LIVE OAK CITY COUNCIL

REGULAR MEETING AGENDA JANUARY 20, 2021 6:00 PM

MEETING LOCATION
LIVE OAK COUNCIL CHAMBERS
9955 LIVE OAK BOULEVARD
LIVE OAK, CALIFORNIA 95953

MEMBERS OF THE COUNCIL

LUIS HERNANDEZ, MAYOR
NANCY SANTANA, VICE MAYOR
BOB WOTEN, COUNCILMEMBER
LAKHVIR GHAG, COUNCILMEMBER
J.R. THIARA, COUNCILMEMBER

AARON PALMER,
CITY MANAGER

NICOLE ROSSER,
CITY ATTORNEY

The Council may take up any agenda item at any time, regardless of the order listed. Action may be taken on any item on this agenda. Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection at City Hall, 9955 Live Oak Boulevard, Live Oak, during normal business hours. Such documents are also available on the City of Live Oak's website at www.liveoakcity.org, subject to staff's availability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need disability-related modifications or accommodations to participate in this meeting, please contact the City Clerk's office at (530) 695-2112 x107. Requests must be made at least 24 hours in advance.

Pursuant to Governor Newsom's Executive Orders N-25-20 and N-29-20, members of the Live Oak City Council or staff may participate in this meeting via a teleconference. In the interest of the maintaining appropriate social distancing, members of the public are encouraged to participate in the meeting in the following ways:

- ***Remote Viewing:*** *Members of the public can view a livestream of the meeting online at* https://liveoakca.granicus.com/ViewPublisher.php?view_id=1.

- ***Public Comment:*** *Members of the public can submit general public comments, as well as comment on specific agenda items in the following ways:*

  - ***Email Public Comment:*** *Public Comment can be submitted via email to the City Clerk at cmenchaca@liveoakcity.org during the meeting, prior to the close of public comment on an item, and read into the record during public comment.*

  - ***eComment Feature:*** *Public Comment will be accepted online between Thursday, January 14th through Wednesday, January 20th through the eComment feature at:* https://liveoakca.granicus.com/ViewPublisher.php?view_id=1.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE AND INVOCATION

CORRECTIONS AND/OR CHANGES TO THE AGENDA BY CITY MANAGER ONLY

PRESENTATIONS AND RECOGNITIONS

A. Home Holiday Lighting Contest Winners

PUBLIC COMMENT

Any person wishing to address the City Council on general jurisdictional matters or consent calendar items may do so at this time. If you are commenting on an agenda item, your comments will be heard at the time that item is scheduled for discussion. The City Council adopted a time limit of three minutes per person. The Brown Act does not allow for Council discussion of items not on the agenda. Councilmembers may only a) refer the matter to staff; b) ask for additional information; c) request a report back; or d) provide a limited factual response for items not listed on the agenda.

CONSENT ITEMS

Consent Calendar is passed by one motion with exceptions and separate votes as noted.

1. City Council Meeting Minutes
   Recommendation: Approve the January 6, 2021 City Council Regular Meeting minutes.
   (Clarissa Menchaca, City Clerk)

2. City Council Meeting Minutes
   Recommendation: Approve the December 16, 2020 City Council Regular Meeting minutes.
   (Clarissa Menchaca, City Clerk)

BUSINESS ITEMS

3. Annual Audited Financial Statements June 30, 2020
   Recommendation: Receive verbal comment from the City's audit firm and accept and file the annual audited financial statements.
   (Joe Aguilar, Finance Director)

ITEMS REMOVED FROM THE CONSENT AGENDA FOR COUNCIL CONSIDERATION AND ACTION

UPDATES AND ANNOUNCEMENTS FROM THE CITY ATTORNEY AND CITY MANAGER

COUNCILMEMBER COMMENTS (WRITTEN ONLY)

ADJOURNMENT

LIVE OAK
CALIFORNIA

City of Live Oak
Report to City Council

Meeting Date: January 20, 2021

Title: Holiday Home Lighting Contest Winners

LIVE OAK
CALIFORNIA

City of Live Oak
Report to City Council

Meeting Date: January 20, 2021

Title: City Council Meeting Minutes

Contact Information: (Clarissa Menchaca, City Clerk)

Recommendation: Approve the January 6, 2021 City Council Regular Meeting minutes.

Attachments:

Minutes

LIVE OAK CITY COUNCIL

MINUTES
JANUARY 6, 2021
6:00 PM

The Live Oak City Council conducted this meeting in accordance with Governor Newsom's Executive Orders N-25-20 and N-29-20.

CALL TO ORDER

Meeting called to order by Mayor Hernandez at Live Oak City Council Chambers, 9955 Live Oak Boulevard, Live Oak, CA at 6:07 pm.

ROLL CALL

Present: Mayor Hernandez

Appeared via teleconference: Councilmembers Thiara, Ghag, Woten, and Vice Mayor Santana

PLEDGE OF ALLEGIANCE AND INVOCATION

Councilmember Woten led the Pledge of Allegiance. Councilmember Ghag delivered the invocation.

CORRECTIONS AND/OR CHANGES TO THE AGENDA BY CITY MANAGER ONLY

There were no corrections and/or changes to the agenda.

PRESENTATIONS AND RECOGNITIONS

A. Recognition of Aleks Tica as Council Member

The Council recognized Aleks Tica for his service as Council Member.

B. Recognition of Bob Woten as Mayor

The Council recognized Bob Woten for his service as Mayor.

PUBLIC COMMENT

The following member of the public submitted a public comment: Cruz Mora.

CONSENT ITEMS

1. Application to the California Department of Housing and Community Development (HCD) for the Local Early Action Planning (LEAP) Grants Program
Kevin Valente, Planning Director

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

2. Filing and Acceptance of State Required Annual Report Fiscal Year (FY) 2020-21 for Community Facilities District No. 92-1 of the City of Live Oak
Joe Aguilar, Finance Director

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

3. Filing and Acceptance of State Required Annual Report FY 2020-21 for Community Facilities District No. 2004-1 of the City of Live Oak
Joe Aguilar, Finance Director

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

4. AB 1600 (Development Impact Fees) Annual Financial Report of the City of Live Oak
Joe Aguilar, Finance Director

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

BUSINESS ITEMS

5. 2021 Council Member Committee Assignments
Aaron Palmer, City Manager

Public Comment was opened and closed without any speakers.

MOTION: APPROVE THE 2021 COMMITTEE ASSIGNMENTS AS PRESENTED INCLUDING THE FOLLOWING CHANGES:

CITY COMMITTEE ASSIGNMENTS:

- ECONOMIC DEVELOPMENT: MAYOR HERNANDEZ APPOINTED TO VACANT SEAT.
- LOAN COMMITTEE: VICE MAYOR SANTANA APPOINTED TO VACANT SEAT.
- WATER, SEWER, AND STORM DRAIN: COUNCILMEMBER GHAG APPOINTED TO VACANT SEAT.

REGIONAL COMMITTEE ASSIGNMENTS:

- BI-COUNTY HOMELESS SERVICES PROGRAM: COUNCILMEMBER WOTEN APPOINTED AS REGULAR MEMBER AND MAYOR HERNANDEZ APPOINTED AS ALTERNATE MEMBER, WITH TERMS ENDING JANUARY 2022.

- FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT: COUNCILMEMBER GHAG APPOINTED AS REGULAR MEMBER AND COUNCILMEMBER WOTEN APPOINTED AS ALTERNATE MEMBER, WITH TERMS ENDING JANUARY 2022.

- LEAGUE OF CALIFORNIA CITIES: VICE MAYOR SANTANA APPOINTED AS ALTERNATE MEMBER, WITH A TERM ENDING JANUARY 2022.

- REGIONAL WASTE MANAGEMENT AUTHORITY: COUNCILMEMBER WOTEN APPOINTED AS REGULAR MEMBER AND MAYOR HERNANDEZ APPOINTED AS ALTERNATE MEMBER.

- SACRAMENTO AREA COUNCIL OF GOVERNMENTS: COUNCILMEMBER GHAG APPOINTED AS REGULAR MEMBER AND MAYOR HERNANDEZ APPOINTED AS ALTERNATE MEMBER, WITH TERMS ENDING JANUARY 2022.

- YUBA SUTTER ECONOMIC DEVELOPMENT CORPORATION: COUNCILMEMBER GHAG APPOINTED AS REGULAR MEMBER.

- YUBA SUTTER ECONOMIC DEVELOPMENT CORPORATION – EXECUTIVE COMMITTEE: COUNCILMEMBER GHAG APPOINTED AS REGULAR MEMBER.

- YUBA SUTTER REGIONAL ARTS COUNCIL: VICE MAYOR SANTANA APPOINTED AS REGULAR MEMBER.

(MOTION: GHAG; SECOND: WOTEN)

VOTE: MOTION PASSED 4-1
AYES: COUNCILMEMBERS GHAG, WOTEN, VICE MAYOR SANTANA, AND MAYOR HERNANDEZ
NOES: COUNCILMEMBER THIARA

ITEMS REMOVED FROM THE CONSENT AGENDA FOR COUNCIL CONSIDERATION AND ACTION

1. Application to the California Department of Housing and Community Development (HCD) for the Local Early Action Planning (LEAP) Grants Program
Kevin Valente, Planning Director

Kevin Valente, Planning Director, addressed questions from the Council.

MOTION: 1) ADOPT RESOLUTION; AND 2) DIRECT STAFF TO SUBMIT AN APPLICATION TO HCD FOR THE LEAP GRANT PROGRAM.
(MOTION: GHAG; SECOND: SANTANA)

VOTE: MOTION PASSED UNANIMOUSLY

Reference Resolution No. 01-2021.

2. Filing and Acceptance of State Required Annual Report Fiscal Year (FY) 2020-21 for Community Facilities District No. 92-1 of the City of Live Oak
Joe Aguilar, Finance Director

Joe Aguilar, Finance Director, addressed questions from the Council.

MOTION: ACCEPT AND FILE.
(MOTION: WOTEN; SECOND: GHAG)

VOTE: MOTION PASSED UNANIMOUSLY

3. Filing and Acceptance of State Required Annual Report FY 2020-21 for Community Facilities District No. 2004-1 of the City of Live Oak
Joe Aguilar, Finance Director

Joe Aguilar, Finance Director, addressed questions from the Council.

MOTION: ACCEPT AND FILE.
(MOTION: WOTEN; SECOND: HERNANDEZ)

VOTE: MOTION PASSED 4-1
AYES: COUNCILMEMBERS GHAG, WOTEN, VICE MAYOR SANTANA, AND MAYOR HERNANDEZ
NOES: COUNCILMEMBER THIARA

4. AB 1600 (Development Impact Fees) Annual Financial Report of the City of Live Oak
Joe Aguilar, Finance Director

Joe Aguilar, Finance Director, addressed questions from the Council.

MOTION: 1) ACCEPT THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES; AND 2) ADOPT FINDINGS THAT FUNDS HELD LONGER THAN FIVE YEARS ARE NEEDED FOR FUTURE PROJECTS. (MOTION: WOTEN; SECOND: HERNANDEZ)

VOTE: MOTION FAILED 2-3
AYES: COUNCILMEMBER WOTEN AND MAYOR HERNANDEZ
NOES: COUNCILMEMBERS THIARA, GHAG, AND VICE MAYOR SANTANA

UPDATES AND ANNOUNCEMENTS FROM THE CITY ATTORNEY AND CITY MANAGER

Aaron Palmer, City Manager, highlighted the home holiday lighting contest.

COUNCILMEMBER COMMENTS (WRITTEN ONLY)

There were no Councilmember comments.

ADJOURNMENT

Adjourned the meeting at 8:07 pm.

_____
Luis Hernandez, Mayor

ATTEST:

_____
Clarissa Menchaca, City Clerk

LIVE OAK
CALIFORNIA

City of Live Oak
Report to City Council

Meeting Date: January 20, 2021

Title: City Council Meeting Minutes

Contact Information: (Clarissa Menchaca, City Clerk)

Recommendation: Approve the December 16, 2020 City Council Regular Meeting minutes.

Attachments:

Minutes

LIVE OAK CITY COUNCIL

MINUTES
DECEMBER 16, 2020
6:00 PM

The Live Oak City Council conducted this meeting in accordance with Governor Newsom's Executive Orders N-25-20 and N-29-20.

CALL TO ORDER

Meeting called to order by Mayor Woten at Live Oak City Council Chambers, 9955 Live Oak Boulevard, Live Oak, CA at 6:05 pm.

ROLL CALL

Present: Mayor Woten

Appeared via teleconference: Councilmembers Thiara, Ghag, Santana, and Vice Mayor Hernandez

PLEDGE OF ALLEGIANCE AND INVOCATION

Councilmember Ghag led the Pledge of Allegiance. Mayor Woten delivered the invocation.

CORRECTIONS AND/OR CHANGES TO THE AGENDA BY CITY MANAGER ONLY

There were no corrections and/or changes to the agenda.

PUBLIC COMMENT

Public Comment was opened and closed without any speakers.

CITY COUNCIL ORGANIZATION FOR 2021

A. Election of Council Mayor

MOTION:	NOMINATE VICE MAYOR HERNANDEZ FOR MAYOR. (MOTION: WOTEN; SECOND: SANTANA)
VOTE:	MOTION PASSED 4-1
AYES:	COUNCILMEMBERS GHAG, SANTANA, VICE MAYOR HERNANDEZ, AND MAYOR WOTEN
NOES:	COUNCILMEMBER THIARA

B. Election of Council Vice Mayor

MOTION: NOMINATE COUNCILMEMBER SANTANA FOR VICE MAYOR.
(MOTION: HERNANDEZ; SECOND: WOTEN)

VOTE: MOTION PASSED UNANIMOUSLY

CONSENT ITEMS

1. City Council Meeting Minutes
Clarissa Menchaca, City Clerk

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

2. City Council Meeting Minutes
Clarissa Menchaca, City Clerk

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

3. Quarterly City Projects Report
Alison Schmidt, Management Analyst

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Thiara.

BUSINESS ITEMS

4. Resolution of the City Council Amending the Fiscal Year 2020-21 Budget for Receiving and Spending Federal Funding (CARES Act) for COVID-19 Related Expenses
Joe Aguilar, Finance Director

Joe Aguilar, Finance Director, provided a report.

Public Comment was opened and closed without any speakers.

MOTION: ADOPT RESOLUTION AMENDING THE BUDGET.
(MOTION: WOTEN; SECOND: GHAG)

VOTE: MOTION FAILED 2-3
AYES: COUNCILMEMBER WOTEN AND MAYOR HERNANDEZ
NOES: COUNCILMEMBERS THIARA, GHAG, AND VICE MAYOR SANTANA

ITEMS REMOVED FROM THE CONSENT AGENDA FOR COUNCIL CONSIDERATION AND ACTION

1. City Council Meeting Minutes
   Clarissa Menchaca, City Clerk

   Council action: Upon a call for council affirmation, the matter was not the consensus of the council and no further motion was made.

2. City Council Meeting Minutes
   Clarissa Menchaca, City Clerk

   Council action: Upon a call for council affirmation, the matter was not the consensus of the council and no further motion was made.

3. Quarterly City Projects Report
   Alison Schmidt, Management Analyst

   Council action: Upon a call for council affirmation, the matter was not the consensus of the council and no further motion was made.

UPDATES AND ANNOUNCEMENTS FROM THE CITY ATTORNEY AND CITY MANAGER

Aaron Palmer, City Manager, highlighted the City's virtual tree lighting and the home holiday light contest. Mr. Palmer informed City Hall will be closed from December 24th through January 4th and highlighted Santa Claus Coming to Town.

COUNCILMEMBER COMMENTS (WRITTEN ONLY)

Councilmember Ghag thanked past Mayor Woten for his service to the City, welcomed Mayor Hernandez and Vice Mayor Santana, and thanked past Councilmember Tica for his service.

Councilmember Woten congratulated Mayor Hernandez and Vice Mayor Santana.

Councilmember Thiara thanked past Mayor Woten for his service and congratulated Mayor Hernandez and Vice Mayor Santana.

ADJOURNMENT

Adjourned the meeting at 6:57 pm.

MOTION: REOPEN THE MEETING.
(MOTION: SANTANA; SECOND: WOTEN)

VOTE: MOTION PASSED UNANIMOUSLY

Vice Mayor Santana thanked past Mayor Woten for his service and congratulated Mayor Hernandez. Vice Mayor Santana thanked the City and staff for making Santa Claus Coming to Town happen.

MOTION: ADJOURN THE MEETING.
(MOTION: WOTEN; SECOND: GHAG)

VOTE: MOTION PASSED UNANIMOUSLY

Adjourned the meeting at 7:00 pm.

Luis Hernandez, Mayor

ATTEST:

Clarissa Menchaca, City Clerk

LIVE OAK
CALIFORNIA

City of Live Oak
Report to City Council

Meeting Date: January 20, 2021

Title: Annual Audited Financial Statements June 30, 2020

Contact Information: (Joe Aguilar, Finance Director)

Background: The loan covenants on the water and sewer systems require an annual audit of the City. For the past four years, the City utilizes LSL to perform the audit. LSL has offices in Sacramento and the audit partner Brandon Young from LSL will be present at the City Council meeting to provide a brief verbal presentation. Attached you will find an electronic version of the audit commonly referred to as the Comprehensive Annual Financial Report or "CAFR", an auditor's communication letter to the City Council, and a brief report on internal controls.

The annual audit document (CAFR) is quite voluminous and provides an excellent depiction of the City's financial state. The CAFR shows the fund reserves of the General Fund on page 20 totaling $4,462,000 (Fund Balance). Page 23 of the CAFR further shows cash reserves for the Sewer Fund at $4.4 million and for the Water Fund at zero. These three noted funds compromise 90% of the City's operating activities other than capital projects.

The CAFR annually receives an award of excellence in financial report from GFOA (the national finance director's association). Only a small portion of government agencies in California receipt this distinguished award. Receiving the award requires the audit to have a greater depth of information and broader amount of information and consistent presentation from year to year. At the end of the CAFR, the general public will find several statistical tables covering over ten years of information on the City.

Fiscal Impacts: No fiscal impacts, the City budgets annually for the audit.

Recommendation: Receive verbal comment from the City's audit firm and accept and file the annual audited financial statements.

Attachments:

Comprehensive Annual Financial Report
Auditor Letter

Report Internal Control

CITY OF LIVE OAK, STATE OF CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2020

LIVE OAK

CALIFORNIA

PREPARED BY THE FINANCE DEPARTMENT

CITY OF LIVE OAK, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2020

PREPARED BY THE FINANCE DEPARTMENT

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LIVE OAK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

INTRODUCTORY SECTION (Unaudited)

Transmittal Letter i
Government Finance Officers Association Certificate of Achievement iv
Organization Chart v

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS (Required Supplementary Information) 5

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:
Statement of Net Position 13

Statement of Activities 14

Fund Financial Statements:
Balance Sheet – Governmental Funds 16

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 19

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 20

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 22

Statement of Net Position – Proprietary Funds 23

Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds 24

Statement of Cash Flows – Proprietary Funds 25

Statement of Fiduciary Net Position – Private Purpose Trust Fund 26

Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund 27

Notes to Basic Financial Statements 29

CITY OF LIVE OAK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

FINANCIAL SECTION (CONTINUED)

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Budgetary Comparison Schedule by Department - General Fund....64
Budgetary Comparison Schedule – Program Income....65
Schedule of Proportionate Share of Net Pension Liability....66
Schedule of Plan Contributions....67
Schedule of Changes in the Net OPEB Asset and Related Ratios....68
Schedule of OPEB Plan Contributions....69
Notes to Required Supplementary Information....70

SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds:

Special Revenue Funds Narrative Summary....71

Combining Balance Sheet....74

Combining Statement of Revenues, Expenditures and Changes in Fund Balances....82

Budgetary Comparison Schedules
Streets and Roads....90
Traffic Safety....91
COPS....92
Sidewalk Improvement....93
Street Lighting....94
Mello Roos CFD 92-1....95
Fire Benefit Assessment....96
Mello Roos CFD 2004-1 Fire....97
Mello Roos CFD 2004-1 Police....98
Mello Roos CFD 2004-1 Animal Services....99
Mello Roos CFD 2004-1 Street Lighting....100
Mello Roos CFD 2004-1 Parks/Recreation/Pool....101
Mello Roos CFD 2004-1 Storm Drain....102
Parks and Recreation Impact Fees....103
Community Center Impact Fees....104
Public Works Impact Fees....105
General Government Impact Fees....106
Police Impact Fees....107
Fire Impact Fees....108
Signal Impact Fees....109

CITY OF LIVE OAK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page Number

FINANCIAL SECTION (CONTINUED)

Flood Control Impact Fees....110
Storm Drain Connection Fees....111
13-CDBG-8933 Skate Park....112
Transportation....113

Nonmajor Proprietary Funds:

Combining Statement of Net Position....114

Combining Statement of Revenues, Expenditures and Changes in Net Position....115

Combining Statement of Cash Flows....116

STATISTICAL SECTION (UNAUDITED)

Narrative Summary....117

Financial Trend Information:
Net Position by Component – Last Ten Fiscal Years....119
Changes in Net Position – Last Ten Fiscal years....120
Fund Balances of Governmental Funds – Last Ten Fiscal Years....122
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years....123

Revenue Capacity Information:
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years....124
Property Tax Rates – All Overlapping Governments – Last Ten Fiscal Years....125
Principal Property Tax Payers – Current Year and Four Years Ago....126
Property Tax Levies and Collections – Last Ten Fiscal Years....127

Debt Capacity Information:
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years....128
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years....129
Direct and Overlapping Bonded Debt....130
Computation of Legal Bonded Debt Margin....131

Demographic and Economic Information:
Demographic and Economic Statistics – Last Ten Calendar Years....132
Principal Employers – Current Year and Four Years Ago....133

Operating Information:
Full-Time and Part-Time City Government Employees – Last Ten Fiscal Years....134
Operating Indicators – Last Ten Fiscal Years....135
Capital Asset Statistics – Last Ten Fiscal Years....136
Sales Value History – Last Ten Years....137

THIS PAGE INTENTIONALLY LEFT BLANK

LIVE OAK
CALIFORNIA

December 3, 2020

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF LIVE OAK

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Live Oak for the fiscal year ended June 30, 2020. Although addressed to the City's governing body and its citizens, the CAFR is intended also to provide relevant financial information to creditors, investors, and other interested parties. This transmittal letter provides a summary of City of Live Oak finances, services, achievements and economic prospects for readers without a technical background. Those wishing a more detailed discussion of the City's financial results should refer to Management's Discussion and Analysis (MD&A) contained in the Financial Section of the CAFR.

