LIVE OAK CITY COUNCIL

REGULAR MEETING AGENDA
FEBRUARY 2, 2022
6:00 PM

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

MEMBERS OF THE COUNCIL

NANCY SANTANA, MAYOR
BOB WOTEN, VICE MAYOR
JERAMY CHAPDELAINE, 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.
  - *Members of the public can access the Zoom webinar as follows:*
    - ***Join by Electronic Device:***
      https://us02web.zoom.us/j/84208716750
    - ***Join by Phone:***
      1-669-900-6833 or 1-833-548-0282 (Toll Free)
      Webinar ID: *842 0871 6750*

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

  - ***Public Attendance:*** *Members of the public who attend in person may make comments from the Council Chamber podium.*

  - ***Live Remote Public Comment:*** *Members of the public can submit a live remote public comment by:*

    - *Joining the virtual Council meeting via the link below. When public comment is opened, raise your virtual hand and be called upon to speak for up to 3 minutes.*

      https://us02web.zoom.us/j/84208716750

    - *Joining the virtual Council meeting by calling the phone number below. When public comment is opened, dial *9 to raise your hand and be called upon to speak for up to 3 minutes.*

      1-669-900-6833 or 1-833-548-0282 (Toll Free)
      Webinar ID: *842 0871 6750*

  - ***Email Public Comment:*** *Comments from the public on agenda items will be accepted until 1:00 pm on the date of the meeting, via email to the City Clerk at cmenchaca@liveoakcity.org, and read into the record during public comment.*

  - ***eComment Feature:*** *Public Comment will be accepted online between Thursday, January 27th through Wednesday, February 2nd at 1:00 pm 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. Teen Dating Violence Awareness and Prevention Month

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 19, 2022 City Council Regular Meeting minutes.
   (Clarissa Menchaca, City Clerk)

2. Appointment to the Feather River Air Quality Management District
   Recommendation: Approve appointment of City of Yuba City Councilman Shon Harris as the Alternate Member to the Feather River Air Quality Management District as required by Health and Safety Code Section 40152(b).
   (Aaron Palmer, City Manager)

BUSINESS ITEMS

3. Annual Audited Financial Statements – Year Ended June 30, 2021
   Recommendation: Accept and file annual financial statements.
   (James Ramsey, Finance Director)

4. Findings to Hold Virtual City Council, Commission, Committee, Board, and Other City Bodies Meetings Under AB 361
   Recommendation: Adopt resolution making findings and determinations under AB 361 for the continuation of virtual meetings and authorizing virtual City Council, Commission, Committee, Board, and other City meetings pursuant to AB 361.
   (Nicole Rosser, City Attorney)

5. Ordinance Increasing City Council Compensation
   Recommendation: Provide direction to staff.
   (Nicole Rosser, City Attorney)

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)

A. Councilmember Chapdelaine's Comments

CLOSED SESSION

6. Conference with Labor Negotiators Pursuant to California Government Code Section 54957.6:
Agency Designated Representatives: Aaron Palmer, City Manager
Employee Organization: Confidential and Unrepresented Employees
(If action is taken in closed session, it will be announced after the closed session).

7. Adoption of Possible Changes in Salary and Benefits for the Confidential and Unrepresented Employees

ADJOURNMENT

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Teen Dating Violence Awareness and Prevention Month

Contact Information: Magdalena Arroyo, Sexual Assault Project Director, Casa de Esperanza

Attachments:

Letter
Proclamation

Live Oak City Council
425 Webster St.
Colusa, CA 95932

January 25, 2022

Dear Council Members,

February is *National Teen Dating Violence Awareness and Prevention Month*. This month provides an excellent opportunity for City of Live Oak to demonstrate its commitment to ending teen dating violence and support the numerous victims and survivors who are among us. One in three teens in the US is a victim of physical, emotional or sexual abuse from a dating partner. These violent relationships have serious consequences for victims – putting them at higher risk for domestic violence, substance abuse, eating disorders, risky sexual behavior, suicide and adult re-victimization. Now is the time to educate and bring awareness to our communities about the seriousness and prevalence of teen dating violence and bring prevention to our society.

Casa de Esperanza would be honored if you would sponsor an official proclamation to recognize February as the City of Colusa's *Teen Dating Violence Awareness and Prevention Month*. Your proclamation would lend official recognition to the important work of raising awareness about teen dating violence as well as emphasizing your personal commitment to ending this crime. Attached is a sample proclamation to guide your office in composing a proclamation for our county.

If you or your staff have any questions about this request, the sample proclamation or *National Teen Dating Violence Awareness and Prevention Month*, please call us at (530) 674-5400 or look into BreakTheCycle.org. We appreciate your support and thank you for your consideration of this vital issue.

Sincerely,

Magdalena Arroyo Martinez
She/Her/Ella
Sexual Assault
Casa de Esperanza

LIVE OAK
CALIFORNIA

Proclamation

Teen Dating Violence Awareness and Prevention Month February 2022

WHEREAS, females between the ages 16-24 are more vulnerable to intimate partner violence, experiencing abuse at a rate almost triple the national average; and

WHEREAS, one in three adolescent girls in the United States is a victim of physical, emotional or verbal abuse from a dating partner, a figure that far exceeds victimization rates for other types of violence affecting youth; and

WHEREAS, high school students who experience physical violence in a dating relationship are more likely to use drugs and alcohol, are at greater risk of suicide and are much more likely to carry patterns of abuse into future relationships; and

WHEREAS, young people victimized by a dating partner are more likely to engage in risky sexual behavior and unhealthy dieting behaviors and the experience may disrupt normal development of self-esteem and body image; and

WHEREAS, nearly half of teens who experience dating violence report that incidents of abuse took place in a school building or on school grounds; and

WHEREAS, only 33% of teens who are in an abusive relationship ever tell anyone about the abuse, and 81% of parents surveyed either believe teen dating violence is not an issue or admit they do not know if it is one; and

WHEREAS, by providing young people with education about healthy relationships and relationship skills and by changing attitudes that support violence, we recognize that dating violence can be prevented; and

WHEREAS, it is essential to raise community awareness and to provide training for teachers, counselors and school staff so that they may recognize when youth are exhibiting signs of dating violence; and

WHEREAS, the establishment of Teen Dating Violence Awareness and Prevention Month will benefit young people, their families, schools and communities regardless of socioeconomic status, gender, sexual orientation or ethnicity; and

WHEREAS, everyone has the right to a safe and healthy relationship and to be free from abuse.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Live Oak, California do hereby proclaim February 2022, Teen Dating Violence Awareness and Prevention Month, throughout the City of Live Oak. We urge all residents to work toward ending teen dating violence by empowering young people to develop healthier relationships, assisting victims in accessing the information and supportive services they need, creating better and more resources for young people in need, instituting effective intervention and prevention policies in schools and engaging in discussions with family members and peers to promote awareness and prevention of the quiet epidemic of teen dating violence.

Dated this 2nd day of February, 2022.

Nancy Santana, Mayor

Bob Woten, Vice Mayor

Lakhvir Ghag, Council Member

Jeramy Chapdelaine, Council Member

J.R. Thiara, Council Member

City of Live Oak
Report to City Council

Meeting Date:	February 2, 2022
Title:	City Council Meeting Minutes
Contact Information:	Clarissa Menchaca, City Clerk
Recommendation:	Approve the January 19, 2022 City Council Regular Meeting minutes.

Attachments:

Minutes

LIVE OAK CITY COUNCIL

MINUTES
JANUARY 19, 2022
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 Santana at Live Oak City Council Chambers, 9955 Live Oak Boulevard, Live Oak, CA at 6:09 pm.

ROLL CALL

Present: Councilmembers Thiara, Chapdelaine, Vice Mayor Woten, and Mayor Santana

Absent: Councilmember Ghag

PLEDGE OF ALLEGIANCE AND INVOCATION

Councilmember Chapdelaine led the Pledge of Allegiance. Councilmember Thiara 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. Holiday Lights Decorating Contest Winners

The Council recognized the following winners of the Holiday Lights Decorating Contest:

3rd place: 2559 Brianne Way
2nd place: 9623 Poplar Way
1st place: 3377 Richmond Court

PUBLIC COMMENT

The following member of the public addressed the Council: Cruz Mora.

CONSENT ITEMS

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

MOTION: APPROVE THE CONSENT AGENDA, WITH THE EXCEPTION OF ITEM 2 AND ITEM 3 WHICH WERE PULLED FOR FURTHER DISCUSSION.
(MOTION: WOTEN; SECOND: SANTANA)

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

1. City Council Meeting Minutes
Clarissa Menchaca, City Clerk
Council action: January 5, 2022 City Council Regular Meeting minutes approved.

2. 2022 HOME Program Application Resolution
Alison Schmidt, Acting Chief Building Official

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

3. Emergency Repair of Screening Unit at Wastewater Treatment Plant
Ron Walker, Public Works Director

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

BUSINESS ITEMS

4. 2022 Council Member Committee Assignments
Aaron Palmer, City Manager

Aaron Palmer, City Manager, provided a report for the Council.

Public Comment was opened and closed without any speakers.

MOTION: APPROVE THE 2022 COMMITTEE ASSIGNMENTS AS PRESENTED INCLUDING THE FOLLOWING CHANGES:

REGIONAL COMMITTEE ASSIGNMENTS:

- BI-COUNTY HOMELESS SERVICES PROGRAM: COUNCILMEMBER CHAPDELAINE APPOINTED AS ALTERNATE MEMBER, WITH A TERM ENDING JANUARY 2023.

- REGIONAL WASTE MANAGEMENT AUTHORITY: COUNCILMEMBER CHAPDELAINE APPOINTED AS ALTERNATE MEMBER.

- SUTTER ANIMAL SERVICES AUTHORITY: VICE MAYOR WOTEN APPOINTED AS SECOND REGULAR MEMBER AND COUNCILMEMBER CHAPDELAINE APPOINTED AS ALTERNATE MEMBER, WITH TERMS ENDING JANUARY 2023.

- SUTTER BUTTE FLOOD CONTROL AGENCY: COUNCILMEMBER CHAPDELAINE APPOINTED AS ALTERNATE MEMBER.

(MOTION: WOTEN; SECOND: CHAPDELAINE)

VOTE: MOTION PASSED 3-1-1
AYES: COUNCILMEMBER CHAPDELAINE, VICE MAYOR WOTEN, MAYOR SANTANA
NOES: COUNCILMEMBER THIARA
ABSENT: COUNCILMEMBER GHAG

5. Council Discussion and Possible Action to Adopt a Resolution Approving and Adopting the Final Draft Sutter Subbasin Groundwater Sustainability Plan and Authorizing Submittal of the Final Draft Plan to the Department of Water Resources
Scott Rolls, City Engineer

Scott Rolls, City Engineer, provided a report for the Council.

The following member of the public addressed the Council: Cruz Mora.

MOTION: ADOPT RESOLUTION APPROVING AND ADOPTING THE FINAL DRAFT SUTTER SUBBASIN GROUNDWATER SUSTAINABILITY PLAN AND AUTHORIZING SUBMITTAL OF THE FINAL DRAFT PLAN TO THE DEPARTMENT OF WATER RESOURCES BY THE END OF THIS MONTH, JANUARY.
(MOTION: WOTEN; SECOND: SANTANA)

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

Reference Resolution No. 04-2022.

6. Council Discussion and Possible Action to Adopt a Resolution Authorizing the Designation of Certain Products, Brands or Services and the Waiver of the Competitive Bidding Requirements for the Purchase of Standardized Equipment for Use in the Live Oak Streetscape Project
Scott Rolls, City Engineer

Scott Rolls, City Engineer, provided a report for the Council.

Public Comment was opened and closed without any speakers.

MOTION: ADOPT RESOLUTION AUTHORIZING THE DESIGNATION OF CERTAIN PRODUCTS, BRANDS OR SERVICES AND THE WAIVER OF THE COMPETITIVE BIDDING REQUIREMENTS FOR THE PURCHASE OF STANDARDIZED EQUIPMENT FOR USE IN THE LIVE OAK STREETSCAPE PROJECT.
(MOTION: CHAPDELAINE; SECOND: WOTEN)

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

Reference Resolution No. 05-2022.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR COUNCIL CONSIDERATION AND ACTION

2. 2022 HOME Program Application Resolution
Alison Schmidt, Acting Chief Building Official

Alison Schmidt, Acting Chief Building Official, addressed questions from the Council.

MOTION: ADOPT RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR HOME GRANT FUNDS FROM THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE EXECUTION OF AGREEMENTS AND DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME PROGRAM.
(MOTION: WOTEN; SECOND: CHAPDELAINE)

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

Reference Resolution No. 03-2022.

3. Emergency Repair of Screening Unit at Wastewater Treatment Plant
Ron Walker, Public Works Director

Ron Walker, Public Works Director, addressed questions from the Council.

MOTION: ACCEPT MANUFACTURER'S QUOTE.
(MOTION: CHAPDELAINE; SECOND: WOTEN)

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

UPDATES AND ANNOUNCEMENTS FROM THE CITY ATTORNEY AND CITY MANAGER

Aaron Palmer, City Manager, highlighted the birth of City Clerk, Clarissa Menchaca's daughter.

COUNCILMEMBER COMMENTS (WRITTEN ONLY)

There were no Councilmember comments.

CLOSED SESSION

7. Conference with Labor Negotiators Pursuant to California Government Code Section 54957.6:
Agency Designated Representatives: Aaron Palmer, City Manager
Employee Organization: Confidential and Unrepresented Employees

ADJOURNMENT

Adjourned the meeting at 7:18 pm.

_____
Nancy Santana, Mayor

ATTEST:

_____
Clarissa Menchaca, City Clerk

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Appointment to the Feather River Air Quality Management District

Contact Information: Aaron Palmer, City Manager

Background: In accordance with the Agreement for Composition of the Feather River Air Quality Management District Board of Directors, the City of Yuba City City Council has made the following new appointment: Councilman Shon Harris Alternate. Pursuant to Health and Safety Code Section 40152(b), members and their composition shall be determined jointly by the counties and cities within the district. This appointment requires approval of the Live Oak City Council.

Recommendation: Approve the appointment of City of Yuba City Councilman Shon Harris as the Alternate Member to the Feather River Air Quality Management District as required by Health and Safety Code Section 40152(b).

Attachments:

Letter from FRAQMD

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
Serving Sutter and Yuba Counties

541 Washington Ave
Yuba City, CA 95991
(530) 634-7659
FAX (530) 634-7660
www.fraqmd.org

Christopher D. Brown, AICP
Air Pollution Control Officer

January 26, 2022

Clarissa Menchaca – City Clerk
City of Live Oak
9955 Live Oak Blvd.
Live Oak, CA 95953

RE: Approval of City Council appointment

Dear Ms. Menchaca;

In accordance with the Agreement for Composition of the Feather River AQMD Board of Directors, the City of Yuba City Council has made the following new appointments listed below.

The Health and Safety Code section 40152 (b) states the members and their composition shall be determined jointly by the counties and cities within the district. These appointments require the approval of the Live Oak City Council.

Directors:

Councilman Shon Harris – Alternate (City of Yuba City)

Please approve the appointment at your earliest convenience and notify the District when the action is taken.

If you have any questions, please contact me at (530) 634-7659 x204.

Sincerely,

Shelley Channel
Acting Administrative Services Officer

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Annual Audited Financial Statements - Year Ended June 30, 2021

Contact Information: James Ramsey, Finance Director

Background: Each year the City of Live Oak issues an Annual Comprehensive Financial Report (ACFR) (attached), which was previously referred to as the Comprehensive Annual Financial Report (CAFR). The ACFR summarizes the financial transactions of a local government for the year in accordance with the generally accepted accounting standards as promulgated by the Governmental Accounting Standards Board (GASB).

The audit is required by the loan covenants on the water and sewer systems, as well as the as Title 2, Grants and Agreements, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, of the Code of Federal Regulations (Single Audit).

The City has engaged a regional, independent certified public accountants (CPA) firm, Lance, Soll, and Lunghard, LLP (LSL) to perform the audit in accordance with generally accepted auditing standards and Government Auditing Standards. The audit was based out of LSL's Sacramento office. LSL has issued an unmodified or "clean" opinion that was dated on December 10, 2021. The Single Audit is currently underway and is expected to be issued by March 31, 2022.

Financial Highlights

The City's net position as of June 30, 2021 was $85,936,436, which was a slight increase of $334,856 as compared to last fiscal year. The net position includes items such as capital assets ($64,995,978), net pension liability ($1,931,204), and other long-term obligations such as bonds, notes, capital leases, and compensated absences ($6,773,860).

The City's General Fund ended with a fund balance of $4,194,753, of which $1.6 million was unassigned and available for spending. $2.6 million is committed. The General Fund balance decreased by $267,652 due to expenditures greater than actual revenues received. Across all governmental funds, fund balance ended at $5,567,814, a decrease of $1.8 million. The

most significant decrease is recorded in the State Grants Fund, where the City has incurred expenditures for capital projects but has not received reimbursement.

The water fund's net position increased by $532,685 from $9,937,089 to $10,469,954 primarily as a result of capital contributions recorded in the fund. The sewer fund's net position decreased by $636,940 primarily due to operating expenditures (included depreciation), being greater than revenues.

Other Information

The ACFR was submitted to the Government's Finance Officers Association (GFOA) excellence in financial reporting award program.

Additionally, LSL has issued their board communication letter in accordance with the clarified auditing standards. The letter identified the net pension liability and net other-postemployment benefits (OPEB) asset as significant estimates. These estimates are determined by actuaries in accordance with their applicable standards. There was one uncorrected misstatement noted, that management has deemed immaterial to the financial statements. The resulting impact was an adjustment of $6,281.

Finally, LSL has identified two items that are required to be reported to the City Council in accordance with government auditing standards. The first item is a result an audit adjustment related to the accrual of an accounts payable in the Water Fund. The second item is a result of the City not meeting the rate covenants of the Certificates of Participation in the Water Fund.

