of June 30, 2042. The loan was used to finance a wastewater treatment plant upgrade. Total outstanding as of June 30, 2023 is \$4,030,408. Debt service requirements are as follows:

Year Ended June 30,	Loans		
	Principal	Interest	Total
2024	\$ 193,668	\$ 40,304	\$ 233,972
2025	195,605	38,367	233,972
2026	197,561	36,411	233,972
2027	199,537	34,436	233,973
2028	201,532	32,440	233,972
2029-2033	1,038,296	131,566	1,169,862
2034-2038	1,091,259	78,603	1,169,862
2039-2042	912,950	22,937	935,887
Total	<u>\$ 4,030,408</u>	<u>\$ 415,064</u>	<u>\$ 4,445,472</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

7) LONG-TERM LIABILITIES (continued)

B. Business-Type Activities (continued)

The City issued the 2003 Certificates of Participation of January 1, 2004 in the amount of \$1,269,025, payable in annual installments of \$30,000 to \$39,025 with an interest rate of 4.25% and a maturity of July 1, 2043. The certificates were used to finance a wastewater improvement project. The certificates are backed by a pledge of net revenues to the wastewater fund. Total outstanding as of June 30, 2023 is \$690,000.

The City issued the 2005 Certificates of Participation of January 1, 2006 in the amount of \$1,441,000, payable in annual installments of \$1,000 to \$40,000 with an interest rate of 4.25% and a maturity of July 1, 2044. The certificates were used to finance a water meter installation and improvement project. The certificates are backed by a pledge of net revenues to the water fund. Total outstanding as of June 30, 2023 is \$880,000.

Debt service requirements are as follows:

Year Ended June 30,	Certificates of Participation		
	Principal	Interest	Total
2024	\$ 70,000	\$ 65,238	\$ 135,238
2025	70,000	62,263	132,263
2026	70,000	59,288	129,288
2027	70,000	56,312	126,312
2028	70,000	53,337	123,337
2029-2033	350,000	222,063	572,063
2034-2038	350,000	147,687	497,687
2039-2043	350,000	73,313	423,313
2044-2045	170,000	9,138	179,138
Total	<u>\$ 1,570,000</u>	<u>\$ 748,639</u>	<u>\$ 2,318,639</u>

8) LEASES

A. Lease receivables

The City has accrued a receivable for a lease agreement for a City building. The remaining receivable for the lease was \$56,003. Deferred inflows related to the lease was \$56,578 as of June 30, 2023. Interest revenue recognized on the lease was \$1,774 for the year ended June 30, 2023. Principal receipts of \$56,577 were recognized during the fiscal year. The interest rate on the lease was 2.00% with final payment expected in September 2024.

City of Live Oak

Notes to Financial Statements June 30, 2023

8) LEASES (continued)

B. Lease liabilities

The City has entered into lease agreements for equipment. The City is required to make principal and interest payments through January 2025. The lease liabilities were valued using a discount rate of 2.00%, which is the City's incremental borrowing rate. The following are the remaining payments on the leases:

Year Ended June 30,	Governmental activities - Leases		
	Principal	Interest	Total
2024	\$ 13,747	\$ 242	\$ 13,989
2025	4,644	20	4,664
Total	<u>\$ 18,391</u>	<u>\$ 262</u>	<u>\$ 18,653</u>

Year Ended June 30,	Business-type activities - Leases		
	Principal	Interest	Total
2024	\$ 6,266	\$ 84	\$ 6,350
2025	982	6	988
Total	<u>\$ 7,248</u>	<u>\$ 90</u>	<u>\$ 7,338</u>

9) COMPENSATED ABSENCES

A summary of the changes in compensated absences for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due in One Year
Governmental activities	\$ 85,095	\$ 53,163	\$ (58,870)	\$ 79,388	\$ 14,799
Business-type activities	99,941	68,839	(61,023)	107,757	26,590
Total compensated absences	<u>\$ 185,036</u>	<u>\$ 122,002</u>	<u>\$ (119,893)</u>	<u>\$ 187,145</u>	<u>\$ 41,389</u>

City of Live Oak

Notes to Financial Statements June 30, 2023

10) FUND BALANCES

The fund balances for all major and non-major governmental funds as of June 30, 2023, were distributed as follows:

	General	Program Income	16-HOME- 11532	Capital Improvement Project	Other Governmental Funds	Total
Nonspendable:						
Prepaid costs	\$ 6,514	\$ -	\$ -	\$ -	\$ 410	\$ 6,924
Subtotal	<u>6,514</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>410</u>	<u>6,924</u>
Restricted For:						
Developer deposits	-	-	-	-	1,180	1,180
Street maintenance and construction	-	-	-	-	647,502	647,502
Law enforcement services	-	-	-	-	269,000	269,000
Sidewalk improvement	-	-	-	-	18,292	18,292
Street lighting	-	-	-	-	96,357	96,357
Mello Roos	-	-	-	-	382,256	382,256
Impact fees	-	-	-	-	2,781,935	2,781,935
Storm drain connection fees	-	-	-	-	621,162	621,162
Community development	-	380,829	-	-	9,924	390,753
Transportation	-	-	-	-	254,043	254,043
Subtotal	<u>-</u>	<u>380,829</u>	<u>-</u>	<u>-</u>	<u>5,081,651</u>	<u>5,462,480</u>
Committed to:						
General reserve	866,300	-	-	-	-	866,300
City/County major fire	27,245	-	-	-	-	27,245
Equipment replacement	106,428	-	-	-	-	106,428
Info technology	106,426	-	-	-	-	106,426
PERS retirement	329,050	-	-	-	-	329,050
Health insurance	282,814	-	-	-	-	282,814
OPEB	188,217	-	-	-	-	188,217
Capital facilities	693,007	-	-	-	-	693,007
Subtotal	<u>2,599,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,599,487</u>
Unassigned						
Totals	<u>516,700</u>	<u>-</u>	<u>(2,028)</u>	<u>(651,048)</u>	<u>(1,775,558)</u>	<u>(1,911,934)</u>
	<u>\$ 3,122,701</u>	<u>\$ 380,829</u>	<u>\$ (2,028)</u>	<u>\$ (651,048)</u>	<u>\$ 3,306,503</u>	<u>\$ 6,156,957</u>

Fund Balance Policy

The City Council adopted the City of Live Oak Fund Balance Policy in 2011. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements and establishes a hierarchy of fund balance expenditures. The policy also provides for a measure of financial protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54.

Included in the City's adopted budget each year are the City's Budget Policies. The Budget Policies state that the City will maintain a minimum General Fund general reserve equal to 30 percent of the General Fund's appropriations. This is considered Live Oak's "Healthy Cities Reserve".

11) PENSION PLAN

A) General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

11) PENSION PLAN (continued)

A) General Information about the Pension Plan (continued)

The Plan's provisions and benefits in effect at June 30, 2023 are summarized as follows:

	Miscellaneous Rate Plan	PEPRA Miscellaneous Rate Plan
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2.0% or 2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	2% - 2.7%	2%
Required employee contribution rates	7.960%	6.750%
Required normal employer contribution rates	14.030%	7.470%
Required employer payment of unfunded liability	\$157,801	\$3,058

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2023 were \$333,621. The actual employer payments of \$309,687 made to CalPERS by the City during the measurement period ended June 30, 2022 differed from the City's proportionate share of the employer's contributions of \$346,484 by \$36,797, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

B) Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

11) PENSION PLAN (continued)

B) Net Pension Liability (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The collective total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Actuarial Cost Method
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

11) PENSION PLAN (continued)

B) Net Pension Liability (continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return^{1,2}</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Change of Assumptions

Effective with the June 30, 2021, valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. CalPERS also adjusted the inflation rate from 2.50% to 2.30%

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11) PENSION PLAN (continued)

B) Net Pension Liability (continued)

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

11) PENSION PLAN (continued)

C. Proportionate Share of Net Pension Liability

The following table shows the City's proportionate share of the Plan's net pension liability over the measurement period.

	Increase (Decrease)		
	Proportionate Share of Total Pension Liability	Proportionate Share of Fiduciary Net Position	Proportionate Share of Net Pension Liability
Balance at: 6/30/2021 (VD)	\$ 7,979,848	\$ 6,940,877	\$ 1,038,971
Balance at: 6/30/2022 (MD)	8,826,633	6,679,758	2,146,875
Net Changes during 2021-22	<u>\$ 846,785</u>	<u>\$ (261,119)</u>	<u>\$ 1,107,904</u>

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The City's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2021 and 2022 measurement dates was as follows:

Proportionate Share - June 30, 2021	0.05472%
Proportionate Share - June 30, 2022	0.04588%
Change - Increase (Decrease)	(0.00884%)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

Discount Rate - 1% (5.9%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
\$ 3,350,104	\$ 2,146,875	\$ 1,156,916

11) PENSION PLAN (continued)

C. Proportionate Share of Net Pension Liability (continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2022 is 3.7 years, which was obtained by dividing the total service years of 574,665 (the sum of remaining service lifetimes of the active employees) by 153,587 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

As of the start of the measurement period (July 1, 2021), the City's net pension liability was \$1,038,971. For the measurement period ending June 30, 2022 (the measurement date), the Local Government incurred a pension expense of \$157,038.

As of June 30, 2023, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

City of Live Oak

**Notes to Financial Statements
June 30, 2023**

11) PENSION PLAN (continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made subsequent to measurement date	\$ 333,621	\$ -
Changes in assumptions	219,992	-
Difference between expected and actual experiences	43,113	28,876
Net difference between projected and actual earnings on pension plan investments	393,250	-
Differences between actual contributions and the proportionate share of contributions	44,224	26,852
Adjustment due to difference in proportions	<u>-</u>	<u>128,633</u>
Total	<u>\$ 1,034,200</u>	<u>\$ 184,361</u>

The amounts above are net of outflows and inflows recognized in the 2021-22 measurement period expense. Contributions subsequent to the measurement date of \$333,621 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Measurement Period Ended June 30,</u>	<u>Deferred Outflows/(Inflows)</u>
2024	\$ 132,578
2025	97,938
2026	45,177
2027	<u>240,525</u>
	<u>\$ 516,218</u>

E. Payable to the Pension Plan

At June 30, 2023, the City reported a payable of \$167,471 for the outstanding amount of contributions to the pension plan required for the year then ended.

12) OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City contributes to California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit postemployment healthcare plan administrator (“the Retiree Health Plan”). An employee is eligible for lifetime medical benefits under the Plan, along with his/her spouse at the time of retirement, if he or she retires from the City under CalPERS. The retiree receives a benefit of \$151 per month from the City. Payments cease at age 65 when the retiree is eligible for Medicare.

Employee’s Covered

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the Retiree Health Plan:

Active	28
Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to, but not yet receiving benefits	8
Total	<u>42</u>

Contributions

The Retiree Health Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. The City’s contributions were \$19,809 for the fiscal year, which will be recognized as an increase to the net OPEB asset.

Net OPEB Asset

The City’s net OPEB asset was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation dated June 30, 2021 to determine the June 30, 2021 total OPEB liability, based on the following actuarial methods and assumptions:

City of Live Oak

**Notes to Financial Statements
June 30, 2023**

12) OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

	<u>Actuarial Assumptions</u>
Actuarial Valuation Date	June 30, 2021
Contribution Policy	City contributes full ADC
Discount Rate and Long-Term	6.25% at June 30, 2022
Expected Rate of Return	6.75% at June 30, 2021
on Assets	Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.50% annually
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Salary Increases	Aggregate-2.75% annually Merit-CalPERS 2000-2019 Experience Study
Medical Trend	Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) - 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076
Healthcare participation for future retirees	50% if active medical coverage 0% if waived

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	49.00%	4.56%
Fixed Income	23.00%	1.56%
TIPS	5.00%	-0.08%
Commodities	3.00%	1.22%
REITs	20.00%	4.06%
Total	<u>100.00%</u>	

City of Live Oak

**Notes to Financial Statements
June 30, 2023**

12) OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Asset

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Balance at June 30, 2022 (measurement date 6/30/2021)	\$ 355,527	\$ 554,508	\$ (198,981)
Changes recognized over the measurement period:			
Service cost	25,215	-	25,215
Interest cost	23,336	-	23,336
Contributions - employer	-	14,711	(14,711)
Net investment income	-	(74,210)	74,210
Benefit payments	(14,711)	(14,711)	-
Administrative expenses	-	(140)	140
Net Changes	<u>33,840</u>	<u>(74,350)</u>	<u>108,190</u>
Balance at June 30, 2023 (measurement date 06/30/2022)	<u>\$ 389,367</u>	<u>\$ 480,158</u>	<u>\$ (90,791)</u>

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the net OPEB asset of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease	Current	1% Increase
	(5.25%)	Discount Rate (6.25%)	(7.25%)
Net OPEB Asset	\$ (43,486)	\$ (90,791)	\$ (129,811)

12) OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB asset of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Asset	\$ (138,473)	\$ (90,791)	\$ (31,244)

OPEB Plan Fiduciary Net Position

CalPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained directly from the CalPERS website.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the City recognized OPEB expense of \$19,435. As of fiscal year ended June 30, 2023, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 19,809	\$ -
Net difference between projected and actual earnings on OPEB plan investments	38,823	-
Changes in assumptions	4,084	877
Differences between expected and actual experience	-	6,154
Total	<u>\$ 62,716</u>	<u>\$ 7,031</u>

The \$19,809 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2022 measurement date will be recognized as an increase to the net OPEB asset during the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/(Inflows)
2024	\$ 6,285
2025	5,829
2026	3,123
2027	21,166
2028	(605)
Thereafter	78
	<u>\$ 35,876</u>

13) RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City has joined together with other municipalities to participate in Small Cities Organized Risk Effort (SCORE) for general liability, vehicle liability, and errors and omissions purposes. SCORE is a public entity risk pool which serves as a common risk management and insurance program for member cities. The City pays an annual premium to SCORE for its insurance coverage. The agreements with SCORE provide that they will be self-sustaining through member premiums and will reinsure through commercial companies for excess coverage.