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

The City contracted with Lance, Soll & Lunghard, LLP, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The goal of the audit is to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatements and are fairly presented in conformity with the generally accepted accounting principles (GAAP). The City auditors have issued an unmodified opinion that the City's financial statements for fiscal year ended June 30, 2020. This conclusion is the most favorable kind and is presented as the component of the financial section of this report.

REPORTING ENTITY

The City of Live Oak is a growing, rural community located on the Highway 99 corridor 60 miles north of Sacramento at the north end of Sutter County. Incorporated in 1947 and named for the oak forest that once dominated the landscape, Live Oak is rooted strongly in agriculture, surrounded on all sides by bountiful agriculture production including peaches, nuts, rice, and other crops. Live Oak has grown to a population of 8,900 residents and comprises of 3.1 square miles.

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

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

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

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

ECONOMIC CONDITION AND OUTLOOK

Property taxes, sales taxes, general taxes and assessments received by the City's governmental funds for the most recent two years reflected steady improvement. These two recent years began to restore the City's core revenue base to what it was received in the peak year of FY 2007-08. Commercial expansion remains stagnant in Live Oak and the surrounding area. The widening of Highway 99 is expected to lead to new commercial opportunities. In the past 18 months, the City has experienced the addition of 100 new single family homes, with another 50 pending permits.

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

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

Highlights of activities and accomplishments for the fiscal year ended June 30, 2020 include the following:

- Continued construction of the Underground Utility project
- Continued construction of the new municipal water well
- Completed construction of the Pennington Road reconstruction project
- Commencing of Highway 99 construction that widens highway to four lanes through the City

FINANCIAL INFORMATION

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

Budgetary Controls

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

The City continues to meet its responsibility for sound financial management as demonstrated by the statements and schedules included in the financial section of this report.

AWARD AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the City of Live Oak for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This award recognizes the City's conformance with the highest standards for preparation of state and local government financial reports.

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

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

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

Respectfully submitted,



Joe Aguilar
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Live Oak
California

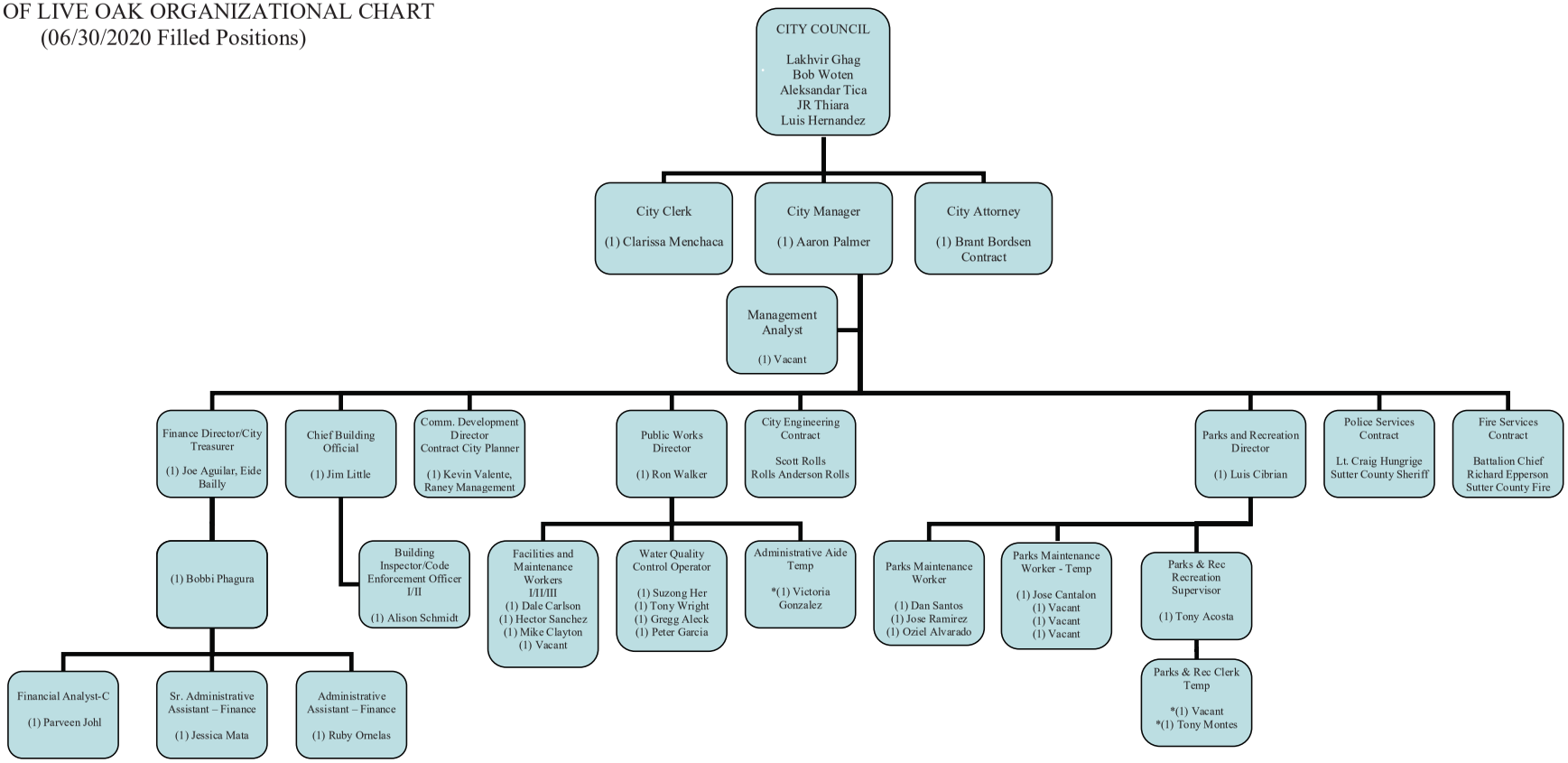
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

CITY OF LIVE OAK ORGANIZATIONAL CHART
(06/30/2020 Filled Positions)



*Scheduled Part-Time

11/23/2020

THIS PAGE INTENTIONALLY LEFT BLANK

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 of Live Oak, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund and program income fund, the schedule of proportionate share of the net pension liability, the schedule of plan contributions, the schedule of changes in net OPEB asset and related ratios, and the schedule of OPEB plan contributions 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects in relation to the basic 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.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lunghard, LLP

Sacramento, California
December 3, 2020

THIS PAGE INTENTIONALLY LEFT BLANK

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion provides readers of the City of Live Oak, California's (City) financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. This document should be read in conjunction with the accompanying Letter of Transmittal and basic financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

- ☐ The City's assets and deferred outflows exceeded its liabilities and deferred inflows by $85,601,580 as of June 30, 2020, an increase of $4,190,369 from the prior year. The increase is primarily attributable to grant revenues received during the fiscal year.
- ☐ The City's governmental funds reported a combined fund balance of $7,407,377, a decrease of $490,585 from the prior year.
- ☐ General Fund revenues of $3,332,471 were $349,991 lower than the prior year.
- ☐ General Fund expenditures of $3,540,387 represented a decrease of $439,672 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Government-Wide Financial Statements

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

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

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

The two statements can be generally described as follows:

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

The Statement of Activities presents information showing how the City's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows.

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

Fund Financial Statements

The fund financial statements provide detailed information about each of the City's most significant funds – not the City as a whole. Management establishes funds to help control and manage money for purposes. The City uses three types 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 position and the statement of activities) and the governmental funds in reconciliation at the bottom of the fund financial statements.

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

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 a separate statement of fiduciary net position. 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 funds as well as a description of the City's accounting policies with regard to the annual budget. The City also reports certain schedules related to the net pension liability and net OPEB asset.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

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

Following is a summary of net position:

	As of June 30, 2020			As of June 30, 2019		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Current and other assets	$ 26,887,053	$ 5,343,482	$ 32,230,535	$ 22,592,231	$ 4,735,482	$ 27,327,713
Capital assets, net	28,535,349	34,785,252	63,320,601	29,311,045	34,718,995	64,030,040
Total assets	55,422,402	40,128,734	95,551,136	51,903,276	39,454,477	91,357,753
Deferred Outflows	294,631	318,160	612,791	284,431	384,405	668,836
Current and other liabilities	1,283,746	596,849	1,880,595	1,236,715	486,532	1,723,247
Non-current liabilties	1,410,136	7,120,567	8,530,703	1,332,438	7,405,251	8,737,689
Total liabilities	2,693,882	7,717,416	10,411,298	2,569,153	7,891,783	10,460,936
Deferred Inflows	76,566	74,483	151,049	69,187	85,255	154,442
Net Position						
Net investment in capital assets	28,129,068	28,405,269	56,534,337	28,831,714	28,082,900	56,914,614
Restricted	3,885,096	815,915	4,701,011	3,708,676	540,108	4,248,784
Unrestricted	20,932,421	3,433,811	24,366,232	17,008,977	3,238,836	20,247,813
Total Net Position, restated	$ 52,946,585	$ 32,654,995	$ 85,601,580	$ 49,549,367	$ 31,861,844	$ 81,411,211

Net position represents the difference between the City's resources and its obligations. At June 30, 2020, the largest portion of the City's total net position, 66 percent, reflects the net investment in capital assets. This component of net position, which reflects the total amount of funds used to acquire those assets less any outstanding debt used for such acquisition, was $56.5 million at June 30, 2020. These capital assets are used by the City to provide services to the citizens.

Overall, the net position for the governmental portion of the City funds has improved due to both operating results and increase contributions from operating and capital grants. The net position of the business-type activities decreased from the prior year due to a decreasing position in capital assets.

Restricted net position of $4.7 million represents resources subject to external restrictions as to how they may be used. Unrestricted net position of $24.4 million represents amounts that may be used to meet the City's ongoing obligations to its residents, businesses, customers, and creditors.

Following is a summary of changes in net position:

	As of June 30, 2020			As of June 30, 2019		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Revenues:						
Program revenues:						
Charges for services	$ 538,048	$ 3,473,906	$ 4,011,954	$ 643,255	$ 3,368,335	$ 4,011,590
Operating grants and contributions	9,988,595	-	9,988,595	1,146,628	-	1,146,628
Capital grants and contributions	28,210	-	28,210	100,156	-	100,156
General revenues:						
Property taxes	1,760,699	-	1,760,699	1,867,354	-	1,867,354
Sales taxes	399,002	-	399,002	427,506	-	427,506
Franchise taxes	231,699	-	231,699	232,801	-	232,801
Other taxes	1,269,351	-	1,269,351	1,058,557	-	1,058,557
Motor vehicle in lieu - unrestricted	337,283	-	337,283	328,139	-	328,139
Use of money and property	238,755	71,114	309,869	42,769	77,888	120,657
Other miscellaneous	317,698	-	317,698	265,241	-	265,241
Total revenues	15,109,340	3,545,020	18,654,360	6,112,406	3,446,223	9,558,629
Expenses:						
General government	893,380		893,380	990,360	-	990,360
Public safety	2,313,013		2,313,013	2,006,236	-	2,006,236
Community Development	4,815,355		4,815,355	966,937	-	966,937
Culture and recreation	1,197,655		1,197,655	1,071,086	-	1,071,086
Public ways and facilities	1,053,622		1,053,622	429,642	-	429,642
Interest on long term debt	21,932		21,932	25,222		25,222
Water		1,313,223	1,313,223	-	1,335,960	1,335,960
Sewer		2,855,811	2,855,811	-	2,925,050	2,925,050
Total expenses	10,294,957	4,169,034	14,463,991	5,489,483	4,261,010	9,750,493
Excess - before transfers	4,814,383	(624,014)	4,190,369	622,923	(814,787)	(191,864)
Transfers	(1,417,165)	1,417,165	-	(577,087)	577,087	-
Change in net position	3,397,218	793,151	4,190,369	45,836	(237,700)	(191,864)
Net Position - Beginning	49,549,367	31,861,844	81,411,211	39,080,560	32,099,544	71,180,104
Prior Period adjustment			-	10,422,971	-	10,422,971
Net Position - Ending	$ 52,946,585	$ 32,654,995	$ 85,601,580	$ 49,549,367	$ 31,861,844	$ 81,411,211

Governmental Activities:

The City's governmental activities increased the City's net position by $3.4 million. Revenues, net of transfers, were $13.7 million which represented an increase of $8.2 million or 147 percent, and expenses were $10.3 million which represented an increase of $4.8 million or 88% percent. Governmental activities highlights include the following:

Taxes provided $3.7 million or 27 percent of the total governmental activities revenue of the City. This amount is an increase of $0.1 million from the prior year. This increase is primarily as a result of a general increase in excise taxes

Charges for services, operating grants and capital grants provided $10.6 million or 77 percent of the total governmental-activities revenue of the City. This amount is an increase of $8.7 million from the prior year and attributable to an increase in grant funds received.

Business Type Activities

Business-type activities increased the City's net position by $0.8 million. Revenues were $4.96 million which represented an increase of $1 million due to an increase in transfers of capital assets from governmental activities to business-type activities. Business type activities highlights include the following:

Charges for services provided $3.5 million or 70 percent of the total business type activities revenue of the City. This is and increase of approximately three percent (3%) from the prior year due to increased consumption. Transfers between the governmental activities and business-type activities increased by 246% as compared to prior year due to the completion of construction projects.

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, 2020 of $7,407,377. The General Fund decreased by $207,916 and all other Governmental Funds decreased by $282,669. Within the governmental funds, the decrease in fund balance was attributable a decrease in the receipt of charges for services, property taxes and sales taxes.

Analysis of Major Governmental Funds

General Fund

General Fund revenues totaled $3,332,471 in fiscal year 2019-20, a decrease of $349,991 over last year. The primary decreases were in licenses and permits in the amount of $124,930 and property taxes in the amount of $217,975. The decrease in licenses and permits is a direct result of the cessation of economic activity due to the COVID-19 pandemic. The decrease in property taxes is due to lowered collections of property taxes by the County during the fiscal year. General Fund expenditures totaled $3,540,387 in fiscal year 2019-20, a decrease of $439,672 over last year. The primary decreases were in general government in the amount of $144,490 and capital outlay in the amount of $612,858. Decreases in general government were attributable to cost-cutting measures made by the implementation of the fiscal year 2020 budget. The decrease in capital outlay is primarily due to the completion of a significant number of capital projects in the prior year.

At the end of fiscal year 2020, the fund balance for the City's General Fund was $4,462,405 a decrease of $207,916 over last year. The fund balance in General Fund comprised of $10,659 in nonspendable fund

balance, $2,604,891 committed fund balance and $1,846,855 unassigned fund balance. The committed fund balance increased from last year by $28,560, while the unassigned fund balance decreased $231,867.

The following table summarizes the budget to actual results for the City's General Fund. Overall the actual expenses for the year were slightly more than budgeted. However, the more detailed information shows unexpected budgeted expenditures that resulted from the accounting treatment of the City participating in a joint facility agreement for a shared animal shelter with the neighboring city of Yuba City and the County of Sutter.

	As of June 30, 2020		
	Original Budget	Final Budget	Actual Amounts
General government	$ 691,900	$ 691,900	$ 695,133
Public safety	1,495,200	1,495,200	1,645,173
Public ways and facilities	16,700	16,700	25,476
Culture and recreation	815,500	815,500	757,356
Community development	883,100	883,100	247,274
Capital outlay	5,000	5,000	22,110
Debt service	144,062	144,062	147,865
	$ 4,051,462	$ 4,051,462	$ 3,540,387

Program Income

Program income fund revenues totaled $52,642 in fiscal year 2019-20, a decrease of $19,703 due to less program activity. Program income expenditures totaled $337,247 an increase of $320,350 related to capital projects. At the end of fiscal year 2019-20 the Program income fund balance was $143,322 a change of $284,605.

16-HOME-11532

16-HOME-11532 fund revenues for fiscal year 2019-20 totaled $4,052,311, an increase of $4.05 million. This is a result of receiving grant reimbursements for current year expenditures. Expenditures in the fund totaled $4,054,703, an increase of $4.05 million. This is primarily due to the issuance of a loan to a developer for the development of affordable housing. At the end of fiscal year 2019-20 fund balance was ($9,102), a decrease of $2,392.

Capital Improvement Project

The capital improvement fund accounts for major City capital improvement projects. The fund is budgeted on a project length basis and therefore is not comparable on an annual basis. There were no revenue and had transfers of $41,023 in received in fiscal year 2019-20. Expenditures totaled $239,758 in fiscal year 2020.

Other Governmental Funds

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

Analysis of Major Enterprise Funds

Water

The water fund is financed and operated in a manner similar to that of a private business. Overall, operating revenues increased $140 due to a slow recovery from the statewide drought from prior years. In addition, operating expenses held steady at $1,291,970 annually, up $210 over the prior year. As of June 30, 2020,

the fund's net position went from $8,953,071 in 2019 to $9,937,089 in 2020 representing an increase of $984,018. The fund's net investment in capital assets went up by $1,123,074 due to the transfer of infrastructure assets constructed by the governmental activities, offset by depreciation. The fund reported a deficit in unrestricted net position in the amount of ($292,942) at the close of fiscal year 2020. Due to the age of the water system infrastructure, significant investments will be required in future years to update water lines and equipment.

Sewer

The sewer fund is financed and operated in a manner similar to that of a private business. Net position of the sewer fund decreased to $466,674 in fiscal year 2020. As of June 30, 2020, the fund's net position totaled $21,901,991 of which $18,175,338 remains invested in capital assets net of related debt. The fund's unrestricted net position was $3,726,653 at the close of fiscal year 2020. Overall, operating revenues remained fairly constant at $2,328,299 with an increase of $38,511 over the prior year. Operating expenses totaled $2,72,768 for the year, a 3% decrease of $88,153 over the prior year. Non-operating items did not significantly change from the previous year. Due to the age of the sewer system infrastructure, significant investments will be required in future years to update sewer lines and equipment.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City records all of its capital assets including infrastructure. At the end of 2020, the City had invested $63.3 million in a broad range of capital assets, including park facilities, streets and roads improvements, and water well construction. Additional detailed information on the City's capital assets is presented in Note 4 to the financial statements on pages 42 through 44.

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

Following is a summary of capital assets:

	Balance at June 30, 2020	Balance at June 30, 2019
Governmental Activities		
Land	$ 6,584,996	$ 6,584,996
Construction in progress	1,393,398	1,169,151
Buildings and improvements	7,561,067	7,561,067
Equipment	4,556,617	4,545,472
Infrastructure	22,199,263	22,199,263
Less: Accumulated depreciation	(13,759,992)	(12,748,904)
Governmental Activities Capital Assets (net)	$ 28,535,349	$ 29,311,045
Business-type Activities		
Land	$ 233,241	$ 233,241
Construction in progress	3,347,105	2,971,207
Buildings and improvements	38,641	38,641
Equipment	1,585,929	1,585,929
Infrastructure	48,864,895	47,731,996
Less: Accumulated depreciation	(19,284,559)	(17,842,019)
Business-type Activities Capital Assets (net)	$ 34,785,252	$ 34,718,995

At June 30, 2020, major construction in progress include the undergrounding of utility lines project in the governmental activities and the construction of well #7 for the water fund.

Long-term Debt:

At June 30, 2019 and 2020 the City had $7.4 million and $7 million respectively in long-term debt outstanding. The City made all scheduled repayments on existing debt on time. Additional detailed information about the City's total long-term liabilities is presented in Note 7 to the financial statements.

As of June 30, 2020, the City's debt consisted of:

Governmental Activities Debt:

2012 City of Yuba City/County of Sutter joint facility animal shelter loan due 2023	$ 211,530
2018 Fire Engine Lease – 3.570% due 2025	406,281
Total Governmental Activities Debt	$ 617,811

Business-type Activities Debt:

2003 USDA COP's for Wastewater Treatment Plant Expansion – 4.25% due 7/2043	$ 780,000
2006 USDA COP's for Water Meter Project – 4.25% due 7/2044	1,000,000
2009 SWRCB State Revolving Fund Wastewater Plant – 1% 30Year Term	4,599,983
Total Governmental Activities Debt	$ 6,379,983
Total Outstanding Debt	$ 6,997,794

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 2008-09 as the value of properties declined significantly over the next four years and new housing construction decreased significantly. Assessed property values began increasing over the recent two years moving from $401 million in 2019 to $432 million in 2020.

The local economy continued to improve during the fiscal year, until the emergency shelter-in-place orders were enacted by the Governor, which essentially ceased all economic activity, with the exception of essential activities. The City expects economic activity to resume shortly after the beginning of the next fiscal year. This includes the construction of additional homes by developers. Due to the age of the infrastructure system for its water and sewer services, the City expects to make significant investments in the upgrading of those systems.