Recommendation: Accept and file annual financial statements.

Attachments:

City of Live Oak Report on IC Final
City of Live Oak Audit Communication Letter Final
City of Live Oak ACFR Final

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, 2021, 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 10, 2021.

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.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify the following deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies: Finding 2021-001 – Accounts Payable Accrual.

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*, and which are described in the accompanying schedule of findings and questioned costs as item 2021-002.

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 10, 2021

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Accounts Payable Accrual

Reference Number: 2021-001

Evaluation of Finding:
Significant Deficiency

Condition:
During our test work of accounts payable, we noted two invoices which related to fiscal year 2020-2021 that were paid in fiscal year 2021-2022 but not properly recognized as a liability in the fiscal year

Criteria:
Generally Accepted Accounting Principles require expenditures to be recorded in the period in which they are incurred

Cause of Condition:
During the review of accounts payable, City staff performed a review of the invoices based upon the invoice date, rather than the period of performance of the service.

Effect or Potential Effect of Condition:
The expenditures in the Water enterprise fund were understated at the financial statement date. The City has corrected the misstatement.

Recommendation:
We recommend the City perform a thorough review over accounts payable invoices based upon the period of work performed in addition to the invoice date.

Management's Response and Corrective Action:
The City agrees with this recommendation and will more thoroughly inspect invoices for year-end accrual.

Revenue Coverage Requirement

Reference Number: 2021-002

Evaluation of Finding:
Noncompliance

Condition:
As of June 30, 2021, 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 80%.

Criteria:
The City should have a coverage ratio of operating revenues to operating expenses equal 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.

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

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 2022 in pursuing water rate adjustments that are compliant with the loan covenants.

December 10, 2021

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, 2021. 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 May 18, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings and Other Issues

Qualitative Aspects of Significant 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 2020-2021. 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 estimates affecting the City's financial statements was:

> 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.

Significant Unusual Transactions

Management is responsible for the policies and practices used to account for significant unusual transactions. No significant unusual transactions have occurred during fiscal year 2020-2021.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatement

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. These differences are described below. In addition, we detected misstatements as a result of audit procedures which were significant, and were subsequently corrected by management. The details of these misstatements are described in a separate letter dated December 10, 2021.

Unadjusted Audit Differences	Current Year Over (Under) Revenues and Expenditures/Expenses and Changes in Fund Balance/Equity
Overstatement of revenue accrual for GAS tax	$ 19,027
Understatement of revenue accrual for RMRA	(12,746)
Cumulative effect (before effect of prior year differences)	6,281
Effect of unadjusted audit difference - prior year	-
Cumulative effect (after effect of prior year differences)	$ 6,281

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.

Circumstances that Affect the Form and Content of the Auditor's Report

New auditing standards were implemented in fiscal year 2020-2021 related to Statement of Auditing Standards 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*, through Statement of Auditing Standards 140, *Supplementary Information in Relation to the Financial Statements as a Whole*. These standards updated the form and content of the financial statement auditor's report. The purpose of the change was to present an easier format for users to understand the results of the audit and management's responsibilities.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 10, 2021.

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 Discussed with Management

We generally discuss a variety of matters, including the significant events or transactions that occurred during the year, business conditions affecting the City and business plans and strategies that may affect the risks of material misstatements, 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, program income fund, and transportation 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.

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.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2020-2021 audit:

GASB Statement No. 84, *Fiduciary Activities.*

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

GASB Statement No. 98, *The Annual Comprehensive Financial Report.*

The following GASB pronouncements are effective in the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal year 2022

GASB Statement No. 87, *Leases.*

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

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.*

Fiscal year 2023

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

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement.*

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

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

CITY OF LIVE OAK, STATE OF CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2021

LIVE OAK

CALIFORNIA

PREPARED BY THE FINANCE DEPARTMENT

CITY OF LIVE OAK, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2021

PREPARED BY THE FINANCE DEPARTMENT

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CITY OF LIVE OAK. CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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December 10, 2021

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF LIVE OAK

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Live Oak for the fiscal year ended June 30, 2021. Although addressed to the City's governing body and its citizens, the ACFR is intended also to provide relevant financial information to creditors, investors, and other interested parties. This transmittal letter provides a summary of City of Live Oak finances, services, achievements and economic prospects for readers without a technical background. Those wishing a more detailed discussion of the City's financial results should refer to Management's Discussion and Analysis (MD&A) contained in the Financial Section of the ACFR.

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

The City contracted with Lance, Soll & Lunghard, CPAs, 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, 2021. This conclusion is the most favorable kind and is presented as the component of the financial section of this report.

REPORTING ENTITY

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

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

The City provides a full range of municipal services, including police and fire protection, street and park maintenance, community development, building inspection, code enforcement, recreation programs, finance, grants and general administration. The City also operates a municipal pool, water treatment plant and a 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 had a slight increase in revenues over the prior years in spite of the COVID-19 pandemic. These modest increases have restored the City's core revenue base to what it was received in the peak year of FY 2007-08. Commercial expansion reaming stagnant in Live Oak and the surrounding area. The widening of Highway 99 is expected to lead to new commercial opportunities. In the past 12 months, the City has experienced the addition of 82 new single-family homes, with another 60 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, 2021 include the following:

- Continued construction of the Underground Utility project.
- Continued construction of the Highway 99 widening.
- Nearing completion of the new municipal water well.
- Continued construction of the Pennington Road water main project.

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 City will applying for the Government Finance Officers Association of the United States and Canada (GFOA) Certificate for Excellence in Financial Reporting for its annual comprehensive financial report for the fiscal year ended June 30, 2021. 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 ACFR represents the culmination of a concerted team effort by the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, staff in all City departments should be recognized for their timely and positive response to the requests for detailed information necessary to prepare the annual audit. The role of Lance, Soll & Lunghard, CPAs, should also be acknowledged as a significant contribution.

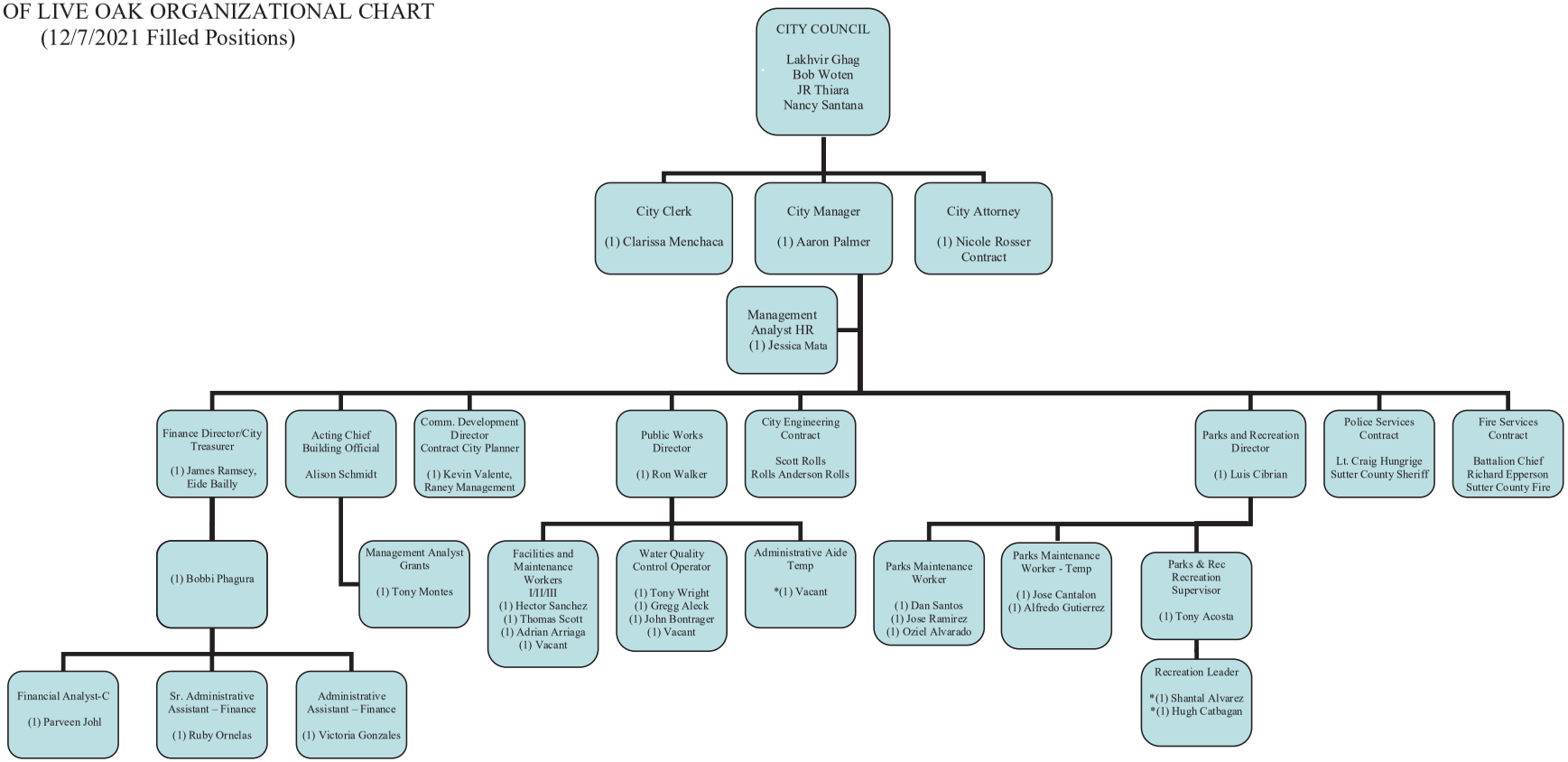
Finally, we wish to express our sincere appreciation to the Mayor and City Council for providing policy direction and a firm foundation of support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

James W. Ramsey

James W Ramsey, CPA
Director of Finance (Consultant)

CITY OF LIVE OAK ORGANIZATIONAL CHART
(12/7/2021 Filled Positions)



*Scheduled Part-Time

12/08/2021

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the date of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Responsibilities

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

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

Supplementary Information

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

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2021, 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 10, 2021

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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, 2021. 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 $85,936,436 as of June 30, 2021, an increase of $334,856 from the prior year.
- The City's governmental funds reported a combined fund balance of $5,567,814, a decrease of $1,839,563 from the prior year.
- General Fund revenues of $3,658,661 were $326,190 higher than the prior year.
- General Fund expenditures of $3,926,313 represented an increase of $385,926 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 them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

Fund Financial Statements

The fund financial statements provide detailed information about each of the City's most significant funds – not the City as a whole. Management establishes funds to help control and manage money for purposes. The City uses 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 special revenue funds as well as a description of the City's accounting policies with regard to the annual budget. The City also reports certain schedules related to the net pension liability and net OPEB asset.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

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

Following is a summary of net position:

	As of June 30, 2021			As of June 30, 2020		
	Governmental Activities	Business-Type Activities	Totals	Governmental Activities	Business-Type Activities	Totals
Current and other assets	$ 26,981,880	$ 6,274,142	$33,256,022	$ 26,887,053	$ 6,274,142	$33,161,195
Capital assets, net	29,518,958	35,477,020	64,995,978	28,535,349	35,477,020	64,012,369
Total assets	56,500,838	41,751,162	98,252,000	55,422,402	41,751,162	97,173,564
Deferred Outflows	285,059	304,274	589,333	294,631	618,160	912,791
Current and other liabilities	2,996,208	1,593,188	4,589,396	1,283,746	626,056	1,909,802
Non-current liabilties	1,310,601	6,951,133	8,261,734	1,410,136	7,091,360	8,501,496
Total liabilities	4,306,809	8,544,321	12,851,130	2,693,882	7,717,416	10,411,298
Deferred Inflows	32,792	20,975	53,767	76,566	74,483	151,049
Net Position						
Net investment in capital assets	29,188,335	29,355,009	58,543,344	28,129,068	28,405,269	56,534,337
Restricted	3,691,906	1,306,135	4,998,041	3,896,038	815,915	4,711,953
Unrestricted	19,566,055	2,828,996	22,395,051	20,921,479	3,433,811	24,355,290
Total Net Position	$ 52,446,296	$ 33,490,140	$85,936,436	$ 52,946,585	$ 32,654,995	$ 85,601,580

Net position represents the difference between the City's resources and its obligations. At June 30, 2021, the largest portion of the City's total net position, 68 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 $58.5 million at June 30, 2021. These capital assets are used by the City to provide services to the citizens.

Overall, the net position for the governmental and business-type activities of the City funds has improved due to both operating results and increase contributions from operating and capital grants.

Restricted net position of $5.0 million represents resources subject to external restrictions as to how they may be used. Unrestricted net position of $22.4 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, 2021			As of June 30, 2020		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Revenues:						
Program revenues:						
Charges for services	$ 858,171	$ 4,255,518	$ 5,113,689	$ 538,048	$ 3,473,906	$ 4,011,954
Operating grants and contributions	1,399,265	-	1,399,265	9,988,595	-	9,988,595
Capital grants and contributions	38,118	-	38,118	28,210	-	28,210
General revenues:						
Property taxes	1,878,102	-	1,878,102	1,760,699	-	1,760,699
Sales taxes	371,363	-	371,363	399,002	-	399,002
Franchise taxes	245,828	-	245,828	231,699	-	231,699
Other taxes	1,619,334	-	1,619,334	1,269,351	-	1,269,351
Motor vehicle in lieu - unrestricted	429,421	-	429,421	337,283	-	337,283
Use of money and property	84,839	4,126	88,965	238,755	71,114	309,869
Other miscellaneous	458,167	-	458,167	317,698	-	317,698
Total revenues	7,382,608	4,259,644	11,642,252	15,109,340	3,545,020	18,654,360
Expenses:						
General government	774,096	-	774,096	893,380	-	893,380
Public safety	2,328,780	-	2,328,780	2,313,013	-	2,313,013
Community Development	537,626	-	537,626	4,815,355	-	4,815,355
Culture and recreation	1,187,739	-	1,187,739	1,197,655	-	1,197,655
Public ways and facilities	1,827,022	-	1,827,022	1,053,622	-	1,053,622
Interest on long term debt	16,884	-	16,884	21,932	-	21,932
Water	-	1,596,824	1,596,824	-	1,313,223	1,313,223
Sewer	-	3,038,425	3,038,425	-	2,855,811	2,855,811
Total expenses	6,672,147	4,635,249	11,307,396	10,294,957	4,169,034	14,463,991
Excess - before transfers	710,461	(375,605)	334,856	4,814,383	(624,014)	4,190,369
Transfers	(1,210,750)	1,210,750	-	(1,417,165)	1,417,165	-
Change in net position	(500,289)	835,145	334,856	3,397,218	793,151	4,190,369
Net Position - Beginning	52,946,585	32,654,995	85,601,580	49,549,367	31,861,844	81,411,211
Net Position - Ending	$ 52,446,296	$ 33,490,140	$ 85,936,436	$ 52,946,585	$ 32,654,995	$ 85,601,580

Governmental Activities:

The City's governmental activities decreased the City's net position by $500,289. Revenues, net of transfers, were $7.38 million which represented a decrease of $7.7 million or 51.1 percent, and expenses were
$6.67 million which represented a decrease of $3.62 million or 35.2 percent. Governmental activities highlights include the following:

> Taxes provided $4.1 million or 67 percent of the total governmental activities revenue of the City. This amount is an increase of $453,876 from the prior year. This is primarily a result of an increase in Other Taxes received. Other Taxes consisting of excise tax, impact fees, and Mello Roos increased by $349,983, while property taxes received increased by $117,403.
>
> Charges for services, operating grants and capital grants provided $2.29 million or 31 percent of the total governmental-activities revenue of the City. This amount is a decrease of $8.26 million from the prior year and attributable to a decrease in grant funds received. In the prior fiscal year, the City received one-time grant revenues exceeding $5 million.

Business-Type Activities

Business-type activities increased the City's net position by $835,145. Revenues were $5.47 million which represented an increase of $508,209 due to an increase in charges for services. Business-type activities highlights include the following:

> Charges for services provided $4.26 million or 78 percent of the total business type activities revenue of the City. This is an increase of approximately 22.5 percent from the prior year due to increased consumption. Transfers between the governmental activities and business-type activities decreased by 14.6 percent as compared to prior year due to decreased 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, 2021 of $5,567,814. The General Fund decreased by $267,652 and all other Governmental Funds decreased by $1,571,911. Within the governmental funds, the decrease in fund balance was attributable a project in the State Grant Fund for Well #7.

Analysis of Major Governmental Funds

General Fund

General Fund revenues totaled $3,658,661 in fiscal year 2020-21, an increase of $326,190 over last year. The primary increases were in property taxes in the amount of $117,403, as well as an increase of $349,983 in other taxes. The increase in property taxes is due to elevated property values during the fiscal year. General Fund expenditures totaled $3,926,313 in fiscal year 2020-21, an increase of $385,926 over last year. The primary increase was due to a capital project in the amount of $244,441.

At the end of fiscal year 2021, the fund balance for the City's General Fund was $4,194,753 a decrease of $267,652 over last year. The fund balance in General Fund comprised of $29,319 in nonspendable fund balance, $2,605,435 committed fund balance and $1,559,999 unassigned fund balance. The nonspendable fund balanced increased by $18,660, the committed fund balance decreased by $1,957, while the unassigned fund balance decreased $284,355.

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

	As of June 30, 2021		
	Original Budget	Final Budget	Actual Amounts
General Government	$ 746,681	$ 746,681	$ 667,086
Public safety	1,567,257	1,567,257	1,690,476
Public ways and facilities	20,350	20,350	37,089
Culture and recreation	861,071	874,571	782,999
Community development	266,333	266,333	330,227
Capital Outlay	9,000	1,556,000	273,012
Debt Service	148,962	148,962	145,424
	$ 3,619,654	$ 5,180,154	$ 3,926,313

Program Income

Program income fund revenues totaled $33,235 in fiscal year 2020-21, a decrease of $19,407 due to less program activity. Program income expenditures totaled $123,773 a decrease of $213,474. At the end of fiscal year 2021 the Program income fund balance was $52,784 a decrease of $90,538.