The City continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance in any of the past three fiscal years.

14) OTHER INFORMATION

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

A) Development Agreements

KB Homes Development Agreement

In July 2017, the City of Live Oak and KB Homes agreed upon various arrangements for the prospective development. The 2017 agreement with KB Homes resolved previous reimbursement arrangements stemming from KB Homes incurring the costs of building the City's largest water storage facility in 2012. The 2017 agreement provides that the City not assess its water connection, sewer connection fees and general development impact fees upon the 97 prospective single family homes to be built by KB Homes in Pennington Ranch Phase IV. As of June 30, 2023, there are no financial effects upon the City stemming from the development arrangements with KB Homes.

Sutter County (Annexation and Sphere of Influence Development Arrangements with City)

In September 2008 the City of Live Oak and the County of Sutter agreed upon various arrangements for prospective development for land annexed by the City and for development governed by the County for properties within the City's sphere of influence. These arrangements include land use planning, property tax sharing, sales tax sharing, public safety services, development impact fees and regional transportation. The arrangements are memorialized in City Resolution 46-2008 and Sutter County Resolution 08-069.

City of Live Oak

Notes to Financial Statements June 30, 2023

14) OTHER INFORMATION (continued)

A) Development Agreements (continued)

At the end of each fiscal year, the Sutter County Auditor-Controller reconciles the property tax allocations subject to the development arrangements and distributes the adjusting amounts due to City and County. Any amounts due to the City for each fiscal year are shown as a receivable as of the balance sheet date in conformity with the City's revenue recognition practices.

At the end of each fiscal year, the City calculates the amount of sales tax due to the County based upon the agreed upon development arrangements. The sales taxes subject to the development arrangements are accounted for in the City's general Fund. As of June 30, 2023, the City recorded a liability of zero of sales tax due to the County of Sutter.

As of June 30, 2023, there are no financial effects upon the City stemming from the development arrangements with the County of Sutter other than the aforementioned amounts.

B) Acquisition and Fee Deferral Loan Agreement Live Oak Pacific Associates (Kristen Court Apartments)

In November 2015, the City entered into an acquisition and fee deferral loan agreement with Live Oak Pacific Associates. The agreement deferred the payment of acquisition costs (\$293,0000) for a portion of land and certain development impact fees (\$374,349) of the Kristen Court Apartments. The City obtained two promissory notes (one for each amount) which mature in 55 years. The note bears a simple interest rate of three percent (3%) per year. Interest began accruing upon the completion of the construction in December 2016.

The loan agreement provides that interest payments be limited to a portion of "Residual Receipts" as prescribed with their annual accounting of operations. The City receives its first interest payment from the project in July 2018. Any unpaid interest over the life of the loan is due and payable at the maturity of the promissory notes. The City accounts for the receipt of the note receivable and unpaid interest as a revenue in the year it is received in the Fire Impact Fees and Storm Drain Connection fund.

The total outstanding balances by component related to this agreement were:

	Loans		
	Principal	Interest	Total
Acquisition Note	\$ 293,000	\$ 28,384	\$ 321,384
Development Impact Fee Note (drainage)	94,349	9,140	103,489
Development Impact Fee Note (fire facilities)	280,000	51,910	331,910
Total	<u>\$ 667,349</u>	<u>\$ 89,434</u>	<u>\$ 756,783</u>

15) OTHER INFORMATION (continued)

**B) Acquisition and Fee Deferral Loan Agreement Live Oak Pacific Associates
(Kristen Court Apartments) (continued)**

August 2019, the City entered into an agreement with Live Oak Pacific Associates II, in the amount of \$4,500,000 to provide for gap financing of a 24-unit rental housing development (Kristen Court II). The note bears a simple interest rate of three percent (3%) per year and matures in 55 years from the date of the project completion. The loan agreement provides that payments shall be made annually based on residual receipts with the first payment due, if any, on October 30, 2021. Payments shall be credited to accrued interest and then to principal in the 16-HOME-11532 fund. Total outstanding balances for the principal was \$4,500,000.

C) Contingent Liability (CalTrans Hwy 99 Project City Funding Contribution)

In August 2019 the City of Live Oak entered into a reimbursement agreement with the State of California Department of Transportation (CalTrans) whereby the City agreed to provide funding of \$2,338,088 towards the relocating of water and sewer lines associated with the widening of Highway 99. The entire highway project is expected to cost about \$28 million and will be completed over a three-year period. During FY 19-20, the City made various budget authorizations for fulfilling the City's obligation for the \$2.3 million agreement. The City's funding towards this agreement were budgeted in the Sewer Enterprise, Sewer Connection, Local Transportation, Gas Tax, the General Fund and Water Connection. In August 2021, the City paid \$2,338,088 to CalTrans for the project.

The August 2019 agreement provides the ability for CalTrans to bill the City for cost overruns of up to 25% of the original agreement. The 2019 agreement continues to obligate the City for up to \$584,522 for cost overruns. It is unknown at this time the amount of potential cost overruns. As of June 30, 2023, the City considers the \$584,522 a contingent liability against the Water Connection and Sewer Connection Funds.

This page intentionally left blank.

City of Live Oak

Budgetary Comparison Schedule by Department General Fund Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,960,294	\$ 3,960,294	\$ 3,960,294	\$ -
Resources (Inflows):				
Taxes and assessments	2,992,000	2,992,000	3,236,602	244,602
Licenses and permits	398,000	398,000	276,862	(121,138)
Fines and forfeitures	1,500	1,500	1,251	(249)
Use of money and property	-	-	203,693	203,693
Intergovernmental	11,000	11,000	13,486	2,486
Charges for services	37,560	37,560	69,617	32,057
Other revenue	158,406	158,406	13,323	(145,083)
Amounts Available for Appropriations	<u>7,558,760</u>	<u>7,558,760</u>	<u>7,775,128</u>	<u>216,368</u>
Charges to Appropriation (Outflow):				
General government:				
City Council	92,606	92,606	87,696	4,910
Administrative Services	363,313	363,313	360,032	3,281
Finance Services	196,162	196,162	270,146	(73,984)
City Attorney	55,000	55,000	45,114	9,886
Nondepartmental	194,557	194,557	(21,808)	216,365
Public safety:				
Building Inspection	250,945	250,945	269,494	(18,549)
Police Services	955,700	955,700	1,368,779	(413,079)
Animal Control Services	48,000	48,000	66,030	(18,030)
Fire Services	548,200	548,200	659,086	(110,886)
Public ways and facilities:				
Engineering	31,000	31,000	73,385	(42,385)
Culture and recreation:				
Park Operations	255,944	255,944	441,101	(185,157)
Recreation Services	340,132	340,132	366,272	(26,140)
Pool Operations	102,393	102,393	95,285	7,108
Facility Maintenance	75,605	75,605	106,208	(30,603)
Community development:				
Community Development	181,892	181,892	275,342	(93,450)
Economic Development	10,783	10,783	23,812	(13,029)
Capital outlay	37,700	37,700	8,485	29,215
Debt service:				
Principal retirement	134,038	134,038	147,514	(13,476)
Interest and fiscal charges	14,183	14,183	10,454	3,729
Total Charges to Appropriations	<u>3,888,153</u>	<u>3,888,153</u>	<u>4,652,427</u>	<u>(764,274)</u>
Budgetary Fund Balance, June 30	<u>\$ 3,670,607</u>	<u>\$ 3,670,607</u>	<u>\$ 3,122,701</u>	<u>\$ (547,906)</u>

City of Live Oak

**Budgetary Comparison Schedule
Program Income
Year Ended June 30, 2023**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 296,144	\$ 296,144	\$ 296,144	\$ -
Resources (Inflows):				
Use of money and property	-	-	18,504	18,504
Intergovernmental	-	-	66,181	66,181
Amounts Available for Appropriations	<u>296,144</u>	<u>296,144</u>	<u>380,829</u>	<u>84,685</u>
Charges to Appropriation (Outflow):				
Community development	-	-	-	-
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Budgetary Fund Balance, June 30	 <u>\$ 296,144</u>	 <u>\$ 296,144</u>	 <u>\$ 380,829</u>	 <u>\$ 84,685</u>

City of Live Oak

Cost Sharing Multiple Employer Benefit Plan Schedule of Proportionate Share of the Pension Liability As of June 30, 2023

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Miscellaneous Plan				
Employer's Proportion of the Collective Net Pension Liability ¹	0.01965%	0.05069%	0.04705%	0.14629%
Employer's Proportionate Share of the Collective Net Pension Liability	\$ 1,222,792	\$ 1,390,791	\$ 1,634,430	\$ 1,824,719
Covered Payroll	\$ 1,126,901	\$ 961,817	\$ 1,091,598	\$ 1,108,151
Employer's Proportionate Share of the Collective Net Pension Liability as Percentage of Covered Payroll	108.51%	144.60%	149.73%	164.66%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%

Notes to Schedule:

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
0.04617%	0.45890%	0.04578%	0.05472%	0.04588%
\$ 1,739,893	\$ 1,837,496	\$ 1,931,204	\$ 1,038,971	\$ 2,146,875
\$ 1,152,712	\$ 911,603	\$ 1,330,269	\$ 1,356,262	\$ 1,524,173
150.94%	201.57%	145.17%	76.61%	140.86%
75.26%	75.26%	75.10%	75.10%	75.68%

City of Live Oak

Cost Sharing Multiple Employer Benefit Plan Schedule of Plan Contributions As of June 30, 2023

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Miscellaneous Plan</u>				
Actuarially Determined Contribution	\$ 212,735	\$ 219,352	\$ 234,653	\$ 246,864
Contribution in Relation to the Actuarially Determined Contribution	<u>(212,735)</u>	<u>(219,352)</u>	<u>(234,653)</u>	<u>(246,864)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 961,817	\$ 1,091,598	\$ 1,108,151	\$ 1,152,712
Contributions as a Percentage of Covered-Employee Payroll	22.12%	20.09%	21.18%	21.42%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent

2019	2020	2021	2022	2023
242,734	310,939	340,276	309,687	333,621
(242,734)	(310,939)	(340,276)	(309,687)	(333,621)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 911,603	\$ 1,330,269	\$ 1,356,262	\$ 1,524,173	\$ 1,569,898
26.63%	23.37%	25.09%	20.32%	21.25%

City of Live Oak

Schedule of Changes in the Net OPEB Asset and Related Ratios As of June 30, For the Last Ten Fiscal Years⁽¹⁾

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total OPEB Liability						
Service cost	\$ 23,510	\$ 24,215	\$ 24,941	\$ 16,849	\$ 17,354	\$ 25,215
Interest on the total OPEB liability	16,459	18,226	20,010	21,068	22,849	23,336
Actual and expected experience difference	-	-	(4,689)	-	(4,393)	-
Changes in assumptions	-	-	(1,549)	-	5,118	-
Benefit payments	<u>(14,428)</u>	<u>(14,578)</u>	<u>(18,875)</u>	<u>(10,991)</u>	<u>(13,104)</u>	<u>(14,711)</u>
Net change in total OPEB liability	25,541	27,863	19,838	26,926	27,824	33,840
Total OPEB liability - beginning	<u>227,535</u>	<u>253,076</u>	<u>280,939</u>	<u>300,777</u>	<u>327,703</u>	<u>355,527</u>
Total OPEB liability - ending (a)	<u>\$ 253,076</u>	<u>\$ 280,939</u>	<u>\$ 300,777</u>	<u>\$ 327,703</u>	<u>\$ 355,527</u>	<u>\$ 389,367</u>
Plan Fiduciary Net Position						
Contribution - employer	\$ 14,428	\$ 14,578	\$ 18,875	\$ 10,991	\$ 13,104	\$ 14,711
Net investment income	35,119	29,243	24,440	14,852	119,584	(74,210)
Benefit payments	(14,428)	(14,578)	(18,875)	(10,991)	(13,104)	(14,711)
Administrative expense	<u>(178)</u>	<u>(682)</u>	<u>(85)</u>	<u>(205)</u>	<u>(165)</u>	<u>(140)</u>
Net change in plan fiduciary net position	34,941	28,561	24,355	14,647	119,419	(74,350)
Plan fiduciary net position - beginning	<u>332,585</u>	<u>367,526</u>	<u>396,087</u>	<u>420,442</u>	<u>435,089</u>	<u>554,508</u>
Plan fiduciary net position - ending (b)	367,526	396,087	420,442	435,089	554,508	480,158
Net OPEB (Asset) - ending (a) - (b)	<u>\$ (114,450)</u>	<u>\$ (115,148)</u>	<u>\$ (119,665)</u>	<u>\$ (107,386)</u>	<u>\$ (198,981)</u>	<u>\$ (90,791)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	145.22%	140.99%	139.79%	132.77%	155.97%	123.32%
Covered-employee payroll	\$ 1,011,920	\$ 1,200,174	\$ 913,598	\$ 1,330,269	\$ 1,356,262	\$ 1,474,266
Net OPEB asset as a percentage of covered-employee payroll	-11.31%	-9.59%	-13.10%	-7.92%	-14.67%	-6.16%

*Fiscal year 2018 was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule: None.