In September 2020, the City adopted its 2020-21 fiscal budget and expects to watch its spending closely as the City continues to rebound financially. The General Fund portion of the budget appropriated $3.7 million as the City balances the increasing needs and costs for staffing with new revenue as the demand for City Services continues to grow.

The City continued to review and update various fees in fiscal year 2019-20. The City's development impact fees were updated in 2010-2011. Fee adjustments are necessary to ensure that the costs of providing services are matched closer to the fee revenues charged for providing these services.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Finance Department, 9955 Live Oak Blvd, Live Oak, California 95953, (530) 695-2112.

CITY OF LIVE OAK

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current:			
Cash and investments	$ 7,867,143	$ 4,935,381	$ 12,802,524
Receivables:			
Accounts, net	41,290	379,662	420,952
Notes and loans	17,951,880	-	17,951,880
Accrued interest	22,289	10,843	33,132
Internal balances	2,204	(2,204)	-
Prepaid costs	26,061	10,738	36,799
Due from other governments	865,583	-	865,583
Noncurrent:			
Net OPEB asset	110,603	9,062	119,665
Capital assets not being depreciated	7,978,394	3,580,346	11,558,740
Capital assets, net of depreciation	20,556,955	31,204,906	51,761,861
Total Assets	**55,422,402**	**40,128,734**	**95,551,136**
Deferred Outflows of Resources:			
Deferred pension related items	284,328	317,472	601,800
Deferred OPEB related items	10,303	688	10,991
Total Deferred Outflows of Resources	**294,631**	**318,160**	**612,791**
Liabilities:			
Current:			
Accounts payable	625,653	178,300	803,953
Retention payable	123,843	-	123,843
Due to other governments	54,302	-	54,302
Salaries and benefits payable	28,712	26,591	55,303
Accrued interest	6,043	37,825	43,868
Deposits payable	188,712	46,919	235,631
Unearned revenue	103,509	-	103,509
Compensated absences	24,432	49,242	73,674
Bonds, notes, and capital leases	128,540	257,972	386,512
Noncurrent:			
Compensated absences	52,718	29,207	81,925
Bonds, notes, and capital leases	489,271	6,122,011	6,611,282
Net pension liability	868,147	969,349	1,837,496
Total Liabilities	**2,693,882**	**7,717,416**	**10,411,298**
Deferred Inflows of Resources:			
Deferred pension related items	65,945	73,633	139,578
Deferred OPEB related items	10,621	850	11,471
Total Deferred Inflows of Resources	**76,566**	**74,483**	**151,049**
Net Position:			
Net investment in capital assets	28,129,068	28,405,269	56,534,337
Restricted for:			
Public safety	686,194	-	686,194
Public ways and facilities	2,726,370	-	2,726,370
Community development	209,980	-	209,980
Culture and recreation	262,552	-	262,552
Capital projects	-	815,915	815,915
Unrestricted	20,932,421	3,433,811	24,366,232
Total Net Position	**$ 52,946,585**	**$ 32,654,995**	**$ 85,601,580**

See Notes to Financial Statements

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	$ 893,380	$ 296,639	$ -	$ -
Public safety	2,313,013	6,582	154,373	-
Community development	4,815,355	-	9,413,395	-
Culture and recreation	1,197,655	35,211	-	-
Public ways and facilities	1,053,622	199,616	420,827	28,210
Interest on long-term debt	21,932	-	-	-
Total Governmental Activities	**10,294,957**	**538,048**	**9,988,595**	**28,210**
Business-Type Activities:				
Water	1,313,223	879,726	-	-
Sewer	2,855,811	2,328,299	-	-
Water Connection	-	121,653	-	-
Sewer Connection	-	144,228	-	-
Total Business-Type Activities	**4,169,034**	**3,473,906**	**-**	**-**
Total Primary Government	**$ 14,463,991**	**$ 4,011,954**	**$ 9,988,595**	**$ 28,210**

General Revenues:	
Taxes:	
Property taxes, levied for general purpose	
Sales taxes	
Franchise taxes	
Other taxes	
Motor vehicle in lieu - unrestricted	
Use of money and property	
Other	
Transfers	
Total General Revenues and Transfers	
Change in Net Position	
Net Position at Beginning of Year	
Net Position at End of Year	

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (596,741)	$ -	$ (596,741)
(2,152,058)	-	(2,152,058)
4,598,040	-	4,598,040
(1,162,444)	-	(1,162,444)
(404,969)	-	(404,969)
(21,932)	-	(21,932)
259,896	**-**	**259,896**
-	(433,497)	(433,497)
-	(527,512)	(527,512)
-	121,653	121,653
-	144,228	144,228
-	**(695,128)**	**(695,128)**
259,896	**(695,128)**	**(435,232)**
1,760,699	-	1,760,699
399,002	-	399,002
231,699	-	231,699
1,269,351	-	1,269,351
337,283	-	337,283
238,755	71,114	309,869
317,698	-	317,698
(1,417,165)	1,417,165	-
3,137,322	**1,488,279**	**4,625,601**
3,397,218	793,151	4,190,369
49,549,367	31,861,844	81,411,211
$ 52,946,585	**$ 32,654,995**	**$ 85,601,580**

CITY OF LIVE OAK

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Special Revenue Funds: Program Income	Special Revenue Funds: 16-HOME-11532
Assets:			
Cash and investments	$ 3,817,738	$ 140,737	$ -
Receivables:			
Accounts	41,290	-	-
Accrued interest	9,985	3,149	-
Notes and loans	103,658	12,498,011	4,623,534
Due from other funds	865,693	-	-
Prepaid items	10,659	-	-
Due from other governments	105,778	-	4,848
Total Assets	**$ 4,954,801**	**$ 12,641,897**	**$ 4,628,382**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 302,713	$ 564	$ -
Retention payable	-	-	-
Due to other governments	54,302	-	-
Salaries and benefits payable	25,118	-	-
Deposits payable	6,605	-	-
Due to other funds	-	-	9,102
Unearned revenues	-	-	-
Total Liabilities	**388,738**	**564**	**9,102**
Deferred Inflows of Resources:			
Unavailable revenues	-	-	4,848
Deferred loan payments	103,658	12,498,011	4,623,534
Total Deferred Inflows of Resources	**103,658**	**12,498,011**	**4,628,382**
Fund Balances:			
Nonspendable	10,659	-	-
Restricted	-	143,322	-
Committed	2,604,891	-	-
Unassigned	1,846,855	-	(9,102)
Total Fund Balances	**4,462,405**	**143,322**	**(9,102)**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 4,954,801**	**$ 12,641,897**	**$ 4,628,382**

CITY OF LIVE OAK

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	Capital Projects Fund		
	Capital Improvement Project	Other Governmental Funds	Total Governmental Funds
Assets:			
Cash and investments	$ -	$ 3,908,668	$ 7,867,143
Receivables:			
Accounts	-	-	41,290
Accrued interest	-	9,155	22,289
Notes and loans	-	726,677	17,951,880
Due from other funds	45,000	-	910,693
Prepaid items	-	15,402	26,061
Due from other governments	51,410	703,547	865,583
Total Assets	**$ 96,410**	**$ 5,363,449**	**$ 27,684,939**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 86,893	$ 235,483	$ 625,653
Retention payable	-	123,843	123,843
Due to other governments	-	-	54,302
Salaries and benefits payable	-	3,594	28,712
Deposits payable	-	182,107	188,712
Due to other funds	188,407	710,980	908,489
Unearned revenues	-	103,509	103,509
Total Liabilities	**275,300**	**1,359,516**	**2,033,220**
Deferred Inflows of Resources:			
Unavailable revenues	51,410	236,204	292,462
Deferred loan payments	-	726,677	17,951,880
Total Deferred Inflows of Resources	**51,410**	**962,881**	**18,244,342**
Fund Balances:			
Nonspendable	-	15,402	26,061
Restricted	-	3,741,774	3,885,096
Committed	-	-	2,604,891
Unassigned	(230,300)	(716,124)	891,329
Total Fund Balances	**(230,300)**	**3,041,052**	**7,407,377**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 96,410**	**$ 5,363,449**	**$ 27,684,939**

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LIVE OAK

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Fund balances of governmental funds		$ 7,407,377
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation are not included as financial resources in governmental fund activity		28,535,349
Long-term debt and compensated absences that are not included in the governmental fund activity:		
Bonds, notes, and capital leases	$ (617,811)	
Compensated absences	(77,150)	(694,961)
Accrued interest due on long-term debt is not reported in the governmental funds		(6,043)
Net OPEB asset is not included in the governmental funds		110,603
Deferred inflows related to OPEB are not included in the governmental funds		(10,621)
Deferred outflows related to OPEB are not included in the governmental funds		10,303
Revenues reported as unavailable revenue in the governmental funds do not provide current financial resources but are recognized in the statement of activities		292,462
Principal and interest on long-term notes and loans reported as unavailable revenue in the in the governmental funds and recognized in the statement of activities		17,951,880
Net pension liability is not included in the governmental funds		(868,147)
Deferred inflows related to pension related items are not included in the governmental funds		(65,945)
Deferred outflows related to pension related items are not included in the governmental funds		284,328
Net Position of Governmental Activities		**$ 52,946,585**

CITY OF LIVE OAK

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

		Special Revenue Fund	
	General	Program Income	16-HOME-11532
Revenues:			
Taxes and assessments	$ 2,526,802	$ -	$ -
Licenses and permits	270,020	-	-
Fines and forfeitures	-	-	-
Use of money and property	171,294	14,589	-
Intergovernmental	7,510	38,053	-
Charges for services	61,316	-	-
Other revenue	295,529	-	4,052,311
Total Revenues	**3,332,471**	**52,642**	**4,052,311**
Expenditures:			
Current:			
General government	695,133	-	-
Public safety	1,645,173	-	-
Public ways and facilities	25,476	-	-
Culture and recreation	757,356	-	-
Community development	247,274	337,247	4,054,703
Capital outlay	22,110	-	-
Debt service:			
Principal	125,933	-	-
Interest	21,932	-	-
Total Expenditures	**3,540,387**	**337,247**	**4,054,703**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(207,916)	(284,605)	(2,392)
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**
Net Change in Fund Balances	(207,916)	(284,605)	(2,392)
Fund Balances, Beginning of Year	4,670,321	427,927	(6,710)
Fund Balances, End of Year	**$ 4,462,405**	**$ 143,322**	**$ (9,102)**

See Notes to Financial Statements

CITY OF LIVE OAK

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	Capital Projects Fund		
	Capital Improvement Project	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes and assessments	$ -	$ 1,133,949	$ 3,660,751
Licenses and permits	-	20,475	290,495
Fines and forfeitures	-	5,140	5,140
Use of money and property	-	52,872	238,755
Intergovernmental	-	905,487	951,050
Charges for services	-	112,603	173,919
Other revenue	-	737,162	5,085,002
Total Revenues	**-**	**2,967,688**	**10,405,112**
Expenditures:			
Current:			
General government	-	96,700	791,833
Public safety	-	496,716	2,141,889
Public ways and facilities	-	893,316	918,792
Culture and recreation	-	111,159	868,515
Community development	-	1,049,546	5,688,770
Capital outlay	239,758	76,165	338,033
Debt service:			
Principal	-	-	125,933
Interest	-	-	21,932
Total Expenditures	**239,758**	**2,723,602**	**10,895,697**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(239,758)	244,086	(490,585)
Other Financing Sources (Uses):			
Transfers in	41,023	33,412	74,435
Transfers out	(33,412)	(41,023)	(74,435)
Total Other Financing Sources (Uses)	**7,611**	**(7,611)**	**-**
Net Change in Fund Balances	(232,147)	236,475	(490,585)
Fund Balances, Beginning of Year	1,847	2,804,577	7,897,962
Fund Balances, End of Year	**$ (230,300)**	**$ 3,041,052**	**$ 7,407,377**

See Notes to Financial Statements

CITY OF LIVE OAK

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2020

Net changes in fund balances - total governmental funds		$ (490,585)
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 costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	$ 235,392	
Depreciation	(1,011,088)	(775,696)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repayments		125,933
Interest expense not recorded in the governmental fund statements because it did not require the use of current financial resources.		1,087
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(21,060)
OPEB expenses reported in the statement of activities do not require the use of current financial resources, except for contributions, and therefore are not reported as expenditures in the governmental funds.		(3,438)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These amounts reflect interest accrued on long-term notes and loans receivables and grant reimbursements that were not received within the period of availability.		4,704,228
Pension expenses reported in the statement of activities do not require the use of current financial resources, except for contributions, and therefore are not reported as expenditures in the governmental funds.		(143,251)
Change in Net Position of Governmental Activities		**$ 3,397,218**

CITY OF LIVE OAK

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Assets:				
Current:				
Cash and investments	$ -	$ 4,121,225	$ 814,156	$ 4,935,381
Receivables:				
Accounts, net	104,745	274,917	-	379,662
Accrued interest	-	9,084	1,759	10,843
Prepaid costs	5,185	5,553	-	10,738
Total Current Assets	**109,930**	**4,410,779**	**815,915**	**5,336,624**
Noncurrent:				
Net OPEB asset	4,531	4,531	-	9,062
Capital assets not being depreciated	2,983,155	597,191	-	3,580,346
Capital assets, net of accumulated depreciation	8,246,776	22,958,130	-	31,204,906
Total Noncurrent Assets	**11,234,462**	**23,559,852**	**-**	**34,794,314**
Total Assets	**11,344,392**	**27,970,631**	**815,915**	**40,130,938**
Deferred Outflows of Resources:				
Deferred pension related items	104,445	213,027	-	317,472
Deferred OPEB related items	344	344	-	688
Total Deferred Outflows of Resources	**104,789**	**213,371**	**-**	**318,160**
Liabilities:				
Current:				
Accounts payable	66,067	112,233	-	178,300
Salaries and benefits payable	11,443	15,148	-	26,591
Accrued interest	21,250	16,575	-	37,825
Deposits payable	39,800	7,119	-	46,919
Due to other funds	2,204	-	-	2,204
Compensated absences	17,432	31,810	-	49,242
Bonds and notes	40,000	217,972	-	257,972
Total Current Liabilities	**198,196**	**400,857**	**-**	**599,053**
Noncurrent:				
Compensated absences	10,339	18,868	-	29,207
Bonds and notes	960,000	5,162,011	-	6,122,011
Net pension liability	318,907	650,442	-	969,349
Total Noncurrent Liabilities	**1,289,246**	**5,831,321**	**-**	**7,120,567**
Total Liabilities	**1,487,442**	**6,232,178**	**-**	**7,719,620**
Deferred Inflows of Resources:				
Deferred pension related items	24,225	49,408	-	73,633
Deferred OPEB related items	425	425	-	850
Total Deferred Inflows of Resources	**24,650**	**49,833**	**-**	**74,483**
Net Position:				
Net investment in capital assets	10,229,931	18,175,338	-	28,405,269
Restricted for capital projects	-	-	815,915	815,915
Unrestricted	(292,842)	3,726,653	-	3,433,811
Total Net Position	**$ 9,937,089**	**$ 21,901,991**	**$ 815,915**	**$ 32,654,995**

See Notes to Financial Statements

CITY OF LIVE OAK

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Operating Revenues:				
Sales and service charges	$ 879,726	$ 2,328,299	$ 265,881	$ 3,473,906
Total Operating Revenues	**879,726**	**2,328,299**	**265,881**	**3,473,906**
Operating Expenses:				
Salaries and benefits	461,216	785,388	-	1,246,604
Administration	28,045	49,448	-	77,493
Power	190,532	191,509	-	382,041
Insurance	28,491	125,621	-	154,112
Supplies	48,510	-	-	48,510
Repair and extension	45,364	163,108	-	208,472
Professional services	112,213	249,215	-	361,428
Depreciation expense	334,091	1,108,449	-	1,442,540
Other expense	43,508	80,030	-	123,538
Total Operating Expenses	**1,291,970**	**2,752,768**	**-**	**4,044,738**
Operating Income (Loss)	(412,244)	(424,469)	265,881	(570,832)
Nonoperating Revenues (Expenses):				
Interest revenue	350	60,838	9,926	71,114
Interest expense	(21,253)	(103,043)	-	(124,296)
Total Nonoperating Revenues (Expenses)	**(20,903)**	**(42,205)**	**9,926**	**(53,182)**
Income (Loss) Before Capital Contributions	(433,147)	(466,674)	275,807	(624,014)
Capital contributions	1,417,165	-	-	1,417,165
Changes in Net Position	984,018	(466,674)	275,807	793,151
Net Position:				
Beginning of Fiscal Year	8,953,071	22,368,665	540,108	31,861,844
End of Fiscal Year	**$ 9,937,089**	**$ 21,901,991**	**$ 815,915**	**$ 32,654,995**

See Notes to Financial Statements

CITY OF LIVE OAK

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Cash Flows from Operating Activities:				
Cash received from customers and users	$ 891,178	$ 2,271,075	$ 464,842	$ 3,627,095
Cash paid to suppliers for goods and services	(434,266)	(763,595)	-	(1,197,861)
Cash paid to employees for services	(516,701)	(777,026)	-	(1,293,727)
Net Cash Provided (Used) by Operating Activities	**(59,789)**	**730,454**	**464,842**	**1,135,507**
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	(91,632)	-	(91,632)
Principal paid on capital debt	(40,000)	(216,112)	-	(256,112)
Interest paid on capital debt	(22,103)	(103,681)	-	(125,784)
Net Cash Used by Capital and Related Financing Activities	**(62,103)**	**(411,425)**	**-**	**(473,528)**
Cash Flows from Investing Activities:				
Interest received	766	68,126	9,601	78,493
Net Increase (Decrease) in Cash and Cash Equivalents	**(121,126)**	**387,155**	**474,443**	**740,472**
Cash and Cash Equivalents at Beginning of Year	121,126	3,734,070	339,713	4,194,909
Cash and Cash Equivalents at End of Year	**$ -**	**$ 4,121,225**	**$ 814,156**	**$ 4,935,381**
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	$ (412,244)	$ (424,469)	$ 265,881	$ (570,832)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	334,091	1,108,449	-	1,442,540
Changes in pension related items	(39,585)	38,406	-	(1,179)
Changes in OPEB related items	114	114	-	228
(Increase) decrease in accounts receivable	(24,559)	(55,221)	198,961	119,181
(Increase) decrease in prepaid costs	1,817	2,397	-	4,214
Increase (decrease) in accounts payable	30,331	43,491	-	73,822
Increase (decrease) in due to other funds	2,204	-	-	2,204
Increase (decrease) in salaries and benefits payable	3,700	4,872	-	8,572
Increase (decrease) in deposits payable	36,011	(2,003)	-	34,008
Increase (decrease) in compensated absences	8,331	14,418	-	22,749
Total Adjustments	**352,455**	**1,154,923**	**198,961**	**1,706,339**
Net Cash Provided (Used) by Operating Activities	**$ (59,789)**	**$ 730,454**	**$ 464,842**	**$ 1,135,507**
Non-Cash Investing, Capital, and Financing Activities:				
Non-cash contributed capital assets	$ 1,417,165	$ -	$ -	$ 1,417,165

CITY OF LIVE OAK

STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LIVE OAK
JUNE 30, 2020

	Private-Purpose Trust Fund
Assets:	
Cash and investments	$ 29,376
Total Assets	**$ 29,376**
Liabilities:	
Due to other governments	$ 29,376
Total Liabilities	**29,376**
Net Position:	
Held in trust	-
Total Net Position	**$ -**

See Notes to Financial Statements

CITY OF LIVE OAK

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LIVE OAK
YEAR ENDED JUNE 30, 2020

	Private-Purpose Trust Fund
Additions:	$ -
Total Additions	-
Deductions:	-
Total Deductions	-
Changes in Net Position	-
Net Position - Beginning of the Year	-
Net Position - End of the Year	**$ -**

THIS PAGE INTENTIONALLY LEFT BLANK

Note 1: Summary of Significant Accounting Policies

a. Financial Reporting Entity

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

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

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

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

Blended Component Units

City of Live Oak Public Improvement Corporation (Corporation)

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

Note 1: Summary of Significant Accounting Policies (Continued)

Joint Agencies

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

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

b. Basis of Presentation

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the City and its blended component units. These statements include the financial activities of the overall government, 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.

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.

The fund financial statements provide information about the City's funds, including 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.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as public safety, community development, and recreation and culture services.

- The Program Income fund is a special revenue fund used to account for revenues and expenditures related to HOME, CDBG and EDBG program income. Funding comes primarily from program income from federal grants.

- The 16-HOME-11532 fund is a special revenue fund used to account for HOME grant funds used for the Kristen Court Phase 2 project.

- The Capital Improvement Project fund is a capital projects fund used to account for revenues and expenditures for capital projects.

The City reports the following proprietary funds:

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

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

The City reports the following additional fund types:

- The Private Purpose Trust fund accounts for property held under other 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.

