

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

**FISCAL YEAR  
OCTOBER 1, 2021 - SEPTEMBER 30, 2022  
ISSUED BY: FINANCE DEPARTMENT  
LINNETTE BARKER**

**CITY OF LIVINGSTON, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
SEPTEMBER 30, 2022**

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# *City of Livingston, Texas*

A Texas Main Street City Since 2005

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[www.cityoflivingston-tx.com](http://www.cityoflivingston-tx.com)

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March 14, 2022

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

City of Livingston Mayor and City Council:

The Annual Comprehensive Financial Report (ACFR) of the City of Livingston for the fiscal year ended September 30, 2022 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.

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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.

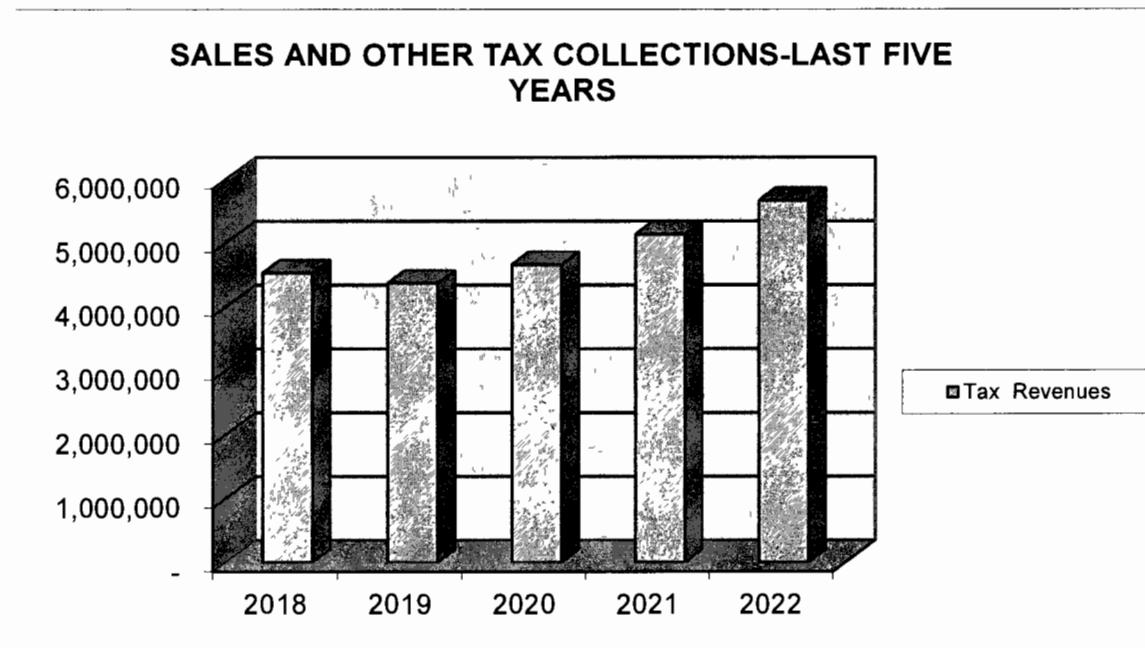
In accordance with the State Laws of Texas, the City has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the department head/function level. Financial reports are produced showing budget and actual expenditures by line item, and are distributed 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 \$1,000 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 an increase in most economic indicators in 2022. Sales tax revenue, a major indicator of the economic condition of the area, increased from \$4,667,000 to \$5,209,000, an increase of \$542,000 or 11.6%. The increase was due to overall improved economic activity.

In fiscal 2022, hotel occupancy tax and sanitation service remained unchanged from 2021, gross receipts and franchise fees decreased by 11.5%, municipal court fines increased by 5.4%, and parks and recreation and library user fees increased by 43.0%.

A graph of tax receipts follows:



The Utility Fund revenues, including electric and water sales increased in 2022 due to the continued growth of the community. Electric sales increased by 10.6% from \$9,108,192 in fiscal year 2021 to \$10,688,938 in fiscal 2022. The total gallons of water consumed in the city decreased 4.24% from 578,998,000 gallons in fiscal year 2021 as compared to 576,546,000 gallons in fiscal year 2022. The TDCJ Polunsky Unit continued as the City's largest water and wastewater user consuming 258,422,200 gallons of water with the IAH federal detention facility, located on FM 350 South, as the second largest water and wastewater user consuming 19,423,000 gallons of water. Together, these two facilities represent 64.54% of water and sewer consumption, or 277,845,200 gallons of the total water consumed in fiscal year 2022.

#### Economic Development

A total of 41 building permits were issued by the City for commercial and residential construction projects in calendar year 2022 with a total construction value of \$28,888,158. 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.

During the fiscal 2022 the City added the construction of a new Taco Bueno, Wendy's franchise, the buildout of five (5) new lease spaces on West Church Street and a new concession stand at the local high school. Entering 2023 we have the following construction projects pending:

- \$12.5mm renovation of our courthouse located within the city.
- Construction of a new C-Store with the possibility of a Tesla Supercharging Station.
- Construction of a new 64-unit apartment complex.
- Construction of a new Memory Care facility with 16 residential rooms.
- Construction of a new Bakery & Coffee Bar
- Construction of a new John Deere Dealership with a Turf business. (King Ranch, Inc.)

- The completion and opening of an 80-unit apartment complex on Dogwood.
- Renovation of a former Law Office into a Venue / Event Facility.
- \$3.5mm major remodel of the local Wal-Mart store.

## Capital Projects

- Construction of two (2) new elevated water storage tanks were completed and are operating. The Walnut Street tank has a capacity of 400,000 gallons while the West Street tank has a capacity of 150,000 gallons. The City 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 is completed and operating.
- The City purchased two (2) fully equipped Patrol cars for the Police Department.
- The City installed GPS Tracking software and hardware in all patrol vehicles to assist dispatch with emergency monitoring of units.
- Continued preventive maintenance of limbs for the Electric Department.
- Continued manhole rehabilitation and sewer line installation for the Sewer Department.
- To provide more electric power and capacity to the south part of the City some electric line reconductoring was completed on South Washington Street.

The fiscal year 2023 includes the following major capital improvement projects:

- A new fire engine for the Fire Department.
- Installation of AMI (Smart Meters) for the Water and Electric Departments.
- Rehabilitation of a UV System at the Sewer Treatment Plant.
- A 860' storm drain to be installed from Milam Street to Anniversary Park.

## Future Economic Outlook

The City has been working to improve our infrastructure in anticipation of the expected growth that is coming to the community. The City sits geographically at the intersection of I-69 and Hwy 190 (soon to be I-14) and located just an hour away from the city of Houston.

The City offers its citizens that small town feeling with recreation such as Lake Livingston and the Naskila Entertainment Gaming Center on the Indian Reservation located 17 miles east of the City adding a boost to our local tourism and employment in the area. The U.S. Supreme Court recently ruled that the Alabama-Coushatta Tribe of Texas could continue to operate the Naskila Gaming facility allowing them to expand their operations to eventually include a full-fledged casino, hotel and golf-course. Currently the Naskila Entertainment Gaming Center employs 475 people.

The Polk County Economic Development Committee hired an Executive Director, Mr. John Tarver, who will be officed temporarily in the City library. Mr. Tarver is highly regarded in the economic development field and we look forward to working with him to bring new manufacturing and industrial facilities to the community.

We are excited about the prospects for the new year. We expect continued growth, increased sales tax revenue, along with electric, water and sewer revenues. With this growth will come new challenges including adequate housing, traffic and crime, but we feel that we have the right people with the right vision in place to handle these challenges and continue to make the City a great place to call home.

## 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 are insured and collateralized with securities held by the City's agent in the City's name. The City added assets to its money market funds and a government investment pool in 2022. 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 control related to their duties. Risk control techniques have been established to reduce losses to property owned or under the control of the City. 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 changes in ratings.

