

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
CITY OF LIVINGSTON, TEXAS**

**FISCAL YEAR
OCTOBER 1, 2019 - SEPTEMBER 30, 2020
ISSUED BY: FINANCE DEPARTMENT
PATRICIA CRAWFORD**

CITY OF LIVINGSTON, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2020

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City of Livingston, Texas

A Texas Main Street City Since 2005

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March 2, 2021

Honorable Mayor and
Members of the City Council
City of Livingston
Livingston, Texas

Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Livingston for the fiscal year ended September 30, 2020 is submitted herewith. This report is published to provide the City Council, City Staff, the citizens, the bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial section of this report includes Management's Discussion and Analysis (MD&A), basic financial statements and individual fund statements and schedules, as well as the independent auditor's report on the basic financial statements. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City of Livingston's MD&A can be found immediately following the report of the independent auditor.

The Financial Section described above is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations, as applicable.

CITY PROFILE

Location

The City of Livingston is located in southeast Polk County, approximately 75 miles northeast of Houston. Livingston is readily accessible via U.S. Highway 59 on the north and south and U.S. 190 on the east and west.

Judy B. Cochran, Mayor

Billy S. Wiggins, City Manager

Ellie Monteaux, City Secretary

Council Members: Raymond Luna, Elgin Davis, Alan Cook, Marion A. 'Bid' Smith, Clarke Evans

The City is a general law city operating under the Council-Manager form of government. The City Council is comprised of the Mayor and five Council members, who enact local laws, determine policies and adopt the annual budget. The City Manager is appointed by the City Council and is responsible for the daily management of the City. The basic financial statements of the City include all government activities, organizations and functions for which the City is financially accountable as defined by the GASB. Based on these criteria no other governmental organizations are included in this report.

Services Provided

Reflected in this report is the extensive range of services provided by the City of Livingston. These basic services include public safety, streets, sanitation, parks, recreation, events, library, provision of water and electricity, sewage disposal and general administration services.

Accounting Systems and Budgetary Control

In developing and evaluating the City's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records and, consequently, are designed to provide reasonable assurance that:

1. Transactions are executed in accordance with management's general or specific authorization.
2. Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria, such as finance-related legal and contractual compliance requirements applicable to such statements, and (2) to maintain accountability for assets.
3. Access to assets is permitted only in accordance with management's authorization.
4. The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

The definition of accounting control comprehends reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits expected to be derived. The benefits consist of reductions in the risk of failing to achieve the objectives implicit in the definition of accounting control.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

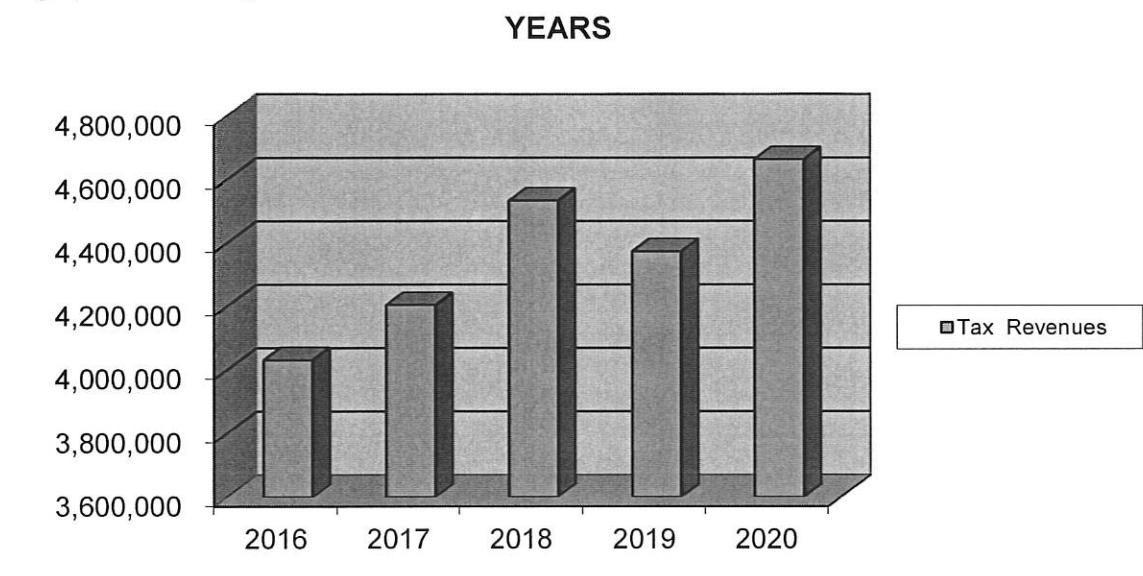
In accordance with the State Laws of Texas, the City has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the department head/function level. Financial reports are produced showing budget and actual expenditures by line item, and are distributed monthly to City departmental and divisional management and to others upon request. Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures (items over \$5,000 and having a useful life of three or more years) are monitored and controlled item by item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The local economy experienced a modest increase in most economic indicators in 2020. Sales tax revenue, a major indicator of the economic condition of the area, increased from \$3,889,000 to \$4,189,000, an increase of \$300,000 or 7.7%.

In fiscal 2020, hotel occupancy tax decreased by 5.2%, gross receipts and franchise fees increased by 6.2%, sanitation service revenue increased by 1.0%, municipal court fines decreased by 44.9%, and parks and recreation and library user fees decreased by 41.4%. Some of the decreases were influenced by the Covid-19 closures.

A graph of tax receipts follows:



The Utility Fund revenues, including electric and water sales, were affected by milder than normal temperatures and frequent rainfall this past year. Electric sales revenue and electric kWh sales were also impacted by COVID-19 as many of the City's larger customers were closed (Livingston ISD and Polk County offices) for many days. The total gallons of water consumed decreased 3.9% from 573,640,000 gallons in fiscal year 2019 as compared to 551,010,000 gallons in fiscal year 2020. The TDCJ Polunsky Unit continued as the City's largest water and wastewater user consuming 265,827,000 gallons of water with the IAH federal detention facility, located on FM 350 South, as the second largest water and wastewater user consuming 20,700,000 gallons of water. Together, these two facilities represent 52.00% of water and sewer consumption, or 286,527,000 gallons of the total water consumed in fiscal year 2020.

Economic Development

A total of 75 building permits were issued by the City of Livingston for commercial and residential construction projects in calendar year 2020 with a total construction value of \$11,480,735. This activity demonstrates the positive economic climate in the local community which is expected to continue into the new year with additional projects currently in the planning and development stages.

We added the construction of a new Dairy Queen and Jack in the Box in 2020 and we have new construction projects such as Starbucks, Panda Express, Chick-Fil-A, a new 24 unit Assisted Living Facility and a fully automated Blue Wave Carwash. Our Community Development Coordinator gets calls and e-mails daily about firms wanting to move into our city.

Council renewed the City's Raw Water Contract with the Trinity River Authority. We have extended the contract for 50 years which means that our City's water demands should be covered until the year of 2070. The contract calls for the purchase of 3 million gallons per day with the option to purchase up to an additional 4.5 million gallons per day to be able to handle future growth.

Capital Projects

Construction of the two (2) elevated water storage tanks was completed and both are now in operation. The Walnut Street tank has a capacity of 400,000 gallons while the West Street tank will have a capacity of 150,000 gallons. The City of Livingston now has a cumulative total of 3,850,000 of water storage capacity with 2,200,000 in elevated tanks and 1,650,000 in ground storage tanks.

- The SCADA Monitoring System installation of our 21 sewer lift stations throughout the City has been completed and are now in operation.
- Overhead Sheds were constructed at the Public Works Building to protect vehicles & equipment from the elements.
- Our Water Department completed a loop of two (2) dead end lines in the Davis Woods Subdivision.
- Our Water Department installed a 8" water line and completed a loop on the 59 Bypass, Pedigo Park, LISD Baseball and Softball Complex and the West Park Drive area.
- In fiscal 2021 our Water Department will be installing a 12" water line on the Hwy 59 Bypass Loop which will require an underground bore. This water line installation will complete a loop that will improve the water service for our citizens in that area.

Future Economic Outlook

The Angelina College Satellite Campus here in Livingston is reporting a Fall 2020 enrollment of 217 students which will improve education, job training and employment skills for our residents. Their enrollment was negatively affected by COVID -19.

The Congressional designation of the U.S. Hwy 190 East/West corridor through Livingston as a future interstate highway (I-14) will affect the growth and development of the community.

The opening of the Naskila Entertainment Center on the Alabama-Coushatta Indian Reservation located just 17 miles east of Livingston is having a tremendous effect on local tourism and employment in the area. They have contributed over 330 new jobs which include insurance and retirement plans. If they win their litigation with the Federal Government, they have plans for a massive expansion.

The City of Livingston and the County of Polk are high on the list of Texas communities eligible for 9.0% competitive housing tax credits through the Texas Department of Housing and Community Affairs. These tax credits provide incentives for investors to build new housing (apartments) or for the rehabilitation of existing apartment complexes. An 80-unit apartment complex located on West Park Drive was built under this program and is already registering new tenants. Another 80-unit complex, to be built off Dogwood Avenue has broken ground and is expected to be completed by the summer. In addition, we have 3 existing apartment complexes that are seeking funding from the program to do major rehabilitation work on their units.

We are encouraged with the prospects for the new year; sales tax revenue, even with COVID-19 increased by 7.7% in fiscal year 2020.

Going forward, we plan on focusing our attention on street improvements, the installation of "smart meters" for our electrical and water departments, more active code enforcement of dilapidated buildings, junk vehicles and vacant lots, and improved beautification efforts along with community pride projects.

Financial Policies

The overall strategy of the City related to cash deposits and investments is to expose the City to a minimum amount of credit risk and market risk. All bank balances or deposits as of the balance sheet date are entirely insured and collateralized with securities held by the City's agent in the City's name. The City added investments in money market funds and a government investment pool in 2020. All investments meet the legal requirements of the City.

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and the carrying cost of insurance.

Risk control techniques have been established to reasonably assure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. In a similar manner, risk control techniques have been established to reduce possible losses to property owned or under the control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers and through participation in the Texas Municipal League Intergovernmental Risk Pool. Coverage in the pool is continuous and annual contributions are subject to adjustment each year based on updated exposure information and change in rating.

OTHER INFORMATION

Independent Audit

The financial records, books of account, and transactions of the City for the fiscal year ended September 30, 2020, have been audited by Independent Public Accountants, and their opinion is included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This was the thirty-second consecutive year (fiscal years ended 1988-2019) that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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 requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgement

The preparation of this report on a timely basis could not have been accomplished without the efforts and dedication of the staff of the Administrative Department. I would like to express my appreciation to my staff and other personnel from various departments who assisted in its preparation. Also, I would like to thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

Respectfully submitted,

Patricia Crawford
Patricia Crawford
Finance Director

CITY OF LIVINGSTON, TEXAS

September 30, 2020

PRINCIPAL OFFICIALS

City Council

Mayor

Judy Cochran

Mayor Pro-tem
Alderman
Alderman
Alderman
Alderman

Alan Cook
Raymond Luna
Elgin Davis
Marion Smith
Clarke Evans

Administration

City Manager
City Finance Director
City Secretary
City Attorney

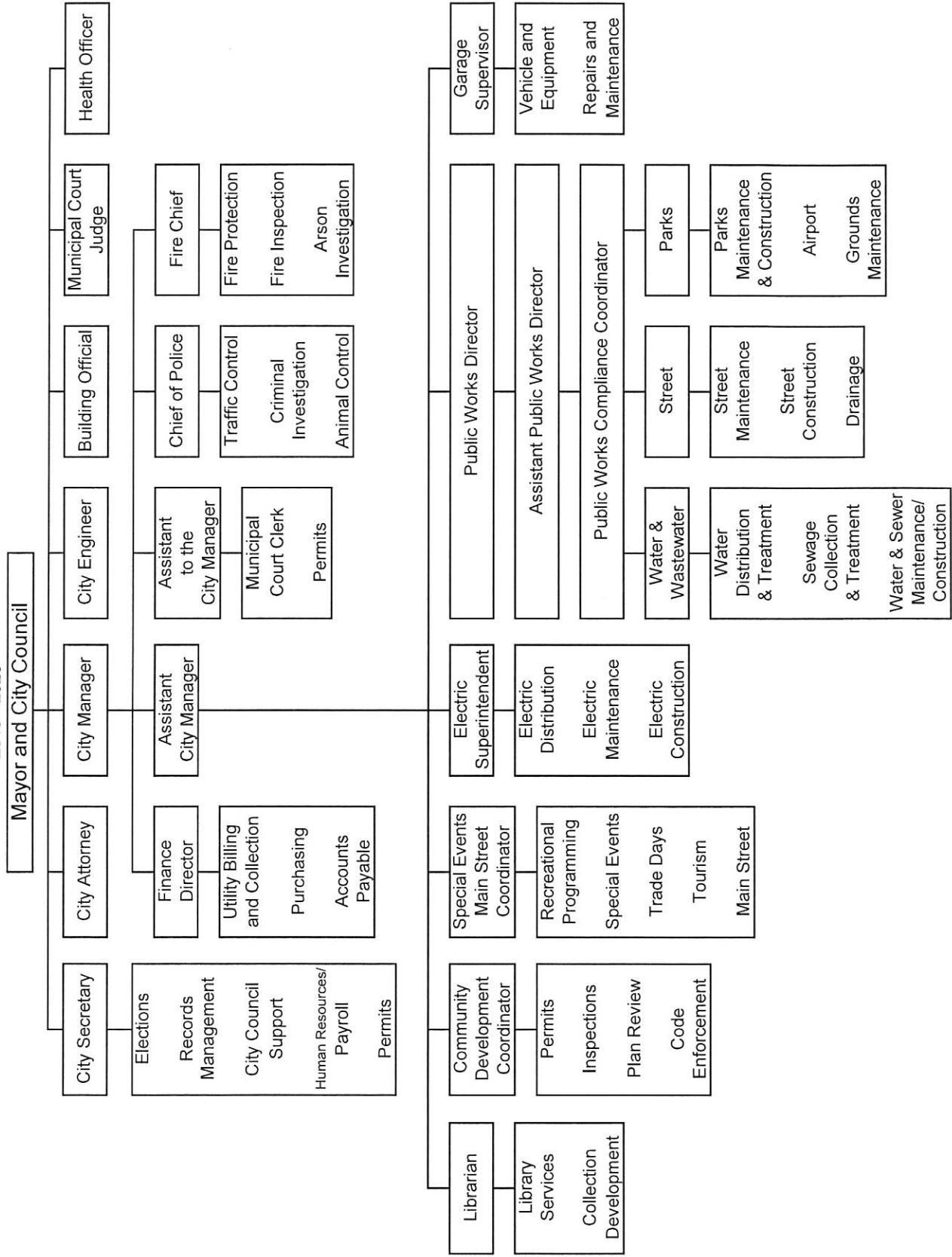
Billy S. Wiggins
Patricia Crawford
Ellie Monteaux
James Wright

Form of Government

Council - Manager
General Law City

CITY OF LIVINGSTON, TEXAS
ORGANIZATIONAL CHART

2019 - 2020





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Livingston
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Monill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable Judy Cochran, Mayor
and Members of the City Council
City of Livingston
Livingston, Texas

We have audited the accompanying financial statements of the governmental activities, business-type activities, major fund, and remaining fund information of the City of Livingston, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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, the major fund, and the remaining fund information of the City of Livingston, Texas, as of September 30, 2020, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-13 and the schedule of net changes in pension liability and schedule of pension contributions, and schedule of changes in other postemployment benefits on pages 56-59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Livingston, Texas, basic financial statements. The introductory section, budgetary comparison schedules, individual fund financial statements, and statistical information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The budgetary comparison schedules and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting records used to prepare the financial statements. The information, except for the portion marked unaudited, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Harper & Pearson Company, P.C.

HARPER & PEARSON COMPANY, P.C.

Houston, Texas
March 2, 2021

CITY OF LIVINGSTON, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2020

Our discussion and analysis of the City of Livingston's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's net position of governmental activities increased by \$5,472,000 or 93.3% as a result of the year's operations, and transfers from the City's business type activities. The operating results improved over 2019, but still reflected a loss of \$1,218,000 before transfers. The expenses of the various departments were virtually unchanged from 2019 reflecting a decrease of \$106,000. Net position of the City's business type activities decreased by \$951,000 or 2.1% during 2020. The decrease was primarily a result of transfers to the governmental activities during 2020 for the purpose of repaying the City's outstanding bonds. The operating results for the business type activities declined by approximately \$1,400,000 primarily due to a reduction in recoveries from the Cambridge Project.
- The City's total net position increased by \$4,522,000 or 8.7% during the current fiscal year. The increase is the result of the changes described above.
- Total cost of the City's government programs decreased \$106,000 or 1.3%. Expenses decreased in the administration, sanitation, fire, police, parks, and library departments along with interest while increasing in the paving and street, and garage departments. The largest contributor to the decrease was decreased interest expense of \$136,000 as a result of the redemption of the outstanding bonds.
- As of September 30, 2020, the City of Livingston's governmental funds reported combined ending fund balances of \$2,550,000, an increase of \$558,000 from the prior fiscal year. The General Fund increase is due primarily to an increase in sales tax revenues of \$300,000 and a decrease in capital expenditures of \$453,000 offset by a decline in transfers from the Electric, Water and Sewer fund of \$192,000.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$2,539,000 or approximately 32.7% of total general fund expenditures.
- The City's total bonded debt decreased by \$5,480,000 during the current fiscal year as the City took advantage of an optional redemption provision to retire the bonds early.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the City of Livingston's basic financial statements. The City of Livingston's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Livingston's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the City of Livingston's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Livingston is improving or deteriorating. The statement of net position combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's sales tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.), to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, etc.). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- Governmental activities - Most of the City's basic services are reported here, including the police, fire, libraries, parks development, public services and operations, information services and general administration. Sales tax and charges for services finance most of these activities.
- Business-type activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's electric, water and sewer systems are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes some funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds - governmental and proprietary - utilize different accounting approaches.

- Governmental funds - The majority 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 an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily 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. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

City of Livingston, Texas
Management's Discussion and Analysis (continued)
September 30, 2020

The City of Livingston maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, both of which are considered to be major funds. The debt service fund was liquidated during the year ended September 30, 2020 commensurate with the redemption of the outstanding bonds.

- Proprietary funds - The City charges customers for the services it provides. These services are generally reported in the proprietary fund. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's proprietary fund is identical to the business-type activities that are reported in the government-wide statements but provide more detail and additional information, such as cash flows. The City uses the proprietary fund to account for its electric, water and sewer activities.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's net pension liability and annual contributions to the pension plan along with other postemployment benefits liability (OPEB). The Texas Municipal Retirement System (TMRS) administers the City's pension plan through a cost-sharing multiple employer defined benefit plan and the City's OPEB (death benefits). Further information about the City of Livingston's pension plan can be found in footnote 7, pages 43-47 of this report. Information regarding the City's OPEB can be found in footnote 8, pages 47-49 of this report.

THE CITY AS A WHOLE - Government-Wide Financial Analysis

The City's combined net position was \$56,266,000 as of September 30, 2020. Analyzing the net position of governmental and business-type activities separately, the business type activities net position is \$44,932,000. This analysis focuses on the net position (Table 1) and changes in net position (Table 2) and significant expenses of the City's governmental and business-type activities.

By far the largest portion of the City's net position (65.28%) reflects its investment in capital assets (e.g., land, water rights, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Livingston, Texas
 Management's Discussion and Analysis (continued)
 September 30, 2020

A comparative analysis of government-wide data is presented below.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 2,878,725	\$ 2,348,708	\$ 22,436,423	\$ 26,007,297	\$ 25,315,148	\$ 28,356,005
Capital assets	<u>10,946,446</u>	<u>11,401,989</u>	<u>44,410,660</u>	<u>42,045,912</u>	<u>55,357,106</u>	<u>53,447,901</u>
Total Assets	13,825,171	13,750,697	66,847,083	68,053,209	80,672,254	81,803,906
Deferred Outflows	<u>654,314</u>	<u>1,158,044</u>	<u>334,430</u>	<u>666,477</u>	<u>988,744</u>	<u>1,824,521</u>
Total assets and deferred outflows of resources	<u>14,479,485</u>	<u>14,908,741</u>	<u>67,181,513</u>	<u>68,719,686</u>	<u>81,660,998</u>	<u>83,628,427</u>
Long-term debt outstanding	-	5,480,000	18,625,000	19,315,000	18,625,000	24,795,000
Other liabilities	<u>2,607,090</u>	<u>3,559,410</u>	<u>3,330,302</u>	<u>3,518,364</u>	<u>5,937,392</u>	<u>7,077,774</u>
Total Liabilities	2,607,090	9,039,410	21,955,302	22,833,364	24,562,392	31,872,774
Deferred Inflows	<u>537,739</u>	<u>6,911</u>	<u>294,639</u>	<u>4,059</u>	<u>832,378</u>	<u>10,970</u>
Total liabilities and deferred inflows of resources	<u>3,144,829</u>	<u>9,046,321</u>	<u>22,249,941</u>	<u>22,837,423</u>	<u>25,394,770</u>	<u>31,883,744</u>
Net position (deficit):						
Net investment in capital assets	10,946,446	5,921,989	25,785,660	22,730,912	36,732,106	28,652,901
Restricted	-	6,430	487,332	509,084	487,332	515,514
Unrestricted	<u>388,210</u>	<u>(65,999)</u>	<u>18,658,580</u>	<u>22,642,267</u>	<u>19,046,790</u>	<u>22,576,268</u>
Total net position	<u>\$ 11,334,656</u>	<u>\$ 5,862,420</u>	<u>\$ 44,931,572</u>	<u>\$ 45,882,263</u>	<u>\$ 56,266,228</u>	<u>\$ 51,744,683</u>

A portion of the City's net position (.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$19,046,790 may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2020, the City is able to report positive balances in all three categories of net position. The governmental activities reflected a deficit in unrestricted net position at September 30, 2019 as a result of reduced transfers from the business-type activities in that year. The City returned to a positive unrestricted net position for governmental activities through transfers from the business-type activities, which continue to reflect positive balances in net position.

