

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

*For the Fiscal Year Ended
June 30, 2012*



*Prepared by the
Finance Department*

Satwant Takhar
Finance Director

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**City of Live Oak,
California**

**Comprehensive Annual
Financial Report**

**For the Year Ended
June 30, 2012**

Prepared by the Finance Department

**Satwant S. Takhar
Finance Director**

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Comprehensive Annual Financial Report
For the Year Ended June 30, 2012

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INTRODUCTORY SECTION

- **Letter of Transmittal**
- **City Officials**
- **Organizational Chart**

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November 6, 2012

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

It is our pleasure to submit the City of Live Oak's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. Management relies upon a comprehensive framework of internal controls to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (USGAAP). Because the cost of internal controls should not outweigh their benefits, Live Oak's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. This report includes the annual audit report by the City's independent auditors, Smith & Newell, CPAs. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The data is designed to factually set forth the City's financial condition and to present results of City operations as measured by activity among the various fund groups in an easily readable and understandable style.

State statutes require an annual audit of the City's financial records by independent certified public accountants. The firm of Smith & Newell, CPAs audited the City's financial statements. In addition to meeting the requirements set forth in State statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and the related U.S. Office of Management and Budget's Circular A-133. Auditing standards generally accepted in the United States of America and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditor's report on the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information is combined in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in the separately issued single audit report.

Although addressed to the City's governing body, the CAFR is intended also to provide relevant financial information to the citizens of Live Oak, creditors, investors, and other interested parties. This transmittal letter provides a summary of the City of Live Oak's finances, services, achievements, and economic prospects for the readers without a technical background. Those wishing a more detailed discussion of the City's financial results should refer to The Management's Discussion and Analysis (MD&A) contained in the Financial Section of the CAFR.

The financial statements are prepared in accordance with Accounting Principles Generally Accepted in the United States of America (USGAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and include the report of the City's independent public accountants. The CAFR is organized into three sections:

- The Introductory Section includes this transmittal letter, the City's organization chart and a list of principal officers.
- The Financial Section includes the basic financial statements, including management's discussion and analysis, the combined and individual fund statements and schedules and the auditor's report on the financial statements and schedules.
- The Statistical Section includes selected multi-year financial and demographic information.

USGAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

LIVE OAK HISTORY AND GOVERNMENT PROFILE

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 agricultural production including peaches, nuts, rice and other crops. Live Oak has grown to a population of over 8,300 residents and comprises 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 and general administration. The City also operates a municipal pool, water treatment plant and a new 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 and 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 & FINANCIAL INFORMATION

The foreclosure and credit crisis, the State's budget deficit, and the recession have all had a remarkable effect on the Sacramento Valley. The number of housing foreclosures has reached a new high in many communities. Following years of significant residential development in Live Oak, new home construction has slowed to an almost halt and foreclosures are prevalent. In time, the housing construction cycle will return. The national economy entered a recession that has continued through 2012. Consumers have responded to all of the negative economic and financial news by reducing spending patterns.

BUDGET PROCESS

The City prepares a budget for each fiscal year on or before June 30. 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 general fund, special revenue funds and enterprise funds are included in the annual appropriated budget. Budgetary controls (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level within an individual fund.

LONG-TERM FINANCIAL PLANNING

The City's capital improvement program contains over \$22 million in identified projects of which some have been funded and others that need to obtain funding in order to complete. Infrastructure improvements, including sidewalks, bikeways, street reconstruction, street signals, animal shelter, new parks and upgrades to police and fire facilities will require an estimate of over \$5 million. This outlay will be funded through identified sources including local funds, state and federal grants and shared funding with other local agencies. The City has also provided state and federal grant funds and local financial incentives to help construct a new 56 unit affordable housing project in partnership with the local housing authority.

ACCOMPLISHMENTS

Highlights of activities and accomplishments as of fiscal year ended June 30, 2012 include the following:

- Live Oak Wastewater Treatment Plant Construction.
- Date Street Park Construction.
- Bicycle/Pedestrian Recreational Trail Phase I
- Live Oak Depot Restoration Project
- Archer Avenue Street Reconstruction Project
- Apricot Street Reconstruction from Larkin Road to N Street
- Pennington Road Sidewalk Construction Project
- SR2S Larkin Road Reconstruction Project
- Hwy 99 Streetscape Master Plan
- General Plan Update and Related Master Plans

The preparation of the comprehensive annual financial report could not be accomplished without the dedicated services of an efficient Finance Department staff. We express appreciation to each member of the Department and to those members of other City Departments for their contribution made in the preparation of this report.

In closing, the commitment to the achievement of mandated priorities speaks to the progressive leadership and dedication to public service of the Mayor and the City Council. Their support for a policy of financial integrity has been instrumental in the preparation of this report.

Respectfully Submitted,



Satwant S. Takhar
Finance Director

CITY OF LIVE OAK
City Officials
For the Year Ended June 30, 2012

Elected Officials

Gary Baland Mayor
Steve Alvarado Vice-Mayor
Diane Hodges Member
Robert Klotz Member
Ray Rogers Member

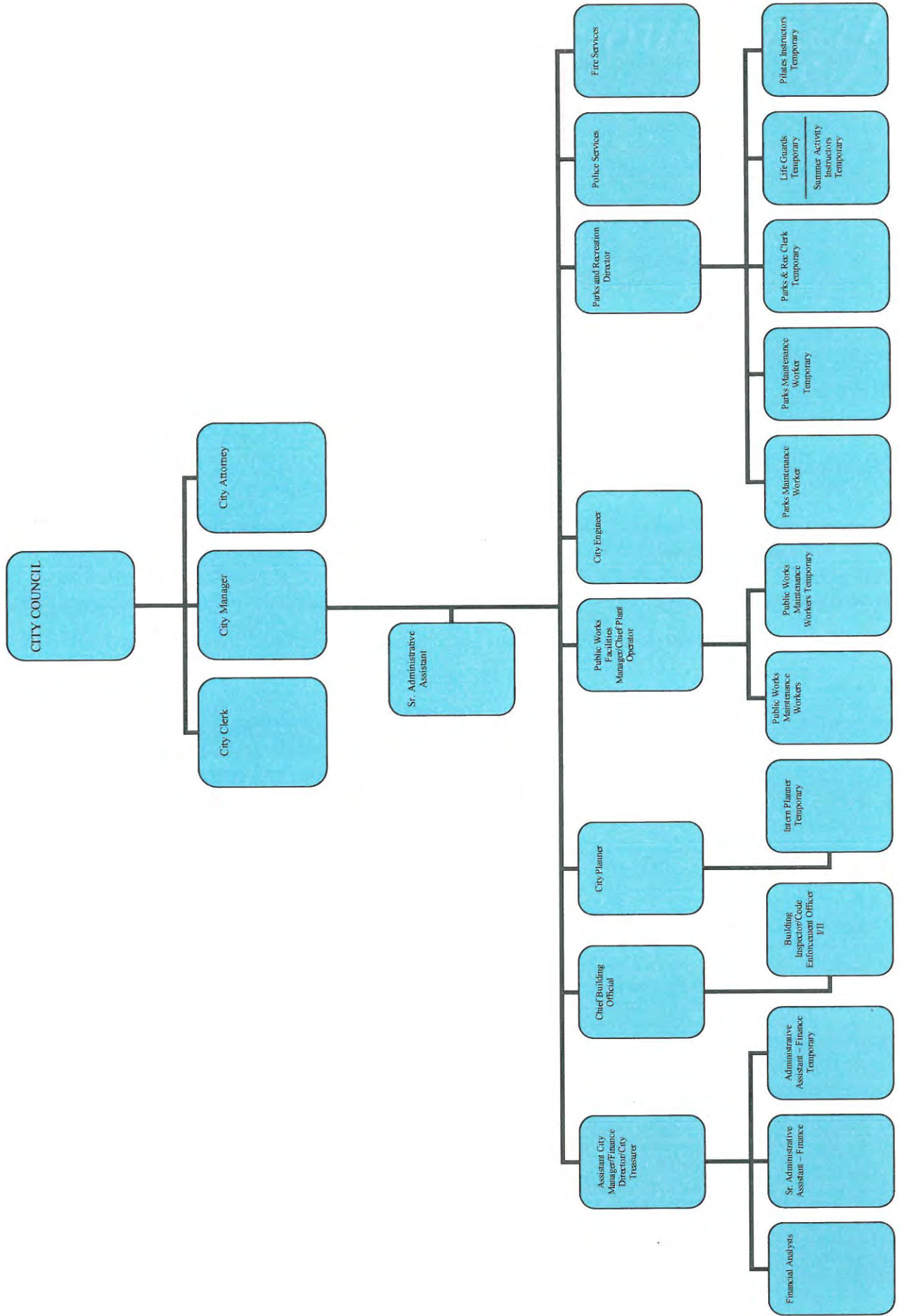
Appointed Officials

Melissa Dempsey City Clerk
Satwant S. Takhar City Treasurer

Executive Team

Jim Goodwin City Manager
Satwant S. Takhar Finance Director/Asst. City Manager
Jan Meyer Parks & Recreation Director
Jim Little Chief Building Official
Ron Walker Public Works Facilities Manager
Brant Bordsen City Attorney
Bruce Nash City Engineer
Denis Cook City Planner
Butah Uppal Lieutenant Sutter County Sheriff
Rick Martin Captain Sutter County Fire

CITY OF LIVE OAK ORGANIZATIONAL CHART



FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Live Oak, California (City), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

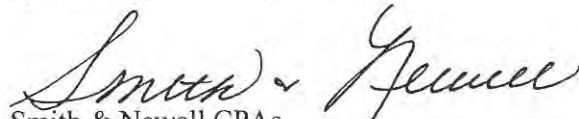
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 6, 2012, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


Smith & Newell CPAs
Yuba City, California
November 6, 2012

**Management's Discussion and Analysis
(Unaudited)**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal year 2011/2012 is the ninth year that the City of Live Oak is required to issue financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34). GASB 34 requires the City to provide this overview of its financial activities for the fiscal year and should be read in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Entity-wide:

- The City's total net assets were \$69,986,066 as of June 30, 2012. Of this total, \$42,327,030 were governmental assets and \$27,659,036 were business-type assets.
- Entity-wide governmental revenues include program revenues of \$6,001,976 and general revenues and transfers of \$2,281,001 for a total of \$8,282,977.
- Entity-wide Governmental expenses were \$4,082,553.
- Entity-wide Business-type program, interest, other revenues and transfers were \$2,702,832 while Business-type expenses were \$2,882,039.

Fund Level:

- Governmental Fund balance increased to \$15,259,968 in fiscal year 2012, up \$6,905,327 from the prior year. \$3,451,737 of this increase was from a prior period adjustment for reclassification of loans receivable in the program income funds.
- Governmental Fund revenues increased to \$7,465,128 in fiscal year 2012 up \$2,412,691 from the prior year. This increase was from grants/contributions.
- Governmental Fund expenditures decreased to \$4,493,716 in fiscal year 2012, down \$805,790 from the prior year.

General Fund:

- General Fund revenues of \$2,394,802 were \$112,779 higher than the prior year.
- General Fund expenditures of \$3,059,628 represented an increase of \$50,762 over the prior year.
- Other Financing Sources contributed \$682,192 in fiscal year 2012 up \$88,762 compared with the prior year.
- General Fund balance of \$4,405,249 as of June 30, 2012 compared favorably with fiscal year 2011's fund balance of \$4,387,883.

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. 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.

Within the framework of these activities, a Statement of Net Assets and a Statement of Activities report information about the City as a whole. These statements include all assets and liabilities of the City (i.e., infrastructure and long-term debt) and use the accrual basis of accounting in which all the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

The two statements can be generally described as follows:

The Statement of Net Assets presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the year. All changes in net assets 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 as prescribed by GASB Statement No. 34. For additional reference, reconciliation between the two is provided on pages 15 and 17 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 particular purposes. There are three categories of funds: governmental, proprietary and fiduciary.

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 Assets 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 Sewer and Water operations; in addition the City uses enterprise funds to account for utility deposits.

Fiduciary Funds – the City is the trustee, or fiduciary, for certain funds held on behalf of external parties. The City’s fiduciary activities are reported in separate Statements of Fiduciary Net Assets. These activities are excluded from the City’s other financial statements because the resources of the funds are not available to support the City’s own programs. The City is responsible for ensuring that the assets reported in these funds are used for the intended purposes.

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.

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.

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 assets:

	As of June 30, 2012			As of June 30, 2011		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Current and other assets	\$ 16,066,024	\$ 3,590,674	\$ 19,656,698	\$ 12,181,414	\$ 4,462,398	\$ 16,643,812
Capital assets	26,780,539	41,832,423	68,612,962	26,378,382	38,433,072	64,811,454
Total assets	42,846,563	45,423,097	88,269,660	38,559,796	42,895,470	81,455,266
Long term liabilities	122,555	17,649,231	17,771,786	128,327	13,125,647	13,253,974
Other liabilities	396,978	114,830	511,808	3,756,600	1,931,580	5,688,180
Total liabilities	519,533	17,764,061	18,283,594	3,884,927	15,057,227	18,942,154
Net assets:						
Invested in capital assets, net of related debt	26,710,539	24,238,464	50,949,003	26,297,382	25,362,569	51,659,951
Restricted	10,859,158	2,208,655	13,067,813	4,353,031	765,294	5,118,325
Unrestricted	4,757,333	1,211,917	5,969,250	4,024,456	1,710,380	5,734,836
Total net assets	42,327,030	27,659,036	69,986,066	34,674,869	27,838,243	62,513,112

Net assets represent the difference between the City's resources and its obligations. At June 30, 2012, the largest portion of the City's total net assets, 73 percent, reflect the investment in capital assets, less related debt outstanding used to acquire the capital assets. These capital assets are used by the City to provide services to the citizens. Additional capital asset information can be found in the Capital Asset and Debt Administration section of this MD&A. Restricted net assets represent amounts that may be used in accordance with external restriction. The unrestricted balance of net assets may be used at the City's discretion.

Following is a summary of changes in net assets:

	As of June 30, 2012			As of June 30, 2011		
	Governmental Activites	Business-Type Activites	Totals	Governmental Activites	Business-Type Activites	Totals
Revenues						
Program revenues:						
Charges for services	1,525,776	2,708,595	4,234,371	1,280,720	3,088,136	4,368,856
Operating grants and contributions	4,358,608	-	4,358,608	1,466,831	-	1,466,831
Capital grants and contributions	117,592	84,247	201,839	257,902	-	257,902
General revenues:						
Property taxes	1,250,494	-	1,250,494	1,221,589	-	1,221,589
Sales taxes	222,448	-	222,448	197,343	-	197,343
Franchise taxes	135,517	-	135,517	138,306	-	138,306
Public service taxes	11,301	-	11,301	10,688	-	10,688
Grants and contributions	6,840	-	6,840	44,502	-	44,502
Interest and investment earnings	79,828	13,411	93,239	97,386	23,298	120,684
Miscellaneous	92,395	477	92,872	231,104	4,645	235,749
Gain (loss) on sales of assets						
Total revenues	7,800,799	2,806,730	10,607,529	4,946,371	3,116,079	8,062,450
Expenses						
General government	384,156	-	384,156	476,146	-	476,146
Public protection	1,727,176	-	1,727,176	1,835,998	-	1,835,998
Public ways and facilities	844,453	-	844,453	858,822	-	858,822
Community development	606,085	-	606,085	388,380	-	388,380
Recreation and culture	515,775	-	515,775	524,675	-	524,675
Interest on long term debt	4,908	-	4,908	16,556	-	16,556
Water	-	1,267,180	1,267,180	-	1,274,430	1,274,430
Wastewater	-	1,614,859	1,614,859	-	1,661,896	1,661,896
Total expenses	4,082,553	2,882,039	6,964,592	4,100,577	2,936,326	7,036,903
Excess - before transfers	3,718,246	(75,309)	3,642,937	845,794	179,753	1,025,547
Transfers	103,898	(103,898)	0	53,178	(53,178)	-
Extraordinary gain	378,280	-	378,280	-	-	-
Increase in net assets	4,200,424	(179,207)	4,021,217	898,972	126,575	1,025,547
Net Assets - Beginning	34,674,869	27,838,243	62,513,112	33,775,897	27,711,668	61,487,565
Prior period adjustment	3,451,737	-	3,451,737	-	-	-
Net Assets - Ending	42,327,030	27,659,036	69,986,066	34,674,869	27,838,243	62,513,112

Revenue:

The City’s total revenue was \$10.6 million for the fiscal year ended June 30, 2012. Revenue from governmental activities totaled \$7.8 million and revenue from business-type activities totaled \$2.8 million. Taxes provided 15 percent of the total revenue of the City. Charges for services and operating grants/contributions provided 83 percent of the total revenue received during 2012.

Expenses:

Expenses of the City for the year totaled \$7.0 million. Governmental activity expenses totaled \$4.1 million or 59% of total expenses. Business-type expenses totaled \$2.9 million or 41% of total expenses.