16-HOME-11532

16-HOME-11532 fund revenues for fiscal year 2020-21 totaled $457,935, a decrease of $3.6 million. This is a result of receiving a large grant reimbursement in the prior year. Expenditures in the fund totaled $450,827, a decrease of $3.6 million. This is primarily due to the issuance of a loan to a developer for the development of affordable housing in the prior year. At the end of fiscal year 2021 fund balance was ($1,994), an increase of $7,108.

State Grants

The State Grant fund revenues for fiscal year 2020-21 were $35,652, an increase of $34,887 over the prior year. Current year expenditures totaled $1,192,787, an increase of $634,430 over the prior year. The increase in expenditures can be attributed to the construction of Well #7 that will be complete in FY2021-2022.

Transportation

The transportation fund revenues for fiscal year 2020-21 totaled $372,724, a decrease of $59,517 while the current year expenditures were $1,228,128, an increase of $1,217,863. The primary driver for the increase is related to the Highway 99/Underground Utility project that is ongoing.

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 revenues of $1,701 and transfers of $10,955 received in fiscal year 2021. Expenditures totaled $106,507 in fiscal year 2021.

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 $60,463 compared to fiscal year 2019-20. In addition, operating expenses increased to $1,556,028 annually, up $264,058 over the prior year. As of June 30, 2021, the fund's net position went from $9,937,089 in 2020 to $10,469,954 in 2021 representing an increase of $532,865. The fund's net investment in capital assets went up by $887,815 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 ($647,792) at the close of fiscal year 2021. Due to the age of the water system infrastructure, significant investments will be required in future years to update water lines and equipment.

Sewer

The sewer fund is financed and operated in a manner similar to that of a private business. As of June 30, 2021, the fund's net position totaled $21,265,051 of which $17,788,263 remains invested in capital assets net of related debt. The fund's unrestricted net position was $3,476,788 at the close of fiscal year 2021. Overall, operating revenues remained fairly constant at $2,378,415 with an increase of $50,116 over the prior year. Operating expenses totaled $2,961,331 for the year, an 8 percent increase of $208,563 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 2021, the City had invested $65 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 J of the note disclosures.

Following is a summary of capital assets:

Capital Assets

	Balance at June 30, 2021	Balance at June 30, 2020
Governmental Activities		
Land	$ 6,584,996	$ 6,584,996
Construction in progress	3,225,245	1,393,398
Buildings and improvements	7,561,067	7,561,067
Equipment	4,687,200	4,556,617
Infrastructure	22,199,263	22,199,263
Less: Accumulated depreciation	(14,738,813)	(13,759,992)
Governmental Activities Capital Assets (net)	$ 29,518,958	$ 28,535,349
Business-type Activities		
Land	$ 233,241	$ 233,241
Construction in progress	5,097,514	3,347,105
Buildings and improvements	38,641	38,641
Equipment	1,597,191	1,585,929
Infrastructure	49,259,827	48,864,895
Less: Accumulated depreciation	(20,749,394)	(19,284,559)
Business-type Activities Capital Assets (net)	$ 35,477,020	$ 34,785,252

At June 30, 2021, major construction in progress include the undergrounding of utility lines/highway 99 project in the governmental activities and the construction of Well #7 for the water fund.

Long-term Debt:

At June 30, 2020 and 2021 the City had $7 million and $6.6 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, 2021, the City's debt consisted of:

Governmental Activities Debt:

2012 City of Yuba City/County of Sutter joint facility animal shelter loan due 2023	$ 158,648
2018 Fire Engine Lease – 3.570% due 2025	330,623
Total Governmental Activities Debt	489,271

Business-type Activities Debt:

2003 USDA COP's for Wastewater Treatment Plant Expansion – 4.25% due 7/2043	750,000
2006 USDA COP's for Water Meter Project – 4.25% due 7/2044	960,000
2009 SWRCB State Revolving Fund Wastewater Plant – 1% 30Year Term	4,412,011
Total Business-type Activities Debt	6,122,011
Total Outstanding Debt	$ 6,611,282

ECONOMIC FACTORS AND NEXT YEARS BUDGET

Assessed property values began increasing over the recent two years moving from $423 million in 2020 to $454 million in 2021. The City's revenue base has slowly increased over the past several years and are now nearly at the same level as it was in FY 2008-2009.

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

In September 2021, the City adopted a portion of its proposed FY 2021-22 budget as different funding sources and expenditures are evaluated. The City continues to maintain a conservative budget and had originally proposed a budget surplus. The General Fund portion of the proposed budget included approximately $3.6 million in expenditures, reflecting a decrease of 3.4% decrease from the FY 2020-21 adopted budget.

The City continued to review and update various fees in fiscal year 2020-21. 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, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current:			
Cash and investments	$ 7,033,506	$ 6,146,474	$ 13,179,980
Receivables:			
Accounts, net	49,101	485,414	534,515
Notes and loans	18,346,276	-	18,346,276
Accrued interest	4,404	2,816	7,220
Internal balances	389,482	(389,482)	-
Prepaid costs	36,413	19,742	56,155
Due from other governments	1,023,910	580	1,024,490
Noncurrent:			
Net OPEB asset	98,788	8,598	107,386
Capital assets not being depreciated	9,810,241	5,330,755	15,140,996
Capital assets, net of depreciation	19,708,717	30,146,265	49,854,982
Total Assets	**56,500,838**	**41,751,162**	**98,252,000**
Deferred Outflows of Resources:			
Deferred pension related items	265,121	303,234	568,355
Deferred OPEB related items	19,938	1,040	20,978
Total Deferred Outflows of Resources	**285,059**	**304,274**	**589,333**
Liabilities:			
Current:			
Accounts payable	2,265,500	1,211,773	3,477,273
Retention payable	110,371	-	110,371
Due to other governments	7,723	-	7,723
Salaries and benefits payable	56,498	46,677	103,175
Accrued interest	4,918	36,338	41,256
Deposits payable	187,156	3,534	190,690
Unearned revenue	215,578	-	215,578
Compensated absences	17,223	35,014	52,237
Bonds, notes, and capital leases	131,241	259,852	391,093
Noncurrent:			
Compensated absences	59,003	51,338	110,341
Bonds, notes, and capital leases	358,030	5,862,159	6,220,189
Net pension liability	893,568	1,037,636	1,931,204
Total Liabilities	**4,306,809**	**8,544,321**	**12,851,130**
Deferred Inflows of Resources:			
Deferred pension related items	28,434	20,451	48,885
Deferred OPEB related items	4,358	524	4,882
Total Deferred Inflows of Resources	**32,792**	**20,975**	**53,767**
Net Position:			
Net investment in capital assets	29,188,335	29,355,009	58,543,344
Restricted for:			
Public safety	773,477	-	773,477
Public ways and facilities	2,370,371	-	2,370,371
Community development	203,355	-	203,355
Culture and recreation	344,703	-	344,703
Capital projects	-	1,306,135	1,306,135
Unrestricted	19,566,055	2,828,996	22,395,051
Total Net Position	**$ 52,446,296**	**$ 33,490,140**	**$ 85,936,436**

See Notes to Financial Statements.

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

		Program Revenues		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	$ 774,096	$ 392,632	$ -	$ -
Public safety	2,328,780	4,781	46,285	-
Community development	537,626	-	981,839	-
Culture and recreation	1,188,279	20,816	-	-
Public ways and facilities	1,827,022	440,482	371,141	38,118
Interest on long-term debt	16,884	-	-	-
Total Governmental Activities	**6,672,687**	**858,711**	**1,399,265**	**38,118**
Business-Type Activities:				
Water	1,596,824	940,189	-	-
Sewer	3,038,425	2,378,415	-	-
Water Connection	-	428,682	-	-
Sewer Connection	-	508,232	-	-
Total Business-Type Activities	**4,635,249**	**4,255,518**	**-**	**-**
Total Primary Government	**$ 11,307,936**	**$ 5,114,229**	**$ 1,399,265**	**$ 38,118**

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

See Notes to Financial Statements.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (381,464)	$ -	$ (381,464)
(2,277,714)	-	(2,277,714)
444,213	-	444,213
(1,167,463)	-	(1,167,463)
(977,281)	-	(977,281)
(16,884)	-	(16,884)
(4,376,593)	**-**	**(4,376,593)**
-	(656,635)	(656,635)
-	(660,010)	(660,010)
-	428,682	428,682
-	508,232	508,232
-	**(379,731)**	**(379,731)**
(4,376,593)	**(379,731)**	**(4,756,324)**
1,878,102	-	1,878,102
371,363	-	371,363
245,828	-	245,828
1,619,334	-	1,619,334
429,421	-	429,421
84,839	4,126	88,965
458,167	-	458,167
(1,210,750)	1,210,750	-
3,876,304	**1,214,876**	**5,091,180**
(500,289)	835,145	334,856
52,946,585	32,654,995	85,601,580
$ 52,446,296	**$ 33,490,140**	**$ 85,936,436**

See Notes to Financial Statements.

CITY OF LIVE OAK

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

		Special Revenue Funds		
	General	Program Income	State Grant Fund	Transportation
Assets:				
Cash and investments	$ 1,857,127	$ 52,727	$ -	$ 1,100,920
Receivables:				
Accounts	48,561	-	-	-
Accrued interest	2,006	57	-	539
Notes and loans	105,908	12,681,167	-	-
Due from other funds	2,847,854	-	-	-
Prepaid items	29,319	-	1,909	-
Due from other governments	142,857	-	-	371,141
Total Assets	**$ 5,033,632**	**$ 12,733,951**	**$ 1,909**	**$ 1,472,600**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 669,813	$ -	$ 67,586	$ 1,186,529
Retention payable	-	-	110,371	-
Due to other governments	7,723	-	-	-
Salaries and benefits payable	51,011	-	-	-
Deposits payable	4,424	-	-	-
Due to other funds	-	-	965,570	-
Unearned revenues	-	-	-	-
Total Liabilities	**732,971**	**-**	**1,143,527**	**1,186,529**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	105,908	12,681,167	-	-
Total Deferred Inflows of Resources	**105,908**	**12,681,167**	**-**	**-**
Fund Balances:				
Nonspendable	29,319	-	1,909	-
Restricted	-	52,784	-	286,071
Committed	2,605,435	-	-	-
Unassigned	1,559,999	-	(1,143,527)	-
Total Fund Balances	**4,194,753**	**52,784**	**(1,141,618)**	**286,071**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 5,033,632**	**$ 12,733,951**	**$ 1,909**	**$ 1,472,600**

See Notes to Financial Statements.

CITY OF LIVE OAK

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds	Capital Projects Fund		
	16-HOME-11532	Capital Improvement Project	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and investments	$ -	$ -	$ 4,022,732	$ 7,033,506
Receivables:				
Accounts	-	-	540	49,101
Accrued interest	-	-	1,802	4,404
Notes and loans	4,758,534	-	800,667	18,346,276
Due from other funds	-	-	-	2,847,854
Prepaid items	-	-	5,185	36,413
Due from other governments	337,072	-	172,840	1,023,910
Total Assets	**$ 5,095,606**	**$ -**	**$ 5,003,766**	**$ 29,341,464**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 31,012	$ 310,560	$ 2,265,500
Retention payable	-	-	-	110,371
Due to other governments	-	-	-	7,723
Salaries and benefits payable	-	-	5,487	56,498
Deposits payable	-	-	182,732	187,156
Due to other funds	339,066	293,139	860,597	2,458,372
Unearned revenues	-	-	215,578	215,578
Total Liabilities	**339,066**	**324,151**	**1,574,954**	**5,301,198**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	126,176	126,176
Deferred loan payments	4,758,534	-	800,667	18,346,276
Total Deferred Inflows of Resources	**4,758,534**	**-**	**926,843**	**18,472,452**
Fund Balances:				
Nonspendable	-	-	5,185	36,413
Restricted	-	-	3,353,051	3,691,906
Committed	-	-	-	2,605,435
Unassigned	(1,994)	(324,151)	(856,267)	(765,940)
Total Fund Balances	**(1,994)**	**(324,151)**	**2,501,969**	**5,567,814**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 5,095,606**	**$ -**	**$ 5,003,766**	**$ 29,341,464**

See Notes to Financial Statements.

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CITY OF LIVE OAK

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Fund balances of governmental funds		$ 5,567,814
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		29,518,958
Long-term debt and compensated absences that are not included in the governmental fund activity:		
Bonds, notes, and capital leases	$ (489,271)	
Compensated absences	(76,226)	(565,497)
Accrued interest due on long-term debt is not reported in the governmental funds		(4,918)
Net OPEB asset is not included in the governmental funds		98,788
Deferred inflows related to OPEB are not included in the governmental funds		(4,358)
Deferred outflows related to OPEB are not included in the governmental funds		19,938
Revenues reported as unavailable revenue in the governmental funds do not provide current financial resources but are recognized in the statement of activities		126,176
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		18,346,276
Net pension liability is not included in the governmental funds		(893,568)
Deferred inflows related to pension related items are not included in the governmental funds		(28,434)
Deferred outflows related to pension related items are not included in the governmental funds		265,121
Net Position of Governmental Activities		**$ 52,446,296**

See Notes to Financial Statements.

CITY OF LIVE OAK

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

		Special Revenue Fund		
	General	Program Income	State Grant Fund	Transportation
Revenues:				
Taxes and assessments	$ 2,722,578	$ -	$ -	$ -
Licenses and permits	377,745	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	72,914	(3,717)	(765)	1,583
Intergovernmental	7,240	36,952	36,417	371,141
Charges for services	35,379	-	-	-
Other revenue	442,805	-	-	-
Total Revenues	**3,658,661**	**33,235**	**35,652**	**372,724**
Expenditures:				
Current:				
General government	667,086	-	-	-
Public safety	1,690,476	-	-	-
Public ways and facilities	37,089	-	1,192,787	4,161
Culture and recreation	782,999	-	-	-
Community development	330,227	123,773	-	-
Capital outlay	273,012	-	-	1,223,967
Debt service:				
Principal	128,540	-	-	-
Interest	16,884	-	-	-
Total Expenditures	**3,926,313**	**123,773**	**1,192,787**	**1,228,128**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,652)	(90,538)	(1,157,135)	(855,404)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(55,955)
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**(55,955)**
Net Change in Fund Balances	(267,652)	(90,538)	(1,157,135)	(911,359)
Fund Balances, Beginning of Year	4,462,405	143,322	15,517	1,197,430
Fund Balances, End of Year	**$ 4,194,753**	**$ 52,784**	**$ (1,141,618)**	**$ 286,071**

See Notes to Financial Statements.

CITY OF LIVE OAK

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Fund	Capital Projects Fund		
	16-HOME-11532	Capital Improvement Project	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes and assessments	$ -	$ -	$ 1,392,049	$ 4,114,627
Licenses and permits	-	-	36,630	414,375
Fines and forfeitures	-	-	4,781	4,781
Use of money and property	-	-	14,824	84,839
Intergovernmental	-	1,701	468,790	922,241
Charges for services	-	-	180,277	215,656
Other revenue	457,935	-	240,814	1,141,554
Total Revenues	**457,935**	**1,701**	**2,338,165**	**6,898,073**
Expenditures:				
Current:				
General government	-	-	98,181	765,267
Public safety	-	-	493,068	2,183,544
Public ways and facilities	-	-	367,316	1,601,353
Culture and recreation	-	-	110,999	893,998
Community development	450,827	-	263,952	1,168,779
Capital outlay	-	106,507	375,785	1,979,271
Debt service:				
Principal	-	-	-	128,540
Interest	-	-	-	16,884
Total Expenditures	**450,827**	**106,507**	**1,709,301**	**8,737,636**
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,108	(104,806)	628,864	(1,839,563)
Other Financing Sources (Uses):				
Transfers in	-	55,955	45,000	100,955
Transfers out	-	(45,000)	-	(100,955)
Total Other Financing Sources (Uses)	**-**	**10,955**	**45,000**	**-**
Net Change in Fund Balances	7,108	(93,851)	673,864	(1,839,563)
Fund Balances, Beginning of Year	(9,102)	(230,300)	1,828,105	7,407,377
Fund Balances, End of Year	**$ (1,994)**	**$ (324,151)**	**$ 2,501,969**	**$ 5,567,814**

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, 2021

Net changes in fund balances - total governmental funds		$ (1,839,563)
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	$ 1,962,430	
Depreciation	(978,821)	983,609
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		128,540
Interest expense not recorded in the governmental fund statements because it did not require the use of current financial resources.		1,125
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.		924
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.		4,083
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.		228,110
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.		(7,117)
Change in Net Position of Governmental Activities		**$ (500,289)**

See Notes to Financial Statements.