City of Livingston, Texas
Management's Discussion and Analysis (continued)
September 30, 2020

The governmental activities total assets increased by \$75,000. This increase was primarily related to increased cash balances from improved operating results. Long-term debt of governmental activities decreased by \$5,480,000 as a result of the complete redemption of the outstanding bonds. The long-term debt of the business type activities decreased by \$690,000 as the City continued amortizing their contract rights with the Trinity River Authority that were used to expand the City's water system.

Analysis of the City's Operations Overall the City had an increase in net position of \$4,521,545 primarily due to recoveries from the Cambridge project.

Governmental Activities

Governmental activities increased net position by \$5,472,236 from operating activities and transfers from the Electric, Water and Sewer Fund for the redemption of the outstanding bonds. Net position invested in capital assets, net of related debt increased by \$5,024,457 or 84.8% due to the redemption of the outstanding bonds and investment in equipment, buildings, and infrastructure net of depreciation. Unrestricted net position increased by \$454,209 once again as a result of transfers from the Electric, Water and Sewer Fund and improved operating results along with reduced interest costs.

Total revenues for governmental activities increased from the previous year by \$262,310. The primary increase was in sales tax of \$300,166. Expenses decreased by 1.3% and generally decreased in most departments along with the decrease in interest expense due to the bond redemption.

Business-Type Activities

Net position from business-type activities decreased by \$950,691 or 2.1% from \$45,882,263 in 2019 to \$44,931,572 in 2020. The decrease was primarily due to a slight decline in electric recoveries of approximately \$1,000,000 from the Cambridge Project (a separate wholesale power supply contract that allows the Sam Rayburn Municipal Power Agency to utilize excess capacity and make distributions of profit back to the participating cities) and increased transfers to the governmental activities for the redemption of the outstanding bonds.

The following table provides a summary of the City's operations for year ended September 30, 2020 with comparative totals for year ended September 30, 2019.

City of Livingston, Texas
 Management's Discussion and Analysis (continued)
 September 30, 2020

Table 2
City of Livingston's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,945,778	\$ 1,971,894	\$ 21,720,943	\$ 22,967,800	\$ 23,666,721	\$ 24,939,694
Capital Grants & Contributions	-	-	221,962	39,970	221,962	39,970
Operating Grants & Contributions	80,802	80,759	-	-	80,802	80,759
General Revenues:						
Property tax	-	-	-	-	-	-
Sales tax	4,188,740	3,888,574	-	-	4,188,740	3,888,574
Franchise tax	140,748	132,500	-	-	140,748	132,500
Hotel/Motel tax	333,924	352,302	-	-	333,924	352,302
Investment earnings	4,872	6,525	34,902	14,234	39,774	20,759
Total Revenues	6,694,864	6,432,554	21,977,807	23,022,004	28,672,671	29,454,558
Expenses:						
Administration	612,710	624,090	-	-	612,710	624,090
Sanitation	806,598	812,677	-	-	806,598	812,677
Fire	605,842	547,489	-	-	605,842	547,489
Police	2,542,525	2,545,281	-	-	2,542,525	2,545,281
Paving & Street	1,322,083	1,276,557	-	-	1,322,083	1,276,557
Parks & Recreation	1,126,189	1,183,383	-	-	1,126,189	1,183,383
Library	536,713	554,824	-	-	536,713	554,824
Garage	307,729	285,713	-	-	307,729	285,713
Interest on long-term debt	52,010	188,100	-	-	52,010	188,100
Electric, Water, and Sewer	-	-	16,238,727	15,808,351	16,238,727	15,808,351
Total Expenses	7,912,399	8,018,114	16,238,727	15,808,351	24,151,126	23,826,465
Excess (deficiency) before transfers						
Transfers, net	(1,217,535)	(1,585,560)	5,739,080	7,213,653	4,521,545	5,628,093
Increase (decrease) in net position	5,472,236	174,514	(950,691)	5,453,579	4,521,545	5,628,093
Net position - October 1	5,862,420	5,687,906	45,882,263	40,428,684	51,744,683	46,116,590
Net position - September 30	\$ 11,334,656	\$ 5,862,420	\$ 44,931,572	\$ 45,882,263	\$ 56,266,228	\$ 51,744,683

Financial Analysis of the Government's Funds

Governmental Funds

The focus of the City of Livingston's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Livingston's governmental funds reported combined ending fund balances of \$2,550,096. Approximately 99.6% of the total amount (\$2,539,274) constitutes unassigned fund balance. The remainder of the fund balance is restricted to indicate that because of restrictions of external parties (creditors and contributors) it is not available for new spending because it has been restricted to pay for library (\$10,822) capital improvements.

The unassigned fund balance of the general fund increased by \$564,453 from the prior year. The increase was the result of transfers from the Electric Water and Sewer fund along with reduced capital expenditures. The restricted fund balance of the general fund decreased by \$5,207 from the prior year. The decrease was due to the expenditure of library memorials during the year.

In the general fund, the City budgeted for an increase of approximately \$421,000 on a GAAP basis. Due to an increase in revenues, primarily sales tax, and a decrease in expected police and street department improvements along with transfers from the proprietary fund, the actual fund balance increased by \$564,453.

Proprietary Fund

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary fund was \$18,658,580. Total unrestricted net position decreased in 2020 by \$3,983,687. As previously described, the decrease compared to 2019 in the net position was primarily the result of a decrease in electric recoveries from the Cambridge Project and increased transfers to the debt service fund for the liquidation of the bonds.

General Fund Budgetary Highlights

The City made revisions to the original appropriations approved by the City Council. Overall these changes resulted in increased budgeted revenues of \$114,641 or 1.8%. The increase in budgeted revenues was primarily for an increase in sales tax revenues. Budgeted expenditures were decreased by \$379,175 or 4.9%. The decrease in budgeted expenditures were primarily for decreased administrative expense for building demolitions and police department salaries.

City of Livingston, Texas
 Management's Discussion and Analysis (continued)
 September 30, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2020, the City had \$55,357,106 (net of accumulated depreciation) invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, electrical, water and sewer lines and water service contract rights. The total increase in the City's investment in capital assets for the current fiscal year was 3.6% (4.0% decrease for governmental activities and a 5.6% increase in business-type activities) (See Table 3).

Table 3
Capital Assets at Year-end
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Totals	Totals
	2020	2019	2020	2019	2020	2019
Land	\$ 476,004	\$ 476,004	\$ 694,222	\$ 694,222	\$ 1,170,226	\$ 1,170,226
Water Rights	-	-	18,625,000	19,315,000	18,625,000	19,315,000
Buildings and improvements	3,583,087	3,746,813	250,205	261,565	3,833,292	4,008,378
Equipment and fixtures	1,809,145	1,938,334	633,448	514,653	2,442,593	2,452,987
Paving, sidewalks and streets	4,057,822	4,148,679	-	-	4,057,822	4,148,679
Parks development	915,310	974,908	-	-	915,310	974,908
Airport						
improvements	105,078	117,251	-	-	105,078	117,251
Utility systems	-	-	24,207,785	21,260,472	24,207,785	21,260,472
Total	<u>\$ 10,946,446</u>	<u>\$ 11,401,989</u>	<u>\$ 44,410,660</u>	<u>\$ 42,045,912</u>	<u>\$ 55,357,106</u>	<u>\$ 53,447,901</u>

This year's major additions included:

Various street improvements	\$ 475,769
Utility System Improvements	<u>3,424,571</u>
Total	<u>\$ 3,900,340</u>

The City's fiscal year 2021 capital budget calls for it to spend another \$3,606,000 for capital projects, principally for fire equipment (\$70,000) street improvements (\$875,000) police patrol car (\$96,000), parks improvements (\$75,000), and electric, water and sewer system improvements (\$2,300,000). Additional information on the City of Livingston's capital assets can be found in footnote 6 on pages 41-43 of this report.

Debt

At year-end, the City had no bonds outstanding as compared to \$5,480,000 at the end of the prior fiscal year, a decrease of 100.0% - as shown in Table 4.

Table 4
Outstanding Debt, at Year-end

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Certificates of obligation (backed by the City)	\$ _____ -	\$ 5,480,000	\$ _____ -	\$ _____ -	\$ _____ -	\$ 5,480,000
Totals	\$ _____ -	\$ 5,480,000	\$ _____ -	\$ _____ -	\$ _____ -	\$ 5,480,000

The City's bonds continue to carry a triple A rating, the highest rating possible. This rating has been assigned to the City's tax-supported debt since 1970, by two national rating agencies. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to assessed value of all taxable property is -0%. The City does not currently assess property taxes but meets its debt obligations through sales tax receipts and other general revenues along with electric, water and sewer revenues.

Additional information on the City of Livingston's long-term debt can be found in footnote 9 on page 50 of this report. As discussed in footnote 9, the outstanding bonds were repaid in December, 2019.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when determining the projected revenues from various sources and expenditures for the fiscal year 2020-2021 budget. As always, the main responsibility is to manage public funds wisely while planning for long-term growth in the community. City officials have been conservative in projecting revenues and expenditures for the 2020-2021 budget due to the uncertainty of economic trends in the national and local economies.

The General Fund's largest revenue source continues to be sales tax receipts since the City has not levied an ad valorem tax since 1988. Currently, sales tax revenue accounts for approximately 14.61% of the City's total annual operating revenue. For the fiscal year ending September 30, 2020, we are happy to report that despite COVID-19 our sales tax revenue increased by 7.7%. The City also has in place an "Unassigned Fund Balance Policy" for the General Fund that calls for periodic transfers from the Enterprise Fund to the General Fund (franchise fees) in order to provide continued stability in its cash flow as seasonal shortfalls and unanticipated expenditures occur.

As for the City's business-type activities, fees for electric, water and sewer services account for about 75.75% of the City's total annual operating revenue. The beginning of Fiscal 2021 has been very encouraging for the City. There has been an increase of new commercial activity which hopefully will produce additional sales tax revenue, development fees, utility service fees and employment opportunities.

City of Livingston, Texas
Management's Discussion and Analysis (continued)
September 30, 2020

The City strives to provide an effective, cost-efficient range of services which the citizens have come to expect. To do so, requires the administrative staff to be especially resourceful in developing new revenue sources to fund the expanded range of services. The City Council and management staff are committed to the general philosophy of "pay as you go". In general, the City provides services (general government, public safety, streets, parks and recreation, library and utilities) at a cost per capita that is comparable to or below other communities with similar demographic and economic characteristics. As the City moves forward into 2020, the City Council and management staff will continually reevaluate and revise, if necessary, the initiatives based upon the financial condition of the community.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the office of the City Manager at City of Livingston, 200 West Church Street, Livingston, Texas 77351-3281.

BASIC FINANCIAL STATEMENTS

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

PRIMARY GOVERNMENT			
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 2,858,477	\$ 5,450,817	\$ 8,309,294
Certificates of deposit	-	1,000,000	1,000,000
Investments	-	14,019,264	14,019,264
Receivables:			
Returned checks receivable	58	20,115	20,173
Paving accounts receivable	20,190	-	20,190
Utility accounts receivable	-	1,458,895	1,458,895
Restricted assets - cash	-	487,332	487,332
Capital assets (net of accumulated depreciation):			
Land	476,004	694,222	1,170,226
Buildings and improvements	3,583,087	250,205	3,833,292
Equipment and fixtures	1,809,145	633,448	2,442,593
Paving, sidewalks and streets	4,057,822	-	4,057,822
Parks development	915,310	-	915,310
Airport improvements	105,078	-	105,078
Electrical system	-	4,790,209	4,790,209
Water system	-	12,051,233	12,051,233
Sewer system	-	7,366,343	7,366,343
Water service contract rights	-	<u>18,625,000</u>	<u>18,625,000</u>
Total Assets	<u>13,825,171</u>	<u>66,847,083</u>	<u>80,672,254</u>
DEFERRED OUTFLOWS OF RESOURCES			
Amounts related to pensions and other post postemployment benefits			
Contributions after December 31, 2019	351,197	190,088	541,285
Difference in experience	234,136	128,299	362,435
Change in assumptions	68,981	16,043	85,024
Total Deferred Outflows of Resources	<u>654,314</u>	<u>334,430</u>	<u>988,744</u>
Combined Assets and Deferred Outflows of Resources	<u>\$ 14,479,485</u>	<u>\$ 67,181,513</u>	<u>\$ 81,660,998</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-type Activities	Total
<u>LIABILITIES</u>			
Accounts payable	\$ 328,629	\$ 1,634,206	\$ 1,962,835
Meter deposits	-	597,848	597,848
Noncurrent Liabilities Due in More Than One Year:			
Net pension liability	2,004,389	1,098,248	3,102,637
Other post employment benefit liability	274,072	-	274,072
Contracts payable-due within one year	-	720,000	720,000
Contracts payable	-	<u>17,905,000</u>	<u>17,905,000</u>
 Total Liabilities	 <u>2,607,090</u>	 <u>21,955,302</u>	 <u>24,562,392</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Amounts related to pensions			
Difference in investment returns	537,739	294,639	832,378
Total Deferred Inflows of Resources	<u>537,739</u>	<u>294,639</u>	<u>832,378</u>
 Combined Liabilities and Deferred Inflows of Resources	 <u>3,144,829</u>	 <u>22,249,941</u>	 <u>25,394,770</u>
<u>NET POSITION</u>			
Net investment in capital assets	10,946,446	25,785,660	36,732,106
Restricted for:			
System improvements	-	62,550	62,550
Debt service	-	424,782	424,782
Unrestricted	<u>388,210</u>	<u>18,658,580</u>	<u>19,046,790</u>
 Total Net Position	 <u>\$ 11,334,656</u>	 <u>\$ 44,931,572</u>	 <u>\$ 56,266,228</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>
Governmental activities:				
Administrative	\$ 612,710	\$ 123,113	\$ -	\$ -
Sanitation	806,598	1,255,418	-	-
Fire	605,842	-	-	73,102
Police	2,542,525	325,262	-	3,879
Paving and street	1,322,083	48,734	-	-
Parks and recreation	1,126,189	177,266	-	-
Library	536,713	15,985	-	3,821
Garage	307,729	-	-	-
Interest on long-term debt	52,010	-	-	-
Total governmental activities	<u>7,912,399</u>	<u>1,945,778</u>	<u>-</u>	<u>80,802</u>
Business-type activities:				
Electric, water and sewer	<u>16,238,727</u>	<u>21,720,943</u>	<u>221,962</u>	<u>-</u>
Total business-type activities	<u>16,238,727</u>	<u>21,720,943</u>	<u>221,962</u>	<u>-</u>
Total primary government	<u>\$ 24,151,126</u>	<u>\$ 23,666,721</u>	<u>\$ 221,962</u>	<u>\$ 80,802</u>
General revenues:				
Taxes				
Sales taxes				
Franchise taxes				
Hotel/Motel taxes				
Unrestricted investment earnings				
Capital Contributions and Transfers				
Total general revenues and transfers				
Change in net position				
Net position-beginning				
Net position-ending				

See accompanying notes to financial statements

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (489,597)	\$ -	\$ (489,597)
448,820	-	448,820
(532,740)	-	(532,740)
(2,213,384)	-	(2,213,384)
(1,273,349)	-	(1,273,349)
(948,923)	-	(948,923)
(516,907)	-	(516,907)
(307,729)	-	(307,729)
(52,010)	-	(52,010)
<u>(5,885,819)</u>	<u>-</u>	<u>(5,885,819)</u>
<u>-</u>	<u>5,704,178</u>	<u>5,704,178</u>
<u>-</u>	<u>5,704,178</u>	<u>5,704,178</u>
<u>(5,885,819)</u>	<u>5,704,178</u>	<u>(181,641)</u>
4,188,740	-	4,188,740
140,748	-	140,748
333,924	-	333,924
4,872	34,902	39,774
<u>6,689,771</u>	<u>(6,689,771)</u>	<u>-</u>
<u>11,358,055</u>	<u>(6,654,869)</u>	<u>4,703,186</u>
<u>5,472,236</u>	<u>(950,691)</u>	<u>4,521,545</u>
<u>5,862,420</u>	<u>45,882,263</u>	<u>51,744,683</u>
<u>\$ 11,334,656</u>	<u>\$ 44,931,572</u>	<u>\$ 56,266,228</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2020

	General	Debt Service
ASSETS		
Cash	\$ 2,858,477	\$ -
Receivables:		
Returned checks receivable	58	-
Paving accounts receivable	<u>20,190</u>	-
Total Assets	<u>\$ 2,878,725</u>	\$ -
LIABILITIES		
Accounts payable	\$ 328,629	\$ -
Total Liabilities	<u>328,629</u>	-
FUND BALANCES		
Restricted for:		
Library Memorials	10,822	-
Debt Service	-	-
Unassigned	<u>2,539,274</u>	-
Total Fund Balances	<u>2,550,096</u>	-
Total Liabilities and Fund Balances	<u>\$ 2,878,725</u>	\$ -

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

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

Deferred outflows of resources related to pensions for contributions after the plan's
year end and actual compared to projected investment and plan experience.

Long-term liabilities, including bonds payable, are not due and
payable in the current period and, therefore, are not reported in the funds:

Net pension liability

Net post employment benefits

Deferred inflows of resources related to pensions for difference in plan experience
and assumptions.