Changes in assumptions: None

City of Live Oak

Schedule of OPEB Contributions As of June 30, For the Last Ten Fiscal Years⁽¹⁾

	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 32,072	\$ 18,498	\$ 19,094	\$ 9,061	\$ 14,711	\$ 10,401
Contribution in Relation to the Actuarially Determined Contributions	(14,578)	(18,875)	(10,991)	(13,104)	(14,711)	(19,809)
Contribution Deficiency (Excess)	\$ 17,494	\$ (377)	\$ 8,103	\$ (4,043)	\$ -	\$ (9,408)
Covered-employee payroll	\$ 1,200,174	\$ 913,598	\$ 1,330,269	\$ 1,356,262	\$ 1,474,266	\$ 1,614,199
Contributions as a percentage of covered-employee payroll	1.21%	2.07%	0.83%	0.97%	1.00%	1.23%

*Fiscal year 2018 was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal, Level % of pay
Amortization Method	Level % of pay
Amortization Period	16-year fixed period for 2022/23
Asset Valuation Method	Market value
Discount Rate	6.25%
General Inflation	2.50%
Medical Trend	Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) - 4.60% for 2023, decreasing to an ultimate rate of 3.75% in 2076
Mortality	CalPERS 2000-2019 experience study
Mortality Improvement	Mortality projected fully generation with Scale MP-2021

**Notes to Required Supplementary Information
Year Ended June 30, 2023**

1) BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The City presents a comparison of annual budgets to actual results for the City's General Fund and Special Revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The following procedures are performed by the City in establishing the budgetary data reflected in the financial statements:

- (1) In May of each year, the Finance Department is to submit to the City Council a recommended operating budget for the fiscal year commencing the following July 1. The operating budget includes recommended expenditures and estimated revenues.
- (2) Public hearings are to be conducted at City Hall to obtain taxpayer comments. Generally by the first of July, after adjustment as appropriate by the City Council, the budget is to be legally enacted through council motion.
- (3) Council approval is required for transfers between funds, or for an increase in total appropriations. Therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis (General Government, Public Safety, etc.).
- (4) All unused appropriations for budgeted amounts lapse at the end of the year.

Annual appropriated budgets are not adopted for certain funds established to meet or satisfy a specific purpose. For the fiscal year ended June 30, 2023, the following funds did not have annual appropriated budgets.

Capital Improvement Project (Major – Capital Projects Fund)
14-HOME-9274
Developer Deposits
Traffic Safety
State Grant Fund
13-CDBG-8933
11-HOME-7661
16-HOME-11532
16-HOME11380
17-CDBG-12011
CDBG PI Waiver Water Main

The City does not use encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

1) BUDGETARY BASIS OF ACCOUNTING (continued)

Special Revenue Funds are used to account for and report the proceeds of specific revenues that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Nonmajor special revenue funds used by the City are listed below:

14-HOME-9274

This fund is used to account for HOME grant revenues and expenditures.

Developer Deposits

The Developer Deposits fund is used to account for developer deposits.

Streets and Roads

The Streets and Roads fund is used to account for gas tax revenue allocations received from the State. Funds received are restricted to expenditures for street maintenance, traffic safety, and construction.

Traffic Safety

This fund is used to account for court fines collected on the City's account for moving violations.

COPS

This fund is used to account for special police revenue received under the Citizens Options for Public Safety for frontline law enforcement services.

Sidewalk Improvements

This fund is used to account for monies to be used for sidewalk improvements.

Street Lighting

This fund is used to account for monies to be used for various street lighting districts. This assessment district excludes property within Community Facilities District (CFD) 2004-1.

Mello Roos CFD 92-1

This fund is used to account for special assessment revenue received to finance the purchase, construction, expansion or rehabilitation of sites and structures for general government, police, fire, parks, recreation, streets, schools and other governmental facilities. The revenues received are shared with the Live Oak Unified School District receiving 2/3 of the annual assessments received.

1) BUDGETARY BASIS OF ACCOUNTING (continued)

Fire Benefit Assessment

This fund is used to account for special assessment revenue received for the purposes of fire protection services. This assessment district excludes property within CFD 2004-1.

Mello Roos CFD 2004-1 Fire

This fund is used to account for special assessment revenue received for the purposes of police protection services.

Mello Roos CFD 2004-1 Police

This fund is used to account for special assessment revenue received for the purposes of police protection services.

Mello Roos CFD 2004-1 Animal Services

This fund is used to account for special assessment revenue received for the purposes of animal protection services.

Mello Roos CFD 2004-1 Street Lighting

This fund is used to account for special assessment revenue received for the purposes of street lighting services.

Mello Roos CFD 2004-1 Parks/Recreation/Pool

This fund is used to account for special assessment revenue received for the purposes of parks and pool maintenance and recreation programs.

Mello Roos CFD 2004-1 Storm Drain

This fund is used to account for special assessment revenue received for the purposes of storm drain maintenance and improvements.

Parks & Recreation Impact Fees

This fund is used to account for development impact fees received for the purposes of expansion and construction of parks and recreation facilities.

Community Center Impact Fees

This fund is used to account for development impact fees received for the purposes of expansion and construction of community centers.

1) BUDGETARY BASIS OF ACCOUNTING (continued)

Public Works Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of public works/crop yard facilities and equipment.

General Government Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of general government administration facilities and equipment.

Police Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of public safety police facilities and equipment.

Fire Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of public safety fire facilities and equipment.

Signal Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of signals.

Flood Control Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of storm drainage facilities.

Storm Drain Connection Fees

This fund is used to account for the capacity and connection fees received for the rehabilitation, expansion and construction of storm drainage facilities.

13-CDBG-8933 Skate Park

This fund is used to account for CDBG grant funds used for public improvements for the skate park. Funding comes from the 13-CDBG-8933 grant revenues.

11-HOME-7661

This fund is used to account for HOME grant funds used to make loans to residents for the purposes of housing rehabilitation and down payment assistance for first time home buyers.

City of Live Oak

Notes to Required Supplementary Information Year Ended June 30, 2023

1) BUDGETARY BASIS OF ACCOUNTING (continued)

16-HOME-11380

This fund is used to account for HOME grant funds used for the Owner-Occupied Rehab Loan Program.

CDBG PI Waiver Water Main

This fund is used to account for CDBG Program Income funds granted to the City from Sutter County for the Pennington Road Water Main Construction Project.

State Grants

This fund is used to account for grants received by the City for various capital-related projects.

Transportation

This fund is used to account for monies received through the Transportation Development Act (TDA) tax and Surface Transportation Development Program (STP).

ARPA

This fund is used to account for revenues and expenditures related to Coronavirus State and Local Fiscal Recovery Funds (CSLFRF).

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	14-HOME-9274	Developer Deposits	Streets and Roads	Traffic Safety
Assets:				
Cash and investments	\$ -	\$ 185,874	\$ 652,280	\$ 21,658
Receivables:				
Accrued interest	-	772	2,691	89
Notes and loans	-	-	-	-
Prepaid items	-	-	410	-
Due from other governments	-	-	45,150	1,550
Total Assets	\$ -	\$ 186,646	\$ 700,531	\$ 23,297
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 49,617	\$ -
Salaries and benefits payable	-	-	3,002	-
Deposits payable	-	185,466	-	-
Due to other funds	3,945	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	3,945	185,466	52,619	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	1,550
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	1,550
Fund Balances:				
Nonspendable	-	-	410	-
Restricted	-	1,180	647,502	21,747
Unassigned	(3,945)	-	-	-
Total Fund Balances (Deficit)	(3,945)	1,180	647,912	21,747
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 186,646	\$ 700,531	\$ 23,297

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	COPS	Sidewalk Improvements	Street Lighting	Mello Roos CFD 92-1
Assets:				
Cash and investments	\$ 635,738	\$ 18,216	\$ 99,822	\$ 81,548
Receivables:				
Accrued interest	2,635	76	366	535
Notes and loans	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	456	314
Total Assets	\$ 638,373	\$ 18,292	\$ 100,644	\$ 82,397
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 3,831	\$ -
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	395,318	-	-	-
Total Liabilities	395,318	-	3,831	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	456	314
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	-	-	456	314
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	243,055	18,292	96,357	82,083
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	243,055	18,292	96,357	82,083
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 638,373	\$ 18,292	\$ 100,644	\$ 82,397

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	Fire Benefit Assessment	Mello Roos CFD 2004-1 Fire	Mello Roos CFD 2004-1 Police	Mello Roos CFD 2004-1 Animal Services
Assets:				
Cash and investments	\$ 3,371	\$ 32,972	\$ 62,196	\$ 3,613
Receivables:				
Accrued interest	138	294	563	44
Notes and loans	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	792	501	1,354	78
Total Assets	\$ 4,301	\$ 33,767	\$ 64,113	\$ 3,735
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	792	501	1,354	78
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	792	501	1,354	78
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,509	33,266	62,759	3,657
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	3,509	33,266	62,759	3,657
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,301	\$ 33,767	\$ 64,113	\$ 3,735

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	Mello Roos CFD 2004-1 Street Lighting	2004-1 Parks/Recreation/ Pool	Mello Roos CFD 2004-1 Storm Drain	Parks & Recreation Impact Fees
Assets:				
Cash and investments	\$ -	\$ 34,825	\$ 164,907	\$ 606,015
Receivables:				
Accrued interest	-	372	654	2,516
Notes and loans	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	81	619	81	-
Total Assets	\$ 81	\$ 35,816	\$ 165,642	\$ 608,531
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,284	\$ 221	\$ 47	\$ 11,400
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	53,257	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	55,541	221	47	11,400
Deferred Inflows of Resources:				
Unavailable revenues	81	618	81	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	81	618	81	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	34,977	165,514	597,131
Unassigned	(55,541)	-	-	-
Total Fund Balances (Deficit)	(55,541)	34,977	165,514	597,131
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 81	\$ 35,816	\$ 165,642	\$ 608,531

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Assets:				
Cash and investments	\$ 363,011	\$ 124,963	\$ 531,355	\$ 263,471
Receivables:				
Accrued interest	1,507	519	2,206	1,094
Notes and loans	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ 364,518	\$ 125,482	\$ 533,561	\$ 264,565
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	364,518	125,482	533,561	264,565
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	364,518	125,482	533,561	264,565
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 364,518	\$ 125,482	\$ 533,561	\$ 264,565

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	Fire Impact Fees	Signal Impact Fees	Flood Control Impact Fees	Storm Drain Connection Fees
Assets:				
Cash and investments	\$ 402,566	\$ 484,624	\$ 2,286	\$ 618,659
Receivables:				
Accrued interest	1,672	2,012	9	2,503
Notes and loans	315,591	-	-	436,585
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ 719,829	\$ 486,636	\$ 2,295	\$ 1,057,747
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	315,591	-	-	436,585
Total Deferred Inflows of Resources	315,591	-	-	436,585
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	404,238	486,636	2,295	621,162
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	404,238	486,636	2,295	621,162
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 719,829	\$ 486,636	\$ 2,295	\$ 1,057,747

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds			
	13-CDBG-8933 Skate Park	11-HOME-7661	16-HOME-11380	CDBG PI Waiver Water Main
Assets:				
Cash and investments	\$ -	\$ 6,772	\$ 3,139	\$ -
Receivables:				
Accrued interest	-	-	13	-
Notes and loans	-	-	85,121	-
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ -	\$ 6,772	\$ 88,273	\$ -
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	430,713	-	-	246,000
Unearned revenues	-	-	-	-
Total Liabilities	430,713	-	-	246,000
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	85,121	-
Total Deferred Inflows of Resources	-	-	85,121	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	6,772	3,152	-
Unassigned	(430,713)	-	-	(246,000)
Total Fund Balances (Deficit)	(430,713)	6,772	3,152	(246,000)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 6,772	\$ 88,273	\$ -