CITY OF LIVE OAK

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Assets:				
Current:				
Cash and investments	$ -	$ 4,392,133	$ 1,754,341	$ 6,146,474
Receivables:				
Accounts, net	133,343	352,071	-	485,414
Accrued interest	-	2,022	794	2,816
Prepaid costs	8,898	10,844	-	19,742
Due from other governments	150	430	-	580
Total Current Assets	**142,391**	**4,757,500**	**1,755,135**	**6,655,026**
Noncurrent:				
Net OPEB asset	4,299	4,299	-	8,598
Capital assets not being depreciated	4,175,891	705,864	449,000	5,330,755
Capital assets, net of accumulated depreciation	7,901,855	22,244,410	-	30,146,265
Total Noncurrent Assets	**12,082,045**	**22,954,573**	**449,000**	**35,485,618**
Total Assets	**12,224,436**	**27,712,073**	**2,204,135**	**42,140,644**
Deferred Outflows of Resources:				
Deferred pension related items	100,458	202,776	-	303,234
Deferred OPEB related items	520	520	-	1,040
Total Deferred Outflows of Resources	**100,978**	**203,296**	**-**	**304,274**
Liabilities:				
Current:				
Accounts payable	80,764	682,009	449,000	1,211,773
Salaries and benefits payable	19,256	27,421	-	46,677
Accrued interest	20,400	15,938	-	36,338
Deposits payable	957	2,577	-	3,534
Due to other funds	389,482	-	-	389,482
Compensated absences	13,709	21,305	-	35,014
Bonds and notes	40,000	219,852	-	259,852
Total Current Liabilities	**564,568**	**969,102**	**449,000**	**1,982,670**
Noncurrent:				
Compensated absences	20,101	31,237	-	51,338
Bonds and notes	920,000	4,942,159	-	5,862,159
Net pension liability	343,754	693,882	-	1,037,636
Total Noncurrent Liabilities	**1,283,855**	**5,667,278**	**-**	**6,951,133**
Total Liabilities	**1,848,423**	**6,636,380**	**449,000**	**8,933,803**
Deferred Inflows of Resources:				
Deferred pension related items	6,775	13,676	-	20,451
Deferred OPEB related items	262	262	-	524
Total Deferred Inflows of Resources	**7,037**	**13,938**	**-**	**20,975**
Net Position:				
Net investment in capital assets	11,117,746	17,788,263	449,000	29,355,009
Restricted for capital projects	-	-	1,306,135	1,306,135
Unrestricted	(647,792)	3,476,788	-	2,828,996
Total Net Position	**$ 10,469,954**	**$ 21,265,051**	**$ 1,755,135**	**$ 33,490,140**

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, 2021

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Operating Revenues:				
Sales and service charges	$ 940,189	$ 2,378,415	$ 936,914	$ 4,255,518
Total Operating Revenues	**940,189**	**2,378,415**	**936,914**	**4,255,518**
Operating Expenses:				
Salaries and benefits	558,520	941,127	-	1,499,647
Administration	28,053	49,797	-	77,850
Power	198,257	197,068	-	395,325
Insurance	31,233	126,560	-	157,793
Supplies	53,607	-	-	53,607
Repair and extension	84,297	171,930	-	256,227
Professional services	166,681	279,136	-	445,817
Depreciation expense	362,935	1,101,900	-	1,464,835
Other expense	72,445	93,813	-	166,258
Total Operating Expenses	**1,556,028**	**2,961,331**	**-**	**4,517,359**
Operating Income (Loss)	(615,839)	(582,916)	936,914	(261,841)
Nonoperating Revenues (Expenses):				
Interest revenue	-	1,820	2,306	4,126
Interest expense	(40,796)	(77,094)	-	(117,890)
Total Nonoperating Revenues (Expenses)	**(40,796)**	**(75,274)**	**2,306**	**(113,764)**
Income (Loss) Before Transfers and Capital Contributions	(656,635)	(658,190)	939,220	(375,605)
Transfers in	-	21,250	-	21,250
Transfers out	(21,250)	-	-	(21,250)
Capital contributions	1,210,750	-	-	1,210,750
Changes in Net Position	532,865	(636,940)	939,220	835,145
Net Position:				
Beginning of Fiscal Year	9,937,089	21,901,991	815,915	32,654,995
End of Fiscal Year	**$ 10,469,954**	**$ 21,265,051**	**$ 1,755,135**	**$ 33,490,140**

See Notes to Financial Statements.

CITY OF LIVE OAK

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Other Enterprise Funds	Totals
Cash Flows from Operating Activities:				
Cash received from customers and users	$ 872,748	$ 2,296,719	$ 936,914	$ 4,106,381
Cash received from (paid to) suppliers for goods and services	(595,686)	(304,452)	-	(900,138)
Cash (paid to) employees for services	(561,444)	(958,935)	-	(1,520,379)
Net Cash Provided by Operating Activities	**(284,382)**	**1,033,332**	**936,914**	**1,685,864**
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(21,250)	-	-	(21,250)
Cash transfers in	-	21,250	-	21,250
Cash borrowed and due to other funds	387,278	-	-	387,278
Net Cash Provided (Used) by Non-Capital Financing Activities	**366,028**	**21,250**	**-**	**387,278**
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	(496,853)	-	(496,853)
Principal paid on capital debt	(40,000)	(217,972)	-	(257,972)
Interest paid on capital debt	(41,646)	(77,731)	-	(119,377)
Net Cash Used by Capital and Related Financing Activities	**(81,646)**	**(792,556)**	**-**	**(874,202)**
Cash Flows from Investing Activities:				
Interest received	-	8,882	3,271	12,153
Net Increase in Cash and Cash Equivalents	**-**	**270,908**	**940,185**	**1,211,093**
Cash and Cash Equivalents at Beginning of Year	-	4,121,225	814,156	4,935,381
Cash and Cash Equivalents at End of Year	**$ -**	**$ 4,392,133**	**$ 1,754,341**	**$ 6,146,474**
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	$ (615,839)	$ (582,916)	$ 936,914	$ (261,841)
Adjustments to reconcile operating income (loss) net cash provided by operating activities:				
Depreciation	362,935	1,101,900	-	1,464,835
Changes in pension related items	11,384	17,959	-	29,343
Changes in OPEB related items	(107)	(107)	-	(214)
(Increase) decrease in accounts receivable	(28,598)	(77,154)	-	(105,752)
(Increase) decrease in prepaid costs	(3,713)	(5,291)	-	(9,004)
(Increase) decrease in due from other governments	(150)	(430)	-	(580)
Increase (decrease) in accounts payable	14,697	569,776	-	584,473
Increase (decrease) in salaries and benefits payable	7,813	12,273	-	20,086
Increase (decrease) in deposits payable	(38,843)	(4,542)	-	(43,385)
Increase (decrease) in compensated absences	6,039	1,864	-	7,903
Total Adjustments	**331,457**	**1,616,248**	**-**	**1,947,705**
Net Cash Provided (Used) by Operating Activities	**$ (284,382)**	**$ 1,033,332**	**$ 936,914**	**$ 1,685,864**
Non-Cash Investing, Capital, and Financing Activities:				
Non-cash contributed capital assets	$ 1,210,750	$ -	$ -	$ 1,210,750
CIP items included in accounts payable	-	-	449,000	-

See Notes to Financial Statements.

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, 2021

	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, 2021

	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	**$ -**

See Notes to Financial Statements.

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

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

- 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 custodial 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, 2021, the allowance for doubtful accounts was $0.00.

h. Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2021, 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 $4,998,041 of restricted net position, of which $3,370,527 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, 2021, 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

During the fiscal year ended June 30, 2021, the City implemented the following GASB standards:

GASB Statement No. 84 – Fiduciary Activities The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The result of implementing this standard resulted in the inclusion of financial information formerly reported as "agency funds" in prior years within the General Fund. The implementation had no effect on the City's financial statements.

Note 2: Stewardship, Compliance and Accountability

a. Deficit Fund Balance/Net Position

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

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

The Fire Benefit Assessment fund had a fund balance deficit of $19,490, which is expected to be eliminated in through future assessment revenues.

The Mello Roos CFD 2004-1 Street Lighting fund had a fund balance deficit of $29,676, which is expected to be eliminated in the future through special assessment revenues.

The 13-CDBG-8933 Skate Park fund had a fund balance deficit of $430,713, which is expected to be reimbursed by the City.

The 16-HOME-11380 fund had a fund balance deficit of $126,443, 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 $246,000, 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, 2021, the City's cash and investments are reported in the financial statements as follows:

Governmental activities	$ 7,033,506
Business-Type activities	6,146,474
Private Purpose Trust	29,376
Total Cash and Investments	$ 13,209,356

As of June 30, 2021, the City's cash and investments consisted of the following:

Cash:	
Cash on hand	$ 1,020
Deposits (less outstanding checks)	3,752,858
Total Cash	3,753,878
Investments:	
Certificate of Deposit	31,000
LAIF	8,844,941
Money Market Funds	579,537
Total Investments	9,455,478
Total Cash and Investments	$ 13,209,356

b. Cash

At year end, the carrying amount of the City's cash deposits (including amount in checking accounts and money market accounts) was $3,752,858 and the bank balance was $4,396,614. 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.

Note 3: Cash and Investments (Continued)

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	$75 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.

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.

Note 3: Cash and Investments (Continued)

At June 30, 2021, the City had the following recurring fair value measurements.

Investment Type	Fair Value	Level 1	Level 2	Level 3
Certificate of Deposit	$ 31,000	$ -	$ 31,000	$ -
Uncategorized				
Money Market Mutual Funds	579,537			
Local Agency Investment Funds (LAIF)	8,844,941			
Total Investments Measured at Amortized Cost	9,424,478			
Total Investments	$ 9,455,478			

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, 2021, the City had the following investments all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities 0-1 Year	Fair Value
Certificate of Deposit	Variable	$ 31,000	$ 31,000
Local Agency Investment Fund (LAIF)	Variable	8,844,941	8,844,941
Money Market Funds	Variable	579,537	579,537
Total Investments		$ 9,455,478	$ 9,455,478

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, 2021, 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, 2021, 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, 2021, the City's investment in LAIF valued at amortized cost was $8,844,941 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 $179.1 billion.

Note 4: Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

Governmental Activities

	Balance at June 30, 2020	CIP Transfers	Additions	Retirements	Balance at June 30, 2021
Capital assets not being depreciated					
Land	$ 6,584,996	$ -	$ -	$ -	$ 6,584,996
Construction-in-progress	1,393,398	-	1,831,847	-	3,225,245
Total capital assets not being depreciated	7,978,394	-	1,831,847	-	9,810,241
Capital assets being depreciated					
Buildings and improvements	7,561,067	-	-	-	7,561,067
Equipment	4,556,617	-	130,583	-	4,687,200
Infrastructure	22,199,263	-	-	-	22,199,263
Total capital assets being depreciated	34,316,947	-	130,583	-	34,447,530
Less accumulated depreciation					
Buildings and improvements	(1,873,721)	-	(218,567)	-	(2,092,288)
Equipment	(3,169,261)	-	(225,414)	-	(3,394,675)
Infrastructure	(8,717,010)	-	(534,840)	-	(9,251,850)
Total accumulated depreciation	(13,759,992)	-	(978,821)	-	(14,738,813)
Capital assets being depreciated, net	20,556,955	-	(848,238)	-	19,708,717
Governmental Activities Capital Assets, net	$ 28,535,349	$ -	$ 983,609	$ -	$ 29,518,958

Note 4: Capital Assets (Continued)

Business-Type Activities

	Balance June 30, 2020	CIP Transfers	Additions	Retirements	Balance June 30, 2021
Capital assets, not being depreciated:					
Land	$ 233,241	$ -	$ -	$ -	$ 233,241
Construction in progress	3,347,105	(406,194)	2,156,603	-	5,097,514
Total capital assets, not being depreciated	3,580,346	(406,194)	2,156,603	-	5,330,755
Capital assets, being depreciated:					
Buildings and improvements	38,641	-	-	-	38,641
Equipment	1,585,929	11,262	-	-	1,597,191
Infrastructure	48,864,895	394,932	-	-	49,259,827
Total capital assets, being depreciated	50,489,465	406,194	-	-	50,895,659
Less accumulated depreciation for:					
Buildings and improvements	(38,641)	-	-	-	(38,641)
Equipment	(1,385,034)	-	(37,613)	-	(1,422,647)
Infrastructure	(17,860,884)	-	(1,427,222)	-	(19,288,106)
Total accumulated depreciated	(19,284,559)	-	(1,464,835)	-	(20,749,394)
Total capital assets being depreciated, net	31,204,906	406,194	(1,464,835)	-	30,146,265
Business-Type activities capital assets, net	$ 34,785,252	$ -	$ 691,768	$ -	$ 35,477,020

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	$ 10,733
Public safety	527,761
Community development	293,443
Culture and recreation	144,928
Public ways and facilities	1,956
Total Depreciation Expense - Governmental Functions	$ 978,821

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

Water	$ 362,935
Sewer	1,101,900
Total Depreciation Expense - Business-Type Activities	$ 1,464,835

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	$ 97,389
City Signs	113,911
Total Parks and Recreation	211,300
Streets & Roads:	
Underground Utility	2,852,463
Pennington Road Project	161,482
Total Streets & Roads	3,013,945
Total Governmental Activities	$ 3,225,245
Business-type Activities:	
Water Enterprise:	
Well #7	$ 4,143,184
Sewer Enterprise:	
Underground Utility - Rule 20A	235,647
P St. Lift Station	269,683
Total Sewer Enterprise	505,330
Water Connections Enterprise:	
Underground Utility - Rule 20A	449,000
Total Business-type Activities	$ 5,097,514

Note 5: Interfund Transactions

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds The following are due to and due from balances as of June 30, 2021:

Due from other funds	Due to other funds	Amount
General Fund	State Grant Fund	$ 965,570
General Fund	Other Governmental Funds	860,597
General Fund	Capital Improvement Project	293,139
General Fund	16-HOME-11532	339,066
General Fund	Water	389,482
		$ 2,847,854

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, 2021:

Transfers In	Transfer Out	Amount
Sewer Fund	Water Fund	$ 21,250
Capital Improvement Project	Transportation	55,955
Other Governmental Funds	Capital Improvement Project	45,000
		$ 122,205

Additionally, a transfer of construction in progress incurred during the fiscal year by governmental activities was made to business-type activities in the amount of $1,210,750.

Note 6: Loans Receivable

At June 30, 2021, the City had the following loans receivable, including principal and accrued interest:

	Governmental Activities		
Loan Type	Principal	Interest	Total
CDBG Housing Rehab	$ 443,695	$ 110,126	$ 553,821
CDBG First Time Home Buyer	474,000	234,353	708,353
CDBG Public Improvements	680,800	-	680,800
EDBG Business Assistance	27,452	4	27,456
HOME Owner Occupied Rehab	1,525,137	134,975	1,660,112
HOME First Time Home Buyer	187,275	86,779	274,054
HOME Housing New Construction	12,000,000	1,368,298	13,368,298
HOME Program Income First Time Home Buyer	127,000	57,486	184,486
HOME Program Income Owner Occupied Rehab	55,483	15,370	70,853
City Loan First Time Home Buyer	75,000	30,908	105,908
Impact Fees Housing New Construction	667,349	44,786	712,135
Total	$ 16,263,191	$ 2,083,085	$ 18,346,276

A total of $18,346,276 was recorded as loans receivable at June 30, 2021. These represent low interest notes principal portion to finance multi-family and single-family construction and rehabilitation projects, home buyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with interest rates at 0.00 to 5.00 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of $18,346,276 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, 2021:

Type of Indebtedness	Balance June 30, 2020	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities				
Direct Borrowings:				
City of Yuba City Loan	$ 211,530	$ (52,882)	$ 158,648	$ 52,882
Capital Lease: Fire engine	406,281	(75,658)	330,623	78,359
Total Governmental Activities	$ 617,811	$ (128,540)	$ 489,271	$ 131,241
Business-Type Activities				
Direct Borrowings and Private Placements:				
State Department of Water Resources revolving fund loan	$ 4,599,983	$ (187,972)	$ 4,412,011	$ 189,852
Certificates of Participation	1,780,000	(70,000)	1,710,000	70,000
Total Business-Type Activities	$ 6,379,983	$ (257,972)	$ 6,122,011	$ 259,852

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, 2021, 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.	$ 158,648
Total Loans	158,648
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.	330,623
Total Capital Leases	330,623
Total Governmental Activities	$ 489,271
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.	$ 4,412,011
Total Loans	4,412,011
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.	750,000
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.	960,000
Total Certificates of Participation	1,710,000
Total Business-Type Activities	$ 6,122,011

Note 7: Long-Term Liabilities (Continued)

As of June 30, 2021, 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 80%.