## OTHER INFORMATION

### Independent Audit

The financial records, books of account, and City transactions for the fiscal year ended September 30, 2022, 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 annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the thirty-fourth consecutive year (fiscal years ended 1988-2021) 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 annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one year period only. We believe that our current annual comprehensive 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,

  
Linnette Barker  
Finance Director

**CITY OF LIVINGSTON, TEXAS**

**September 30, 2022**

**PRINCIPAL OFFICIALS**

**City Council**

Mayor	Judy Cochran
Mayor Pro-tem	Alan Cook
Alderman	Raymond Luna
Alderman	Elgin Davis
Alderman	Marion Smith
Alderman	Clarke Evans

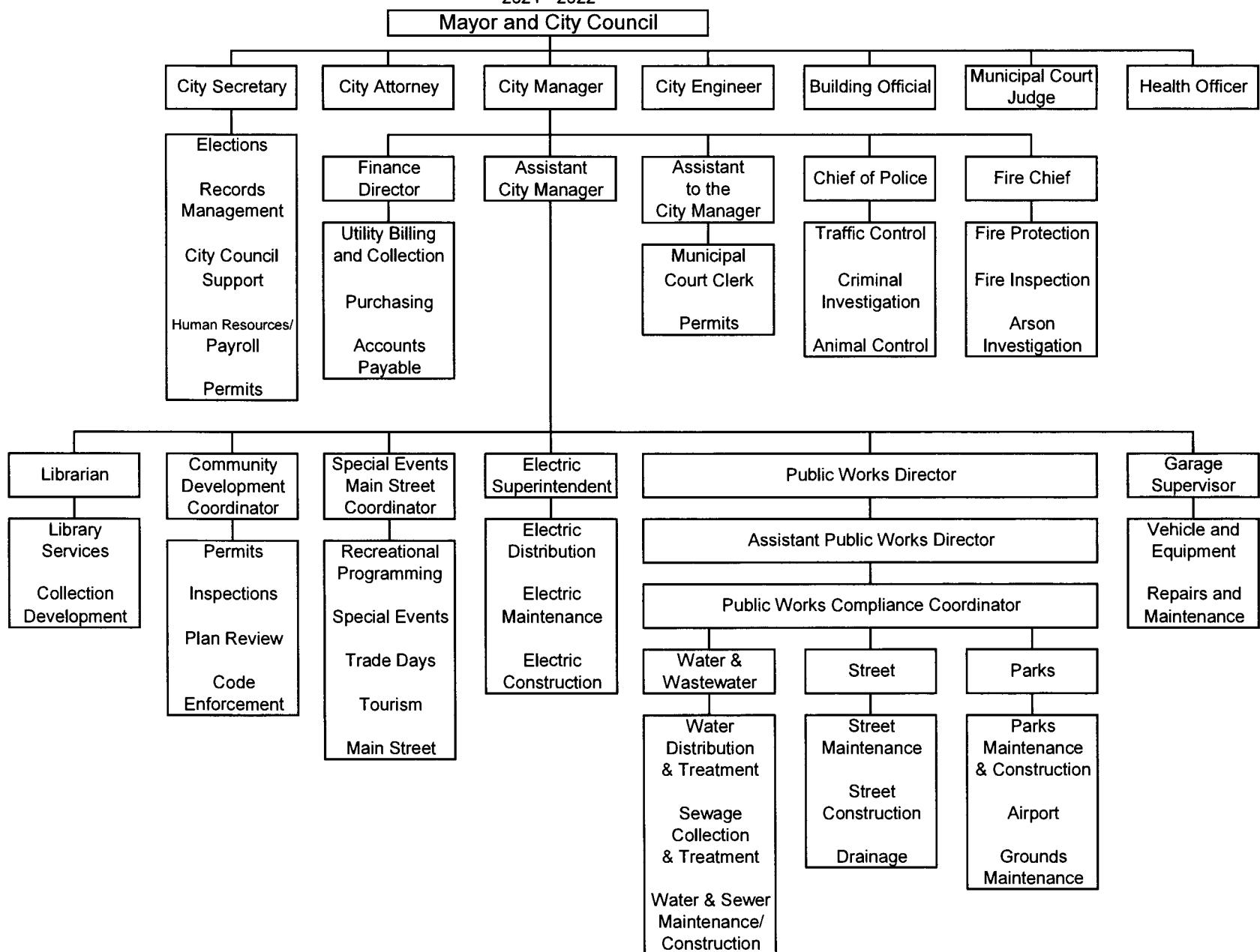
**Administration**

City Manager	Billy S. Wiggins
City Finance Director	Linnette Barker
City Secretary	Ellie Monteaux
City Attorney	James Wright

**Form of Government**

Council - Manager  
General Law City

**CITY OF LIVINGSTON, TEXAS  
ORGANIZATIONAL CHART  
2021 - 2022**





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Livingston  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2021

*Christopher P. Morrill*

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

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of the governmental activities, business-type activities, and major fund of the City of Livingston, Texas, (the City) as of and for the year ended September 30, 2022, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the major fund of the City of Livingston, Texas as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

**Basis for Opinion**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement

when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages 5-13 and the schedules of changes in net pension liability, contributions, changes in total other postemployment benefits on pages 53-58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison schedules and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion the budgetary comparison schedules and individual fund financial statements are fairly stated, in all material respects in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical information, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Harper & Pearson Company, P.C.*

HARPER & PEARSON COMPANY, P.C.

Houston, Texas  
March 14, 2023

## **CITY OF LIVINGSTON, TEXAS**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SEPTEMBER 30, 2022**

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, 2022. 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 \$1,352,000 or 10.9% as a result of the year's operations, and transfers from the City's business type activities. The operating results declined slightly from 2021, and reflected a loss of \$138,000 before transfers. The expenses of the various departments were higher than 2021 reflecting an increase of \$237,000. Net position of the City's business type activities increased by \$11,781,000 or 23.5% during 2022. The increase was primarily a result of a one-time transfer of assets from the Sam Rayburn Municipal Power Agency during 2022 along with an increase in operating results from the business type activities. The operating results for the business type activities increased by approximately \$3,685,000 or 63.3% primarily due to an increase in electricity sales and recoveries and a reduction in electricity costs. Deferred outflows of resources that relate primarily to the City's participation in the Texas Municipal Retirement System decreased in total from \$695,798 in 2021 to \$605,954 in 2022 due to reduced contributions after December 31, 2021 and reduced actuarial differences. Deferred inflows of resources increased by \$1,576,276 due to higher than expected investment returns for the pension plan and additional federal funds received that are restricted to use for water and sewer system improvements.
- The City's total net position increased by \$13,133,000 or 21.0% during the current fiscal year. The increase is the result of the changes described above.
- Total cost of the City's government programs increased \$237,000 or 3.0%. Expenses decreased in the police, and paving and street departments while increasing in the administrative, sanitation, fire, parks and recreation, library and garage departments. The largest contributors to the increase were increased sanitation costs of \$132,000 due to an increase in the cost of supplies and contract disposal services, increased parks and recreation costs of \$64,000 due to an increase in gas and oil costs along with increased repairs and maintenance.
- As of September 30, 2022, the City of Livingston's governmental fund reported an ending fund balance of \$5,043,000, an increase of \$1,129,000 from the prior fiscal year. The increase is due primarily to an increase in sales tax revenues of \$542,000 and an increase in transfers from the City's business type activities.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,013,000 or approximately 59.4% of total general fund expenditures.

#### **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, 2022

The City of Livingston maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is considered to be a major fund.

- 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 41-45 of this report. Information regarding the City's OPEB can be found in footnote 8, pages 45-47 of this report.

### **THE CITY AS A WHOLE - Government-Wide Financial Analysis**

The City's combined net position was \$75,643,000 as of September 30, 2022. Analyzing the net position of governmental and business-type activities separately, the business type activities net position is \$61,827,000. 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 (54.18%) 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 is 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, 2022

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

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 5,391,071	\$ 4,978,222	\$ 34,674,873	\$ 26,913,805	\$ 40,065,944	\$ 31,892,027
Capital assets	<u>10,195,637</u>	<u>10,451,397</u>	<u>47,977,074</u>	<u>44,210,831</u>	<u>58,172,711</u>	<u>54,662,228</u>
Total Assets	15,586,708	15,429,619	82,651,947	71,124,636	98,238,655	86,554,255
Deferred Outflows	<u>412,293</u>	<u>478,643</u>	<u>193,661</u>	<u>217,335</u>	<u>605,954</u>	<u>695,978</u>
Total assets and deferred outflows of resources	<u>15,999,001</u>	<u>15,908,262</u>	<u>82,845,608</u>	<u>71,341,971</u>	<u>98,844,609</u>	<u>87,250,233</u>
Long-term debt outstanding	-	-	17,190,000	17,950,000	17,190,000	17,950,000
Other liabilities	<u>1,078,724</u>	<u>2,292,090</u>	<u>1,934,562</u>	<u>3,076,392</u>	<u>3,013,286</u>	<u>5,368,482</u>
Total Liabilities	1,078,724	2,292,090	19,124,562	21,026,392	20,203,286	23,318,482
Deferred Inflows	<u>1,103,468</u>	<u>1,151,817</u>	<u>1,894,471</u>	<u>269,846</u>	<u>2,997,939</u>	<u>1,421,663</u>
Total liabilities and deferred inflows of resources	<u>2,182,192</u>	<u>3,443,907</u>	<u>21,019,033</u>	<u>21,296,238</u>	<u>23,201,225</u>	<u>24,740,145</u>
Net position (deficit):						
Net investment in capital assets	10,195,637	10,451,397	30,787,074	26,260,831	40,982,711	36,712,228
Restricted	30,202	-	1,731,648	1,117,576	1,761,850	1,117,576
Unrestricted	<u>3,590,970</u>	<u>2,012,958</u>	<u>29,307,853</u>	<u>22,667,326</u>	<u>32,898,823</u>	<u>24,680,284</u>
Total net position	<u>\$ 13,816,809</u>	<u>\$ 12,464,355</u>	<u>\$ 61,826,575</u>	<u>\$ 50,045,733</u>	<u>\$ 75,643,384</u>	<u>\$ 62,510,088</u>

A portion of the City's net position (2.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$32,898,823 may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2022, the City is able to report positive balances in all three categories of net position.