City of Live Oak

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	<u>State Grants</u>	<u>Transportation</u>	<u>ARPA</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and investments	\$ -	\$ 253,502	\$ 1,470,351	\$ 7,127,734
Receivables:				
Accrued interest	-	1,053	6,105	30,438
Notes and loans	-	-	-	837,297
Prepaid items	-	-	-	410
Due from other governments	-	-	-	50,976
Total Assets	\$ -	\$ 254,555	\$ 1,476,456	\$ 8,046,855
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 512	\$ -	\$ 67,912
Salaries and benefits payable	-	-	-	3,002
Deposits payable	-	-	-	185,466
Due to other funds	1,039,359	-	-	1,773,274
Unearned revenues	-	-	1,472,258	1,867,576
Total Liabilities	1,039,359	512	1,472,258	3,897,230
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	5,825
Deferred loan payments	-	-	-	837,297
Total Deferred Inflows of Resources	-	-	-	843,122
Fund Balances:				
Nonspendable	-	-	-	410
Restricted	-	254,043	4,198	5,081,651
Unassigned	(1,039,359)	-	-	(1,775,558)
Total Fund Balances (Deficit)	(1,039,359)	254,043	4,198	3,306,503
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 254,555	\$ 1,476,456	\$ 8,046,855

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	14-HOME-9274	Developer Deposits	Streets and Roads	Traffic Safety
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	2,754
Use of money and property	-	(165)	6,067	1,218
Intergovernmental	-	-	457,718	-
Charges for services	-	-	8,008	-
Other revenue	-	-	-	-
Total Revenues	-	(165)	471,793	3,972
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	416,999	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	416,999	-
Net Change in Fund Balances	-	(165)	54,794	3,972
Fund Balances (Deficits), Beginning of Year	(3,945)	1,345	593,118	17,775
Fund Balances (Deficits), End of Year	\$ (3,945)	\$ 1,180	\$ 647,912	\$ 21,747

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	COPS	Sidewalk Improvements	Street Lighting	Mello Roos CFD 92-1
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ 53,319	\$ 127,761
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	6,176	332	1,021	946
Intergovernmental	-	-	-	-
Charges for services	-	-	1,775	-
Other revenue	145,426	-	-	-
Total Revenues	151,602	332	56,115	128,707
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	4,679	-	-	-
Public ways and facilities	-	-	47,724	-
Culture and recreation	-	-	-	-
Community development	-	-	-	145,396
Capital outlay	140,747	-	-	-
Total Expenditures	145,426	-	47,724	145,396
Net Change in Fund Balances	6,176	332	8,391	(16,689)
Fund Balances (Deficits), Beginning of Year	236,879	17,960	87,966	98,772
Fund Balances (Deficits), End of Year	\$ 243,055	\$ 18,292	\$ 96,357	\$ 82,083

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	Fire Benefit Assessment	Mello Roos CFD 2004-1 Fire	Mello Roos CFD 2004-1 Police	Mello Roos CFD 2004-1 Animal Services
Revenues:				
Taxes and assessments	\$ 130,728	\$ 133,037	\$ 360,789	\$ 20,968
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	(101)	161	(169)	287
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	130,627	133,198	360,620	21,255
Expenditures:				
Current:				
General government	-	125,000	-	-
Public safety	109,800	-	305,150	21,000
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	109,800	125,000	305,150	21,000
Net Change in Fund Balances	20,827	8,198	55,470	255
Fund Balances (Deficits), Beginning of Year	(17,318)	25,068	7,289	3,402
Fund Balances (Deficits), End of Year	\$ 3,509	\$ 33,266	\$ 62,759	\$ 3,657

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	Mello Roos CFD 2004-1 Street Lighting	2004-1 Parks/Recreation/ Pool	Mello Roos CFD 2004-1 Storm Drain	Parks & Recreation Impact Fees
Revenues:				
Taxes and assessments	\$ 21,691	\$ 164,850	\$ 21,691	\$ -
Licenses and permits	-	-	-	75,222
Fines and forfeitures	-	-	-	-
Use of money and property	983	954	1,614	5,980
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	22,674	165,804	23,305	81,202
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	24,753	-	4,650	-
Culture and recreation	-	173,207	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	14,947
Total Expenditures	24,753	173,207	4,650	14,947
Net Change in Fund Balances	(2,079)	(7,403)	18,655	66,255
Fund Balances (Deficits), Beginning of Year	(53,462)	42,380	146,859	530,876
Fund Balances (Deficits), End of Year	\$ (55,541)	\$ 34,977	\$ 165,514	\$ 597,131

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	18,501	13,713	24,003	13,146
Fines and forfeitures	-	-	-	-
Use of money and property	3,794	1,723	5,699	2,433
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	22,295	15,436	29,702	15,579
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	22,295	15,436	29,702	15,579
Fund Balances (Deficits), Beginning of Year	342,223	110,046	503,859	248,986
Fund Balances (Deficits), End of Year	\$ 364,518	\$ 125,482	\$ 533,561	\$ 264,565

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	Fire Impact Fees	Signal Impact Fees	Flood Control Impact Fees	Storm Drain Connection Fees
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	36,393	64,932	-	106,864
Fines and forfeitures	-	-	-	-
Use of money and property	3,564	4,142	214	5,067
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	39,957	69,074	214	111,931
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	39,957	69,074	214.00	111,931
Fund Balances (Deficits), Beginning of Year	364,281	417,562	2,081	509,231
Fund Balances (Deficits), End of Year	\$ 404,238	\$ 486,636	\$ 2,295	\$ 621,162

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds			
	13-CDBG-8933 Skate Park	11-HOME-7661	16-HOME-11380	CDBG PI Waiver Water Main
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	(5)	9	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	-	(5)	9	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	-	(5)	9	-
Fund Balances (Deficits), Beginning of Year	(430,713)	6,777	3,143	(246,000)
Fund Balances (Deficits), End of Year	\$ (430,713)	\$ 6,772	\$ 3,152	\$ (246,000)

City of Live Oak

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	<u>State Grants</u>	<u>Transportation</u>	<u>ARPA</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ 1,034,834
Licenses and permits	-	-	-	352,774
Fines and forfeitures	-	-	-	2,754
Use of money and property	-	2,756	4,198	58,898
Intergovernmental	-	-	40,546	498,264
Charges for services	-	-	-	9,783
Other revenue	-	-	-	145,426
Total Revenues	<u>-</u>	<u>2,756</u>	<u>44,744</u>	<u>2,102,733</u>
Expenditures:				
Current:				
General government	-	-	-	125,000
Public safety	-	-	-	440,629
Public ways and facilities	-	2,971	-	497,097
Culture and recreation	-	-	-	173,207
Community development	-	-	-	145,396
Capital outlay	-	-	40,546	196,240
Total Expenditures	<u>-</u>	<u>2,971</u>	<u>40,546</u>	<u>1,577,569</u>
Net Change in Fund Balances	-	(215)	4,198	525,164
Fund Balances (Deficits), Beginning of Year	<u>(1,039,359)</u>	<u>254,258</u>	<u>-</u>	<u>2,781,339</u>
Fund Balances (Deficits), End of Year	<u>\$ (1,039,359)</u>	<u>\$ 254,043</u>	<u>\$ 4,198</u>	<u>\$ 3,306,503</u>

City of Live Oak

**Budgetary Comparison Schedule
Street and Roads
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 593,118	\$ 593,118	\$ 593,118	\$ -
Resources (Inflows):				
Use of money and property	1,000	1,000	6,067	5,067
Intergovernmental	1,274,000	1,274,000	457,718	(816,282)
Charges for services	6,000	6,000	8,008	2,008
Amounts Available for Appropriations	<u>1,874,118</u>	<u>1,874,118</u>	<u>1,064,911</u>	<u>(809,207)</u>
Charges to Appropriation (Outflow):				
Public ways and facilities	321,583	321,583	416,999	(95,416)
Capital outlay	1,216,500	1,216,500	-	1,216,500
Total Charges to Appropriations	<u>1,538,083</u>	<u>1,538,083</u>	<u>416,999</u>	<u>1,121,084</u>
 Budgetary Fund Balance, June 30	 <u>\$ 336,035</u>	 <u>\$ 336,035</u>	 <u>\$ 647,912</u>	 <u>\$ 311,877</u>

City of Live Oak

**Budgetary Comparison Schedule
Traffic Safety
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,775	\$ 17,775	\$ 17,775	\$ -
Resources (Inflows):				
Fines and forfeitures	-	-	2,754	2,754
Use of money and property	-	-	1,218	1,218
Intergovernmental	3,500	3,500	-	(3,500)
Amounts Available for Appropriations	<u>21,275</u>	<u>21,275</u>	<u>21,747</u>	<u>472</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 21,275</u>	<u>\$ 21,275</u>	<u>\$ 21,747</u>	<u>\$ 472</u>

City of Live Oak

**Budgetary Comparison Schedule
COPS
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 236,879	\$ 236,879	\$ 236,879	\$ -
Resources (Inflows):				
Use of money and property	-	-	6,176	6,176
Other revenue	150,000	150,000	145,426	(4,574)
Amounts Available for Appropriations	<u>386,879</u>	<u>386,879</u>	<u>388,481</u>	<u>1,602</u>
Charges to Appropriation (Outflow):				
Public safety	-	-	4,679	(4,679)
Capital outlay	50,000	50,000	140,747	(90,747)
Total Charges to Appropriations	<u>50,000</u>	<u>50,000</u>	<u>145,426</u>	<u>(95,426)</u>
Budgetary Fund Balance, June 30	<u>\$ 336,879</u>	<u>\$ 336,879</u>	<u>\$ 243,055</u>	<u>\$ (93,824)</u>

City of Live Oak

**Budgetary Comparison Schedule
Sidewalk Improvement
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,960	\$ 17,960	\$ 17,960	\$ -
Resources (Inflows):				
Use of money and property	-	-	332	332
Amounts Available for Appropriations	<u>17,960</u>	<u>17,960</u>	<u>18,292</u>	<u>332</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 17,960</u>	<u>\$ 17,960</u>	<u>\$ 18,292</u>	<u>\$ 332</u>

City of Live Oak

**Budgetary Comparison Schedule
Street Lighting
Year Ended June 30, 2023**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 87,966	\$ 87,966	\$ 87,966	\$ -
Resources (Inflows):				
Taxes and assessments	54,464	54,464	53,319	(1,145)
Use of money and property	-	-	1,021	1,021
Charges for services	-	-	1,775	1,775
Amounts Available for Appropriations	<u>142,430</u>	<u>142,430</u>	<u>144,081</u>	<u>1,651</u>
Charges to Appropriation (Outflow):				
Public ways and facilities	63,800	63,800	47,724	16,076
Total Charges to Appropriations	<u>63,800</u>	<u>63,800</u>	<u>47,724</u>	<u>16,076</u>
 Budgetary Fund Balance, June 30	 <u>\$ 78,630</u>	 <u>\$ 78,630</u>	 <u>\$ 96,357</u>	 <u>\$ 17,727</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos 92-1
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 98,772	\$ 98,772	\$ 98,772	\$ -
Resources (Inflows):				
Taxes and assessments	129,739	129,739	127,761	(1,978)
Use of money and property	-	-	946	946
Amounts Available for Appropriations	<u>228,511</u>	<u>228,511</u>	<u>227,479</u>	<u>(1,032)</u>
Charges to Appropriation (Outflow):				
Community development	151,100	151,100	145,396	5,704
Total Charges to Appropriations	<u>151,100</u>	<u>151,100</u>	<u>145,396</u>	<u>5,704</u>
 Budgetary Fund Balance, June 30	 <u>\$ 77,411</u>	 <u>\$ 77,411</u>	 <u>\$ 82,083</u>	 <u>\$ 4,672</u>