Governmental Activities:

The following table shows the cost of each of the City’s programs and the net cost of the programs. The net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City’s taxpayers by each of these programs. Following is a summary of net cost of government activities:

	Total Cost of Services	Net Cost of Services
General government	\$384,156	58,897
Public protection	1,727,176	(1,225,010)
Public ways and facilities	844,453	509,479
Community development	606,085	2,929,248
Recreation and culture	515,775	(348,283)
Interest on long term debt	4,908	(4,908)
Totals	\$4,082,553	1,919,423

The cost of all governmental activities for fiscal year 2012 was \$4.1 million. The City’s taxpayers paid for approximately 47% of these costs, \$2.0 million. Public protection, community development, grant administration, culture and recreation account for the remaining governmental activities. The cost of capital assets is not presented as a cost in determining the net cost of governmental activities, but is reflected as an asset in the statement of net assets.

Business-type Activities:

Program revenue of the City’s business-type activities totaled \$2.8 million. Expenses of business-type activities were \$2.9 million.

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, 2012 of \$15,259,968, an increase of \$6,905,237 over the previous fiscal year. The General Fund increased by \$17,366 and other Governmental Funds increased by \$6,887,871. The General Fund increase was due to decreases in expenditures and increases in other financing sources. Within the Governmental Funds, the increase in fund balance was attributable to grant revenue and decreases in intergovernmental expenditures and a prior period adjustment and reclassification of loans receivable in the program income funds.

General Fund Budgetary highlights:

Over the course of the year, the City Council revised the City budget two times. These budget amendments generally resulted in increases in appropriations for new grant programs and nonrecurring items that were not anticipated, utilizing the City's Contingency and General Reserve funds.

After considering these adjustments, actual expenditures were \$139,201 above final budgeted amounts for the City's General Fund. The variance resulted from increases in contract public safety and engineering services. With the completion of the General Plan Update and related annexations, acquisition of land also contributed to the variance but also resulted in revenues received that were not budgeted. Other positive variances resulted from minimizing expenditures in most department budgets during the year. Revenues during the year were \$608,909 above the final budgeted amount due to the receipt of annexation fees that were not budgeted. The grant/project reimbursements were higher than anticipated and return on investments were lower than anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

GASB 34 requires the City to record all its capital assets including infrastructure, which was not recorded in prior years. In fiscal year 2004, the City recorded the cost of its infrastructure assets. The accumulated depreciation on these assets was recorded based on their original acquisition dates. At the end of 2012, the City had invested \$68.6 million in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads and water and sewer lines and treatment facilities. Additional detailed information on City's capital assets is presented in Note 4 to the financial statements.

Following is a summary of capital assets:

	Balances at June 30, 2012	Balances at June 30, 2011
Governmental Activities		
Land (not being depreciated)	\$ 6,564,957	\$ 6,206,980
Construction in progress (not being depreciated)	3,606,385	3,734,844
Buildings and improvements	1,297,500	1,249,942
Equipment	3,661,930	3,740,739
Infrastructure	19,001,082	18,185,063
Less: Accumulated depreciation	(7,351,315)	(6,739,186)
Governmental activity capital assets, net	<u>\$ 26,780,539</u>	<u>\$ 26,378,382</u>
Business-type Activities		
Land (not being depreciated)	\$ 210,241	\$ 210,241
Construction in progress (not being depreciated)	-	19,115,577
Structures and improvements	2,344,231	2,344,231
Equipment	346,527	346,527
Infrastructure	46,096,610	22,776,401
Less: Accumulated depreciation	(7,165,186)	(6,359,905)
Business-type activity capital assets, net	<u>\$ 41,832,423</u>	<u>\$ 38,433,072</u>

At June 30, 2012, major construction in progress included:

Governmental Activities:

- The master plan studies related to the general plan update is considered in progress for \$2,497,385.
- Elm street signal improvement project in progress for \$644,443.
- Larkin road safe routes to school project in progress for \$458,376.
- Soccer park in progress for \$750.
- City signs in progress for \$5,431.

Business-type Activities:

- None.

Long-term Debt:

At June 30, 2011 and 2012 respectively, the City had \$13.3 and \$17.7 million 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 6 to the financial statements.

As of June 30, 2012, the City's debt consisted of:

Governmental Activities Debt:

1987 USDA Rural Development loan for City Hall Acquisition – 6.5% due 11/2016	\$ 70,000
2012 Compensated Absences	<u>52,555</u>
Total Governmental Activities Debt	<u>\$ 122,555</u>

Business-type Activities Debt:

1989 State of California Loan for Wastewater Treatment – 3.0% due 1/2014	\$ 26,500
1992 USDA Bonds for Wastewater Treatment – 5.0% due 5/2015	82,000
2003 USDA Bonds for Wastewater Treatment Plant Expansion – 4.25% due 7/2043	1,020,000
2006 USDA Bonds for Water Meter Project – 4.25% due 7/2044	1,290,000
2009 SWRCB State Revolving Fund Wastewater Plant – 1% 30 Year Term	15,175,459
2012 Compensated Absences	<u>55,272</u>
Total Business-type Activities Debt	<u>\$ 17,649,231</u>
 Total Outstanding Debt	 <u>\$ 17,771,786</u>

ECONOMIC FACTORS AND NEXT YEARS BUDGET

The City experienced significant decreases in property taxes, assessments and building fees, its largest general fund revenue source, over the past several years. This trend began to decline in fiscal year 2008/2009 as the value of properties declined significantly over the past four years and new housing construction has decreased significantly and is expected to stay weak for several years into the future. Assessed property values have decreased approximately 32% from 2009 to 2012 but we expect future trends for property values to stabilize and level out over the next few years.

When the local economy begins to improve, the City will face significant challenges related to the future growth, annexations and infrastructure needs. The City began the update of its general plan and related master facilities plans in fiscal year 2005/2006. The new general plan was adopted in 2010 and the related master facilities plans were completed in fiscal year 2011/2012. In fiscal year 2011/2012 the City annexed approximately 300 acres of land zoned for commercial development in order to place the City in a position to expand commercial opportunities in the near future.

The City decreased full time employee positions by about 45% over the past several years in order to balance the budget. Personnel related costs are expected to decrease by not filling vacant positions until revenues can justify filling vacant positions or creating new positions. There will be moderate increases related to PERS retirement benefits for employees and increasing health and worker's compensation insurance costs.

The City balanced the 2011/2012 General Fund Budget using available fund balance and expects to spend some general fund reserves each year for the next few years. The City will have to balance increasing needs and costs for staffing with revenue as the demand for City services continues to grow.

The General Fund operating budget (total budget net of capital purchase) for 2012/2013 appropriates \$3.0 million. This compares to \$3.0 million, which was the final 2011/2012 operating budget amount.

The City continued to review and update various fees in fiscal year 2011/2012. 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.

Major projects that are budgeted for 2012/2013 include the completion of the general plan update and related studies, Elm street traffic signal, Larkin road safe route to schools and the wastewater upgrade project.

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, CA. 95953, (530) 695-2112.

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Basic Financial Statements

- **Government-Wide Financial Statements**

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CITY OF LIVE OAK
Statement of Net Assets
June 30, 2012

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 8,237,583	\$ 3,216,056	\$ 11,453,639
Restricted cash and investments	-	31,000	31,000
Accounts receivable, net	25,311	274,283	299,594
Interest receivable	6,467	2,693	9,160
Taxes receivable	395,346	-	395,346
Due from other governments	76,037	-	76,037
Due from other agencies	378,280	-	378,280
Loans receivable	6,873,593	-	6,873,593
Net OPEB asset	73,407	66,642	140,049
Capital assets:			
Non-depreciable	10,171,342	210,241	10,381,583
Depreciable, net	16,609,197	41,622,182	58,231,379
Total capital assets	<u>26,780,539</u>	<u>41,832,423</u>	<u>68,612,962</u>
Total Assets	<u>42,846,563</u>	<u>45,423,097</u>	<u>88,269,660</u>
LIABILITIES			
Accounts payable	199,707	85,829	285,536
Salaries and benefits payable	15,572	15,692	31,264
Deposits payable	181,699	13,309	195,008
Long-term liabilities:			
Due within one year	64,555	158,743	223,298
Due in more than one year	58,000	17,490,488	17,548,488
Total Liabilities	<u>519,533</u>	<u>17,764,061</u>	<u>18,283,594</u>
NET ASSETS			
Invested in capital assets, net of related debt	26,710,539	24,238,464	50,949,003
Restricted for:			
General government	61,830	-	61,830
Public safety	669,814	-	669,814
Public ways and facilities	2,618,009	-	2,618,009
Culture and recreation	277,180	-	277,180
Community development	7,232,325	-	7,232,325
Capital projects	-	1,197,725	1,197,725
Debt service	-	1,010,930	1,010,930
Unrestricted	4,757,333	1,211,917	5,969,250
Total Net Assets	<u>\$ 42,327,030</u>	<u>\$ 27,659,036</u>	<u>\$ 69,986,066</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF LIVE OAK
Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 384,156	\$ 435,738	\$ 7,315	\$ -
Public safety	1,727,176	384,574	-	117,592
Public ways and facilities	844,453	410,929	943,003	-
Culture and recreation	515,775	146,573	20,919	-
Community development	606,085	147,962	3,387,371	-
Interest on long-term debt	4,908	-	-	-
Total Governmental Activities	4,082,553	1,525,776	4,358,608	117,592
Business-type activities:				
Water	1,267,180	844,900	-	26,223
Sewer	1,614,859	1,863,695	-	58,024
Total Business-Type Activities	2,882,039	2,708,595	-	84,247
Total	\$ 6,964,592	\$ 4,234,371	\$ 4,358,608	\$ 201,839

General revenues:

Taxes:

 Property taxes

 Sales and use taxes

 Franchise taxes

 Property transfer taxes

Grants and contributions - unrestricted

Interest and investment earnings

Miscellaneous

Transfers

Extraordinary gain

**Total General Revenues, Transfers and
Extraordinary Gain**

Change in Net Assets

Net Assets - Beginning

Prior period adjustment

Net Assets - Beginning, Restated

Net Assets - Ending

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Business- Type Activities	Total
\$ 58,897	\$ -	\$ 58,897
(1,225,010)	-	(1,225,010)
509,479	-	509,479
(348,283)	-	(348,283)
2,929,248	-	2,929,248
(4,908)	-	(4,908)
<u>1,919,423</u>	<u>-</u>	<u>1,919,423</u>
-	(396,057)	(396,057)
-	306,860	306,860
<u>-</u>	<u>(89,197)</u>	<u>(89,197)</u>
<u>1,919,423</u>	<u>(89,197)</u>	<u>1,830,226</u>
1,250,494	-	1,250,494
222,448	-	222,448
135,517	-	135,517
11,301	-	11,301
6,840	-	6,840
79,828	13,411	93,239
92,395	477	92,872
103,898	(103,898)	-
378,280	-	378,280
<u>2,281,001</u>	<u>(90,010)</u>	<u>2,190,991</u>
<u>4,200,424</u>	<u>(179,207)</u>	<u>4,021,217</u>
34,674,869	27,838,243	62,513,112
<u>3,451,737</u>	<u>-</u>	<u>3,451,737</u>
<u>38,126,606</u>	<u>27,838,243</u>	<u>65,964,849</u>
<u>\$ 42,327,030</u>	<u>\$ 27,659,036</u>	<u>\$ 69,986,066</u>

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Basic Financial Statements

- **Fund Financial Statements**

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CITY OF LIVE OAK
Balance Sheet
Governmental Funds
June 30, 2012

	General	Developer Deposits	10-HOME 6349 Maple Park	Program Income
ASSETS				
Cash and investments	\$ 4,096,353	\$ 509,180	\$ -	\$ 151,355
Accounts receivable	22,529	-	-	-
Accrued interest receivable	3,161	419	-	58
Taxes receivable	15,878	-	-	-
Due from other governments	1,331	-	4,571	-
Due from other funds	51,815	-	-	-
Due from other agencies	378,280	-	-	-
Loans receivable	-	-	-	6,873,593
Total Assets	\$ 4,569,347	\$ 509,599	\$ 4,571	\$ 7,025,006
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 142,877	\$ -	\$ -	\$ 115
Salaries and benefits payable	15,108	-	-	-
Deposits payable	6,113	175,586	-	-
Due to other funds	-	-	4,571	-
Total Liabilities	164,098	175,586	4,571	115
Fund Balances:				
Restricted	-	334,013	-	7,024,891
Committed	2,487,180	-	-	-
Unassigned	1,918,069	-	-	-
Total Fund Balances	4,405,249	334,013	-	7,024,891
Total Liabilities and Fund Balances	\$ 4,569,347	\$ 509,599	\$ 4,571	\$ 7,025,006

The notes to the basic financial statements are an integral part of this statement.

Capital Improvement Project	Other Governmental Funds	Totals
\$ 13,317	\$ 3,467,378	\$ 8,237,583
-	2,782	25,311
-	-	3,638
-	46,626	62,504
-	70,135	76,037
-	-	51,815
-	-	378,280
-	-	6,873,593
<u>\$ 13,317</u>	<u>\$ 3,586,921</u>	<u>\$ 15,708,761</u>

\$ 13,317	\$ 43,398	\$ 199,707
-	464	15,572
-	-	181,699
-	47,244	51,815
<u>13,317</u>	<u>91,106</u>	<u>448,793</u>

-	3,500,254	10,859,158
-	-	2,487,180
-	(4,439)	1,913,630
-	<u>3,495,815</u>	<u>15,259,968</u>
<u>\$ 13,317</u>	<u>\$ 3,586,921</u>	<u>\$ 15,708,761</u>

CITY OF LIVE OAK
Reconciliation of the Governmental Fund Balance
Sheet to the Government-Wide Statement of
Net Assets - Governmental Activities
June 30, 2012

Total Fund Balance - Total Governmental Funds	\$ 15,259,968
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	26,780,539
Other long term assets are not available to pay for current period expenditures and therefore, are not reported in the funds or are reported as deferred in the governmental funds.	
Taxes receivable	332,842
Interest receivable	2,829
OPEB asset	73,407
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Loans payable	(70,000)
Compensated absences	(52,555)
	(122,555)
Net Assets of Governmental Activities	<u>\$ 42,327,030</u>

The notes to the basic financial statements are an integral part of this statement.

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CITY OF LIVE OAK
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

	General	Developer Deposits	10-HOME 6349 Maple Park	Program Income
REVENUES				
Taxes and assessments	\$ 1,800,846	\$ -	\$ -	\$ -
Licenses and permits	401,441	-	-	-
Fines and forfeitures	-	-	-	-
Use of money	62,939	1,179	-	330
Intergovernmental	18,238	-	2,954,654	27,026
Charges for services	60,727	-	-	-
Other revenues	50,611	-	-	-
Total Revenues	<u>2,394,802</u>	<u>1,179</u>	<u>2,954,654</u>	<u>27,356</u>
EXPENDITURES				
Current:				
General government	325,832	-	-	-
Public safety	1,590,971	-	-	-
Public ways and facilities	74,785	-	-	-
Culture and recreation	380,540	-	-	-
Community development	238,232	-	37,083	7,178
Debt service:				
Principal	11,000	-	-	-
Interest	4,908	-	-	-
Capital outlay	433,360	-	-	-
Total Expenditures	<u>3,059,628</u>	<u>-</u>	<u>37,083</u>	<u>7,178</u>
Excess of Revenues Over (Under) Expenditures	<u>(664,826)</u>	<u>1,179</u>	<u>2,917,571</u>	<u>20,178</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	796,616	-	-	3,272,336
Transfers out	(114,424)	-	(2,917,571)	(5,100)
Total Other Financing Sources (Uses)	<u>682,192</u>	<u>-</u>	<u>(2,917,571)</u>	<u>3,267,236</u>
Extraordinary gain	-	-	-	-
Net Change in Fund Balances	<u>17,366</u>	<u>1,179</u>	<u>-</u>	<u>3,287,414</u>
Fund Balances - Beginning	4,387,883	332,834	-	285,740
Prior period adjustment	-	-	-	3,451,737
Fund Balances - Beginning, Restated	<u>4,387,883</u>	<u>332,834</u>	<u>-</u>	<u>3,737,477</u>
Fund Balances - Ending	<u>\$ 4,405,249</u>	<u>\$ 334,013</u>	<u>\$ -</u>	<u>\$ 7,024,891</u>

The notes to the basic financial statements are an integral part of this statement.