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
2022	$ 52,882	$ 332	$ 53,214
2023	52,882	211	53,093
2024	52,884	90	52,974
Total	$ 158,648	$ 633	$ 159,281

Year Ended June 30,	Fire Engine		
	Principal	Interest	Total
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	$ 330,623	$ 30,026	$ 360,649

Business-Type Activities

Year Ended June 30,	Loans		
	Principal	Interest	Total
2022	$ 189,852	$ 44,120	$ 233,972
2023	191,750	42,222	233,972
2024	193,668	40,304	233,972
2025	195,605	38,367	233,972
2026	197,561	36,411	233,972
2027-2031	1,017,837	152,025	1,169,862
2032-2036	1,069,757	100,105	1,169,862
2037-2041	1,124,325	45,536	1,169,861
2042	231,656	2,316	233,972
Total	$ 4,412,011	$ 501,406	$ 4,913,417

Note 7: Long-Term Liabilities (Continued)

Business-Type Activities

Year Ended June 30,	Certificates of Participation		
	Principal	Interest	Total
2022	$ 70,000	$ 71,188	$ 141,188
2023	70,000	68,213	138,213
2024	70,000	65,238	135,238
2025	70,000	62,263	132,263
2026	70,000	59,278	129,278
2027-2031	350,000	251,812	601,812
2032-2036	350,000	177,438	527,438
2037-2041	350,000	103,063	453,063
2042-2045	310,000	29,538	339,538
Total	$ 1,710,000	$ 888,031	$ 2,598,031

Note 8: Compensated absences

A summary of the changes in compensated absences for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due in One Year
Governmental Activities	$ 77,150	$ 44,688	$ 45,612	$ 76,226	$ 17,223
Business-Type activities	78,449	34,686	26,783	86,352	35,014
Total Primary Government	$ 155,599	$ 79,374	$ 72,395	$ 162,578	$ 52,237

Note 9: Fund Balances

The fund balances for all major and non-major governmental funds as of June 30, 2021, were distributed as follows:

	General	Program Income	State Grant Fund	Transportation	16-HOME-11532	Capital Improvement Project	Other Governmental Funds	Total
Nonspendable:								
Prepaid costs	$ 29,319	$ -	$ 1,909	$ -	$ -	$ -	$ 5,185	36,413
Subtotal	29,319	-	1,909	-	-	-	5,185	36,413
Restricted For:								
Developer Deposits	-	-	-	-	-	-	2,672	2,672
Street maintenance and construction	-	-	-	-	-	-	506,967	506,967
Law enforcement services	-	-	-	-	-	-	251,486	251,486
Sidewalk improvement	-	-	-	-	-	-	18,049	18,049
Street lighting	-	-	-	-	-	-	133,192	133,192
Mello Roos	-	-	-	-	-	-	369,467	369,467
Impact fees	-	-	-	-	-	-	1,796,722	1,796,722
Storm drain connection fees	-	-	-	-	-	-	267,670	267,670
Community development	-	52,784	-	-	-	-	6,826	59,610
Transportation	-	-	-	286,071	-	-	-	286,071
Subtotal	-	52,784	-	286,071	-	-	3,353,051	3,691,906
Committed to:								
General reserve	866,300	-	-	-	-	-	-	866,300
City/County major fire	24,664	-	-	-	-	-	-	24,664
Equipment replacement	106,960	-	-	-	-	-	-	106,960
Info technology	106,958	-	-	-	-	-	-	106,958
PERS retirement	330,695	-	-	-	-	-	-	330,695
Health insurance	284,228	-	-	-	-	-	-	284,228
OPEB	189,158	-	-	-	-	-	-	189,158
Capital facilities	696,472	-	-	-	-	-	-	696,472
Subtotal	2,605,435	-	-	-	-	-	-	2,605,435
Unassigned	1,559,999	-	(1,143,527)	-	(1,994)	(324,151)	(856,267)	(765,940)
Totals	$ 4,194,753	$ 52,784	$ (1,141,618)	$ 286,071	$ (1,994)	$ (324,151)	$ 2,501,969	$ 5,567,814

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	13.182%	6.985%
Required employer payment of unfunded liability	$172,070	$2,026

*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 2022 are $340,276.

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

As of June 30, 2021, the City reported a liability of $1,931,204 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, 2020, 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, 2019 rolled forward to June 30, 2020 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 0.04578%, which was a decrease of 0.00011% from its proportion measured as of June 30, 2019.

Note 10: Pension Plan (Continued)

For the year ended June 30, 2021, the City recognized pension expense of $376,736. At June 30, 2021, 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	$ 340,276	$ -
Changes in assumptions	-	(13,774)
Difference between expected and actual experiences	99,521	-
Net difference between projected and actual earnings on pension plan investments	57,369	-
Differences between actual contributions and the proportionate share of contributions	3,991	(35,111)
Adjustment due to difference in proportions	67,198	-
Total	$ 568,355	$ (48,885)

$340,276 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, 2022. 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)
2021	$ 29,893
2022	65,883
2023	55,902
2024	27,516
	$ 179,194

Note 10: Pension Plan (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2020, (the measurement date), the total pension liability was determined by rolling forward the June 30, 2019, total pension liability. The June 30, 2019 and the June 30, 2020, total pension liabilities were based on the following actuarial methods and assumptions:

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, 2019 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%)
$ 2,926,006	$ 1,931,204	$ 10,109,231

Pension Plan Fiduciary Net Position

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

Subsequent Events

On November 15, 2021, the CalPERS Board of Administration selected a new asset allocation mix that will guide the fund's investment portfolio for the next four years, while at the same time retaining the reduction of discount rate from 7.0% to 6.8%. Notable changes for employers include a decrease in median total employer contribution rates, from less than 1% in miscellaneous plans to a decrease of more than 2% in some safety plans. Contribution changes will take effect in fiscal year 2023-24 for public agencies.

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 $143 per month from the City. Payments cease at age 65 when the retiree is eligible for Medicare.

Employees Covered

As of the June 30, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the Retiree Health Plan:

Active		26
Inactive employees or beneficiaries currently receiving benefits		6
Inactive employees entitled to, but not yet receiving benefits		3
	Total	35

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 $13,104 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, 2020 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, 2020 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, 2020 6.75% at June 30, 2019 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, 2020 (measurement date 6/30/2019)	$ 300,777	$ 420,442	$ (119,665)
Changes recognized over the measurement period:			
Service Cost	16,849	-	16,849
Interest Cost	21,068	-	21,068
Contributions - employer	-	10,991	(10,991)
Net investment income	-	14,852	(14,852)
Benefit payments	(10,991)	(10,991)	-
Adminstrative expenses	-	(205)	205
Net Changes	26,926	14,647	12,279
Balance at June 30, 2021 (measurement date 06/30/2020)	$ 327,703	$ 435,089	$ (107,386)

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, 2020:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Asset	$ (64,079)	$ (107,386)	$ (143,033)

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, 2020:

	1% Decrease	Current Healthcare Cost Trent Rates	1% Increase
Net OPEB Asset	$ (149,966)	$ (107,386)	$ (54,336)

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, 2021, the City recognized OPEB expense of $8,807. As of fiscal year ended June 30, 2021, 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	$ 13,104	$ -
Net difference between projected and actual earnings on OPEB plan investments	7,874	-
Changes in assumptions	-	1,213
Differences between expected and actual experience	-	3,669
Total	$ 20,978	$ 4,882

The $13,104 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as an increase to the net OPEB asset during the fiscal year ending June 30, 2022. 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)
2022	$ (943)
2023	1,595
2024	2,483
2025	2,027
2026	(678)
Thereafter	(1,492)
	$ 2,992

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, 2021:

Project Name	Contract Amount	Expenditures to date as of June 30, 2021	Remaining Commitments
Prop 84 Well #7	$ 2,388,798	$ 1,797,573	$ 591,225
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, 2021, 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, 2021, the City recorded a liability of zero of sales tax due to the County of Sutter.

As of June 30, 2021, 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	$ 19,590	$ 312,590
Development Impact Fee Note (drainage)	94,349	6,405	100,754
Development Impact Fee Note (fire facilities)	280,000	18,791	298,791
Total	$ 667,349	$ 44,786	$ 712,135

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.

d. Contingent Liability (CalTrans Hwy 99 Project City Funding Contribution)

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

The August 2019 agreement provides the ability for CalTrans to bill the City for cost overruns of up to 25% of the original agreement. The 2019 agreement continues to obligate the City for up to $584,522 for cost overruns. It is unknown at this time the amount of potential cost overruns. As of June 30, 2021, the City considers the $584,522 a contingent liability against the Water Connection and Sewer Connection Funds.

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 4,462,405	$ 4,462,405	$ 4,462,405	$ -
Resources (Inflows):				
Taxes	2,508,900	2,508,900	2,722,578	213,678
Licenses and permits	320,200	320,200	377,745	57,545
Intergovernmental	55,700	55,700	7,240	(48,460)
Charges for services	46,700	46,700	35,379	(11,321)
Use of money and property	105,000	105,000	72,914	(32,086)
Fines and forfeitures	12,000	12,000	-	(12,000)
Other revenue	370,600	370,600	442,805	72,205
Amounts Available for Appropriations	**7,881,505**	**7,881,505**	**8,121,066**	**239,561**
Charges to Appropriation (Outflow):				
General government				
City Council	118,142	118,142	92,102	26,040
Adminstrative Services	278,406	278,406	258,353	20,053
Finance Services	280,633	280,633	262,699	17,934
City Attorney	69,500	69,500	53,932	15,568
Public safety				
Building Inspection	177,607	177,607	169,524	8,083
Police Services	805,200	805,200	1,080,991	(275,791)
Animal Control Services	52,250	52,250	40,540	11,710
Fire Services	532,200	532,200	399,421	132,779
Community development				
Community Development	242,833	242,833	318,404	(75,571)
Economic Development	23,500	23,500	11,823	11,677
Culture and recreation				
Park Operations	428,363	440,363	309,023	131,340
Recreation Services	263,690	263,690	232,692	30,998
Pool Operations	62,646	64,146	66,919	(2,773)
Facility Maintainence	106,372	106,372	67,609	38,763
Community Center	-	-	106,756	(106,756)
Public ways and facilities				
Engineering	20,350	20,350	37,089	(16,739)
Capital outlay	9,000	1,556,000	273,012	1,282,988
Debt service:				
Principal retirement	128,558	128,558	128,540	18
Interest and fiscal charges	20,404	20,404	16,884	3,520
Total Charges to Appropriations	**3,619,654**	**5,180,154**	**3,926,313**	**1,253,841**
Budgetary Fund Balance, June 30	**$ 4,261,851**	**$ 2,701,351**	**$ 4,194,753**	**$ 1,493,402**

See Notes to Required Supplementary Information.

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PROGRAM INCOME
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 143,322	$ 143,322	$ 143,322	$ -
Resources (Inflows):				
Intergovernmental	180,000	180,000	36,952	(143,048)
Use of money and property	4,000	4,000	(3,717)	(7,717)
Amounts Available for Appropriations	**327,322**	**327,322**	**176,557**	**(150,765)**
Charges to Appropriation (Outflows):				
Community development	184,000	184,000	123,773	60,227
Total Charges to Appropriations	**184,000**	**184,000**	**123,773**	**60,227**
Budgetary Fund Balance, June 30	**$ 143,322**	**$ 143,322**	**$ 52,784**	**$ (90,538)**

See Notes to Required Supplementary Information.

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CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,197,430	$ 1,197,430	$ 1,197,430	$ -
Resources (Inflows):				
Intergovernmental	390,000	390,000	371,141	(18,859)
Use of money and property	5,000	5,000	1,583	(3,417)
Amounts Available for Appropriations	**1,592,430**	**1,592,430**	**1,570,154**	**(22,276)**
Charges to Appropriation (Outflows):				
Public ways and facilities	16,800	16,800	4,161	12,639
Capital outlay	370,000	1,568,000	1,223,967	344,033
Transfers out	-	-	55,955	(55,955)
Total Charges to Appropriations	**386,800**	**1,584,800**	**1,284,083**	**300,717**
Budgetary Fund Balance, June 30	**$ 1,205,630**	**$ 7,630**	**$ 286,071**	**$ 278,441**

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, 2021

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

Notes to Schedule:

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 2021 and 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 seven years are shown.

2019	2020	2021
0.04617%	0.04589%	0.04578%
$ 1,739,893	$ 1,837,496	$ 1,931,204
$ 1,152,712	$ 911,603	$ 1,330,269
150.94%	201.57%	145.17%
75.26%	75.26%	75.10%

See Notes to Required Supplementary Information.

CITY OF LIVE OAK
COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, 2021

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

(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 seven years are shown.

Note to Schedule:

Valuation Date:	June 30, 2018
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method
Amortization method/period	Level percentage of pay
Inflation	2.50%
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, 2018, located at *www.calpers.ca.gov* under Forms & Publications.

2019	2020	2021
$ 242,734	$ 310,939	$ 340,276
(242,734)	(310,939)	(340,276)
$ -	$ -	$ -
$ 911,603	$ 1,330,269	$ 1,356,262
26.63%	23.37%	25.09%

See Notes to Required Supplementary Information.

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	2021
Total OPEB Liability				
Service cost	$ 23,510	$ 24,215	$ 24,941	$ 16,849
Interest on the total OPEB liability	16,459	18,226	20,010	21,068
Actual and expected experience difference	-	-	(4,689)	-
Changes in assumptions	-	-	(1,549)	-
Benefit payments	(14,428)	(14,578)	(18,875)	(10,991)
Net change in total OPEB liability	**25,541**	**27,863**	**19,838**	**26,926**
Total OPEB liability - beginning	**227,535**	**253,076**	**280,939**	**300,777**
Total OPEB liability - ending (a)	**$ 253,076**	**$ 280,939**	**$ 300,777**	**$ 327,703**
Plan Fiduciary Net Position				
Contribution - employer	$ 14,428	$ 14,578	$ 18,875	$ 10,991
Net investment income	35,119	29,243	24,440	14,852
Benefit payments	(14,428)	(14,578)	(18,875)	(10,991)
Administrative expense	(178)	(682)	(85)	(205)
Net change in plan fiduciary net position	**34,941**	**28,561**	**24,355**	**14,647**
Plan fiduciary net position - beginning	**332,585**	**367,526**	**396,087**	**420,442**
Plan fiduciary net position - ending (b)	**$ 367,526**	**$ 396,087**	**$ 420,442**	**$ 435,089**
Net OPEB (Asset) - ending (a) - (b)	**$ (114,450)**	**$ (115,148)**	**$ (119,665)**	**$ (107,386)**
Plan fiduciary net position as a percentage of the total OPEB liability	145.22%	140.99%	139.79%	132.77%
Covered-employee payroll	$ 1,011,920	$ 1,200,174	$ 913,598	$ 1,356,262
Net OPEB asset as a percentage of covered-employee payroll	-11.31%	-9.59%	-13.10%	-7.92%

(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 four years are shown.

Notes to Schedule: None.

Changes in assumptions: None

CITY OF LIVE OAK

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

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

(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 four years are shown.

Notes to Schedule:

*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2021 were from the June 30, 2019 actuarial

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 18-year
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

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, 2021, the following funds did not have annual appropriated budgets.

14-HOME-9274
Developer Deposits
Traffic Safety
State Grant Fund
13-CDBG-8933
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.

NONMAJOR SPECIAL REVENUE FUNDS

Fire Impact Fees

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

Signal Impact Fees

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

Flood Control Impact Fees

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

Storm Drain Connection Fees

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

13-CDBG-8933 Skate Park

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

11-HOME-7661

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

16-HOME-11380

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

CDBG PI Waiver Water Main

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

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	14-HOME-9274	Developer Deposits	Streets and Roads	Traffic Safety
Assets:				
Cash and investments	$ -	$ 185,318	$ 640,893	$ 10,446
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	86	291	5
Prepaid items	-	-	844	-
Due from other governments	-	-	28,590	1,153
Total Assets	**$ -**	**$ 185,404**	**$ 670,618**	**$ 11,604**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ 157,320	$ -
Salaries and benefits payable	-	-	5,487	-
Unearned revenues	-	-	-	-
Deposits payable	-	182,732	-	-
Due to other funds	3,945	-	-	-
Total Liabilities	**3,945**	**182,732**	**162,807**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	844	-
Restricted	-	2,672	506,967	11,604
Unassigned	(3,945)	-	-	-
Total Fund Balances	**(3,945)**	**2,672**	**507,811**	**11,604**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ -**	**$ 185,404**	**$ 670,618**	**$ 11,604**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	COPS	Sidewalk Improvement	Street Lighting	Mello Roos CFD 92-1
Assets:				
Cash and investments	$ 496,006	$ 18,041	$ 131,526	$ 101,323
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	227	8	56	61
Prepaid items	114	-	-	1,606
Due from other governments	-	-	3,595	1,130
Total Assets	**$ 496,347**	**$ 18,049**	**$ 135,177**	**$ 104,120**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 40,773	$ -	$ 1,985	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	215,578	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**256,351**	**-**	**1,985**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	114	-	-	1,606
Restricted	239,882	18,049	133,192	102,514
Unassigned	-	-	-	-
Total Fund Balances	**239,996**	**18,049**	**133,192**	**104,120**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 496,347**	**$ 18,049**	**$ 135,177**	**$ 104,120**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	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	$ -	$ 26,613	$ 22,262	$ 3,701
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	3	-	-
Prepaid items	-	-	2,621	-
Due from other governments	6,285	1,088	2,950	171
Total Assets	**$ 6,285**	**$ 27,704**	**$ 27,833**	**$ 3,872**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	25,775	-	-	-
Total Liabilities	**25,775**	**-**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	2,621	-
Restricted	-	27,704	25,212	3,872
Unassigned	(19,490)	-	-	-
Total Fund Balances	**(19,490)**	**27,704**	**27,833**	**3,872**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 6,285**	**$ 27,704**	**$ 27,833**	**$ 3,872**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	Mello Roos CFD 2004-1 Street Lighting	2004-1 Parks/Recreation /Pool	Mello Roos CFD 2004-1 Storm Drain	Parks & Recreation Impact Fees
Assets:				
Cash and investments	$ -	$ 56,399	$ 153,027	$ 331,614
Receivables:				
Accounts	-	-	-	540
Notes and loans	-	-	-	-
Interest	-	14	69	150
Prepaid items	-	-	-	-
Due from other governments	177	1,348	177	-
Total Assets	**$ 177**	**$ 57,761**	**$ 153,273**	**$ 332,304**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 2,132	$ 659	$ 210	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	27,721	-	-	-
Total Liabilities	**29,853**	**659**	**210**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	57,102	153,063	332,304
Unassigned	(29,676)	-	-	-
Total Fund Balances	**(29,676)**	**57,102**	**153,063**	**332,304**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 177**	**$ 57,761**	**$ 153,273**	**$ 332,304**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Assets:				
Cash and investments	$ 287,469	$ 68,740	$ 433,889	$ 210,039
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	132	31	200	97
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 287,601**	**$ 68,771**	**$ 434,089**	**$ 210,136**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ 481	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**-**	**481**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	287,601	68,771	433,608	210,136
Unassigned	-	-	-	-
Total Fund Balances	**287,601**	**68,771**	**433,608**	**210,136**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 287,601**	**$ 68,771**	**$ 434,089**	**$ 210,136**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	Fire Impact Fees	Signal Impact Fees	Flood Control Impact Fees	Storm Drain Connection Fees
Assets:				
Cash and investments	$ 254,954	$ 314,002	$ 2,090	$ 267,554
Receivables:				
Accounts	-	-	-	-
Notes and loans	297,677	-	-	414,458
Interest	113	142	1	116
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 552,744**	**$ 314,144**	**$ 2,091**	**$ 682,128**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 107,000	$ -	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**107,000**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Deferred loan payments	297,677	-	-	414,458
Total Deferred Inflows of Resources	**297,677**	**-**	**-**	**414,458**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	255,067	207,144	2,091	267,670
Unassigned	-	-	-	-
Total Fund Balances	**255,067**	**207,144**	**2,091**	**267,670**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 552,744**	**$ 314,144**	**$ 2,091**	**$ 682,128**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	13-CDBG-8933 Skate Park	11-HOME-7661	16-HOME-11380	CDBG PI Waiver Water Main
Assets:				
Cash and investments	$ -	$ 6,826	$ -	$ -
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	88,532	-
Interest	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	126,176	-
Total Assets	**$ -**	**$ 6,826**	**$ 214,708**	**$ -**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Salaries and benefits payable	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	430,713	-	126,443	246,000
Total Liabilities	**430,713**	**-**	**126,443**	**246,000**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	126,176	-
Deferred loan payments	-	-	88,532	-
Total Deferred Inflows of Resources	**-**	**-**	**214,708**	**-**
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	6,826	-	-
Unassigned	(430,713)	-	(126,443)	(246,000)
Total Fund Balances	**(430,713)**	**6,826**	**(126,443)**	**(246,000)**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ -**	**$ 6,826**	**$ 214,708**	**$ -**