City of Livingston, Texas  
Management's Discussion and Analysis (continued)  
September 30, 2022

The governmental activities total assets increased by \$157,000. This increase was primarily related to increased cash balances and an increase in sales tax receivable. The long-term debt of the business type activities decreased by \$760,000 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 \$13,133,296 primarily due to recoveries from the Cambridge project, a special one-time transfer of assets from the Sam Rayburn Municipal Power Agency along with a decrease in operating costs, and an increase in sales tax revenue.

### **Governmental Activities**

Governmental activities increased net position by \$1,352,454 primarily from transfers from the Electric, Water and Sewer Fund. Net position invested in capital assets, net of related debt decreased by \$255,760 or 2.4% as a result of depreciation exceeding the investment in equipment, buildings, and infrastructure during the year. Unrestricted net position increased by \$1,578,012 once again as a result of transfers from the Electric, Water and Sewer Fund.

Total revenues for governmental activities decreased from the previous year by \$312,000. The primary decrease was in grants received of \$236,092 and a decrease in administrative recoveries. Expenses increased by 3.0% and generally increased in most departments.

### **Business-Type Activities**

Net position from business-type activities increased by \$11,780,842 or 23.5% from \$50,045,733 in 2021 to \$61,826,575 in 2022. The increase was primarily due to an increase in electric revenues of approximately \$1,000,000, a decrease in electric expenses of approximately \$1,600,000 and \$4,000,000 in recoveries 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) along with a transfer of \$3,000,000 for operating and maintenance of the special one-time transfer of certain assets valued at \$3,652,149.

The following table provides a summary of the City's operations for year ended September 30, 2022 with comparative totals for year ended September 30, 2021.

City of Livingston, Texas  
 Management's Discussion and Analysis (continued)  
 September 30, 2022

**Table 2**  
**City of Livingston's Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 2,288,744	\$ 2,897,569	\$ 24,286,269	\$ 22,022,739	\$ 26,575,013	\$ 24,920,308
Capital Grants & Contributions	-	-	-	10,058	-	10,058
Operating Grants & Contributions	91,630	327,722	-	-	91,630	327,722
General Revenues:						
Property tax	-	-	-	-	-	-
Sales tax	5,209,435	4,667,079	-	-	5,209,435	4,667,079
Franchise tax	118,774	134,243	-	-	118,774	134,243
Hotel/Motel tax	337,814	333,636	-	-	337,814	333,636
Investment earnings	4,305	2,466	110,498	9,121	114,803	11,587
<b>Total Revenues</b>	<b>8,050,702</b>	<b>8,362,715</b>	<b>24,396,767</b>	<b>22,041,918</b>	<b>32,447,469</b>	<b>30,404,633</b>
<b>Expenses:</b>						
Administration	624,095	608,012	-	-	624,095	608,012
Sanitation	971,774	839,771	-	-	971,774	839,771
Fire	662,911	615,684	-	-	662,911	615,684
Police	2,466,594	2,544,742	-	-	2,466,594	2,544,742
Paving & Street	1,332,002	1,358,565	-	-	1,332,002	1,358,565
Parks & Recreation	1,237,130	1,173,597	-	-	1,237,130	1,173,597
Library	550,599	505,850	-	-	550,599	505,850
Garage	343,438	305,285	-	-	343,438	305,285
Interest on long-term debt	-	-	-	-	-	-
Electric, Water, and Sewer	-	-	14,777,779	16,209,267	14,777,779	16,209,267
<b>Total Expenses</b>	<b>8,188,543</b>	<b>7,951,506</b>	<b>14,777,779</b>	<b>16,209,267</b>	<b>22,966,322</b>	<b>24,160,773</b>
<b>Excess (deficiency) before transfers and Special item</b>						
Special item	(137,841)	411,209	9,618,988	5,832,651	9,481,147	6,243,860
Transfers, net	1,490,295	718,490	(1,490,295)	(718,490)	-	-
<b>Increase (decrease) in net position</b>						
Net position - October 1	1,352,454	1,129,699	11,780,842	5,114,161	13,133,296	6,243,860
Net position - September 30	<b>\$ 13,816,809</b>	<b>\$ 12,464,355</b>	<b>\$ 61,826,575</b>	<b>\$ 50,045,733</b>	<b>\$ 75,643,384</b>	<b>\$ 62,510,088</b>

## **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 fund reported an ending fund balance of \$5,043,183. Approximately 99.4% of the total amount (\$5,012,981) 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 (\$30,202) capital improvements.

The unassigned fund balance of the general fund increased by \$1,126,099 from the prior year. The increase was the result of transfers from the Electric Water and Sewer fund along with increased sales tax revenue. The restricted fund balance of the general fund increased by \$2,607 from the prior year. The increase was due to contributions of library memorials during the year.

In the general fund, the City budgeted for a decrease of approximately \$205,000 on a GAAP basis. Due to an increase in sales tax revenues in September, a deferral of certain street projects, and an increase in transfers from the proprietary fund the actual results were \$1,333,000 above what was budgeted.

### **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 \$29,307,853. Total unrestricted net position increased in 2022 by \$6,640,527. As previously described, the increase compared to 2021 in the net position was primarily the result of electric recoveries from the Cambridge Project, additional funds received from Sam Rayburn Municipal Power Agency along with the special transfer of assets.

### **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 \$425,000 or 5.9%. The increase in budgeted revenues was primarily for an increase in sales tax revenues. Budgeted expenditures were decreased by \$634,100 or 6.9%. The decrease in budgeted expenditures were primarily for decreased administrative expense for building demolitions and police department salaries and reduced parks improvements. The largest differences between budgeted amounts and actual results were sales tax revenues of the general fund exceeded the budget by \$234,000 as a result of increased economic activity. The budgeted expenses for the paving and street department exceeded actual expenditures by \$506,675 due to certain budgeted street projects being deferred by the City due to weather delays.

City of Livingston, Texas  
 Management's Discussion and Analysis (continued)  
 September 30, 2022

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of the fiscal year 2022, the City had \$58,172,711 (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 6.4% (2.5% decrease for governmental activities and a 8.5% increase in business-type activities) (See Table 3).

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

	Governmental Activities		Business-Type Activities		Totals 2022	Totals 2021
	2022	2021	2022	2021		
Land	\$ 476,004	\$ 476,004	\$ 694,222	\$ 694,222	\$ 1,170,226	\$ 1,170,226
Water Rights	-	-	17,190,000	17,950,000	17,190,000	17,950,000
Buildings and improvements	3,181,449	3,388,391	348,132	239,737	3,529,581	3,628,128
Equipment and fixtures	1,694,031	1,811,177	642,293	519,736	2,336,324	2,330,913
Paving, sidewalks and streets	3,840,765	3,808,110	-	-	3,840,765	3,808,110
Parks development	922,643	874,809	-	-	922,643	874,809
Airport						
improvements	80,745	92,906	-	-	80,745	92,906
Utility systems	-	-	29,102,427	24,807,136	29,102,427	24,807,136
Total	<u>\$ 10,195,637</u>	<u>\$ 10,451,397</u>	<u>\$ 47,977,074</u>	<u>\$ 44,210,831</u>	<u>\$ 58,172,711</u>	<u>\$ 54,662,228</u>

This year's major additions included:

Various street improvements	\$ 589,000
Utility System Improvements	1,171,494
Electric grid assets transferred from Sam Rayburn Municipal Power Agency	3,652,149
Total	<u>\$ 5,412,643</u>

The City's fiscal year 2022 capital budget calls for it to spend another \$12,821,500 for capital projects, principally for fire equipment (\$805,000), police equipment (\$113,000), street improvements (\$1,605,000), parks improvements (\$300,000), garage storage sheds (\$185,000), and electric, water and sewer system improvements (\$9,673,500). Additional information on the City of Livingston's capital assets can be found in footnote 6 on pages 39-41 of this report.

## **Debt**

At year-end, the City had no bonds outstanding. The City's continues 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 any debt obligations through sales tax receipts and other general revenues along with electric, water and sewer revenues.

## **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 2022-2023 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 2022-2023 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 16.05% of the City's total annual operating revenue. For the fiscal year ending September 30, 2022, we are happy to report that our sales tax revenue increased by 11.60%. 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 74.85% of the City's total annual operating revenue. The beginning of fiscal 2023 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.