<u>Capital Improvement Project</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
\$ -	\$ 684,466	\$ 2,485,312
-	120,937	522,378
-	9,870	9,870
-	12,551	76,999
-	1,217,529	4,217,447
-	-	60,727
32,816	8,968	92,395
<u>32,816</u>	<u>2,054,321</u>	<u>7,465,128</u>
-	1,365	327,197
-	50,992	1,641,963
5,862	292,207	372,854
-	29,339	409,879
-	323,592	606,085
-	-	11,000
-	-	4,908
606,633	79,837	1,119,830
<u>612,495</u>	<u>777,332</u>	<u>4,493,716</u>
<u>(579,679)</u>	<u>1,276,989</u>	<u>2,971,412</u>
586,439	9,023	4,664,414
-	(1,523,421)	(4,560,516)
<u>586,439</u>	<u>(1,514,398)</u>	<u>103,898</u>
-	378,280	378,280
<u>6,760</u>	<u>140,871</u>	<u>3,453,590</u>
(6,760)	3,354,944	8,354,641
-	-	3,451,737
<u>(6,760)</u>	<u>3,354,944</u>	<u>11,806,378</u>
<u>\$ -</u>	<u>\$ 3,495,815</u>	<u>\$ 15,259,968</u>

CITY OF LIVE OAK
Reconciliation of the Statement of Revenues, Expenditures,
And Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2012

Net Change in Fund Balances - Total Governmental Funds	\$ 3,453,590
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Expenditures for capital outlay	1,119,830
Less current year depreciation	(717,673)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Principal retirements	11,000
Some revenues reported in the statement of activities will not be collected for several months after the City's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.	
Change in taxes receivable	332,842
Change in interest receivable	2,829
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in compensated absences	(5,228)
Change in OPEB asset	3,234
Change in Net Assets of Governmental Activities	\$ 4,200,424

The notes to the basic financial statements are an integral part of this statement.

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CITY OF LIVE OAK
Statement of Revenues, Expenses, and
Changes in Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Water Connection	Sewer	Sewer Connection
OPERATING REVENUES				
Charges for services	\$ 844,900	\$ -	\$ 1,854,880	\$ 8,815
Other revenue	404	-	73	-
Total Operating Revenues	<u>845,304</u>	<u>-</u>	<u>1,854,953</u>	<u>8,815</u>
OPERATING EXPENSES				
Salaries and benefits	346,279	-	778,849	-
Power	140,526	-	134,540	-
Insurance	19,552	-	45,096	-
Supplies	59,175	-	74,418	-
Repair and extension	40,207	-	81,616	-
Professional services	56,808	-	100,028	-
Depreciation	501,893	-	303,388	-
Other expense	47,022	-	46,431	-
Total Operating Expenses	<u>1,211,462</u>	<u>-</u>	<u>1,564,366</u>	<u>-</u>
Operating Income (Loss)	<u>(366,158)</u>	<u>-</u>	<u>290,587</u>	<u>8,815</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest income	1,797	3,451	5,644	2,519
Interest expense	(55,718)	-	(50,493)	-
Total Non-Operating Revenues (Expenses)	<u>(53,921)</u>	<u>3,451</u>	<u>(44,849)</u>	<u>2,519</u>
Income (Loss) Before Transfers	<u>(420,079)</u>	<u>3,451</u>	<u>245,738</u>	<u>11,334</u>
Capital contributions	26,223	-	58,024	-
Transfers in	92,429	-	528,078	-
Transfers out	(73,629)	(56,429)	(66,269)	(528,078)
Change in Net Assets	<u>(375,056)</u>	<u>(52,978)</u>	<u>765,571</u>	<u>(516,744)</u>
Total Net Assets - Beginning	<u>10,061,617</u>	<u>1,008,432</u>	<u>16,009,179</u>	<u>759,015</u>
Total Net Assets - Ending	<u>\$ 9,686,561</u>	<u>\$ 955,454</u>	<u>\$ 16,774,750</u>	<u>\$ 242,271</u>

The notes to the basic financial statements are an integral part of this statement.

Totals

\$ 2,708,595
477

2,709,072

1,125,128
275,066
64,648
133,593
121,823
156,836
805,281
93,453

2,775,828

(66,756)

13,411
(106,211)

(92,800)

(159,556)

84,247
620,507
(724,405)

(179,207)

27,838,243

\$ 27,659,036

CITY OF LIVE OAK
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Water Connection	Sewer	Sewer Connection
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 832,741	\$ -	\$ 1,850,137	\$ 8,815
Payments to suppliers	(343,149)	-	(2,323,745)	-
Payments to employees	(346,051)	-	(779,497)	-
Net Cash Provided (Used) by Operating Activities	<u>143,541</u>	<u>-</u>	<u>(1,253,105)</u>	<u>8,815</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Noncapital grants received	26,223	-	58,024	-
Transfers from other funds	92,429	-	528,078	-
Transfers to other funds	(73,629)	(56,429)	(66,269)	(528,078)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>45,023</u>	<u>(56,429)</u>	<u>519,833</u>	<u>(528,078)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(26,086)	-	(4,178,547)	-
Proceeds from debt	-	-	4,631,292	-
Principal paid on debt	(36,849)	-	(70,987)	-
Interest paid on debt	(55,718)	-	(50,493)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(118,653)</u>	<u>-</u>	<u>331,265</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	1,861	3,736	7,022	3,205
Net Cash Provided (Used) by Investing Activities	<u>1,861</u>	<u>3,736</u>	<u>7,022</u>	<u>3,205</u>
Net Increase (Decrease) in Cash and Cash Equivalents	71,772	(52,693)	(394,985)	(516,058)
Balances - Beginning of the Year	<u>493,085</u>	<u>1,007,362</u>	<u>1,880,732</u>	<u>757,841</u>
Balances - End of the Year	<u>\$ 564,857</u>	<u>\$ 954,669</u>	<u>\$ 1,485,747</u>	<u>\$ 241,783</u>

The notes to the basic financial statements are an integral part of this statement.

Totals

\$ 2,691,693
(2,666,894)
(1,125,548)

(1,100,749)

84,247
620,507
(724,405)

(19,651)

(4,204,633)
4,631,292
(107,836)
(106,211)

212,612

15,824

15,824

(891,964)

4,139,020

\$ 3,247,056

CITY OF LIVE OAK
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Water Connection	Sewer	Sewer Connection
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	(366,158)	-	290,587	8,815
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	501,893	-	303,388	-
Decrease (increase) in:				
Accounts receivable	(12,840)	-	(5,437)	-
OPEB asset	(1,179)	-	(3,196)	-
Increase (decrease) in:				
Accounts payable	20,141	-	(1,094,561)	-
Salaries and benefits payable	1,010	-	2,817	-
Deposits payable	277	-	621	-
Retention payable	-	-	(747,055)	-
Compensated absences	397	-	(269)	-
Net Cash Provided (Used) by Operating Activities	\$ 143,541	\$ -	\$ (1,253,105)	\$ 8,815

The notes to the basic financial statements are an integral part of this statement.

Totals

(66,756)

805,281

(18,277)

(4,375)

(1,074,420)

3,827

898

(747,055)

128

\$ (1,100,749)

CITY OF LIVE OAK
Statement of Fiduciary Net Assets
Private Purpose Trust Fund
Successor Agency to the Redevelopment Agency of the City of Live Oak
June 30, 2012

ASSETS		
Cash and investments		\$ <u> -</u>
Total Assets		<u><u> -</u></u>
LIABILITIES		
Due to other agencies		\$ <u> 378,280</u>
Total Liabilities		<u> 378,280</u>
NET ASSETS		
Net assets held in trust		<u><u> (378,280)</u></u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF LIVE OAK
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
Successor Agency to the Redevelopment Agency of the City of Live Oak
For the Year Ended June 30, 2012

ADDITIONS		
Taxes and assessments		\$ -
Total Additions		<u>-</u>
DEDUCTIONS		
Administrative expenses		<u>-</u>
Total Deductions		<u>-</u>
Extraordinary loss		<u>(378,280)</u>
Net Change in Net Assets		<u>(378,280)</u>
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u>\$ (378,280)</u>

The notes to the basic financial statements are an integral part of this statement.

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of City of Live Oak (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. 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.

As required by GAAP, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable.

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 it is 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.

Component units that are blended into the reporting activity types of the City's report are presented below:

Public Facilities Corporation

The Public Facilities Corporation, established August 18, 1987, is a Corporation formed, organized and existing pursuant to the laws of the State of California for the purpose of financing the City Hall Building. The Corporation provides services entirely for the benefit of the City of Live Oak. The governing body is substantially the same as the primary government and the City and component unit are financially interdependent. Debt of the Public Facilities Corporation is shown as general obligation long-term debt of the City. Separate financial statements are not issued.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets 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, except for fiduciary activities. 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.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. 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. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

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 Developer Deposits fund is a special revenue fund used to account for revenues and expenditures related to developer deposits. Funding comes primarily from developer contributions.
- The 10-HOME 6349 Maple Park fund is a special revenue fund used to account for revenues and expenditures related to HOME grant. Funding comes primarily from federal grants.
- 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.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The City reports the following major governmental funds: (Continued)

- 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 major proprietary funds:

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

The City reports the following additional fund types:

- The Private Purpose Trust fund accounts for property held under trust arrangement under which principal and income benefit individuals, private organizations or other governments. Private Purpose Trust funds include the Successor Agency to the Redevelopment Agency of the City of Live Oak.

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.

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

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

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 accrued when their receipt occurs within thirty 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 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.

Fiduciary funds include trust funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

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 assets.

E. Cash, Cash Equivalents and Investments

The City pools cash and investments of all funds except cash with fiscal agent. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Interest from pooled investments is allocated to the various funds based on average balances of the funds entitled to receive interest. Interest is allocated on the basis of average month end cash balance amounts for each fund as a percentage of the total balance.

Except for investments in external investment pools, the City has stated required investments at fair values as required by GASB Statement No. 31. Fair value is based on published market prices and quotations from major investment brokers. Investments in external investment pools are stated at amortized cost, which approximates fair value.

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

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Restricted Cash and Investments

Restricted assets in the proprietary funds represent cash and investments of \$31,000 held in the Sewer fund that are restricted for repayment of the Rural Economic Development Infrastructure Program loan.

G. Receivables

Accounts Receivable

Accounts receivable for governmental activities consist mainly of taxes, grants, and interest. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Accounts receivable in enterprise funds consist mainly of user fees and interest earnings. 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, 2012, the allowance for doubtful accounts was \$3,057.

H. Other Assets

Inventory

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Loans Receivable

For the purpose of the governmental fund financial statements, special revenue fund expenditures relating to long-term loans receivable arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are met.

J. 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 estimated fair market value at the date of donation.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

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>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	3-25 years
Structures and improvements	5-50 years
Infrastructure	20-75 years

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.

K. 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.

The City recognizes property taxes when the individual installments are due provided they are collected within 30 days after year-end.

L. 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 nonspendable 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.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Interfund Transactions (Continued)

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.

M. Unearned Revenue/Deferred Revenue

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

Deferred revenue is recorded under the modified accrual basis of accounting when revenue which has been earned during the current period has met the measurable criteria but has not met the available criteria.

N. 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 liability is typically liquidated by the General fund for all non proprietary fund compensated absences.

O. Estimates

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.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Net Assets/Fund Balance

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the City reports these changes as restatements of beginning net assets/fund balance. During the current year prior period adjustments were made to reflect the elimination of offsetting unearned revenue for loans receivable balances in accordance with GASB Statement No. 54.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Restatement of Net Assets/Fund Balance (Continued)

The impact of the restatement on the net assets on the government-wide financial statements as previously reported is presented below:

	Governmental Activities
Net Assets, June 30, 2011, as previously reported	\$ 34,674,869
Adjustment associated with:	
Elimination of unearned revenue related to loans receivable	3,451,737
Total Adjustments	3,451,737
Net Assets, July 1, 2011, as restated	\$ 38,126,606

The impact of the restatement on the fund balances on the governmental fund financial statements as previously reported is presented below:

	Program Income
Fund Balance, June 30, 2011, as previously reported	\$ 285,740
Adjustment associated with:	
Elimination of unearned revenue related to loans receivable	3,451,737
Total Adjustments	3,451,737
Fund Balance, July 1, 2011, as restated	\$ 3,737,477

B. Deficit Fund Balance/Net Assets

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

The 11-PTEC 7632 P/TA fund had a fund balance deficit of \$4,049, which is expected to be eliminated in the future through intergovernmental revenues.

The HOME 7661 OOR & FTHB fund had a fund balance deficit of \$390, which is expected to be eliminated in the future through intergovernmental revenues.

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2012, the City's cash and investments are reported in the financial statements as follows:

Governmental activities	\$ 8,237,583
Business-Type activities	3,247,056
Total Cash and Investments	\$ 11,484,639

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

A. Financial Statement Presentation (Continued)

As of June 30, 2012, the City's cash and investments consisted of the following:

Cash:		
Cash on hand	\$	1,020
Deposits (less outstanding checks)		<u>1,519,400</u>
Total Cash		<u>1,520,420</u>
Investments:		
In City's pool		<u>9,964,219</u>
Total Investments		<u>9,964,219</u>
Total Cash and Investments	\$	<u>11,484,639</u>

B. Cash

At year end, the carrying amount of the City's cash deposits (including amount in checking accounts and money market accounts) was \$1,519,400 and the bank balance was \$1,572,560. 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. The City does not have a formal investment policy that further limits its deposits.

C. Investments

Under the provisions of the City's investment policy, and the California Government Code, the City may invest or deposit in the following:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund (LAIF)
- Mutual Funds
- Medium Term Corporate Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements/Reverse Repurchase Agreements
- Securities of the Federal Government or its Agencies

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

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. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. As of June 30, 2012, the City's investments were all pooled with the State of California Local Agency Investment Fund.

As of June 30, 2012, the City had the following investments all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
Local Agency Investment Fund (LAIF)	Variable	\$ 9,964,219	\$ -	\$ 9,964,219	-
Total Investments		\$ 9,964,219	\$ -	\$ 9,964,219	-

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. As of June 30, 2012, the City investments were all pooled with the State of California Local Agency Investment Fund. The rating for LAIF is not available.

Custodial Credit Risk for Investments- 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. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of mutual funds or government investment pools.

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. State law and the investment policy of the City contain limitations on the amount that can be invested in any one issuer. As of June 30, 2012, the City investments were all pooled with the State of California Local Agency Investment Fund and the City was in compliance with concentration of credit risk laws.

D. Investment in External Investment Pools

Investment in Local Agency Investment Fund - The City of Live Oak is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pools (Continued)

Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the City's position in the pool is the same as the value of the pooled shares. At June 30, 2012 the City's investment position in LAIF was \$9,964,219. The total amount invested by all public agencies in LAIF on that day was \$60,588,263,603. Of that amount, 96.53% is invested in non-derivative financial products and 3.47% in structured notes and asset-backed securities.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2012, was as follows:

Governmental Activities

	Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	Balance <u>June 30, 2012</u>
Capital assets, not being depreciated:					
Land	\$ 6,206,980	\$ 357,977	\$ -	\$ -	\$ 6,564,957
Construction in progress	<u>3,734,844</u>	<u>687,560</u>	<u>-</u>	<u>(816,019)</u>	<u>3,606,385</u>
Total Capital Assets, Not Being Depreciated	<u>9,941,824</u>	<u>1,045,537</u>	<u>-</u>	<u>(816,019)</u>	<u>10,171,342</u>
Capital assets, being depreciated:					
Buildings and improvements	1,249,942	47,558	-	-	1,297,500
Equipment	3,740,739	26,735	(105,544)	-	3,661,930
Infrastructure	<u>18,185,063</u>	<u>-</u>	<u>-</u>	<u>816,019</u>	<u>19,001,082</u>
Total Capital Assets, Being Depreciated	<u>23,175,744</u>	<u>74,293</u>	<u>(105,544)</u>	<u>816,019</u>	<u>23,960,512</u>
Less accumulated depreciation for:					
Buildings and improvements	(672,208)	(66,196)	-	-	(738,404)
Equipment	(1,933,689)	(199,028)	105,544	-	(2,027,173)
Infrastructure	<u>(4,133,289)</u>	<u>(452,449)</u>	<u>-</u>	<u>-</u>	<u>(4,585,738)</u>
Total Accumulated Depreciation	<u>(6,739,186)</u>	<u>(717,673)</u>	<u>105,544</u>	<u>-</u>	<u>(7,351,315)</u>
Total Capital Assets, Being Depreciated, Net	<u>16,436,558</u>	<u>(643,380)</u>	<u>-</u>	<u>816,019</u>	<u>16,609,197</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,378,382</u>	<u>\$ 402,157</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,780,539</u>

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS (CONTINUED)

Business-Type Activities

	Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	Balance <u>June 30, 2012</u>
Capital assets, not being depreciated:					
Land	\$ 210,241	\$ -	\$ -	\$ -	\$ 210,241
Construction in progress	<u>19,115,577</u>	<u>4,204,632</u>	<u>-</u>	<u>(23,320,209)</u>	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>19,325,818</u>	<u>4,204,632</u>	<u>-</u>	<u>(23,320,209)</u>	<u>210,241</u>
Capital assets, being depreciated:					
Buildings and improvements	2,344,231	-	-	-	2,344,231
Equipment	346,527	-	-	-	346,527
Infrastructure	<u>22,776,401</u>	<u>-</u>	<u>-</u>	<u>23,320,209</u>	<u>46,096,610</u>
Total Capital Assets, Being Depreciated	<u>25,467,159</u>	<u>-</u>	<u>-</u>	<u>23,320,209</u>	<u>48,787,368</u>
Less accumulated depreciation for:					
Buildings and improvements	(397,289)	(76,853)	-	-	(474,142)
Equipment	(320,231)	(14,043)	-	-	(334,274)
Infrastructure	<u>(5,642,385)</u>	<u>(714,385)</u>	<u>-</u>	<u>-</u>	<u>(6,356,770)</u>
Total Accumulated Depreciation	<u>(6,359,905)</u>	<u>(805,281)</u>	<u>-</u>	<u>-</u>	<u>(7,165,186)</u>
Total Capital Assets, Being Depreciated, Net	<u>19,107,254</u>	<u>(805,281)</u>	<u>-</u>	<u>23,320,209</u>	<u>41,622,182</u>
Business-Type Activities Capital Assets, Net	<u>\$ 38,433,072</u>	<u>\$ 3,399,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,832,423</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 54,965
Public safety	85,213
Public ways and facilities	471,599
Recreation and culture	<u>105,896</u>
Total Depreciation Expense – Governmental Functions	<u>\$ 717,673</u>

Depreciation expense was charged to the business-type functions as follows:

Water	\$ 501,893
Sewer	<u>303,388</u>
Total Depreciation Expense – Business-Type Functions	<u>\$ 805,281</u>

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4: CAPITAL ASSETS (CONTINUED)

Construction in Progress

Construction in progress for governmental activities relates primarily to work performed on street reconstruction and General Plan update.