Note 1: Summary of Significant Accounting Policies (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 recognized as revenue when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Fiduciary funds include trust funds and agency funds. The City's private purpose trust fund is recorded 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 position.

e. Cash and Cash Equivalents

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

f. Investments

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

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

Note 1: Summary of Significant Accounting Policies (Continued)

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

g. Receivables

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

Receivables for enterprise funds consist mainly of user fees and interest. Management records an allowance for doubtful accounts based on actual customer balances that the City Council has approved to be written off. At June 30, 2020, the allowance for doubtful accounts was $2,909.

h. Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items under both the accrual and modified accrual basis of accounting. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The City records both prepaid costs for expenditures/expenses paid for services that will benefit future periods and prepaid insurance for the net investment in a joint powers self-insurance agency.

i. Capital Assets

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

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

Depreciable Asset	Years
Equipment	3-25
Structures and improvements	5-50
Infrastructure	20-75

Note 1: Summary of Significant Accounting Policies (Continued)

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.

j. Property Tax

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

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

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

k. Interfund Transactions

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

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

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

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

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

Note 1: Summary of Significant Accounting Policies (Continued)

l. Unearned Revenue

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

m. Compensated Absences

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

n. Pensions

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

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items which qualify for reporting in this category. These items relate to outflows from changes in the net pension liability and the net OPEB asset and are reportable on the Statement of Net Position.

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

Note 1: Summary of Significant Accounting Policies (Continued)

p. 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.

q. Other Postemployment Benefits (OPEB)

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

r. Net Position

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

- **Net investment in capital assets** - describes the portion of net position which is represented by the current net book value of the capital assets, less the outstanding balance of debt issued to finance these assets.

- **Restricted net position** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers

- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports $4,701,011 of restricted net position, of which $2,142,033 is restricted by enabling legislation.

Net Position Flow Assumption

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

Note 1: Summary of Significant Accounting Policies (Continued)

s. Fund Balance

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2020, fund balance for governmental funds is made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.

- **Restricted fund balance** - amounts with constraints placed on their use that are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

- **Assigned fund balance** - amounts that are constrained by the City's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.

- **Unassigned fund balance** - the residual classification for the City's General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Fund Balance Flow Assumption

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

Note 1: Summary of Significant Accounting Policies (Continued)

t. New GASB Pronouncements

In FY 2019-20, the City implemented GASB Statement No. 95 – *Postponement of Effective Dates of Certain Authoritative Guidance* – The following pronouncements have been postponed as a temporary relieve to governments and other stakeholders in light of the COVID-19 pandemic and the new effective date are reflected in the following fiscal years:

- GASB 83 – *Certain Assets Retirement Obligations* – The requirements of this statement are effective for reporting periods beginning on or after June 15, 2020.
- GASB 84 – *Fiduciary Activities* – The requirements of this statement are effective for reporting periods beginning after December 15, 2019.
- GASB 87 – *Leases* – The requirements of this statement are effective for reporting periods beginning on or after June 15, 2021.
- GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period* - The requirements of this statement are effective for reporting periods beginning on or after December 15, 2020.
- GASB 91 - *Conduit Debt Obligations* - The requirements of this statement are effective for reporting periods beginning on or after December 15, 2021.
- GASB 92 - *Omnibus 2020* - The requirements of this statement are effective for reporting periods beginning on or after June 15, 2021.
- GASB 93 - *Replacement of Interbank Offered Rates* - The requirements of this statement are effective for reporting periods beginning on or after June 15, 2021.

Note 2: Stewardship, Compliance and Accountability

a. Deficit Fund Balance/Net Position

The following major special revenue fund had a deficit fund balance:

The 16-HOME-11532 fund had a fund balance deficit of $9,102, which is expected to be eliminated in the future through grant reimbursements.

The following major capital projects fund had a deficit fund balance:

The Capital Improvement Project fund had a fund balance deficit of $230,300, which is expected to be eliminated in the future through grant reimbursements and transfers in from other funds.

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

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

The Mello Roos CFD 2004-1 Street Lighting fund had a fund balance deficit of $21,223, which is expected to be eliminated in the future through special assessment revenues.

The 13-CDBG-8933 Skate Park fund had a fund balance deficit of $430,713, which is expected to be eliminated in the future through grant reimbursements.

Note 2: Stewardship, Compliance and Accountability

The 16-HOME-11380 fund had a fund balance deficit of $32,256, which is expected to be eliminated in the future through grant reimbursements.

The CDBG PI Waiver Water Main fund had a fund balance deficit of $227,987, which is expected to be eliminated in the future through grant reimbursements.

Note 3: Cash and Investments

a. Financial Statement Presentation

As of June 30, 2020, the City's cash and investments are reported in the financial statements as follows:

Governmental activities	$	7,867,143
Business-Type activities		4,935,381
Private Purpose Trust		29,376
Total Cash and Investments	$	12,831,900

As of June 30, 2020, the City's cash and investments consisted of the following:

Cash:		
Cash on hand	$	1,020
Deposits (less outstanding checks)		3,407,723
Total Cash		3,408,743
Investments:		
Certificate of Deposit		31,000
LAIF		8,813,733
Money Market Funds		578,424
Total Investments		9,423,157
Total Cash and Investments	$	12,831,900

Note 3: Cash and Investments

b. Cash

At year end, the carrying amount of the City's cash deposits (including amount in checking accounts and money market accounts) was $3,407,723 and the bank balance was $3,700,353. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the City had cash on hand of $1,020.

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

c. Investments

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

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio
U.S. Government Obligations	5 years	None	Unlimited
U.S. Government Agencies and Instrumentalities Securities	5 years	None	Unlimited
Repurchase Agreements	1 year	None	Unlimited
Banker's Acceptances	180 days	None	40%
Commercial Paper	270 days	A	30%
Medium-Term Corporate Notes	5 years	A	30%
Certificates of Deposit	5 years	None	Unlimited
Negotiable Certificates of Deposit	5 years	AA	30%
Local Agency Investment Fund (LAIF)	N/A	None	$65 million
California Pooled Investment Authority	N/A	None	Unlimited
Money Market Mutual Funds	N/A	None	10%

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

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

Note 3: Cash and Investments (Continued)

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

At June 30, 2020, the City had the following recurring fair value measurements.

		Level		
Investment Type	Fair Value	1	2	3
Certificate of Deposit	$ 31,000	$ -	$ 31,000	$ -
Uncategorized				
Money Market Mutual Funds	578,424			
Local Agency Investment Funds (LAIF)	8,813,733			
Total Investments Measured at Amortized Cost	9,392,157			
Total Investments	$ 9,423,157			

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

At June 30, 2020, the City had the following investments all of which had a maturity of 5 years or less:

		Maturities	
Investment Type	Interest Rates	0-1 Year	Fair Value
Certificate of Deposit	Variable	$ 31,000	$ 31,000
Local Agency Investment Fund (LAIF)	Variable	8,813,733	8,813,733
Money Market Funds	Variable	578,424	578,424
Total Investments		$ 9,423,157	$ 9,423,157

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2020, the City investments were all pooled with the State of California Local Agency Investment Fund which is not rated by a nationally recognized statistical rating organization.

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

Note 3: Cash and Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. As of June 30, 2020, the City investments were mostly pooled with the State of California Local Agency Investment Fund which holds a diversified portfolio of high-quality investments.

d. Investment in External Investment Pools

The City of Live Oak maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2020, the City's investment in LAIF valued at amortized cost was $8,813,733 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was $101 billion.

Note 4: Capital Assets

Capital assets activity for the year ended June 30, 2020, was as follows:

Governmental Activities

Governmental activities	Balance at June 30, 2019	CIP Transfers	Additions	Retirements	Balance at June 30, 2020
Capital assets not being depreciated					
Land	$ 6,584,996	$ -	$ -	$ -	$ 6,584,996
Construction-in-progress	1,169,151	-	224,247	-	1,393,398
Total capital assets not being depreciated	7,754,147	-	224,247	-	7,978,394
Capital assets being depreciated					
Buildings and improvements	7,561,067	-	-	-	7,561,067
Equipment	4,545,472	-	11,145	-	4,556,617
Infrastructure	22,199,263	-	-	-	22,199,263
Total capital assets being depreciated	34,305,802	-	11,145	-	34,316,947
Less accumulated depreciation					
Buildings and improvements	(1,732,047)	-	(141,674)	-	(1,873,721)
Equipment	(2,966,248)	-	(203,013)	-	(3,169,261)
Infrastructure	(8,050,609)	-	(666,401)	-	(8,717,010)
Total accumulated depreciation	(12,748,904)	-	(1,011,088)	-	(13,759,992)
Capital assets being depreciated, net	21,556,898	-	(999,943)	-	20,556,955
Governmental Activities Capital Assets, net	$ 29,311,045	$ -	$ (775,696)	$ -	$ 28,535,349

Note 4: Capital Assets (Continued)

Business-Type Activities

	Balance June 30, 2019	CIP Transfers	Additions	Retirements	Balance June 30, 2020
Capital assets, not being depreciated:					
Land	$ 233,241	$ -	$ -	$ -	$ 233,241
Construction in progress	2,971,207	(1,132,899)	1,508,797	-	3,347,105
Total capital assets, not being depreciated	3,204,448	(1,132,899)	1,508,797	-	3,580,346
Capital assets, being depreciated:					
Buildings and improvements	38,641	-	-	-	38,641
Equipment	1,585,929	-	-	-	1,585,929
Infrastructure	47,731,996	1,132,899	-	-	48,864,895
Total capital assets, being depreciated	49,356,566	1,132,899	-	-	50,489,465
Less accumulated depreciation for:					
Buildings and improvements	(38,641)	-	-	-	(38,641)
Equipment	(1,340,664)	-	(44,370)	-	(1,385,034)
Infrastructure	(16,462,714)	-	(1,398,170)	-	(17,860,884)
Total accumulated depreciated	(17,842,019)	-	(1,442,540)	-	(19,284,559)
Total capital assets being depreciated, net	31,514,547	1,132,899	(1,442,540)	-	31,204,906
Business-Type activities capital assets, net	$ 34,718,995	$ -	$ 66,257	$ -	$ 34,785,252

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	$ 25,054
Public safety	157,225
Community development	529,270
Culture and recreation	297,583
Public ways and facilities	1,956
Total Depreciation Expense - Governmental Functions	$ 1,011,088

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

Water	$ 334,091
Sewer	1,108,449
Total Depreciation Expense - Business-Type Functions	$ 1,442,540

Note 4: Capital Assets (Continued)

Construction in Progress

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

	Balance
Governmental Activities:	
Parks and Recreation:	
Rec Trail Segment 4	$ 95,614
City Signs	113,911
Total Parks and Recreation	209,525
Streets & Roads:	
Underground Utility	1,053,657
Pennington Road Project	130,216
Total Streets & Roads	1,183,873
Total Governmental Activities	$ 1,393,398
Business-type Activities:	
Water Enterprise:	
Well #7	$ 2,950,448
Sewer Enterprise:	
Dewatering project	376,920
Security gate	11,261
P St. Lift Station	8,476
Total Sewer Enterprise	396,657
Total Business-type Activities	$ 3,347,105

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 balance of $45,000 due to the Capital Improvement Project Fund from the other governmental funds is not scheduled to be collected in the subsequent year. The following are due to and due from balances as of June 30, 2020:

Due from other funds	Due to other funds	Amount
General Fund	Other Governmental Funds	$ 665,980
General Fund	Capital Improvement Project	188,407
General Fund	16-HOME-11532	9,102
General Fund	Water	2,204
Capital Improvement Project	Other Governmental Funds	45,000
		$ 910,693

Note 5: Interfund Transactions (Continued)

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2020:

Transfers In	Transfer Out	Amount
Capital Improvement Project	Other Governmental Funds	41,023
Other Governmental Funds	Capital Improvement Project	33,412
		$ 74,435

Additionally, a transfer of capital assets was made by governmental activities to business-type activities in the amount of $1,417,165.

Note 6: Loans Receivable

At June 30, 2020, the City had the following loans receivable, including principal and accrued interest:

	Governmental Activities		
Loan Type	Principal	Interest	Total
CDBG Housing Rehab	$ 460,976	$ 112,567	$ 573,543
CDBG First Time Home Buyer	474,000	220,133	694,133
CDBG Public Improvements	680,800	-	680,800
EDBG Business Assistance	31,073	9	31,083
HOME Owner Occupied Rehab	1,458,161	126,531	1,584,692
HOME First Time Home Buyer	187,275	81,161	268,436
HOME Housing New Construction	12,000,000	1,053,298	13,053,298
HOME Program Income First Time Home Buyer	131,000	55,530	186,530
HOME Program Income Owner Occupied Rehab	55,483	14,261	69,744
City Loan First Time Home Buyer	75,000	28,658	103,658
Impact Fees Housing New Construction	667,349	38,615	705,964
Total	$ 16,221,117	$ 1,730,763	$ 17,951,880

A total of $17,951,880 was recorded as loans receivable at June 30, 2020. These represent low interest notes principal portion to finance multi-family and single-family construction and rehabilitation projects, home buyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with interest rates at 0.00 to 5.00 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of $17,951,880 have been established in the Governmental Funds Balance Sheet for the housing and business loan principal and interest payments.

Note 7: Long-Term Liabilities

Debt Service Requirements

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020:

Type of Indebtedness	Balance June 30, 2019	Retirements	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities				
Direct Borrowings:				
City of Yuba City Loan	$ 264,413	$ (52,883)	$ 211,530	$ 52,882
Capital Lease: Fire engine	479,331	(73,050)	406,281	75,658
Total Governmental Activities	$ 743,744	$ (125,933)	$ 617,811	$ 128,540
Business-Type Activities				
Direct Borrowings and Private Placements:				
State Department of Water Resources revolving fund loan	$ 4,786,095	$ (186,112)	$ 4,599,983	$ 187,972
Certificates of Participation	1,850,000	(70,000)	1,780,000	70,000
Total Business-Type Activities	$ 6,636,095	$ (256,112)	$ 6,379,983	$ 257,972

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

Note 7: Long-Term Liabilities (Continued)

Individual issues of debt payable outstanding at June 30, 2020, are as follows:

Governmental Activities		
Direct borrowing loan:		
City of Yuba City loan dated, August 2012 in the amount of $528,825, payable in semi-annual installments of $26,156 to $26,728 with an interest rate of 0.228% and a maturity of September 1, 2023. The loan was used to provide funding to the Sutter Animal Services Authority. In the event of default, the City will forfeit all rights and interest in the Animal Control Facility.	$	211,530
Total Loans		211,530
Direct borrowing capital lease:		
The City entered into a lease purchase agreement with US Bancorp Government Leasing and Finance Inc. in January 2018. Using the lease proceeds, the City purchased a fire engine from Ferrara Rev Group for $549,863. The fire engine was delivered to the City in September 2018 and went into service at that time. The lease arrangement goes out seven years at an interest rate of 3.57% with annual payments commencing in January 2019. The lease is an obligation of the City's General Fund and is accounted for as a long term general liability of the City.		406,281
Total Capital Leases		406,281
Total Governmental Activities	$	617,811
Business-Type Activities		
Direct borrowing loan:		
State Department of Water Resources loan, dated February 26, 2010 in the amount of $6,040,511, payable in annual installments of $175,812 to $231,656 with an interest rate of 1.00% and maturity of June 30, 2042. The loan was used to finance wastewater treatment plant upgrade project.	$	4,599,983
Total Loans		4,599,983
Private Placement Certificates of Participation:		
2003 Certificates of Participation, dated January 1, 2004 in the amount of $1,269,025, payable in annual installments of $30,000 to $39,025 with an interest rate of 4.25% and maturity of July 1, 2043. The certificates were used to finance a wastewater improvement project. The certificates are backed by a pledge of net revenues of the wastewater fund.		780,000
2005 Certificates of Participation, dated January 1, 2006 in the amount of $1,441,000, payable in annual installments of $1,000 to $40,000 with an interest rate of 4.25% and maturity of July 1, 2044. The certificates were used to finance a water meter installation and improvement project. The certificates are backed by a pledge of net revenues of the water fund.		1,000,000
Total Certificates of Participation		1,780,000
Total Business-Type Activities	$	6,379,983

Note 7: Long-Term Liabilities (Continued)

As of June 30, 2020, the City was not in compliance with the rate covenant for their 2005 Water Fund COPs. The target coverage ratio of operating revenues to operating expenses is 110% and the City had a ratio of 85.81%.

The following are schedules of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt.

Governmental Activities

Year Ended June 30,	Loans		
	Principal	Interest	Total
2021	$ 52,882	$ 452	$ 53,334
2022	52,882	332	53,214
2023	52,882	211	53,093
2024	52,884	90	52,974
Total	$ 211,530	$ 1,085	$ 212,615

Year Ended June 30,	Fire Engine		
	Principal	Interest	Total
2021	$ 75,658	$ 14,504	$ 90,162
2022	78,359	11,803	90,162
2023	81,156	9,006	90,162
2024	84,054	6,109	90,163
2025	87,054	3,108	90,162
Total	$ 406,281	$ 44,530	$ 450,811

Business-Type Activities

Year Ended June 30,	Loans		
	Principal	Interest	Total
2021	$ 187,972	$ 45,999	$ 233,971
2022	189,852	44,120	233,972
2023	191,750	42,222	233,972
2024	193,668	40,304	233,972
2025	195,604	38,367	233,971
2026-2030	1,007,756	162,102	1,169,858
2031-2035	1,059,165	110,696	1,169,861
2036-2040	1,113,193	56,668	1,169,861
2041-2042	461,023	6,926	467,949
Total	$ 4,599,983	$ 547,404	$ 5,147,387

Note 7: Long-Term Liabilities (Continued)

Business-Type Activities

Year Ended June 30,	Certificates of Participation		
	Principal	Interest	Total
2021	$ 70,000	$ 74,163	$ 144,163
2022	70,000	71,188	141,188
2023	70,000	68,213	138,213
2024	70,000	65,238	135,238
2025	73,000	62,199	135,199
2026-2030	365,000	264,456	629,456
2031-2035	365,000	186,894	551,894
2036-2040	365,000	109,331	474,331
2041-2045	332,000	32,470	364,470
Total	$ 1,780,000	$ 934,152	$ 2,714,152

Note 8: Compensated absences

A summary of the changes in compensated absences for the year ended June 30, 2020 is as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due in One Year
Governmental Activities	$ 56,090	$ 46,759	$ 25,699	$ 77,150	$ 24,432
Business-Type activities	55,700	41,007	18,258	78,449	49,242
Total Primary Government	$ 111,790	$ 87,766	$ 43,957	$ 155,599	$ 73,674

Note 9: Fund Balances

The fund balances for all major and non-major governmental funds as of June 30, 2020, were distributed as follows:

	General	Program Income	16-HOME-11532	Capital Improvement Project	Other Governmental Funds	Total
Nonspendable:						
Prepaid costs	$ 10,659	$ -	$ -	$ -	$ 15,402	26,061
Subtotal	10,659	-	-	-	15,402	26,061
Restricted For:						
Developer Deposits	-	-	-	-	3,220	3,220
Street maintenance and construction	-	-	-	-	525,121	525,121
Law enforcement services	-	-	-	-	246,669	246,669
Sidewalk improvement	-	-	-	-	18,042	18,042
Street lighting	-	-	-	-	123,552	123,552
Mello Roos	-	-	-	-	279,484	279,484
Fire protection services	-	-	-	-	15,178	15,178
Impact fees	-	-	-	-	1,287,557	1,287,557
Storm drain connection fees	-	-	-	-	38,559	38,559
Community development	-	143,322	-	-	6,962	150,284
Transportation	-	-	-	-	1,197,430	1,197,430
Subtotal	-	143,322	-	-	3,741,774	3,885,096
Committed to:						
General reserve	866,300	-	-	-	-	866,300
City/County major fire	24,826	-	-	-	-	24,826
Equipment replacement	106,916	-	-	-	-	106,916
Info technology	106,914	-	-	-	-	106,914
PERS retirement	330,559	-	-	-	-	330,559
Health insurance	284,111	-	-	-	-	284,111
OPEB	189,080	-	-	-	-	189,080
Capital facilities	696,185	-	-	-	-	696,185
Subtotal	2,604,891	-	-	-	-	2,604,891
Unassigned	1,846,855	-	(9,102)	(230,300)	(716,124)	891,329
Totals	$ 4,462,405	$ 143,322	$ (9,102)	$ (230,300)	$ 3,041,052	$ 7,407,377

Fund Balance Policy

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

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

Note 10: Pension Plan

a. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City of Live Oak Miscellaneous cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

At the measurement date, the City had 15 employees participating in the Miscellaneous "Classic" Plan and 11 employees participating in the Miscellaneous PEPRA Plan.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at the measurement date, are summarized as follows:

	Miscellaneous Rate Plan	PEPRA Miscellaneous Rate Plan
Hire date	Prior to January 1, 2013*	On or after January 1, 2013
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	2.000% - 2.700%	1.000% - 2.500%
Required employee contribution rates	8.000%	6.250%
Required normal employer contribution rates	12.212%	6.842%
Required employer payment of unfunded liability	$151,922	$1,369

*Closed to new member entrants

Note 10: Pension Plan (Continued)

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

In regard to the "Classic" Plan employees, 7 of them were employed by the City prior to 2014 and the City pays the employee portion of the contributions for these individuals as of the balance sheet date.

The contributions that will be recognized as a reduction to the net pension liability for each plan in fiscal year 2021 are $310,939.

b. Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, the City reported a liability of $1,837,496 for its proportionate share of the net pension liability of the Plan. The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Miscellaneous risk pool rate plan was 0.04589%, which was a decrease of 0.00028% from its proportion measured as of June 30, 2018.