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 2023, 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**

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**CITY OF LIVINGSTON, TEXAS**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

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	<b>PRIMARY GOVERNMENT</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 4,538,927	\$ 5,817,167	\$ 10,356,094
Certificates of deposit	-	5,000,000	5,000,000
Investments	-	20,131,480	20,131,480
Receivables:			
Returned checks receivable	143	26,742	26,885
Paving accounts receivable	17,277	-	17,277
Taxes receivable	834,724	-	834,724
Utility accounts receivable	-	1,967,836	1,967,836
Restricted assets - cash	-	1,731,648	1,731,648
Capital assets (net of accumulated depreciation):			
Land	476,004	694,222	1,170,226
Buildings and improvements	3,181,449	348,132	3,529,581
Equipment and fixtures	1,694,031	642,293	2,336,324
Paving, sidewalks and streets	3,840,765	-	3,840,765
Parks development	922,643	-	922,643
Airport improvements	80,745	-	80,745
Electrical system	-	9,203,663	9,203,663
Water system	-	12,666,358	12,666,358
Sewer system	-	7,232,406	7,232,406
Water service contract rights	-	17,190,000	17,190,000
Total Assets	<u>15,586,708</u>	<u>82,651,947</u>	<u>98,238,655</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Amounts related to pensions and other post postemployment benefits			
Contributions after December 31, 2021	364,224	193,661	557,885
Change in assumptions	48,069	-	48,069
Total Deferred Outflows of Resources	<u>412,293</u>	<u>193,661</u>	<u>605,954</u>
Combined Assets and Deferred Outflows of Resources	<u>\$ 15,999,001</u>	<u>\$ 82,845,608</u>	<u>\$ 98,844,609</u>

See accompanying notes to financial statements

**CITY OF LIVINGSTON, TEXAS**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2022**

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	<b>PRIMARY GOVERNMENT</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 347,888	\$ 1,070,558	\$ 1,418,446
Meter deposits	-	649,275	649,275
Contracts payable-due within one year	-	790,000	790,000
Noncurrent Liabilities Due in More Than One Year:			
Net pension liability	399,566	214,729	614,295
Other post employment benefit liability	331,270	-	331,270
Contracts payable	<u>-</u>	<u>16,400,000</u>	<u>16,400,000</u>
Total Liabilities	<u>1,078,724</u>	<u>19,124,562</u>	<u>20,203,286</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts related to pensions			
Difference in investment returns	1,103,468	593,010	1,696,478
Amounts related to grants	-	1,301,461	1,301,461
Total Deferred Inflows of Resources	<u>1,103,468</u>	<u>1,894,471</u>	<u>2,997,939</u>
Combined Liabilities and Deferred Inflows of Resources	<u>2,182,192</u>	<u>21,019,033</u>	<u>23,201,225</u>
<b>NET POSITION</b>			
Net investment in capital assets	10,195,637	30,787,074	40,982,711
Restricted for:			
System improvements	-	1,364,196	1,364,196
Library Memorials	30,202	-	30,202
Debt service	-	367,452	367,452
Unrestricted	<u>3,590,970</u>	<u>29,307,853</u>	<u>32,898,823</u>
Total Net Position	<u>\$ 13,816,809</u>	<u>\$ 61,826,575</u>	<u>\$ 75,643,384</u>

See accompanying notes to financial statements

**CITY OF LIVINGSTON, TEXAS**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Operating Grants and Contributions</b>
		<b>Charges for Services</b>	<b>Capital Grants and Contributions</b>		
Governmental activities:					
Administrative	\$ 624,095	\$ 186,934	\$ -	\$ 2,500	
Sanitation	971,774	1,331,928	-	-	
Fire	662,911	-	-	80,308	
Police	2,466,594	536,637	-	-	
Paving and street	1,332,002	3,853	-	-	
Parks and recreation	1,237,130	215,809	-	-	
Library	550,599	13,583	-	8,822	
Garage	343,438	-	-	-	
Total governmental activities	<u>8,188,543</u>	<u>2,288,744</u>	<u>-</u>	<u>-</u>	<u>91,630</u>
Business-type activities:					
Electric, water and sewer	<u>14,777,779</u>	<u>24,286,269</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>14,777,779</u>	<u>24,286,269</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 22,966,322</u>	<u>\$ 26,575,013</u>	<u>\$ -</u>	<u>\$ 91,630</u>	
General revenues:					
Taxes					
Sales taxes					
Franchise taxes					
Hotel/Motel taxes					
Unrestricted investment earnings					
Special Item - Assets received					
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**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (434,661)	\$ -	\$ (434,661)
360,154	-	360,154
(582,603)	-	(582,603)
(1,929,957)	-	(1,929,957)
(1,328,149)	-	(1,328,149)
(1,021,321)	-	(1,021,321)
(528,194)	-	(528,194)
(343,438)	-	(343,438)
<u>(5,808,169)</u>	<u>-</u>	<u>(5,808,169)</u>
<u>-</u>	<u>9,508,490</u>	<u>9,508,490</u>
<u>-</u>	<u>9,508,490</u>	<u>9,508,490</u>
<u>(5,808,169)</u>	<u>9,508,490</u>	<u>3,700,321</u>
5,209,435	-	5,209,435
118,774	-	118,774
337,814	-	337,814
4,305	110,498	114,803
-	3,652,149	3,652,149
<u>1,490,295</u>	<u>(1,490,295)</u>	<u>-</u>
<u>7,160,623</u>	<u>2,272,352</u>	<u>9,432,975</u>
<u>1,352,454</u>	<u>11,780,842</u>	<u>13,133,296</u>
<u>12,464,355</u>	<u>50,045,733</u>	<u>62,510,088</u>
<u>\$ 13,816,809</u>	<u>\$ 61,826,575</u>	<u>\$ 75,643,384</u>

See accompanying notes to financial statements

**CITY OF LIVINGSTON, TEXAS**  
**GOVERNMENTAL FUND**  
**BALANCE SHEET**  
**SEPTEMBER 30, 2022**

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	<b>General</b>
<b>ASSETS</b>	
Cash	\$ 4,538,927
Receivables:	
Returned checks receivable	143
Paving accounts receivable	17,277
Taxes receivable	<u>834,724</u>
Total Assets	<u>\$ 5,391,071</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 347,888
Total Liabilities	<u>347,888</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Amounts related to grants	-
Total Deferred Inflows of Resources	-
<b>FUND BALANCES</b>	
Restricted for:	
Library Memorials	30,202
Unassigned	<u>5,012,981</u>
Total Fund Balances	<u>5,043,183</u>
Total Liabilities and Fund Balances	<u>\$ 5,391,071</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

Net pension liability

Net other post employment benefits

Deferred inflows of resources related to pensions for difference in plan experience  
 investment returns, and assumptions

Net position of governmental activities

**Total  
Governmental  
Fund**

---

\$ 4,538,927

143  
17,277  
834,724

\$ 5,391,071

\$ 347,888

347,888

30,202  
5,012,981

5,043,183

10,195,637

412,293  
(399,566)  
(331,270)

(1,103,468)

\$ 13,816,809

**CITY OF LIVINGSTON, TEXAS**  
**GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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	<b>General</b>	<b>Total Governmental Fund</b>
<b>REVENUES</b>		
Taxes:		
Sales taxes	\$ 5,209,435	\$ 5,209,435
Franchise taxes	118,774	118,774
Hotel/Motel taxes	337,814	337,814
Licenses and permits	122,927	122,927
Charges for service	1,590,221	1,590,221
Fines and forfeitures	483,046	483,046
Miscellaneous	220,709	220,709
Total Revenues	<u>8,082,926</u>	<u>8,082,926</u>
<b>EXPENDITURES</b>		
Current:		
Administrative	636,060	636,060
Sanitation	971,533	971,533
Fire	673,470	673,470
Police	2,694,475	2,694,475
Paving and street	1,361,325	1,361,325
Parks and recreation	1,279,871	1,279,871
Library	481,371	481,371
Garage	346,410	346,410
Total Expenditures	<u>8,444,515</u>	<u>8,444,515</u>
Excess of revenues under expenditures	<u>(361,589)</u>	<u>(361,589)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	<u>1,490,295</u>	<u>1,490,295</u>
Total other financing sources	<u>1,490,295</u>	<u>1,490,295</u>
Net change in fund balances	1,128,706	1,128,706
Fund Balances - beginning	<u>3,914,477</u>	<u>3,914,477</u>
Fund Balances - ending	<u>\$ 5,043,183</u>	<u>\$ 5,043,183</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 FUND**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

---

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

Net changes in fund balances - total governmental fund	\$ 1,128,706
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.	(255,759)
Change in the net pension liability reported as a decrease in pension expense in the statement of activities	502,751
Change in the net other post employment benefits reported as an increase in employee insurance expense in the statement of activities	<u>(23,244)</u>
Changes in net position of governmental activities	<u>\$ 1,352,454</u>