CITY OF LIVE OAK

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Total Governmental Funds
Assets:	
Cash and investments	$ 4,022,732
Receivables:	
Accounts	540
Notes and loans	800,667
Interest	1,802
Prepaid items	5,185
Due from other governments	172,840
Total Assets	**$ 5,003,766**
Liabilities, Deferred Inflows of Resources, and Fund Balances:	
Liabilities:	
Accounts payable	$ 310,560
Salaries and benefits payable	5,487
Unearned revenues	215,578
Deposits payable	182,732
Due to other funds	860,597
Total Liabilities	**1,574,954**
Deferred Inflows of Resources:	
Unavailable revenues	126,176
Deferred loan payments	800,667
Total Deferred Inflows of Resources	**926,843**
Fund Balances:	
Nonspendable	5,185
Restricted	3,353,051
Unassigned	(856,267)
Total Fund Balances	**2,501,969**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 5,003,766**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	14-HOME-9274	**Developer Deposits**	**Streets and Roads**	**Traffic Safety**
Revenues:				
Taxes and assessments	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	4,781
Use of money and property	-	(548)	351	10
Intergovernmental	-	-	422,505	-
Charges for services	-	-	6,673	-
Other revenue	-	-	15,362	-
Total Revenues	**-**	**(548)**	**444,891**	**4,791**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	287,875	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	174,326	-
Total Expenditures	**-**	**-**	**462,201**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(548)	(17,310)	4,791
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	-	(548)	(17,310)	4,791
Fund Balances, Beginning of Year	(3,945)	3,220	525,121	6,813
Fund Balances, End of Year	**$ (3,945)**	**$ 2,672**	**$ 507,811**	**$ 11,604**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	COPS	Sidewalk Improvement	Street Lighting	Mello Roos CFD 92-1
Revenues:				
Taxes and assessments	$ -	$ -	$ 56,229	$ 129,033
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	141	7	41	(175)
Intergovernmental	46,285	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	1,331	-
Total Revenues	**46,426**	**7**	**57,601**	**128,858**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	152	-	-	-
Public ways and facilities	-	-	47,961	-
Culture and recreation	-	-	-	-
Community development	-	-	-	149,875
Capital outlay	46,134	-	-	-
Total Expenditures	**46,286**	**-**	**47,961**	**149,875**
Excess (Deficiency) of Revenues Over (Under) Expenditures	140	7	9,640	(21,017)
Other Financing Sources (Uses):				
Transfers in	-	-	-	45,000
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**45,000**
Net Change in Fund Balances	140	7	9,640	23,983
Fund Balances, Beginning of Year	239,856	18,042	123,552	80,137
Fund Balances, End of Year	**$ 239,996**	**$ 18,049**	**$ 133,192**	**$ 104,120**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

	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	$ 132,992	$ 115,073	$ 312,073	$ 18,137
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	(274)	(198)	(546)	(34)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	**132,718**	**114,875**	**311,527**	**18,103**
Expenditures:				
Current:				
General government	-	95,988	-	-
Public safety	167,386	-	309,827	15,703
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**167,386**	**95,988**	**309,827**	**15,703**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,668)	18,887	1,700	2,400
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	(34,668)	18,887	1,700	2,400
Fund Balances, Beginning of Year	15,178	8,817	26,133	1,472
Fund Balances, End of Year	**$ (19,490)**	**$ 27,704**	**$ 27,833**	**$ 3,872**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	Mello Roos CFD 2004-1 Street Lighting	2004-1 Parks/Recreation/ Pool	Mello Roos CFD 2004-1 Storm Drain	Parks & Recreation Impact Fees
Revenues:				
Taxes and assessments	$ 18,762	$ 143,731	$ 18,912	$ 201,058
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	(1)	(214)	78	475
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	540
Total Revenues	**18,761**	**143,517**	**18,990**	**202,073**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	27,214	-	4,266	-
Culture and recreation	-	110,999	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	27,252
Total Expenditures	**27,214**	**110,999**	**4,266**	**27,252**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,453)	32,518	14,724	174,821
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	(8,453)	32,518	14,724	174,821
Fund Balances, Beginning of Year	(21,223)	24,584	138,339	157,483
Fund Balances, End of Year	**$ (29,676)**	**$ 57,102**	**$ 153,063**	**$ 332,304**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	Community Center Impact Fees	Public Works Impact Fees	General Government Impact Fees	Police Impact Fees
Revenues:				
Taxes and assessments	$ 49,431	$ -	$ 64,158	$ 35,150
Licenses and permits	-	36,630	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	202	90	287	147
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	**49,633**	**36,720**	**64,445**	**35,297**
Expenditures:				
Current:				
General government	-	-	2,193	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	**-**	**-**	**2,193**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	49,633	36,720	62,252	35,297
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	49,633	36,720	62,252	35,297
Fund Balances, Beginning of Year	237,968	32,051	371,356	174,839
Fund Balances, End of Year	**$ 287,601**	**$ 68,771**	**$ 433,608**	**$ 210,136**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021 (CONTINUED)

	Special Revenue Funds			
	Fire Impact Fees	Signal Impact Fees	Flood Control Impact Fees	Storm Drain Connection Fees
Revenues:				
Taxes and assessments	$ 97,310	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	7,191	408	-	7,407
Intergovernmental	-	-	-	-
Charges for services	-	173,604	-	-
Other revenue	-	-	-	221,704
Total Revenues	**104,501**	**174,012**	**-**	**229,111**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	128,073	-	-
Total Expenditures	**-**	**128,073**	**-**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	104,501	45,939	-	229,111
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	104,501	45,939	-	229,111
Fund Balances, Beginning of Year	150,566	161,205	2,091	38,559
Fund Balances, End of Year	**$ 255,067**	**$ 207,144**	**$ 2,091**	**$ 267,670**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	13-CDBG-8933 Skate Park	11-HOME-7661	16-HOME-11380	CDBG PI Waiver Water Main
Revenues:				
Taxes and assessments	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	(21)	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	1,877	-
Total Revenues	**-**	**(21)**	**1,877**	**-**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	96,064	18,013
Capital outlay	-	-	-	-
Total Expenditures	**-**	**-**	**96,064**	**18,013**
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(21)	(94,187)	(18,013)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	-	(21)	(94,187)	(18,013)
Fund Balances, Beginning of Year	(430,713)	6,847	(32,256)	(227,987)
Fund Balances, End of Year	**$ (430,713)**	**$ 6,826**	**$ (126,443)**	**$ (246,000)**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Total Governmental Funds
Revenues:	
Taxes and assessments	$ 1,392,049
Licenses and permits	36,630
Fines and forfeitures	4,781
Use of money and property	14,824
Intergovernmental	468,790
Charges for services	180,277
Other revenue	240,814
Total Revenues	**2,338,165**
Expenditures:	
Current:	
General government	98,181
Public safety	493,068
Public ways and facilities	367,316
Culture and recreation	110,999
Community development	263,952
Capital outlay	375,785
Total Expenditures	**1,709,301**
Excess (Deficiency) of Revenues Over (Under) Expenditures	628,864
Other Financing Sources (Uses):	
Transfers in	45,000
Total Other Financing Sources (Uses)	**45,000**
Net Change in Fund Balances	673,864
Fund Balances, Beginning of Year	1,828,105
Fund Balances, End of Year	**$ 2,501,969**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STREETS AND ROADS
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 525,121	$ 525,121	$ 525,121	$ -
Resources (Inflows):				
Intergovernmental	364,539	364,539	422,505	57,966
Charges for services	7,500	7,500	6,673	(827)
Use of money and property	4,000	4,000	351	(3,649)
Other revenue	-	-	15,362	15,362
Amounts Available for Appropriations	**901,160**	**901,160**	**970,012**	**68,852**
Charges to Appropriation (Outflows):				
Public ways and facilities	281,825	281,825	287,875	(6,050)
Capital outlay	50,000	258,000	174,326	83,674
Total Charges to Appropriations	**331,825**	**539,825**	**462,201**	**77,624**
Budgetary Fund Balance, June 30	**$ 569,335**	**$ 361,335**	**$ 507,811**	**$ 146,476**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
COPS
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 239,856	$ 239,856	$ 239,856	$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	46,285	(53,715)
Use of money and property	3,000	3,000	141	(2,859)
Amounts Available for Appropriations	**342,856**	**342,856**	**286,282**	**(56,574)**
Charges to Appropriation (Outflows):				
Public safety	25,000	25,000	152	24,848
Capital outlay	120,000	120,000	46,134	73,866
Total Charges to Appropriations	**145,000**	**145,000**	**46,286**	**98,714**
Budgetary Fund Balance, June 30	**$ 197,856**	**$ 197,856**	**$ 239,996**	**$ 42,140**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
SIDEWALK IMPROVEMENT
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 18,042	$ 18,042	$ 18,042	$ -
Resources (Inflows):				
Use of money and property	200	200	7	(193)
Amounts Available for Appropriations	**18,242**	**18,242**	**18,049**	**(193)**
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	**$ 742**	**$ 742**	**$ 18,049**	**$ 17,307**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STREET LIGHTING
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 123,552	$ 123,552	$ 123,552	$ -
Resources (Inflows):				
Taxes and assessments	54,464	54,464	56,229	1,765
Use of money and property	1,000	1,000	41	(959)
Other revenue	1,500	1,500	1,331	(169)
Amounts Available for Appropriations	**180,516**	**180,516**	**181,153**	**637**
Charges to Appropriation (Outflows):				
Public ways and facilities	61,700	61,700	47,961	13,739
Total Charges to Appropriations	**61,700**	**61,700**	**47,961**	**13,739**
Budgetary Fund Balance, June 30	**$ 118,816**	**$ 118,816**	**$ 133,192**	**$ 14,376**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 92-1
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 80,137	$ 80,137	$ 80,137	$ -
Resources (Inflows):				
Taxes and assessments	129,700	129,700	129,033	(667)
Use of money and property	1,200	1,200	(175)	(1,375)
Transfers in	-	-	45,000	45,000
Amounts Available for Appropriations	**211,037**	**211,037**	**253,995**	**42,958**
Charges to Appropriation (Outflows):				
Community development	130,700	130,700	149,875	(19,175)
Total Charges to Appropriations	**130,700**	**130,700**	**149,875**	**(19,175)**
Budgetary Fund Balance, June 30	**$ 80,337**	**$ 80,337**	**$ 104,120**	**$ 23,783**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FIRE BENEFIT ASSESSMENT
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 15,178	$ 15,178	$ 15,178	$ -
Resources (Inflows):				
Taxes and assessments	127,276	127,276	132,992	5,716
Use of money and property	200	200	(274)	(474)
Amounts Available for Appropriations	**142,654**	**142,654**	**147,896**	**5,242**
Charges to Appropriation (Outflows):				
Public safety	167,400	167,400	167,386	14
Total Charges to Appropriations	**167,400**	**167,400**	**167,386**	**14**
Budgetary Fund Balance, June 30	**$ (24,746)**	**$ (24,746)**	**$ (19,490)**	**$ 5,256**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 FIRE
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 8,817	$ 8,817	$ 8,817	$ -
Resources (Inflows):				
Taxes and assessments	113,300	113,300	115,073	1,773
Use of money and property	-	-	(198)	(198)
Amounts Available for Appropriations	**122,117**	**122,117**	**123,692**	**1,575**
Charges to Appropriation (Outflows):				
General government	96,000	96,000	95,988	12
Total Charges to Appropriations	**96,000**	**96,000**	**95,988**	**12**
Budgetary Fund Balance, June 30	**$ 26,117**	**$ 26,117**	**$ 27,704**	**$ 1,587**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 POLICE
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 26,133	$ 26,133	$ 26,133	$ -
Resources (Inflows):				
Taxes and assessments	307,400	307,400	312,073	4,673
Use of money and property	200	200	(546)	(746)
Amounts Available for Appropriations	**333,733**	**333,733**	**337,660**	**3,927**
Charges to Appropriation (Outflows):				
Public safety	304,300	304,300	309,827	(5,527)
Total Charges to Appropriations	**304,300**	**304,300**	**309,827**	**(5,527)**
Budgetary Fund Balance, June 30	**$ 29,433**	**$ 29,433**	**$ 27,833**	**$ (1,600)**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 ANIMAL SERVICES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,472	$ 1,472	$ 1,472	$ -
Resources (Inflows):				
Taxes and assessments	17,800	17,800	18,137	337
Use of money and property	20	20	(34)	(54)
Amounts Available for Appropriations	**19,292**	**19,292**	**19,575**	**283**
Charges to Appropriation (Outflows):				
Public safety	15,700	15,700	15,703	(3)
Total Charges to Appropriations	**15,700**	**15,700**	**15,703**	**(3)**
Budgetary Fund Balance, June 30	**$ 3,592**	**$ 3,592**	**$ 3,872**	**$ 280**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 STREET LIGHTING
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (21,223)	$ (21,223)	$ (21,223)	$ -
Resources (Inflows):				
Taxes and assessments	18,400	18,400	18,762	362
Use of money and property	-	-	(1)	(1)
Amounts Available for Appropriations	**(2,823)**	**(2,823)**	**(2,462)**	**361**
Charges to Appropriation (Outflows):				
Public ways and facilities	27,500	27,500	27,214	286
Total Charges to Appropriations	**27,500**	**27,500**	**27,214**	**286**
Budgetary Fund Balance, June 30	**$ (30,323)**	**$ (30,323)**	**$ (29,676)**	**$ 647**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 PARKS/RECREATION/POOL
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 24,584	$ 24,584	$ 24,584	$ -
Resources (Inflows):				
Taxes and assessments	140,400	140,400	143,731	3,331
Use of money and property	100	100	(214)	(314)
Amounts Available for Appropriations	**165,084**	**165,084**	**168,101**	**3,017**
Charges to Appropriation (Outflows):				
Culture and recreation	116,700	116,700	110,999	5,701
Total Charges to Appropriations	**116,700**	**116,700**	**110,999**	**5,701**
Budgetary Fund Balance, June 30	**$ 48,384**	**$ 48,384**	**$ 57,102**	**$ 8,718**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
MELLO ROOS CFD 2004-1 STORM DRAIN
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 138,339	$ 138,339	$ 138,339	$ -
Resources (Inflows):				
Taxes and assessments	18,400	18,400	18,912	512
Use of money and property	1,000	1,000	78	(922)
Amounts Available for Appropriations	**157,739**	**157,739**	**157,329**	**(410)**
Charges to Appropriation (Outflows):				
Public ways and facilities	117,600	117,600	4,266	113,334
Total Charges to Appropriations	**117,600**	**117,600**	**4,266**	**113,334**
Budgetary Fund Balance, June 30	**$ 40,139**	**$ 40,139**	**$ 153,063**	**$ 112,924**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PARKS & RECREATION IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 157,483	$ 157,483	$ 157,483	$ -
Resources (Inflows):				
Taxes and assessments	106,000	106,000	201,058	95,058
Use of money and property	-	-	475	475
Miscellaneous	-	-	540	540
Amounts Available for Appropriations	**263,483**	**263,483**	**359,556**	**96,073**
Charges to Appropriation (Outflows):				
Culture and recreation	31,000	31,000	-	31,000
Capital outlay	29,000	29,000	27,252	1,748
Total Charges to Appropriations	**60,000**	**60,000**	**27,252**	**32,748**
Budgetary Fund Balance, June 30	**$ 203,483**	**$ 203,483**	**$ 332,304**	**$ 128,821**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
COMMUNITY CENTER IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 237,968	$ 237,968	$ 237,968	$ -
Resources (Inflows):				
Taxes and assessments	28,056	28,056	49,431	21,375
Use of money and property	1,500	1,500	202	(1,298)
Amounts Available for Appropriations	**267,524**	**267,524**	**287,601**	**20,077**
Charges to Appropriation (Outflows):				
Culture and recreation	235,000	235,000	-	235,000
Total Charges to Appropriations	**235,000**	**235,000**	**-**	**235,000**
Budgetary Fund Balance, June 30	**$ 32,524**	**$ 32,524**	**$ 287,601**	**$ 255,077**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
PUBLIC WORKS IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	$ 32,051	$ 32,051	$ 32,051	$ -
Resources (Inflows):				
Licenses and permits	20,700	20,700	36,630	15,930
Use of money and property	200	200	90	(110)
Amounts Available for Appropriations	**52,951**	**52,951**	**68,771**	**15,820**
Charges to Appropriation (Outflows):				
Capital outlay	31,000	31,000	-	31,000
Total Charges to Appropriations	**31,000**	**31,000**	**-**	**31,000**
Budgetary Fund Balance, June 30	**$ 21,951**	**$ 21,951**	**$ 68,771**	**$ 46,820**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
GENERAL GOVERNMENT IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 371,356	$ 371,356	$ 371,356	$ -
Resources (Inflows):				
Taxes and assessments	36,400	36,400	64,158	27,758
Use of money and property	2,500	2,500	287	(2,213)
Amounts Available for Appropriations	**410,256**	**410,256**	**435,801**	**25,545**
Charges to Appropriation (Outflows):				
General government	365,000	365,000	2,193	362,807
Total Charges to Appropriations	**365,000**	**365,000**	**2,193**	**362,807**
Budgetary Fund Balance, June 30	**$ 45,256**	**$ 45,256**	**$ 433,608**	**$ 388,352**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
POLICE IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 174,839	$ 174,839	$ 174,839	$ -
Resources (Inflows):				
Taxes and assessments	19,900	19,900	35,150	15,250
Use of money and property	1,000	1,000	147	(853)
Amounts Available for Appropriations	**195,739**	**195,739**	**210,136**	**14,397**
Charges to Appropriation (Outflows):				
Public safety	172,000	172,000	-	172,000
Total Charges to Appropriations	**172,000**	**172,000**	**-**	**172,000**
Budgetary Fund Balance, June 30	**$ 23,739**	**$ 23,739**	**$ 210,136**	**$ 186,397**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FIRE IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 150,566	$ 150,566	$ 150,566	$ -
Resources (Inflows):				
Taxes and assessments	55,230	55,230	97,310	42,080
Use of money and property	1,500	1,500	7,191	5,691
Amounts Available for Appropriations	**207,296**	**207,296**	**255,067**	**47,771**
Charges to Appropriation (Outflows):				
Public safety	148,000	148,000	-	148,000
Total Charges to Appropriations	**148,000**	**148,000**	**-**	**148,000**
Budgetary Fund Balance, June 30	**$ 59,296**	**$ 59,296**	**$ 255,067**	**$ 195,771**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
SIGNAL IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 161,205	$ 161,205	$ 161,205	$ -
Resources (Inflows):				
Charges for services	98,500	98,500	173,604	75,104
Use of money and property	800	800	408	(392)
Amounts Available for Appropriations	**260,505**	**260,505**	**335,217**	**74,712**
Charges to Appropriation (Outflows):				
Public safety	5,000	5,000	-	5,000
Capital outlay	107,000	107,000	128,073	(21,073)
Total Charges to Appropriations	**112,000**	**112,000**	**128,073**	**(16,073)**
Budgetary Fund Balance, June 30	**$ 148,505**	**$ 148,505**	**$ 207,144**	**$ 58,639**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL IMPACT FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 2,091	$ 2,091	$ 2,091	$ -
Amounts Available for Appropriations	**2,091**	**2,091**	**2,091**	**-**
Charges to Appropriation (Outflows):				
Public safety	2,043	2,043	-	2,043
Total Charges to Appropriations	**2,043**	**2,043**	**-**	**2,043**
Budgetary Fund Balance, June 30	**$ 48**	**$ 48**	**$ 2,091**	**$ 2,043**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
STORM DRAIN CONNECTION FEES
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 38,559	$ 38,559	$ 38,559	$ -
Resources (Inflows):				
Use of money and property	1,000	1,000	7,407	6,407
Other revenue	125,832	125,832	221,704	95,872
Amounts Available for Appropriations	**165,391**	**165,391**	**267,670**	**102,279**
Charges to Appropriation (Outflows):				
Transfers out	131,000	131,000	-	131,000
Total Charges to Appropriations	**131,000**	**131,000**	**-**	**131,000**
Budgetary Fund Balance, June 30	**$ 34,391**	**$ 34,391**	**$ 267,670**	**$ 233,279**