City of Live Oak

**Budgetary Comparison Schedule
Fire Benefits Assessment
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (17,318)	\$ (17,318)	\$ (17,318)	\$ -
Resources (Inflows):				
Taxes and assessments	131,680	131,680	130,728	(952)
Use of money and property	-	-	(101)	(101)
Amounts Available for Appropriations	<u>114,362</u>	<u>114,362</u>	<u>113,309</u>	<u>(1,053)</u>
Charges to Appropriation (Outflow):				
Public safety	114,200	114,200	109,800	4,400
Total Charges to Appropriations	<u>114,200</u>	<u>114,200</u>	<u>109,800</u>	<u>4,400</u>
Budgetary Fund Balance, June 30	<u>\$ 162</u>	<u>\$ 162</u>	<u>\$ 3,509</u>	<u>\$ 3,347</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Fire
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 25,068	\$ 25,068	\$ 25,068	\$ -
Resources (Inflows):				
Taxes and assessments	114,855	114,855	133,037	18,182
Use of money and property	-	-	161	161
Amounts Available for Appropriations	<u>139,923</u>	<u>139,923</u>	<u>158,266</u>	<u>18,343</u>
Charges to Appropriation (Outflow):				
General government	128,200	128,200	125,000	3,200
Total Charges to Appropriations	<u>128,200</u>	<u>128,200</u>	<u>125,000</u>	<u>3,200</u>
 Budgetary Fund Balance, June 30	 <u>\$ 11,723</u>	 <u>\$ 11,723</u>	 <u>\$ 33,266</u>	 <u>\$ 21,543</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Police
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 7,289	\$ 7,289	\$ 7,289	\$ -
Resources (Inflows):				
Taxes and assessments	311,482	311,482	360,789	49,307
Use of money and property	-	-	(169)	(169)
Amounts Available for Appropriations	<u>318,771</u>	<u>318,771</u>	<u>367,909</u>	<u>49,138</u>
Charges to Appropriation (Outflow):				
Public safety	317,500	317,500	305,150	12,350
Total Charges to Appropriations	<u>317,500</u>	<u>317,500</u>	<u>305,150</u>	<u>12,350</u>
Budgetary Fund Balance, June 30	<u>\$ 1,271</u>	<u>\$ 1,271</u>	<u>\$ 62,759</u>	<u>\$ 61,488</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Animal Services
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,402	\$ 3,402	\$ 3,402	\$ -
Resources (Inflows):				
Taxes and assessments	18,103	18,103	20,968	2,865
Use of money and property	-	-	287	287
Amounts Available for Appropriations	<u>21,505</u>	<u>21,505</u>	<u>24,657</u>	<u>3,152</u>
Charges to Appropriation (Outflow):				
Public safety	21,500	21,500	21,000	500
Total Charges to Appropriations	<u>21,500</u>	<u>21,500</u>	<u>21,000</u>	<u>500</u>
Budgetary Fund Balance, June 30	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 3,657</u>	<u>\$ 3,652</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Street Lighting
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (53,462)	\$ (53,462)	\$ (53,462)	\$ -
Resources (Inflows):				
Taxes and assessments	18,726	18,726	21,691	2,965
Use of money and property	-	-	983	983
Amounts Available for Appropriations	<u>(34,736)</u>	<u>(34,736)</u>	<u>(30,788)</u>	<u>3,948</u>
Charges to Appropriation (Outflow):				
Public ways and facilities	26,000	26,000	24,753	1,247
Total Charges to Appropriations	<u>26,000</u>	<u>26,000</u>	<u>24,753</u>	<u>1,247</u>
Budgetary Fund Balance (Deficit), June 30	<u>\$ (60,736)</u>	<u>\$ (60,736)</u>	<u>\$ (55,541)</u>	<u>\$ 5,195</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Park/Recreation/Pool
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 42,380	\$ 42,380	\$ 42,380	\$ -
Resources (Inflows):				
Taxes and assessments	143,459	143,459	164,850	21,391
Use of money and property	-	-	954	954
Amounts Available for Appropriations	<u>185,839</u>	<u>185,839</u>	<u>208,184</u>	<u>22,345</u>
Charges to Appropriation (Outflow):				
Culture and recreation	181,300	181,300	173,207	8,093
Total Charges to Appropriations	<u>181,300</u>	<u>181,300</u>	<u>173,207</u>	<u>8,093</u>
Budgetary Fund Balance, June 30	<u>\$ 4,539</u>	<u>\$ 4,539</u>	<u>\$ 34,977</u>	<u>\$ 30,438</u>

City of Live Oak

**Budgetary Comparison Schedule
Mello Roos CFD 2004-1 Storm Drain
Year Ended June 30, 2023**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 146,859	\$ 146,859	\$ 146,859	\$ -
Resources (Inflows):				
Taxes and assessments	18,876	18,876	21,691	2,815
Use of money and property	-	-	1,614	1,614
Amounts Available for Appropriations	<u>165,735</u>	<u>165,735</u>	<u>170,164</u>	<u>4,429</u>
Charges to Appropriation (Outflow):				
Public ways and facilities	<u>5,700</u>	<u>5,700</u>	<u>4,650</u>	<u>1,050</u>
Total Charges to Appropriations	<u>5,700</u>	<u>5,700</u>	<u>4,650</u>	<u>1,050</u>
 Budgetary Fund Balance, June 30	 <u>\$ 160,035</u>	 <u>\$ 160,035</u>	 <u>\$ 165,514</u>	 <u>\$ 5,479</u>

City of Live Oak

**Budgetary Comparison Schedule
Parks & Recreation Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 530,876	\$ 530,876	\$ 530,876	\$ -
Resources (Inflows):				
Licenses and permits	114,114	114,114	75,222	(38,892)
Use of money and property	-	-	5,980	5,980
Amounts Available for Appropriations	<u>644,990</u>	<u>644,990</u>	<u>612,078</u>	<u>(32,912)</u>
Charges to Appropriation (Outflow):				
Capital outlay	27,000	27,000	14,947	12,053
Total Charges to Appropriations	<u>27,000</u>	<u>27,000</u>	<u>14,947</u>	<u>12,053</u>
Budgetary Fund Balance, June 30	<u>\$ 617,990</u>	<u>\$ 617,990</u>	<u>\$ 597,131</u>	<u>\$ (20,859)</u>

City of Live Oak

**Budgetary Comparison Schedule
Community Center Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 342,223	\$ 342,223	\$ 342,223	\$ -
Resources (Inflows):				
Licenses and permits	37,002	37,002	18,501	(18,501)
Use of money and property	-	-	3,794	3,794
Amounts Available for Appropriations	<u>379,225</u>	<u>379,225</u>	<u>364,518</u>	<u>(14,707)</u>
Charges to Appropriation (Outflow):				
Capital outlay	35,000	35,000	-	35,000
Total Charges to Appropriations	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Budgetary Fund Balance, June 30	<u>\$ 344,225</u>	<u>\$ 344,225</u>	<u>\$ 364,518</u>	<u>\$ 20,293</u>

City of Live Oak

**Budgetary Comparison Schedule
Public Works Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 110,046	\$ 110,046	\$ 110,046	\$ -
Resources (Inflows):				
Licenses and permits	27,426	27,426	13,713	(13,713)
Use of money and property	-	-	1,723	1,723
Amounts Available for Appropriations	<u>137,472</u>	<u>137,472</u>	<u>125,482</u>	<u>(11,990)</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 137,472</u>	<u>\$ 137,472</u>	<u>\$ 125,482</u>	<u>\$ (11,990)</u>

City of Live Oak

**Budgetary Comparison Schedule
General Government Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 503,859	\$ 503,859	\$ 503,859	\$ -
Resources (Inflows):				
Licenses and permits	48,006	48,006	24,003	(24,003)
Use of money and property	-	-	5,699	5,699
Amounts Available for Appropriations	<u>551,865</u>	<u>551,865</u>	<u>533,561</u>	<u>(18,304)</u>
Charges to Appropriation (Outflow):				
Capital outlay	35,000	35,000	-	35,000
Total Charges to Appropriations	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Budgetary Fund Balance, June 30	<u>\$ 516,865</u>	<u>\$ 516,865</u>	<u>\$ 533,561</u>	<u>\$ 16,696</u>

City of Live Oak

**Budgetary Comparison Schedule
Police Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 248,986	\$ 248,986	\$ 248,986	\$ -
Resources (Inflows):				
Licenses and permits	26,300	26,300	13,146	(13,154)
Use of money and property	200	200	2,433	2,233
Amounts Available for Appropriations	<u>275,486</u>	<u>275,486</u>	<u>264,565</u>	<u>(10,921)</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 275,486</u>	<u>\$ 275,486</u>	<u>\$ 264,565</u>	<u>\$ (10,921)</u>

City of Live Oak

**Budgetary Comparison Schedule
Fire Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 364,281	\$ 364,281	\$ 364,281	\$ -
Resources (Inflows):				
Licenses and permits	55,230	55,230	36,393	(18,837)
Use of money and property	-	-	3,564	3,564
Amounts Available for Appropriations	<u>419,511</u>	<u>419,511</u>	<u>404,238</u>	<u>(15,273)</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 419,511</u>	<u>\$ 419,511</u>	<u>\$ 404,238</u>	<u>\$ (15,273)</u>

City of Live Oak

**Budgetary Comparison Schedule
Signal Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 161,205	\$ 161,205	\$ 417,562	\$ 256,357.00
Resources (Inflows):				
Charges for services	126,000	126,000	64,932	(61,068)
Use of money and property	-	-	4,142	4,142
Amounts Available for Appropriations	<u>287,205</u>	<u>287,205</u>	<u>486,636</u>	<u>199,431</u>
Charges to Appropriation (Outflow):				
Capital outlay	290,000	290,000		290,000
Total Charges to Appropriations	<u>290,000</u>	<u>290,000</u>	<u>-</u>	<u>290,000</u>
Budgetary Fund Balance, June 30	<u>\$ (2,795)</u>	<u>\$ (2,795)</u>	<u>\$ 486,636</u>	<u>\$ 489,431</u>

City of Live Oak

**Budgetary Comparison Schedule
Flood Control Impact Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,081	\$ 2,081	\$ 2,081	\$ -
Use of money and property	-	-	214	214
Amounts Available for Appropriations	<u>2,081</u>	<u>2,081</u>	<u>2,295</u>	<u>214</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 2,081</u>	<u>\$ 2,081</u>	<u>\$ 2,295</u>	<u>\$ 214</u>

City of Live Oak

**Budgetary Comparison Schedule
Storm Drain Connection Fees
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 38,559	\$ 38,559	\$ 509,231	\$ 470,672
Resources (Inflows):				
Licenses and permits	177,000	177,000	106,864	(70,136)
Use of money and property	-	-	5,067	5,067
Amounts Available for Appropriations	<u>215,559</u>	<u>215,559</u>	<u>621,162</u>	<u>405,603</u>
Charges to Appropriation (Outflow):				
Total Charges to Appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary Fund Balance, June 30	<u>\$ 215,559</u>	<u>\$ 215,559</u>	<u>\$ 621,162</u>	<u>\$ 405,603</u>

City of Live Oak

**Budgetary Comparison Schedule
Transportation
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (430,713)	\$ (430,713)	\$ 254,258	\$ 684,971
Resources (Inflows):				
Use of money and property	-	-	2,756	2,756
Intergovernmental	390,000	390,000	-	(390,000)
Amounts Available for Appropriations	<u>(40,713)</u>	<u>(40,713)</u>	<u>257,014</u>	<u>297,727</u>
Charges to Appropriation (Outflow):				
Public ways and facilities	5,400	5,400	2,971	2,429
Capital outlay	42,000	42,000	-	42,000
Total Charges to Appropriations	<u>47,400</u>	<u>47,400</u>	<u>2,971</u>	<u>44,429</u>
 Budgetary Fund Balance, June 30	 <u>\$ (88,113)</u>	 <u>\$ (88,113)</u>	 <u>\$ 254,043</u>	 <u>\$ 342,156</u>

City of Live Oak

**Budgetary Comparison Schedule
ARPA
Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (430,713)	\$ (430,713)	\$ -	430,713
Resources (Inflows):				
Use of money and property	-	-	4,198	4,198
Intergovernmental	1,100,000	1,100,000	40,546	(1,059,454)
Amounts Available for Appropriations	<u>669,287</u>	<u>669,287</u>	<u>44,744</u>	<u>(624,543)</u>
Charges to Appropriation (Outflow):				
Capital outlay	1,100,000	1,100,000	40,546	1,059,454
Total Charges to Appropriations	<u>1,100,000</u>	<u>1,100,000</u>	<u>40,546</u>	<u>1,059,454</u>
 Budgetary Fund Balance, June 30	 <u>\$ (430,713)</u>	 <u>\$ (430,713)</u>	 <u>\$ 4,198</u>	 <u>\$ 434,911</u>

City of Live Oak

**Combining Statement of Net Position
Non-Major Proprietary Funds
June 30, 2023**

	Business-Type Activities - Proprietary Funds		
	Water Connection	Sewer Connections	Total
Assets:			
Current:			
Cash and investments	\$ 1,585,400	\$ 1,461,449	\$ 3,046,849
Receivables:			
Accrued interest	4,718	6,068	10,786
Total Current Assets	<u>1,590,118</u>	<u>1,467,517</u>	<u>3,057,635</u>
Total Assets	<u>1,590,118</u>	<u>1,467,517</u>	<u>3,057,635</u>
Liabilities:			
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Restricted for capital projects	<u>1,590,118</u>	<u>1,467,517</u>	<u>3,057,635</u>
Total Net Position	<u>\$ 1,590,118</u>	<u>\$ 1,467,517</u>	<u>\$ 3,057,635</u>

City of Live Oak

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Non-Major Proprietary Funds
Year Ended June 30, 2023**

	Business-Type Activities - Proprietary Funds		
	Water Connection	Sewer Connections	Total
Operating Revenues:			
Sales and service charges	\$ 160,335	\$ 199,166	\$ 359,501
Total Operating Revenues	<u>160,335</u>	<u>199,166</u>	<u>359,501</u>
Operating Income	<u>160,335</u>	<u>199,166</u>	<u>359,501</u>
Nonoperating Revenues:			
Interest revenue	11,802	11,920	23,722
Total Nonoperating Revenues	<u>11,802</u>	<u>11,920</u>	<u>23,722</u>
Changes in Net Position	172,137	211,086	383,223
Net Position:			
Beginning of Fiscal Year	<u>1,417,981</u>	<u>1,256,431</u>	<u>2,674,412</u>
End of Fiscal Year	<u>\$ 1,590,118</u>	<u>\$ 1,467,517</u>	<u>\$ 3,057,635</u>

City of Live Oak

**Combining Statement of Cash Flows
Non-Major Proprietary Funds
Year Ended June 30, 2023**

	Business-Type Activities - Proprietary Funds		
	Water Connection	Sewer Connections	Total
Cash flows from operating activities:			
Cash received from customers and users	\$ 160,335	\$ 199,166	\$ 359,501
Cash flows from capital and related financing activities:			
Transfer of construction in progress	449,000	-	449,000
Cash flows from investing activities:			
Interest on investments	8,063	7,125	15,188
Net increase in cash and cash equivalents	617,398	206,291	823,689
Cash and cash equivalents at beginning of year	968,002	1,255,158	2,223,160
Cash and cash equivalents at end of year	\$ 1,585,400	\$ 1,461,449	\$ 3,046,849
Reconciliation of operating income to cash flows provided by (used for) operating activities:			
Operating income	\$ 160,335	\$ 199,166	\$ 359,501
Net cash provided by operating activities	\$ 160,335	\$ 199,166	\$ 359,501

City of Live Oak

Statistical Section For the Fiscal Year Ended June 30, 2023

This part of the City's ACFR 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

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.