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2022**

	<b>Budgeted Amounts GAAP Basis</b>		
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>
<b>REVENUES</b>			
Taxes:			
Sales taxes	\$ 4,500,000	\$ 475,000	\$ 4,975,000
Franchise taxes	145,000	-	145,000
Hotel/Motel taxes	350,000	-	350,000
Licenses and permits	167,000	-	167,000
Charges for service	1,497,000	32,000	1,529,000
Fines and forfeitures	470,000	(80,000)	390,000
Miscellaneous	119,600	(2,000)	117,600
Total Revenues	<u>7,248,600</u>	<u>425,000</u>	<u>7,673,600</u>
<b>EXPENDITURES</b>			
Current:			
Administrative	851,800	(190,800)	661,000
Sanitation	815,000	135,000	950,000
Fire	683,200	8,400	691,600
Police	2,822,000	(71,000)	2,751,000
Paving and street	1,862,500	5,500	1,868,000
Parks and recreation	1,374,300	(102,300)	1,272,000
Library	472,500	7,000	479,500
Garage	360,400	(900)	359,500
Total Expenditures	<u>9,241,700</u>	<u>(209,100)</u>	<u>9,032,600</u>
Deficiency of revenues (over) under expenditures	<u>(1,993,100)</u>	<u>634,100</u>	<u>(1,359,000)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,849,600	(695,100)	1,154,500
Total other financing sources (uses)	<u>1,849,600</u>	<u>(695,100)</u>	<u>1,154,500</u>
Excess of revenues and other financing sources over expenditures and other uses	<u>\$ (143,500)</u>	<u>\$ (61,000)</u>	<u>\$ (204,500)</u>
Fund balance at beginning of year			
Fund balance at end of year			

See accompanying notes to financial statements

<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
\$ 5,209,435	\$ 234,435
118,774	(26,226)
337,814	(12,186)
122,927	(44,073)
1,590,221	61,221
483,046	93,046
220,709	103,109
<u>8,082,926</u>	<u>409,326</u>
636,060	24,940
971,533	(21,533)
673,470	18,130
2,694,475	56,525
1,361,325	506,675
1,279,871	(7,871)
481,371	(1,871)
346,410	13,090
<u>8,444,515</u>	<u>588,085</u>
<u>(361,589)</u>	<u>997,411</u>
<u>1,490,295</u>	<u>335,795</u>
<u>1,490,295</u>	<u>335,795</u>
1,128,706	<u>\$ 1,333,206</u>
<u>3,914,477</u>	
<u>\$ 5,043,183</u>	

See accompanying notes to financial statements

**CITY OF LIVINGSTON, TEXAS**  
**STATEMENT OF NET POSITION PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2022**

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**Business-Type Activities - Enterprise Fund**

	<b>Electric Water and Sewer</b>
<b>ASSETS</b>	
Current assets:	
Cash	\$ 5,817,167
Certificates of deposit	5,000,000
Investments	20,131,480
Restricted assets	
Cash in bank, water and sewer system improvements	1,364,196
Cash in bank, reserve fund	367,452
Receivables:	
Returned checks receivable	26,742
Utility accounts receivable	<u>1,967,836</u>
Total current assets	<u>34,674,873</u>
Noncurrent assets:	
Capital assets:	
Land	694,222
Building and improvements	629,836
Equipment and fixtures	3,260,243
Electrical system	11,575,445
Water system	16,598,986
Sewer system	11,143,450
Water service contract rights	<u>17,190,000</u>
Less accumulated depreciation	<u>(13,115,108)</u>
Net capital assets	<u>47,977,074</u>
Total Assets	<u>82,651,947</u>
Deferred outflows of resources:	
Amounts related to pensions	
Contributions after December 31, 2021	<u>193,661</u>
Total Deferred Outflows of Resources	<u>193,661</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 82,845,608</u>

See accompanying notes to financial statements

**CITY OF LIVINGSTON, TEXAS**  
**STATEMENT OF NET POSITION PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2022**

**Business-Type Activities - Enterprise Fund**

	<b>Electric Water and Sewer</b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 1,070,558
Meter deposits	649,275
Contracts payable	<u>790,000</u>
Total current liabilities	<u>2,509,833</u>
Noncurrent liabilities due in more than one year:	
Net pension liability	214,729
Contracts payable	<u>16,400,000</u>
Total noncurrent liabilities	<u>16,614,729</u>
Total liabilities	<u>19,124,562</u>
Deferred inflows of resources:	
Amounts related to pensions	593,010
Difference in expected and actual experience	<u>1,301,461</u>
Total Deferred Inflows of Resources	<u>1,894,471</u>
Total Liabilities and Deferred Inflows of Resources	<u>21,019,033</u>
<b>NET POSITION</b>	
Net investment in capital assets	30,787,074
Restricted for water and sewer system improvements	1,364,196
Restricted for Trinity River Authority contracts payable	367,452
Unrestricted	<u>29,307,853</u>
Total Net Position	<u>\$ 61,826,575</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, 2022**

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**Business-Type Activities - Enterprise Fund**

**Electric  
Water and  
Sewer**

**Operating revenues**

Charges for sales and services:

Electricity sales	\$ 10,688,938
Water sales	3,266,302
Sewer service charges	2,411,921
Penalties, utilities	164,819
Water tapping fees	42,318
Sewer tapping fees	10,903
Recoveries, electrical	7,303,893
Recoveries, water	240,335
Revenue, night lights	101,105
Service fees	55,735
Total Operating Revenues	<u>24,286,269</u>

**Operating expenses**

Light and Power Department	8,369,124
Water Department	4,841,315
Sewer Department	870,305
Depreciation	697,035
Total Operating Expenses	<u>14,777,779</u>

Operating Income 9,508,490

**Non-operating revenues:**

Interest income 110,498

Income Before Transfers and Special Item 9,618,988

Special Item - Assets Received 3,652,149  
 Transfers Out (1,490,295)

Change in net position 11,780,842

Total net position - beginning 50,045,733

Total net position - ending \$ 61,826,575

**CITY OF LIVINGSTON, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

---

<b>Business-Type Activities - Enterprise Fund</b>	
	<b>Electric Water and Sewer</b>
Cash flows from operating activities:	
Cash received from customers	\$ 23,756,775
Cash payments to suppliers for goods and services	(11,938,500)
Cash payments to employees for services	<u>(1,639,091)</u>
Net cash provided by operating activities	<u>10,179,184</u>
Cash flows from noncapital financing activities:	
Transfers to other funds	<u>(1,490,295)</u>
Net cash used by noncapital financing activities	<u>(1,490,295)</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>(1,571,130)</u>
Net cash used for capital and related financing activities	<u>(1,571,130)</u>
Cash flows from investing activities:	
Purchase of certificate of deposit	(4,000,000)
Purchase of investments	(106,542)
Interest on cash and investments	<u>110,498</u>
Net cash used by investing activities	<u>(3,996,044)</u>
Net Change in Cash and Cash Equivalents	3,121,715
Cash and Cash Equivalents at Beginning of Year	<u>4,427,100</u>
Cash and Cash Equivalents at End of Year	<u>\$ 7,548,815</u>
	(Continued)
Non-cash capital and related financing activities:	
Capital assets received from Sam Rayburn Municipal Power Authority	<u>\$ 3,652,149</u>

**CITY OF LIVINGSTON, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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**Business-Type Activities - Enterprise Fund**

	<b>Electric Water and Sewer</b>
Reconciliation of income from operations to net cash provided by operating activities:	
Income from operations	\$ 9,508,490
Adjustments to reconcile operating net income to net cash provided by operating activities:	
Depreciation	697,035
Change in operating assets and liabilities:	
Returned checks receivable	(2,430)
Utility accounts receivable	(530,380)
Deferred outflows	23,674
Accounts payable	(522,991)
Meter deposits	3,317
Net pension liability	(622,156)
Deferred inflows	<u>1,624,625</u>
Total adjustments	<u>670,694</u>
Net cash provided by operating activities	<u>\$ 10,179,184</u>
Reconciliation of total cash and cash investments:	
Unrestricted	\$ 5,817,167
Restricted	
Cash in bank, water and sewer system improvements	1,364,196
Cash in bank, reserve fund	<u>367,452</u>
Total cash and cash equivalents	<u>\$ 7,548,815</u>

(Concluded)

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

**CITY OF LIVINGSTON, TEXAS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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, 2022.

**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 fund:

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.

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, and Electric, Water and Sewer Funds.
- (5) Budgets for the General, 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, 2022 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 and are carried at cost in the financial statements. In addition, beginning in 2020 the City invested in certain money market funds that are presented at fair value and in an external investment pool whose assets are valued at amortized cost. The external investment 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 or terms of grant agreements, 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 fund and the proprietary fund. 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, 2022.

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.

**Transfers In and Out**

The following is a summary of interfund transfers for the year ended September 30, 2022:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 1,490,295	\$ -
Electric, Water and Sewer Fund	<u>-</u>	<u>1,490,295</u>
<b>Total</b>	<b><u>\$ 1,490,295</u></b>	<b><u>\$ 1,490,295</u></b>

Transfers were made from the Electric, Water and Sewer Fund to the General Fund to compensate for general revenue shortfalls.

**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, 2022 and 2021 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. Money market funds are valued using quoted prices.