CITY OF LIVE OAK

BUDGETARY COMPARISON SCHEDULE
13 CDBG-8933 SKATE PARK
YEAR ENDED JUNE 30, 2021

	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

COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		
	Water Connection	**Sewer Connection**	**Totals**
Assets:			
Current:			
Cash and investments	$ 974,222	$ 780,119	$ 1,754,341
Receivables:			
Accrued interest	443	351	794
Total Current Assets	**974,665**	**780,470**	**1,755,135**
Noncurrent:			
Capital assets not being depreciated	449,000	-	449,000
Total Noncurrent Assets	**449,000**	**-**	**449,000**
Total Assets	**1,423,665**	**780,470**	**2,204,135**
Liabilities:			
Current:			
Accounts payable	449,000	-	449,000
Total Current Liabilities	**449,000**	**-**	**449,000**
Total Liabilities	**449,000**	**-**	**449,000**
Net Position:			
Investment in capital assets	449,000	-	449,000
Restricted for capital projects	525,665	780,470	1,306,135
Total Net Position	**$ 974,665**	**$ 780,470**	**$ 1,755,135**

CITY OF LIVE OAK

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NON-MAJOR PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		
	Water Connection	Sewer Connection	Totals
Operating Revenues:			
Sales and service charges	$ 428,682	$ 508,232	$ 936,914
Total Operating Revenues	**428,682**	**508,232**	**936,914**
Operating Income	428,682	508,232	936,914
Nonoperating Revenues:			
Interest revenue	1,126	1,180	2,306
Total Nonoperating Revenues	**1,126**	**1,180**	**2,306**
Changes in Net Position	429,808	509,412	939,220
Net Position:			
Beginning of Fiscal Year	544,857	271,058	815,915
End of Fiscal Year	**$ 974,665**	**$ 780,470**	**$ 1,755,135**

CITY OF LIVE OAK

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		
	Water Connection	Sewer Connection	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	$ 428,682	$ 508,232	$ 936,914
Net Cash Provided by Operating Activities	**428,682**	**508,232**	**936,914**
Cash Flows from Investing Activities:			
Interest received	1,865	1,406	3,271
Net Cash Provided by Investing Activities	**1,865**	**1,406**	**3,271**
Net Increase in Cash and Cash Equivalents	**430,547**	**509,638**	**940,185**
Cash and Cash Equivalents at Beginning of Year	543,675	270,481	814,156
Cash and Cash Equivalents at End of Year	**$ 974,222**	**$ 780,119**	**$ 1,754,341**
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 428,682	$ 508,232	$ 936,914
Net Cash Provided by Operating Activities	**$ 428,682**	**$ 508,232**	**$ 936,914**
Non-Cash Investing, Capital, and Financing Activities:			
CIP items included in accounts payable	$ 449,000	$ -	$ -

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.

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Govermental Activites										
Net investment in capital assets	$ 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	$ 29,188,335
Restricted	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	3,691,906
Unrestricted	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	19,566,055
Total governmental activities net position	$ 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	$ 52,446,296
Business-type Activities										
Net investment in capital assets	$ 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	$ 29,355,009
Restricted	2,208,655	2,189,552	2,107,725	2,228,397	2,401,678	1,343,421	341,832	540,108	815,915	1,306,135
Unrestricted	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	2,828,996
Total business-type activities net position	$ 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	$ 33,490,140
Primary Government										
Net investment in capital assets	$ 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	$ 58,543,344
Restricted	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	4,998,041
Unrestricted	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	22,395,051
Total primary government net position	$ 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	$ 85,936,436

Source: ACFR

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Expenses										
Govermental Activities:										
General government	$ 384,156	$ 412,935	$ 399,590	$ 543,796	$ 519,223	$ 699,781	$ 990,032	$ 990,360	$ 893,380	$ 774,096
Public safety	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	2,328,780
Public ways and facilities	844,453	775,399	1,178,326	1,418,607	1,196,682	2,031,089	1,579,362	966,937	1,053,622	1,827,022
Culture and recreation	515,775	503,341	496,495	544,100	609,869	833,110	926,952	1,071,086	1,197,655	1,187,739
Community development	606,085	589,673	517,636	620,114	2,474,188	2,060,694	1,828,608	429,642	4,815,355	537,626
Interest on long-term debt	4,908	4,160	3,348	3,748	2,584	520	5,952	25,222	21,932	16,884
Total Govermental Activities Expenese	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	6,672,147
Busines-type Activities:										
Water	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	1,596,824
Sewer	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	3,038,425
Total Business-type Activities Expenese	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	4,635,249
Total Primary Government Expenese	$ 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	$ 11,307,396
Program Revenues										
Govermental Activities:										
Charges for services:										
General government	$ 435,738	$ 76,244	$ 70,805	$ 76,876	$ 83,748	$ 366,660	$ 492,972	$ 427,673	$ 296,639	$ 392,632
Public safety	384,574	388,263	378,725	408,070	398,570	4,057	2,728	4,230	6,582	4,781
Public ways and facilities	410,929	344,981	343,482	426,434	973,516	233,355	1,781,220	39,870	199,616	439,942
Culture and recreation	146,573	170,061	162,631	252,394	185,432	64,221	61,744	56,343	35,211	20,816
Community development	147,962	151,284	178,503	144,641	320,667	1,055,642	2,005,122	115,139	-	-
Operating grants and contributions	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	1,399,265
Capital grants and contributions	117,592	564,161	402,859	2,152,350	1,690,492	1,295,923	100,745	100,156	28,210	38,118
Total Govermental Activities Program Revenues	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	2,295,554
Busines-type Activities:										
Charges for services:										
Water	844,900	902,570	850,832	882,743	878,199	809,830	878,229	879,586	879,726	940,189
Sewer	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	2,378,415
Water Connections						15,270	68,930	109,333	121,653	428,682
Sewer Connections						9,053	-	89,628	144,228	508,232
Capital grants and contributions	84,247	10,161,065	-	-	23,000	1,027,513	864,919	-	-	-
Total Business-type Activities Program Revenues	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	4,255,518
Total Primary Government Program Revenues	$ 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	$ 6,551,072

Source: ACFR

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Net (Expense)/Revenues (1)										
Governmental Activities	$ 1,919,423	$ (897,653)	$ (1,797,420)	$ 672,315	$ (592,576)	$ (2,780,563)	$ (2,592,791)	$ (3,599,444)	$ 259,896	$ (4,376,593)
Busines-type activities	(89,197)	9,208,108	(895,522)	(914,040)	(788,328)	73,765	(121,666)	(892,675)	(695,128)	(379,731)
Total Primary Governmental Net Expense	$ 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)	$ (4,756,324)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	$ 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	$ 1,878,102
Sales and use taxes	222,448	262,905	294,102	263,086	297,481	325,380	358,667	427,506	399,002	371,363
Franchise taxes	135,517	136,868	139,766	155,071	166,356	-	-	232,801	231,699	245,828
Property taxes	11,301	9,114	12,837	8,290	11,536	-	-	-	-	-
Other taxes	-	-	-	-	-	716,398	750,153	1,058,557	1,269,351	1,619,334
Motor vehicle in lieu - unrestricted	-	-	-	-	-	-	-	328,139	337,283	429,421
Use of money and property	-	-	-	-	-	87,766	120,425	42,769	317,698	84,839
Grants and contributions - unrestricted	6,840	4,792	4,145	80,806	34,609	-	-	-	-	-
Interest and investment earnings	79,828	75,530	73,827	79,218	113,073	-	-	-	-	-
Miscellaneous	92,395	120,453	169,350	64,888	217,676	-	-	-	-	-
Other	-	-	-	-	-	541,664	322,717	265,241	238,755	458,167
Transfers	103,898	(378,280)	-	-	-	25,000	1,556,000	(577,087)	(1,417,165)	(1,210,750)
Special Item	-	-	-	447,830	-	-	-	-	-	-
Extraordinary gain	378,280	-	-	-	-	-	-	-	-	-
Total Governmental Activities	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	3,876,304
Busines-type Activities:										
Use of money and property	-	-	-	-	-	28,460	50,063	77,888	71,114	-
Interest and investment earnings	13,411	10,974	10,221	13,448	21,309	-	-	-	-	-
Miscellaneous	477	5,998	1,673	1,934	164	-	-	-	-	-
Other	-	-	-	-	-	667	-	-	-	4,126
Transfers	(103,898)	-	-	-	-	(25,000)	(1,556,000)	577,087	1,417,165	1,210,750
Total Busines-Type Activities	(90,010)	16,972	11,894	15,382	21,473	4,127	(1,505,937)	654,975	1,488,279	1,214,876
Total Primary Government	$ 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	$ 5,091,180
Change in Net Position										
Governmental Activities	$ 4,200,424	$ 573,030	$ 137,926	$ 3,153,733	$ 1,631,330	$ 392,001	$ 1,985,284	$ 45,836	$ 3,397,218	$ (500,289)
Busines-type activities	(179,207)	9,225,080	(883,628)	(898,658)	(766,855)	77,892	(1,627,603)	(237,700)	793,151	835,145
Total Primary Government	$ 4,021,217	$ 9,798,110	$ (745,702)	$ 2,255,075	$ 864,475	$ 469,893	$ 357,681	$ (191,864)	$ 4,190,369	$ 334,856

Source: ACFR

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

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
General Fund										
Nonspendable	$ -	$ -	$ -	$ 451,274	$ 8,115	$ 10,661	$ 11,357	$ 15,268	$ 10,659	$ 29,319
Committed	2,487,180	2,510,279	2,514,883	2,519,197	2,525,652	2,534,045	2,548,739	2,548,739	2,607,392	2,605,435
Unassigned	1,918,069	1,985,378	2,037,092	2,227,090	2,230,647	2,075,899	2,427,584	2,106,314	1,844,354	1,559,999
Total General Fund	$ 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	$ 4,194,753
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ 484	$ 330	$ 4,712	$ 3,983	$ 4,559	$ 15,402	$ 7,094
Restricted	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	3,691,906
Unassigned	(4,439)	(346,316)	(49,787)	(411,087)	(1,270,688)	(1,840,637)	(538,556)	(485,594)	(716,124)	(2,325,939)
Total All Other Governmental Funds	$ 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	$ 1,373,061

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

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Revenues										
Taxes and assessment	$ 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	$ 4,114,627
Licenses and permits	522,378	394,624	451,881	482,426	646,258	450,120	557,939	394,950	290,495	414,375
Fines and forfeitures	9,870	6,721	6,867	3,594	6,935	4,057	2,728	4,230	5,140	4,781
Use of money	76,999	78,359	73,827	79,218	113,073	87,766	120,425	259,955	238,755	84,839
Intergovernemtal	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	922,241
Charges for services	60,727	133,467	80,882	258,513	558,685	103,286	115,920	96,709	173,919	215,656
Other revenues	92,395	120,453	169,350	64,888	217,676	558,732	324,639	310,832	5,085,002	1,141,554
Total Revenues	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	6,898,073
Expenditures										
Current:										
General government	327,197	367,720	347,258	514,871	488,652	688,906	857,597	906,681	791,833	765,267
Public safety	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	2,183,544
Public ways and facilities	372,854	275,526	678,801	923,626	735,070	1,472,836	997,626	972,143	918,792	1,601,353
Culture and recreation	409,879	397,262	386,469	432,264	501,979	725,565	789,094	763,960	868,515	893,998
Community development	606,085	589,673	517,636	627,037	2,482,059	2,041,715	1,956,524	434,675	5,688,770	1,168,779
Debt service										
Principal	11,000	12,000	13,000	66,342	67,461	68,581	54,146	123,414	125,933	128,540
Interest	4,908	4,160	3,348	3,748	2,584	520	5,952	25,222	21,932	16,884
Capital outlay	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	1,979,271
Total Expenditures	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	8,737,636
Excess of Revenues Over (under) Expenditures	2,971,412	323,328	(76,597)	780,529	(484,359)	(1,655,946)	91,049	(429,493)	(490,585)	(1,839,563)
Other Financial Sources (Uses)										
Issuance of debt	-	-	-	528,825	-	-	-	-	-	-
Transfers in	4,664,414	1,123,115	993,112	5,033,468	615,014	1,470,949	2,491,184	442,810	74,435	100,955
Transfers out	(4,560,516)	(1,501,395)	(993,112)	(5,033,468)	(615,014)	(1,445,949)	(409,587)	(442,810)	(74,435)	(100,955)
Capital Leases	-	-	-	-	-	-	549,863	-	-	-
Total Other Financial Sources (Uses)	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	$ 3,453,590	$ (54,952)	$ (76,597)	$ 1,757,184	$ (484,359)	$ (1,635,795)	$ 2,722,509	$ (429,493)	$ (490,585)	$ (1,839,563)
Debt Service as a Percentage of Noncapital Expenditures	0.47%	0.50%	0.45%	1.72%	1.10%	1.01%	0.93%	3.00%	1.42%	2.20%

Source:
ACFR

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
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	438,648,423	5,852,538	2,439	393,440,920	4.89%	1.140%
2019/2020	458,721,383	6,373,661	2,614	423,760,729	7.71%	1.140%
2020/2021	456,030,930	15,048,625	2,614	471,079,555	11.17%	1.150%

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									
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
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
	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	0.076	0.081	0.082	0.074	0.073	0.065	0.372	0.114	0.372	0.117
Yuba Community College District	0.025	0.025	0.027	0.025	0.025	0.026	0.073	0.030	0.073	0.031
	1.101	1.106	1.110	1.099	1.098	1.091	1.445	1.144	1.445	1.148

Notes:

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

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

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

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

Taxpayer	Fiscal Year 2020/2021 Taxable Assessed Value	Fiscal Year 2020/2021 Percent of Total City Taxable Assessed Value
COE Orchard Equipment Inc	$ 11,619,869	2.47%
Corrections Corporation of America	7,564,528	1.61%
Millenium Farms LLC	4,579,004	0.97%
9000 Larkin Road LLC	4,481,332	0.95%
D and K Estates LLC	3,610,253	0.77%
Rilco-Edwards LLC	3,362,671	0.71%
Sunsweet Dryers Et Al	2,774,252	0.59%
H and S Energy LLC	2,705,697	0.57%
Jaswant S Saprai	2,655,789	0.56%
Live Oak Apartments	2,463,372	0.52%
	$ 45,816,767	9.73%

Total City of Live Oak assessed property valuation Fiscal Year 2020/21 $ 471,079,555