Note 10: Pension Plan (Continued)

For the year ended June 30, 2020, the City recognized pension expense of $453,012. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	$ 310,939	$ -
Changes in assumptions	87,620	31,061
Difference between expected and actual experiences	127,622	9,888
Differences between actual contributions and the proportionate share of contributions	21,698	66,504
Net difference between projected and actual earnings on pension plan investments	-	32,125
Adjustment due to difference in proportions	53,921	-
Total	$ 601,800	$ 139,578

$310,939 reported as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	Deferred Outflows/(Inflows)
2020	$ 158,818
2021	(25,042)
2022	11,015
2023	6,492
	$ 151,283

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2019, (the measurement date), the total pension liability was determined by rolling forward the June 30, 2018, total pension liability. The June 30, 2018 and the June 30, 2019, total pension liabilities were based on the following actuarial methods and assumptions:

Note 10: Pension Plan (Continued)

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50 % thereafter

The mortality table used in the June 30, 2018 valuation was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website at: https://www.calpers.ca.gov/docs/forms-publications/calpers-experience-study-2017.pdf

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

Long-term Expected Rate of Return

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

Note 10: Pension Plan (Continued)

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	0%	(0.92)
	100%		

(1) An expected inflation of 2.00% used for this period.
(2) An expected inflation of 2.92% used for this period.

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
$ 2,814,017	$ 1,837,496	$ 1,031,447

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Note 11: Other Post-Employment Benefits (OPEB)

Plan Description

The City contributes to California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit postemployment healthcare plan administrator ("the Retiree Health Plan"). An employee is eligible for lifetime medical benefits under the Plan, along with his/her spouse at the time of retirement, if he or she retires from the City under CalPERS. The retiree receives a benefit of $128 per month from the City. Payments cease at age 65 when the retiree is eligible for Medicare.

Employees Covered

As of the June 30, 2019 actuarial valuation, the following current and former employees were covered by the benefit terms under the Retiree Health Plan:

Active		24
Inactive employees or beneficiaries currently receiving benefits		6
Inactive employees entitled to, but not yet receiving benefits		7
	Total	37

Contributions

The Retiree Health Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. The City's contributions were $10,991 for the fiscal year, which will be recognized as an increase to the net OPEB asset.

Note 11: Other Post-Employment Benefits (OPEB) (Continued)

Net OPEB Asset

The City's net OPEB asset was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation dated June 30, 2019 to determine the June 30, 2019 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Assumptions	
Contribution Policy	Pre-funded through CERBT with Strategy 1 asset allocation
Discount Rate and Long-Term Rate of Return on Investments	6.75% at June 30, 2019 6.75% at June 30, 2018 Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust.
General Inflation	2.75% per annum
Mortality, Retirement, Disability, Terminations	CalPERS 1997-2015 Experience Study.
Mortality Improvement	Mortality projected fully generational with Scale MP-19
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years
Municipal Bond Rate	N/A
Participation at Retirement	50% if active medical coverage 0% if waived

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return
Global Equity	59.00%	4.82%
Fixed Income	25.00%	1.47%
TIPS	5.00%	1.29%
Commodities	3.00%	0.84%
REITs	8.00%	3.76%
Total	100.00%	

Note 11: Other Post-Employment Benefits (OPEB) (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Asset

The changes in the net OPEB asset for the Retiree Health Plan are as follows:

	Increase(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Balance at June 30, 2019 (measurement date 6/30/2018)	$ 280,939	$ 396,087	$ (115,148)
Changes recognized over the measurement period:			
Service Cost	24,941	-	24,941
Actual vs. expected experience	(4,689)	-	(4,689)
Assumption changes	(1,549)	-	(1,549)
Interest	20,010	-	20,010
Contributions - employer	-	18,875	(18,875)
Net investment income	-	24,440	(24,440)
Benefit payments	(18,875)	(18,875)	-
Adminstrative expenses	-	(85)	85
Net Changes	19,838	24,355	(4,517)
Balance at June 30, 2020 (measurement date 06/30/2019)	$ 300,777	$ 420,442	$ (119,665)

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

The following presents the net OPEB asset of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Asset	$ (79,431)	$ (119,665)	$ (152,795)

Note 11: Other Post-Employment Benefits (OPEB) (Continued)

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

The following presents the net OPEB asset of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease	Current Healthcare Cost Trent Rates	1% Increase
Net OPEB Asset	$ (156,814)	$ (119,665)	$ (73,731)

OPEB Plan Fiduciary Net Position

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

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

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of $14,657 As of fiscal year ended June 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 10,991	$ -
Net difference between projected and actual earnings on OPEB plan investments	-	5,911
Changes in assumptions	-	1,381
Differences between expected and actual experience	-	4,179
Total	$ 10,991	$ 11,471

The $10,991 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as an increase to the net OPEB asset during the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows)
2021	$ (3,646)
2022	(3,647)
2023	(1,109)
2024	(221)
2025	(678)
Thereafter	(2,170)
	$ (11,471)

Note 12: 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.

Note 13: Redevelopment Successor Agency and City Note Receivable

The City of Live Oak established the Live Oak Redevelopment Agency and its only project area in 2006. The City and Redevelopment Agency entered into a cooperation agreement whereby the Agency intends to reimburse the City for costs associated to the formation of the Agency and its project area. The City incurred $356,849 of formation costs and the cooperation agreement called for the amount to be reimbursed over a 10-year term with a 3 percent simple interest rate. Repayment was to be made from future redevelopment tax increment revenues.

In 2008 the City and surrounding region experienced a significant downturn in property values and the project area did not produce any tax increment revenue for the next three years. Therefore, no payments were made by the Redevelopment Agency to the City in that time frame. Due to the lack of tax increment, the Redevelopment Agency did not incur any further expenses on redevelopment functions other than meeting the ordinary compliance requirements.

In June 2011 the State of California passed legislation dissolving all redevelopment agencies including the Live Oak Redevelopment Agency. The State dissolution action was re-affirmed by the State Supreme Court in January 2012 resulting in the termination of all redevelopment activities and the dissolving of the Live Oak Redevelopment Agency. Upon its dissolution, the Redevelopment Agency had no assets and one liability (the City cooperation agreement).

The State dissolution action created the Live Oak Successor Agency whose sole purpose was to manage and/or resolve all redevelopment related assets and debts until 2017, at which time a County-wide entity will inherit such duties from that time forward. Recent processing and approval of the Successor Agency's "Recognized Obligation Payment Schedule" ("ROPS") indicates an amount of $440,330 (includes interest charges) for the outstanding amount for the City cooperation agreement and $7,500 for administrative costs. The City accounts for the activities of the Successor Agency as a Private-Purpose Trust Fund. The Successor Agency fund recorded a liability due to other government agencies of $447,830 as an amount due to the City of Live Oak as of June 30, 2015. The Successor Agency Trust also recorded a special item - reinstatement of loan payable in the same amount.

Note 13: Redevelopment Successor Agency and City Note Receivable (Continued)

In fiscal year 2014-15, the City's General Fund recorded an asset for the receivable and related revenue in the amount of $447,830 as an amount due from the Successor Agency Trust for the cooperation agreement associated with the formation costs. The General fund also recorded a special item - reinstatement of loan receivable in the same amount. This loan receivable is shown as a nonspendable in the fund balance of the General fund since the City expects the amount to be paid back over several years by the Successor Agency.

However, in November 2015, the State of California Department of Finance informed the City and its Redevelopment Successor Agency of its intention to dissolve the Successor Agency. Recently amended statutes indicate that any Successor Agency that has not been allocated property tax revenue prior to February 1, 2012, the Agency shall, no later than November 1, 2015 submit to the Oversight Board a request to formally dissolve the Agency.

The Agency received its first increment in August 2015, however, detail from the Sutter County Auditor-Controller indicates amounts provided to the Live Oak Redevelopment Successor Agency include apportionments of monies from prior years including money prior to February 1, 2012.

The action to dissolve the Successor Agency is still considered to be in dispute by the City. However, there is a significant probability that the City may not be able to reverse the State's action to dissolve the Successor Agency. Therefore, the City has chosen to restate the receivable to zero as of the balance sheet date.

Note 14: Other Information

a. Commitments

The following material construction commitments existed at June 30, 2020:

Project Name	Contract Amount	Expenditures to date as of June 30, 2020	Remaining Commitments
Prop 84 Well #7	$ 2,388,798	$ 1,466,815	$ 921,983
Pennington Rd East Rehab, 13-CDBG	1,173,718	729,348	444,370

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.

Note 14: Other Information (Continued)

b. Development Agreements

KB Homes Development Agreement

In July 2017, the City of Live Oak and KB Homes agreed upon various arrangements for the prospective development. The 2017 agreement with KB Homes resolved previous reimbursement arrangements stemming from KB Homes incurring the costs of building the City's largest water storage facility in 2012. The 2017 agreement provides that the City not assess its water connection, sewer connection fees and general development impact fees upon the 97 prospective single family homes to be built by KB Homes in Pennington Ranch Phase IV. As of June 30, 2020, there are no financial effects upon the City stemming from the development arrangements with KB Homes.

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

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

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

At the end of each fiscal year, the City calculates the amount of sales tax due to the County based upon the agreed upon development arrangements. The sales taxes subject to the development arrangements are accounted for in the City's general Fund. As of June 30, 2020, the City recorded a liability of zero of sales tax due to the County of Sutter.

As of June 30, 2020, there are no financial effects upon the City stemming from the development arrangements with the County of Sutter other than the aforementioned amounts.

Note 14: Other Information (Continued)

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

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

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

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

	Principal	Interest	Total
Acquisition Note	$ 293,000	$ 31,988	$ 324,988
Development Impact Fee Note (drainage)	94,349	10,458	104,807
Development Impact Fee Note (fire facilities)	280,000	31,037	311,037
Total	$ 667,349	$ 73,483	$ 740,832

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

Note 15: Subsequent Events

On March 27, 2020, in response to the economic fallout of the Coronavirus pandemic in the United States, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, which provided $2.2 trillion in economic stimulus funding through a variety of channels. The State of California received a $500 million allocation to provide cities which did not receive a direct federal allocation through the CARES Act. The City entered into an agreement with the State of California in July 2020 to receive their allocation of the CARES Act funding. The funding is to be received in 6 monthly installments of $18,932, with the first installment received by the City in August 2020. The total amount of CARES Act funding to be received by the City is $113,592. This funding was for the reimbursement of costs incurred by the City since the start of the pandemic.

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 4,670,321	$ 4,670,321	$ 4,670,321	$ -
Resources (Inflows):				
Taxes	2,430,100	2,430,100	2,526,802	96,702
Licenses and permits	231,100	231,100	270,020	38,920
Intergovernmental	54,800	54,800	7,510	(47,290)
Charges for services	100,500	100,500	61,316	(39,184)
Use of money and property	116,200	116,200	171,294	55,094
Other revenue	933,900	933,900	295,529	(638,371)
Amounts Available for Appropriations	**8,536,921**	**8,536,921**	**8,002,792**	**(534,129)**
Charges to Appropriation (Outflow):				
General government				
City Council	102,200	102,200	95,173	7,027
Adminstrative Services	256,200	256,200	321,997	(65,797)
Finance Services	268,100	268,100	221,326	46,774
City Attorney	65,400	65,400	56,637	8,763
Public safety				
Building Inspection	167,800	167,800	184,870	(17,070)
Police Services	735,200	735,200	921,044	(185,844)
Animal Control Services	45,900	45,900	46,332	(432)
Fire Services	546,300	546,300	492,927	53,373
Community development				
Community Development	355,300	355,300	234,200	121,100
Economic Development	527,800	527,800	13,074	514,726
Culture and recreation				
Park Operations	339,800	339,800	306,272	33,528
Recreation Services	319,600	319,600	267,639	51,961
Pool Operations	100,700	100,700	73,656	27,044
Facility Maintainence	55,400	55,400	104,347	(48,947)
Community Center	-	-	5,442	(5,442)
Public ways and facilities				
Engineering	16,700	16,700	25,476	(8,776)
Capital outlay	5,000	5,000	22,110	(17,110)
Debt service:				
Principal retirement	125,950	125,950	125,933	17
Interest and fiscal charges	18,112	18,112	21,932	(3,820)
Total Charges to Appropriations	**4,051,462**	**4,051,462**	**3,540,387**	**511,075**
Budgetary Fund Balance, June 30	**$ 4,485,459**	**$ 4,485,459**	**$ 4,462,405**	**$ (23,054)**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PROGRAM INCOME
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 427,927	$ 427,927	$ 427,927	$ -
Resources (Inflows):				
Intergovernmental	107,000	107,000	38,053	(68,947)
Use of money and property	1,000	1,000	14,589	13,589
Amounts Available for Appropriations	**535,927**	**535,927**	**480,569**	**(55,358)**
Charges to Appropriation (Outflows):				
Community development	413,000	413,000	337,247	75,753
Total Charges to Appropriations	**413,000**	**413,000**	**337,247**	**75,753**
Budgetary Fund Balance, June 30	**$ 122,927**	**$ 122,927**	**$ 143,322**	**$ 20,395**

See Notes to Required Supplementary Information

CITY OF LIVE OAK
COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2020

	2015	2016	2017	2018	2019	2020
Miscellaneous Plan						
Plan's Proportion of the Net Pension Liability	0.01965%	0.05069%	0.04705%	0.04629%	0.04617%	0.04589%
Plan's Proportionate Share of the Net Pension Liability	$ 1,222,792	$ 1,390,791	$ 1,634,430	$ 1,824,719	$ 1,739,893	$ 1,837,496
Plan's Covered Payroll	$ 1,126,901	$ 961,817	$ 1,091,598	$ 1,108,151	$ 1,152,712	$ 911,603
Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	108.51%	144.60%	149.73%	164.66%	150.94%	201.57%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%	75.26%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2020, there were no changes. In 2019, demographic assumptions and inflation rates were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2018, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2017, there were no changes. In 2016, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.)

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

CITY OF LIVE OAK
COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, 2020

	2015	2016	2017	2018	2019	2020
Miscellaneous Plan						
Actuarially Determined Contribution	$ 212,735	$ 219,352	$ 234,653	$ 246,864	$ 242,734	$ 310,939
Contribution in Relation to the Actuarially Determined Contribution	(212,735)	(219,352)	(234,653)	(246,864)	(242,734)	(310,939)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 961,817	$ 1,091,598	$ 1,108,151	$ 1,152,712	$ 911,603	$ 1,330,269
Contributions as a Percentage of Covered-Employee Payroll	22.12%	20.09%	21.18%	21.42%	26.63%	23.37%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

Note to Schedule:

Valuation Date:	June 30, 2017
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method
Amortization method/period	Level percentage of pay
Inflation	2.63%
Investment rate of return	7.00% (net of pension plan investment and administrative expenses, includes inflation)
Other Methods and assumptions:	Details of other methods and assumptions can be found within Section 2 of the Actuarial Valuation for June 30, 2017, located at www.calpers.ca.gov under Forms & Publications.

CITY OF LIVE OAK

SCHEDULE OF CHANGES IN THE NET OPEB ASSET AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019	2020
Total OPEB Liability			
Service cost	$ 23,510	$ 24,215	$ 24,941
Interest on the total OPEB liability	16,459	18,226	20,010
Actual and expected experience difference	-	-	(4,689)
Changes in assumptions	-	-	(1,549)
Benefit payments	(14,428)	(14,578)	(18,875)
Net change in total OPEB liability	**25,541**	**27,863**	**19,838**
Total OPEB liability - beginning	**227,535**	**253,076**	**280,939**
Total OPEB liability - ending (a)	**$ 253,076**	**$ 280,939**	**$ 300,777**
Plan Fiduciary Net Position			
Contribution - employer	$ 14,428	$ 14,578	$ 18,875
Net investment income	35,119	29,243	24,440
Benefit payments	(14,428)	(14,578)	(18,875)
Administrative expense	(178)	(682)	(85)
Net change in plan fiduciary net position	**34,941**	**28,561**	**24,355**
Plan fiduciary net position - beginning	**332,585**	**367,526**	**396,087**
Plan fiduciary net position - ending (b)	**$ 367,526**	**$ 396,087**	**$ 420,442**
Net OPEB (Assets) - ending (a) - (b)	**$ (114,450)**	**$ (115,148)**	**$ (119,665)**
Plan fiduciary net position as a percentage of the total OPEB liability	145.22%	140.99%	139.79%
Covered-employee payroll	$ 1,011,920	$ 1,200,174	$ 913,598
Net OPEB asset as a percentage of covered-employee payroll	-11.31%	-9.59%	-13.10%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation, therefore only three years are shown.

Notes to Schedule: None.

Changes in assumptions: Post-retirement mortality improvement scale was updated to Scale MP-2019.

CITY OF LIVE OAK

SCHEDULE OF OPEB CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019	2020
Actuarially Determined Contribution	$ 32,072	$ 18,498	$ 19,094
Contribution in Relation to the Actuarially Determined Contributions	(14,578)	(18,875)	(10,991)
Contribution Deficiency (Excess)	$ 17,494	$ (377)	$ 8,103
Covered-employee payroll	$ 1,200,174	$ 913,598	$ 1,330,269
Contributions as a percentage of covered-employee payroll	1.21%	2.07%	0.83%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation, therefore only three years are shown.

Notes to Schedule:

*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2019 were from the June 30, 2017 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of payroll over a closed rolling 20-year period
Asset Valuation Method	Market value
Inflation	2.75%
Discount Rate	6.75%
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Post-retirement mortality projected fully generation with Scale MP-2019

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020

Note 1: Budgetary Basis of Accounting

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

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

(1) In May of each year, the Finance Department is to submit to the City Council a recommended operating budget for the fiscal year commencing the following July 1. The operating budget includes recommended expenditures and estimated revenues.

(2) Public hearings are to be conducted at City Hall to obtain taxpayer comments. Generally by the first of July, after adjustment as appropriate by the City Council, the budget is to be legally enacted through council motion.

(3) Council approval is required for transfers between funds, or for an increase in total appropriations. Therefore, the level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis (General Government, Public Safety, etc.).

(4) All unused appropriations for budgeted amounts lapse at the end of the year.

Annual appropriated budgets are not adopted for certain funds established to meet or satisfy a specific purpose. For the fiscal year ended June 30, 2020, the following funds did not have annual appropriated budgets.

14-HOME-9274
Developer Deposits
State Grant Fund
11-HOME-7661
16-HOME-11532
16-HOME-11380
17-CDBG-12011
CDBG PI Waiver Water Main

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

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:

14-HOME-9274

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

Developer Deposits

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

Streets and Roads

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

Traffic Safety

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

COPS

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

Sidewalk 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 Community Facilities District (CFD) 2004-1.

Mello Roos CFD 92-1

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

Fire Benefit Assessment

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

Mello Roos CFD 2004-1 Fire

This fund is used to account for special assessment revenue received for the purposes of 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/crop yard facilities and equipment.

General Government Impact Fees

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

Police Impact Fees

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

Fire Impact Fees

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

Signal Impact Fees

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

Flood Control Impact Fees

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

State Grant

This fund is used to account for revenues and expenditures related to state grants.

Storm Drain Connection Fees

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

13-CDBG-8933 Skate Park

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

11-HOME-7661

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

Transportation

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

16-HOME-11380

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

17-CDBG-12011

This fund is used to account for the CDBG grant from HCD for the design and construction of the Well 7 Completion project.