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, 2022 and 2021, the City had the following investments:

**September 30, 2022**

Investment Type	Cost	Fair Value	Level	Weighted Average Maturity (Years)
Vanguard Federated Money Market Funds	\$ 10,057,437	\$ 10,057,437	1	
Non-Pooled Certificates of Deposit	5,000,000	5,000,000	2	0.163
<b>Total Fair Value</b>	<b>\$ 15,057,437</b>	<b>\$ 15,057,437</b>		

Investments measured at net asset value (NAV):

NAV  
\$ 10,074,043

**September 30, 2021**

Investment Type	Cost	Fair Value	Level	Weighted Average Maturity (Years)
Vanguard Federated Money Market Funds	\$ 10,015,527	\$ 10,015,527	1	
Non-Pooled Certificates of Deposit	1,000,000	1,000,000	2	0.167
<b>Total Fair Value</b>	<b>\$ 11,015,527</b>	<b>\$ 11,015,527</b>		

Investments measured at net asset value (NAV):

NAV  
\$ 10,009,411

There were no transfers in/out of the fair value hierarchy during the years ended September 30, 2022 and 2021.

Valuation Techniques

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, which are considered level 2, are valued using pricing models and redemption values for

**NOTE 3 DEPOSITS AND INVESTMENTS: (CONTINUED)**

similar assets.

**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, 2022 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 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, 2022.

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 2022.

**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, 2022:

**NOTE 5 DETAIL OF COMBINED ITEMS: (CONTINUED)**

Governmental funds capital outlays	\$ 1,013,845
Governmental funds depreciation expense	<u>(1,269,604)</u>
Amount by which depreciation exceeded capital outlays	<u><u>\$ (255,759)</u></u>
Pension Expense based on contributions	\$ 507,066
Pension Expense based on change in net pension liability	<u>(4,315)</u>
Amount by which pension contributions exceeded pension expense	<u><u>\$ 502,751</u></u>
OPEB Expense based on contributions	\$ 12,617
OPEB Expense based on change in liability	<u>(35,861)</u>
Amount by which OPEB expense exceeded OPEB contributions	<u><u>\$ (23,244)</u></u>

## **NOTE 6 CAPITAL ASSETS:**

Capital asset activity for the year ended September 30, 2022 was as follows:

	(1) Balance October 1, 2021	Additions	Retirements/ Adjustments	Balance September 30, 2022
<b>Governmental Activities:</b>				
Capital assets not being depreciated				
Land	\$ 476,004	\$ -	\$ -	\$ 476,004
Capital assets being depreciated				
Building and Improvements	7,034,692	5,561	-	7,040,253
Equipment and Fixtures	7,852,112	326,988	-	8,179,100
Paving, Sidewalks and Streets	17,768,958	589,232	-	18,358,190
Parks Development	3,895,449	92,064	-	3,987,513
Airport Improvements	762,207	-	-	762,207
Total capital assets being depreciated	<u>37,313,418</u>	<u>1,013,845</u>	<u>-</u>	<u>38,327,263</u>
Less accumulated depreciation for:				
Buildings and Improvements	(3,646,301)	(212,503)	-	(3,858,804)
Equipment and Fixtures	(6,040,935)	(444,134)	-	(6,485,069)
Paving, Sidewalks and Streets	(13,960,848)	(556,577)	-	(14,517,425)
Parks Development	(3,020,640)	(44,230)	-	(3,064,870)
Airport Improvements	(669,301)	(12,160)	(1)	(681,462)
Total accumulated depreciation	<u>(27,338,025)</u>	<u>(1,269,604)</u>	<u>(1)</u>	<u>(28,607,630)</u>
Total capital assets being depreciated, net	<u>9,975,393</u>	<u>(255,759)</u>	<u>1</u>	<u>9,719,633</u>
Governmental activities capital assets, net	\$ 10,451,397	\$ (255,759)	\$ 1	\$ 10,195,637

**NOTE 6 CAPITAL ASSETS: (CONTINUED)**

	Balance October 1, 2021	Additions	Retirements/ Adjustments	Balance September 30, 2022
<b>Business-type Activities:</b>				
Capital assets not being depreciated				
Land	\$ 694,222	\$ -	\$ -	\$ 694,222
Water Service Contract Rights	<u>17,950,000</u>	<u>-</u>	<u>760,000</u>	<u>17,190,000</u>
	<u>18,644,222</u>	<u>-</u>	<u>760,000</u>	<u>17,884,222</u>
Capital assets being depreciated				
Building and Improvements	507,925	121,911	-	629,836
Equipment and Fixtures	2,982,518	277,726	1	3,260,243
Electrical System	7,244,069	4,331,376	(1)	11,575,446
Water System	16,150,258	448,728	-	16,598,986
Sewer System	<u>11,099,912</u>	<u>43,538</u>	<u>-</u>	<u>11,143,450</u>
Total capital assets being depreciated	<u>37,984,682</u>	<u>5,223,279</u>	<u>-</u>	<u>43,207,961</u>
Less accumulated depreciation for:				
Building and Improvements	(268,188)	(13,516)	-	(281,704)
Equipment and Fixtures	(2,462,782)	(155,169)	1	(2,617,950)
Electrical System	(2,255,841)	(115,940)	(2)	(2,371,783)
Water System	(3,687,017)	(245,611)	-	(3,932,628)
Sewer System	<u>(3,744,245)</u>	<u>(166,799)</u>	<u>-</u>	<u>(3,911,044)</u>
Total accumulated depreciation	<u>(12,418,073)</u>	<u>(697,035)</u>	<u>(1)</u>	<u>(13,115,109)</u>
Total capital assets being depreciated, net	<u>25,566,609</u>	<u>4,526,244</u>	<u>1</u>	<u>30,092,852</u>
Business-type activities capital assets, net	<u>\$ 44,210,831</u>	<u>\$ 4,526,244</u>	<u>\$ 760,001</u>	<u>\$ 47,977,074</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 2022, net interest costs were not capitalized because there were no interest expenditures related to constructed assets.

In September 2022, Sam Rayburn Municipal Power Agency (the Agency) transferred certain assets related to the City's power grid to the City. Those assets were recorded at their carrying value as provided by the Agency of \$3,652,149. It will be the City's responsibility to maintain those assets in the future. The City also received a \$3,000,000 cash distribution from the Agency to assist in future maintenance costs; however, those funds do not have any legal restrictions and are included in the Electric, Water, and Sewer Fund's unrestricted net assets.

**NOTE 6 CAPITAL ASSETS: (CONTINUED)**

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

Governmental Activities	
Administrative	\$ 59,519
Sanitation	241
Fire	67,438
Police	146,401
Paving and street	683,773
Parks and recreation	142,649
Library	132,320
Garage	37,263
Governmental Activities	<u>\$ 1,269,604</u>
Business-type activities	
Electric, Water and Street	<u>\$ 697,035</u>

The City's had no active construction projects as of September 30, 2022, but has plans for spending up to \$805,000 for a new firetruck and equipment, \$113,000 for police equipment, \$1,605,000 for street, \$300,000 for parks improvements, \$185,000 for construction of garage storage buildings, and \$9,674,000 for electric, water and sewer system improvements in 2023.

**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 annual comprehensive financial report (ACFR) that can be obtained at [www.tmrs.com](http://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

**NOTE 7 PENSION PLAN: (CONTINUED)**

employee contribution rate and City matching percent had always been in existence and if the 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 24 years remaining.

Employees covered by benefit terms at the December 31, 2021 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	45
Inactive employees entitled to but not yet receiving benefits	20
Active employees	85
	<hr/>
Total	150

**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, 2022, were \$765,156, and were equal to the required contributions.

**Net Pension Liability**

The City's Net Pension Liability (NPL) was measured as of December 31, 2021 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, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.50% including inflation
Investment Rate of Return	6.75%

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, 2021 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 2021 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>
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	<u>5.0%</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 12/31/20	\$ 31,124,307	\$ 28,729,398	\$ 2,394,909
Changes for the year:			
Service cost	762,713	-	762,713
Interest	2,082,908	-	2,082,908
Change of benefit terms	-	-	-
Difference between expected and actual experience	210,025	-	210,025
Changes in assumptions	-	-	-
Contributions - Employer	-	773,697	(773,697)
Contributions - Employee	-	334,314	(334,314)
Net Investment Income	-	3,745,459	(3,745,459)
Benefit payments, including refunds of employee contributions	(1,295,548)	(1,295,548)	-
Administrative expense	-	(17,329)	17,329
Other changes	-	119	(119)
Net changes	<u>1,760,098</u>	<u>3,540,712</u>	<u>(1,780,614)</u>
Balance at 12/31/21	<u>\$ 32,884,405</u>	<u>\$ 32,270,110</u>	<u>\$ 614,295</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:

	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
City's net pension liability	\$ 5,011,293	\$ 614,295	\$ (3,015,767)

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, 2022, the City recognized pension expense of (\$12,931). At September 30, 2022, 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 in investment returns	\$ -	\$ 1,696,478
Contributions subsequent to the measurement date (December 31, 2021)	<u>548,687</u>	<u>-</u>
Total	<u>\$ 548,687</u>	<u>\$ 1,696,478</u>

**NOTE 7 PENSION PLANS: (CONTINUED)**

\$548,687 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, 2023 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
2022	\$ (317,914)
2023	(681,896)
2024	(347,793)
2025	(367,620)
2026	18,745
Thereafter	-
Total	<u>\$ (1,696,478)</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	30
Inactive employees entitled to but not yet receiving benefits	7
Active employees	<u>85</u>
Total	<u>122</u>

**NOTE 8 SUPPLEMENTAL DEATH BENEFITS:** (Continued)Significant assumptions

The actuarial assumptions used in the December 31, 2021 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, 2021 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*	1.84%
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, 2021.