Net position of governmental activities

**Total
Governmental
Funds**

\$ 2,858,477

58
20,190

\$ 2,878,725

\$ 328,629

328,629

10,822

-
2,539,274

2,550,096

10,946,446

654,314

(2,004,389)
(274,072)

(537,739)

\$ 11,334,656

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General	Debt Service
REVENUES		
Taxes:		
Sales taxes	\$ 4,188,740	\$ -
Franchise taxes	140,748	-
Hotel/Motel taxes	333,924	-
Licenses and permits	90,198	-
Charges for service	1,402,317	-
Fines and forfeitures	340,150	-
Miscellaneous	206,310	46
Total Revenues	<u>6,702,387</u>	<u>46</u>
EXPENDITURES		
Current:		
Administrative	588,102	-
Sanitation	806,478	-
Fire	569,065	-
Police	2,424,277	-
Paving and street	1,106,614	-
Parks and recreation	969,764	-
Library	432,768	-
Garage	405,103	-
Debt service:		
Principal retirement	-	5,480,000
Interest	-	52,010
Total Expenditures	<u>7,302,171</u>	<u>5,532,010</u>
Deficiency of revenues over expenditures	<u>(599,784)</u>	<u>(5,531,964)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	1,164,237	5,525,534
Total other financing sources	<u>1,164,237</u>	<u>5,525,534</u>
Net change in fund balances	564,453	(6,430)
Fund Balances - beginning	<u>1,985,643</u>	<u>6,430</u>
Fund Balances - ending	<u>\$ 2,550,096</u>	<u>\$ -</u>

See accompanying notes to financial statements

**Total
Governmental
Funds**

\$	4,188,740
	140,748
	333,924
	90,198
	1,402,317
	340,150
	<u>206,356</u>
	<u>6,702,433</u>

588,102
806,478
569,065
2,424,277
1,106,614
969,764
432,768
405,103

5,480,000
<u>52,010</u>
<u>12,834,181</u>

<u>(6,131,748)</u>

<u>6,689,771</u>
<u>6,689,771</u>

558,023

<u>1,992,073</u>

<u>\$ 2,550,096</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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

Net changes in fund balances - total governmental funds	\$ 558,023
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(455,543)
Change in the net pension liability reported as an increase in pension expense in the statement of activities	(84,168)
Change in the net other postemployment benefits reported as an increase in employee insurance expense in the statement of activities	(26,076)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	<u>5,480,000</u>
Changes in net position of governmental activities	<u>\$ 5,472,236</u>

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CITY OF LIVINGSTON, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts GAAP Basis		
	Original	Revisions	Final
<u>REVENUES</u>			
Taxes:			
Sales taxes	\$ 3,855,000	\$ 119,040	\$ 3,974,040
Franchise taxes	115,000	25,000	140,000
Hotel/Motel taxes	365,000	(36,556)	328,444
Licenses and permits	66,500	14,879	81,379
Charges for service	1,390,761	(681)	1,390,080
Fines and forfeitures	382,900	(45,450)	337,450
Miscellaneous	73,100	38,409	111,509
Total Revenues	<u>6,248,261</u>	<u>114,641</u>	<u>6,362,902</u>
<u>EXPENDITURES</u>			
Current:			
Administrative	836,300	(221,700)	614,600
Sanitation	715,000	100,000	815,000
Fire	589,800	(56,050)	533,750
Police	2,621,300	(88,300)	2,533,000
Paving and street	1,320,500	(17,000)	1,303,500
Parks and recreation	1,016,025	(44,475)	971,550
Library	465,650	(20,650)	445,000
Garage	483,400	(31,000)	452,400
Total Expenditures	<u>8,047,975</u>	<u>(379,175)</u>	<u>7,668,800</u>
Deficiency of revenues over expenditures	<u>(1,799,714)</u>	<u>493,816</u>	<u>(1,305,898)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	1,976,386	(249,962)	1,726,424
Total other financing sources (uses)	<u>1,976,386</u>	<u>(249,962)</u>	<u>1,726,424</u>
Excess of revenues and other financing sources over expenditures and other uses	<u>\$ 176,672</u>	<u>\$ 243,854</u>	<u>\$ 420,526</u>
Fund balance at beginning of year			
Fund balance at end of year			

See accompanying notes to financial statements

<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 4,188,740	\$ 214,700
140,748	748
333,924	5,480
90,198	8,819
1,402,317	12,237
340,150	2,700
206,310	94,801
<u>6,702,387</u>	<u>339,485</u>
588,102	26,498
806,478	8,522
569,065	(35,315)
2,424,277	108,723
1,106,614	196,886
969,764	1,786
432,768	12,232
405,103	47,297
<u>7,302,171</u>	<u>366,629</u>
<u>(599,784)</u>	<u>706,114</u>
<u>1,164,237</u>	<u>(562,187)</u>
<u>1,164,237</u>	<u>(562,187)</u>
564,453	\$ 143,927
<u>1,985,643</u>	
<u>\$ 2,550,096</u>	

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
STATEMENT OF NET POSITION PROPRIETARY FUNDS
SEPTEMBER 30, 2020

Business-Type Activities - Enterprise Fund

	Electric Water and Sewer
ASSETS	
Current assets:	
Cash	\$ 5,450,817
Certificates of deposit	1,000,000
Investments	14,019,264
Restricted assets	
Cash in bank, water and sewer system improvements	62,550
Cash in bank, reserve fund	424,782
Receivables:	
Returned checks receivable	20,115
Utility accounts receivable	1,458,895
Total current assets	<u>22,436,423</u>
Noncurrent assets:	
Capital assets:	
Land	694,222
Building and improvements	507,925
Equipment and fixtures	2,944,303
Electrical system	6,937,502
Water system	15,500,876
Sewer system	10,945,259
Water service contract rights	<u>18,625,000</u>
	56,155,087
Less accumulated depreciation	<u>(11,744,427)</u>
Net capital assets	<u>44,410,660</u>
Total Assets	<u>66,847,083</u>
Deferred outflows of resources:	
Amounts related to pensions	
Contributions after December 31, 2019	190,088
Difference in experience	128,299
Change in assumptions	<u>16,043</u>
Total Deferred Outflows of Resources	<u>334,430</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 67,181,513</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
STATEMENT OF NET POSITION PROPRIETARY FUNDS
SEPTEMBER 30, 2020

Business-Type Activities - Enterprise Fund

	Electric Water and Sewer
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 1,634,206
Meter deposits	597,848
Contracts payable	720,000
Total current liabilities	<u>2,952,054</u>
Noncurrent liabilities due in more than one year:	
Net pension liability	1,098,248
Contracts payable	<u>17,905,000</u>
Total noncurrent liabilities	<u>19,003,248</u>
Total liabilities	<u>21,955,302</u>
Deferred inflows of resources:	
Amounts related to pensions	294,639
Difference in expected and actual experience	<u>294,639</u>
Total Deferred Inflows of Resources	<u>294,639</u>
Total Liabilities and Deferred Inflows of Resources	<u>22,249,941</u>
NET POSITION	
Net investment in capital assets	25,785,660
Restricted for water and sewer system improvements	62,550
Restricted for Trinity River Authority contracts payable	424,782
Unrestricted	<u>18,658,580</u>
Total Net Position	<u>\$ 44,931,572</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Business-Type Activities - Enterprise Fund

	Electric Water and Sewer
<u>Operating revenues</u>	
Charges for sales and services:	
Electricity sales	\$ 8,910,948
Water sales	3,110,767
Sewer service charges	2,267,077
Penalties, utilities	169,367
Water tapping fees	21,980
Sewer tapping fees	10,025
Recoveries, electrical	6,978,857
Recoveries, water	100,799
Grants	221,962
Revenue, night lights	101,045
Service fees	50,078
Total Operating Revenues	<u>21,942,905</u>
<u>Operating expenses</u>	
Light and Power Department	10,106,652
Water Department	4,718,138
Sewer Department	783,070
Depreciation	630,867
Total Operating Expenses	<u>16,238,727</u>
Operating Income	5,704,178
Non-operating revenues:	
Interest income	<u>34,902</u>
Income Before Transfers	5,739,080
Transfers Out	<u>(6,689,771)</u>
Change in net position	(950,691)
Total net position - beginning	<u>45,882,263</u>
Total net position - ending	<u>\$ 44,931,572</u>

See accompanying notes to financial statements

CITY OF LIVINGSTON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Business-Type Activities - Enterprise Fund

	Electric Water and Sewer
Cash flows from operating activities:	
Cash received from customers	\$ 22,194,870
Cash payments to suppliers for goods and services	(13,541,669)
Cash payments to employees for services	<u>(1,655,571)</u>
Net cash provided by operating activities	<u>6,997,630</u>
Cash flows from noncapital financing activities:	
Transfers to other funds	<u>(6,689,771)</u>
Net cash used by noncapital financing activities	<u>(6,689,771)</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>(3,685,615)</u>
Net cash used for capital and related financing activities	<u>(3,685,615)</u>
Cash flows from investing activities:	
Purchase of investments	(14,019,264)
Sale of certificate of deposit	500,000
Interest on cash and investments	<u>34,902</u>
Net cash used by investing activities	<u>(13,484,362)</u>
Net Change in Cash and Cash Equivalents	<u>(16,862,118)</u>
Cash and Cash Equivalents at Beginning of Year	<u>22,800,267</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,938,149</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Business-Type Activities - Enterprise Fund

**Electric
Water and
Sewer**

Reconciliation of income from operations to net cash provided by operating activities:

Income from operations	\$ 5,704,178
Adjustments to reconcile operating net income to net cash provided by operating activities:	
Depreciation	630,867
Change in operating assets and liabilities:	
Returned checks receivable	14,826
Utility accounts receivable	213,194
Deferred outflows	332,047
Accounts payable	376,676
Meter deposits	23,945
Net pension liability	(588,683)
Deferred inflows	290,580
 Total adjustments	 1,293,452
 Net cash provided by operating activities	 \$ 6,997,630

Reconciliation of total cash and cash investments:

Unrestricted	\$ 5,450,817
Restricted	
Cash in bank, water and sewer system improvements	62,550
Cash in bank, reserve fund	424,782
 Total cash and cash equivalents	 \$ 5,938,149

(Concluded)

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF LIVINGSTON, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles (GAAP) for local governments are those principles prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2020.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards include whether: the organization is legally separate (can sue and be sued in their own name); the City holds the corporate powers of the organization; the City appoints a voting majority of the organization's board; the City is able to impose its will on the organization; the organization has the potential to impose a financial benefit/burden on the City; or there is fiscal dependency by the organization on the City. Based upon the application of these criteria, no other agencies or authorities are included in the financial statements of the City.

Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of changes in net position) report information on all the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items properly excluded from program revenues are reported instead as general revenues. Interfund services provided and used are not eliminated in the government-wide statement of activities in the process of consolidation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. The City has presented the following major governmental funds:

General Fund - The General Fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, capitalized lease obligations, interest, and related costs paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted to signify the amounts that are exclusively for debt service expenditures. All bonds were repaid in 2020. Consequently, the Debt Service Fund was liquidated.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following proprietary fund:

Electric, Water, and Sewer Fund - The Electric, Water, and Sewer Fund is used to account for the provision of electricity, water, and sewer services to the residents of the City. Activities of the fund include administration, operations, and maintenance of the electric, water and sewer system and billing and collection activities. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary, to ensure integrity of the fund.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

The government-wide statements and fund financial statements for the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled electric, water, and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes (which are currently not assessed by the City) as available if they are collected within 60 days after year end. A 60-day availability period is used for recognition of all other governmental fund revenues, as well. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, and interest income. Sales taxes collected and held by the state at year end on behalf of the City are also recognized as revenue. All other governmental fund revenues are recognized when received.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets, and certain intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements of the proprietary fund. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewal and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.

Assets capitalized, not including infrastructure assets, have an original cost of \$1,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of \$5,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. The estimated useful lives are as follows:

Buildings	20-50 years
Utility plant	67 years
Machinery and Equipment	5-15 years
Infrastructure	20-35 years
Improvements	20 years

GAAP requires the City to report and depreciate infrastructure assets which include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are one of the largest asset classes of the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**Budgetary Control**

A separate legally adopted budget is prepared for all governmental and proprietary funds for the City that demonstrates legal compliance at the legal level of budgetary control.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) The proposed operating budget for the upcoming fiscal year beginning October 1 is submitted to the City Council by no later than September 1 of the current fiscal year. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year. The budget is submitted in summary form with more detailed line item budgets included for administrative control. The level of control for the detailed budgets is at the department head/function level.
- (2) A public hearing is conducted for comments regarding the proposed budget.
- (3) Prior to September 30, the budget is legally enacted through passage of an ordinance.
- (4) Budgetary control is maintained on an on-going basis for all City budgeted funds, including General, Debt Service, and Electric, Water and Sewer Funds.
- (5) Budgets for the General, Debt Service, and Electric, Water and Sewer Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- (6) Budgeted amounts are subject to revision in September of each year by the City Council. Amounts provided in budget comparisons in the financial statements are as originally adopted or as legally amended during the year, except for amendments of \$5,000 or less. The City Manager may amend the budget within and among departments; however, any revisions that alter the total departmental expenditures/expenses by more than \$5,000 must be approved by the City Council.

The budget was amended September 1, 2020 to reflect additional appropriations approved during the year by the City Council. Certain individual amendments were material in relation to the original appropriations which were amended.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund presents a comparison of budgetary data to actual results.

Investments

The City invests any excess cash in certificates of deposit, which are insured or fully collateralized. These are carried at cost in the financial statements. During the year ended September 30, 2020 the City invested in certain money market funds that are presented at fair market value and in an external investment pool whose assets are valued at amortized cost and the pool is presented at net asset value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Nature and Purposes of Restrictions of Fund Balance

The City, by bond indenture, has funds that can be used only for various capital projects or are required to be set aside to meet bond obligations. In addition, certain funds are restricted by donors to be used for library memorials. These amounts are presented as restricted fund balances in the governmental funds. It is the City's policy to utilize restricted fund balances first when an expense is incurred for purposes for which both restricted and unrestricted fund balances are available.

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and the total liability for other postemployment benefits (OPEB), deferred outflows and inflows of resources related to pensions and OPEB, and pension and death benefit expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with benefit terms. TMRS investments are reported at fair value.

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Property Tax Revenues

Property taxes are levied on October 1 based on the assessed value of property as listed on the previous January 1. Assessed values approximate market value. A revaluation of all real property must be made every year. The last revaluation date was January 1, 2020.

Property taxes are recognized as revenue when they are levied because they are considered to be both measurable and available. Proper allowances are made for estimated uncollectible accounts and delinquent accounts.

Due to increased sales tax revenues, property tax assessments were discontinued for fiscal years after September 30, 1988. (See Note 4).

Compensated Absences

City employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences do not vest or accumulate and are recorded as expenditures when they are paid.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Electric, Water and Sewer Fund considers all cash and certificates of deposit (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. It is the City's policy to not report short-term highly liquid investments as cash equivalents.

Interfund Transactions

Interfund transactions are treated as follows:

Transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the City are similarly treated when involving funds of the City. The City did not have any transactions that fell into this category.

Transfers from funds receiving revenues to funds through which the resources are to be expended are classified as transfers. Major transactions that fall into this category include transfers to the General Fund from the Electric, Water and Sewer Fund and from the Electric, Water and Sewer Fund to the Debt Service Fund.

Transfers In and Out

The following is a summary of interfund transfers for the year ended September 30, 2020:

Fund	Transfer In	Transfer Out
General Fund	\$ 1,164,237	\$ -
Debt Service Fund	5,525,534	-
Electric, Water and Sewer Fund	-	<u>6,689,771</u>
Total	<u>\$ 6,689,771</u>	<u>\$ 6,689,771</u>

Transfers were made from the Electric, Water and Sewer Fund to the General Fund to compensate for general revenue shortfalls. Transfers from the Electric, Water and Sewer Fund to the Debt Service Fund were made to meet bond principal and interest obligations.

Covid-19 Pandemic

The Covid-19 pandemic that occurred during the year ended September 30, 2020 has created economic uncertainties which could negatively impact the operations of the City. However, the related financial impact and duration cannot be reasonably estimated at this time. The City did not experience a significant negative financial impact as a result of the pandemic during the year ended September 30, 2020.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:Custodial Credit Risk - Deposits

State statutes require that the City's deposits be collateralized by securities held in the name of the City by the trust department of a bank that does not hold the collateralized deposits. The City remained in compliance with this requirement during the year.

NOTE 3 DEPOSITS AND INVESTMENTS:

Investments at September 30, 2020 include certificates of deposit, money market funds, and a fixed income external investment pool. Investments are reported at fair value except for the external investment pool, which is reported at net asset value. There are no withdrawal constraints on any of the investments.

The City categorizes its fair value measurements within the fair value hierarchy as established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy as follows:

Level 1: Investments with values based on quoted prices (unadjusted) for identical assets in active markets at the measurement date.

Level 2: Investments with inputs – other than quoted prices included within Level 1- that are observable for an asset, either directly or indirectly.

Level 3: Investments with unobservable inputs for an asset that may require a degree of professional judgment.

As of September 30, 2020, the City had the following investments:

Investment Type	Cost	Fair Value	Weighted Average Level	Maturity (Years)
Vanguard Federated Money Market Funds	\$ 7,007,847	\$ 7,007,015	1	
Non-Pooled Certificates of Deposit	1,000,000	1,000,000	2	0.160
Total Fair Value	<u>\$ 8,007,847</u>	<u>\$ 8,007,015</u>		
Investments measured at net asset value (NAV):				NAV
Texas Class Government Investment Pool				<u>\$ 7,011,417</u>

There were no transfers in/out of the fair value hierarchy during the year ended September 30, 2020.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investments to five years or less.

Credit Risk-Investments

The City is restricted by state statute to investments which include obligations of the U.S. Government and its agencies, obligations of the State of Texas and its agencies, obligations of other states, cities, and counties having at least an "A" rating, common trust funds of banks domiciled in Texas, certificates of deposit, and repurchase agreements. At September 30, 2020 the City was in compliance with the above requirements.

Custodial Credit Risk – Investments

The investments of the City may be held in the name of agents, nominees, depository trust companies, or other custodians designated by the City. The certificates of deposit are either fully insured or collateralized by securities held in the City of Livingston's name. All investment securities were registered and held in the City's name with the respective custodians.

NOTE 3 DEPOSITS AND INVESTMENTS: (CONTINUED)

The investments in the Texas Class Government Investment Pool (the Pool) are measured at amortized cost and the Pool is reported at net asset value. The Pool invests in U.S. government securities with a maturity of 60 days or less. The City has no unfunded commitments to the Pool and the investment may be redeemed on demand similar to money market funds at \$1 per share. Vanguard money market funds are valued based on quoted market prices. Certificates of deposit are valued using pricing models and redemption values for similar assets.

NOTE 4 PROPERTY TAXES:

The county assessor/collector's office collects property taxes assessed by the City in accordance with the City's enabling legislation.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year.

All property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue.

The City had no property taxes receivable as of September 30, 2020.

The City increased sales tax rates by 1/2 cent beginning January 1, 1988. Due to the resultant increase in sales tax revenue, the City determined it unnecessary to assess property taxes for fiscal years beginning after September 30, 1988. All budgeted expenditures previously met through property taxes are being liquidated through the increased sales tax.

The City did not assess ad valorem taxes for 2020.

NOTE 5 DETAIL OF COMBINED ITEMS:

The detail of items combined in the reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities are as follows for the year ended September 30, 2020:

Governmental funds capital outlays	\$ 832,837
Governmental funds depreciation expense	<u>(1,288,380)</u>
Amount by which depreciation exceeded capital outlays	\$ <u>(455,543)</u>
 Pension Expense based on contributions	\$ 468,154
Pension Expense based on change in net pension liability	<u>(552,322)</u>
Amount by which pension expense exceeded pension contributions	\$ <u>(84,168)</u>
 OPEB Expense based on contributions	\$ 10,638
OPEB Expense based on change in liability	<u>(36,714)</u>
Amount by which OPEB expense exceeded OPEB contributions	\$ <u>(26,076)</u>
 Repayment of principal of long-term debt	\$ 5,480,000
Total repayment of bonds	<u>\$ 5,480,000</u>

NOTE 6 CAPITAL ASSETS:

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Retirements/ Adjustments	Balance September 30, 2020
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 476,004	\$ -	\$ -	\$ 476,004
Capital assets being depreciated				
Building and Improvements	6,961,688	53,934	-	7,015,622
Equipment and Fixtures	7,535,476	321,396	298,513	7,558,359
Paving, Sidewalks and Streets	16,995,555	457,507	-	17,453,062
Parks Development	3,881,589	-	-	3,881,589
Airport Improvements	762,207	-	-	762,207
Total capital assets being depreciated	<u>36,136,515</u>	<u>832,837</u>	<u>298,513</u>	<u>36,670,839</u>
Less accumulated depreciation for:				
Buildings and Improvements	(3,214,875)	(217,660)	-	(3,432,535)
Equipment and Fixtures	(5,597,142)	(450,585)	298,513	(5,749,214)
Paving, Sidewalks and Streets	(12,846,876)	(548,363)	(1)	(13,395,240)
Parks Development	(2,906,681)	(59,599)	1	(2,966,279)
Airport Improvements	<u>(644,956)</u>	<u>(12,173)</u>	<u>-</u>	<u>(657,129)</u>
Total accumulated depreciation	<u>(25,210,530)</u>	<u>(1,288,380)</u>	<u>298,513</u>	<u>(26,200,397)</u>
Total capital assets being depreciated, net	<u>10,925,985</u>	<u>(455,543)</u>	<u>-</u>	<u>10,470,442</u>
Governmental activities capital assets, net	<u>\$ 11,401,989</u>	<u>\$ (455,543)</u>	<u>\$ -</u>	<u>\$ 10,946,446</u>

NOTE 6 CAPITAL ASSETS: (CONTINUED)

	<u>Balance October 1, 2019</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Balance September 30, 2020</u>
Business-type Activities:				
Capital assets not being depreciated				
Land	\$ 694,222	\$ -	\$ -	\$ 694,222
Water Service Contract Rights	<u>19,315,000</u>	<u>-</u>	<u>690,000</u>	<u>18,625,000</u>
	<u>20,009,222</u>	<u>-</u>	<u>690,000</u>	<u>19,319,222</u>
Capital assets being depreciated				
Building and Improvements	507,925	-	-	507,925
Equipment and Fixtures	2,738,303	261,045	55,045	2,944,303
Electrical System	6,461,431	476,071	-	6,937,502
Water System	13,118,966	2,381,910	-	15,500,876
Sewer System	<u>10,378,670</u>	<u>566,589</u>	<u>-</u>	<u>10,945,259</u>
Total capital assets being depreciated	<u>33,205,295</u>	<u>3,685,615</u>	<u>55,045</u>	<u>36,835,865</u>
Less accumulated depreciation for:				
Building and Improvements	(246,360)	(11,360)	-	(257,720)
Equipment and Fixtures	(2,223,650)	(142,250)	55,045	(2,310,855)
Electrical System	(2,044,616)	(102,678)	1	(2,147,293)
Water System	(3,235,001)	(214,641)	(1)	(3,449,643)
Sewer System	<u>(3,418,978)</u>	<u>(159,938)</u>	<u>-</u>	<u>(3,578,916)</u>
Total accumulated depreciation	<u>(11,168,605)</u>	<u>(630,867)</u>	<u>55,045</u>	<u>(11,744,427)</u>
Total capital assets being depreciated, net	<u>22,036,690</u>	<u>3,054,748</u>	<u>-</u>	<u>25,091,438</u>
Business-type activities capital assets, net	<u>\$ 42,045,912</u>	<u>\$ 3,054,748</u>	<u>\$ 690,000</u>	<u>\$ 44,410,660</u>

GAAP requires that interest expenditures incurred during construction of assets be capitalized. GAAP also concludes that constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisitions of the asset or used to service the related debt) should include capitalized interest only to the extent that interest cost exceeds interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing. During 2020, net interest costs were not capitalized because interest expenditures related to constructed assets net of related interest revenue were not material.