NOTE 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, 2012:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 51,815	\$ -
10-HOME 6349 Maple Park	-	4,571
Nonmajor Governmental Funds	-	47,244
Total	<u>\$ 51,815</u>	<u>\$ 51,815</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operation and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2012:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 796,616	\$ 114,424
10-HOME 6349 Maple Park	-	2,917,571
Program Income	3,272,336	5,100
Capital Improvement Project	586,439	-
Nonmajor Governmental Funds	9,023	1,523,421
Water	92,429	73,629
Water Connection	-	56,429
Sewer	528,078	66,269
Sewer Connection	-	528,078
Total	<u>\$ 5,284,921</u>	<u>\$ 5,284,921</u>

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities (Continued)

Year Ended June 30	Bonds		
	Principal	Interest	Total
2013	\$ 57,000	\$ 46,813	\$ 103,813
2014	58,000	44,188	102,188
2015	57,000	41,512	98,512
2016	30,000	38,888	68,888
2017	30,000	37,613	67,613
2018-2022	150,000	168,938	318,938
2023-2027	159,000	136,489	295,489
2028-2032	165,000	101,682	266,682
2033-2037	165,000	66,619	231,619
2038-2042	165,000	31,556	196,556
2043-2047	66,000	2,805	68,805
Total	<u>\$ 1,102,000</u>	<u>\$ 717,103</u>	<u>\$ 1,819,103</u>

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2013	\$ 30,000	\$ 54,187	\$ 84,187
2014	30,000	52,913	82,913
2015	30,000	51,637	81,637
2016	40,000	50,150	90,150
2017	40,000	48,450	88,450
2018-2022	200,000	216,750	416,750
2023-2027	200,000	175,100	375,100
2028-2032	200,000	131,750	331,750
2033-2037	200,000	89,250	289,250
2038-2042	200,000	46,750	246,750
2043-2047	120,000	7,650	127,650
Total	<u>\$ 1,290,000</u>	<u>\$ 924,587</u>	<u>\$ 2,214,587</u>

NOTE 7: NET ASSETS

The government-wide financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7: NET ASSETS (CONTINUED)

- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Net Assets Restricted by Enabling Legislation

The government-wide Statement of Net Assets reports \$13,067,813 of restricted net assets, of which \$2,927,060 is restricted by enabling legislation.

Net Asset 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 assets are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

NOTE 8: FUND BALANCES

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, 2012, fund balance for governmental funds are made up of the following:

- Nonspendable fund balance - includes amounts that are (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, prepaid amounts, and long-term notes receivable.
- Restricted fund balance - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can only be used for the specific purposes determined by 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 or resolution or through adoption of the budget and subsequent budget amendments that occur throughout the year, commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.
- Assigned fund balance - comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. The City Council has by resolution authorized the finance director to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 9: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. Annual Pension Cost (Continued)

The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a fifteen year period (smoothed market value). Initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20 year period. All gains or losses are tracked and amortized over a rolling 30 year period with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). If the plan's accrued liability exceeds the actuarial value of plan assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30 year amortization of the unfunded liability. The table below presents three year trend information.

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
June 30, 2010	\$ 154,987	100%	\$ -
June 30, 2011	170,304	100%	-
June 30, 2012	195,531	100%	-

D. Funded Status and Funding Progress

Since the City has less than 100 active members in at least one valuation since June 30, 2003, it is required to participate in a risk pool and does not present individual plan funded status.

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The City contributes to California Public Employees Retirement System (CalPERS), a cost sharing 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.

B. Funding Policy

The Minimum Employer Contribution, subject to adjustments per AB2544, is paid on behalf of eligible retirees by the City in accordance with "OPEB Assumption Model" which describes guidelines to be used for retiree healthcare valuations for plans intending to pre-fund benefits through California Employers' Retiree Benefit Trust (CERBT).

C. Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year. The City elected to prepay the unfunded actuarial liability.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the City's net OPEB obligation.

Annual required contribution	\$ 20,780
Interest on net OPEB Obligation	(10,264)
Adjustment to Annual Required Contribution	<u>8,433</u>
Annual OPEB Cost	18,949
Contributions Made	<u>(26,558)</u>
Increase (Decrease) in Net OPEB Obligation	(7,609)
Net OPEB Obligation (Asset) Beginning	<u>(132,440)</u>
Net OPEB Obligation (Asset) Ending	<u>(\$ 140,049)</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the current and prior two years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
June 30, 2010	\$ 16,875	143.2%	(\$ 145,100)
June 30, 2011	17,934	29.4%	(132,440)
June 30, 2012	18,949	140.2%	(140,049)

D. Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the plan was 69.7 percent funded. The actuarial accrued liability was \$293,000 and the actuarial value of assets was \$204,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$89,000. The covered payroll (annual payroll of employees covered by the plan) was \$980,000, and the ratio of the UAAL to the covered payroll was 9.1 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information (as it becomes available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

E. Actuarial Methods and Assumptions (Continued)

The assumptions used for this valuation are in accordance with CalPers' "OPEB Assumption Model", which describes guidelines to be used for retiree healthcare valuations for plans intending to pre-fund benefits through California Employers' Retiree Benefit Trust (CERBT).

All assets and liabilities are computed as of June 30, 2011.

The annual rate of return on assets used to pay for benefits is assumed to be 7.61% (assumed rate of return on general assets). The rate of return for assets in a trust is assumed to be 7.61%.

The cost of living as measured by the Consumer Price Index (CPI) is assumed to increase at the rate of 3.00% per year.

Salaries are assumed to increase annually at 3.25%.

The unfunded actuarial accrued liability determined from this valuation is amortized at a level percentage of pay over a rolling 30 year period.

NOTE 11: 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. There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

NOTE 12: OTHER INFORMATION

A. Commitments and Contingencies

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.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: OTHER INFORMATION (CONTINUED)

B. Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Live Oak that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 4, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 1-2012.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF LIVE OAK
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12: OTHER INFORMATION (CONTINUED)

B. Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

C. Subsequent Events

Management has evaluated events subsequent to June 30, 2012 through November 6, 2012, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

D. Joint Agencies

The Small Cities Organized Risk Effort (SCORE) is a joint powers authority organized to provide for a banking plan whereby the member cities can share in the administrative costs of providing liability and worker's compensation insurance. The SCORE is composed of 20 member cities and is governed by a board of directors appointed by the member cities. The governing board has authority over budget and financing. Complete audited financial statements can be obtained from SCORE offices in San Francisco, California.

The California Joint Powers Risk Management Authority (CJPRMA) is a joint powers authority organized to provide excess coverage for its members. The CJPRMA is governed by a board of directors representing its member cities. Complete audited financial statements can be obtained from the Claims Administrator at 574 Manzanita Avenue, Suite 12, Chico, California 95926.

**Required Supplementary Information
(Unaudited)**

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CITY OF LIVE OAK
Required Supplementary Information
For the Year Ended June 30, 2012

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Schedule of Funding Progress - Other Postemployment Benefits provides a consolidated snapshot of the City's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

The table below shows a three year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30, 2011 for the City Other Postemployment Benefit Plan.

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2007	\$ 0	\$ 159,000	\$ 159,000	0.0%	\$ 988,000	16.1%
July 1, 2009	124,000	207,000	83,000	60.0%	1,030,000	8.0%
June 30, 2011	204,000	293,000	89,000	69.7%	980,000	9.1%

CITY OF LIVE OAK
Required Supplementary Information
Budgetary Comparison Schedule - Budgetary Basis
General Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 1,449,000	\$ 1,449,000	\$ 1,800,846	\$ 351,846
Licenses and permits	208,500	208,500	401,441	192,941
Use of money	55,000	55,000	62,939	7,939
Intergovernmental	32,650	32,650	18,238	(14,412)
Charges for services	35,850	35,850	60,727	24,877
Other revenues	175,000	175,000	220,718	45,718
Total Revenues	<u>1,956,000</u>	<u>1,956,000</u>	<u>2,564,909</u>	<u>608,909</u>
EXPENDITURES				
Current:				
General government:				
City council	67,121	67,121	57,262	9,859
City administrator	258,151	258,151	235,786	22,365
Finance	161,092	161,092	144,491	16,601
City attorney/legal	75,000	75,000	58,400	16,600
Total General Government	<u>561,364</u>	<u>561,364</u>	<u>495,939</u>	<u>65,425</u>
Public safety:				
Building inspection	148,203	148,203	161,871	(13,668)
Fire	388,236	388,236	387,060	1,176
Police	949,803	949,803	970,330	(20,527)
Animal control	70,000	70,000	71,710	(1,710)
Total Public Safety	<u>1,556,242</u>	<u>1,556,242</u>	<u>1,590,971</u>	<u>(34,729)</u>
Public ways and facilities:				
Engineer	50,300	50,300	74,785	(24,485)
Total Public Ways and Facilities	<u>50,300</u>	<u>50,300</u>	<u>74,785</u>	<u>(24,485)</u>
Culture and recreation:				
Parks operating	202,763	202,763	185,418	17,345
Recreation	69,455	69,455	57,869	11,586
Pool	110,979	110,979	97,457	13,522
Community center	44,256	44,256	39,796	4,460
Total Culture and Recreation	<u>427,453</u>	<u>427,453</u>	<u>380,540</u>	<u>46,913</u>
Community development:				
Community development	252,025	252,025	231,522	20,503
Economic development	17,000	17,000	6,710	10,290
Total Community Development	<u>269,025</u>	<u>269,025</u>	<u>238,232</u>	<u>30,793</u>

Continued (Page 1 of 2)

CITY OF LIVE OAK
Required Supplementary Information
Budgetary Comparison Schedule - Budgetary Basis
General Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive Negative</u>
EXPENDITURES				
Debt service:				
Principal	11,000	11,000	11,000	-
Interest	5,000	5,000	4,908	92
Capital outlay	210,150	210,150	433,360	(223,210)
	<u>3,090,534</u>	<u>3,090,534</u>	<u>3,229,735</u>	<u>(139,201)</u>
Total Expenditures				
	<u>3,090,534</u>	<u>3,090,534</u>	<u>3,229,735</u>	<u>(139,201)</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,134,534)</u>	<u>(1,134,534)</u>	<u>(664,826)</u>	<u>469,708</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	962,890	962,890	796,616	(166,274)
Transfers out	(144,787)	(144,787)	(114,424)	30,363
	<u>818,103</u>	<u>818,103</u>	<u>682,192</u>	<u>(135,911)</u>
Total Other Financing Sources (Uses)				
	<u>818,103</u>	<u>818,103</u>	<u>682,192</u>	<u>(135,911)</u>
Net Change in Fund Balances	(316,431)	(316,431)	17,366	333,797
Fund Balances - Beginning	<u>4,387,883</u>	<u>4,387,883</u>	<u>4,387,883</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 4,071,452</u>	<u>\$ 4,071,452</u>	<u>\$ 4,405,249</u>	<u>\$ 333,797</u>

Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:

Net Change in Fund Balances - Budgetary Basis \$ 17,366

The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:

Expenditure reimbursements were included as other revenues for budgetary purposes, but are a reduction of expenditures for financial reporting purposes.

Other revenues	170,107
General government expenditures	<u>(170,107)</u>

Net Change in Fund Balance - Statement of Revenues, Expenditures, and Changes in Fund Balances \$ 17,366

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis \$ 4,405,249

Cumulative effect of reclassification of expenditure reimbursements -

Fund Balances - Ending - GAAP Basis \$ 4,405,249

CITY OF LIVE OAK
Required Supplementary Information
Budgetary Comparison Schedule - Budgetary Basis
10-HOME 6349 Maple Park - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 3,100,000	\$ 3,100,000	\$ 2,954,654	\$ (145,346)
Total Revenues	<u>3,100,000</u>	<u>3,100,000</u>	<u>2,954,654</u>	<u>(145,346)</u>
EXPENDITURES				
Current:				
Community development	3,100,000	3,100,000	2,954,654	145,346
Total Expenditures	<u>3,100,000</u>	<u>3,100,000</u>	<u>2,954,654</u>	<u>145,346</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:

Net Change in Fund Balances - Budgetary Basis \$ -

The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:

Grant revenues transferred to the program income fund to provide loans are included as community development expenditures for budgetary purposes, but are recorded as transfers out for financial reporting purposes.

Community development expenditures	(2,917,571)
Transfers out	<u>2,917,571</u>

Net Change in Fund Balance - Statement of Revenues, Expenditures, and Changes in Fund Balances \$ -

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis \$ -

Cumulative effect of reclassification of expenditure reimbursements	<u>-</u>
---	----------

Fund Balances - Ending - GAAP Basis \$ -

CITY OF LIVE OAK
Required Supplementary Information
Budgetary Comparison Schedule - Budgetary Basis
Program Income - Major Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 330	\$ 330
Intergovernmental	49,600	49,600	27,026	(22,574)
Total Revenues	<u>49,600</u>	<u>49,600</u>	<u>27,356</u>	<u>(22,244)</u>
EXPENDITURES				
Current:				
Community development	137,900	137,900	7,178	130,722
Total Expenditures	<u>137,900</u>	<u>137,900</u>	<u>7,178</u>	<u>130,722</u>
Excess of Revenues Over (Under) Expenditures	<u>(88,300)</u>	<u>(88,300)</u>	<u>20,178</u>	<u>108,478</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,272,336	3,272,336
Transfers out	-	-	(5,100)	(5,100)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,267,236</u>	<u>3,267,236</u>
Net Change in Fund Balances	<u>(88,300)</u>	<u>(88,300)</u>	<u>3,287,414</u>	<u>3,375,714</u>
Fund Balances - Beginning	285,740	285,740	285,740	-
Prior period adjustment	-	-	3,451,737	3,451,737
Fund Balances - Beginning, Restated	<u>285,740</u>	<u>285,740</u>	<u>3,737,477</u>	<u>3,451,737</u>
Fund Balances - Ending	<u>\$ 197,440</u>	<u>\$ 197,440</u>	<u>\$ 7,024,891</u>	<u>\$ 6,827,451</u>

CITY OF LIVE OAK
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2012

BUDGETARY BASIS OF ACCOUNTING

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) Formal budgetary integration is employed as a management control device during the year for the General fund and Special Revenue funds. The City did not adopt a budget for the Developer Deposits major special revenue fund. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant adjustments.
- (5) All unused appropriations for budgeted amounts lapse at the end of the year.

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.

**Combining and Individual Fund Statements and
Schedules**

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Nonmajor Governmental Funds

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Nonmajor Governmental Funds

- **Special Revenue Funds**

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CITY OF LIVE OAK
Nonmajor Special Revenue Funds

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:

Redevelopment Agency

The Redevelopment Agency fund was used to account for redevelopment activities.

Streets and Roads

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

Transportation

The Transportation fund is used to account for monies received through the Transportation Development Act (TDA) tax and Surface Transportation Program (STP) funding. The financing from State and Federal programs helps to build and maintain the City streets.

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 Improvement

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 the CFD 2004-1 services district.

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.

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 the CFD 2004-1 services district.

CITY OF LIVE OAK
Nonmajor Special Revenue Funds

Mello Roos CFD 2004-1 Fire

This fund is used to account for special assessment revenue received for the purposes of fire 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.

Public Works Impact Fees

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

CITY OF LIVE OAK
Nonmajor Special Revenue Funds

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.

Transportation Impact Fees

This fund is used to account for development impact fees received for the expansion and construction of streets, signal lights and various transportation facilities.

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.

06-CalHome-231

This fund is used to account for CAL-HOME grant funds used to make loans to residents for the purposes of housing rehabilitation.

09-PTAG-6503

This fund is used to account for CDBG planning and technical assistance grant funds used for the design of the future skate park.

10-STBG-6724 PIHNC

This fund is used to account for CDBG grant funds used to make loans for public improvements in support of new housing construction for the Maple Park affordable housing project.