Debt Capacity

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

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

Operating Information

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

This page intentionally left blank.

City of Live Oak

Net Position by Component Last Ten Fiscal Years (full accrual basis of accounting)

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Governmental Activities										
Net investment in capital assets	\$ 25,177,065	\$ 26,423,155	\$ 27,103,387	\$ 28,265,740	\$ 28,377,393	\$ 28,831,714	\$ 28,129,068	\$ 29,188,335	\$ 28,551,024	\$ 28,451,964
Restricted	10,503,214	12,167,030	4,272,612	3,345,863	3,980,298	3,708,676	3,885,096	3,691,906	23,228,119	23,156,631
Unrestricted	4,737,305	4,485,329	4,280,849	5,445,053	6,722,869	17,008,977	20,932,421	19,566,055	1,307,845	1,295,775
Total governmental activities net position	<u>\$ 40,417,584</u>	<u>\$ 43,075,514</u>	<u>\$ 35,656,848</u>	<u>\$ 37,056,656</u>	<u>\$ 39,080,560</u>	<u>\$ 49,549,367</u>	<u>\$ 52,946,585</u>	<u>\$ 52,446,296</u>	<u>\$ 53,086,988</u>	<u>\$ 52,904,370</u>
Business-type Activities										
Net investment in capital assets	\$ 31,055,100	\$ 29,831,525	\$ 28,599,846	\$ 28,727,091	\$ 28,647,690	\$ 28,082,900	\$ 28,405,269	\$ 29,355,009	\$ 28,172,308	\$ 26,933,171
Restricted	2,107,725	2,228,397	2,401,678	1,343,421	341,832	540,108	815,915	1,306,135		3,057,635
Unrestricted	2,837,663	2,263,256	2,554,799	3,760,366	3,110,022	3,238,836	3,433,811	2,828,996	4,720,811	1,350,717
Total business-type activities net position	<u>\$ 36,000,488</u>	<u>\$ 34,323,178</u>	<u>\$ 33,556,323</u>	<u>\$ 33,830,878</u>	<u>\$ 32,099,544</u>	<u>\$ 31,861,844</u>	<u>\$ 32,654,995</u>	<u>\$ 33,490,140</u>	<u>\$ 32,893,119</u>	<u>\$ 31,341,523</u>
Primary Government										
Net investment in capital assets	\$ 56,232,165	\$ 56,254,680	\$ 55,703,233	\$ 56,992,831	\$ 57,025,083	\$ 56,914,614	\$ 56,534,337	\$ 58,543,344	\$ 56,723,332	\$ 55,385,135
Restricted	12,610,939	14,395,427	6,674,290	4,689,284	4,322,130	4,248,784	4,701,011	4,998,041	23,228,119	26,214,266
Unrestricted	7,574,968	6,748,585	6,835,648	9,205,419	9,832,891	20,247,813	24,366,232	22,395,051	6,028,656	2,646,492
Total primary government net position	<u>\$ 76,418,072</u>	<u>\$ 77,398,692</u>	<u>\$ 69,213,171</u>	<u>\$ 70,887,534</u>	<u>\$ 71,180,104</u>	<u>\$ 81,411,211</u>	<u>\$ 85,601,580</u>	<u>\$ 85,936,436</u>	<u>\$ 85,980,107</u>	<u>\$ 84,245,893</u>

City of Live Oak

Changes in Net Position Last Ten Fiscal Years (full accrual basis of accounting)

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Expenses										
Governmental Activities:										
General government	\$ 399,590	\$ 543,796	\$ 519,223	\$ 699,781	\$ 990,032	\$ 990,360	\$ 893,380	\$ 774,096	\$ 931,014	\$ 970,176
Public safety	1,744,005	1,635,797	2,235,826	2,033,209	1,984,144	2,006,236	2,313,013	2,328,780	2,517,012	2,970,288
Public ways and facilities	1,178,326	1,418,607	1,196,682	2,031,089	1,579,362	966,937	1,053,622	1,827,022	1,243,057	583,760
Culture and recreation	496,495	544,100	609,869	833,110	926,952	1,071,086	1,197,655	1,187,739	1,207,729	1,499,961
Community development	517,636	620,114	2,474,188	2,060,694	1,828,608	429,642	4,815,355	537,626	52,895	975,406
Interest on long-term debt	3,348	3,748	2,584	520	5,952	25,222	21,932	16,884	31,899	9,247
Total Governmental Activities Expense	4,339,400	4,766,162	7,038,372	7,658,403	7,315,050	5,489,483	10,294,957	6,672,147	5,983,606	7,008,838
Business-type Activities:										
Water	1,381,185	1,404,692	1,275,640	1,306,471	1,300,029	1,335,960	1,313,223	1,596,824	1,770,843	1,927,586
Sewer	2,544,455	2,633,340	2,704,970	2,724,674	2,898,819	2,925,050	2,855,811	3,038,425	3,085,361	3,463,892
Total Business-type Activities Expense	3,925,640	4,038,032	3,980,610	4,031,145	4,198,848	4,261,010	4,169,034	4,635,249	4,856,204	5,391,478
Total Primary Government Expense	\$ 8,265,040	\$ 8,804,194	\$ 11,018,982	\$ 11,689,548	\$ 11,513,898	\$ 9,750,493	\$ 14,463,991	\$ 11,307,396	\$ 10,839,810	\$ 12,400,316
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 70,805	\$ 76,876	\$ 83,748	\$ 366,660	\$ 492,972	\$ 427,673	\$ 296,639	\$ 392,632	\$ 402,145	\$ 422,183
Public safety	378,725	408,070	398,570	4,057	2,728	4,230	6,582	4,781	6,607	2,754
Public ways and facilities	343,482	426,434	973,516	233,355	1,781,220	39,870	199,616	439,942	500,019	195,292
Culture and recreation	162,631	252,394	185,432	64,221	61,744	56,343	35,211	20,816	38,968	48,234
Community development	178,503	144,641	320,667	1,055,642	2,005,122	115,139	-	-	-	-
Operating grants and contributions	1,004,975	1,977,712	2,793,371	1,857,982	277,728	1,146,628	9,988,595	1,399,265	1,143,071	364,224
Capital grants and contributions	402,859	2,152,350	1,690,492	1,295,923	100,745	100,156	28,210	38,118	57,965	478,664
Total Governmental Activities Program Revenues	2,541,980	5,438,477	6,445,796	4,877,840	4,722,259	1,890,039	10,554,853	2,295,554	2,148,775	1,511,351
Business-type Activities:										
Charges for services:										
Water	850,832	882,743	878,199	809,830	878,229	879,586	879,726	940,189	799,208	915,239
Sewer	2,179,286	2,241,249	2,291,083	2,243,244	2,265,104	2,289,788	2,328,299	2,378,415	2,436,477	2,494,773
Water Connections	-	-	-	15,270	68,930	109,333	121,653	428,682	448,210	160,335
Sewer Connections	-	-	-	9,053	-	89,628	144,228	508,232	482,350	199,166
Operating grants and contributions	-	-	-	-	-	-	-	-	123,864	-
Capital grants and contributions	-	-	23,000	1,027,513	864,919	-	-	-	-	-
Total Business-type Activities Program Revenues	3,030,118	3,123,992	3,192,282	4,104,910	4,077,182	3,368,335	3,473,906	4,255,518	4,290,109	3,769,513
Total Primary Government Program Revenues	\$ 5,572,098	\$ 8,562,469	\$ 9,638,078	\$ 8,982,750	\$ 8,799,441	\$ 5,258,374	\$ 14,028,759	\$ 6,551,072	\$ 6,438,884	\$ 5,280,864

Source: ACFR
Statement of Activities

City of Live Oak

Changes in Net Position Last Ten Fiscal Years (full accrual basis of accounting)

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Net (Expense)/Revenues (1)										
Governmental Activities	\$ (1,797,420)	\$ 672,315	\$ (592,576)	\$ (2,780,563)	\$ (2,592,791)	\$ (3,599,444)	\$ 259,896	\$ (4,376,593)	\$ (3,834,831)	\$ (5,497,487)
Business-type activities	(895,522)	(914,040)	(788,328)	73,765	(121,666)	(892,675)	(695,128)	(379,731)	(566,095)	(1,621,965)
Total Primary Governmental Net Expense	<u>(2,692,942)</u>	<u>(241,725)</u>	<u>(1,380,904)</u>	<u>(2,706,798)</u>	<u>(2,714,457)</u>	<u>(4,492,119)</u>	<u>(435,232)</u>	<u>(4,756,324)</u>	<u>(4,400,926)</u>	<u>(7,119,452)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	1,241,319	1,382,229	1,383,175	1,476,356	1,470,113	1,867,354	1,760,699	1,878,102	1,843,633	2,330,230
Sales and use taxes	294,102	263,086	297,481	325,380	358,667	427,506	399,002	371,363	520,544	598,071
Franchise taxes	139,766	155,071	166,356	-	-	232,801	231,699	245,828	284,861	298,307
Property taxes	12,837	8,290	11,536	-	-	-	-	-	-	-
Other taxes	-	-	-	716,398	750,153	1,058,557	1,269,351	1,619,334	739,612	1,262,269
Motor vehicle in lieu - unrestricted	-	-	-	-	-	328,139	337,283	429,421	415,704	457,867
Use of money and property	-	-	-	87,766	120,425	42,769	317,698	84,839	358,363	347,278
Grants and contributions - unrestricted	4,145	80,806	34,609	-	-	-	-	-	-	-
Interest and investment earnings	73,827	79,218	113,073	-	-	-	-	-	-	-
Miscellaneous	169,350	64,888	217,676	-	-	-	-	-	-	-
Other	-	-	-	541,664	322,717	265,241	238,755	458,167	306,961	20,847
Transfers	-	-	-	25,000	1,556,000	(577,087)	(1,417,165)	(1,210,750)	-	-
Special Item	-	447,830	-	-	-	-	-	-	-	-
Extraordinary gain	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>1,935,346</u>	<u>2,481,418</u>	<u>2,223,906</u>	<u>3,172,564</u>	<u>4,578,075</u>	<u>3,645,280</u>	<u>3,137,322</u>	<u>3,876,304</u>	<u>4,469,678</u>	<u>5,314,869</u>
Business-type Activities:										
Use of money and property	-	-	-	28,460	50,063	77,888	71,114	-	-	70,369
Interest and investment earnings	10,221	13,448	21,309	-	-	-	-	-	-	-
Miscellaneous	1,673	1,934	164	-	-	-	-	4,126	(30,925)	-
Other	-	-	-	667	-	-	-	-	-	-
Transfers	-	-	-	(25,000)	(1,556,000)	577,087	1,417,165	1,210,750	-	-
Total Business-Type Activities	<u>11,894</u>	<u>15,382</u>	<u>21,473</u>	<u>4,127</u>	<u>(1,505,937)</u>	<u>654,975</u>	<u>1,488,279</u>	<u>1,214,876</u>	<u>(30,925)</u>	<u>70,369</u>
Total Primary Government	<u>\$ 1,947,240</u>	<u>\$ 2,496,800</u>	<u>\$ 2,245,379</u>	<u>\$ 3,176,691</u>	<u>\$ 3,072,138</u>	<u>\$ 4,300,255</u>	<u>\$ 4,625,601</u>	<u>\$ 5,091,180</u>	<u>\$ 4,438,753</u>	<u>\$ 5,385,238</u>
Change in Net Position										
Governmental Activities	137,926	3,153,733	1,631,330	392,001	1,985,284	45,836	3,397,218	(500,289)	634,847	(182,618)
Business-type activities	(883,628)	(898,658)	(766,855)	77,892	(1,627,603)	(237,700)	793,151	835,145	(597,020)	(1,551,596)
Total Primary Government	<u>\$ (745,702)</u>	<u>\$ 2,255,075</u>	<u>\$ 864,475</u>	<u>\$ 469,893</u>	<u>\$ 357,681</u>	<u>\$ (191,864)</u>	<u>\$ 4,190,369</u>	<u>\$ 334,856</u>	<u>\$ 37,827</u>	<u>\$ (1,734,214)</u>