NOTE 6 CAPITAL ASSETS: (CONTINUED)

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental Activities		
Administrative	\$	64,716
Sanitation		120
Fire		70,499
Police		147,428
Paving and street		681,152
Parks and recreation		159,670
Library		135,501
Garage		29,294
Governmental Activities	\$	1,288,380
Business-type activities		
Electric, Water and Street	\$	630,867

The City's had no active construction projects as of September 30, 2020, but has plans for spending up to \$310,000 for street and \$2,300,000 for electric, water and sewer system improvements.

NOTE 7 PENSION PLAN:Plan Description

The City provides pension benefits for all of its full-time employees through a nontraditional, joint contributory hybrid, defined benefit plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com. All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

Benefits depend upon the sum of the employee's contributions to the Plan, with interest, and the City-financed monetary credits, with interest. At the date the Plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest (3% annual), prior to establishment of the Plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the Plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the

NOTE 7 PENSION PLAN: (CONTINUED)

employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at age 60 and above with 10 or more years of service or with 25 years of service regardless of age. A member is vested after 10 years.

The TMRS Board determined that the Entry Age Normal Cost method should be used effective December 31, 2013, which produces contribution rates that are more predictable and that exhibit less volatility than those produced under the previous Projected Unit Credit method. In addition, the City adopted a 30-year closed period for amortization with 26 years remaining.

Employees covered by benefit terms at the December 31, 2019 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	44
Inactive employees entitled to but not yet receiving benefits	14
Active employees	84
Total	142

Contributions

The contribution rate for the employees is 7%, and the City matching ratio is currently 2 to 1, both as adopted by the governing body of the City. Under the state law governing TMRS, the actuary annually determines the City's contribution rate. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to TMRS for the year ended September 30, 2020, were \$724,278, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

The TPL in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas Mortality Table. The rates are projected on fully generational basis by scale UMP to account for future mortality improvements. Based on the size of the City, rates are multiplied by an additional factor of 100%. For disabled annuitants, the gender distinct 2019 Municipal Retirees of Texas Mortality Table is used, with slight adjustments.

NOTE 7 PENSION PLAN: (CONTINUED)

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2014 through December 31, 2018, last updated for the December 31, 2019 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on the 2019 Municipal Retirees of Texas Mortality Table. Assumptions are reviewed annually. No additional changes were made for the 2019 valuation.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy regarding the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5%. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	<u>10.0%</u>	7.75%
Total	<u>100.0%</u>	

The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

NOTE 7 PENSION PLAN: (CONTINUED)

<u>Changes in Net Pension Liability</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance at 12/31/18	\$ 28,298,594	\$ 23,627,741	\$ 4,670,853
Changes for the year:			
Service cost	716,673	-	716,673
Interest	1,896,598	-	1,896,598
Change of benefit terms	-	-	-
Difference between expected and actual experience	403,167	-	403,167
Changes in assumptions	43,623	-	43,623
Contributions - Employer	-	676,477	(676,477)
Contributions - Employee	-	319,740	(319,740)
Net Investment Income	-	3,653,320	(3,653,320)
Benefit payments, including refunds of employee contributions	(1,118,353)	(1,118,353)	-
Administrative expense	-	(20,640)	20,640
Other changes	-	(620)	620
Net changes	<u>1,941,708</u>	<u>3,509,924</u>	<u>(1,568,216)</u>
Balance at 12/31/19	<u>\$ 30,240,302</u>	<u>\$ 27,137,665</u>	<u>\$ 3,102,637</u>

The following presents the net pension liability of the City, calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease 5.75%</u>	<u>Current Single Rate Assumption 6.75%</u>	<u>1% Increase 7.75%</u>
City's net pension liability	\$ 7,140,455	\$ 3,102,637	\$ (239,538)

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report available at the website previously mentioned. Pension liabilities are liquidated through payments from both the general fund and enterprise fund in relation to their proportionate salaries.

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

For the year ended September 30, 2020, the City recognized pension expense of \$848,187. At September 30, 2020, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 362,435	\$ -
Difference in investment returns	-	832,378
Change in assumptions	45,344	-
Contributions subsequent to the measurement date (December 31, 2018)	533,512	-
Total	<u>\$ 941,291</u>	<u>\$ 832,378</u>

NOTE 7 PENSION PLANS: (CONTINUED)

\$533,512 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of the net pension liability but before the end of the City's fiscal year will be recognized as a reduction of the net pension liability for the year ending September 30, 2020 rather than in the current fiscal year end. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Net deferred outflows (inflows) of resources
2020	\$ (199,508)
2021	(180,332)
2022	116,367
2023	(247,615)
2024	86,489
Thereafter	-
Total	<u>\$ (424,599)</u>

NOTE 8 SUPPLEMENTAL DEATH BENEFITS:Plan Description

The City provides group-term life insurance coverage ("supplemental death benefits") for their active and retired employees through a single-employer defined benefit plan. Coverage may be discontinued by adopting an ordinance before November 1 of any year to be effective the following January 1. The plan is administered by the TMRS. The Plan was instituted by ordinance of the City. Additional information about the plan can be obtained from TMRS at the website above. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits

Payments are similar to group-term life insurance benefits and are paid to the designated beneficiary upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the twelve-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500. The number of employees covered is as follows:

Inactive employees currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefits	4
Active employees	<u>84</u>
Total	<u>119</u>

NOTE 8 SUPPLEMENTAL DEATH BENEFITS: (Continued)Significant assumptions

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018. The OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5% including inflation
Discount rate*	2.75%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

<u>Changes in OPEB Liability</u>	<u>Total OPEB Liability</u>
Balance at 12/31/18	\$ 218,853
Changes for the year:	
Service cost	5,938
Interest	8,196
Change of benefit terms	-
Difference between expected and actual experience	(426)
Changes in assumptions	43,338
Benefit payments	(1,827)
Net changes	55,219
Balance at 12/31/19	\$ 274,072

Death benefit liabilities are liquidated through payments from the general fund.

NOTE 8 SUPPLEMENTAL DEATH BENEFITS: (Continued)**Death Benefit Insurance Expense and Deferred Outflows of Resources Related to OPEB**

For the year ended September 30, 2020, the City recognized death benefit insurance expense of \$36,764. At September 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Changes in assumptions	\$ 39,680
Difference between expected and actual experience	-
Contributions subsequent to the measurement date (December 31, 2019)	<u>7,773</u>
Total	<u>\$ 47,453</u>

\$7,773 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of the OPEB liability but before the end of the City's fiscal year will be recognized as a reduction of the OPEB liability for the year ending September 30, 2020 rather than in the current fiscal year end. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in death benefit insurance expense as follows:

	<u>Net deferred outflows of resources</u>
2020	\$ 7,041
2021	7,041
2022	7,041
2023	7,041
2024	5,440
Thereafter	<u>6,076</u>
Total	<u>\$ 39,680</u>

Contributions

Contributions are made monthly based on the covered payroll of employee members. The rate for 2019 was 0.23% of covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy is to assure that adequate resources are available to meet death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers. The City's contribution to the supplemental death benefit plan for the years ended September 30, 2020, 2019, and 2018 were \$10,688, \$10,389, and \$10,483, respectively, which equaled the required contributions each year.

NOTE 9 LONG-TERM DEBT:

Pursuant to an optional redemption provision in the Series 2012 Certificates of Obligation, the City repaid the balance of the outstanding bonds on December 20, 2019. The early redemption resulted in total interest savings of \$1,822,060 and an economic benefit of approximately \$1,500,000 based on the present value of the future interest payments.

Changes in Outstanding Debt-

	Balance October 1, 2019	Payments or Expenditures	Balance September 30, 2020	Due Within One Year
<u>Governmental Type Activities</u>				
Certificates of Obligation	5,480,000	5,480,000	-	-
Total government	\$ 5,480,000	\$ 5,480,000	\$ -	\$ -

The ordinances authorizing the issuance of Certificates of Obligation bonds created an Interest and Sinking Fund (Debt Service Fund). The ordinances require the City to provide a reserve fund which is adequate to meet principal and interest as it comes due. With the repayment of all the Certificates of Obligation the Debt Service Fund was liquidated.

NOTE 10 RAW WATER SUPPLY CONTRACT:

On February 22, 1978, the City entered a contract with the Trinity River Authority of Texas (TRA) to purchase from the TRA amounts of raw water impounded in the Livingston Reservoir. The City is obligated to pay an annual standby charge on or before the 10th day of each February and August. Annual standby charges are calculated by multiplying the equivalent of the current annual average daily amount TRA is obligated to sell to the City by the TRA's rates for sale of raw water to municipalities. In November 2019, the City renewed its water supply contract with TRA for 50 years on similar terms. Under the new agreement, TRA will provide daily up to 7.5 MGD through the year 2070.

NOTE 11 WATER SYSTEM SERVICE CONTRACT:

On February 22, 1978, the City also entered into a water system service contract with the TRA whereby, the TRA agreed to pay all the actual costs of acquiring, by purchase or construction, through the issuance of bonds, a water supply and treatment system to render water supply and treatment services to the inhabitants of the City. Although the TRA is to retain title, the City shall have the exclusive use of the entire project throughout its natural life.

In September 2010 and July 2013, the TRA issued \$2,715,000 and \$20,575,000 in bonds, respectively, to expand the capabilities of the system to meet the requirements of the City. The bonds are secured by the net revenues of the City's combined waterworks and sanitary sewer system.

NOTE 11 WATER SYSTEM SERVICE CONTRACT: (Continued)

Under terms of the contract, the City is to pay to TRA amounts equal to the operation and maintenance expenses of the system plus the amounts necessary for the debt service payments on the TRA's bonds. All such payments shall constitute reasonable and necessary operating expenses of the City's combined waterworks and sanitary sewer systems. During the fiscal year ended September 30, 2020, the City paid approximately \$1,579,000 into the interest and sinking fund. The annual principal and interest payments applicable to the TRA's bonds through maturity are in the following amounts:

<u>Calendar Year</u>	<u>Amount Per Year</u>
2021	1,580,713
2022	1,577,625
2023	1,578,537
2024	1,576,663
2025	1,580,162
2026-2038	<u>20,213,950</u>
Total	<u>\$ 28,107,650</u>

Changes in Long-term Contracts Payable-

<u>Business Type Activities</u>	<u>Balance October 1, 2018</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance September 30, 2019</u>	<u>Due Within One Year</u>
Contracts payable	\$ 19,315,000	\$ -	\$ 690,000	\$ 18,625,000	\$ 720,000
Total business	\$ 19,315,000	\$ -	\$ 690,000	\$ 18,625,000	\$ 720,000

NOTE 12 ENERGY AND POWER CONTRACT:

The City entered a contract with the Sam Rayburn Municipal Power Agency (Agency) on May 1, 1981 for the purchase of power and energy. The contract will remain in force until all contractual obligations entered into by the Agency for the generation, purchase, transmission or transformation of power and energy have been terminated and provision has been made for the payment of any residual costs as permitted by law or until the expiration of three years after notice of termination of this contract shall have been given by either the Agency or the City to the other party.

Subject to the agreement, the Agency shall sell and deliver to the City of Livingston and the City of Livingston shall purchase and take from the Agency all power and energy required by the City for the operation of its electrical system. The Agency shall use its best efforts to acquire, by purchase or otherwise, and to deliver or shall cause to be delivered to the points of delivery, power and energy in the manner determined to be the most economical, dependable and otherwise feasible.

The City of Livingston shall pay to the Agency the amount as being due and payable in the billing statement submitted by the Agency to the City whether or not the system, or any part thereof, is completed, is operating or operable, or its output is suspended, interrupted, interfered with, reduced, curtailed, or terminated in whole or in part.

NOTE 12 ENERGY AND POWER CONTRACT: (CONTINUED)

The obligation of the City to make such payments constitutes an operating expense of its electric system payable solely from the revenues and receipts of such electric system. Such obligation to make payments from the revenues and receipts of the City's electric system shall be absolute and unconditional and shall not be conditioned upon the performance or nonperformance of the Agency or any other power purchaser under any power sales contract or any other agreement or instrument and shall not be terminated, reduced or suspended for any other cause or reason whatsoever.

During the year ended September 30, 1999, the Agency entered into an agreement with Entergy Power Marketing Corp. and Entergy Power, Inc. to sell its excess system capacity. In addition, the Agency has agreed to enter into a Requirements Power Supply Agreement with Entergy which allows the Agency to purchase its delivered power and energy supply at a fixed price, sufficient to service the retail loads and normal load growth of the cities it currently serves through the term of its existing contracts through 2021. The City expects that rate stabilization should enable them to avoid the annual rate increases to customers.

Reflected in the revenues for the Electric, Water and Sewer Fund is a recovery of the City's pro rata share of the Cambridge Project revenue of approximately \$6,000,000 (a separate wholesale power supply contract that allows the Agency to utilize excess capacity and make distributions of profit back to the participating cities), and a refund of excess debt service coverage of approximately \$955,000.

NOTE 13 RELATED PARTY TRANSACTIONS:

The City of Livingston maintains its bank accounts at two local banks. Certain members of the City Council are directors of the First National Bank of Livingston. Deposits in the banks are secured by collateral pledged by the banks.

NOTE 14 LITIGATION:

The City is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City. All the proceedings are being handled by the City's insurance carrier. No losses are accrued in relation to these proceedings.

NOTE 15 COMMITMENTS AND CONTINGENT LIABILITIES:Grants

The City participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs including the year ended September 30, 2020 have not yet been conducted. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial. The City received approximately \$303,000 in federal and local grants in 2020 principally related to fire department operations and water system improvements. These amounts are included in miscellaneous income for the general fund and grant revenue for the Electric, Water, and Sewer Fund.

NOTE 16 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 disasters. The City transfers this risk, except for minor deductibles, by purchasing insurance from commercial carriers and by participation in the Texas Municipal League Intergovernmental Risk Pool. The risk pool covers the major risk categories including general public liability, law enforcement liability, auto liability, public official liability, property insurance and workers compensation. Coverage in the pool is continuous and annual contributions are subject to adjustment each year on the anniversary date based on updated exposure information and change in rating.

There were no significant changes in coverage limits from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 17 SANITATION DEPARTMENT CONTRACT:

The City's contract with Santek Waste Services is for a five-year period to operate its sanitation department and expires in 2023. The contract will be automatically extended for an additional five-year term with the same terms and conditions unless terminated by either party. The City continues to perform all billing and administrative procedures, but all employees and equipment for the sanitation department have been eliminated.

NOTE 18 GOLF COURSE LEASE AGREEMENT:

The City renewed its agreement to lease the municipal golf course for a five-year period commencing in January 2020. Under the terms of the lease, the City will receive \$1.00 per year in rent.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LIVINGSTON, TEXAS
REQUIRED SUPPLEMENTAL INFORMATION-TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years
(For the years available)

	2014	2015	2016	2017	2018	2019
Total pension liability						
Service Cost	\$ 496,383	\$ 568,239	\$ 621,499	\$ 651,578	\$ 681,190	\$ 716,673
Interest (on the Total Pension Liability)	1,523,437	1,617,245	1,636,121	1,724,891	1,766,964	1,896,598
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	117,800	(214,821)	69,229	(679,286)	548,556	403,167
Change of assumptions	-	69,611	-	-	-	43,623
Benefit payments, including refunds of employee contributions	(749,395)	(917,464)	(945,709)	(1,107,858)	(1,069,520)	(1,118,353)
Net Change in Total Pension Liability	1,388,225	1,122,810	1,381,140	589,325	1,927,190	1,941,708
Total Pension Liability - Beginning	21,889,894	23,278,119	24,400,929	25,782,079	26,371,404	28,298,594
Total Pension Liability - Ending	\$ 23,278,119	\$ 24,400,929	\$ 25,782,069	\$ 26,371,404	\$ 28,298,594	\$ 30,240,302
Plan Fiduciary Net Position						
Contributions Employer	\$ 624,014	\$ 629,618	\$ 628,150	\$ 678,848	\$ 709,158	\$ 676,477
Contributions Employee	255,893	263,597	273,960	289,223	301,221	319,740
Net Investment Income	1,092,015	29,953	1,371,056	2,992,834	(731,969)	3,653,320
Benefit payments, including refunds of employee contributions	(749,395)	(917,464)	(945,709)	(1,107,858)	(1,069,520)	(1,118,353)
Administrative Expense	(11,401)	(18,244)	(15,483)	(15,512)	(14,145)	(20,640)
Other	(937)	(902)	(834)	(787)	(739)	(620)
Net Change in Plan Fiduciary Net Position	1,210,189	(13,442)	1,311,140	2,836,748	(805,994)	3,509,924
Plan Fiduciary Net Position - Beginning	19,089,100	20,299,289	20,285,847	21,596,987	24,433,735	23,627,741
Plan Fiduciary Net Position - Ending	\$ 20,299,289	\$ 20,285,847	\$ 21,596,987	\$ 24,433,735	\$ 23,627,741	\$ 27,137,665
Net Pension Liability - Ending	\$ 2,978,830	\$ 4,115,082	\$ 4,185,082	\$ 1,937,669	\$ 4,670,853	\$ 3,102,637
Plan Fiduciary Net Position as a percentage of Total Pension Liability	87.20%	83.14%	83.77%	92.65%	83.49%	89.74%
Covered Payroll	\$ 3,655,618	\$ 3,765,664	\$ 3,913,719	\$ 4,131,759	\$ 4,303,160	\$ 4,567,707
Net Pension Liability as a Percentage of Covered Payroll	81.49%	109.28%	106.93%	46.90%	108.54%	67.93%

See independent auditor's report.

CITY OF LIVINGSTON, TEXAS
REQUIRED SUPPLEMENTAL INFORMATION-TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
(For the years available)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially Determined Contribution	\$ 629,618	\$ 629,618	\$ 628,150	\$ 678,848	\$ 691,310
Contributions in relation to the actuarially determined contribution	<u>629,618</u>	<u>629,618</u>	<u>628,150</u>	<u>678,848</u>	<u>691,310</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered payroll	\$ 3,962,286	\$ 4,093,657	\$ 4,174,523	\$ 4,388,762	\$ 4,552,991
Contributions as a percentage of covered employee payroll	15.89%	15.38%	15.05%	15.47%	15.18%

Notes to Schedule of Contributions

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	26 years
Asset Valuation Method	10 Year smoothed market; 12% soft Corridor
Inflation	2.50%
Salary Increases	3.5% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB (10) mortality tables, with Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

There were no benefit changes during the year.

2020

\$ 724,278

724,278

\$ -

\$ 4,699,421

15.41%

CITY OF LIVINGSTON, TEXAS
REQUIRED SUPPLEMENTAL INFORMATION-TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS
(OPEB AND RELATED RATIOS)

Last Ten Fiscal Years

(For the years available)

	2017	2018	2019
Total OPEB liability			
Service Cost	\$ 6,611	\$ 8,176	\$ 5,938
Interest	7,148	7,223	8,196
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	5,702	(426)
Change of assumptions	16,687	(15,302)	43,338
Benefit Payments	<u>(2,066)</u>	<u>(2,152)</u>	<u>(1,827)</u>
Net Change in OPEB Liability	28,380	3,647	55,219
Total OPEB Liability - Beginning	<u>186,826</u>	<u>215,206</u>	<u>218,853</u>
Total OPEB Liability - Ending	<u>\$ 215,206</u>	<u>\$ 218,853</u>	<u>\$ 274,072</u>
Covered Payroll	\$ 4,131,759	\$ 4,303,160	\$ 4,567,707
Total OPEB Liability as a Percentage of Covered Payroll	5.21%	5.09%	6.00%

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31.