<u>Changes in OPEB Liability</u>	<u>Total OPEB Liability</u>
Balance at 12/31/20	\$ 319,768
Changes for the year:	
Service cost	11,462
Interest	6,448
Change of benefit terms	-
Difference between expected and actual experience	(10,211)
Changes in assumptions	10,012
Benefit payments	(6,209)
Net changes	<u>11,502</u>
Balance at 12/31/21	<u>\$ 331,270</u>

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, 2022, the City recognized death benefit insurance expense of \$35,861. At September 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Changes in assumptions	\$ 48,069
Difference between expected and actual experience	-
Contributions subsequent to the measurement date (December 31, 2021)	<u>9,198</u>
<b>Total</b>	<b><u>\$ 57,267</u></b>

\$9,198 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, 2023 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>
2022	\$ 11,743
2023	11,743
2024	10,142
2025	10,377
2026	4,083
Thereafter	<u>(19)</u>
<b>Total</b>	<b><u>\$ 48,069</u></b>

**Contributions**

Contributions are made monthly based on the covered payroll of employee members. The rate for 2021 was 0.26% 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, 2022, 2021, and 2020 were \$12,617, \$11,830, and \$10,688, respectively, which equaled the required contributions each year.

**NOTE 9 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 10 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.

In April 2021 the outstanding balance of \$1,885,000 bonds from 2010 were refunded by the issuance of \$1,930,000 in new bonds. The total savings as a result of the refunding is \$277,099 and the economic impact on a present value basis is \$237,022.

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, 2022, the City paid approximately \$1,562,000 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>
2023	1,561,580
2024	1,555,482
2025	1,560,118
2026	1,563,445
2027	1,563,745
2028-2038	<u>16,885,523</u>
Total	\$ <u>24,689,893</u>

**NOTE 10 WATER SYSTEM SERVICE CONTRACT: (Continued)****Changes in Long-term Contracts Payable-**

<u>Business Type Activities</u>	<u>Balance October 1, 2021</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance September 30, 2022</u>	<u>Due Within One Year</u>
Contracts payable	\$ 17,950,000	\$ -	\$ 760,000	\$ 17,190,000	\$ 790,000
Total business	<u>\$ 17,950,000</u>	<u>\$ -</u>	<u>\$ 760,000</u>	<u>\$ 17,190,000</u>	<u>\$ 790,000</u>

**NOTE 11 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.

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. Upon the expiration of the Requirements Power Supply Agreement in September 2021, the City began being served under the Supplemental Requirements Power Supply Agreement with Entergy which allows the Agency to purchase its delivered power and energy supply at wholesale prices, sufficient to service the retail loads and normal load growth of the cities it currently serves through 2036.

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 \$4,000,000 (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 \$312,000. The Agency also transferred \$3,000,000 for operation and maintenance of certain power grid assets. See Note 6.

**NOTE 12 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 13 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 14 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, 2022 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 \$750,000 in federal and local grants in 2022 principally related to Covid recovery. \$650,000 in funds are to be used during fiscal 2023 to pay for certain water and sewer system improvements. Grants received whose purpose restriction was not met at fiscal year-end are reflected as deferred inflows in the statement of net position.

**NOTE 15 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 16 SANITATION DEPARTMENT CONTRACT:**

The City's contract with Republic Waste Services expires in July. 2023. The City will be issuing a request for proposals (RFP) for the sanitation services within the City, which the contract will be awarded in 2023. The City continues to perform all billing and administrative procedures, but all employees and equipment for the sanitation department have been eliminated.

**NOTE 17 GOLF COURSE LEASE AGREEMENT:**

The City renewed its agreement to lease the municipal golf course for a five-year period expiring December 31, 2024. Under the terms of the lease, the City will receive \$1.00 per year.

## **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
<b>Total pension liability</b>				
Service Cost	\$ 496,383	\$ 568,239	\$ 621,499	\$ 651,578
Interest (on the Total Pension Liability)	1,523,437	1,617,245	1,636,121	1,724,891
Changes of benefit terms	-	-	-	-
Difference between expected and actual exper.	117,800	(214,821)	69,229	(679,286)
Change of assumptions	-	69,611	-	-
Benefit payments, including refunds of employee contributions	(749,395)	(917,464)	(945,709)	(1,107,858)
<b>Net Change in Total Pension Liability</b>	<b>1,388,225</b>	<b>1,122,810</b>	<b>1,381,140</b>	<b>589,325</b>
<b>Total Pension Liability - Beginning</b>	<b>21,889,894</b>	<b>23,278,119</b>	<b>24,400,929</b>	<b>25,782,079</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 23,278,119</b>	<b>\$ 24,400,929</b>	<b>\$ 25,782,069</b>	<b>\$ 26,371,404</b>
<b>Plan Fiduciary Net Position</b>				
Contributions Employer	\$ 624,014	\$ 629,618	\$ 628,150	\$ 678,848
Contributions Employee	255,893	263,597	273,960	289,223
Net Investment Income	1,092,015	29,953	1,371,056	2,992,834
Benefit payments, including refunds of employee contributions	(749,395)	(917,464)	(945,709)	(1,107,858)
Administrative Expense	(11,401)	(18,244)	(15,483)	(15,512)
Other	(937)	(902)	(834)	(787)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,210,189</b>	<b>(13,442)</b>	<b>1,311,140</b>	<b>2,836,748</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>19,089,100</b>	<b>20,299,289</b>	<b>20,285,847</b>	<b>21,596,987</b>
<b>Plan Fiduciary Net Position - Ending</b>	<b>\$ 20,299,289</b>	<b>\$ 20,285,847</b>	<b>\$ 21,596,987</b>	<b>\$ 24,433,735</b>
<b>Net Pension Liability - Ending</b>	<b>\$ 2,978,830</b>	<b>\$ 4,115,082</b>	<b>\$ 4,185,082</b>	<b>\$ 1,937,669</b>
<b>Plan Fiduciary Net Position as a percentage of Total Pension Liability</b>	<b>87.20%</b>	<b>83.14%</b>	<b>83.77%</b>	<b>92.65%</b>
<b>Covered Payroll</b>	<b>\$ 3,655,618</b>	<b>\$ 3,765,664</b>	<b>\$ 3,913,719</b>	<b>\$ 4,131,759</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>81.49%</b>	<b>109.28%</b>	<b>106.93%</b>	<b>46.90%</b>

See independent auditor's report.

2018	2019	2020	2021
\$ 681,190	\$ 716,673	\$ 735,863	\$ 762,713
1,766,964	1,896,598	2,015,611	2,082,908
-	-	-	-
548,556	403,167	(372,797)	210,025
-	43,623	-	-
<u>(1,069,520)</u>	<u>(1,118,353)</u>	<u>(1,494,672)</u>	<u>(1,295,548)</u>
1,927,190	1,941,708	884,005	1,760,098
<u>26,371,404</u>	<u>28,298,594</u>	<u>30,240,302</u>	<u>31,124,307</u>
<u>\$ 28,298,594</u>	<u>\$ 30,240,302</u>	<u>\$ 31,124,307</u>	<u>\$ 32,884,405</u>
\$ 709,158	\$ 676,477	\$ 717,420	\$ 773,697
301,221	319,740	322,747	334,314
(731,969)	3,653,320	2,060,088	3,745,459
(1,069,520)	(1,118,353)	(1,494,672)	(1,295,548)
(14,145)	(20,640)	(13,329)	(17,329)
<u>(739)</u>	<u>(620)</u>	<u>(521)</u>	<u>119</u>
(805,994)	3,509,924	1,591,733	3,540,712
<u>24,433,735</u>	<u>23,627,741</u>	<u>27,137,665</u>	<u>28,729,398</u>
<u>\$ 23,627,741</u>	<u>\$ 27,137,665</u>	<u>\$ 28,729,398</u>	<u>\$ 32,270,110</u>
\$ 4,670,853	\$ 3,102,637	\$ 2,394,909	\$ 614,295
83.49%	89.74%	92.31%	98.13%
\$ 4,303,160	\$ 4,567,707	\$ 4,610,672	\$ 4,775,910
108.54%	67.93%	51.94%	12.86%

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)**

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	<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)	\$ -	\$ -	\$ -	\$ -	\$ -
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	24 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.