Source: ACFR

Note: (1) Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

City of Live Oak

Fund Balance - Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
General Fund										
Nonspendable	\$ -	\$ 451,274	\$ 8,115	\$ 10,661	\$ 11,357	\$ 15,268	\$ 10,659	\$ 29,319	\$ 10,143	\$ 6,514
Committed	2,514,883	2,519,197	2,525,652	2,534,045	2,548,739	2,548,739	2,607,392	2,605,435	2,599,487	2,599,487
Unassigned	2,037,092	2,227,090	2,230,647	2,075,899	2,427,584	2,106,314	1,844,354	1,559,999	1,350,664	516,700
Total General Fund	<u>\$ 4,551,975</u>	<u>\$ 5,197,561</u>	<u>\$ 4,764,414</u>	<u>\$ 4,620,605</u>	<u>\$ 4,987,680</u>	<u>\$ 4,670,321</u>	<u>\$ 4,462,405</u>	<u>\$ 4,194,753</u>	<u>\$ 3,960,294</u>	<u>\$ 3,122,701</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ 484	\$ 330	\$ 4,712	\$ 3,983	\$ 4,559	\$ 15,402	\$ 7,094	\$ -	\$ 410
Restricted	10,503,214	11,975,628	4,272,282	3,345,863	3,874,348	3,708,676	3,741,774	3,691,906	2,643,073	5,462,480
Unassigned	(49,787)	(411,087)	(1,270,688)	(1,840,637)	(538,556)	(485,594)	(716,124)	(2,325,939)	-	(2,428,634)
Total All Other Governmental Funds	<u>\$ 10,453,427</u>	<u>\$ 11,565,025</u>	<u>\$ 3,001,924</u>	<u>\$ 1,509,938</u>	<u>\$ 3,339,775</u>	<u>\$ 3,227,641</u>	<u>\$ 3,041,052</u>	<u>\$ 1,373,061</u>	<u>\$ 2,643,073</u>	<u>\$ 3,034,256</u>

Source: ACFR

Note: The City implemented GASB 54 for fiscal year June 30, 2011 under which fund balances are reported as nonspendable, restricted, committed, assigned and unassigned as compared to reserved and unreserved.

City of Live Oak

Changes in Fund Balance - Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>
Revenues										
Taxes and assessment	\$ 2,220,317	\$ 2,352,464	\$ 2,411,650	\$ 2,518,134	\$ 2,578,933	\$ 3,586,218	\$ 3,660,751	\$ 4,114,627	\$ 2,878,237	\$ 4,271,436
Licenses and permits	451,881	482,426	646,258	450,120	557,939	394,950	290,495	414,375	1,394,162	629,636
Fines and forfeitures	6,867	3,594	6,935	4,057	2,728	4,230	5,140	4,781	7,617	4,005
Use of money	73,827	79,218	113,073	87,766	120,425	259,955	238,755	84,839	45,150	281,095
Intergovernmental	1,575,066	4,115,325	3,853,365	3,443,320	4,248,576	1,119,755	951,050	922,241	1,455,599	1,056,595
Charges for services	80,882	258,513	558,685	103,286	115,920	96,709	173,919	215,656	61,234	79,400
Other revenues	169,350	64,888	217,676	558,732	324,639	310,832	5,085,002	1,141,554	374,180	158,749
Total Revenues	<u>4,578,190</u>	<u>7,356,428</u>	<u>7,807,642</u>	<u>7,165,415</u>	<u>7,949,160</u>	<u>5,772,649</u>	<u>10,405,112</u>	<u>6,898,073</u>	<u>6,216,179</u>	<u>6,480,916</u>
Expenditures										
Current:										
General government	347,258	514,871	488,652	688,906	857,597	906,681	791,833	765,267	677,139	866,180
Public safety	1,670,167	1,585,506	2,148,112	1,914,124	1,867,994	1,883,345	2,141,889	2,183,544	2,372,891	2,804,018
Public ways and facilities	678,801	923,626	735,070	1,472,836	997,626	972,143	918,792	1,601,353	704,499	570,482
Culture and recreation	386,469	432,264	501,979	725,565	789,094	763,960	868,515	893,998	894,267	1,182,073
Community development	517,636	627,037	2,482,059	2,041,715	1,956,524	434,675	5,688,770	1,168,779	49,602	444,550
Debt service										
Principal	13,000	66,342	67,461	68,581	54,146	123,414	125,933	128,540	144,525	147,514
Interest	3,348	3,748	2,584	520	5,952	25,222	21,932	16,884	33,065	10,454
Capital outlay	1,038,108	2,422,505	1,866,084	1,909,114	1,329,178	1,092,702	338,033	1,979,271	304,638	902,055
Total Expenditures	<u>4,654,787</u>	<u>6,575,899</u>	<u>8,292,001</u>	<u>8,821,361</u>	<u>7,858,111</u>	<u>6,202,142</u>	<u>10,895,697</u>	<u>8,737,636</u>	<u>5,180,626</u>	<u>6,927,326</u>
Excess of Revenues Over (under) Expenditures	<u>(76,597)</u>	<u>780,529</u>	<u>(484,359)</u>	<u>(1,655,946)</u>	<u>91,049</u>	<u>(429,493)</u>	<u>(490,585)</u>	<u>(1,839,563)</u>	<u>1,035,553</u>	<u>(446,410)</u>
Other Financial Sources (Uses)										
Issuance of debt	-	528,825	-							
Transfers in	993,112	5,033,468	615,014	1,470,949	2,491,184	442,810	74,435	100,955	611,000	-
Transfers out	(993,112)	(5,033,468)	(615,014)	(1,445,949)	(409,587)	(442,810)	(74,435)	(100,955)	(611,000)	-
Capital Leases					549,863					
Total Other Financial Sources (Uses)	<u>-</u>	<u>528,825</u>	<u>-</u>	<u>25,000</u>	<u>2,631,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Item - Reinstatement of loan receivable	-	447,830	-	(4,849)	-	-	-	-	-	-
Extraordinary gain	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	<u>\$ (76,597)</u>	<u>\$ 1,757,184</u>	<u>\$ (484,359)</u>	<u>\$(1,635,795)</u>	<u>\$ 2,722,509</u>	<u>\$ (429,493)</u>	<u>\$ (490,585)</u>	<u>\$(1,839,563)</u>	<u>\$ 1,035,553</u>	<u>\$ (446,410)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.45%	1.72%	1.10%	1.01%	0.93%	3.00%	1.42%	2.20%	3.78%	2.69%

City of Live Oak

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Secured	Unsecured	SBE Nonunitary	Taxable Assessed Value	% Change	Direct Rate
2013/2014	\$ 279,374,003	\$ 4,610,118	\$ 2,004	\$ 283,986,125	2.33%	1.000%
2014/2015	315,429,043	5,473,874	2,004	320,904,921	13.00%	1.000%
2015/2016	330,917,725	5,238,525	2,004	336,158,254	4.75%	1.000%
2016/2017	352,823,047	4,561,387	2,439	357,386,873	6.32%	1.000%
2017/2018	370,589,936	4,492,172	2,439	375,084,547	4.95%	1.000%
2018/2019	438,648,423	5,852,538	2,439	393,440,920	4.89%	1.140%
2019/2020	458,721,383	6,373,661	2,614	423,760,729	7.71%	1.140%
2020/2021	501,722,808	7,710,226	2,614	454,529,296	7.26%	1.150%
2021/2022	530,921,669	8,159,845	2,614	484,011,255	6.49%	1.150%
2022/2023	586,612,743	8,766,503	2,614	538,189,510	11.19%	1.132%

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property tax may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of the taxable property and is subject to the limitations described above.

Source: Assessor's Office, County of Sutter
HDL Coren & Cone
Top 10 Property Taxpayers

City of Live Oak

Property Tax Rates – All Overlapping Governments Last Ten Fiscal Years

	Fiscal Year									
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
City of Live Oak										
General purpose	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Property tax in lieu of vehicle license fees	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Live Oak Unified School District	0.082	0.074	0.073	0.065	0.372	0.114	0.372	0.117	0.108	0.100
Yuba Community College District	0.027	0.025	0.025	0.026	0.073	0.030	0.073	0.031	0.036	0.032
Special Districts	-	-	-	-	-	-	-	-	-	-
	<u>1.110</u>	<u>1.099</u>	<u>1.098</u>	<u>1.091</u>	<u>1.445</u>	<u>1.144</u>	<u>1.445</u>	<u>1.148</u>	<u>1.144</u>	<u>1.132</u>

Notes:

(1) The above tax rates are applied per \$100 of assessed valuation.

(2) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of school district bonds.

Source: Assessor's Office, County of Sutter
HDL Coren & Cone
Property Tax Dollar Breakdown

City of Live Oak

Principal Property Tax Payers Current Year and Ten Years Ago

Taxpayer	Fiscal Year 2022/2023	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Corrections Corporation of America	\$ 7,808,296	1.45%
Millenium Farms LLC	4,614,062	0.86%
9000 Larkin Road LLC	4,618,257	0.86%
COE Orchard Equipment Inc	4,145,042	0.77%
Rilco-Edwards LLC	3,465,470	0.64%
Gill Kashmir K Etal	3,442,395	0.64%
Singh Ranjit & Raninder	3,424,096	0.64%
H&S Energy LLC	2,725,459	0.51%
Live Oak Apts	2,561,295	0.48%
Slagle Rev 88 Tr Et	2,460,000	0.46%
	<u>\$ 39,264,372</u>	<u>7.30%</u>

Total City of Live Oak assessed property valuation Fiscal Year 2022/23 \$ 538,189,510

Taxpayer	Fiscal Year 2012/13	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
CCA Properties of America	\$ 6,576,015	2.37%
Tower Energy Group Corporation	3,417,655	1.23%
Auburn Manor Holding Corporation	3,343,250	1.20%
Sunsweet Dryers	2,521,553	0.91%
Jaswant S. Saprui	2,059,902	0.74%
L and R Gas and Food Inc	1,835,296	0.66%
Kashmir K. Gill	1,792,057	0.65%
KB Home Sacramento Inc	1,455,000	0.52%
Millennium Farms LLC	1,387,161	0.50%
Cavazos Family Rev 11 Trust Etal	1,272,000	0.46%
	<u>\$ 25,659,889</u>	<u>9.25%</u>

Total City of Live Oak assessed property valuation Fiscal Year 2012/13 \$ 277,525,560

Note:

Data pertaining to fiscal year 2009/2008 and prior is not available, the lastest prior year available is fiscal year 2011/2012

Source: Assessor's Office, County of Sutter
HDL Coren & Cone
Top Ten Property Tax Payers

City of Live Oak

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2012/2013	\$ 459,780	\$ 459,780	100.00%	-	\$ 459,780	100.00%
2013/2014	446,754	446,754	100.00%	-	446,754	100.00%
2014/2015	519,978	519,978	100.00%	-	519,978	100.00%
2015/2016	526,346	526,346	100.00%	-	526,346	100.00%
2016/2017	592,035	592,035	100.00%	-	592,035	100.00%
2017/2018	616,549	616,549	100.00%	6,672	623,221	100.00%
2018/2019	649,914	649,914	100.00%	8,119	658,033	100.00%
2019/2020	668,907	668,907	100.00%	8,278	668,907	100.00%
2020/2021	703,105	703,105	100.00%	8,093	703,105	100.00%
2021/2022	650,261	650,261	100.00%		650,261	100.00%
2022/2023	972,675	972,675	100.00%		972,675	100.00%

Source: Auditor-Controller's Office, County of Sutter
Finance Department, City of Live Oak (GL).