Factors that significantly affect trends in the amounts reported:

Inflation	2.50%
Salary Increases	3.5% to 11.5% including inflation
Discount rate*	2.75%
Retirees' share of benefit related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68. 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

See Independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

**SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET TO ACTUAL**

CITY OF LIVINGSTON, TEXAS
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts GAAP Basis		
	Original	Revisions	Final
REVENUES			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Principal retirement	230,000	5,250,000	5,480,000
Interest	<u>180,840</u>	<u>(128,830)</u>	<u>52,010</u>
Total Expenditures	<u>410,840</u>	<u>5,121,170</u>	<u>5,532,010</u>
Excess (deficiency) of revenues over expenditures	<u>(410,840)</u>	<u>(5,121,170)</u>	<u>(5,532,010)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	410,840	5,114,694	5,525,534
Total other financing sources	<u>410,840</u>	<u>5,114,694</u>	<u>5,525,534</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (6,476)</u>	<u>\$ (6,476)</u>
Fund balances at beginning of year			
Fund balance at end of year			

Variance with Final Budget Positive (Negative)	
Actual	
\$ 46	\$ 46
<u>46</u>	<u>46</u>
5,480,000	-
52,010	-
<u>5,532,010</u>	<u>-</u>
(5,531,964)	46
5,525,534	-
<u>5,525,534</u>	<u>-</u>
(6,430)	\$ 46
<u>6,430</u>	
\$ -	

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INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

CITY OF LIVINGSTON, TEXAS
GENERAL FUND - COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2020 AND 2019

ASSETS

	<u>2020</u>	<u>2019</u>
Cash	\$ 2,858,477	\$ 2,318,805
Receivables:		
Returned checks receivable	58	370
Paving accounts receivable	<u>20,190</u>	<u>23,103</u>
Total Assets	<u>\$ 2,878,725</u>	<u>\$ 2,342,278</u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 328,629	\$ 356,635
Total Liabilities	<u>328,629</u>	<u>356,635</u>

FUND BALANCES

Restricted for library memorials	10,822	16,029
Unassigned	<u>2,539,274</u>	<u>1,969,614</u>
Total Fund Balances	<u>2,550,096</u>	<u>1,985,643</u>
Total Liabilities and Fund Balances	<u>\$ 2,878,725</u>	<u>\$ 2,342,278</u>

CITY OF LIVINGSTON, TEXAS
GENERAL FUND - SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis			Actual
	Original	Revisions	Final	
REVENUES				
Taxes:				
Sales taxes	\$ 3,855,000	\$ 119,040	\$ 3,974,040	\$ 4,188,740
Franchise taxes	115,000	25,000	140,000	140,748
Hotel/Motel taxes	365,000	(36,556)	328,444	333,924
Licenses and permits	66,500	14,879	81,379	90,198
Charges for service	1,390,761	(681)	1,390,080	1,402,317
Fines and forfeitures	382,900	(45,450)	337,450	340,150
Miscellaneous	73,100	38,409	111,509	206,310
Total Revenues	<u>6,248,261</u>	<u>114,641</u>	<u>6,362,902</u>	<u>6,702,387</u>
EXPENDITURES				
Administrative	836,300	(221,700)	614,600	588,102
Sanitation	715,000	100,000	815,000	806,478
Fire	589,800	(56,050)	533,750	569,065
Police	2,621,300	(88,300)	2,533,000	2,424,277
Paving and street	1,320,500	(17,000)	1,303,500	1,106,614
Parks and recreation	1,016,025	(44,475)	971,550	969,764
Library	465,650	(20,650)	445,000	432,768
Garage	483,400	(31,000)	452,400	405,103
Total Expenditures	<u>8,047,975</u>	<u>(379,175)</u>	<u>7,668,800</u>	<u>7,302,171</u>
Excess of revenues over (under) expenditures	<u>(1,799,714)</u>	<u>493,816</u>	<u>(1,305,898)</u>	<u>(599,784)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,976,386	(249,962)	1,726,424	1,164,237
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,976,386</u>	<u>(249,962)</u>	<u>1,726,424</u>	<u>1,164,237</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ 176,672</u>	<u>\$ 243,854</u>	<u>\$ 420,526</u>	<u>564,453</u>
Fund balances at beginning of year				<u>1,985,643</u>
Fund balances at end of year				<u>\$ 2,550,096</u>

Variance With Final Budget Positive (Negative)	2019 Actual
\$ 214,700	\$ 3,888,574
748	132,500
5,480	352,302
8,819	104,453
12,237	1,426,243
2,700	360,926
94,801	<u>173,661</u>
<u>339,485</u>	<u>6,438,659</u>
26,498	606,816
8,522	812,556
(35,315)	935,850
108,723	2,490,580
196,886	789,906
1,786	1,347,820
12,232	458,705
47,297	<u>326,891</u>
<u>366,629</u>	<u>7,769,124</u>
<u>706,114</u>	<u>(1,330,465)</u>
(562,187)	1,760,074
<u>-</u>	<u>(404,307)</u>
<u>(562,187)</u>	<u>1,355,767</u>
\$ 143,927	25,302
	<u>1,960,341</u>
	<u>\$ 1,985,643</u>

CITY OF LIVINGSTON, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis			
	Original	Revisions	Final	Actual
ADMINISTRATIVE DEPARTMENT				
Salaries	\$ 202,000	\$ -	\$ 202,000	\$ 179,355
Social Security	16,000	-	16,000	13,720
Retirement	32,000	-	32,000	27,963
Employee insurance	31,000	-	31,000	27,267
Insurance and bonds	14,000	-	14,000	11,489
Legal and professional	25,000	(10,000)	15,000	24,673
Auditing and accounting	14,000	-	14,000	12,333
Supplies	25,000	5,000	30,000	23,483
Repairs-building and grounds	50,000	(30,000)	20,000	9,676
Equipment repairs and maintenance	23,000	(1,000)	22,000	30,938
Gas and oil	2,500	(700)	1,800	1,587
Utility/telephone	26,000	(18,000)	8,000	8,233
Dues and subscriptions	12,000	-	12,000	19,503
Building demolitions	160,000	(120,000)	40,000	19,860
Transportation and contingency	134,000	(15,000)	119,000	117,348
Postage and miscellaneous	<u>19,800</u>	<u>-</u>	<u>19,800</u>	<u>28,977</u>
Capital expenditures	<u>786,300</u>	<u>(189,700)</u>	<u>596,600</u>	<u>556,405</u>
	<u>50,000</u>	<u>(32,000)</u>	<u>18,000</u>	<u>31,697</u>
Total Administrative	<u>836,300</u>	<u>(221,700)</u>	<u>614,600</u>	<u>588,102</u>
SANITATION DEPARTMENT				
Supplies	65,000	-	65,000	51,883
Refuse disposal/landfills	650,000	100,000	750,000	754,595
Total Sanitation	<u>715,000</u>	<u>100,000</u>	<u>815,000</u>	<u>806,478</u>

Variance With Final Budget Positive (Negative)	2019 Actual
\$ 22,645	\$ 171,140
2,280	13,089
4,037	26,494
3,733	28,280
2,511	12,995
(9,673)	28,855
1,667	12,033
6,517	26,517
10,324	20,746
(8,938)	19,056
213	1,827
(233)	7,725
(7,503)	17,032
20,140	12,601
1,652	130,185
(9,177)	24,316
<hr/>	<hr/>
40,195	552,891
(13,697)	53,925
<hr/>	<hr/>
26,498	606,816
<hr/>	<hr/>
13,117	62,645
(4,595)	749,911
<hr/>	<hr/>
8,522	812,556

CITY OF LIVINGSTON, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis			
	Original	Revisions	Final	Actual
FIRE DEPARTMENT				
Salaries	200,000	-	200,000	215,903
Salaries, administration	41,000	(31,000)	10,000	9,814
Social Security	12,000	-	12,000	14,113
Retirement	31,000	-	31,000	28,772
Employee insurance	42,000	-	42,000	29,756
Insurance and bonds	33,000	-	33,000	37,155
Recruitment costs	1,500	(1,500)	-	-
Supplies	40,000	-	40,000	53,621
Repairs-building and grounds	3,000	1,000	4,000	3,481
Equipment repairs and maintenance	65,000	-	65,000	78,336
Gas and oil	7,000	-	7,000	6,833
Utility/telephone	20,000	-	20,000	21,203
Dues and subscriptions	3,500	-	3,500	686
Transportation and contingency	12,000	-	12,000	5,407
Maintenance contribution	25,550	450	26,000	21,704
Postage and miscellaneous	<u>3,250</u>	<u>-</u>	<u>3,250</u>	<u>3,029</u>
	<u>539,800</u>	<u>(31,050)</u>	<u>508,750</u>	<u>529,813</u>
Capital expenditures	<u>50,000</u>	<u>(25,000)</u>	<u>25,000</u>	<u>39,252</u>
Total Fire	<u>589,800</u>	<u>(56,050)</u>	<u>533,750</u>	<u>569,065</u>
POLICE DEPARTMENT				
Salaries	1,519,000	(42,000)	1,477,000	1,427,563
Salaries, administration	41,000	-	41,000	9,864
Social Security	117,000	(3,500)	113,500	111,237
Retirement	244,000	(7,000)	237,000	226,303
Employee insurance	289,000	(11,000)	278,000	258,951
Uniforms	4,000	-	4,000	6,801
Insurance and bonds	65,000	-	65,000	74,680
Supplies	25,000	(4,000)	21,000	30,609
Repairs-building and grounds	15,000	(2,000)	13,000	11,828
Equipment repairs and maintenance	50,000	(3,500)	46,500	42,483
Gas and oil	40,000	-	40,000	33,127
Utility/telephone	25,000	(1,000)	24,000	24,558
Dues and subscriptions	17,000	(1,000)	16,000	20,850
Transportation and contingency	30,000	(5,000)	25,000	20,292
Postage and miscellaneous	<u>36,300</u>	<u>(6,300)</u>	<u>30,000</u>	<u>28,671</u>
	<u>2,517,300</u>	<u>(86,300)</u>	<u>2,431,000</u>	<u>2,327,817</u>
Capital expenditures	<u>104,000</u>	<u>(2,000)</u>	<u>102,000</u>	<u>96,460</u>
Total Police	<u>2,621,300</u>	<u>(88,300)</u>	<u>2,533,000</u>	<u>2,424,277</u>

Variance With Final Budget Positive (Negative)	2019 Actual
(15,903)	193,204
186	9,216
(2,113)	12,718
2,228	25,737
12,244	29,294
(4,155)	33,851
-	-
(13,621)	43,505
519	3,684
(13,336)	60,034
167	7,324
(1,203)	19,888
2,814	2,872
6,593	11,574
4,296	12,707
221	3,394
<hr/>	
(21,063)	469,002
<hr/>	
(14,252)	466,848
<hr/>	
(35,315)	935,850
<hr/>	
49,437	1,394,940
31,136	9,216
2,263	108,740
10,697	219,969
19,049	269,321
(2,801)	2,598
(9,680)	56,843
(9,609)	26,649
1,172	24,757
4,017	53,618
6,873	39,100
(558)	25,126
(4,850)	27,502
4,708	22,667
1,329	29,215
<hr/>	
103,183	2,310,261
<hr/>	
5,540	180,319
<hr/>	
108,723	2,490,580

CITY OF LIVINGSTON, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis			Actual
	Original	Revisions	Final	
PAVING AND STREET DEPARTMENT				
Salaries	307,000	-	307,000	313,591
Salaries, administration	41,000	-	41,000	9,814
Social Security	24,000	-	24,000	24,740
Retirement	49,000	-	49,000	50,485
Employee insurance	94,000	-	94,000	71,899
Uniforms	7,000	-	7,000	6,224
Insurance and bonds	32,000	-	32,000	42,449
Supplies	22,000	-	22,000	27,340
Repairs-building and grounds	15,000	-	15,000	18,179
Equipment repairs and maintenance	65,000	-	65,000	44,868
Gas and oil	24,000	-	24,000	17,549
Transit system	22,000	(17,000)	5,000	-
Transportation and contingency	9,500	-	9,500	3,407
	711,500	(17,000)	694,500	630,545
Capital expenditures	609,000	-	609,000	476,069
Total Paving and Street	1,320,500	(17,000)	1,303,500	1,106,614
PARKS AND RECREATION DEPARTMENT				
Salaries	423,000	-	423,000	490,839
Salaries, administration	82,000	-	82,000	19,628
Social Security	32,500	-	32,500	39,051
Retirement	76,000	-	76,000	75,213
Employee insurance	111,000	-	111,000	106,231
Uniforms	6,300	-	6,300	8,555
Insurance and bonds	22,500	-	22,500	27,450
Advertising, hotel tax	16,500	7,000	23,500	44,351
Supplies	55,000	(3,500)	51,500	38,739
Repairs-building and grounds	20,500	1,000	21,500	17,694
Equipment repairs and maintenance	17,000	3,500	20,500	22,370
Gas and oil	62,100	(28,600)	33,500	33,524
Utility/telephone	18,000	(4,500)	13,500	14,530
Dues and subscriptions	1,475	(625)	850	798
Transportation and contingency	4,300	(1,300)	3,000	4,862
Programming costs	5,000	2,500	7,500	7,387
Postage and miscellaneous	1,350	50	1,400	743
	954,525	(24,475)	930,050	951,965
Capital expenditures	61,500	(20,000)	41,500	17,799
Total Parks and Recreation	1,016,025	(44,475)	971,550	969,764

Variance With Final Budget Positive (Negative)	2019 Actual
(6,591)	286,331
31,186	9,216
(740)	22,610
(1,485)	45,708
22,101	64,012
776	5,429
(10,449)	32,198
(5,340)	25,139
(3,179)	17,386
20,132	40,598
6,451	22,212
5,000	4,200
6,093	<u>3,234</u>
<u>63,955</u>	<u>578,273</u>
<u>132,931</u>	<u>211,633</u>
<u>196,886</u>	<u>789,906</u>
(67,839)	495,791
62,372	18,432
(6,551)	39,312
787	69,843
4,769	97,333
(2,255)	7,846
(4,950)	21,311
(20,851)	42,968
12,761	62,442
3,806	21,043
(1,870)	26,453
(24)	39,934
(1,030)	16,505
52	702
(1,862)	3,188
113	4,474
657	<u>2,353</u>
<u>(21,915)</u>	<u>969,930</u>
<u>23,701</u>	<u>377,890</u>
<u>1,786</u>	<u>1,347,820</u>

CITY OF LIVINGSTON, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis			Actual
	Original	Revisions	Final	
LIBRARY DEPARTMENT				
Salaries	185,000	-	185,000	205,465
Salaries, administration	41,000	-	41,000	9,814
Social Security	15,000	-	15,000	16,469
Retirement	36,000	-	36,000	33,549
Employee insurance	62,000	-	62,000	56,690
Insurance and bonds	6,500	-	6,500	7,240
Supplies	16,000	(2,000)	14,000	14,473
Repairs-building and grounds	25,000	(5,000)	20,000	20,837
Equipment repairs and maintenance	8,500	-	8,500	10,159
Utility/telephone	9,500	(1,500)	8,000	8,590
Dues and subscriptions	7,000	-	7,000	7,729
Transportation and contingency	2,500	(1,500)	1,000	586
Postage and printing	<u>7,650</u>	<u>(1,650)</u>	<u>6,000</u>	<u>3,163</u>
	421,650	(11,650)	410,000	394,764
Memorial capital	5,000	-	5,000	16,529
Capital expenditures	<u>39,000</u>	<u>(9,000)</u>	<u>30,000</u>	<u>21,475</u>
Total Library	<u>465,650</u>	<u>(20,650)</u>	<u>445,000</u>	<u>432,768</u>
GARAGE DEPARTMENT				
Salaries	158,000	-	158,000	156,138
Salaries, administration	41,000	-	41,000	9,814
Social Security	13,000	-	13,000	12,695
Retirement	32,000	-	32,000	25,869
Employee insurance	40,000	-	40,000	28,008
Uniforms	3,300	-	3,300	2,293
Insurance and bonds	8,800	-	8,800	12,106
Supplies	8,000	-	8,000	9,068
Repairs-building and grounds	5,000	-	5,000	2,656
Equipment repairs and maintenance	5,500	1,000	6,500	6,976
Gas and oil	1,200	-	1,200	1,054
Utility/telephone	<u>5,600</u>	<u>-</u>	<u>5,600</u>	<u>6,786</u>
	321,400	1,000	322,400	273,463
Capital expenditures	<u>162,000</u>	<u>(32,000)</u>	<u>130,000</u>	<u>131,640</u>
Total Garage	<u>483,400</u>	<u>(31,000)</u>	<u>452,400</u>	<u>405,103</u>
TOTAL GENERAL EXPENDITURES	<u>\$ 8,047,975</u>	<u>\$ (379,175)</u>	<u>\$ 7,668,800</u>	<u>\$ 7,302,171</u>

Variance With Final Budget Positive (Negative)	2019 Actual
(20,465)	211,722
31,186	9,216
(1,469)	16,902
2,451	34,221
5,310	56,398
(740)	6,828
(473)	17,085
(837)	22,990
(1,659)	9,321
(590)	8,987
(729)	6,131
414	475
<u>2,837</u>	<u>9,601</u>
 15,236	 409,877
 (11,529)	 8,206
<u>8,525</u>	<u>40,622</u>
 <u>12,232</u>	 <u>458,705</u>
 1,862	 152,497
31,186	9,216
305	12,371
6,131	25,049
11,992	27,194
1,007	2,155
(3,306)	8,971
(1,068)	9,755
2,344	5,442
(476)	4,073
146	1,061
<u>(1,186)</u>	<u>6,316</u>
 48,937	 264,100
<u>(1,640)</u>	<u>62,791</u>
 <u>47,297</u>	 <u>326,891</u>
 \$ 366,629	 \$ 7,769,124

DEBT SERVICE FUND

CITY OF LIVINGSTON, TEXAS
DEBT SERVICE FUND - COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2020 AND 2019

ASSETS

	2020	2019
Cash	\$ _____ -	\$ 6,430
Total Assets	<u>\$ _____ -</u>	<u>\$ 6,430</u>

FUND BALANCES

Restricted for debt service	\$ _____ -	\$ 6,430
Total Fund Balance	<u>\$ _____ -</u>	<u>\$ 6,430</u>

CITY OF LIVINGSTON, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL TOTALS FOR 2019

	Budgeted Amounts GAAP Basis		
	Original	Revisions	Final
REVENUES			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Principal retirement	230,000	5,250,000	5,480,000
Interest	<u>180,840</u>	<u>(128,830)</u>	<u>52,010</u>
Total Expenditures	<u>410,840</u>	<u>5,121,170</u>	<u>5,532,010</u>
Excess (deficiency) of revenues over expenditures	<u>(410,840)</u>	<u>(5,121,170)</u>	<u>(5,532,010)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>410,840</u>	<u>5,114,694</u>	<u>5,525,534</u>
Total other financing sources	<u>410,840</u>	<u>5,114,694</u>	<u>5,525,534</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (6,476)</u>	<u>\$ (6,476)</u>
Fund balances at beginning of year			
Fund balance at end of year			

Actual	Variance with Final Budget Positive (Negative)	2019
\$ 46	\$ 46	\$ 375
<u>46</u>	<u>46</u>	<u>375</u>
5,480,000	-	220,000
52,010	-	188,100
<u>5,532,010</u>	<u>-</u>	<u>408,100</u>
(5,531,964)	46	(407,725)
<u>5,525,534</u>	<u>-</u>	<u>404,307</u>
<u>5,525,534</u>	<u>-</u>	<u>404,307</u>
(6,430)	\$ 46	(3,418)
<u>6,430</u>		<u>9,848</u>
\$ -		\$ 6,430

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PROPRIETARY FUND

CITY OF LIVINGSTON, TEXAS
COMPARATIVE STATEMENT OF NET POSITION
ELECTRIC, WATER AND SEWER FUND
SEPTEMBER 30, 2020 AND 2019

ASSETS	2020	2019
Current assets:		
Cash	\$ 5,450,817	\$ 22,291,183
Certificates of deposit	1,000,000	1,500,000
Investments	14,019,264	-
Restricted assets		
Cash in bank, water and sewer system improvements	62,550	62,386
Cash in bank, reserve fund	424,782	446,698
Receivables:		
Returned checks receivable	20,115	34,941
Utility accounts receivable	1,458,895	1,672,089
Total current assets	<u>22,436,423</u>	<u>26,007,297</u>
Noncurrent assets:		
Capital assets:		
Land	694,222	694,222
Building and improvements	507,925	507,925
Equipment and fixtures	2,944,303	2,738,303
Electrical system	6,937,502	6,461,431
Water system	15,500,876	13,118,966
Sewer system	10,945,259	10,378,670
Water service contract rights	18,625,000	19,315,000
Less accumulated depreciation	(11,744,427)	(11,168,605)
Net capital assets	<u>44,410,660</u>	<u>42,045,912</u>
Total assets	<u>66,847,083</u>	<u>68,053,209</u>
Deferred outflows of resources:		
Amounts related to pensions		
Contributions after December 31, 2019	190,088	175,932
Difference in investment returns	128,299	467,650
Change in assumptions	16,043	22,895
Total Deferred Outflows of Resources	<u>334,430</u>	<u>666,477</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 67,181,513</u>	<u>\$ 68,719,686</u>

CITY OF LIVINGSTON, TEXAS
COMPARATIVE STATEMENT OF NET POSITION
ELECTRIC, WATER AND SEWER FUND
SEPTEMBER 30, 2020 AND 2019