11-PTEC-7632

This fund is used to account for CDBG planning and technical assistance grant funds used for the update of the Housing Element, Downtown Infrastructure Analysis and implementation of a GIS system.

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.

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CITY OF LIVE OAK
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2012

	<u>Redevelop- ment Agency</u>	<u>Streets and Roads</u>	<u>Trans- portation</u>	<u>Traffic Safety</u>
ASSETS				
Cash and investments	\$ -	\$ 586,350	\$ 471,040	\$ 6,370
Accrued interest receivable	-	476	421	5
Taxes receivable	-	46,626	-	-
Due from other governments	-	-	-	1,337
Total Assets	<u>\$ -</u>	<u>\$ 633,452</u>	<u>\$ 471,461</u>	<u>\$ 7,712</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 10,487	\$ 7,919	\$ -
Salaries and benefits payable	-	464	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>10,951</u>	<u>7,919</u>	<u>-</u>
Fund Balances:				
Restricted	-	622,501	463,542	7,712
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>622,501</u>	<u>463,542</u>	<u>7,712</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 633,452</u>	<u>\$ 471,461</u>	<u>\$ 7,712</u>

<u>COPS</u>	<u>Sidewalk Improvement</u>	<u>Street Lighting</u>	<u>Mello Roos CFD 92-1</u>	<u>Fire Benefit Assessment</u>	<u>Mello Roos CFD 2004-1 Fire</u>	<u>Mello Roos CFD 2004-1 Police</u>	<u>Mello Roos CFD 2004-1 Animal Services</u>
\$ 206,999	\$ 16,997	\$ 83,069	\$ 196,266	\$ 51,103	\$ 61,795	\$ 182,816	\$ 18,619
153	14	59	180	26	35	118	12
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 207,152</u>	<u>\$ 17,011</u>	<u>\$ 83,128</u>	<u>\$ 196,446</u>	<u>\$ 51,129</u>	<u>\$ 61,830</u>	<u>\$ 182,934</u>	<u>\$ 18,631</u>
\$ 3,791	\$ -	\$ 3,910	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,791</u>	<u>-</u>	<u>3,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
203,361	17,011	79,218	196,446	51,129	61,830	182,934	18,631
-	-	-	-	-	-	-	-
<u>203,361</u>	<u>17,011</u>	<u>79,218</u>	<u>196,446</u>	<u>51,129</u>	<u>61,830</u>	<u>182,934</u>	<u>18,631</u>
<u>\$ 207,152</u>	<u>\$ 17,011</u>	<u>\$ 83,128</u>	<u>\$ 196,446</u>	<u>\$ 51,129</u>	<u>\$ 61,830</u>	<u>\$ 182,934</u>	<u>\$ 18,631</u>

CITY OF LIVE OAK
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2012

	<u>Mello Roos CFD 2004-1 Street Lighting</u>	<u>Mello Roos CFD 2004-1 Parks/ Recreation/ Pool</u>	<u>Mello Roos CFD 2004-1 Storm Drain</u>	<u>Parks & Recreation Impact Fees</u>
ASSETS				
Cash and investments	\$ 58,287	\$ 56,829	\$ 76,668	\$ 65,976
Accrued interest receivable	45	26	60	54
Taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 58,332	\$ 56,855	\$ 76,728	\$ 66,030
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,312	\$ 656	\$ 318	\$ -
Salaries and benefits payable	-	-	-	-
Due to other funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	1,312	656	318	-
Fund Balances:				
Restricted	57,020	56,199	76,410	66,030
Unassigned	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	57,020	56,199	76,410	66,030
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 58,332	\$ 56,855	\$ 76,728	\$ 66,030

Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees	Fire Impact Fees	Transportation Impact Fees	Flood Control Impact Fees	Storm Drain Connection Fees
\$ 154,824 127 -	\$ 14,171 12 -	\$ 356,125 293 -	\$ 138,710 114 -	\$ 74,871 64 -	\$ - - -	\$ 128,337 106 -	\$ 461,156 382 -
<u>\$ 154,951</u>	<u>\$ 14,183</u>	<u>\$ 356,418</u>	<u>\$ 138,824</u>	<u>\$ 74,935</u>	<u>\$ -</u>	<u>\$ 128,443</u>	<u>\$ 461,538</u>
\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ - - -
154,951 -	14,183 -	356,418 -	138,824 -	74,935 -	- -	128,443 -	461,538 -
<u>154,951</u>	<u>14,183</u>	<u>356,418</u>	<u>138,824</u>	<u>74,935</u>	<u>-</u>	<u>128,443</u>	<u>461,538</u>
<u>\$ 154,951</u>	<u>\$ 14,183</u>	<u>\$ 356,418</u>	<u>\$ 138,824</u>	<u>\$ 74,935</u>	<u>\$ -</u>	<u>\$ 128,443</u>	<u>\$ 461,538</u>

CITY OF LIVE OAK
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2012

	<u>06-CalHome 231</u>	<u>09-PTAG- 6503</u>	<u>10-STBG- 6724 PIHNC</u>	<u>11-PTEC- 7632</u>
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accrued interest receivable	-	-	-	-
Taxes receivable	-	-	-	-
Due from other governments	-	-	47,796	21,002
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,796</u>	<u>\$ 21,002</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 10,254	\$ 4,751
Salaries and benefits payable	-	-	-	-
Due to other funds	-	-	26,554	20,300
Total Liabilities	<u>-</u>	<u>-</u>	<u>36,808</u>	<u>25,051</u>
Fund Balances:				
Restricted	-	-	10,988	-
Unassigned	-	-	-	(4,049)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>10,988</u>	<u>(4,049)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,796</u>	<u>\$ 21,002</u>

<u>11-HOME- 7661</u>	<u>Totals</u>
\$ -	\$ 3,467,378
-	2,782
-	46,626
-	70,135
<hr/>	<hr/>
\$ -	\$ 3,586,921
<hr/>	<hr/>

\$ -	\$ 43,398
-	464
<hr/> 390	<hr/> 47,244
<hr/> 390	<hr/> 91,106

-	3,500,254
<hr/> (390)	<hr/> (4,439)
<hr/> (390)	<hr/> 3,495,815
<hr/> \$ -	<hr/> \$ 3,586,921

CITY OF LIVE OAK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2012

	Redevelop- ment Agency	Streets and Roads	Trans- portation	Traffic Safety
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	9,870
Use of money	-	1,872	2,137	19
Intergovernmental	-	646,303	-	-
Other revenue	-	7,341	-	-
Total Revenues	<u>-</u>	<u>655,516</u>	<u>2,137</u>	<u>9,889</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	161,336	39,963	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	5,544	-
Total Expenditures	<u>-</u>	<u>161,336</u>	<u>45,507</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>494,180</u>	<u>(43,370)</u>	<u>9,889</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	3,923	-	-
Transfers out	-	(403,198)	(186,056)	(5,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(399,275)</u>	<u>(186,056)</u>	<u>(5,000)</u>
Extraordinary gain	378,280	-	-	-
Net Change in Fund Balance	378,280	94,905	(229,426)	4,889
Fund Balances - Beginning	<u>(378,280)</u>	<u>527,596</u>	<u>692,968</u>	<u>2,823</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 622,501</u>	<u>\$ 463,542</u>	<u>\$ 7,712</u>

<u>COPS</u>	<u>Sidewalk Improvement</u>	<u>Street Lighting</u>	<u>Mello Roos CFD 92-1</u>	<u>Fire Benefit Assessment</u>	<u>Mello Roos CFD 2004-1 Fire</u>	<u>Mello Roos CFD 2004-1 Police</u>	<u>Mello Roos CFD 2004-1 Animal Services</u>
\$ -	\$ -	\$ 52,792	\$ -	\$ 109,017	\$ 95,767	\$ 260,805	\$ 15,157
-	-	-	120,937	-	-	-	-
613	59	236	688	157	136	548	48
117,592	-	-	-	-	-	-	-
-	-	1,627	-	-	-	-	-
<u>118,205</u>	<u>59</u>	<u>54,655</u>	<u>121,625</u>	<u>109,174</u>	<u>95,903</u>	<u>261,353</u>	<u>15,205</u>
-	-	-	-	-	1,365	-	-
37,597	-	-	-	-	-	4,347	356
-	-	48,848	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	91,373	-	-	-	-
26,735	-	-	-	-	-	-	-
<u>64,332</u>	<u>-</u>	<u>48,848</u>	<u>91,373</u>	<u>-</u>	<u>1,365</u>	<u>4,347</u>	<u>356</u>
53,873	59	5,807	30,252	109,174	94,538	257,006	14,849
-	-	-	-	-	-	-	-
-	-	(1,762)	(13,211)	(113,230)	(72,129)	(247,385)	(10,397)
-	-	(1,762)	(13,211)	(113,230)	(72,129)	(247,385)	(10,397)
-	-	-	-	-	-	-	-
53,873	59	4,045	17,041	(4,056)	22,409	9,621	4,452
149,488	16,952	75,173	179,405	55,185	39,421	173,313	14,179
<u>\$ 203,361</u>	<u>\$ 17,011</u>	<u>\$ 79,218</u>	<u>\$ 196,446</u>	<u>\$ 51,129</u>	<u>\$ 61,830</u>	<u>\$ 182,934</u>	<u>\$ 18,631</u>

CITY OF LIVE OAK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2012

	Mello Roos CFD 2004-1 Street Lighting	Mello Roos CFD 2004-1 Parks/ Recreation/ Pool	Mello Roos CFD 2004-1 Storm Drain	Parks & Recreation Impact Fees
REVENUES				
Taxes and assessments	\$ 15,959	\$ 119,166	\$ 15,803	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money	192	159	253	231
Intergovernmental	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>16,151</u>	<u>119,325</u>	<u>16,056</u>	<u>231</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	16,645	-	14,377	-
Culture and recreation	-	9,654	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>16,645</u>	<u>9,654</u>	<u>14,377</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(494)</u>	<u>109,671</u>	<u>1,679</u>	<u>231</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(631)	(113,597)	(2,056)	-
Total Other Financing Sources (Uses)	<u>(631)</u>	<u>(113,597)</u>	<u>(2,056)</u>	<u>-</u>
Extraordinary gain	-	-	-	-
Net Change in Fund Balance	<u>(1,125)</u>	<u>(3,926)</u>	<u>(377)</u>	<u>231</u>
Fund Balances - Beginning	<u>58,145</u>	<u>60,125</u>	<u>76,787</u>	<u>65,799</u>
Fund Balances - Ending	<u>\$ 57,020</u>	<u>\$ 56,199</u>	<u>\$ 76,410</u>	<u>\$ 66,030</u>

<u>Community Center Impact Fees</u>	<u>Public Works Impact Fees</u>	<u>General Government Impact Fees</u>	<u>Police Impact Fees</u>	<u>Fire Impact Fees</u>	<u>Transportation Impact Fees</u>	<u>Flood Control Impact Fees</u>	<u>Storm Drain Connection Fees</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
634	50	1,244	484	286	-	448	1,641
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>634</u>	<u>50</u>	<u>1,244</u>	<u>484</u>	<u>286</u>	<u>-</u>	<u>448</u>	<u>1,641</u>
-	-	-	-	-	-	-	-
-	-	-	-	8,692	-	-	-
-	-	-	-	-	-	-	11,038
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
47,558	-	-	-	-	-	-	-
<u>47,558</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,692</u>	<u>-</u>	<u>-</u>	<u>11,038</u>
<u>(46,924)</u>	<u>50</u>	<u>1,244</u>	<u>484</u>	<u>(8,406)</u>	<u>-</u>	<u>448</u>	<u>(9,397)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	(4)	-	-
-	-	-	-	-	(4)	-	-
-	-	-	-	-	-	-	-
<u>(46,924)</u>	<u>50</u>	<u>1,244</u>	<u>484</u>	<u>(8,406)</u>	<u>(4)</u>	<u>448</u>	<u>(9,397)</u>
<u>201,875</u>	<u>14,133</u>	<u>355,174</u>	<u>138,340</u>	<u>83,341</u>	<u>4</u>	<u>127,995</u>	<u>470,935</u>
<u>\$ 154,951</u>	<u>\$ 14,183</u>	<u>\$ 356,418</u>	<u>\$ 138,824</u>	<u>\$ 74,935</u>	<u>\$ -</u>	<u>\$ 128,443</u>	<u>\$ 461,538</u>

CITY OF LIVE OAK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2012

	06-CalHome 231	09-PTAG- 6503	10-STBG- 6724 PIHNC	11-PTEC- 7632
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money	416	-	-	-
Intergovernmental	-	20,918	411,714	21,002
Other revenue	-	-	-	-
Total Revenues	<u>416</u>	<u>20,918</u>	<u>411,714</u>	<u>21,002</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	19,685	-	-
Community development	155,717	-	48,961	27,151
Capital outlay	-	-	-	-
Total Expenditures	<u>155,717</u>	<u>19,685</u>	<u>48,961</u>	<u>27,151</u>
Excess of Revenues Over (Under) Expenditures	<u>(155,301)</u>	<u>1,233</u>	<u>362,753</u>	<u>(6,149)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,000	2,100
Transfers out	-	-	(354,765)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(351,765)</u>	<u>2,100</u>
Extraordinary gain	-	-	-	-
Net Change in Fund Balance	<u>(155,301)</u>	<u>1,233</u>	<u>10,988</u>	<u>(4,049)</u>
Fund Balances - Beginning	<u>155,301</u>	<u>(1,233)</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,988</u>	<u>\$ (4,049)</u>