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

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

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
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%	8,278	668,907	100.00%
2020/2021	703,105	703,105	100.00%	8,093	703,105	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)
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%	1.88%	841
2019/2020	211,530	406,281	617,811	4,599,983	-	1,780,000	-	6,379,983	6,997,794	4.39%	1.65%	785
2020/2021	158,648	330,623	489,271	4,412,011	-	1,710,000	-	6,122,011	6,611,282	4.06%	1.40%	711

(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			
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
2020/2021	158,648	-	158,648	0.03%	9,300	17

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, 2021

City Assessed Valuation	$ 471,197,629
Adjusted Assessed Valuation	$ 471,197,629

	Percent Applicable	Outstanding Debt June 30, 2021	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Live Oak Unified School District	47.469%	$ 21,820,000	$ 10,357,736
Yuba Commuinty College District	1.337%	189,051,106	2,527,613
Sutter Butte Flood Control Agency Assessment District	4.549%	81,900,000	3,725,631
Total Overlapping Tax and Assessment Debt		292,771,106	16,610,980
OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Sutter County Board of Education Certificates of Participations	4.433%	$ 4,725,000	209,459
Yuba Joint Community College General Fund Obligations	1.337%	14,160,462	189,325
Live Oak Unified School District Certificates of Participation	47.469%	3,593,651	1,705,870
Total Overlapping General Fund Obligation Debt		22,479,113	2,104,654
Total Overlapping Debt		315,250,219	18,715,634
Total Combined Debt		$ 315,250,219	$ 18,715,634
RATIOS TO 2020/2021 ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt			3.97%
RATIOS TO ADJUSTED ASSESSED VALUATION:			
Total Overlapping Tax and Assessment Debt	3.972%		
Combined Direct Debt ($0,000,000)	0.000%		
Combined Total Debt	3.972%		

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, 2021

Secured Property Assessed Value, Net of Exempt Real Property	$	423,760,729
Bonded debt limit (3.75% of assessed value) (a)	$	15,891,027
Less debt subject to limit:		
Total water certificates of participation at 06/30/21		(960,000)
Total sewer certificates of participation at 06/30/21		(750,000)
Legal debt margin	$	14,181,027

(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 Total (in thousands)	Personal Income Per Capita	Taxable Assessed Valuation	Per Capita Taxable Property Values	Average Unemployment Rate
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	393,440,920	44,857	4.30%
2020	8,912	159,545	17,902	423,760,729	47,549	4.30%
2021	9,300	162,773	17,503	471,079,555	50,656	9.30%

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
2021

Employer	2020-2021 Number of Employees	Percent of Total Employment	2019-2020 Number of Employees	Percent of Total Employment
Live Oak Unified School District	252	6.46%	256	6.56%
Wilbur Packing CO Inc	146	3.74%	146	3.74%
River Valley Care Center	139	3.56%	152	3.90%
City of Live Oak	27	0.69%	30	0.77%
E-Center Head Start - Yuba-Sutter	35	0.90%	28	0.72%
Dollar General Market	18	0.46%	19	0.49%
Tower Supermarket	13	0.33%	14	0.36%
United States Post Office	12	0.31%	12	0.31%
Live Oak Pharmacy	6	0.15%	6	0.15%
Live Oak Medical Clinic			9	0.23%
Peach Tree Health (Formerly Live Oak Medical Clinic)	10	0.26%		
Total	658	16.87%	672	17.23%
Total City Employment (1)	3900			

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	-	-	-	-	-	-	-
Public Works	8.00	9.00	9.00	5.00	7.00	10.00	7.00	7.00	8.00	7.00
Parks and Recreation	7.00	7.00	7.00	10.00	8.00	7.00	9.00	9.00	10.00	6.00
Building	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Full-Time Equivalent Employees	29.00	30.00	30.00	29.00	29.00	30.00	30.00	30.00	31.00	27.00

Source: Finance Department, City of Live Oak

CITY OF LIVE OAK
Operating Indicators
Last Ten Fiscal Years

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Business Licenses:										
Annual Business License	148	140	286	135	129	137	132	119	121	130
One Time License		18	18	11	10	7	6	8	9	5
Environment and Utilities:										
Gallons of wastewater treated per year (in millions)	210	258	223	225	218	380	251	384	393	300
Fire - Within City Limits										
Fires per year	26	41	47	22	21	19	16	87	95	21
Emergency medical calls per year	530	603	509	236	738	682	678	977	699	832
Hazardous materials incidents per year	6	12	5	4	7	14	16	5	25	18
Non-emergency service calls per year	137	136	192	275	78	275	271	85	92	224
Fire - Outside City Limits Within County										
Fires per year	-	-	-	47	42	36	19	45	86	56
Emergency medical calls per year	-	-	-	154	155	156	181	105	188	287
Hazardous materials incidents per year	-	-	-	4	12	9	8	1	10	18
Non-emergency service calls per year	-	-	-	99	112	104	113	65	32	192
Police										
911 calls per year	1,485	845	1,401	1,432	1,965	1,998	1862	1491	1632	1809
Cases investigated per year	709	826	930	563	616	696	744	1153	1074	752
Arrests per year	193	186	202	92	123	121	124	213	192	224
Building Permits										
Building permits issued per year	155	110	147	200	279	241	210	313	279	276
New building and alteration valuation	$ 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	$ 21,625,800

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

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Enviroment and Utilities										
Miles of municipal sewer mains	24.9	24.9	24.9	24.9	25.6	25.6	25.6	25.6	25.6	25.6
Maximum daily capacity (gallons per day)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Miles of water mains	30.4	30.4	30.4	30.4	31.5	31.5	31.5	31.5	31.5	31.5
Water wells	4	4	4	4	4	4	5	5	6	6
Water storage tanks	1	1	1	1	1	1	1	1	1	1
Fire										
Full-time staffed positions	4	4	4	4	4	6	6	6	6	6
Volunteer stations	1	1	1	1	1	1	1	1	3	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	12
Community Development										
Miles of municipal roadways	26.84	28.44	28.44	28.44	29.50	29.50	29.50	29.50	29.50	29.50
Park sites	8	8	8	8	8	8	8	8	8	8

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

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

CITY OF LIVE OAK
Sales Value History
Last Ten Years

Calendar Year	Full Value Sales	Average Price	Median Price	Median % Change
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	94	276,314	283,000	1.84%
2021	81	348,543	350,000	1.84%

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

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City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Findings to Hold Virtual City Council, Commission, Committee, Board, and Other City Bodies Meetings Under AB 361

Contact Information: Nicole Rosser, City Attorney

Background: On March 17, 2020, Governor Gavin Newson issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means. As the City Council is well aware, this allowed City Council meetings to be conducted by Zoom with councilmembers and staff all joining from remote locations.

The suspension of certain provisions of the Brown Act was further extended by the Governor on June 11, 2021 by the issuance of Executive Order N-08-21 which continued to allow for complete virtual City Council (and other legislative body) meetings until September 30, 2021.

On September 16, 2021, Governor Newsom signed AB 361 to amend the Brown Act to allow legislative bodies to meet via teleconference during a proclaimed state of emergency in accordance with procedures established by AB 361 rather than under the Brown Act's more narrow standard rules. AB 361 allows legislative bodies to meet virtually, provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees.

AB 361 preserves many of the provisions of the earlier executive orders, while also adding new requirements to the management of remote and teleconference public meetings in order to better achieve the levels of transparency that the Brown Act demands. Specifically, AB 361 imposes two new rules on remote public meetings:

1. Local governments and agencies hosting teleconference meetings in lieu of traditional in-person public meetings must permit direct public comment during the teleconference, and must leave open the opportunity for public comment until the comment period for a given item is closed during the ordinary course of the meeting. The opportunity to make public comment must be of a sufficient duration so as to allow actual public participation.
2. Any action by the governing body during a public teleconference meeting

must occur while the agency is actively and successfully broadcasting to members of the public through a call-in option or an internet-based service option. If a technical disruption within the agency's control prevents members of the public from either viewing the meeting of the public agency, or prevents members of the public from offering public comment, the agency must cease all action on the meeting agency until the disruption ends and the broadcast is restored. Action taken during an agency-caused disruption may be challenged as a violation of the Brown Act.

The City has been implementing the above stated requirements for conducting public meetings and is in full compliance with AB 361, thus there will be no change of the currently established procedures. Teleconference accessibility via call-in option or an internet-based service option (via the Zoom Webinars platform) is listed on the published agenda for each meeting as well as on the City's website and the City provides access for public comment opportunities in real time.
In order to continue to qualify for AB 361's waiver of in-person meeting requirements, the Council must adopt a resolution making the findings required by AB 361. This Resolution will become a standing item on the City Council's agenda, it must be approved at every meeting until the proclaimed state of emergency is ended. The findings must include (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees. The findings need not be in the form of a resolution, but a resolution is helpful in formalizing these findings.

The enclosed Resolution makes the required findings under AB 361, and if adopted, it will allow the City to continue to offer teleconference accessibility for public meetings, to help mitigate the spread of COVID-19, as well as during other state-proclaimed emergencies where physical attendance may present a risk.
Lastly, it is important to note that having virtual meetings under the provisions of AB 361 is optional. If the Council wishes, it may meet in person or in a hybrid format.

Fiscal Impacts: None.

Recommendation: Adopt resolution making findings and determinations under AB 361 for the continuation of virtual meetings and authorizing virtual City Council, Commission, Committee, Board, and other City meetings pursuant to AB 361.

Attachments:

Resolution

Resolution No.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LIVE OAK MAKING FINDINGS AND DETERMINATIONS UNDER AB 361 FOR THE CONTINUATION OF VIRTUAL MEETINGS AND AUTHORIZING VIRTUAL CITY COUNCIL, COMMISSION, BOARD, AND OTHER CITY MEETINGS PURSUANT TO AB 361

The City Council of the City of Live Oak does herby find, order and resolve as follows:

WHEREAS, all meetings of the Live Oak City Council are open and public, as required by the Ralph M. Brown Act (Cal. Gov't Code section 54950 et seq.), so that any member of the public may attend, participate and view the legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions and requirements; and

WHEREAS, Government Code section 54953(e) requirements include but are not limited to (1) the existence of a state of emergency declared by the Governor pursuant to Government Code section 8625 and (2) State or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 4, 2020, Governor Gavin Newson issued a Proclamation of State of Emergency in response to the COVID-19 pandemic and as of the date of this Resolution, the proclaimed state of emergency remains in effect; and

WHEREAS, on March 17, 2020, Governor Gavin Newson issued Executive Order N-29-20, which suspended and modified the teleconferencing requirements under the Brown Act (California Government Code Section 54950 et seq.) to allow local legislative bodies to hold public meetings via teleconference; and

WHEREAS, on June 11, 2021, Governor Gavin Newson issued Executive Order N-08021, which extended the provisions of N-29-20 concerning the conduct of public meetings through September 30, 2021, and the Governor subsequently signed legislation revising Brown Act requirements for teleconferenced public meetings (Assembly Bill 361, referred to hereinafter as "AB 361"); and

WHEREAS, to preserve public health and safety, the State Public Health Officer has issued various orders and guidance regarding COVID-19 prevention measures, which includes references and a statement of support for social distancing recommendations; and

WHEREAS, the California Department of Industrial Relations has issued COVID-19 Prevention regulations in Title 8 of the California Code of Regulations (Section 3205 et seq.); and

WHEREAS, based on the foregoing, the City Council finds that (1) the Governor's Proclaimed State of Emergency as a result of the COVID-19 pandemic is currently in effect and has not been terminated, and (2) State officials have imposed or recommended measures to promote social distancing; and

WHEREAS, the City Council has considered the circumstances of the state of emergency, including all information relate to this matter, the associated staff report; and

WHEREAS, in light of the foregoing, the City Council desires to continue to have the flexibility to meet via tele/video conference and the City Council finds that it and its legislative bodies shall be permitted to conduct their meetings by teleconferencing without compliance with Government Code section 54953(b)(3) pursuant to section 54953(e), and such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed by section 54953(e)(2).

NOW, THEREFORE, BE IT RESOLVED, FOUND AND ORDERED by the City Council of the City of Live Oak as follows: The facts set forth in the above recitals are true and correct and incorporated into this resolution by reference.

1. As a result of the continuing COVID-19 state of emergency declared by Governor Newsom, State officials continue to impose or recommend measures to promote social distancing based on the State Public Health Officer's guidance and recommendations supporting social distancing and the Department of Industrial Relations' issuance of COVID-19 Prevention regulations through Title 8 of the California Code of Regulations, section 3205 et seq. promoting social distancing in the workplace.
2. Under the present circumstances, the City Council by and through its City Manager, is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
3. This Resolution shall take effect immediately upon adoption and shall be effective until the earlier of (i) March 4, 2022 or (ii) such time as the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which its legislative bodies may continue to teleconference without compliance with Section 54953(b)(3).
4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

PASSED AND ADOPTED by the City Council of the City of Live Oak this 2nd day of February, 2022, by the following vote:

AYES:
NOES:
ABSENT:
NOT VOTING:

APPROVED:

_____
Nancy Santana, Mayor

ATTEST:

_____
Clarissa Menchaca, City Clerk

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Ordinance Increasing City Council Compensation

Contact Information: Nicole Rosser, City Attorney

Background: The process for increasing City Council compensation is set forth by Sections 36516 and 36516.5 of the California Government Code.

California Government Code Section 36516 provides, in relevant part as follows:
(a)
(1) A city council may enact an ordinance providing that each member of the city council shall receive a salary based on the population of the city as set forth in paragraph (2).
(2) The salaries approved by ordinance under paragraph (1) shall be as follows:
(A) In cities up to and including 35,000 in population, up to and including three hundred dollars ($300) per month.
. . .
(4) The salary of council members may be increased beyond the amount provided in this subdivision by an ordinance or by an amendment to an ordinance, but the amount of the increase shall not exceed an amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted. No ordinance shall be enacted or amended to provide future increases in salary.
(b) Notwithstanding subdivision (a), at any municipal election, the question of whether city council members shall receive a salary for services, and the amount of that salary, may be submitted to the electors. If a majority of the electors voting at the election favor it, all of the council members shall receive the salary specified in the election call. The salary of council members may be increased beyond the amount provided in this section or decreased below the amount in the same manner.

Live Oak Municipal Code Section 2.08.030 states as follows:
Each member of the City Council shall receive, as salary, the sum of $364.65 per month, which shall be payable at the same time and in the same manner as salaries are paid to other officers and employees of the City.

This Municipal Code appears to have been amended as recently as 2006.

As indicated by the statute designated above, California State law provides that City Council members may be compensated in an amount not to exceed a cap that is graduated depending on the City's population. This was clearly set in accordance with the population in Live Oak. The compensation may be increased by not more than 5% per year (non-compounded) from the operative date of the last adjustment. In our case, the Council has not had an increase in 16 years. The Attorney General has ruled that the maximum 5% per year percentage increase must be applied only once, with no compounding. 89 Ops.Cal.Atty.Gen. 159 (2006). You can only calculate the increase based on what the actual salary was, not on what it could have been. In other words, the city may not apply the 5% to the currently received salary amount only for the first year, and then apply it to the newly calculated amount for the second year, and continue these separate calculations for each intervening year. In Live Oak since sixteen years has passed since the last salary increase, one calculation would result in an increase of 80%. Thus, the Council could vote to increase the salary as follows:

$364.65 x 80% = $291.72 increase/month
$364.65 + 291.72 = $656.37/month

The salary in Live Oak could be increased to $656.37/month.

Government Code section 36516.5 also prohibits any change in compensation during the council member's term of office. This does not mean that Councilmembers elected in 2020, must wait until their next term of office in 2024. Because city council members serve staggered terms, Councilmembers will be eligible for an increase following the next municipal election in 2022, when two or three of the Councilmembers run for reelection or new terms are established. So, in this case, if the City Council were to vote to update the Ordinance, the change would not go into effect until after the November 2022 election.

This item is being brought to give direction to staff. If staff is given direction that the Council wants to see an increase of a certain amount (not to exceed $291.72/month), then staff will prepare the necessary Ordinance and bring it back to Council meeting the procedural requirements of notice and publication.

Fiscal Impacts: Fiscal impact will be determined upon a decision by Council. It could be $0.00 and up to $17,503.20, if the full increase amount is approved.

Recommendation: Provide direction to staff.

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Councilmember Chapdelaine's Comments

Attachments:

Councilmember Chapdelaine's Comments

Clarissa Menchaca

Subject: FW: Council Member Comment 2/2 Council Meeting

From: Jeramy Chapdelaine <JChapdelaine@liveoakcity.org>
Sent: Thursday, January 27, 2022 8:30 AM
To: Clarissa Menchaca <cmenchaca@liveoakcity.org>
Cc: Aaron Palmer <apalmer@liveoakcity.org>
Subject: Council Member Comment 2/2 Council Meeting

Good evening fellow Council Members, staff and members of our community,

I believe a key component of an organization's success is identifying priorities, setting goals and developing/following a strategic plan.

For many years this was an annual process done by City Council around this time of year, but unfortunately it's happened less and less in recent years.

I would like to request that the Mayor add this discussion to the next regular meeting agenda, to give all Council Members an opportunity to discuss this item and possibly provide staff with direction, if City Council would like to proceed with this process.

Thank you,

Jeramy Chapdelaine

LIVE OAK
CALIFORNIA

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Conference with Labor Negotiators Pursuant to California Government Code Section 54957.6:
Agency Designated Representatives: Aaron Palmer, City Manager
Employee Organization: Confidential and Unrepresented Employees
(If action is taken in closed session, it will be announced after the closed session)

City of Live Oak
Report to City Council

Meeting Date: February 2, 2022

Title: Adoption of Possible Changes in Salary and Benefits for the Confidential and Unrepresented Employees

Contact Information: Nicole Rosser, City Attorney