	2020	2019
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 1,634,206	\$ 1,257,530
Meter deposits	597,848	573,903
Contracts payable	720,000	690,000
Total current liabilities	<u>2,952,054</u>	<u>2,521,433</u>
Noncurrent liabilities due in more than one year:		
Net pension liability	1,098,248	1,686,931
Contracts payable	<u>17,905,000</u>	<u>18,625,000</u>
Total noncurrent liabilities	<u>19,003,248</u>	<u>20,311,931</u>
Total liabilities	<u>21,955,302</u>	<u>22,833,364</u>
Deferred inflows of resources:		
Amounts related to pensions		
Restricted for:		
Difference in investment returns	<u>294,639</u>	<u>4,059</u>
Total Deferred Inflows of Resources	<u>294,639</u>	<u>4,059</u>
Total Liabilities and Deferred Inflows of Resources	<u>22,249,941</u>	<u>22,837,423</u>
NET POSITION		
Net investment in capital assets	25,785,660	22,730,912
Restricted for water and sewer system improvements	62,550	62,386
Restricted for Trinity River Authority contracts payable	424,782	446,698
Unrestricted	<u>18,658,580</u>	<u>22,642,267</u>
Total Net Position	<u>\$ 44,931,572</u>	<u>\$ 45,882,263</u>

CITY OF LIVINGSTON, TEXAS
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
ELECTRIC, WATER, AND SEWER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

Business-Type Activities - Enterprise Fund

	2020	2019
<u>Operating revenues:</u>		
Charges for sales and services:		
Electricity sales	\$ 8,910,948	\$ 9,195,501
Water sales	3,110,767	2,951,854
Sewer service charges	2,267,077	2,151,853
Penalties, utilities	169,367	147,283
Water tapping fees	21,980	11,690
Sewer tapping fees	10,025	7,800
Recoveries, electrical	6,978,857	8,064,476
Recoveries, water	100,799	279,514
Grants	221,962	39,970
Revenue, night lights	101,045	100,234
Service fees	50,078	57,595
Total Operating Revenues	<u>21,942,905</u>	<u>23,007,770</u>
<u>Operating expenses:</u>		
Light and Power Department	10,106,652	10,199,040
Water Department	4,718,138	4,117,465
Sewer Department	783,070	918,833
Depreciation	630,867	573,013
Total Operating Expenses	<u>16,238,727</u>	<u>15,808,351</u>
Operating Income	5,704,178	7,199,419
<u>Non-operating revenues:</u>		
Interest income	<u>34,902</u>	<u>14,234</u>
Income Before Transfers	5,739,080	7,213,653
Transfers Out	<u>(6,689,771)</u>	<u>(1,760,074)</u>
Change in net position	(950,691)	5,453,579
Total net position - beginning	<u>45,882,263</u>	<u>40,428,684</u>
Total net position - ending	<u>\$ 44,931,572</u>	<u>\$ 45,882,263</u>

CITY OF LIVINGSTON, TEXAS
COMPARATIVE STATEMENT OF CASH FLOWS
ELECTRIC, WATER, AND SEWER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

Business-Type Activities - Enterprise Fund

	2020	2019
Cash flows from operating activities:		
Cash received from customers	\$ 22,194,870	\$ 23,015,125
Cash payments to suppliers for goods and services	(13,541,669)	(13,218,086)
Cash payments to employees for services	<u>(1,655,571)</u>	<u>(1,582,888)</u>
Net cash provided by operating activities	<u>6,997,630</u>	<u>8,214,151</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(6,689,771)</u>	<u>(1,760,074)</u>
Net cash used for noncapital financing activities	<u>(6,689,771)</u>	<u>(1,760,074)</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	<u>(3,685,615)</u>	<u>(1,376,913)</u>
Net cash used for capital and related financing activities	<u>(3,685,615)</u>	<u>(1,376,913)</u>
Cash flows from investing activities:		
Purchase of investments	(14,019,264)	-
Sale of certificate of deposit	500,000	-
Interest on cash and investments	<u>34,902</u>	<u>14,234</u>
Net cash (used) provided by investing activities	<u>(13,484,362)</u>	<u>14,234</u>
Net Change in Cash and Cash Equivalents	<u>(16,862,118)</u>	<u>5,091,398</u>
Cash and Cash Equivalents at Beginning of Year	<u>22,800,267</u>	<u>17,708,869</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,938,149</u>	<u>\$ 22,800,267</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
COMPARATIVE STATEMENT OF CASH FLOWS
ELECTRIC, WATER, AND SEWER FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

Business-Type Activities - Enterprise Fund

	2020	2019
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 5,704,178	\$ 7,199,419
Adjustments to reconcile operating net income to net cash provided by operating activities:		
Depreciation	630,867	573,013
Change in operating assets and liabilities:		
Returned checks receivable	14,826	(681)
Utility accounts receivable	213,194	(1,711)
Deferred outflows	332,047	(469,103)
Accounts payable	376,676	290,629
Meter deposits	23,945	6,325
Net pension liability	(588,683)	1,025,936
Deferred inflows	290,580	(409,676)
Total adjustments	<u>1,293,452</u>	<u>1,014,732</u>
Net cash provided by operating activities	<u>\$ 6,997,630</u>	<u>\$ 8,214,151</u>
Reconciliation of total cash and cash investments		
Unrestricted	\$ 5,450,817	\$ 22,291,183
Restricted		
Cash in bank, water and sewer system improvements	62,550	62,386
Cash in bank, reserve fund	<u>424,782</u>	<u>446,698</u>
Total cash and cash equivalents	<u>\$ 5,938,149</u>	<u>\$ 22,800,267</u>

(Concluded)

ENTERPRISE FUND

CITY OF LIVINGSTON, TEXAS
ENTERPRISE FUND
SCHEDULE OF EXPENSES BY DEPARTMENT - COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2020			
	Original Budget	Revisions	Final	Actual
LIGHT AND POWER DEPARTMENT				
Salaries	\$ 842,000	\$ -	\$ 842,000	\$ 775,564
Salaries, administration	41,000	-	41,000	9,814
Social Security	65,000	-	65,000	60,081
Retirement	138,000	-	138,000	138,608
Employee insurance	151,000	-	151,000	122,995
Uniform rental	15,000	-	15,000	7,851
Insurance and bonds	22,000	-	22,000	30,105
Legal and professional	5,000	-	5,000	2,614
Engineering	1,000	-	1,000	-
Supplies	40,000	10,000	50,000	73,756
Repairs-building and grounds and equipment	83,000	(43,000)	40,000	41,532
Gas and oil	13,000	(3,000)	10,000	10,086
Utility/telephone	9,000	(1,000)	8,000	8,819
Dues and subscriptions	15,000	(7,000)	8,000	8,718
Power purchase	8,500,000	-	8,500,000	8,768,491
Transportation and contingency	8,000	(3,000)	5,000	5,392
Utility billing	13,000	-	13,000	12,848
Postage and miscellaneous	16,000	-	16,000	17,037
Auditing and accounting	14,000	-	14,000	12,341
Total Light and Power	9,991,000	(47,000)	9,944,000	10,106,652
WATER DEPARTMENT				
Salaries	468,000	-	468,000	506,792
Salaries - administration	41,000	-	41,000	9,814
Social Security	36,000	-	36,000	39,951
Retirement	80,000	-	80,000	90,711
Employee insurance	108,000	-	108,000	108,168
Uniform rental	6,600	-	6,600	9,179
Insurance and bonds	22,000	-	22,000	29,311
Legal and professional	15,000	6,000	21,000	52,693
Supplies	75,500	-	75,500	143,231
Repairs-building and grounds	10,000	5,000	15,000	18,472
Repairs-equipment	68,000	(26,000)	42,000	56,907
Gas and oil	36,000	(6,000)	30,000	28,256
Engineering	20,000	(14,000)	6,000	3,830
Dues and subscriptions	15,000	-	15,000	12,723
Water-TRA	302,000	-	302,000	356,944
Operations and maintenance-TRA	1,652,000	(34,000)	1,618,000	1,605,013
Transportation and contingency	36,000	(7,000)	29,000	24,541
Utility billing	13,000	-	13,000	12,848
Postage and printing	15,000	-	15,000	17,708
TRA-debt service	1,569,000	10,000	1,579,000	1,578,713
Auditing and accounting	14,000	-	14,000	12,333
Total Water	4,602,100	(66,000)	4,536,100	4,718,138

Variance	2019 Actual
\$ 66,436	\$ 769,410
31,186	9,216
4,919	59,566
(608)	193,243
28,005	126,707
7,149	7,934
(8,105)	23,480
2,386	7,332
1,000	-
(23,756)	64,175
 (1,532)	37,764
(86)	12,680
(819)	8,371
(718)	8,144
(268,491)	8,824,189
(392)	4,657
152	12,651
(1,037)	17,480
1,659	12,041
<hr/> <u>(162,652)</u>	<u>10,199,040</u>
 (38,792)	447,571
31,186	9,216
(3,951)	35,545
(10,711)	114,933
(168)	93,367
(2,579)	7,711
(7,311)	22,291
(31,693)	3,105
(67,731)	123,583
(3,472)	13,731
(14,907)	45,899
1,744	35,639
2,170	8,940
2,277	12,279
(54,944)	58,400
12,987	1,433,100
4,459	28,263
152	13,551
(2,708)	17,136
287	1,581,172
1,667	12,033
<hr/> <u>(182,038)</u>	<u>4,117,465</u>

CITY OF LIVINGSTON, TEXAS
ENTERPRISE FUND
SCHEDULE OF EXPENSES BY DEPARTMENT - COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2020			
	Original Budget	Revisions	Final	Actual
SEWER DEPARTMENT				
Salaries	279,000	-	279,000	343,773
Salaries, administration	41,000	-	41,000	9,814
Social Security	22,000	-	22,000	27,450
Retirement	49,000	-	49,000	60,749
Employee insurance	66,000	-	66,000	52,050
Uniform rental	5,400	-	5,400	3,812
Insurance and bonds	8,500	-	8,500	10,739
Lab fees-engineering	20,000	-	20,000	23,654
Supplies	45,000	(10,000)	35,000	44,507
Chemicals	27,500	(7,500)	20,000	26,213
Legal/professional	3,500	(2,500)	1,000	92
Repairs-equipment	80,000	-	80,000	56,246
Repairs-building and grounds	20,000	(10,000)	10,000	8,811
Gas and oil	7,700	(2,700)	5,000	4,900
Dues and subscriptions	10,000	-	10,000	10,343
Transportation and contingency	63,500	(3,500)	60,000	62,944
Utilities and telephone	30,000	-	30,000	36,973
Total Sewer	<u>778,100</u>	<u>(36,200)</u>	<u>741,900</u>	<u>783,070</u>
TOTAL ENTERPRISE FUND				
DEPARTMENT EXPENDITURES	<u>\$ 15,371,200</u>	<u>\$ (149,200)</u>	<u>\$ 15,222,000</u>	<u>\$ 15,607,860</u>

<u>Variance</u>	<u>2019</u>	<u>Actual</u>
(64,773)	338,259	
31,186	9,216	
(5,450)	27,020	
(11,749)	82,909	
13,950	58,561	
1,588	5,146	
(2,239)	7,088	
(3,654)	20,430	
(9,507)	43,017	
(6,213)	22,434	
908	3,680	
23,754	160,754	
1,189	14,601	
100	5,995	
(343)	10,337	
(2,944)	62,887	
(6,973)	46,499	
<u>(41,170)</u>	<u>918,833</u>	
<u>\$ (385,860)</u>	<u>\$ 15,235,338</u>	

STATISTICAL SECTION

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.

CITY OF LIVINGSTON, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year		
	2011	2012	2013
Governmental activities			
Net investment in capital assets	\$ 4,351,471	\$ 4,791,257	\$ 4,315,590
Restricted	62,171	11,028	11,906
Unrestricted	<u>513,969</u>	<u>358,850</u>	<u>662,242</u>
Total governmental activities net position	<u>\$ 4,927,611</u>	<u>\$ 5,161,135</u>	<u>\$ 4,989,738</u>
Business-type activities			
Net investment in capital assets	\$ 16,034,964	\$ 17,445,479	\$ 18,761,672
Restricted	463,375	103,495	103,626
Unrestricted	<u>3,142,246</u>	<u>2,921,239</u>	<u>5,978,877</u>
Total business-type activities net position	<u>\$ 19,640,585</u>	<u>\$ 20,470,213</u>	<u>\$ 24,844,175</u>
Primary government			
Net investment in capital assets	\$ 20,386,435	\$ 22,236,736	\$ 23,077,262
Restricted	525,546	114,523	115,532
Unrestricted	<u>3,656,215</u>	<u>3,280,089</u>	<u>6,641,119</u>
Total primary government net position	<u>\$ 24,568,196</u>	<u>\$ 25,631,348</u>	<u>\$ 29,833,913</u>

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
\$ 2,964,659 12,825 1,270,906	\$ 4,437,694 6,523 (217,812)	\$ 4,740,690 13,362 618,282	\$ 5,464,673 14,443 (534,353)	\$ 5,626,496 9,848 51,562	\$ 5,921,989 6,430 (65,999)	\$ 10,946,446 - 388,210
<u>\$ 4,248,390</u>	<u>\$ 4,226,405</u>	<u>\$ 5,372,334</u>	<u>\$ 4,944,763</u>	<u>\$ 5,687,906</u>	<u>\$ 5,862,420</u>	<u>\$ 11,334,656</u>
\$ 20,254,016 111,356 6,620,642	\$ 20,890,615 117,270 7,761,709	\$ 21,350,643 123,885 12,609,642	\$ 21,913,595 472,253 16,596,760	\$ 21,927,012 797,893 17,703,779	\$ 22,730,912 509,084 22,642,267	\$ 25,785,660 487,332 18,658,580
<u>\$ 26,986,014</u>	<u>\$ 28,769,594</u>	<u>\$ 34,084,170</u>	<u>\$ 38,982,608</u>	<u>\$ 40,428,684</u>	<u>\$ 45,882,263</u>	<u>\$ 44,931,572</u>
\$ 23,218,675 124,181 7,891,548	\$ 25,328,309 123,793 7,543,897	\$ 26,091,333 137,247 13,227,924	\$ 27,378,268 486,696 16,062,407	\$ 27,553,508 807,741 17,755,341	\$ 28,652,901 515,514 22,576,268	\$ 36,732,106 487,332 19,046,790
<u>\$ 31,234,404</u>	<u>\$ 32,995,999</u>	<u>\$ 39,456,504</u>	<u>\$ 43,927,371</u>	<u>\$ 46,116,590</u>	<u>\$ 51,744,683</u>	<u>\$ 56,266,228</u>

CITY OF LIVINGSTON, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year					
	2011	2012	2013	2014	2015	2016
Expenses						
Governmental activities:						
Administrative	\$ 560,705	\$ 578,438	\$ 609,174	\$ 628,524	\$ 629,168	\$ 697,407
Sanitation	611,463	631,433	653,663	705,207	701,377	701,452
Fire	440,931	396,728	404,025	429,642	431,539	473,390
Police	1,701,952	1,846,576	1,852,215	1,912,194	1,992,910	2,171,640
Paving and street	968,401	962,427	969,670	993,905	1,082,684	1,356,218
Parks and recreation	917,386	973,354	991,098	947,878	1,060,084	1,061,374
Library	310,674	332,359	354,693	448,499	476,226	515,985
Garage	183,928	190,832	203,343	218,840	217,587	234,349
Interest on long-term debt	267,220	246,345	366,800	325,625	278,500	252,050
Total governmental activities expense	<u>5,962,660</u>	<u>6,158,492</u>	<u>6,404,681</u>	<u>6,610,314</u>	<u>6,870,075</u>	<u>7,463,865</u>
Business-type activities:						
Electric, water and sewer	12,851,514	12,521,334	12,167,699	14,519,484	14,628,936	14,721,612
Total business-type activities expenses	<u>12,851,514</u>	<u>12,521,334</u>	<u>12,167,699</u>	<u>14,519,484</u>	<u>14,628,936</u>	<u>14,721,612</u>
Total primary government expenses	<u>18,814,174</u>	<u>18,679,826</u>	<u>18,572,380</u>	<u>21,129,798</u>	<u>21,499,011</u>	<u>22,185,477</u>
Program Revenues						
Governmental activities:						
Charges for services						
Administrative	98,784	193,065	98,300	101,595	92,722	91,839
Sanitation	933,025	947,880	1,027,614	1,038,218	1,041,025	1,102,931
Police	251,926	280,759	273,321	275,621	294,900	315,638
Paving and street	20,749	51,802	2,103	11,485	4,156	2,219
Parks and recreation	234,341	199,677	203,685	192,800	331,809	186,002
Library	17,309	15,406	17,835	23,829	32,866	18,130
Operating grants and contributions	110,094	130,478	128,227	60,484	86,898	142,999
Capital grants and contributions	171,317	3,491	-	-	219,600	52,350
Total governmental activities program revenues	<u>1,837,545</u>	<u>1,822,558</u>	<u>1,751,085</u>	<u>1,704,032</u>	<u>2,103,976</u>	<u>1,912,108</u>
Business-type activities:						
Charges for services						
Electric, water and sewer	15,144,524	14,253,547	16,851,001	17,055,406	19,551,817	22,691,589
Total business-type activities program revenues	<u>15,144,524</u>	<u>14,253,547</u>	<u>16,851,001</u>	<u>17,055,406</u>	<u>19,551,817</u>	<u>22,691,589</u>
Total primary government program revenues	<u>16,982,069</u>	<u>16,076,105</u>	<u>18,602,086</u>	<u>18,759,438</u>	<u>21,655,793</u>	<u>24,603,697</u>
Net (Expense) Revenues						
Governmental activities	(4,125,115)	(4,335,934)	(4,653,596)	(4,906,282)	(4,766,099)	(5,551,757)
Business-type activities	2,293,010	1,732,213	4,683,302	2,535,922	4,922,881	7,969,977
Total primary government program net expense	<u>(1,832,105)</u>	<u>(2,603,721)</u>	<u>29,706</u>	<u>(2,370,360)</u>	<u>156,782</u>	<u>2,418,220</u>
General Revenues and Other Changes in Net Position						
Governmental activities:						
Taxes						
Sales taxes	3,185,997	3,275,321	3,730,723	3,431,399	3,488,475	3,597,499
Franchise taxes	162,759	146,319	151,625	135,253	142,040	136,844
Hotel/Motel taxes	219,019	222,936	270,564	318,487	297,152	296,831
Investment earnings	4,803	10,801	7,743	3,918	3,389	2,926
Transfers	585,468	914,081	321,544	406,434	2,347,835	2,663,586
Total governmental activities	<u>4,158,046</u>	<u>4,569,458</u>	<u>4,482,199</u>	<u>4,295,491</u>	<u>6,278,891</u>	<u>6,697,686</u>
Business-type activities:						
Investment earnings	14,087	11,496	12,204	12,351	8,930	8,185
Transfers	(585,468)	(914,081)	(321,544)	(406,434)	(2,347,835)	(2,663,586)
Total business-type activities	<u>(571,381)</u>	<u>(902,585)</u>	<u>(309,340)</u>	<u>(394,083)</u>	<u>(2,338,905)</u>	<u>(2,655,401)</u>
Total primary government	<u>3,586,665</u>	<u>3,666,873</u>	<u>4,172,859</u>	<u>3,901,408</u>	<u>3,939,986</u>	<u>4,042,285</u>
Changes in Net Position						
Governmental activities	32,931	233,524	(171,397)	(610,791)	1,512,792	1,145,929
Business-type activities	1,721,629	829,628	4,373,962	2,141,839	2,583,976	5,314,576
Total primary government	<u>\$ 1,754,560</u>	<u>\$ 1,063,152</u>	<u>\$ 4,202,565</u>	<u>\$ 1,531,048</u>	<u>\$ 4,096,768</u>	<u>\$ 6,460,505</u>

	2017	2018	2019	2020
\$	649,067	\$ 546,294	\$ 624,090	\$ 612,710
740,246	764,143	812,677	806,598	
480,753	510,309	547,489	605,842	
2,259,591	2,269,710	2,545,281	2,542,525	
1,238,574	1,335,446	1,276,557	1,322,083	
1,101,262	1,113,057	1,183,383	1,126,189	
511,324	519,798	554,824	536,713	
240,257	255,314	285,713	307,729	
225,050	197,100	188,100	52,010	
<u>7,446,124</u>	<u>7,511,171</u>	<u>8,018,114</u>	<u>7,912,399</u>	
<u>14,772,164</u>	<u>15,082,355</u>	<u>15,808,351</u>	<u>16,238,727</u>	
<u>14,772,164</u>	<u>15,082,355</u>	<u>15,808,351</u>	<u>16,238,727</u>	
<u>22,218,288</u>	<u>22,593,526</u>	<u>23,826,465</u>	<u>24,151,126</u>	
142,640	92,630	132,723	123,113	
1,215,053	1,213,940	1,230,181	1,255,418	
347,779	359,665	406,947	325,262	
-	27,146	908	48,734	
191,187	191,412	179,350	177,266	
19,163	21,062	21,785	15,985	
69,403	64,384	80,759	80,802	
<u>3,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>1,988,275</u>	<u>1,970,239</u>	<u>2,052,653</u>	<u>2,026,580</u>	
20,484,503	18,444,719	23,007,770	21,942,905	
20,484,503	18,444,719	23,007,770	21,942,905	
<u>22,472,778</u>	<u>20,414,958</u>	<u>25,060,423</u>	<u>23,969,485</u>	
(5,457,849)	(5,540,932)	(5,965,461)	(5,885,819)	
<u>5,712,339</u>	<u>3,362,364</u>	<u>7,199,419</u>	<u>5,704,178</u>	
<u>254,490</u>	<u>(2,178,568)</u>	<u>1,233,958</u>	<u>(181,641)</u>	
3,759,664	4,055,937	3,888,574	4,188,740	
128,601	115,006	132,500	140,748	
316,075	362,937	352,302	333,924	
3,382	4,303	6,525	4,872	
<u>822,556</u>	<u>1,925,344</u>	<u>1,760,074</u>	<u>6,689,771</u>	
<u>5,030,278</u>	<u>6,463,527</u>	<u>6,139,975</u>	<u>11,358,055</u>	
8,655	9,056	14,234	34,902	
<u>(822,556)</u>	<u>(1,925,344)</u>	<u>(1,760,074)</u>	<u>(6,689,771)</u>	
<u>(813,901)</u>	<u>(1,916,288)</u>	<u>(1,745,840)</u>	<u>(6,654,869)</u>	
<u>4,216,377</u>	<u>4,547,239</u>	<u>4,394,135</u>	<u>4,703,186</u>	
(427,571)	922,595	174,514	5,472,236	
<u>4,898,438</u>	<u>1,446,076</u>	<u>5,453,579</u>	<u>(950,691)</u>	
<u>\$ 4,470,867</u>	<u>\$ 2,368,671</u>	<u>\$ 5,628,093</u>	<u>\$ 4,521,545</u>	