<u>11-HOME- 7661</u>	<u>Totals</u>
\$ -	\$ 684,466
-	120,937
-	9,870
-	12,551
-	1,217,529
-	8,968
-	<u>2,054,321</u>
-	1,365
-	50,992
-	292,207
-	29,339
390	323,592
-	79,837
390	<u>777,332</u>
(390)	<u>1,276,989</u>
-	9,023
-	<u>(1,523,421)</u>
-	<u>(1,514,398)</u>
-	<u>378,280</u>
(390)	140,871
-	<u>3,354,944</u>
<u>\$ (390)</u>	<u>\$ 3,495,815</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Redevelopment Agency - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Community development	5,000	5,000	-	5,000
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000	5,000	-	(5,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Extraordinary gain	-	-	378,280	378,280
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>378,280</u>	<u>378,280</u>
Fund Balances - Beginning	<u>(378,280)</u>	<u>(378,280)</u>	<u>(378,280)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (378,280)</u>	<u>\$ (378,280)</u>	<u>\$ -</u>	<u>\$ 378,280</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Streets and Roads - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ 500	\$ 500	\$ 1,872	\$ 1,372
Intergovernmental	1,991,474	1,991,474	646,303	(1,345,171)
Other revenue	8,000	8,000	7,341	(659)
Total Revenues	<u>1,999,974</u>	<u>1,999,974</u>	<u>655,516</u>	<u>(1,344,458)</u>
EXPENDITURES				
Current:				
Public ways and facilities	204,204	204,204	161,336	42,868
Capital outlay	209,000	209,000	-	209,000
Total Expenditures	<u>413,204</u>	<u>413,204</u>	<u>161,336</u>	<u>251,868</u>
Excess of Revenues Over (Under) Expenditures	<u>1,586,770</u>	<u>1,586,770</u>	<u>494,180</u>	<u>(1,092,590)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,923	3,923	3,923	-
Transfers out	(1,862,948)	(1,862,948)	(403,198)	1,459,750
Total Other Financing Sources (Uses)	<u>(1,859,025)</u>	<u>(1,859,025)</u>	<u>(399,275)</u>	<u>1,459,750</u>
Net Change in Fund Balances	<u>(272,255)</u>	<u>(272,255)</u>	<u>94,905</u>	<u>367,160</u>
Fund Balances - Beginning	<u>527,596</u>	<u>527,596</u>	<u>527,596</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 255,341</u>	<u>\$ 255,341</u>	<u>\$ 622,501</u>	<u>\$ 367,160</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Transportation - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ 500	\$ 500	\$ 2,137	\$ 1,637
Intergovernmental	287,800	287,800	-	(287,800)
Total Revenues	<u>288,300</u>	<u>288,300</u>	<u>2,137</u>	<u>(286,163)</u>
EXPENDITURES				
Current:				
Public ways and facilities	20,000	20,000	39,963	(19,963)
Capital outlay	700,000	700,000	5,544	694,456
Total Expenditures	<u>720,000</u>	<u>720,000</u>	<u>45,507</u>	<u>674,493</u>
Excess of Revenues Over (Under) Expenditures	<u>(431,700)</u>	<u>(431,700)</u>	<u>(43,370)</u>	<u>388,330</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(915)	(915)	(186,056)	(185,141)
Total Other Financing Sources (Uses)	<u>(915)</u>	<u>(915)</u>	<u>(186,056)</u>	<u>(185,141)</u>
Net Change in Fund Balances	(432,615)	(432,615)	(229,426)	203,189
Fund Balances - Beginning	<u>692,968</u>	<u>692,968</u>	<u>692,968</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 260,353</u>	<u>\$ 260,353</u>	<u>\$ 463,542</u>	<u>\$ 203,189</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Traffic Safety - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 6,000	\$ 6,000	\$ 9,870	\$ 3,870
Use of money	-	-	19	19
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>9,889</u>	<u>3,889</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>6,000</u>	<u>6,000</u>	<u>9,889</u>	<u>3,889</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(6,000)	(6,000)	(5,000)	1,000
Total Other Financing Sources (Uses)	<u>(6,000)</u>	<u>(6,000)</u>	<u>(5,000)</u>	<u>1,000</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>4,889</u>	<u>4,889</u>
Fund Balances - Beginning	<u>2,823</u>	<u>2,823</u>	<u>2,823</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,823</u>	<u>\$ 2,823</u>	<u>\$ 7,712</u>	<u>\$ 4,889</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
COPS - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 613	\$ 613
Intergovernmental	100,000	100,000	117,592	17,592
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>118,205</u>	<u>18,205</u>
EXPENDITURES				
Current:				
Public safety	30,000	30,000	37,597	(7,597)
Capital outlay	150,000	150,000	26,735	123,265
Total Expenditures	<u>180,000</u>	<u>180,000</u>	<u>64,332</u>	<u>115,668</u>
Excess of Revenues Over (Under) Expenditures	<u>(80,000)</u>	<u>(80,000)</u>	<u>53,873</u>	<u>133,873</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(80,000)</u>	<u>(80,000)</u>	<u>53,873</u>	<u>133,873</u>
Fund Balances - Beginning	<u>149,488</u>	<u>149,488</u>	<u>149,488</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 69,488</u>	<u>\$ 69,488</u>	<u>\$ 203,361</u>	<u>\$ 133,873</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Sidewalk Improvement - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 59	\$ 59
Total Revenues	<u>-</u>	<u>-</u>	<u>59</u>	<u>59</u>
EXPENDITURES				
Capital outlay	17,000	17,000	-	17,000
Total Expenditures	<u>17,000</u>	<u>17,000</u>	<u>-</u>	<u>17,000</u>
Excess of Revenues Over (Under) Expenditures	<u>(17,000)</u>	<u>(17,000)</u>	<u>59</u>	<u>17,059</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(17,000)</u>	<u>(17,000)</u>	<u>59</u>	<u>17,059</u>
Fund Balances - Beginning	<u>16,952</u>	<u>16,952</u>	<u>16,952</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (48)</u>	<u>\$ (48)</u>	<u>\$ 17,011</u>	<u>\$ 17,059</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Street Lighting - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 53,000	\$ 53,000	\$ 52,792	\$ (208)
Use of money	200	200	236	36
Other revenue	1,775	1,775	1,627	(148)
Total Revenues	<u>54,975</u>	<u>54,975</u>	<u>54,655</u>	<u>(320)</u>
EXPENDITURES				
Current:				
Public ways and facilities	<u>60,000</u>	<u>60,000</u>	<u>48,848</u>	<u>11,152</u>
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>48,848</u>	<u>11,152</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,025)</u>	<u>(5,025)</u>	<u>5,807</u>	<u>10,832</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(2,291)</u>	<u>(2,291)</u>	<u>(1,762)</u>	<u>529</u>
Total Other Financing Sources (Uses)	<u>(2,291)</u>	<u>(2,291)</u>	<u>(1,762)</u>	<u>529</u>
Net Change in Fund Balances	<u>(7,316)</u>	<u>(7,316)</u>	<u>4,045</u>	<u>11,361</u>
Fund Balances - Beginning	<u>75,173</u>	<u>75,173</u>	<u>75,173</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 67,857</u>	<u>\$ 67,857</u>	<u>\$ 79,218</u>	<u>\$ 11,361</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 92-1 - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 128,000	\$ 128,000	\$ 120,937	\$ (7,063)
Use of money	500	500	688	188
Total Revenues	<u>128,500</u>	<u>128,500</u>	<u>121,625</u>	<u>(6,875)</u>
EXPENDITURES				
Current:				
Community development	95,000	95,000	91,373	3,627
Capital outlay	91,000	91,000	-	91,000
Total Expenditures	<u>186,000</u>	<u>186,000</u>	<u>91,373</u>	<u>94,627</u>
Excess of Revenues Over (Under) Expenditures	<u>(57,500)</u>	<u>(57,500)</u>	<u>30,252</u>	<u>87,752</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(89,120)	(89,120)	(13,211)	75,909
Total Other Financing Sources (Uses)	<u>(89,120)</u>	<u>(89,120)</u>	<u>(13,211)</u>	<u>75,909</u>
Net Change in Fund Balances	<u>(146,620)</u>	<u>(146,620)</u>	<u>17,041</u>	<u>163,661</u>
Fund Balances - Beginning	<u>179,405</u>	<u>179,405</u>	<u>179,405</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 32,785</u>	<u>\$ 32,785</u>	<u>\$ 196,446</u>	<u>\$ 163,661</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Fire Benefit Assessment - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 110,000	\$ 110,000	\$ 109,017	\$ (983)
Use of money	-	-	157	157
Total Revenues	<u>110,000</u>	<u>110,000</u>	<u>109,174</u>	<u>(826)</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>110,000</u>	<u>110,000</u>	<u>109,174</u>	<u>(826)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(114,582)	(114,582)	(113,230)	1,352
Total Other Financing Sources (Uses)	<u>(114,582)</u>	<u>(114,582)</u>	<u>(113,230)</u>	<u>1,352</u>
Net Change in Fund Balances	(4,582)	(4,582)	(4,056)	526
Fund Balances - Beginning	<u>55,185</u>	<u>55,185</u>	<u>55,185</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 50,603</u>	<u>\$ 50,603</u>	<u>\$ 51,129</u>	<u>\$ 526</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Fire - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 70,000	\$ 70,000	\$ 95,767	\$ 25,767
Use of money	-	-	136	136
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>95,903</u>	<u>25,903</u>
EXPENDITURES				
Current:				
General government	<u>2,500</u>	<u>2,500</u>	<u>1,365</u>	<u>1,135</u>
Total Expenditures	<u>2,500</u>	<u>2,500</u>	<u>1,365</u>	<u>1,135</u>
Excess of Revenues Over (Under) Expenditures	<u>67,500</u>	<u>67,500</u>	<u>94,538</u>	<u>27,038</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(72,768)</u>	<u>(72,768)</u>	<u>(72,129)</u>	<u>639</u>
Total Other Financing Sources (Uses)	<u>(72,768)</u>	<u>(72,768)</u>	<u>(72,129)</u>	<u>639</u>
Net Change in Fund Balances	<u>(5,268)</u>	<u>(5,268)</u>	<u>22,409</u>	<u>27,677</u>
Fund Balances - Beginning	<u>39,421</u>	<u>39,421</u>	<u>39,421</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 34,153</u>	<u>\$ 34,153</u>	<u>\$ 61,830</u>	<u>\$ 27,677</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Police - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 240,000	\$ 240,000	\$ 260,805	\$ 20,805
Use of money	-	-	548	548
Total Revenues	<u>240,000</u>	<u>240,000</u>	<u>261,353</u>	<u>21,353</u>
EXPENDITURES				
Current:				
Public safety	7,500	7,500	4,347	3,153
Total Expenditures	<u>7,500</u>	<u>7,500</u>	<u>4,347</u>	<u>3,153</u>
Excess of Revenues Over (Under) Expenditures	<u>232,500</u>	<u>232,500</u>	<u>257,006</u>	<u>24,506</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(253,604)	(253,604)	(247,385)	6,219
Total Other Financing Sources (Uses)	<u>(253,604)</u>	<u>(253,604)</u>	<u>(247,385)</u>	<u>6,219</u>
Net Change in Fund Balances	(21,104)	(21,104)	9,621	30,725
Fund Balances - Beginning	<u>173,313</u>	<u>173,313</u>	<u>173,313</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 152,209</u>	<u>\$ 152,209</u>	<u>\$ 182,934</u>	<u>\$ 30,725</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Animal Services - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 13,000	\$ 13,000	\$ 15,157	\$ 2,157
Use of money	-	-	48	48
Total Revenues	<u>13,000</u>	<u>13,000</u>	<u>15,205</u>	<u>2,205</u>
EXPENDITURES				
Current:				
Public safety	500	500	356	144
Total Expenditures	<u>500</u>	<u>500</u>	<u>356</u>	<u>144</u>
Excess of Revenues Over (Under) Expenditures	<u>12,500</u>	<u>12,500</u>	<u>14,849</u>	<u>2,349</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(13,515)	(13,515)	(10,397)	3,118
Total Other Financing Sources (Uses)	<u>(13,515)</u>	<u>(13,515)</u>	<u>(10,397)</u>	<u>3,118</u>
Net Change in Fund Balances	<u>(1,015)</u>	<u>(1,015)</u>	<u>4,452</u>	<u>5,467</u>
Fund Balances - Beginning	<u>14,179</u>	<u>14,179</u>	<u>14,179</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 13,164</u>	<u>\$ 13,164</u>	<u>\$ 18,631</u>	<u>\$ 5,467</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Street Lighting - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 25,000	\$ 25,000	\$ 15,959	\$ (9,041)
Use of money	175	175	192	17
Total Revenues	<u>25,175</u>	<u>25,175</u>	<u>16,151</u>	<u>(9,024)</u>
EXPENDITURES				
Current:				
Public ways and facilities	21,500	21,500	16,645	4,855
Total Expenditures	<u>21,500</u>	<u>21,500</u>	<u>16,645</u>	<u>4,855</u>
Excess of Revenues Over (Under) Expenditures	<u>3,675</u>	<u>3,675</u>	<u>(494)</u>	<u>(4,169)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(821)	(821)	(631)	190
Total Other Financing Sources (Uses)	<u>(821)</u>	<u>(821)</u>	<u>(631)</u>	<u>190</u>
Net Change in Fund Balances	2,854	2,854	(1,125)	(3,979)
Fund Balances - Beginning	58,145	58,145	58,145	-
Fund Balances - Ending	<u>\$ 60,999</u>	<u>\$ 60,999</u>	<u>\$ 57,020</u>	<u>\$ (3,979)</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Parks/Recreation/Pool - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 110,000	\$ 110,000	\$ 119,166	\$ 9,166
Use of money	-	-	159	159
Total Revenues	<u>110,000</u>	<u>110,000</u>	<u>119,325</u>	<u>9,325</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>12,500</u>	<u>12,500</u>	<u>9,654</u>	<u>2,846</u>
Total Expenditures	<u>12,500</u>	<u>12,500</u>	<u>9,654</u>	<u>2,846</u>
Excess of Revenues Over (Under) Expenditures	<u>97,500</u>	<u>97,500</u>	<u>109,671</u>	<u>12,171</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(114,678)</u>	<u>(114,678)</u>	<u>(113,597)</u>	<u>1,081</u>
Total Other Financing Sources (Uses)	<u>(114,678)</u>	<u>(114,678)</u>	<u>(113,597)</u>	<u>1,081</u>
Net Change in Fund Balances	<u>(17,178)</u>	<u>(17,178)</u>	<u>(3,926)</u>	<u>13,252</u>
Fund Balances - Beginning	<u>60,125</u>	<u>60,125</u>	<u>60,125</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 42,947</u>	<u>\$ 42,947</u>	<u>\$ 56,199</u>	<u>\$ 13,252</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Mello Roos CFD 2004-1 Storm Drain - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 19,000	\$ 19,000	\$ 15,803	\$ (3,197)
Use of money	100	100	253	153
Total Revenues	<u>19,100</u>	<u>19,100</u>	<u>16,056</u>	<u>(3,044)</u>
EXPENDITURES				
Current:				
Public ways and facilities	15,000	15,000	14,377	623
Capital outlay	55,000	55,000	-	55,000
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>14,377</u>	<u>55,623</u>
Excess of Revenues Over (Under) Expenditures	<u>(50,900)</u>	<u>(50,900)</u>	<u>1,679</u>	<u>52,579</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,673)	(2,673)	(2,056)	617
Total Other Financing Sources (Uses)	<u>(2,673)</u>	<u>(2,673)</u>	<u>(2,056)</u>	<u>617</u>
Net Change in Fund Balances	<u>(53,573)</u>	<u>(53,573)</u>	<u>(377)</u>	<u>53,196</u>
Fund Balances - Beginning	<u>76,787</u>	<u>76,787</u>	<u>76,787</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 23,214</u>	<u>\$ 23,214</u>	<u>\$ 76,410</u>	<u>\$ 53,196</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Parks & Recreation Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ 231	\$ 231
Total Revenues	<u>-</u>	<u>-</u>	<u>231</u>	<u>231</u>
EXPENDITURES				
Capital outlay	64,800	64,800	-	64,800
Total Expenditures	<u>64,800</u>	<u>64,800</u>	<u>-</u>	<u>64,800</u>
Excess of Revenues Over (Under) Expenditures	<u>(64,800)</u>	<u>(64,800)</u>	<u>231</u>	<u>65,031</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(64,800)</u>	<u>(64,800)</u>	<u>231</u>	<u>65,031</u>
Fund Balances - Beginning	<u>65,799</u>	<u>65,799</u>	<u>65,799</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 999</u>	<u>\$ 999</u>	<u>\$ 66,030</u>	<u>\$ 65,031</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Community Center Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ 634	\$ 634
Total Revenues	<u>-</u>	<u>-</u>	<u>634</u>	<u>634</u>
EXPENDITURES				
Capital outlay	200,000	200,000	47,558	152,442
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>47,558</u>	<u>152,442</u>
Excess of Revenues Over (Under) Expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>(46,924)</u>	<u>153,076</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(200,000)</u>	<u>(200,000)</u>	<u>(46,924)</u>	<u>153,076</u>
Fund Balances - Beginning	<u>201,875</u>	<u>201,875</u>	<u>201,875</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,875</u>	<u>\$ 1,875</u>	<u>\$ 154,951</u>	<u>\$ 153,076</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Public Works Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ 50	\$ 50
Total Revenues	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>
EXPENDITURES				
Capital outlay	14,120	14,120	-	14,120
Total Expenditures	<u>14,120</u>	<u>14,120</u>	<u>-</u>	<u>14,120</u>
Excess of Revenues Over (Under) Expenditures	<u>(14,120)</u>	<u>(14,120)</u>	<u>50</u>	<u>14,170</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(14,120)</u>	<u>(14,120)</u>	<u>50</u>	<u>14,170</u>
Fund Balances - Beginning	<u>14,133</u>	<u>14,133</u>	<u>14,133</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 14,183</u>	<u>\$ 14,170</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
General Government Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 1,244	\$ 1,244
Total Revenues	<u>-</u>	<u>-</u>	<u>1,244</u>	<u>1,244</u>
EXPENDITURES				
Capital outlay	273,000	273,000	-	273,000
Total Expenditures	<u>273,000</u>	<u>273,000</u>	<u>-</u>	<u>273,000</u>
Excess of Revenues Over (Under) Expenditures	<u>(273,000)</u>	<u>(273,000)</u>	<u>1,244</u>	<u>274,244</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(80,000)	(80,000)	-	80,000
Total Other Financing Sources (Uses)	<u>(80,000)</u>	<u>(80,000)</u>	<u>-</u>	<u>80,000</u>
Net Change in Fund Balances	<u>(353,000)</u>	<u>(353,000)</u>	<u>1,244</u>	<u>354,244</u>
Fund Balances - Beginning	<u>355,174</u>	<u>355,174</u>	<u>355,174</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,174</u>	<u>\$ 2,174</u>	<u>\$ 356,418</u>	<u>\$ 354,244</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Police Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -		\$ 484	\$ 484
Total Revenues	<u>-</u>	<u>-</u>	<u>484</u>	<u>484</u>
EXPENDITURES				
Capital outlay	35,150	35,150	-	35,150
Total Expenditures	<u>35,150</u>	<u>35,150</u>	<u>-</u>	<u>35,150</u>
Excess of Revenues Over (Under) Expenditures	<u>(35,150)</u>	<u>(35,150)</u>	<u>484</u>	<u>35,634</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(100,000)	(100,000)	-	100,000
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balances	<u>(135,150)</u>	<u>(135,150)</u>	<u>484</u>	<u>135,634</u>
Fund Balances - Beginning	<u>138,340</u>	<u>138,340</u>	<u>138,340</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 3,190</u>	<u>\$ 3,190</u>	<u>\$ 138,824</u>	<u>\$ 135,634</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Fire Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ 286	\$ 286
Total Revenues	<u>-</u>	<u>-</u>	<u>286</u>	<u>286</u>
EXPENDITURES				
Current:				
Public safety	-	-	8,692	(8,692)
Capital outlay	83,000	83,000	-	83,000
Total Expenditures	<u>83,000</u>	<u>83,000</u>	<u>8,692</u>	<u>74,308</u>
Excess of Revenues Over (Under) Expenditures	<u>(83,000)</u>	<u>(83,000)</u>	<u>(8,406)</u>	<u>74,594</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(83,000)</u>	<u>(83,000)</u>	<u>(8,406)</u>	<u>74,594</u>
Fund Balances - Beginning	<u>83,341</u>	<u>83,341</u>	<u>83,341</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 74,935</u>	<u>\$ 74,594</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Transportation Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Capital outlay	6,106	6,106	-	6,106
Total Expenditures	<u>6,106</u>	<u>6,106</u>	<u>-</u>	<u>6,106</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,106)</u>	<u>(6,106)</u>	<u>-</u>	<u>6,106</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(4)	(4)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Net Change in Fund Balances	<u>(6,106)</u>	<u>(6,106)</u>	<u>(4)</u>	<u>6,102</u>
Fund Balances - Beginning	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (6,102)</u>	<u>\$ (6,102)</u>	<u>\$ -</u>	<u>\$ 6,102</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Flood Control Impact Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 448	\$ 448
Total Revenues	<u>-</u>	<u>-</u>	<u>448</u>	<u>448</u>
EXPENDITURES				
Current:				
Public ways and facilities	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>448</u>	<u>448</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(128,000)	(128,000)	-	128,000
Total Other Financing Sources (Uses)	<u>(128,000)</u>	<u>(128,000)</u>	<u>-</u>	<u>128,000</u>
Net Change in Fund Balances	<u>(128,000)</u>	<u>(128,000)</u>	<u>448</u>	<u>128,448</u>
Fund Balances - Beginning	<u>127,995</u>	<u>127,995</u>	<u>127,995</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (5)</u>	<u>\$ (5)</u>	<u>\$ 128,443</u>	<u>\$ 128,448</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
Storm Drain Connection Fees - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ -	\$ -	\$ 1,641	\$ 1,641
Total Revenues	<u>-</u>	<u>-</u>	<u>1,641</u>	<u>1,641</u>
EXPENDITURES				
Current:				
Public ways and facilities	-	-	11,038	(11,038)
Capital outlay	599,000	599,000	-	599,000
Total Expenditures	<u>599,000</u>	<u>599,000</u>	<u>11,038</u>	<u>587,962</u>
Excess of Revenues Over (Under) Expenditures	<u>(599,000)</u>	<u>(599,000)</u>	<u>(9,397)</u>	<u>589,603</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(599,000)</u>	<u>(599,000)</u>	<u>(9,397)</u>	<u>589,603</u>
Fund Balances - Beginning	<u>470,935</u>	<u>470,935</u>	<u>470,935</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (128,065)</u>	<u>\$ (128,065)</u>	<u>\$ 461,538</u>	<u>\$ 589,603</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
06-CalHome 231 - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Use of money	\$ -	\$ -	\$ 416	\$ 416
Intergovernmental	450,000	450,000	-	(450,000)
Total Revenues	<u>450,000</u>	<u>450,000</u>	<u>416</u>	<u>(449,584)</u>
EXPENDITURES				
Current:				
Community development	600,000	600,000	155,717	444,283
Total Expenditures	<u>600,000</u>	<u>600,000</u>	<u>155,717</u>	<u>444,283</u>
Excess of Revenues Over (Under) Expenditures	<u>(150,000)</u>	<u>(150,000)</u>	<u>(155,301)</u>	<u>(5,301)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			-	-
Transfers out			-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(150,000)</u>	<u>(150,000)</u>	<u>(155,301)</u>	<u>(5,301)</u>
Fund Balances - Beginning	<u>155,301</u>	<u>155,301</u>	<u>155,301</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 5,301</u>	<u>\$ 5,301</u>	<u>\$ -</u>	<u>\$ (5,301)</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
09-PTAG-6503 - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 20,918	\$ 10,918
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>20,918</u>	<u>10,918</u>
EXPENDITURES				
Current:				
Culture and recreation	10,000	10,000	19,685	(9,685)
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>19,685</u>	<u>(9,685)</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
Fund Balances - Beginning	<u>(1,233)</u>	<u>(1,233)</u>	<u>(1,233)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (1,233)</u>	<u>\$ (1,233)</u>	<u>\$ -</u>	<u>\$ 1,233</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
10-STBG-6724 PIHNC - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 800,000	\$ 800,000	\$ 411,714	\$ (388,286)
Total Revenues	800,000	800,000	411,714	(388,286)
EXPENDITURES				
Current:				
Community development	800,000	800,000	403,726	396,274
Total Expenditures	800,000	800,000	403,726	396,274
Excess of Revenues Over (Under) Expenditures	-	-	7,988	7,988
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,000	3,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	3,000	3,000
Net Change in Fund Balances	-	-	10,988	10,988
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	\$ -	\$ -	\$ 10,988	\$ 10,988

Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:

Net Change in Fund Balances - Budgetary Basis	\$ 10,988
--	-----------

The amount reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances was different because:

Grant revenues transferred to the program income fund to provide loans are included as community development expenditures for budgetary purposes, but are recorded as transfers out for financial reporting purposes.

Community development expenditures	(354,765)
Transfers out	354,765

Net Change in Fund Balance - Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 10,988
---	-----------

Reconciliation of Fund Balances - Budgetary to GAAP Basis:

Fund Balances - Ending - Budgetary Basis	\$ 10,988
---	-----------

Cumulative effect of reclassification of expenditure reimbursements	-
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Fund Balances - Ending - GAAP Basis	\$ 10,988
--	-----------

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
11-PTEC-7632 - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 105,000	\$ 21,002	\$ (83,998)
Total Revenues	<u>-</u>	<u>105,000</u>	<u>21,002</u>	<u>(83,998)</u>
EXPENDITURES				
Current:				
Community development	-	107,100	27,151	79,949
Total Expenditures	<u>-</u>	<u>107,100</u>	<u>27,151</u>	<u>79,949</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(2,100)</u>	<u>(6,149)</u>	<u>(4,049)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,100	2,100	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,100</u>	<u>2,100</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,049)</u>	<u>(4,049)</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,049)</u>	<u>\$ (4,049)</u>

CITY OF LIVE OAK
Budgetary Comparison Schedule - Budgetary Basis
11-HOME-7661 - Nonmajor Special Revenue Fund
For the Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 700,000	\$ -	\$ (700,000)
Total Revenues	<u>-</u>	<u>700,000</u>	<u>-</u>	<u>(700,000)</u>
EXPENDITURES				
Current:				
Community development	-	700,000	390	699,610
Total Expenditures	<u>-</u>	<u>700,000</u>	<u>390</u>	<u>699,610</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(390)</u>	<u>(390)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(390)</u>	<u>(390)</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (390)</u>	<u>\$ (390)</u>

STATISTICAL SECTION

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CITY OF LIVE OAK
Statistical Section

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

Sources: Unless otherwise stated, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The City implemented Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, in FY 2003-04; schedules presenting the government-wide activities include information beginning from that year.

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CITY OF LIVE OAK
Net Assets by Component
Last Nine Fiscal Years
(full accrual basis of accounting)

	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>
Governmental Activities				
Invested in capital assets, net of related debt	\$ 6,035,735	\$ 9,911,374	\$ 17,913,956	\$ 19,340,451
Restricted	10,625	8,225	5,017,517	4,765,409
Unrestricted	4,116,721	5,875,852	4,569,278	5,180,509
Total governmental activities net assets	<u>\$ 10,163,081</u>	<u>\$ 15,795,451</u>	<u>\$ 27,500,751</u>	<u>\$ 29,286,369</u>
Business-type Activities				
Invested in capital assets, net of related debt	\$ 8,610,773	\$ 10,506,373	\$ 13,197,012	\$ 16,392,362
Restricted	71,297	74,297	74,297	98,297
Unrestricted	(780,873)	1,662,396	6,068,775	6,438,445
Total business-type activities net assets	<u>\$ 7,901,197</u>	<u>\$ 12,243,066</u>	<u>\$ 19,340,084</u>	<u>\$ 22,929,104</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 14,646,508	\$ 20,417,747	\$ 31,110,968	\$ 35,732,813
Restricted	81,922	82,522	5,091,814	4,863,706
Unrestricted	3,335,848	7,538,248	10,638,053	11,618,954
Total primary government net assets	<u>\$ 18,064,278</u>	<u>\$ 28,038,517</u>	<u>\$ 46,840,835</u>	<u>\$ 52,215,473</u>

<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
\$ 22,369,965	\$ 23,825,627	\$ 25,091,826	\$ 26,297,382	\$ 26,710,539
5,655,141	5,249,750	4,442,014	4,353,031	10,859,158
5,543,662	4,625,325	4,242,057	4,024,456	4,757,333
<u>\$ 33,568,768</u>	<u>\$ 33,700,702</u>	<u>\$ 33,775,897</u>	<u>\$ 34,674,869</u>	<u>\$ 42,327,030</u>
\$ 20,379,766	\$ 20,296,002	\$ 23,752,860	\$ 25,362,569	\$ 24,238,464
118,297	118,297	149,094	765,294	2,208,655
6,392,756	6,580,141	3,809,714	1,710,380	1,211,917
<u>\$ 26,890,819</u>	<u>\$ 26,994,440</u>	<u>\$ 27,711,668</u>	<u>\$ 27,838,243</u>	<u>\$ 27,659,036</u>
\$ 42,749,731	\$ 44,121,629	\$ 48,844,686	\$ 51,659,951	\$ 50,949,003
5,773,438	5,368,047	4,591,108	5,118,325	13,067,813
11,936,418	11,205,466	8,051,771	5,734,836	5,969,250
<u>\$ 60,459,587</u>	<u>\$ 60,695,142</u>	<u>\$ 61,487,565</u>	<u>\$ 62,513,112</u>	<u>\$ 69,986,066</u>

CITY OF LIVE OAK
Changes in Net Assets
Last Nine Fiscal Years
(full accrual basis of accounting)

	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>
Expenses				
Governmental Activities:				
General government	\$ 890,238	\$ 2,247,068	\$ 944,630	\$ 785,799
Public safety	737,449	1,126,502	1,204,888	1,397,495
Public ways and facilities	318,759	1,110,984	790,416	812,320
Culture and recreation	127,089	234,193	376,894	440,256
Community development	195,117	151,835	211,658	593,167
Interest on long-term debt	9,578	9,128	8,485	8,125
Total Governmental Activities Expenses	<u>2,278,230</u>	<u>4,879,710</u>	<u>3,536,971</u>	<u>4,037,162</u>
Business-type Activities				
Water	524,757	560,885	527,253	1,069,818
Sewer	528,139	823,477	932,794	1,074,688
Total Business-Type Activities Expenses	<u>1,052,896</u>	<u>1,384,362</u>	<u>1,460,047</u>	<u>2,144,506</u>
Total Primary Government Expenses	<u>\$ 3,331,126</u>	<u>\$ 6,264,072</u>	<u>\$ 4,997,018</u>	<u>\$ 6,181,668</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	\$ 39,395	\$ 58,198	\$ 860,110	\$ 174,663
Public safety	37,349	196,228	309,973	297,967
Public ways and facilities	678,549	2,119,994	2,933,278	852,999
Culture and recreation	56,383	357,804	352,510	201,576
Community development	226,540	207,408	372,164	769,633
Operating grants and contributions	770,275	1,411,677	1,161,469	883,991
Capital grants and contributions	100,000	4,005,450	7,141,932	17,281
Total Governmental Activities Program Revenues	<u>1,908,491</u>	<u>8,356,759</u>	<u>13,131,436</u>	<u>3,198,110</u>
Business-Type Activities:				
Charges for services:				
Water	627,332	1,697,876	2,218,718	1,245,061
Sewer	953,595	2,252,603	3,339,133	1,737,381
Operating grants and contributions	-	377,159	-	-
Capital grants and contributions	2,962,862	1,402,123	2,942,914	2,325,590
Total Business-Type Activities Program Revenues	<u>4,543,789</u>	<u>5,729,761</u>	<u>8,500,765</u>	<u>5,308,032</u>
Total Primary Government Program Revenues	<u>\$ 6,452,280</u>	<u>\$ 14,086,520</u>	<u>\$ 21,632,201</u>	<u>\$ 8,506,142</u>

<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
\$ 867,560	\$ 627,563	\$ 466,702	\$ 476,146	\$ 384,156
163,248	1,806,590	1,698,799	1,835,998	1,727,176
978,051	1,005,625	695,187	858,822	844,453
485,944	661,265	477,418	524,675	515,775
1,101,216	1,054,897	439,633	388,380	606,085
7,577	7,111	6,305	16,556	4,908
<u>3,603,596</u>	<u>5,163,051</u>	<u>3,784,044</u>	<u>4,100,577</u>	<u>4,082,553</u>
1,078,638	1,294,680	1,317,033	1,274,430	1,267,180
1,121,766	1,269,658	1,323,859	1,661,896	1,614,859
<u>2,200,404</u>	<u>2,564,338</u>	<u>2,640,892</u>	<u>2,936,326</u>	<u>2,882,039</u>
<u>\$ 5,804,000</u>	<u>\$ 7,727,389</u>	<u>\$ 6,424,936</u>	<u>\$ 7,036,903</u>	<u>\$ 6,964,592</u>

\$ 73,919	\$ 62,823	\$ 63,838	\$ 67,433	\$ 435,738
361,484	336,655	363,492	355,367	384,574
806,589	332,088	474,204	474,353	410,929
235,096	132,423	139,756	150,378	146,573
340,850	82,243	184,538	233,189	147,962
1,484,052	980,955	744,348	1,466,831	4,358,608
2,809,465	759,589	152,576	257,902	117,592
<u>6,111,455</u>	<u>2,686,776</u>	<u>2,122,752</u>	<u>3,005,453</u>	<u>6,001,976</u>

1,260,977	921,547	1,040,934	1,050,211	844,900
1,844,538	1,447,946	1,772,336	2,037,925	1,863,695
-	-	-	-	-
<u>2,882,698</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>84,247</u>
<u>5,988,213</u>	<u>2,569,493</u>	<u>2,813,270</u>	<u>3,088,136</u>	<u>2,792,842</u>
<u>\$ 12,099,668</u>	<u>\$ 5,256,269</u>	<u>\$ 4,936,022</u>	<u>\$ 6,093,589</u>	<u>\$ 8,794,818</u>

CITY OF LIVE OAK
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
General Fund				
Reserved	\$ 8,125	\$ 10,625	\$ 9,245	\$ 11,748
Unreserved	1,551,860	2,115,641	3,038,734	4,542,511
Total General Fund	<u>\$ 1,559,985</u>	<u>\$ 2,126,266</u>	<u>\$ 3,047,979</u>	<u>\$ 4,554,259</u>
All Other Governmental Funds				
Unreserved, reported in:				
Special revenue funds	1,507,865	1,998,714	2,753,941	4,885,726
Capital projects funds	-	-	-	121,066
Total All Other Governmental Funds	<u>\$ 1,507,865</u>	<u>\$ 1,998,714</u>	<u>\$ 2,753,941</u>	<u>\$ 5,006,792</u>

	Fiscal Year	
	2010/2011	2011/2012
General Fund		
Nonspendable	\$ 379,300	\$ -
Committed	2,481,928	2,487,180
Unassigned	1,526,655	1,918,069
Total General Fund	<u>\$ 4,387,883</u>	<u>\$ 4,405,249</u>
All Other Governmental Funds		
Nonspendable	\$ 172,530	\$ -
Restricted	4,180,501	10,859,158
Unassigned	(386,273)	(4,439)
Total All Other Governmental Funds	<u>\$ 3,966,758</u>	<u>\$ 10,854,719</u>

Notes:

(1) 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.