CDBG PI Waiver Water Main

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

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	14-HOME-9274	Developer Deposits	Streets and Roads	Traffic Safety
Assets:				
Cash and investments	$ -	$ 184,919	$ 510,298	$ 6,390
Receivables:				
Notes and loans	-	-	-	-
Interest	-	408	1,140	14
Prepaid items	-	-	300	-
Due from other governments	-	-	31,680	409
Total Assets	**$ -**	**$ 185,327**	**$ 543,418**	**$ 6,813**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ 14,703	$ -
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	3,594	-
Unearned revenues	-	-	-	-
Deposits payable	-	182,107	-	-
Due to other funds	3,945	-	-	-
Total Liabilities	**3,945**	**182,107**	**18,297**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	300	-
Restricted	-	3,220	524,821	6,813
Unassigned	(3,945)	-	-	-
Total Fund Balances	**(3,945)**	**3,220**	**525,121**	**6,813**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ -**	**$ 185,327**	**$ 543,418**	**$ 6,813**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020 **(CONTINUED)**

	Special Revenue Funds			
	COPS	Sidewalk Improvement	Street Lighting	Mello Roos CFD 92-1
Assets:				
Cash and investments	$ 384,188	$ 18,002	$ 127,949	$ 122,115
Receivables:				
Notes and loans	-	-	-	-
Interest	916	40	255	424
Prepaid items	-	-	-	1,581
Due from other governments	225	-	2,782	2,812
Total Assets	**$ 385,329**	**$ 18,042**	**$ 130,986**	**$ 126,932**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 41,964	$ -	$ 7,434	$ 1,795
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	-	-
Unearned revenues	103,509	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	45,000
Total Liabilities	**145,473**	**-**	**7,434**	**46,795**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	1,581
Restricted	239,856	18,042	123,552	78,556
Unassigned	-	-	-	-
Total Fund Balances	**239,856**	**18,042**	**123,552**	**80,137**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 385,329**	**$ 18,042**	**$ 130,986**	**$ 126,932**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Fire Benefit Assessment	Mello Roos CFD 2004-1 Fire	Mello Roos CFD 2004-1 Police	Mello Roos CFD 2004-1 Animal Services
Assets:				
Cash and investments	$ 10,490	$ 7,747	$ 23,431	$ 1,302
Receivables:				
Notes and loans	-	-	-	-
Interest	204	150	406	25
Prepaid items	-	-	2,579	-
Due from other governments	4,484	920	2,496	145
Total Assets	**$ 15,178**	**$ 8,817**	**$ 28,912**	**$ 1,472**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ 2,779	$ -
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**-**	**2,779**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	2,579	-
Restricted	15,178	8,817	23,554	1,472
Unassigned	-	-	-	-
Total Fund Balances	**15,178**	**8,817**	**26,133**	**1,472**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 15,178**	**$ 8,817**	**$ 28,912**	**$ 1,472**

	Special Revenue Funds			
	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
Assets:				
Cash and investments	$ -	$ 25,288	$ 138,227	$ 157,144
Receivables:				
Notes and loans	-	-	-	-
Interest	-	186	293	339
Prepaid items	-	-	-	-
Due from other governments	150	-	-	-
Total Assets	**$ 150**	**$ 25,474**	**$ 138,520**	**$ 157,483**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 4,305	$ 890	$ 181	$ -
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	17,068	-	-	-
Total Liabilities	**21,373**	**890**	**181**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	24,584	138,339	157,483
Unassigned	(21,223)	-	-	-
Total Fund Balances	**(21,223)**	**24,584**	**138,339**	**157,483**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 150**	**$ 25,474**	**$ 138,520**	**$ 157,483**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Assets:				
Cash and investments	$ 237,446	$ 31,982	$ 370,541	$ 174,456
Receivables:				
Notes and loans	-	-	-	-
Interest	522	69	815	383
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 237,968**	**$ 32,051**	**$ 371,356**	**$ 174,839**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**-**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	237,968	32,051	371,356	174,839
Unassigned	-	-	-	-
Total Fund Balances	**237,968**	**32,051**	**371,356**	**174,839**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 237,968**	**$ 32,051**	**$ 371,356**	**$ 174,839**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020 (CONTINUED)

	Special Revenue Funds			
	Fire Impact Fees	Signal Impact Fees	Flood Control Impact Fees	State Grant Fund
Assets:				
Cash and investments	$ 150,238	$ 160,857	$ 2,086	$ 237,114
Receivables:				
Notes and loans	296,202	-	-	-
Interest	328	348	5	-
Prepaid items	-	-	-	10,942
Due from other governments	-	-	-	205,555
Total Assets	**$ 446,768**	**$ 161,205**	**$ 2,091**	**$ 453,611**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 149,878
Retention payable	-	-	-	82,661
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**-**	**-**	**232,539**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	205,555
Deferred loan payments	296,202	-	-	-
Total Deferred Inflows of Resources	**296,202**	**-**	**-**	**205,555**
Fund Balances:				
Nonspendable	-	-	-	10,942
Restricted	150,566	161,205	2,091	4,575
Unassigned	-	-	-	-
Total Fund Balances	**150,566**	**161,205**	**2,091**	**15,517**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 446,768**	**$ 161,205**	**$ 2,091**	**$ 453,611**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Storm Drain Connection Fees	13-CDBG-8933 Skate Park	11-HOME-7661	Transportation
Assets:				
Cash and investments	$ 38,483	$ -	$ 6,847	$ 781,128
Receivables:				
Notes and loans	409,762	-	-	-
Interest	76	-	-	1,809
Prepaid items	-	-	-	-
Due from other governments	-	-	-	420,827
Total Assets	**$ 448,321**	**$ -**	**$ 6,847**	**$ 1,203,764**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 6,334
Retention payable	-	-	-	-
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	430,713	-	-
Total Liabilities	**-**	**430,713**	**-**	**6,334**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	409,762	-	-	-
Total Deferred Inflows of Resources	**409,762**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	38,559	-	6,847	1,197,430
Unassigned	-	(430,713)	-	-
Total Fund Balances	**38,559**	**(430,713)**	**6,847**	**1,197,430**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 448,321**	**$ -**	**$ 6,847**	**$ 1,203,764**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	16-HOME-11380	17-CDBG-12011	CDBG PI Waiver Water Main	Total Governmental Funds
Assets:				
Cash and investments	$ -	$ -	$ -	$ 3,908,668
Receivables:				
Notes and loans	20,713	-	-	726,677
Interest	-	-	-	9,155
Prepaid items	-	-	-	15,402
Due from other governments	31,062	-	-	703,547
Total Assets	**$ 51,775**	**$ -**	**$ -**	**$ 5,363,449**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ 5,220	$ 235,483
Retention payable	-	-	41,182	123,843
Salaries and benefits payable	-	-	-	3,594
Unearned revenues	-	-	-	103,509
Deposits payable	-	-	-	182,107
Due to other funds	32,669	-	181,585	710,980
Total Liabilities	**32,669**	**-**	**227,987**	**1,359,516**
Deferred Inflows of Resources:				
Unavailable revenues	30,649	-	-	236,204
Deferred loan payments	20,713	-	-	726,677
Total Deferred Inflows of Resources	**51,362**	**-**	**-**	**962,881**
Fund Balances:				
Nonspendable	-	-	-	15,402
Restricted	-	-	-	3,741,774
Unassigned	(32,256)	-	(227,987)	(716,124)
Total Fund Balances	**(32,256)**	**-**	**(227,987)**	**3,041,052**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 51,775**	**$ -**	**$ -**	**$ 5,363,449**

CITY OF LIVE OAK

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds			
	14-HOME-9274	Developer Deposits	Streets and Roads	Traffic Safety
Revenues:				
Taxes and assessments	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	5,140
Use of money and property	-	(34)	7,179	73
Intergovernmental	-	-	330,287	-
Charges for services	-	-	6,673	-
Other revenue	-	-	22,169	-
Total Revenues	**-**	**(34)**	**366,308**	**5,213**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	243,066	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**-**	**-**	**243,066**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(34)	123,242	5,213
Other Financing Sources (Uses):				
Transfers in	-	-	33,412	-
Transfers out	-	-	(2,200)	-
Total Other Financing Sources (Uses)	**-**	**-**	**31,212**	**-**
Net Change in Fund Balances	-	(34)	154,454	5,213
Fund Balances, Beginning of Year	(3,945)	3,254	370,667	1,600
Fund Balances, End of Year	**$ (3,945)**	**$ 3,220**	**$ 525,121**	**$ 6,813**

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020** (CONTINUED)

	Special Revenue Funds			
	COPS	Sidewalk Improvement	Street Lighting	Mello Roos CFD 92-1
Revenues:				
Taxes and assessments	$ -	$ -	$ 54,959	$ 129,020
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	5,931	273	1,686	2,471
Intergovernmental	154,373	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	1,627	-
Total Revenues	**160,304**	**273**	**58,272**	**131,491**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	83,915	-	-	-
Public ways and facilities	-	-	50,682	-
Culture and recreation	-	-	-	-
Community development	-	-	-	145,557
Capital outlay	76,165	-	-	-
Total Expenditures	**160,080**	**-**	**50,682**	**145,557**
Excess (Deficiency) of Revenues Over (Under) Expenditures	224	273	7,590	(14,066)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	224	273	7,590	(14,066)
Fund Balances, Beginning of Year	239,632	17,769	115,962	94,203
Fund Balances, End of Year	**$ 239,856**	**$ 18,042**	**$ 123,552**	**$ 80,137**

CITY OF LIVE OAK

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds			
	Fire Benefit Assessment	Mello Roos CFD 2004-1 Fire	Mello Roos CFD 2004-1 Police	Mello Roos CFD 2004-1 Animal Services
Revenues:				
Taxes and assessments	$ 120,579	$ 106,881	$ 289,855	$ 16,845
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	732	459	1,252	78
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	**121,311**	**107,340**	**291,107**	**16,923**
Expenditures:				
Current:				
General government	-	95,754	-	-
Public safety	117,467	-	269,685	15,649
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**117,467**	**95,754**	**269,685**	**15,649**
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,844	11,586	21,422	1,274
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	3,844	11,586	21,422	1,274
Fund Balances, Beginning of Year	11,334	(2,769)	4,711	198
Fund Balances, End of Year	**$ 15,178**	**$ 8,817**	**$ 26,133**	**$ 1,472**

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020** (CONTINUED)

	Special Revenue Funds			
	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	$ 17,426	$ 131,298	$ 17,276	$ 112,353
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	580	1,943	1,860
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	**17,426**	**131,878**	**19,219**	**114,213**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	26,999	-	3,947	-
Culture and recreation	-	111,159	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**26,999**	**111,159**	**3,947**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,573)	20,719	15,272	114,213
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	(9,573)	20,719	15,272	114,213
Fund Balances, Beginning of Year	(11,650)	3,865	123,067	43,270
Fund Balances, End of Year	**$ (21,223)**	**$ 24,584**	**$ 138,339**	**$ 157,483**

CITY OF LIVE OAK

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Revenues:				
Taxes and assessments	$ 27,636	$ -	$ 35,847	$ 19,623
Licenses and permits	-	20,475	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	3,477	390	5,468	2,557
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	**31,113**	**20,865**	**41,315**	**22,180**
Expenditures:				
Current:				
General government	-	-	946	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**-**	**-**	**946**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,113	20,865	40,369	22,180
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	31,113	20,865	40,369	22,180
Fund Balances, Beginning of Year	206,855	11,186	330,987	152,659
Fund Balances, End of Year	**$ 237,968**	**$ 32,051**	**$ 371,356**	**$ 174,839**

CITY OF LIVE OAK

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020** **(CONTINUED)**

	Special Revenue Funds			
	Fire Impact Fees	**Signal Impact Fees**	**Flood Control Impact Fees**	**State Grant Fund**
Revenues:				
Taxes and assessments	$ 54,351	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	2,091	1,986	32	765
Intergovernmental	-	-	-	-
Charges for services	-	105,930	-	-
Other revenue	1,442	-	-	-
Total Revenues	**57,884**	**107,916**	**32**	**765**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	10,000	-	-	-
Public ways and facilities	-	-	-	558,357
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**10,000**	**-**	**-**	**558,357**
Excess (Deficiency) of Revenues Over (Under) Expenditures	47,884	107,916	32	(557,592)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	47,884	107,916	32	(557,592)
Fund Balances, Beginning of Year	102,682	53,289	2,059	573,109
Fund Balances, End of Year	**$ 150,566**	**$ 161,205**	**$ 2,091**	**$ 15,517**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Storm Drain Connection Fees	13-CDBG-8933 Skate Park	11-HOME-7661	Transportation
Revenues:				
Taxes and assessments	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	188	-	21	11,414
Intergovernmental	-	-	-	420,827
Charges for services	-	-	-	-
Other revenue	64,911	-	-	-
Total Revenues	**65,099**	**-**	**21**	**432,241**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	10,265
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**10,265**
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,099	-	21	421,976
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(38,823)
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**(38,823)**
Net Change in Fund Balances	65,099	-	21	383,153
Fund Balances, Beginning of Year	(26,540)	(430,713)	6,826	814,277
Fund Balances, End of Year	**$ 38,559**	**$ (430,713)**	**$ 6,847**	**$ 1,197,430**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	16-HOME-11380	17-CDBG-12011	CDBG PI Waiver Water Main	Total Governmental Funds
Revenues:				
Taxes and assessments	$ -	$ -	$ -	$ 1,133,949
Licenses and permits	-	-	-	20,475
Fines and forfeitures	-	-	-	5,140
Use of money and property	-	-	-	52,872
Intergovernmental	-	-	-	905,487
Charges for services	-	-	-	112,603
Other revenue	1,639	271	645,103	737,162
Total Revenues	**1,639**	**271**	**645,103**	**2,967,688**
Expenditures:				
Current:				
General government	-	-	-	96,700
Public safety	-	-	-	496,716
Public ways and facilities	-	-	-	893,316
Culture and recreation	-	-	-	111,159
Community development	30,628	271	873,090	1,049,546
Capital outlay	-	-	-	76,165
Total Expenditures	**30,628**	**271**	**873,090**	**2,723,602**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,989)	-	(227,987)	244,086
Other Financing Sources (Uses):				
Transfers in	-	-	-	33,412
Transfers out	-	-	-	(41,023)
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**(7,611)**
Net Change in Fund Balances	(28,989)	-	(227,987)	236,475
Fund Balances, Beginning of Year	(3,267)	-	-	2,804,577
Fund Balances, End of Year	**$ (32,256)**	**$ -**	**$ (227,987)**	**$ 3,041,052**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STREETS AND ROADS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 370,667	$ 370,667	$ 370,667	$ -
Resources (Inflows):				
Intergovernmental	368,700	368,700	330,287	(38,413)
Charges for services	8,000	8,000	6,673	(1,327)
Use of money and property	2,900	2,900	7,179	4,279
Other revenue	-	-	22,169	22,169
Transfers in	-	-	33,412	33,412
Amounts Available for Appropriations	**750,267**	**750,267**	**770,387**	**20,120**
Charges to Appropriation (Outflows):				
Public ways and facilities	370,100	370,100	243,066	127,034
Transfers out	-	-	2,200	(2,200)
Total Charges to Appropriations	**370,100**	**370,100**	**245,266**	**124,834**
Budgetary Fund Balance, June 30	**$ 380,167**	**$ 380,167**	**$ 525,121**	**$ 144,954**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,600	$ 1,600	$ 1,600	$ -
Resources (Inflows):				
Use of money and property	-	-	73	73
Fines and forfeitures	-	-	5,140	5,140
Amounts Available for Appropriations	**1,600**	**1,600**	**6,813**	**5,213**
Budgetary Fund Balance, June 30	**$ 1,600**	**$ 1,600**	**$ 6,813**	**$ 5,213**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
COPS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 239,632	$ 239,632	$ 239,632	$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	154,373	54,373
Use of money and property	3,500	3,500	5,931	2,431
Amounts Available for Appropriations	**343,132**	**343,132**	**399,936**	**56,804**
Charges to Appropriation (Outflows):				
Public safety	55,100	55,100	83,915	(28,815)
Capital outlay	108,000	108,000	76,165	31,835
Total Charges to Appropriations	**163,100**	**163,100**	**160,080**	**3,020**
Budgetary Fund Balance, June 30	**$ 180,032**	**$ 180,032**	**$ 239,856**	**$ 59,824**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
SIDEWALK IMPROVEMENT
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 17,769	$ 17,769	$ 17,769	$ -
Resources (Inflows):				
Use of money and property	300	300	273	(27)
Amounts Available for Appropriations	**18,069**	**18,069**	**18,042**	**(27)**
Charges to Appropriation (Outflows):				
Capital outlay	17,500	17,500	-	17,500
Total Charges to Appropriations	**17,500**	**17,500**	**-**	**17,500**
Budgetary Fund Balance, June 30	**$ 569**	**$ 569**	**$ 18,042**	**$ 17,473**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STREET LIGHTING
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 115,962	$ 115,962	$ 115,962	$ -
Resources (Inflows):				
Taxes and assessments	57,000	57,000	54,959	(2,041)
Use of money and property	1,000	1,000	1,686	686
Other revenue	1,800	1,800	1,627	(173)
Amounts Available for Appropriations	**175,762**	**175,762**	**174,234**	**(1,528)**
Charges to Appropriation (Outflows):				
Public ways and facilities	169,500	169,500	50,682	118,818
Total Charges to Appropriations	**169,500**	**169,500**	**50,682**	**118,818**
Budgetary Fund Balance, June 30	**$ 6,262**	**$ 6,262**	**$ 123,552**	**$ 117,290**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 92-1
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 94,203	$ 94,203	$ 94,203	$ -
Resources (Inflows):				
Taxes and assessments	134,000	134,000	129,020	(4,980)
Use of money and property	1,600	1,600	2,471	871
Amounts Available for Appropriations	**229,803**	**229,803**	**225,694**	**(4,109)**
Charges to Appropriation (Outflows):				
Community development	135,300	135,300	145,557	(10,257)
Total Charges to Appropriations	**135,300**	**135,300**	**145,557**	**(10,257)**
Budgetary Fund Balance, June 30	**$ 94,503**	**$ 94,503**	**$ 80,137**	**$ (14,366)**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FIRE BENEFIT ASSESSMENT
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 11,334	$ 11,334	$ 11,334	$ -
Resources (Inflows):				
Taxes and assessments	118,000	118,000	120,579	2,579
Use of money and property	-	-	732	732
Amounts Available for Appropriations	**129,334**	**129,334**	**132,645**	**3,311**
Charges to Appropriation (Outflows):				
Public safety	119,200	119,200	117,467	1,733
Total Charges to Appropriations	**119,200**	**119,200**	**117,467**	**1,733**
Budgetary Fund Balance, June 30	**$ 10,134**	**$ 10,134**	**$ 15,178**	**$ 5,044**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 FIRE
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (2,769)	$ (2,769)	$ (2,769)	$ -
Resources (Inflows):				
Taxes and assessments	97,000	97,000	106,881	9,881
Use of money and property	-	-	459	459
Amounts Available for Appropriations	**94,231**	**94,231**	**104,571**	**10,340**
Charges to Appropriation (Outflows):				
General government	98,300	98,300	95,754	2,546
Total Charges to Appropriations	**98,300**	**98,300**	**95,754**	**2,546**
Budgetary Fund Balance, June 30	**$ (4,069)**	**$ (4,069)**	**$ 8,817**	**$ 12,886**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 POLICE
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 4,711	$ 4,711	$ 4,711	$ -
Resources (Inflows):				
Taxes and assessments	294,000	294,000	289,855	(4,145)
Use of money and property	100	100	1,252	1,152
Amounts Available for Appropriations	**298,811**	**298,811**	**295,818**	**(2,993)**
Charges to Appropriation (Outflows):				
Public safety	281,000	281,000	269,685	11,315
Total Charges to Appropriations	**281,000**	**281,000**	**269,685**	**11,315**
Budgetary Fund Balance, June 30	**$ 17,811**	**$ 17,811**	**$ 26,133**	**$ 8,322**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 ANIMAL SERVICES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 198	$ 198	$ 198	$ -
Resources (Inflows):				
Taxes and assessments	16,400	16,400	16,845	445
Use of money and property	-	-	78	78
Amounts Available for Appropriations	**16,598**	**16,598**	**17,121**	**523**
Charges to Appropriation (Outflows):				
Public safety	15,700	15,700	15,649	51
Total Charges to Appropriations	**15,700**	**15,700**	**15,649**	**51**
Budgetary Fund Balance, June 30	**$ 898**	**$ 898**	**$ 1,472**	**$ 574**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 STREET LIGHTING
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (11,650)	$ (11,650)	$ (11,650)	$ -
Resources (Inflows):				
Taxes and assessments	17,800	17,800	17,426	(374)
Amounts Available for Appropriations	**6,150**	**6,150**	**5,776**	**(374)**
Charges to Appropriation (Outflows):				
Public ways and facilities	35,700	35,700	26,999	8,701
Total Charges to Appropriations	**35,700**	**35,700**	**26,999**	**8,701**
Budgetary Fund Balance, June 30	**$ (29,550)**	**$ (29,550)**	**$ (21,223)**	**$ 8,327**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 PARKS/RECREATION/POOL
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 3,865	$ 3,865	$ 3,865	$ -
Resources (Inflows):				
Taxes and assessments	119,000	119,000	131,298	12,298
Use of money and property	-	-	580	580
Amounts Available for Appropriations	**122,865**	**122,865**	**135,743**	**12,878**
Charges to Appropriation (Outflows):				
Culture and recreation	119,000	119,000	111,159	7,841
Total Charges to Appropriations	**119,000**	**119,000**	**111,159**	**7,841**
Budgetary Fund Balance, June 30	**$ 3,865**	**$ 3,865**	**$ 24,584**	**$ 20,719**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 STORM DRAIN
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 123,067	$ 123,067	$ 123,067	$ -
Resources (Inflows):				
Taxes and assessments	15,700	15,700	17,276	1,576
Use of money and property	1,200	1,200	1,943	743
Amounts Available for Appropriations	**139,967**	**139,967**	**142,286**	**2,319**
Charges to Appropriation (Outflows):				
Public ways and facilities	121,200	121,200	3,947	117,253
Total Charges to Appropriations	**121,200**	**121,200**	**3,947**	**117,253**
Budgetary Fund Balance, June 30	**$ 18,767**	**$ 18,767**	**$ 138,339**	**$ 119,572**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PARKS & RECREATION IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 43,270	$ 43,270	$ 43,270	$ -
Resources (Inflows):				
Taxes and assessments	58,400	58,400	112,353	53,953
Use of money and property	700	700	1,860	1,160
Amounts Available for Appropriations	**102,370**	**102,370**	**157,483**	**55,113**
Charges to Appropriation (Outflows):				
Culture and recreation	43,000	43,000	-	43,000
Total Charges to Appropriations	**43,000**	**43,000**	**-**	**43,000**
Budgetary Fund Balance, June 30	**$ 59,370**	**$ 59,370**	**$ 157,483**	**$ 98,113**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
COMMUNITY CENTER IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 206,855	$ 206,855	$ 206,855	$ -
Resources (Inflows):				
Taxes and assessments	15,300	15,300	27,636	12,336
Use of money and property	2,000	2,000	3,477	1,477
Amounts Available for Appropriations	**224,155**	**224,155**	**237,968**	**13,813**
Charges to Appropriation (Outflows):				
Culture and recreation	205,000	205,000	-	205,000
Total Charges to Appropriations	**205,000**	**205,000**	**-**	**205,000**
Budgetary Fund Balance, June 30	**$ 19,155**	**$ 19,155**	**$ 237,968**	**$ 218,813**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PUBLIC WORKS IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 11,186	$ 11,186	$ 11,186	$ -
Resources (Inflows):				
Licenses and permits	11,300	11,300	20,475	9,175
Use of money and property	100	100	390	290
Amounts Available for Appropriations	**22,586**	**22,586**	**32,051**	**9,465**
Charges to Appropriation (Outflows):				
Capital outlay	11,000	11,000	-	11,000
Total Charges to Appropriations	**11,000**	**11,000**	**-**	**11,000**
Budgetary Fund Balance, June 30	**$ 11,586**	**$ 11,586**	**$ 32,051**	**$ 20,465**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
GENERAL GOVERNMENT IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 330,987	$ 330,987	$ 330,987	$ -
Resources (Inflows):				
Taxes and assessments	11,100	11,100	35,847	24,747
Use of money and property	3,500	3,500	5,468	1,968
Amounts Available for Appropriations	**345,587**	**345,587**	**372,302**	**26,715**
Charges to Appropriation (Outflows):				
General government	328,200	328,200	946	327,254
Total Charges to Appropriations	**328,200**	**328,200**	**946**	**327,254**
Budgetary Fund Balance, June 30	**$ 17,387**	**$ 17,387**	**$ 371,356**	**$ 353,969**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
POLICE IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 152,659	$ 152,659	$ 152,659	$ -
Resources (Inflows):				
Taxes and assessments	10,900	10,900	19,623	8,723
Use of money and property	1,700	1,700	2,557	857
Amounts Available for Appropriations	**165,259**	**165,259**	**174,839**	**9,580**
Charges to Appropriation (Outflows):				
Public safety	151,000	151,000	-	151,000
Total Charges to Appropriations	**151,000**	**151,000**	**-**	**151,000**
Budgetary Fund Balance, June 30	**$ 14,259**	**$ 14,259**	**$ 174,839**	**$ 160,580**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FIRE IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 102,682	$ 102,682	$ 102,682	$ -
Resources (Inflows):				
Taxes and assessments	30,200	30,200	54,351	24,151
Use of money and property	700	700	2,091	1,391
Miscellaneous	-	-	1,442	1,442
Amounts Available for Appropriations	**133,582**	**133,582**	**160,566**	**26,984**
Charges to Appropriation (Outflows):				
Public safety	101,000	101,000	10,000	91,000
Total Charges to Appropriations	**101,000**	**101,000**	**10,000**	**91,000**
Budgetary Fund Balance, June 30	**$ 32,582**	**$ 32,582**	**$ 150,566**	**$ 117,984**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
SIGNAL IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 53,289	$ 53,289	$ 53,289	$ -
Resources (Inflows):				
Charges for services	62,800	62,800	105,930	43,130
Use of money and property	3,500	3,500	1,986	(1,514)
Amounts Available for Appropriations	**119,589**	**119,589**	**161,205**	**41,616**
Charges to Appropriation (Outflows):				
Public safety	54,200	54,200	-	54,200
Total Charges to Appropriations	**54,200**	**54,200**	**-**	**54,200**
Budgetary Fund Balance, June 30	**$ 65,389**	**$ 65,389**	**$ 161,205**	**$ 95,816**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 2,059	$ 2,059	$ 2,059	$ -
Resources (Inflows):				
Use of money and property	-	-	32	32
Amounts Available for Appropriations	**2,059**	**2,059**	**2,091**	**32**
Charges to Appropriation (Outflows):				
Public safety	2,022	2,022	-	2,022
Total Charges to Appropriations	**2,022**	**2,022**	**-**	**2,022**
Budgetary Fund Balance, June 30	**$ 37**	**$ 37**	**$ 2,091**	**$ 2,054**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STORM DRAIN CONNECTION FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ (26,540)	$ (26,540)	$ (26,540)	$ -
Resources (Inflows):				
Use of money and property	1,300	1,300	188	(1,112)
Other revenue	32,800	32,800	64,911	32,111
Amounts Available for Appropriations	**7,560**	**7,560**	**38,559**	**30,999**
Charges to Appropriation (Outflows):				
Transfers out	34,100	34,100	-	34,100
Total Charges to Appropriations	**34,100**	**34,100**	**-**	**34,100**
Budgetary Fund Balance, June 30	**$ (26,540)**	**$ (26,540)**	**$ 38,559**	**$ 65,099**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
13 CDBG-8933 SKATE PARK
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (430,713)	$ (430,713)	$ (430,713)	$ -
Resources (Inflows):				
Intergovernmental	4,800,000	4,800,000	-	(4,800,000)
Transfers in	550,000	550,000	-	(550,000)
Amounts Available for Appropriations	**4,919,287**	**4,919,287**	**(430,713)**	**(5,350,000)**
Charges to Appropriation (Outflows):				
Community development	5,350,000	5,350,000	-	5,350,000
Total Charges to Appropriations	**5,350,000**	**5,350,000**	**-**	**5,350,000**
Budgetary Fund Balance, June 30	**$ (430,713)**	**$ (430,713)**	**$ (430,713)**	**$ -**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 814,277	$ 814,277	$ 814,277	$ -
Resources (Inflows):				
Intergovernmental	409,100	409,100	420,827	11,727
Use of money and property	7,200	7,200	11,414	4,214
Amounts Available for Appropriations	**1,230,577**	**1,230,577**	**1,246,518**	**15,941**
Charges to Appropriation (Outflows):				
Public ways and facilities	15,800	15,800	10,265	5,535
Capital outlay	798,000	798,000	-	798,000
Transfers out	-	-	38,823	(38,823)
Total Charges to Appropriations	**813,800**	**813,800**	**49,088**	**764,712**
Budgetary Fund Balance, June 30	**$ 416,777**	**$ 416,777**	**$ 1,197,430**	**$ 780,653**