CITY OF LIVINGSTON, TEXAS
FUND BALANCES GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2011	2012	2013	2014
General Fund				
Restricted	\$ 29,094	\$ 14,224	\$ 214	\$ 296
Unassigned	<u>395,568</u>	<u>190,139</u>	<u>857,542</u>	<u>1,270,609</u>
Total General Fund	<u><u>\$ 424,662</u></u>	<u><u>\$ 204,363</u></u>	<u><u>\$ 857,756</u></u>	<u><u>\$ 1,270,905</u></u>
All Other Governmental Funds				
Restricted				
Debt Service Fund	\$ 62,171	\$ 11,028	\$ 11,906	\$ 12,825
Capital Projects Fund	<u>93,702</u>	<u>6,053,685</u>	A. <u>3,363,060</u>	<u>833,076</u>
Total all other governmental funds	<u><u>\$ 155,873</u></u>	<u><u>\$ 6,064,713</u></u>	<u><u>\$ 3,374,966</u></u>	<u><u>\$ 845,901</u></u>

- A. Bond proceeds for library improvements and water and sewer system improvements.
- B. All outstanding bonds were redeemed in 2020 which terminated the requirement for the Debt Service Fund.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 2,421 <u>1,231,446</u>	\$ 1,419 <u>2,372,108</u>	\$ 14,497 <u>1,356,179</u>	\$ 13,475 <u>1,946,866</u>	\$ 16,029 <u>1,969,614</u>	\$ 10,822 <u>2,539,274</u>
<u>\$ 1,233,867</u>	<u>\$ 2,373,527</u>	<u>\$ 1,370,676</u>	<u>\$ 1,960,341</u>	<u>\$ 1,985,643</u>	<u>\$ 2,550,096</u>
\$ 6,523 <u>507,620</u>	\$ 13,362 <u>-</u>	\$ 14,443 <u>-</u>	\$ 9,848 <u>-</u>	\$ 6,430 <u>-</u>	\$ - B. <u>-</u>
<u>\$ 514,143</u>	<u>\$ 13,362</u>	<u>\$ 14,443</u>	<u>\$ 9,848</u>	<u>\$ 6,430</u>	<u>\$ -</u>

TABLE A-4

CITY OF LIVINGSTON, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2011	2012	2013	2014
Revenues				
Taxes	\$ 3,567,775	\$ 3,644,576	\$ 4,152,912	\$ 3,885,139
Licenses and permits	69,898	155,254	54,839	78,737
Charges for service	1,185,540	1,174,660	1,275,560	1,311,551
Fines and forfeitures	235,733	261,493	256,378	261,363
Miscellaneous	<u>369,023</u>	<u>256,783</u>	<u>180,943</u>	<u>88,191</u>
Total Revenues	<u>5,427,969</u>	<u>5,492,766</u>	<u>5,920,632</u>	<u>5,624,981</u>
Expenditures				
Administrative	516,991	612,838	546,441	569,230
Sanitation	611,343	631,313	653,542	705,087
Fire	409,387	367,911	371,718	393,104
Police	1,600,314	1,734,608	1,736,455	1,802,083
Paving and street	453,560	447,899	450,841	486,078
Parks and recreation	752,668	810,104	845,205	802,039
Library	275,958	296,039	302,686	335,764
Garage	173,673	172,278	182,681	198,707
Capital outlay	773,312	718,971	1,862,161	1,498,439
Debt service				
Interest	267,220	246,345	366,800	366,800
Principal	<u>790,000</u>	<u>850,000</u>	<u>960,000</u>	<u>990,000</u>
Total Expenditures	<u>6,624,426</u>	<u>6,888,306</u>	<u>8,278,530</u>	<u>8,147,331</u>
Excess of revenues over (under) expenditures	(1,196,457)	(1,395,540)	(2,357,898)	(2,522,350)
Other Financing Sources				
(Uses)				
Proceeds from borrowing	-	6,000,000	A	-
Proceeds from refunding	-	3,100,000	B	-
Redemption of refunded bonds	-	(2,930,000)	B	-
Transfers in	1,767,478	2,160,929	2,874,484	3,276,767
Transfers out	<u>(1,182,010)</u>	<u>(1,246,848)</u>	<u>(2,552,940)</u>	<u>(2,870,333)</u>
Total other financing sources	<u>585,468</u>	<u>7,084,081</u>	<u>321,544</u>	<u>406,434</u>
Net change in fund balances	<u>\$ (610,989)</u>	<u>\$ 5,688,541</u>	<u>\$ (2,036,354)</u>	<u>\$ (2,115,916)</u>
Debt service as a percentage of noncapital expenditures	18.1%	17.8%	20.7%	20.4%

A. Bond proceeds in 2012 to be used for library and utility system improvements.
B. Refunding of bonds in 2012 due to favorable interest rates.

TABLE A-4

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 3,927,667	\$ 4,031,174	\$ 4,204,340	\$ 4,533,880	\$ 4,373,376	\$ 4,663,412
66,122	61,394	108,801	62,259	104,453	90,198
1,290,760	1,357,043	1,436,597	1,440,739	1,426,243	1,402,317
280,259	298,337	324,687	370,040	360,926	340,150
<u>430,104</u>	<u>190,184</u>	<u>126,335</u>	<u>21,089</u>	<u>174,036</u>	<u>206,356</u>
<u>5,994,912</u>	<u>5,938,132</u>	<u>6,200,760</u>	<u>6,428,007</u>	<u>6,439,034</u>	<u>6,702,433</u>
590,106	584,639	579,236	489,166	552,891	556,405
701,257	701,332	740,126	764,023	812,556	806,478
396,935	420,082	429,930	470,361	469,002	529,813
1,882,425	1,912,124	2,059,888	2,182,844	2,310,261	2,327,817
536,667	533,445	591,772	682,258	578,273	630,545
933,864	885,012	931,813	961,081	969,930	951,965
350,494	365,558	370,697	395,713	409,877	394,764
201,151	204,859	219,323	247,642	264,100	273,463
1,820,144	1,063,738	807,251	838,093	1,402,234	830,921
278,500	252,050	225,050	197,100	188,100	52,010
<u>1,020,000</u>	<u>1,040,000</u>	<u>1,070,000</u>	<u>540,000</u>	<u>220,000</u>	<u>5,480,000</u>
<u>8,711,543</u>	<u>7,962,839</u>	<u>8,025,086</u>	<u>7,768,281</u>	<u>8,177,224</u>	<u>12,834,181</u>
(2,716,631)	(2,024,707)	(1,824,326)	(1,340,274)	(1,738,190)	(6,131,748)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,638,885	4,457,253	2,117,649	2,657,288	2,164,381	6,689,771
(1,291,050)	(1,793,667)	(1,295,093)	(731,944)	(404,307)	-
<u>2,347,835</u>	<u>2,663,586</u>	<u>822,556</u>	<u>1,925,344</u>	<u>1,760,074</u>	<u>6,689,771</u>
<u>\$ (368,796)</u>	<u>\$ 638,879</u>	<u>\$ (1,001,770)</u>	<u>\$ 585,070</u>	<u>\$ 21,884</u>	<u>\$ 558,023</u>
18.8%	18.7%	17.9%	10.6%	6.0%	46.1%

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REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most available local revenue sources, property tax, sales tax, and electrical, water and sewer revenues.

CITY OF LIVINGSTON, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Tax Year	Real Property (1)		Personal (1) Assessed Value
	Assessed Value	Estimated Actual Value	
2010	405,892,051	405,892,051	56,409,734
2011	407,922,524	407,922,524	55,584,758
2012	405,808,268	405,808,268	55,497,664
2013	426,618,926	426,618,926	56,419,925
2014	430,245,544	430,245,544	57,118,833
2015	433,212,953	433,212,953	64,160,968
2016	448,000,838	448,000,838	60,225,314
2017	459,769,932	459,769,932	62,424,297
2018	480,902,271	480,902,271	59,874,367
2019	502,633,542	502,633,542	58,985,787

(1) Information was provided by the Polk Central Appraisal District.

TABLE B-1

Personal (1) Estimated Actual Value	Total Property		Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Rate Applied
	Assessed Value	Estimated Actual Value		
56,409,734	462,301,785	462,301,785	100%	0%
55,584,758	463,507,282	463,507,282	100%	0%
55,497,664	461,305,932	461,305,932	100%	0%
56,419,925	483,038,851	483,038,851	100%	0%
57,118,833	487,364,377	487,364,377	100%	0%
64,160,968	497,373,921	497,373,921	100%	0%
60,225,314	508,226,152	508,226,152	100%	0%
62,424,297	522,194,229	522,194,229	100%	0%
59,874,367	540,776,638	540,776,638	100%	0%
58,985,787	561,619,329	561,619,329	100%	0%

CITY OF LIVINGSTON, TEXAS
PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(1)

**TAX RATES PER \$100 ASSESSED VALUATION
(DIRECT AND OVERLAPPING)**

County Fiscal Year	City General Fund	School District	County	Total
2010	.00	1.4135	0.6277	2.0412
2011	.00	1.3950	0.6277	2.0227
2012	.00	1.3950	0.6277	2.0227
2013	.00	1.3950	0.6461	2.0411
2014	.00	1.3950	0.6461	2.0411
2015	.00	1.3900	0.6461	2.0361
2016	.00	1.3900	0.6461	2.0361
2017	.00	1.3900	0.6461	2.0361
2018	.00	1.3900	0.6461	2.0361
2019	.00	1.3233	0.6461	1.9694

County Fiscal Year	City General Fund	School District	County	Total
2010	-	17,207,227	15,867,389	33,074,616
2011	-	17,613,894	16,354,545	33,968,439
2012	-	18,774,358	17,876,863	36,651,221
2013	-	19,422,286	18,472,325	37,894,611
2014	-	19,859,301	18,851,462	38,710,763
2015	-	20,316,019	18,956,761	39,272,780
2016	-	21,532,466	20,362,629	41,895,095
2017	-	19,697,126	18,171,100	37,868,226
2018	-	22,841,226	21,980,245	44,821,471
2019	-	23,274,178	21,977,735	45,251,913

Tax Rate Limitations:

General Law City with a maximum authorized tax rate of \$1.50 for all purposes, imposed by Texas Constitution.

Tax Payment Data:

Taxes are due October 1; Delinquent after January 31. No discounts allowed for early payment.

Tax Collection Data:

Tax statements on current tax mailed October 1; second notice on unpaid current tax mailed on January 1. Delinquent notices mailed to all taxpayers once annually.

(1) All information in this schedule was provided by the Polk County Tax Assessor/Collector's office.

CITY OF LIVINGSTON, TEXAS
PRINCIPAL REVENUE PAYERS
Current Year and Nine Years Ago

TEN LARGEST ELECTRIC CUSTOMERS
FISCAL 2020 KILOWATT HOURS

(*) Name	Kilowatt Hours	Rank	Percent of Total	Kilowatt Hours	Rank	Percent of Total
Livingston Independent School Dist.	5,318,946	1	6.81%	7,250,619	1	8.11%
Polk County	4,190,139	2	5.37%	3,249,837	2	3.64%
Brookshire Brothers	2,094,295	3	2.68%	2,372,390	3	2.65%
HEB Pantry Foods	1,900,578	4	2.43%	2,161,715	4	2.42%
Lowe's Home Improvement	1,597,982	5	2.05%	2,026,144	5	2.27%
The Bradford	1,005,541	6	1.29%	1,182,299	7	1.32%
Factory Stores of America	852,660	7	1.09%	1,396,464	6	1.56%
McDonalds	819,654	8	1.05%	946,872	8	1.06%
Pine Ridge Healthcare Center	735,419	9	0.94%	895,888	9	1.00%
First State Bank	527,043	10	0.68%	769,995	10	0.86%
	<u>19,042,257</u>		<u>24.39%</u>	<u>22,252,223</u>		<u>24.89%</u>

TEN LARGEST WATER CUSTOMERS
FISCAL 2020 GALLONS USED

(*) Name	Gallons Used	Rank	Percent of Total	Gallons Used	Rank	Percent of Total
Texas Department of Criminal Just.	265,827,000	1	48.89%	228,227,000	1	38.81%
IAH Detention Facility	20,700,000	2	3.81%	28,016,000	2	4.76%
CHI St Luke's Health	18,691,000	3	3.44%	14,469,000	4	2.46%
Livingston Independent School Dist.	10,694,000	4	1.97%	14,507,000	3	2.47%
Polk County	6,165,000	5	1.13%	6,280,000	7	1.07%
Pine Hill Apartments	5,243,000	6	0.96%	7,681,000	6	1.31%
The Bradford	4,961,000	7	0.91%	4,001,000	8	0.68%
Pine Ridge Healthcare Center	4,598,000	8	0.85%	2,443,000	10	0.42%
Camp Cho Yeh	2,802,000	9	0.52%	9,091,000	5	1.55%
LaQuinta	2,044,000	10	0.38%	-	-	0.00%
Walmart Super Center	-		<u>0.00%</u>	<u>3,527,000</u>	<u>9</u>	<u>0.60%</u>
	<u>341,725,000</u>		<u>62.85%</u>	<u>318,242,000</u>		<u>54.12%</u>

(*) Information provided by City of Livingston

Note: The City does not receive any revenue from property taxes at this time. The primary revenue source is sales of electricity and water and sewer services. The City is prohibited by law from disclosing the principal revenue payers of sales tax revenue. Consequently, the City has not provided that information.

CITY OF LIVINGSTON, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2010-11	N/A	N/A	N/A	-	-
2011-12	N/A	N/A	N/A	-	-
2012-13	N/A	N/A	N/A	-	-
2013-14	N/A	N/A	N/A	-	-
2014-15	N/A	N/A	N/A	-	-
2015-16	N/A	N/A	N/A	-	-
2016-17	N/A	N/A	N/A	-	-
2017-18	N/A	N/A	N/A	-	-
2018-19	N/A	N/A	N/A	-	-
2019-20	N/A	N/A	N/A	-	-

* City discontinued levying property taxes in fiscal 1989.

Total Collections as Percent of Current Levy	Adjustment	Outstanding Delinquent Taxes	Outstanding Delinquent as a Percent of Total Tax Levy
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A
N/A	-	-	N/A

CITY OF LIVINGSTON, TEXAS
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
Mining	\$ -	\$ -	\$ -	\$ -
Construction	5,362,638	5,188,507	5,879,331	4,302,348
Manufacturing	4,047,613	3,615,697	4,907,254	6,711,331
Transportation, communication, utility	285,717	324,431	226,591	231,890
Wholesale Trade	6,784,579	9,500,142	9,603,888	10,848,869
Retail Trade	132,247,339	133,603,936	138,173,284	142,313,890
Finance, insurance, real estate	1,120,298	1,149,143	1,865,566	1,899,028
Services	<u>34,106,509</u>	<u>34,841,742</u>	<u>36,840,033</u>	<u>38,727,778</u>
Total	<u>\$183,954,693</u>	<u>\$188,223,598</u>	<u>\$197,495,947</u>	<u>\$205,035,134</u>

Source: State Comptroller's Office

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ 5,892	\$ -	\$ -	\$ -
4,357,712	5,839,513	2,828,797	3,368,703	4,999,590	3,857,243
5,935,164	7,437,680	7,338,917	7,838,552	6,131,611	5,057,706
248,119	229,389	237,053	257,023	147,792	266,008
10,046,996	9,793,097	6,611,068	6,299,002	6,167,509	5,800,663
142,208,459	124,622,403	150,182,763	153,086,173	155,304,015	158,137,179
2,013,205	2,471,029	2,353,850	2,301,532	2,510,620	2,182,031
39,477,491	43,277,048	45,521,468	45,484,035	45,787,613	45,573,813
<u>\$ 204,287,146</u>	<u>\$ 193,670,159</u>	<u>\$ 215,079,808</u>	<u>\$ 218,635,020</u>	<u>\$ 221,048,750</u>	<u>\$ 220,874,643</u>

CITY OF LIVINGSTON, TEXAS
ELECTRICAL, WATER, AND SEWER REVENUES
Last Ten Fiscal Years

	Fiscal Year			
	2011	2012	2013	2014
Electrical revenues	\$ 11,196,010	\$ 10,123,366	\$ 12,539,645	\$ 12,262,970
Water revenues	2,279,605	2,107,111	2,908,495	2,916,915
Sewer revenues	<u>1,668,909</u>	<u>2,023,070</u>	<u>1,402,861</u>	<u>1,875,521</u>
Total	<u><u>\$ 15,144,524</u></u>	<u><u>\$ 14,253,547</u></u>	<u><u>\$ 16,851,001</u></u>	<u><u>\$ 17,055,406</u></u>

Sources: Various City Departments

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 14,952,135	\$ 17,663,467	\$ 14,998,630	\$ 13,011,389	\$ 17,565,089	\$ 16,210,295
2,707,222	2,947,552	3,367,577	3,337,436	3,243,058	3,233,546
<u>1,892,460</u>	<u>2,080,570</u>	<u>2,118,296</u>	<u>2,095,894</u>	<u>2,199,623</u>	<u>2,499,064</u>
<u><u>\$ 19,551,817</u></u>	<u><u>\$ 22,691,589</u></u>	<u><u>\$ 20,484,503</u></u>	<u><u>\$ 18,444,719</u></u>	<u><u>\$ 23,007,770</u></u>	<u><u>\$ 21,942,905</u></u>

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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.

CITY OF LIVINGSTON, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	CERTIFICATES OF OBLIGATION	GENERAL OBLIGATION BONDS	TOTAL GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES WATER SERVICE CONTRACTS PAYABLE			
2010-11	3,605,000	2,395,000	6,000,000	2,715,000	(1)		
2011-12	6,205,000	(3)	5,115,000	(3)	11,320,000	2,640,000	
2012-13	6,055,000		4,305,000		10,360,000	23,140,000	(4)
2013-14	5,900,000		3,470,000		9,370,000	22,510,000	
2014-15	5,850,000		2,500,000		8,350,000	21,900,000	
2015-16	5,800,000		1,510,000		7,310,000	21,280,000	
2016-17	5,750,000		490,000		6,240,000	20,645,000	
2017-18	5,700,000		-		5,700,000	19,990,000	
2018-19	5,480,000		-		5,480,000	19,315,000	
2019-20	-		-		-	18,625,000	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) The Trinity River Authority issued \$2,715,000 in water system improvement bonds to be repaid by the City proprietary fund.

(2) U.S. Census 2010.

(3) The City issued \$6,000,000 in new bonds and \$3,100,000 in refunding bonds in 2012.

(4) The Trinity River Authority issued \$20,575,000 in water system improvement bonds to be repaid by the City proprietary fund.

<u>TOTAL PRIMARY GOVERNMENT</u>	<u>PERCENTAGE OF PERSONAL INCOME</u>	<u>GROSS BONDED DEBT PER CAPITA</u>	<u>NET BONDED DEBT PER CAPITA</u>	<u>POPULATION</u>
8,715,000	4.33%	1,125	1,113	5,335 (2)
13,960,000	6.98%	2,122	2,120	5,335
33,500,000	16.55%	1,942	1,940	5,335
31,880,000	17.04%	1,756	1,754	5,335
30,250,000	15.85%	1,565	1,564	5,335
28,590,000	14.14%	1,370	1,368	5,335
26,885,000	13.19%	1,170	1,167	5,335
25,690,000	12.60%	1,068	1,067	5,335
24,795,000	11.78%	1,027	1,026	5,335
18,625,000	8.77%	-	-	5,335

CITY OF LIVINGSTON, TEXAS
RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
Last Ten Fiscal Years

Fiscal Year	Population		Assessed Value (1)	Gross Bonded Debt (2)	Less: Debt Service Fund
2010-11	5,335	(3)	462,301,785	6,000,000	62,171
2011-12	5,335		463,507,282	11,320,000	11,028
2012-13	5,335		461,305,932	10,360,000	11,906
2013-14	5,335		483,038,851	9,370,000	12,825
2014-15	5,335		487,364,377	8,350,000	6,523
2015-16	5,335		497,373,921	7,310,000	13,362
2016-17	5,335		508,226,152	6,240,000	14,443
2017-18	5,335		522,194,229	5,700,000	9,848
2018-19	5,335		540,776,638	5,480,000	6,430
2019-20	5,335		561,619,329	-	-

(1) Net of exemptions (information provided by Polk Central Appraisal District)

(2) Since 1988, the City has had no bonds that are being repaid through general property taxes.