Notes:

Auditor-Controller's Office, County of Sutter for Billed and Unpaid tax for Collection in Subsequent Yrs
Taxes Levied for the FY is 100% of the Secured Property Taxes which can be found on the GL 10-4-0000-4101

City of Live Oak

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities					Total Primary Government	Percentage of Person Income (1)	Percentage of Assessed Value (2)	Per Capita (1)
	Loans	Leases and Financed Purchases	Total	Loans	Bonds	Certificates of Participation	Capital Leases	Total				
2012/2013	\$ 58,000	\$ -	\$ 58,000	\$ 5,874,728	\$ 55,000	\$ 2,250,000	\$ 309,641	\$ 8,489,369	\$ 8,547,369	5.81%	3.08%	1,025
2013/2014	45,000	-	45,000	5,689,373	27,000	2,190,000	245,690	8,152,063	8,197,063	5.30%	2.89%	969
2014/2015	507,483	-	507,483	5,512,294	-	2,130,000	180,453	7,822,747	8,330,230	5.71%	2.60%	981
2015/2016	440,022	-	440,022	5,333,446	-	2,060,000	113,903	7,507,349	7,947,371	5.33%	2.36%	935
2016/2017	371,441	-	371,441	5,152,808	-	1,990,000	46,015	7,188,823	7,560,264	5.04%	2.12%	859
2017/2018	317,295	549,863	867,158	4,970,364	-	1,920,000	-	6,890,364	7,757,522	4.51%	2.07%	883
2018/2019	264,413	479,331	743,744	4,786,095	-	1,850,000	-	6,636,095	7,379,839	4.70%	1.88%	841
2019/2020	211,530	406,281	617,811	4,599,983	-	1,780,000	-	6,379,983	6,997,794	4.39%	1.65%	785
2020/2021	158,648	330,623	489,271	4,412,011	-	1,710,000	-	6,122,011	6,611,282	4.06%	1.45%	711
2021/2022	105,766	252,264	358,030	4,222,159	-	1,640,000	-	5,862,159	6,220,189	3.89%	1.29%	660
2022/2023	52,883	189,499	242,382	4,030,408	-	1,570,000	7,248	5,607,656	5,850,038	3.64%	1.09%	625

(1) See Demographic and Economic Statistic schedule for personal income and population data.

(2) See Assessed Value and Estimated Actual Value of Taxable Property schedule for property value data.

n/a - information is not available

Source: City of Live Oak Annual Financial Reports
Finance Department, City of Live Oak (Long Term Debt Schedule)

City of Live Oak

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding		Percent of Assessed Value	Population	Per Capita
	General Obligation Bonds	Total			
2012/2013	\$ 58,000	\$ 58,000	0.02%	8,341	7
2013/2014	45,000	45,000	0.02%	8,461	5
2014/2015	507,483	507,483	0.16%	8,488	60
2015/2016	440,022	440,022	0.13%	8,500	52
2016/2017	371,441	371,441	0.10%	8,800	42
2017/2018	317,295	317,295	0.08%	8,781	36
2018/2019	264,413	264,413	0.07%	8,771	30
2019/2020	211,530	211,530	0.05%	8,912	24
2020/2021	158,648	158,648	0.03%	9,300	17
2021/2022	105,766	105,766	0.02%	9,428	11
2022/2023	52,883	52,883	0.01%	9,364	6

Source: Assessor's Office, County of Sutter
Finance Department, City of Live Oak
Hdl Coren & Cone

City of Live Oak

Direct and Overlapping Bonded Debt As of June 30, 2023

City Assessed Valuation	\$ 546,483,427
	<u>-</u>
Adjusted Assessed Valuation	<u>\$ 546,483,427</u>

	Percent Applicable	Outstanding Debt June 30, 2023	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Live Oak Unified School District	47.867%	\$ 20,975,000	\$ 10,040,103
Yuba Community College District	1.374%	176,936,106	2,431,102
Sutter Butte Flood Control Agency Assessment District	4.868%	<u>77,900,000</u>	3,792,172
Total Overlapping Tax and Assessment Debt		<u>275,811,106</u>	<u>16,263,377</u>
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Sutter County Board of Education Certificates of Participations	4.648%	\$ 5,975,000	277,718
Yuba Joint Community College General Fund Obligations	1.374%	10,973,482	150,776
Live Oak Unified School District Certificates of Participation	47.867%	6,278,193	3,005,183
City of Yuba City Loan	100.000%	105,766	105,766
Financed purchase	100.000%	252,264	252,264
Lease liability	100.000%	31,866	31,866
Total Direct and Overlapping General Fund Obligation Debt		<u>23,616,571</u>	<u>3,823,573</u>
Total Overlapping Debt		<u>299,427,677</u>	<u>20,086,950</u>
Total Combined Debt		<u>\$ 299,427,677</u>	<u>\$ 20,086,950</u>
RATIOS TO 2022/2023 ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt			3.68%
RATIOS TO ADJUSTED ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt	3.676%		
Combined Direct Debt (\$0,000,000)	0.000%		
Combined Total Debt	3.676%		

Note: Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the City of Live Oak. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: Auditor-Controller's Office, County of Sutter
 Yuba Community College
 Live Oak Unified School District
 Sutter-Butte Flood Control Agency
 Finance Department, City of Live Oak
 Munis Report
 CalMuni

City of Live Oak

Computation of Legal Bonded Debt Margin June 30, 2023

Secured Property Assessed Value, Net of Exempt Real Property	<u>\$ 538,189,510</u>
Bonded debt limit (3.75% of assessed value) (a)	\$ 20,182,107
Less debt subject to limit:	
Total water certificates of participation at 06/30/23	(880,000)
Total sewer certificates of participation at 06/30/23	(690,000)
Total sewer revenue bonds at 06/30/23	<u>-</u>
Legal debt margin	<u>\$ 18,612,107</u>

(a) California Government Code Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value at full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

Source: Assessor's Office, County of Sutter
Finance Department, City of Live Oak
Hdl Coren & Cone

Notes:
Certificate of participation can be found in long term debt

City of Live Oak

Demographic and Economic Statistics Last Ten Fiscal Years

Calendar Year	Population	Personal Income		Taxable Assessed Valuation	Per Capita Taxable Property Values	Average Unemployment Rate
		Total (in thousands)	Per Capita			
2014	8,461	\$ 154,611	\$ 18,273	\$ 283,986,125	\$ 33,564	24.5%
2015	8,488	145,773	17,174	320,904,921	37,807	14.3%
2016	8,500	149,192	17,552	336,158,254	39,548	6.9%
2017	8,800	149,859	17,029	357,386,873	40,612	8.00%
2018	8,781	171,819	19,567	375,084,547	42,715	7.60%
2019	8,771	156,957	17,895	393,440,920	44,857	4.30%
2020	8,912	159,545	17,902	423,760,729	47,549	4.30%
2021	9,300	162,773	17,503	454,529,296	48,877	9.30%
2022	9,428	159,758	16,945	484,011,255	51,338	9.30%
2023	9,364	160,692	17,161	538,189,510	57,474	4.90%

Note: Data pertaining to personal income is not readily available, thus the City used taxable assessed values to calculate per capita taxable property values. Data pertaining to personal income for calendar year 2016, and 2017 is not readily available, thus the City provided an average using data from the last three years.

Secured Property Assessed Value, Net of Exempt Real Property

Bonded debt limit (3.75% of as:

Less debt subject to limit:

Total water certificates of participation at 06/30/23
 Total sewer certificates of participation at 06/30/23
 Total sewer revenue bonds at 06/30/23

Legal debt margin —

(a) California Government Code :
 change in basing assessed
 shown as 3.75% is one-fourth

Source: Assessor's Office, County of Sutter
 Finance Department, City of Live Oak
 Hdl Coren & Cone

Notes:
 Certificate of participation can be found in long term debt

City of Live Oak

Principal Employers 2023

Employer	2022-2023 Number of Employees	Percent of Total Employment	2021-2022 Number of Employees	Percent of Total Employment
Live Oak Unified School District	259	6.32%	256	6.56%
River Valley Care Center	156	3.80%	145	3.72%
Wilbur Packing CO Inc	85	2.07%	142	3.64%
E-Center Head Start - Yuba-Sutter	25	0.61%	22	0.56%
City of Live Oak	23	0.56%	41	1.05%
Live Oak Pharmacy	23	0.56%	6	0.15%
Dollar General Market	18	0.44%	17	0.44%
Chevron Tower Supermarket	17	0.41%	14	0.36%
United States Post Office	12	0.29%	13	0.33%
Peach Tree Health (Formerly Live Oak Medical Clinic)	10	0.24%	10	0.26%
Tower Supermarket		0.00%	14	0.36%
Total	<u>628</u>	<u>15.32%</u>	<u>680</u>	<u>17.44%</u>
Total City Employment (1)	4100			

Note:

Source: City of Live Oak

Avenu Insights & Analytics

(1) Employment Development Department, State of California

Munis Report

City of Live Oak

Full-Time and Part-Time City Government Employees Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Clerk's Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administration	1.00	1.00	1.00	-	1.00	1.00	-	1.00	1.00	1.00
Finance/Administrative Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community Development	1.00	-	-	-	-	-	-	-	-	-
Public Works	9.00	5.00	7.00	10.00	7.00	7.00	8.00	7.00	10.00	10.00
Parks and Recreation	7.00	10.00	8.00	7.00	9.00	9.00	10.00	6.00	8.00	8.00
Building	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Full-Time Equivalent Employees	30.00	29.00	29.00	30.00	30.00	30.00	31.00	27.00	32.00	32.00

Source: Finance Department, City of Live Oak

City of Live Oak

Operating Indicators Last Ten Fiscal Years

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Business Licenses:										
Annual Business License	286	135	129	137	132	119	121	130	140	133
One Time License	18	11	10	7	6	8	9	5	5	5
Environment and Utilities:										
Gallons of wastewater treated per year (in millions)	223	225	218	380	251	384	393	300	310	274
Fire - Within City Limits										
Fires per year	47	22	21	19	16	87	95	21	44	*
Emergency medical calls per year	509	236	738	682	678	977	699	832	921	*
Hazardous materials incidents per year	5	4	7	14	16	5	25	18	10	*
Non-emergency service calls per year	192	275	78	275	271	85	92	224	277	*
Fire - Outside City Limits Within County										
Fires per year	-	47	42	36	19	45	86	56	46	*
Emergency medical calls per year	-	154	155	156	181	105	188	287	126	*
Hazardous materials incidents per year	-	4	12	9	8	1	10	18	5	*
Non-emergency service calls per year	-	99	112	104	113	65	32	192	88	*
Police										
911 calls per year	1,401	1,432	1,965	1,998	1,862	1,491	1,632	1,809	2,051	2,099
Cases investigated per year	930	563	616	696	744	1,153	1,074	752	1,055	817
Arrests per year	202	92	123	121	124	213	192	224	185	182
Building Permits										
Building permits issued per year	147	200	279	241	210	313	279	276	284	349
New building and alteration valuation	\$ 2,188,866	\$ 6,525,489	\$ 9,442,021	\$ 9,442,021	\$ 9,060,757	\$ 23,059,905	\$ 14,842,766	\$ 21,625,800	\$ 27,270,794	\$ 14,110,722

Note: * This information is not available at the time of issuing this report.

Source: City of Live Oak, Finance/Building Dept's
Sutter County Sheriff
Sutter County Fire

City of Live Oak

Capital Asset Statistics Last Ten Fiscal Years

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Environment and Utilities										
Miles of municipal sewer mains	24.9	24.9	25.6	25.6	25.6	25.6	25.6	25.6	25.6	25.6
Maximum daily capacity (gallons per day)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Miles of water mains	30.4	30.4	31.5	31.5	31.5	31.5	31.5	31.5	31.5	31.5
Water wells	4	4	4	4	5	5	6	6	7	7
Water storage tanks	1	1	1	1	1	1	1	1	1	1
Fire										
Full-time staffed positions	4	4	4	6	6	6	6	6	6	6
Volunteer stations	1	1	1	1	1	1	3	3	3	3
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles and motorcycles	10	10	10	10	10	10	10	12	12	12
Community Development										
Miles of municipal roadways	28.44	28.44	29.50	29.50	29.50	29.50	29.50	29.50	29.50	29.50
Park sites	8	8	8	8	8	8	8	8	8	8
Oak Tree Memorial Ball Fields Skate Park Date St Park Pennington Ranch Rec Trail Soccer Park										

Source: City of Live Oak Public Works
Sutter County Fire Dept
Sutter County Sheriff Dept

City of Live Oak

Sales Value History Last Ten Fiscal Years

Calendar Year	Full Value Sales	Average Price	Median Price	Median % Change
2014	100	\$ 155,175	\$ 159,000	15.22%
2015	97	181,232	190,000	19.50%
2016	96	186,047	196,000	3.16%
2017	89	211,315	213,000	8.67%
2018	86	220,087	223,250	4.81%
2019	83	241,880	245,000	9.74%
2020	94	276,314	283,000	1.84%
2021	81	348,543	350,000	1.84%
2022	53	370,368	370,000	4.23%
2023	54	351,583	364,500	1.89%

Source: Assessor's Office, County of Sutter
Finance Department, City of Live Oak
Hdl Coren & Cone

This page intentionally left blank.