CITY OF LIVE OAK

COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Water Connection	Sewer Connection	Totals
Assets:			
Cash and investments	$ 543,675	$ 270,481	$ 814,156
Receivables:			
Accrued interest	1,182	577	1,759
Total Assets	**$ 544,857**	**$ 271,058**	**$ 815,915**
Net Position:			
Restricted for capital projects	$ 544,857	$ 271,058	$ 815,915
Total Net Position	**$ 544,857**	**$ 271,058**	**$ 815,915**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NON-MAJOR PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Water Connection	Sewer Connection	Totals
Operating Revenues:			
Sales and service charges	$ 121,653	$ 144,228	$ 265,881
Total Operating Revenues	**121,653**	**144,228**	**265,881**
Operating Income	121,653	144,228	265,881
Nonoperating Revenues:			
Interest revenue	7,137	2,789	9,926
Total Nonoperating Revenues	**7,137**	**2,789**	**9,926**
Changes in Net Position	128,790	147,017	275,807
Net Position:			
Beginning of Fiscal Year	416,067	124,041	540,108
End of Fiscal Year	**$ 544,857**	**$ 271,058**	**$ 815,915**

CITY OF LIVE OAK

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Water Connection	Sewer Connection	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	$ 230,986	$ 233,856	$ 464,842
Net Cash Provided by Operating Activities	**230,986**	**233,856**	**464,842**
Cash Flows from Investing Activities:			
Interest received	7,244	2,357	9,601
Net Cash Provided by Investing Activities	**7,244**	**2,357**	**9,601**
Net Increase (Decrease) in Cash and Cash Equivalents	**238,230**	**236,213**	**474,443**
Cash and Cash Equivalents at Beginning of Year	305,445	34,268	339,713
Cash and Cash Equivalents at End of Year	**$ 543,675**	**$ 270,481**	**$ 814,156**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 121,653	$ 144,228	$ 265,881
Adjustments to reconcile operating income net cash provided by operating activities:			
(Increase) decrease in accounts receivable	109,333	89,628	198,961
Total Adjustments	**109,333**	**89,628**	**198,961**
Net Cash Provided by Operating Activities	**$ 230,986**	**$ 233,856**	**$ 464,842**

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.

THIS PAGE INTENTIONALLY LEFT BLANK

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

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Govermental Activites										
Net investment in capital assets	26,297,382	26,710,539	24,859,451	25,177,065	26,423,155	27,103,387	28,265,740	28,377,393	28,831,714	28,129,068
Restricted	4,353,031	10,859,158	10,932,658	10,503,214	12,167,030	4,272,612	3,345,863	3,980,298	3,708,676	3,885,096
Unrestricted	4,024,456	4,757,333	4,487,549	4,737,305	4,485,329	4,280,849	5,445,053	6,722,869	17,008,977	20,932,421
Total governmental activities net position	34,674,869	42,327,030	40,279,658	40,417,584	43,075,514	35,656,848	37,056,656	39,080,560	49,549,367	52,946,585
Business-type Activities										
Net investment in capital assets	25,362,569	24,238,464	32,253,055	31,055,100	29,831,525	28,599,846	28,727,091	28,647,690	28,082,900	28,405,269
Restricted	765,294	2,208,655	2,189,552	2,107,725	2,228,397	2,401,678	1,343,421	341,832	540,108	815,915
Unrestricted	1,710,380	1,211,917	2,441,509	2,837,663	2,263,256	2,554,799	3,760,366	3,110,022	3,238,836	3,433,811
Total business-type activities net position	27,838,243	27,659,036	36,884,116	36,000,488	34,323,178	33,556,323	33,830,878	32,099,544	31,861,844	32,654,995
Primary Government										
Net investment in capital assets	51,659,951	50,949,003	57,112,506	56,232,165	56,254,680	55,703,233	56,992,831	57,025,083	56,914,614	56,534,337
Restricted	5,118,325	13,067,813	13,122,210	12,610,939	14,395,427	6,674,290	4,689,284	4,322,130	4,248,784	4,701,011
Unrestricted	5,734,836	5,969,250	6,929,058	7,574,968	6,748,585	6,835,648	9,205,419	9,832,891	20,247,813	24,366,232
Total primary government net position	62,513,112	69,986,066	77,163,774	76,418,072	77,398,692	69,213,171	70,887,534	71,180,104	81,411,211	85,601,580

Source: CAFR

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

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Expenses										
Govermental Activities:										
General government	476,146	384,156	412,935	399,590	543,796	519,223	699,781	990,032	990,360	893,380
Public safety	1,835,998	1,727,176	1,692,570	1,744,005	1,635,797	2,235,826	2,033,209	1,984,144	2,006,236	2,313,013
Public ways and facilities	858,822	844,453	775,399	1,178,326	1,418,607	1,196,682	2,031,089	1,579,362	966,937	1,053,622
Culture and recreation	524,675	515,775	503,341	496,495	544,100	609,869	833,110	926,952	1,071,086	1,197,655
Community development	388,380	606,085	589,673	517,636	620,114	2,474,188	2,060,694	1,828,608	429,642	4,815,355
Interest on long-term debt	16,556	4,908	4,160	3,348	3,748	2,584	520	5,952	25,222	21,932
Total Govermental Activities Expenese	4,100,577	4,082,553	3,978,078	4,339,400	4,766,162	7,038,372	7,658,403	7,315,050	5,489,483	10,294,957
Busines-type Activities:										
Water	1,274,430	1,267,180	1,342,609	1,381,185	1,404,692	1,275,640	1,306,471	1,300,029	1,335,960	1,313,223
Sewer	1,661,896	1,614,859	2,694,727	2,544,455	2,633,340	2,704,970	2,724,674	2,898,819	2,925,050	2,855,811
Total Business-type Activities Expenese	2,936,326	2,882,039	4,037,336	3,925,640	4,038,032	3,980,610	4,031,145	4,198,848	4,261,010	4,169,034
Total Primary Government Expenese	7,036,903	6,964,592	8,015,414	8,265,040	8,804,194	11,018,982	11,689,548	11,513,898	9,750,493	14,463,991
Program Revenues										
Govermental Activities:										
Charges for services:										
General government	67,433	435,738	76,244	70,805	76,876	83,748	366,660	492,972	427,673	296,639
Public safety	355,367	384,574	388,263	378,725	408,070	398,570	4,057	2,728	4,230	6,582
Public ways and facilities	474,353	410,929	344,981	343,482	426,434	973,516	233,355	1,781,220	39,870	199,616
Culture and recreation	150,378	146,573	170,061	162,631	252,394	185,432	64,221	61,744	56,343	35,211
Community development	233,189	147,962	151,284	178,503	144,641	320,667	1,055,642	2,005,122	115,139	-
Operating grants and contributions	1,466,831	4,358,608	1,385,431	1,004,975	1,977,712	2,793,371	1,857,982	277,728	1,146,628	9,988,595
Capital grants and contributions	257,902	117,592	564,161	402,859	2,152,350	1,690,492	1,295,923	100,745	100,156	28,210
Total Govermental Activities Program Revenues	3,005,453	6,001,976	3,080,425	2,541,980	5,438,477	6,445,796	4,877,840	4,722,259	1,890,039	10,554,853
Busines-type Activities:										
Charges for services:										
Water	1,050,211	844,900	902,570	850,832	882,743	878,199	809,830	878,229	879,586	879,726
Sewer	2,037,925	1,863,695	2,181,809	2,179,286	2,241,249	2,291,083	2,243,244	2,265,104	2,289,788	2,328,299
Water Connections							15,270	68,930	109,333	121,653
Sewer Connections							9,053	-	89,628	144,228
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	84,247	10,161,065	-	-	23,000	1,027,513	864,919	-	-
Total Business-type Activities Program Revenues	3,088,136	2,792,842	13,245,444	3,030,118	3,123,992	3,192,282	4,104,910	4,077,182	3,368,335	3,473,906
Total Primary Government Program Revenues	6,093,589	8,794,818	16,325,869	5,572,098	8,562,469	9,638,078	8,982,750	8,799,441	5,258,374	14,028,759

Source: CAFR

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

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Net (Expense)/Revenues (1)										
Govermental Activities	(1,095,124)	1,919,423	(897,653)	(1,797,420)	672,315	(592,576)	(2,780,563)	(2,592,791)	(3,599,444)	259,896
Busines-type activities	151,810	(89,197)	9,208,108	(895,522)	(914,040)	(788,328)	73,765	(121,666)	(892,675)	(695,128)
Total Primary Govermental Net Expense	(943,314)	1,830,226	8,310,455	(2,692,942)	(241,725)	(1,380,904)	(2,706,798)	(2,714,457)	(4,492,119)	(435,232)
General Revenues and Other Changes in Net Position										
Govermental Activities:										
Taxes:										
Property taxes	1,221,589	1,250,494	1,239,301	1,241,319	1,382,229	1,383,175	1,476,356	1,470,113	1,867,354	1,760,699
Sales and use taxes	197,343	222,448	262,905	294,102	263,086	297,481	325,380	358,667	427,506	399,002
Franchise taxes	138,306	135,517	136,868	139,766	155,071	166,356	-	-	232,801	231,699
Property taxes	10,688	11,301	9,114	12,837	8,290	11,536	-	-		
Other taxes	-	-	-	-	-	-	716,398	750,153	1,058,557	1,269,351
Motor vehicle in lieu - unrestricted					-	-	-	-	328,139	337,283
Use of money and property	-	-	-	-	-	-	87,766	120,425	42,769	238,755
Grants and contributions - unrestricted	44,502	6,840	4,792	4,145	80,806	34,609	-	-		
Interest and investment earnings	97,386	79,828	75,530	73,827	79,218	113,073	-	-		
Miscellaneous	231,104	92,395	120,453	169,350	64,888	217,676	-	-		
Other	-	-	-	-	-	-	541,664	322,717	265,241	317,698
Transfers	53,178	103,898	(378,280)	-	-	-	25,000	1,556,000	(577,087)	(1,417,165)
Special Item	-	-	-	-	447,830	-	-	-		
Extraordinary gain	-	378,280	-	-	-	-	-	-		
Total Governmental Activities	1,994,096	2,281,001	1,470,683	1,935,346	2,481,418	2,223,906	3,172,564	4,578,075	3,645,280	3,137,322
Busines-type Activities:										
Use of money and property							28,460	50,063	77,888	71,114
Interest and investment earnings	23,298	13,411	10,974	10,221	13,448	21,309	-	-		
Miscellaneous	4,645	477	5,998	1,673	1,934	164	-	-		
Other							667			
Transfers	(53,178)	(103,898)	-	-	-	-	(25,000)	(1,556,000)	577,087	1,417,165
Total Busines-Type Activities	(25,235)	(90,010)	16,972	11,894	15,382	21,473	4,127	(1,505,937)	654,975	1,488,279
Total Primary Government	1,968,861	2,190,991	1,487,655	1,947,240	2,496,800	2,245,379	3,176,691	3,072,138	4,300,255	4,625,601
Change in Net Position										
Govermental Activities	898,972	4,200,424	573,030	137,926	3,153,733	1,631,330	392,001	1,985,284	45,836	3,397,218
Busines-type activities	126,575	(179,207)	9,225,080	(883,628)	(898,658)	(766,855)	77,892	(1,627,603)	(237,700)	793,151
Total Primary Government	1,025,547	4,021,217	9,798,110	(745,702)	2,255,075	864,475	469,893	357,681	(191,864)	4,190,369

Source: CAFR

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

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

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
General Fund										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	379,300	-	-	-	451,274	8,115	10,661	11,357	15,268	10,659
Committed	2,481,928	2,487,180	2,510,279	2,514,883	2,519,197	2,525,652	2,534,045	2,548,739	2,548,739	2,604,891
Unassigned	1,526,655	1,918,069	1,985,378	2,037,092	2,227,090	2,230,647	2,075,899	2,427,584	2,106,314	1,846,855
Total General Fund	4,387,883	4,405,249	4,495,657	4,551,975	5,197,561	4,764,414	4,620,605	4,987,680	4,670,321	4,462,405
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	172,530	-	-	-	484	330	4,712	3,983	4,559	15,402
Restricted	4,180,501	10,859,158	10,923,658	10,503,214	11,975,628	4,272,282	3,345,863	3,874,348	3,708,676	3,741,774
Unassigned	(386,273)	(4,439)	(346,316)	(49,787)	(411,087)	(1,270,688)	(1,840,637)	(538,556)	(485,594)	(716,124)
Total All Other Governmental Funds	3,966,758	10,854,719	10,577,342	10,453,427	11,565,025	3,001,924	1,509,938	3,339,775	3,227,641	3,041,052

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

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

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Revenues										
Taxes and assessment	2,613,913	2,485,312	2,863,851	2,220,317	2,352,464	2,411,650	2,518,134	2,578,933	3,586,218	3,660,751
Licenses and permits	549,275	522,378	394,624	451,881	482,426	646,258	450,120	557,939	394,950	290,495
Fines and forfeitures	5,751	9,870	6,721	6,867	3,594	6,935	4,057	2,728	4,230	5,140
Use of money	97,386	76,999	78,359	73,827	79,218	113,073	87,766	120,425	259,955	238,755
Intergovernemtal	1,449,768	4,217,447	1,141,556	1,575,066	4,115,325	3,853,365	3,443,320	4,248,576	1,119,755	951,050
Charges for services	105,240	60,727	133,467	80,882	258,513	558,685	103,286	115,920	96,709	173,919
Other revenues	231,104	92,395	120,453	169,350	64,888	217,676	558,732	324,639	310,832	5,085,002
Total Revenues	5,052,437	7,465,128	4,739,031	4,578,190	7,356,428	7,807,642	7,165,415	7,949,160	5,772,649	10,405,112
Expenditures										
Current:										
General government	412,141	327,197	367,720	347,258	514,871	488,652	688,906	857,597	906,681	791,833
Public safety	1,725,374	1,641,963	1,602,027	1,670,167	1,585,506	2,148,112	1,914,124	1,867,994	1,883,345	2,141,889
Public ways and facilities	414,164	372,854	275,526	678,801	923,626	735,070	1,472,836	997,626	972,143	918,792
Culture and recreation	423,889	409,879	397,262	386,469	432,264	501,979	725,565	789,094	763,960	868,515
Community development	388,380	606,085	589,673	517,636	627,037	2,482,059	2,041,715	1,956,524	434,675	5,688,770
Debt service										
Principal	11,000	11,000	12,000	13,000	66,342	67,461	68,581	54,146	123,414	125,933
Interest	16,556	4,908	4,160	3,348	3,748	2,584	520	5,952	25,222	21,932
Capital outlay	1,908,002	1,119,830	1,167,335	1,038,108	2,422,505	1,866,084	1,909,114	1,329,178	1,092,702	338,033
Total Expenditures	5,299,506	4,493,716	4,415,703	4,654,787	6,575,899	8,292,001	8,821,361	7,858,111	6,202,142	10,895,697
Excess of Revenues Over (under) Expenditures	(247,069)	2,971,412	323,328	(76,597)	780,529	(484,359)	(1,655,946)	91,049	(429,493)	(490,585)
Other Financial Sources (Uses)										
Issuance of debt	-	-	-	-	528,825	-				
Transfers in	1,918,195	4,664,414	1,123,115	993,112	5,033,468	615,014	1,470,949	2,491,184	442,810	74,435
Transfers out	(1,865,017)	(4,560,516)	(1,501,395)	(993,112)	(5,033,468)	(615,014)	(1,445,949)	(409,587)	(442,810)	(74,435)
Capital Leases								549,863		
Total Other Financial Sources (Uses)	53,178	103,898	(378,280)	-	528,825	-	25,000	2,631,460	-	-
Special Item - Reinstatement of loan receivable	-	-	-	-	447,830	-	(4,849)	-	-	-
Extraordinary gain	-	378,280	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(193,891)	3,453,590	(54,952)	(76,597)	1,757,184	(484,359)	(1,635,795)	2,722,509	(429,493)	(490,585)
Debt Service as a Percentage of Noncapital Expenditures	0.82%	0.47%	0.50%	0.45%	1.72%	1.10%	1.01%	0.93%	3.00%	1.42%