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>
\$ 14,245	\$ 12,245	\$ 14,745	\$ 17,245
<u>4,720,551</u>	<u>5,202,120</u>	<u>4,388,451</u>	<u>4,143,909</u>
<u>\$ 4,734,796</u>	<u>\$ 5,214,365</u>	<u>\$ 4,403,196</u>	<u>\$ 4,161,154</u>
4,268,779	5,513,199	5,236,025	4,424,769
<u>483,405</u>	<u>(35,615)</u>	<u>-</u>	<u>(209,921)</u>
<u>\$ 4,752,184</u>	<u>\$ 5,477,584</u>	<u>\$ 5,236,025</u>	<u>\$ 4,214,848</u>

CITY OF LIVE OAK
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
Revenues				
Taxes and assessments	\$ 897,086	\$ 473,104	\$ 837,505	\$ 1,025,271
Licenses and permits	210,532	579,734	1,399,432	2,228,693
Fines and forfeitures	12,296	-	-	-
Use of money	79,859	37,833	57,675	154,433
Intergovernmental	993,095	322,927	356,218	503,708
Charges for services	33,317	34,347	34,830	42,869
Other revenues	112,045	83,734	189,635	191,729
Total Revenues	<u>2,338,230</u>	<u>1,531,679</u>	<u>2,875,295</u>	<u>4,146,703</u>
Expenditures				
Current:				
General government	606,238	739,191	930,480	748,042
Public safety	687,449	678,513	950,183	1,203,078
Public ways and facilities	464,870	-	-	357,537
Culture and recreation	89,712	114,567	124,238	216,739
Community development	341,303	-	-	156,264
Debt service				
Principal	6,000	7,000	7,000	8,000
Interest	10,005	9,578	9,128	8,485
Capital outlay	219,407	185,807	472,212	213,359
Total Expenditures	<u>2,424,984</u>	<u>1,734,656</u>	<u>2,493,241</u>	<u>2,911,504</u>
Excess of Revenues Over (Under) Expenditures	<u>(86,754)</u>	<u>(202,977)</u>	<u>382,054</u>	<u>1,235,199</u>
Other Financial Sources (Uses)				
Transfers in	776,004	769,258	539,659	383,345
Transfers out	(390,244)	-	-	(112,266)
Total Other Financial Sources (Uses)	<u>385,760</u>	<u>769,258</u>	<u>539,659</u>	<u>271,079</u>
Extraordinary gain	-	-	-	-
Net Change in Fund Balances	<u>\$ 299,006</u>	<u>\$ 566,281</u>	<u>\$ 921,713</u>	<u>\$ 1,506,278</u>
Debt Service as a Percentage of Noncapital Expenditures	0.73%	1.07%	0.80%	0.61%

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
\$ 1,585,013	\$ 2,755,058	\$ 2,578,059	\$ 2,540,100	\$ 2,613,913	\$ 2,485,312
566,282	1,039,549	444,691	562,834	549,275	522,378
-	7,436	15,084	6,922	5,751	9,870
242,907	457,890	264,186	109,954	97,386	76,999
167,750	1,588,190	1,131,234	704,323	1,449,768	4,217,447
50,752	97,797	52,807	79,370	105,240	60,727
246,850	546,058	124,779	276,604	231,104	92,395
<u>2,859,554</u>	<u>6,491,978</u>	<u>4,610,840</u>	<u>4,280,107</u>	<u>5,052,437</u>	<u>7,465,128</u>
755,521	880,572	587,672	411,815	412,141	327,197
1,271,952	1,504,358	1,717,263	1,611,660	1,725,374	1,641,963
251,943	544,653	289,885	256,301	414,164	372,854
314,127	417,575	584,686	383,213	423,889	409,879
192,342	1,101,216	852,952	439,633	388,380	606,085
8,000	9,000	10,000	10,000	11,000	11,000
8,125	7,577	7,111	6,305	16,556	4,908
15,891	924,702	1,715,411	1,933,071	1,908,002	1,119,830
<u>2,817,901</u>	<u>5,389,653</u>	<u>5,764,980</u>	<u>5,051,998</u>	<u>5,299,506</u>	<u>4,493,716</u>
41,653	1,102,325	(1,154,140)	(771,891)	(247,069)	2,971,412
3,088,066	3,123,756	2,154,907	2,110,306	1,918,195	4,664,414
(2,949,179)	(3,021,112)	(2,053,495)	(2,601,634)	(1,865,017)	(4,560,516)
<u>138,887</u>	<u>102,644</u>	<u>101,412</u>	<u>(491,328)</u>	<u>53,178</u>	<u>103,898</u>
-	-	-	-	-	378,280
<u>\$ 180,540</u>	<u>\$ 1,204,969</u>	<u>\$ (1,052,728)</u>	<u>\$ (1,263,219)</u>	<u>\$ (193,891)</u>	<u>\$ 3,453,590</u>

0.58%

0.37%

0.42%

0.52%

0.81%

0.47%

CITY OF LIVE OAK
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Secured</u>	<u>Unsecured</u>	<u>SBE Nonunitary</u>	<u>Taxable Assessed Value</u>	<u>% Change</u>	<u>Direct Rate</u>
2002/2003	129,599,713	3,570,808	258,137	133,428,658	0.000%	1.000%
2003/2004	136,404,625	2,368,310	246,275	139,019,210	4.190%	1.000%
2004/2005	151,657,608	3,193,078	259,901	155,110,587	11.570%	1.050%
2005/2006	191,046,284	2,514,825	119,931	193,681,040	24.870%	1.053%
2006/2007	305,452,181	3,554,355	108,550	309,115,086	59.600%	1.052%
2007/2008	388,826,609	4,409,217	55,926	393,291,752	27.230%	1.037%
2008/2009	370,352,618	5,445,846	66,680	375,865,144	-4.430%	1.076%
2009/2010	323,245,981	5,607,852	66,680	328,920,513	-12.490%	1.077%
2010/2011	288,107,715	5,141,917	66,680	293,316,312	-10.820%	1.087%
2011/2012	274,962,151	5,101,648	66,680	280,130,479	-4.500%	1.101%

Notes:

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: Auditor-Controller's Office, County of Sutter
HDL Coren & Cone

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CITY OF LIVE OAK
Property Tax Rates - All Overlapping Governments
Last Ten Fiscal Years

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
City of Live Oak General purpose	1.000	1.000	1.000	1.000
	1.000	1.000	1.000	1.000
Live Oak Unified School District	-	-	0.050	0.053
Yuba Community College District	-	-	-	-
	1.000	1.000	1.050	1.053

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: Auditor-Controller's Office, County of Sutter
HDL Coren & Cone

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
1.000	1.000	1.000	1.000	1.000	1.000
1.000	1.000	1.000	1.000	1.000	1.000
0.052	0.023	0.060	0.059	0.073	0.076
-	0.014	0.016	0.018	0.015	0.025
<u>1.052</u>	<u>1.037</u>	<u>1.076</u>	<u>1.077</u>	<u>1.088</u>	<u>1.101</u>

**CITY OF LIVE OAK
Principal Property Tax Payers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>Fiscal Year 2011/2012</u>	
	<u>Taxable Assessed Value</u>	<u>Percent of Total City Taxable Assessed Value</u>
CCA Properties of America	\$ 6,447,071	2.30%
Tower Energy Group Corporation	3,428,889	1.22%
Auburn Manor Holding Corporation	3,392,115	1.21%
Sunsweet Dryers	2,502,236	0.89%
KB Homes Sacramento	2,107,000	0.75%
Jaswant S. Saprai	2,054,567	0.73%
L and R Gas and Food Inc.	1,857,477	0.66%
Melton Family Trust	1,468,553	0.52%
RBC Real Estate Finance Inc.	1,440,099	0.51%
Millenium Farms LLC	1,303,354	0.47%
	<u>\$ 26,001,361</u>	<u>9.28%</u>
Total City of Live Oak assessed property valuation Fiscal Year 2011/12		<u>\$ 280,130,479</u>

<u>Taxpayer</u>	<u>Fiscal Year 2002/2003</u>	
	<u>Taxable Assessed Value</u>	<u>Percent of Total City Taxable Assessed Value</u>
CCA Properties of America LLC	\$ 5,502,322	4.12%
Auburn Manor Holding Corporation	2,941,726	2.20%
Sunsweet Dryers	2,097,853	1.57%
David C. and Rose Triplett Trust	1,779,669	1.33%
Millenium Farms LLC	1,505,039	1.13%
Live Oak Apartment	1,315,438	0.99%
Convenience Acquisition Company	1,175,288	0.88%
Andrew Joan Harragon Trust	1,072,310	0.80%
Kathleen M. Melton	773,091	0.58%
Harbans S. and Mohinder K. Pamma	695,366	0.52%
	<u>\$ 18,858,102</u>	<u>14.13%</u>
Total City of Live Oak assessed property valuation Fiscal Year 2002/03		<u>\$ 133,428,658</u>

Source: Auditor-Controller's Office, County of Sutter

CITY OF LIVE OAK
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collections within the Fiscal Year of the Levy</u>		<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percent of Levy</u>	<u>Amount</u>	<u>Percent of Levy</u>
2002/2003	\$ 247,048	\$ 247,048	100.00%	\$ 247,048	100.00%
2003/2004	252,401	252,401	100.00%	252,401	100.00%
2004/2005	228,411	228,411	100.00%	228,411	100.00%
2005/2006	302,021	302,021	100.00%	302,021	100.00%
2006/2007	495,888	495,888	100.00%	495,888	100.00%
2007/2008	607,428	607,428	100.00%	607,428	100.00%
2008/2009	589,827	589,827	100.00%	589,827	100.00%
2009/2010	515,671	515,671	100.00%	515,671	100.00%
2010/2011	465,337	465,337	100.00%	465,337	100.00%
2011/2012	412,894	412,894	100.00%	412,894	100.00%

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

CITY OF LIVE OAK
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities				Total Primary Government
	Loans	Total	Loans	Bonds	Certificates of Participation	Total	
2002/2003	\$ 151,000	\$ 151,000	\$ 1,767,947	\$ 271,000	\$ -	\$ 2,038,947	\$ 2,189,947
2003/2004	144,000	144,000	216,381	1,523,025	-	1,739,406	1,883,406
2004/2005	137,000	137,000	201,243	1,466,000	-	1,667,243	1,804,243
2005/2006	129,000	129,000	178,899	1,417,000	1,361,235	2,957,134	3,086,134
2006/2007	121,000	121,000	160,380	1,367,000	1,440,000	2,967,380	3,088,380
2007/2008	112,000	112,000	130,802	1,316,000	1,410,000	2,856,802	2,968,802
2008/2009	102,000	102,000	104,956	1,264,000	1,380,000	2,748,956	2,850,956
2009/2010	92,000	92,000	1,531,863	1,211,000	1,350,000	4,092,863	4,184,863
2010/2011	81,000	81,000	10,593,503	1,157,000	1,320,000	13,070,503	13,151,503
2011/2012	70,000	70,000	15,201,959	1,102,000	1,290,000	17,593,959	17,663,959

(1) See Demographic and Economic Statistics 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

<u>Percentage of Personal Income (1)</u>	<u>Percentage of Assessed Value (2)</u>	<u>Per Capita (1)</u>
n/a	1.64%	\$ 349
n/a	1.35%	296
1.81%	1.16%	274
2.77%	1.59%	424
2.45%	1.00%	389
2.17%	0.75%	359
2.07%	0.76%	344
3.10%	1.27%	493
9.47%	4.48%	1,588
n/a	6.31%	2,142

CITY OF LIVE OAK
Direct and Overlapping Bonded Debt
As of June 30, 2012

City Assessed Valuation

\$ 280,130,479

	Percent Applicable	Outstanding Debt June 30, 2012	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Live Oak Unified School District	0.000%	\$ 9,180,697	\$ -
Yuba Community College District	3.593%	<u>38,202,582</u>	<u>1,372,619</u>
Total Overlapping Tax and Assessment Debt		<u>47,383,279</u>	<u>1,372,619</u>
OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Sutter Butte Flood Control Agency Obligations	3.220%	<u>6,749,932</u>	<u>217,348</u>
Total Overlapping General Fund Obligation Debt		<u>6,749,932</u>	<u>217,348</u>
Total Overlapping Debt		<u>54,133,211</u>	<u>1,589,967</u>
Total Combined Debt		<u>\$ 54,133,211</u>	<u>\$ 1,589,967</u>
RATIOS TO 2011/2012 ASSESSED VALUATION:			
Ratio of overlapping debt to assessed value		19.32%	0.57%

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.

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

CITY OF LIVE OAK
Computation of Legal Bonded Debt Margin
June 30, 2012

Secured Property Assessed Value, Net of Exempt Real Property	<u>\$ 280,130,479</u>
Bonded debt limit (3.75% of assessed value) (a)	\$ 10,504,893
Less debt subject to limit:	
Total water certificates of participation at 06/30/12	(1,290,000)
Total sewer revenue bonds at 06/30/12	<u>(1,102,000)</u>
Legal debt margin	<u>\$ 8,112,893</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

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			
2003	6,267	\$ n/a	\$ n/a	\$ 133,428,658	\$ 21,291	21.1%
2004	6,365	n/a	n/a	139,019,210	21,841	20.2%
2005	6,585	99,805	15,156	155,110,587	23,555	17.9%
2006	7,277	111,447	15,315	193,681,040	26,616	16.6%
2007	7,937	125,989	15,874	309,115,086	38,946	17.6%
2008	8,263	137,027	16,583	393,291,752	47,597	21.5%
2009	8,287	137,641	16,609	375,865,144	45,356	29.8%
2010	8,483	135,127	15,929	328,920,513	38,774	33.3%
2011	8,281	138,935	16,778	293,316,312	35,420	33.2%
2012	8,247	n/a	n/a	280,130,479	33,968	31.3%

n/a - information is not available

Source: Assessor's Office, County of Sutter
Finance Department, City of Live Oak
Franchise Tax Board, State of California

**CITY OF LIVE OAK
Principal Employers
2012**

<u>Employer</u>	<u>Number of Employees</u>	<u>Percent of Total Employment</u>
Live Oak Unified School District	192	6.62%
Live Oak Manor	85	2.93%
City of Live Oak	29	1.00%
E-Center Head Start	25	0.86%
Sunsweet Dryers	25	0.86%
Tower Supermarket	25	0.86%
United States Post Office	12	0.41%
Live Oak Medical Clinic	9	0.31%
Live Oak Pharmacy	7	0.24%
Gold Country Bank	4	0.14%
Total	<u>413</u>	<u>14.23%</u>

Note: Data pertaining to principal employers for nine years ago is not readily available.

Source: City of Live Oak
Employment Development Department, State of California

CITY OF LIVE OAK
Full-Time and Part-Time City Government Employees
Last Ten Fiscal Years

	As of June 30,			
	2003	2004	2005	2006
City Council	5	5	5	5
City Manager	1	1	1	1
City Clerk's Office	1	1	1	1
Administration	-	-	1	1
Finance/Administrative Services	3	3	3	4
Community Development	2	2	2	3
Public Works	10	10	11	9
Parks and Recreation	13	12	13	7
Building	2	2	2	3
Total Full-Time Equivalent Employees	37	36	39	34

Source: Finance Department, City of Live Oak

2007	2008	2009	2010	2011	2012
5	5	5	5	5	5
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
3	1	1	1	1	1
13	9	7	8	9	8
6	6	7	7	7	7
3	2	2	2	1	1
37	30	29	30	30	29

**CITY OF LIVE OAK
Operating Indicators
Last Ten Fiscal Years**

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
Business Licenses				
Annual business license	96	101	126	149
Environment and Utilities				
Gallons of wastewater treated per year (in millions)	263	252	216	227
Fire				
Fires per year	26	27	26	24
Emergency medical calls per year	387	447	417	467
Hazardous materials incidents per year	5	9	8	12
Non-emergency service calls per year	51	52	90	166
Police				
911 calls per year	n/a	n/a	n/a	n/a
Cases investigated per year	621	690	645	660
Arrests per year	263	263	243	158
Building Permits				
Building permits issued per year	168	208	504	492
New building and alteration valuation	\$ 3,768,031	\$ 6,824,658	\$ 58,342,402	\$ 61,152,807

Note: Data pertaining to 911 calls per year is not available for years prior to FY 2007/2008.

n/a - information is not available

Source: City of Live Oak
Sutter County Sheriff
Sutter County Fire

2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
163	166	133	147	156	148
161	144	236	235	282	210
25	26	20	18	20	26
495	523	542	559	544	530
10	4	9	4	4	6
187	190	114	125	124	137
n/a	1,106	1,574	1,528	1,363	1,485
702	739	669	685	867	709
276	273	174	244	175	193
257	281	146	174	141	155
\$ 12,488,247	\$ 9,788,024	\$ 1,906,625	\$ 5,644,595	\$ 6,157,812	\$ 7,621,784

CITY OF LIVE OAK
Capital Asset Statistics
Last Ten Fiscal Years

	Fiscal Year			
	2002/2003	2003/2004	2004/2005	2005/2006
Environment and Utilities				
Miles of municipal sewer mains	24.9	24.9	24.9	24.9
Maximum daily capacity (gallons per day)	1,400,000	1,400,000	1,400,000	1,400,000
Miles of water mains	30.4	30.4	30.4	30.4
Water wells	5	5	5	5
Water storage tanks	-	-	-	1
Fire				
Full-time staffed positions	4	4	4	4
Volunteer stations	1	1	1	1
Police				
Stations	1	1	1	1
Vehicles and motorcycles	7	8	8	8
Community Development				
Miles of municipal roadways	18.53	18.53	18.53	18.53
Park sites	4	4	4	4

Source: City of Live Oak

<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
24.9	24.9	24.9	24.9	24.9	24.9
1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
30.4	30.4	30.4	30.4	30.4	30.4
5	5	4	4	4	4
1	1	1	1	1	1
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
9	9	10	10	10	10
20.31	20.31	25.61	25.61	25.61	26.84
4	5	6	7	8	8

CITY OF LIVE OAK
Sales Value History
Last Ten Years

<u>Calendar Year</u>	<u>Full Value Sales</u>	<u>Average Price</u>	<u>Median Price</u>	<u>Median % Change</u>
2003	39	\$ 134,564	\$ 138,000	30.19%
2004	58	159,441	168,250	21.92%
2005	83	264,861	244,000	45.02%
2006	81	283,142	271,500	11.27%
2007	66	243,676	225,750	-16.85%
2008	110	162,936	167,050	-26.00%
2009	136	134,721	130,500	-21.88%
2010	111	130,023	130,000	-0.38%
2011	117	121,500	120,000	-7.69%
2012	6	141,500	152,500	27.08%

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