(3) U.S. Census 2010

Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
5,937,829	-	1,113
11,308,972	-	2,120
10,348,094	-	1,940
9,357,175	-	1,754
8,343,477	-	1,564
7,296,638	-	1,368
6,225,557	-	1,167
5,690,152	-	1,067
5,473,570	-	1,026
-	-	-

CITY OF LIVINGSTON, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
September 30, 2020

Governmental Unit	Outstanding Debt	Percentage Applicable to This Governmental Unit *	City of Livingston's Share of Debt
(1) Livingston Independent School District	56,065,000	20%	11,213,000
(2) County of Polk	<u>17,606,445</u>	13%	<u>2,288,838</u>
Total overlapping debt	<u>73,671,445</u>		<u>13,501,838</u>
Total direct and overlapping debt	<u>\$ 73,671,445</u>		<u>\$ 13,501,838</u>

(1) Information provided by Livingston Independent School District Business Office

(2) Information provided by Polk County Auditor's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Livingston, Texas. 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. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's taxable assessed value.

CITY OF LIVINGSTON, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
September 30, 2020

Assessed value, year 2019	<u>\$ 561,619,329</u>
Debt Limit - Ten Percent of assessed value	56,161,933
Amount of Debt Applicable to Debt Limit:	
Other debt (contracts payable)	<u>18,625,000</u>
Total debt	<u>18,625,000</u>
Less: Assets in debt service fund	-
Total amount of debt applicable to debt limit	<u>18,625,000</u>
Legal debt margin	<u>\$ 37,536,933</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Legal Debt Margin as a Percentage of the Debt Limit
2011	\$ 46,230,179	\$ 8,652,829	\$ 37,577,350	81.28%
2012	\$ 46,350,728	\$ 13,948,972	\$ 32,401,756	69.91%
2013	\$ 46,130,593	\$ 33,488,094	\$ 12,642,499	27.41%
2014	\$ 48,303,885	\$ 31,867,175	\$ 16,436,710	34.03%
2015	\$ 48,736,438	\$ 30,243,477	\$ 18,492,961	37.94%
2016	\$ 49,737,392	\$ 28,576,638	\$ 21,160,754	42.54%
2017	\$ 50,822,615	\$ 26,870,557	\$ 23,952,058	47.13%
2018	\$ 52,219,423	\$ 25,680,152	\$ 26,539,271	50.82%
2019	\$ 54,077,664	\$ 24,788,570	\$ 29,289,094	54.16%
2020	\$ 56,161,933	\$ 18,625,000	\$ 37,536,933	66.84%

Note: Under state finance law, the City's outstanding general obligation debt should not exceed ten percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

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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.

CITY OF LIVINGSTON, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010-11	5,335	201,161,510	37,706	10.50%
2011-12	5,335	200,019,820	37,492	7.70%
2012-13	5,335	202,463,250	37,950	7.20%
2013-14	5,335	187,114,455	35,073	6.30%
2014-15	5,335	190,864,960	35,776	5.90%
2015-16	5,335	202,132,480	37,888	6.90%
2016-17	5,335	203,871,690	38,214	5.60%
2017-18	5,335	203,850,350	38,210	4.80%
2018-19	5,335	210,401,730	39,438	4.30%
2019-20	5,335	212,429,030	39,818	9.80%

* Sources: Population provided by the 2010 census. Personal income provided by Bureau of Economic Analysis. Unemployment rate provided Bureau of Labor Statistics and Texas Labor Market Information as published by the Texas Workforce Commission.

CITY OF LIVINGSTON, TEXAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

(*) <u>Name</u>	2020			2011		
	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>
Livingston Independent School Dist.	402	1	5.15%	614	1	7.87%
Walmart Super Center	390	2	5.00%	480	2	6.15%
Polk County	315	3	4.04%	333	4	4.27%
CHI St Luke's Health	243	4	3.12%	-	-	0.00%
Sam Houston Electric Coop	157	5	2.01%	159	6	2.04%
IAH Detention Facility	154	6	1.97%	242	5	3.10%
Lowe's Home Improvement	150	7	1.92%	125	8	1.60%
The Bradford	122	8	1.56%	159	7	2.04%
HEB Pantry Foods	102	9	1.31%	-	-	0.00%
Pine Ridge Healthcare Center	101	10	1.29%	120	9	1.54%
First National Bank	-	-	0.00%	90	10	1.15%
Memorial Medical Center	-	-	0.00%	431	3	5.53%
	<u>2,136</u>		<u>27.38%</u>	<u>2,753</u>		<u>35.29%</u>

(*) Information provided by the City of Livingston, Texas.

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OPERATING INFORMATION

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

CITY OF LIVINGSTON, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

		Full-time Equivalent Employees as of September 30,				
FUNCTION/PROGRAM		2011	2012	2013	2014	2015
Administrative	B	12	12	12	12	12
Fire	A	2	2	2	2	1
Police						
Officers		18	18	18	18	18
Other staff		8	8	8	8	8
Paving and street		5	6	4	6	7
Parks and recreation		8	8	7	9	9
Library		5	5	5	5	5
Garage		2	2	2	2	2
Electric, Water & Sewer		<u>17</u>	<u>16</u>	<u>17</u>	<u>21</u>	<u>19</u>
Total		<u>77</u>	<u>77</u>	<u>75</u>	<u>83</u>	<u>81</u>

Sources: Various City Departments

- A. The City does not have a paid fire department. The City has approximately 38 citizens who volunteer to serve in the fire department.
- B. Includes 2 employees assigned to community development and 1 employee assigned to Main Street for 2006 and subsequent years.

2016	2017	2018	2019	2020
12	11	13	12	12
1	1	1	1	1
18	18	19	20	20
8	7	8	7	8
6	7	5	5	6
9	9	8	10	10
5	5	5	5	4
2	2	2	2	2
<u>20</u>	<u>20</u>	<u>18</u>	<u>19</u>	<u>20</u>
<u>81</u>	<u>80</u>	<u>79</u>	<u>81</u>	<u>83</u>

CITY OF LIVINGSTON, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

FUNCTION/PROGRAM	Fiscal Year			
	2011	2012	2013	2014
Police				
Violations (Traffic & Criminal)	4,494	4,880	4,881	4,588
Fire				
Fire Calls	850	613	572	508
Library				
Volumes of Books	23,544	21,759	19,599	18,335
Electric				
Average daily kilowatt hours sold	243,342	227,099	232,027	232,292
Total customers	3,286	3,295	3,310	3,320
Water				
Average daily consumption	1,611,014	1,507,419	1,956,984	1,847,951
Total connections	3,251	3,261	3,293	3,286

Sources: Various City Departments

2015	2016	2017	2018	2019	2020
4,402	4,840	4,273	4,735	4,382	2,988
531	592	587	627	523	631
19,798	19,817	21,305	19,466	20,999	18,224
234,643 3,316	230,634 3,313	282,310 3,286	229,114 3,321	220,793 3,332	213,870 3,423
1,458,384 3,299	1,528,677 3,289	1,569,050 3,291	1,553,392 3,302	1,562,151 3,325	2,253,570 3,392

CITY OF LIVINGSTON, TEXAS
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

FUNCTION/PROGRAM	Fiscal Year			
	2011	2012	2013	2014
Police				
Patrol Units	10	16	16	16
Fire				
Stations and substation	3	3	3	3
Vehicles including fire trucks	17	17	15	17
Paving and Street				
Miles of Paved Streets	58.06	58.06	58.06	58.06
Miles of Paved Sidewalks	12.50	12.50	12.50	12.50
Street lights	818	824	819	821
Night lights	435	452	452	467
Parks & Recreation				
Acres of Parks	373.50	373.50	373.50	373.50
Water				
Miles of water mains	45.25	45.78	45.78	46.63
Storage capacity-gallons	2,150,000	2,150,000	2,150,000	3,150,000
Sewer				
Miles of sewer lines	80.00	80.00	80.75	80.75

Sources: Various City Departments

2015	2016	2017	2018	2019	2020
17	17	19	19	19	17
3 15	3 15	4 15	4 16	4 15	4 15
58.06 12.50 826 463	59.06 12.50 828 472	59.06 12.50 828 481	59.06 12.50 830 483	59.06 12.50 832 474	59.16 12.50 835 476
373.50	373.50	373.50	373.50	373.50	373.50
47.43 3,300,000	48.18 3,300,000	48.49 3,300,000	48.51 3,300,000	49.71 3,300,000	49.71 3,850,000
81.30	81.60	81.60	81.60	81.72	81.72

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MISCELLANEOUS STATISTICAL DATA - UNAUDITED

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITED

DATE OF INCORPORATION:	October 3, 1902
GOVERNMENT:	General Law City Council - Manager Elected Officials: Mayor Five (5) Council members
POPULATION:	1990 U.S. Census - 5,019 2000 U.S. Census - 5,433 2010 U.S. Census - 5,335

INCORPORATED AREA IN ACRES LAST TEN YEARS

2011	5,572	2016	5,572
2012	5,572	2017	5,572
2013	5,572	2018	5,572
2014	5,572	2019	5,572
2015	5,572	2020	5,572

TRANSPORTATION FACILITIES

<u>Streets</u> 59.16 Miles paved street 9.75 Unpaved streets 10.50 Miles undeveloped streets 12.50 Miles sidewalk	<u>Railways</u> Union Pacific RR Company
<u>Highways</u> U.S. 59 and U.S. 190 Intersect in Downtown Area. Also serve as principal city streets	<u>Municipal Airport</u> Runway - 3,700' paved Windsocks, tie downs, telephone Privately owned hangars Airport lighted

WATER AND SANITATION FACILITIES

<u>Water Mains</u> 12" 9.55 miles 8" 14.16 miles 6" 21.65 miles 20" 4.35 miles	<u>Water Storage</u> Elevated - 2,200,000 gallons Ground - 1,650,000 gallons
<u>Water Pumpage</u> Present requirements 2,272,000 gallons per day	<u>Sewer Lines</u> Sanitation - 81.72 miles of line Storm - Adequate for proper drainage

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITED**PERSONNEL**

<u>Department</u>	<u>Number of Employees</u>	<u>Employees Statistics</u>	
		<u>Years of Service</u>	<u>Number of Employees</u>
Administrative	10	31+	4
Electric	6	20-30	13
Water	10	15-19	9
Sewer	4	10-14	11
Police	29	6-9	18
Street	6	1-5	16
Parks and Recreational	7	Less than (one) 1 year	<u>13</u>
Library	4		
Garage	2		<u>84</u>
Community Devel.	2		
Fire	1		
Main Street	1		
Trade Days	2		
Total	<u>84</u>		

PERSONNEL POLICY PROVISIONS

Cost of Living Salary Adjustment

Paid insurance Benefits - all regular (40 Hours plus) full-time employees and portion of dependents (hospitalization and life insurance, dental and vision prescription cards).

Merit System (all regular full-time employees)

Retirement Benefits ratio match 2:1

Paid vacation (80 hours after one year)

Social Security/Medicare

(120 hours after 10 years)

Volunteer Program (MVP)

(160 hours after 20 years)

Sick Leave Pool

Paid sick leave (80 hours) with 240 hours accrual

Holiday Compensation

Paid Holidays (Eleven)

Law Enforcement Certificate Pay

Bereavement Leave (24 hours)

Telecommunication Officer Certificate Pay

Earned personal leave days (Two)

Paid uniforms for all service personnel

Award program-Annual banquet, safety,

Healthy initiative program

service, attendance, and volunteer awards

Water/Wastewater Certificate pay

Education tuition reimbursement

Family Leave (FMLA)

Workers Compensation Program

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITED

<u>POLICE PROTECTION</u>	
<u>Personnel</u>	
One (1) Chief	One (1) Municipal Court Judge
One (1) Lieutenant	One (1) Secretary/Comm. Spv
Four (4) Sergeants	One (1) Municipal Court Clerk
Two (2) Detectives	One (1) Records Clerk
Nine (9) Officers	One (1) Associate Municipal
Two (2) Reserve Officers	Court Judge
Four (4) Telecommunication Officers	
One (1) Relief Telecommunication Officer	
One (1) Animal Control Officer	
Four (4) School Officers	
	<u>Equipment</u>
	Seventeen (17) Patrol Units
	Eleven (11) Radars
	Radio Communication System
	Computer System
	<u>Traffic and Criminal Violations</u>
	\$141,883 fines collected
	2,988 violations
<u>FIRE PROTECTION</u>	
<u>Personnel</u>	
One (1) Fire Chief	<u>Housing</u>
Thirty-eight (38) volunteer firemen	1992 Station 1 - 8 Truck bays, 2 offices
Two (2) radio dispatchers - full time and (standby-PD)	1 classroom, and 1 workroom
One (1) secretary	
<u>Equipment</u>	
Five (5) pumbers (4-1250 GPM; 1-750 GPM)	1996 Station 2 - 5 Truck bays
One (1) aerial ladder truck (2000 GPM)	2007 Station 3 - 2 Truck bays
Two (2) tankers (3000 gal. capacity)	2016 Station 4 - 4 Truck bays
Two (2) rescue boats and equipment	
One (1) Command Post-32' self-contained	
Radio communication system including 50 mobile units, dispatch module and 6 remotes	
"Jaws" of life (6 sets with 2 set of air bags)	Fire Training Field - Used for live fire training and other rescue classes
Water rescue equipment	
Trench rescue equipment	
Rope rescue equipment	
Four (4) Thermal imagers	
Two (2) utility vehicles	
Three (3) Grass/brush fire trucks	<u>Total Fire Calls</u>
One (1) Heavy Rescue	2019-2020 - 631 fire calls
1-6 Bottle cascade system-light tower	
1-8 Bottle cascade system	
300 gallons AFFF Foam	
200 gallons Forestry Foam	
One (1) John Deere Gator	
One (1) Skid Unit	
	50 gallons Micro Blaze
	65 self-contained air packs
	6 generators
	8 entry saws
	Hazardous material equipment
	3 Ventilation saws
	3 Metal cutoff saws
	3 450 GPM Float Pumps

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITED

POPULATION INFORMATION

U.S. Census - 1940	1,851
U.S. Census - 1950	2,855
U.S. Census - 1960	3,398
U.S. Census - 1970	3,925
U.S. Census - 1980	4,928
U.S. Census - 1990	5,019
U.S. Census - 2000	5,433
U.S. Census - 2010	5,335

ENTERPRISES AS OF SEPTEMBER 30, 2020

(1) CenterPoint Energy	Gas Utility	Active Customers 1,160 Inactive Customers N/A
(1) LivCom	Telephone System	Access Lines - 3,218
(1) LivCom	Television Cable	Customers - 389
City of Livingston	Electric & Water Systems	Electric Customers 3,423 Water Customers 3,392
(1) Information provided by individual corporate offices		

CITY ELECTRIC DEPARTMENT STATISTICS (LAST TEN YEARS)

Fiscal Year	Number of Customers	KWH Consumed		Total
		Residential	Commercial	
2011	3,286	31,409,976	57,409,721	88,819,697
2012	3,295	28,116,445	54,774,790	82,891,235
2013	3,310	28,768,370	55,921,446	84,689,816
2014	3,320	29,358,471	55,428,091	84,786,562
2015	3,316	29,362,807	56,282,603	85,645,410
2016	3,313	28,627,609	55,553,783	84,181,392
2017	3,286	27,095,100	55,533,800	82,628,900
2018	3,321	29,401,722	54,224,892	83,626,614
2019	3,332	26,887,498	53,701,934	80,589,432
2020	3,423	29,162,337	48,900,108	78,062,445

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITEDMUNICIPAL SALES TAX

2010-11	\$ 3,185,997
2011-12	\$ 3,275,321
2012-13	\$ 3,730,723
2013-14	\$ 3,431,399
2014-15	\$ 3,488,475
2015-16	\$ 3,597,499
2016-17	\$ 3,759,664
2017-18	\$ 4,055,937
2018-19	\$ 3,888,574
2019-20	\$ 4,188,740

WATER DEPARTMENT STATISTICS (LAST TEN YEARS)

Year	Gallons Consumed *	Gallons Pumped
2011	588,020,000	778,293,000
2012	550,208,000	704,187,000
2013	547,014,000	705,194,000
2014	538,997,000	676,494,000
2015	532,310,000	678,095,000
2016	567,570,000	765,176,000
2017	558,662,000	783,696,000
2018	566,988,000	809,890,000
2019	573,640,000	857,890,000
2020	551,010,000	829,335,000

* Water consumption at municipally-owned facilities not included.

* EDUCATIONAL FACILITIESPublic Schools

Cedar Grove Elementary (Pre-K - 3)
 Timbercreek Elementary (Pre-K - 3)
 Pine Ridge Primary (Pre-K - Kindergarten)
 Creekside Elementary (Grade 1-5)
 Livingston Intermediate School (Grades 4-5)
 Livingston Jr. High School (Grades 6-8)
 Livingston High School (Grades 9-12)
 Livingston Special Education and Cooperative Training (Adult Education-Special Services)

Public School Miscellaneous Data

Teachers - 269.5 Certified
 78 Aides Para Professional
 21 Auxiliary
 Average Daily Attendance - 3,829 Inclusive

Public School Administrative Personnel

Superintendent - One (1)
 Chief Officers - Two (2)
 Principals - Seven (7)
 Asst. Principals - Eleven (11)
 Counselors - Eight (8)
 Directors of Special Prog./Curriculum - Five (5)
 Other - None (0)
Private
 Private Kindergarten and/or Nursery Schools - Three (3)
College
 Angelina Junior College/
 Polk County Commerce Center Fall 2020 Enrollment 217**

* Information provided by Livingston Independent School District Business Office.

** True enrollment is not available due to COVID-19 restrictions.

CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITED**CULTURAL AND RECREATIONAL ACTIVITIES**Barney Wiggins Fairgrounds

Sixty (60) Acres, Highway 146, South
 Rodeo Arena and Concession Stand
 Little League Baseball Complex - 5 lighted fields
 Concessions and restrooms
 Trailer Camp Sites, Livestock
 Pavilion and Grandstands

Matthews Park

Eight-five (85) Acres, West
 Matthews Street, Picnic Area, Playground
 Equipment, Four (4) Lighted Tennis Courts,
 Two (2) Picnic Pavilions and .5 mile lighted
 Jogging trail with exercise stations,
 Junior Olympic pool constructed in 1992,
 Bathhouses and Volleyball court.
 9-hole golf course

Livingston Municipal Library

Located at 707 North Tyler Avenue. Opened
 at new location May 2014 valued at \$2,500,000.
 Staff-Professional Librarian, Three (3) Assistants,
 Janitorial help.
 Volumes; 2020 - 18,224

Joe Pedigo City Park

224 acres U.S. 59 Bypass, Phase I -
 approximately 50 acres-completed
 May, 1990. Baseball and softball
 fields, soccer fields, covered picnic
 shelters and concession stand.
 Phase II completed in 1999 Trade
 Days pavilions (2) and infrastructure,
 4 softball fields, concession
 stand, restrooms, maintenance shop,
 and two (2) ponds.
 Added two (2) Football Fields in 2015

ELECTION INFORMATION

* Number of registered voters in County November 2020	40,667
* Number voting in last general election November 2020	24,165
Number of registered voters in City 2020	3,204
** Number voting in last Municipal election (May 2016)	247
Percentage of voters voting:	
Last general election (County) (November 2020)	59.42%
** Last Municipal election (Municipal) (May 2016)	7.7%

* Information provided by Texas Office of Secretary of State and Polk County Tax Office.

** Information provided by City of Livingston.

CITY OF LIVINGSTON, TEXAS
CITY OFFICIALS
For the Year Ended September 30, 2020

Name	Title	Amount of Surety Bond
Judy Cochran	Mayor	\$ 25,000
Alan Cook	Mayor Pro-tem	25,000
Raymond Luna	Alderman	25,000
Elgin Davis	Alderman	25,000
Marion Smith	Alderman	25,000
Clarke Evans	Alderman	25,000
Billy S Wiggins	City Manager	25,000
Patricia Crawford	City Finance Director	25,000
Ellie Monteaux	City Secretary/Asst. City Manager	25,000
James Wright	City Attorney	25,000

NOTE: All employees are covered by Public Employees Blanket Bond in the amount of \$25,000.