Source:
CAFR

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

Fiscal Year	Secured	Unsecured	SBE Nonunitary	Taxable Assessed Value	% Change	Direct Rate
2010/2011	288,107,715	5,141,917	66,680	293,316,312	-10.82%	1.000%
2011/2012	274,962,151	5,101,648	66,680	280,130,479	-4.50%	1.000%
2012/2013	272,426,872	5,096,684	2,004	277,525,560	-0.93%	1.000%
2013/2014	279,374,003	4,610,118	2,004	283,986,125	2.33%	1.000%
2014/2015	315,429,043	5,473,874	2,004	320,904,921	13.00%	1.000%
2015/2016	330,917,725	5,238,525	2,004	336,158,254	4.75%	1.000%
2016/2017	352,823,047	4,561,387	2,439	357,386,873	6.32%	1.000%
2017/2018	370,589,936	4,492,172	2,439	375,084,547	4.95%	1.000%
2018/2019	396,454,875	5,009,256	2,439	401,466,570	7.03%	1.000%
2019/2020	426,215,795	5,950,102	2,614	432,168,511	7.65%	1.000%

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

Source: Assessor's Office, County of Sutter
HDL Coren & Cone

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

	Fiscal Year									
	2010/2011	**2011/2012**	**2012/2013**	**2013/2014**	**2014/2015**	**2015/2016**	**2016/2017**	**2017/2018**	**2018/2019**	**2019/2020**
City of Live Oak										
General purpose	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Property tax in lieu of vehicle license fees	-	-	-	-	-	-	-			
Debt service	-	-	-	-	-	-	-			
	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Live Oak Unified School District	0.073	0.076	0.081	0.082	0.074	0.073	0.065	0.372	0.114	0.372
Yuba Community College District	0.015	0.025	0.025	0.027	0.025	0.025	0.026	0.073	0.030	0.073
Special Districts	-	-	-	-	-	-	-	-	-	-
	1.087	1.101	1.106	1.110	1.099	1.098	1.091	1.445	1.144	1.445

Notes:

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

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

Source: Assessor's Office, County of Sutter

Muni

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

Taxpayer	Fiscal Year 2019/2020 Taxable Assessed Value	Fiscal Year 2019/2020 Percent of Total City Taxable Assessed Value
Live Oak Pacific Associates LP	$ 11,823,339	2.77%
Corrections Corp of America	7,417,795	1.74%
9000 Larkin Road LLC	4,393,452	1.03%
D and K Estates LLC	3,995,141	0.94%
Millennium Farms LLC	3,844,435	0.90%
Rilco-Edwards LLC	3,296,731	0.77%
Sunsweet Dryers ET AL	2,340,357	0.55%
Jaswant S Saprai	2,632,260	0.62%
H and S Energy LLC	2,569,917	0.60%
Live Oak Apartments	2,260,637	0.53%
	$ 44,574,064	10.46%
Total City of Live Oak assessed property valuation Fiscal Year 2019/20		$ 426,215,795

Taxpayer	Fiscal Year 2011/2012 Taxable Assessed Value	Fiscal Year 2011/2012 Percent of Total City Taxable Assessed Value
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%
Millennium Farms LLC	1,303,354	0.47%
	$ 26,001,361	9.28%
Total City of Live Oak assessed property valuation Fiscal Year 2011/12		$ 280,130,479

Note:
Data pertainin.g to fiscal year 2010/2011 and prior is not available, the lastest prior year available is fiscal year 2011/2012

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2010/2011	465,337	465,337	100.00%	-	465,337	100.00%
2011/2012	412,894	412,894	100.00%	-	412,894	100.00%
2012/2013	459,780	459,780	100.00%	-	459,780	100.00%
2013/2014	446,754	446,754	100.00%	-	446,754	100.00%
2014/2015	519,978	519,978	100.00%	-	519,978	100.00%
2015/2016	526,346	526,346	100.00%	-	526,346	100.00%
2016/2017	592,035	592,035	100.00%	-	592,035	100.00%
2017/2018	616,549	616,549	100.00%	6,672	623,221	100.00%
2018/2019	649,914	649,914	100.00%	8,119	658,033	100.00%
2019/2020	668,907	668,907	100.00%	Not available	668,907	100.00%

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

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

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

	Governmental Activities			Business-Type Activities								
Fiscal Year	Loans	Capital Leases	Total	Loans	Bonds	Certificates of Participation	Capital Leases	Total	Total Primary Government	Percentage of Person Income (1)	Percentage of Assessed Value (2)	Per Capita (1)
2010/2011	81,000	-	81,000	10,593,503	107,000	2,370,000	-	13,070,503	13,151,503	9.47%	4.48%	1,588
2011/2012	70,000	-	70,000	15,201,959	82,000	2,310,000	-	17,593,959	17,663,959	13.03%	6.31%	2,142
2012/2013	58,000	-	58,000	5,874,728	55,000	2,250,000	309,641	8,489,369	8,547,369	5.81%	3.08%	1,025
2013/2014	45,000	-	45,000	5,689,373	27,000	2,190,000	245,690	8,152,063	8,197,063	5.30%	2.89%	969
2014/2015	507,483	-	507,483	5,512,294	-	2,130,000	180,453	7,822,747	8,330,230	5.71%	2.60%	981
2015/2016	440,022	-	440,022	5,333,446	-	2,060,000	113,903	7,507,349	7,947,371	5.33%	2.36%	935
2016/2017	371,441		371,441	5,152,808	-	1,990,000	46,015	7,188,823	7,560,264	5.04%	2.12%	859
2017/2018	317,295	549,863	867,158	4,970,364	-	1,920,000	-	6,890,364	7,757,522	4.51%	2.07%	883
2018/2019	264,413	479,331	743,744	4,786,095	-	1,850,000	-	6,636,095	7,379,839	4.70%	1.84%	841
2019/2020	211,530	406,281	617,811	4,599,984	-	1,780,000	-	6,379,984	6,997,795	4.39%	1.62%	785

(1) See Demographic and Economic Statistic schedule for personal income and population data.
(2) See Assessed Value and Estimated Actual Value of Taxable Property schedule for property value data.

n/a - information is not available

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

CITY OF LIVE OAK
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percent of Assessed Value	Population	Per Capita
	General Obligation Bonds	Pension Obligation Bonds	Total			
2010/2011	81,000	-	81,000	0.03%	8,281	10
2011/2012	70,000	-	70,000	0.02%	8,247	8
2012/2013	58,000	-	58,000	0.02%	8,341	7
2013/2014	45,000	-	45,000	0.02%	8,461	5
2014/2015	507,483	-	507,483	0.16%	8,488	60
2015/2016	440,022	-	440,022	0.13%	8,500	52
2016/2017	371,441	-	371,441	0.10%	8,800	42
2017/2018	317,295	-	317,295	0.08%	8,781	36
2018/2019	264,413	-	264,413	0.07%	8,771	30
2019/2020	211,530	-	211,530	0.05%	8,912	24

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

CITY OF LIVE OAK
Direct and Overlapping Bonded Debt
As of June 30, 2020

City Assessed Valuation		$ 432,174,121
		-
Adjusted Assessed Valuation		$ 432,174,121

	Percent Applicable	Outstanding Debt June 30, 2020	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Live Oak Unified School District	46.069%	$ 22,325,000	$ 10,284,904
Yuba Commuinty College District	1.291%	191,821,106	2,476,410
Sutter Butte Flood Control Agency Assessment District	4.373%	83,765,000	3,663,043
Total Overlapping Tax and Assessment Debt		297,911,106	16,424,357
OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Sutter County Office of Education Certificates of Participations	4.253%	$ 4,805,000	204,357
Yuba Community College District General Fund Obligations	1.291%	15,652,428	202,073
Live Oak Unified School District Certificates of Participation	46.069%	3,803,616	1,752,288
Sutter County Certificates of Participations	4.253%	$ 235,000	9,995
Live Oak Cemetery District	100.000%	-	-
Total Overlapping General Fund Obligation Debt		24,496,044	2,168,712
Total Overlapping Debt		322,407,150	18,593,069
DIRECT GENERAL FUND OBLIGATION DEBT:			
Fire Engine Lease	100.000%	406,281	406,281
Animal Shelter Loan	100.000%	211,530	211,530
Total Direct Debt		617,811	617,811
Total Combined Debt		$ 323,024,961	$ 19,210,880
RATIOS TO 2019/2020 ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt		4.30%	3.80%
RATIOS TO ADJUSTED ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt	3.800%		
Combined Direct Debt ($0,000,000)	0.000%		
Combined Total Debt	4.300%		
STATE SCHOOL BUILDING AID REPAYABLE AS OF 06/30/20	$ -		

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

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

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

CITY OF LIVE OAK
Computation of Legal Bonded Debt Margin
June 30, 2020

Secured Property Assessed Value, Net of Exempt Real Property	$	432,168,511
Bonded debt limit (3.75% of assessed value) (a)	$	16,206,319
Less debt subject to limit:		
Total water certificates of participation at 06/30/20		(1,000,000)
Total sewer certificates of participation at 06/30/20		(780,000)
Total sewer revenue bonds at 06/30/20		-
Legal debt margin	$	14,426,319

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

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

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

CITY OF LIVE OAK
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Personal Income		Taxable Assessed Valuation	Per Capita Taxable Property Values	Average Unemployment Rate
		Total (in thousands)	Per Capita			
2011	8,281	138,935	16,778	293,316,312	35,420	33.2%
2012	8,247	135,517	16,432	280,130,479	33,968	31.3%
2013	8,341	147,192	17,647	277,525,560	33,272	25.9%
2014	8,461	154,611	18,273	283,986,125	33,564	24.5%
2015	8,488	145,773	17,174	320,904,921	37,807	14.3%
2016	8,500	149,192	17,552	336,158,254	39,548	6.9%
2017	8,800	149,859	17,029	357,386,873	40,612	8.00%
2018	8,781	171,819	19,567	375,084,547	42,715	7.60%
2019	8,771	156,957	17,895	401,466,570	45,772	4.30%
2020	8,912	159,545	17,902	432,168,511	48,493	4.30%

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

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.
1.) Population Projections are provided by the California Department of Finance Projections.
2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.
3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

Source:
Avenu Insights & Analytics
2016-17 and prior, previously published CAFR Report
Munis Report

CITY OF LIVE OAK
Principal Employers
2020

Employer	2019-2020 Number of Employees		Percent of Total Employment
Live Oak Unified School District	153		3.92%
Wilbur Packing CO Inc	170	*	4.36%
River Valley Care Center	120		3.08%
City of Live Oak	31		0.79%
E-Center Head Start - Yuba-Sutter	-		0.00%
Dollar General Market	24	*	0.62%
Tower Supermarket	5		0.13%
United States Post Office	8		0.21%
Live Oak Pharmacy	6		0.15%
Live Oak Medical Clinic	6	*	0.15%
Golden Pacific Bank	3		0.08%
Total	523		13.41%
Total City Employment (1)			

*Number of employees represents fiscal year 2018-19 information, current year information not yet available.

Note: Data pertaining to principal employers for ten years ago is not readily available.
Source: City of Live Oak
Avenu Insights & Analytics
(1) Employment Development Department, State of California
Munis Report

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Clerk's Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administration	1.00	1.00	1.00	1.00	1.00	1.00	-	1.00	1.00	-
Finance/Administrative Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Community Development	1.00	1.00	1.00	1.00	-	-	-	-	-	-
Public Works	9.00	8.00	9.00	9.00	5.00	7.00	10.00	7.00	7.00	8.00
Parks and Recreation	7.00	7.00	7.00	7.00	10.00	8.00	7.00	9.00	9.00	10.00
Building	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Full-Time Equivalent Employees	30.00	29.00	30.00	30.00	29.00	29.00	30.00	30.00	30.00	31.00

Source: Finance Department, City of Live Oak

CITY OF LIVE OAK
Operating Indicators
Last Ten Fiscal Years

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Business Licenses:										
Annual Business License	156	148	140	286	135	129	137	132	119	121
One Time License			18	18	11	10	7	6	8	9
Environment and Utilities:										
Gallons of wastewater treated per year (in millions)	282	210	258	223	225	218	380	251	384	393
Fire - Within City Limits										
Fires per year	20	26	41	47	22	21	19	16	87	95
Emergency medical calls per year	544	530	603	509	236	738	682	678	977	699
Hazardous materials incidents per year	4	6	12	5	4	7	14	16	5	25
Non-emergency service calls per year	124	137	136	192	275	78	275	271	85	92
Fire - Outside City Limits Within County										
Fires per year	-	-	-	-	47	42	36	19	45	86
Emergency medical calls per year	-	-	-	-	154	155	156	181	105	188
Hazardous materials incidents per year	-	-	-	-	4	12	9	8	1	10
Non-emergency service calls per year	-	-	-	-	99	112	104	113	65	32
Police										
911 calls per year	1,363	1,485	845	1,401	1,432	1,965	1,998	1862	1491	1632
Cases investigated per year	867	709	826	930	563	616	696	744	1153	1074
Arrests per year	175	193	186	202	92	123	121	124	213	192
Building Permits										
Building permits issued per year	141	155	110	147	200	279	241	210	313	279
New building and alteration valuation	$ 6,157,812	$ 7,621,784	$ 1,892,973	$ 2,188,866	$ 6,525,489	$ 9,442,021	$ 9,442,021	$ 9,060,757	$ 23,059,905	$ 14,842,766

Note: Highlight in yellow is prior year number, current year information not available

Note: According to Sutter County Sheriff staff, 911 calls information purged for years prior to FY 2007/2008.

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

CITY OF LIVE OAK
Capital Asset Statistics
Last Ten Fiscal Years

	Fiscal Years									
	2010/2011	**2011/2012**	**2012/2013**	**2013/2014**	**2014/2015**	**2015/2016**	**2016/2017**	**2017/2018**	**2018/2019**	**2019/2020**
Enviroment and Utilities										
Miles of municipal sewer mains	24.9	24.9	24.9	24.9	24.9	25.6	25.6	25.6	25.6	25.6
Maximum daily capacity (gallons per day)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Miles of water mains	30.4	30.4	30.4	30.4	30.4	31.5	31.5	31.5	31.5	31.5
Water wells	4	4	4	4	4	4	4	5	5	6
Water storage tanks	1	1	1	1	1	1	1	1	1	1
Fire										
Full-time staffed positions	4	4	4	4	4	4	6	6	6	6
Volunteer stations	1	1	1	1	1	1	1	1	1	3
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles and motorcycles	10	10	10	10	10	10	10	10	10	10
Community Development										
Miles of municipal roadways	25.61	26.84	28.44	28.44	28.44	29.50	29.50	29.50	29.50	29.50
Park sites	8	8	8	8	8	8	8	8	8	8

Oak Tree
Memorial
Ball Fields
Skate Park
Date St Park
Pennington Ranch
Rec Trail
Soccer Park

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

CITY OF LIVE OAK
Sales Value History
Last Ten Years

Calendar Year	Full Value Sales	Average Price	Median Price	Median % Change
2011	122	119,775	120,000	-7.69%
2012	117	123,261	130,000	8.33%
2013	91	133,709	138,000	6.15%
2014	100	155,175	159,000	15.22%
2015	97	181,232	190,000	19.50%
2016	96	186,047	196,000	3.16%
2017	89	211,315	213,000	8.67%
2018	86	220,087	223,250	4.81%
2019	83	241,880	245,000	9.74%
2020	6	249,667	249,500	1.84%

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

THIS PAGE INTENTIONALLY LEFT BLANK

December 3, 2020

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Live Oak, California (the City) for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 28, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2019-2020. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements were:

> Management's estimates of its net pension liability and net other post-employment benefits asset are based on actuarial valuation specialist assumptions. We evaluated the key factors and assumptions used to develop the net pension liability and net other post-employment benefits asset in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, we detected misstatements as a result of audit procedures which were material and were subsequently corrected by management. The details of these misstatements are described in a separate letter dated December 3, 2020.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 3, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention

Other Matters

We applied certain limited procedures to the management's discussion and analysis, the budgetary comparison schedules for the general fund and program income fund, the schedule of proportionate share of the net pension liability, the schedule of plan contributions, the schedule of changes in the net OPEB asset and related ratios, and the schedule of OPEB plan contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. Such information has 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 it.

New Accounting Standards

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2019-2020 audit:

GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* – The following pronouncements have been postponed as a temporary relieve to governments and other stakeholders in light of the COVID-19 pandemic and the new effective date are reflected in the following fiscal years.

GASB Statement No. 88, *Certain Disclosure Related to Debt, including Direct Borrowing and Direct Placements.*

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2021

GASB Statement No. 84, *Fiduciary Activities.*

GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statement Nos. 14 and 61.*

Fiscal year 2022

GASB Statement No. 87, *Leases.*

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period.*

Fiscal year 2023

GASB Statement No. 91, *Conduit Debt Obligations.*

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

Restriction on Use

This information is intended solely for the use of City council and management of City of Live Oak and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Soll & Lunghard, LLP

Sacramento, California

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Live Oak, California, (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 3, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies reported on the schedule of findings and questioned costs to be material weaknesses: 2020-001; 2020-002.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies, described on the accompanying schedule of findings and questioned costs, to be significant deficiencies: 2020-003; 2020-004.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.* These items are described as findings 2020-005 on the accompanying schedule of findings and questioned costs.

City's Response to Findings

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lunghard, LLP

Sacramento, California
December 3, 2020

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Notes Receivables Recognition

Reference Number: 2020-001

Evaluation of Finding:
Material Weakness

Condition:
On 1st day of August 2019, the City of Live oak and Live Oak Pacific Associates II entered into a note Agreement where the City loaned an amout not to exceed $4,500,000. This Loan was properly approved by both parties. This loan was not recorded in the Loan Management software or General Ledger as of June 30, 2020.

Criteria:
All notes receivable due to the City of Live Oak should be properly recorded in the period of loan creation.

Cause of Condition:
Due to the infrequent nature of note receivable creation, the Finance department was not aware of the Loan during the year-end close process and therefore was not recorded in the General Ledger provided to the auditors.

Effect or Potential Effect of Condition:
A journal entry was required to add the note receivable that was approved in fiscal year ending June 30, 2020.

Recommendation:
We recommend that the City perform a more thorough review of notes receivables.

Management's Response and Corrective Action:
The City agrees with this recommendation and will ensure all loans are properly tracked in the loan management software.

Reconciliation of the Schedule of Expenditures of Federal Awards

Reference Number: 2020-002

Evaluation of Finding:
Material Weakness

Condition:
During the year-end close process there were multiple adjustments to grants receivable and related unavailable revenue totaling to $820,452 that were the result of audit inquiries and substantiation of reported balances.

Criteria:
The City should perform a review of grant receivable balances and unavailable revenue to ensure that the City is due the money recorded as grant receivables.

Cause of Condition:
Due to the segregation of responsibilities of grant reporting and the financial reporting functions, the City had amounts recorded as grants receivable and unavailable revenue, which were not actually due to paid by the grantor agencies.

Effect or Potential Effect of Condition:
A journal entry was required to remove the grant receivables and unavailable revenue $820,452 that were improperly recorded in the general ledger at June 30, 2020.

Recommendation:
We recommend that the City perform a more thorough review of the amounts recorded as grants receivables for collectability.

Management's Response and Corrective Action:
The City agrees with this recommendation and has begun implementing new grant management procedures to better track and report grant funded projects.

Building Permit Fees Miscalculation in Permitting Software

Reference Number: 2020-003

Evaluation of Finding:
Significant Deficiency

Condition:
During our testwork over the building permit receipting process, LSL determined that a subset of building permit fees were under-charged by the permitting software. The City staff has since remedied the calculation error in the software.

Criteria:
The City should review all fees charged to customers to ensure that the City is calculated all rates and fees that are due to the City.

Cause of Condition:
Due to the age of the software there were calculation errors occurring on a subset of building permit fees where lower rates were being charged than ought to have been.

Effect or Potential Effect of Condition:
Charging lower than approved rates for fees and licenses will result in lower revenue collection for the City of Live Oak. The City should ensure that all fees are charged according to the council approved fee schedule.

Recommendation:
An annual review of the fees charged by the City should be performed to ensure that any updates to rates are properly implemented and that the software is calculating rates and fees appropriately.

Management's Response and Corrective Action:
The City agrees with this recommendation and will develop and implement a policy to review the approved rates to the permitting software.

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

Miscellaneous Payables

Reference Number: 2020-004

Evaluation of Finding:
Significant Deficiency

Condition:
As a result of our audit procedures of accounts payable and accrued liabilities, a journal entry was required to remove a liability accrued to fiscal year 2019-20 in the 16-HOME-11380 fund in the amount of $41,322.

Criteria:
The City should perform a review of accrued liabilities and ensure that the payable is recorded in the proper period.

Cause of Condition:
The City over accrued a loan disbursement in the current year but was not liable to pay until the subsequent fiscal year.

Effect or Potential Effect of Condition:
A journal entry was required to remove the liability from the City.

Recommendation:
The City should perform a review of accrued liabilities and ensure that the payable is recorded in the proper period.

Management's Response and Corrective Action:
The City accepts this recommendation and will more thoroughly inspect invoices for yearend accrual.

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

Revenue Coverage Requirement

Reference Number: 2020-005

Evaluation of Finding:
Noncompliance

Condition:
As of June 30, 2020, the City was not in compliance with the rate covenant for their 2005 Water Fund COPs. The target coverage ratio (the ratio) of operating revenues to operating expenses is 110% and the City had a ratio of 85.81%.

Criteria:
The City should have a coverage ratio of operating revenues to operating expenses qual to 110% or greater.

Cause of Condition:
This condition occurred because the elected City Council has declined to adjust the water rates.

Effect or Potential Effect of Condition:
Having the ratio under the target percentage is a potential violation of the COPs covenants and may indicate a disadvantage in securing additional debt financing for the water fund.

Recommendation:
We recommend that the City begin the Prop 218 initiative to increase water rates charged by the city.

Management's Response and Corrective Action:
The City agrees with this recommendation and City staff will make recommendations to the City Council in early 2021 in pursuing water rate adjustments that are compliant with the loan covenants.