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 724,278	\$ 763,462	\$ 765,156
<u>724,278</u>	<u>763,462</u>	<u>765,156</u>
\$ -	\$ -	\$ -
\$ 4,699,421	\$ 4,765,666	\$ 4,924,136
15.41%	16.02%	15.54%

See Independent auditor's report.

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

	<b>Last Ten Fiscal Years</b>			
	<b>(For the years available)</b>			
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Total OPEB liability</b>				
Service Cost	\$ 6,611	\$ 8,176	\$ 5,938	\$ 8,299
Interest	7,148	7,223	8,196	7,619
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	5,702	(426)	(9,354)
Change of assumptions	16,687	(15,302)	43,338	41,437
Benefit Payments	<u>(2,066)</u>	<u>(2,152)</u>	<u>(1,827)</u>	<u>(2,305)</u>
<b>Net Change in OPEB Liability</b>	<b>28,380</b>	<b>3,647</b>	<b>55,219</b>	<b>45,696</b>
<b>Total OPEB Liability - Beginning</b>	<b>186,826</b>	<b>215,206</b>	<b>218,853</b>	<b>274,072</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 215,206</b>	<b>\$ 218,853</b>	<b>\$ 274,072</b>	<b>\$ 319,768</b>
<b>Covered Employee Payroll</b>	<b>\$ 4,131,759</b>	<b>\$ 4,303,160</b>	<b>\$ 4,567,707</b>	<b>\$ 4,610,672</b>
<b>Total OPEB Liability as a Percentage of Covered Employee Payroll</b>	<b>5.21%</b>	<b>5.09%</b>	<b>6.00%</b>	<b>6.94%</b>

**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*	1.84%
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 subject to the floor.
Mortality rates - disabled retirees	

\* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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2021

\$ 11,462  
6,448

-  
(10,211)  
10,012  
(6,209)

11,502

319,768

\$ 331,270

\$ 4,775,910

6.94%

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## **INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND - COMPARATIVE BALANCE SHEET**  
**SEPTEMBER 30, 2022 AND 2021**

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**ASSETS**

	<b>2022</b>	<b>2021</b>
Cash	\$ 4,538,927	\$ 4,174,623
Receivables:		
Returned checks receivable	143	10
Paving accounts receivable	17,277	20,190
Taxes receivable	<u>834,724</u>	<u>783,399</u>
Total Assets	<u>\$ 5,391,071</u>	<u>\$ 4,978,222</u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable	\$ 347,888	\$ 414,298
Total Liabilities	<u>347,888</u>	<u>414,298</u>

**DEFERRED INFLOWS OF RESOURCES**

Amounts related to grants	-	649,447
Total Deferred Inflows of Resources	<u>-</u>	<u>649,447</u>

**FUND BALANCES**

Restricted for library memorials	30,202	27,595
Unassigned	<u>5,012,981</u>	<u>3,886,882</u>
Total Fund Balances	<u>5,043,183</u>	<u>3,914,477</u>
Total Liabilities and Fund Balances	<u>\$ 5,391,071</u>	<u>\$ 4,978,222</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, 2022**  
**WITH COMPARATIVE ACTUAL TOTALS FOR 2021**

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	<b>Budgeted Amounts GAAP Basis</b>			
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 4,500,000	\$ 475,000	\$ 4,975,000	\$ 5,209,435
Franchise taxes	145,000	-	145,000	118,774
Hotel/Motel taxes	350,000	-	350,000	337,814
Licenses and permits	167,000	-	167,000	122,927
Charges for service	1,497,000	32,000	1,529,000	1,590,221
Fines and forfeitures	470,000	(80,000)	390,000	483,046
Miscellaneous	119,600	(2,000)	117,600	220,709
Total Revenues	<u>7,248,600</u>	<u>425,000</u>	<u>7,673,600</u>	<u>8,082,926</u>
<b>EXPENDITURES</b>				
Administrative	851,800	(190,800)	661,000	636,060
Sanitation	815,000	135,000	950,000	971,533
Fire	683,200	8,400	691,600	673,470
Police	2,822,000	(71,000)	2,751,000	2,694,475
Paving and street	1,862,500	5,500	1,868,000	1,361,325
Parks and recreation	1,374,300	(102,300)	1,272,000	1,279,871
Library	472,500	7,000	479,500	481,371
Garage	360,400	(900)	359,500	346,410
Total Expenditures	<u>9,241,700</u>	<u>(209,100)</u>	<u>9,032,600</u>	<u>8,444,515</u>
Excess of revenues over (under) expenditures	<u>(1,993,100)</u>	<u>634,100</u>	<u>(1,359,000)</u>	<u>(361,589)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,849,600	(695,100)	1,154,500	1,490,295
Total other financing sources (uses)	<u>1,849,600</u>	<u>(695,100)</u>	<u>1,154,500</u>	<u>1,490,295</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ (143,500)</u>	<u>\$ (61,000)</u>	<u>\$ (204,500)</u>	<u>1,128,706</u>
Fund balances at beginning of year				<u>3,914,477</u>
Fund balances at end of year				<u>\$ 5,043,183</u>

<b>Variance With Final Budget Positive (Negative)</b>	<b>2021 Actual</b>
\$ 234,435	\$ 4,667,079
(26,226)	134,243
(12,186)	333,636
(44,073)	150,646
61,221	1,510,650
93,046	491,009
<u>103,109</u>	<u>1,112,374</u>
<u>409,326</u>	<u>8,399,637</u>
24,940	571,073
(21,533)	839,651
18,130	618,325
56,525	2,596,043
506,675	1,208,078
(7,871)	1,177,454
(1,871)	431,123
<u>13,090</u>	<u>311,999</u>
<u>588,085</u>	<u>7,753,746</u>
<u>997,411</u>	<u>645,891</u>
<u>335,795</u>	<u>718,490</u>
<u>335,795</u>	<u>718,490</u>
<u>\$ 1,333,206</u>	<u>1,364,381</u>
	<u>2,550,096</u>
	<u>\$ 3,914,477</u>

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**  
**WITH COMPARATIVE ACTUAL TOTALS FOR 2021**

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	<b>Budgeted Amounts GAAP Basis</b>			
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>ADMINISTRATIVE DEPARTMENT</b>				
Salaries	\$ 203,000	\$ -	\$ 203,000	\$ 193,894
Social Security	16,000	-	16,000	14,833
Retirement	32,000	-	32,000	30,569
Employee insurance	35,000	-	35,000	34,298
Insurance and bonds	16,000	-	16,000	14,335
Legal and professional	58,000	-	58,000	61,044
Auditing and accounting	15,000	1,000	16,000	15,333
Supplies	30,000	-	30,000	28,862
Repairs-building and grounds	50,000	(38,000)	12,000	8,647
Equipment repairs and maintenance	22,000	-	22,000	26,251
Gas and oil	3,000	7,000	10,000	3,848
Utility/telephone	10,000	-	10,000	9,823
Dues and subscriptions	15,000	-	15,000	18,791
Building demolitions	160,000	(145,000)	15,000	14,279
Transportation and contingency	136,000	(16,000)	120,000	118,317
Postage and miscellaneous	<u>11,800</u>	<u>200</u>	<u>12,000</u>	<u>26,114</u>
Capital expenditures	<u>812,800</u>	<u>(190,800)</u>	<u>622,000</u>	<u>619,238</u>
	<u>39,000</u>	<u>-</u>	<u>39,000</u>	<u>16,822</u>
Total Administrative	<u>851,800</u>	<u>(190,800)</u>	<u>661,000</u>	<u>636,060</u>
<b>SANITATION DEPARTMENT</b>				
Supplies	65,000	45,000	110,000	109,957
Refuse disposal/landfills	<u>750,000</u>	<u>90,000</u>	<u>840,000</u>	<u>861,576</u>
Total Sanitation	<u>815,000</u>	<u>135,000</u>	<u>950,000</u>	<u>971,533</u>

<b>Variance With Final Budget Positive (Negative)</b>	<b>2021 Actual</b>
\$ 9,106	\$ 182,364
1,167	13,951
1,431	29,693
702	26,013
1,665	12,893
(3,044)	36,574
667	14,500
1,138	23,984
3,353	8,502
(4,251)	25,000
6,152	2,447
177	8,413
(3,791)	18,061
721	12,976
1,683	118,491
<u>(14,114)</u>	<u>27,332</u>
2,762	561,194
<u>22,178</u>	<u>9,879</u>
<u>24,940</u>	<u>571,073</u>
43	69,201
<u>(21,576)</u>	<u>770,450</u>
<u>(21,533)</u>	<u>839,651</u>

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**  
**WITH COMPARATIVE ACTUAL TOTALS FOR 2021**

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	<b>Budgeted Amounts GAAP Basis</b>			
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>FIRE DEPARTMENT</b>				
Salaries	213,000	-	213,000	219,447
Salaries, administration	44,000	-	44,000	27,582
Social Security	14,000	-	14,000	14,533
Retirement	35,000	-	35,000	29,978
Employee insurance	44,000	(9,000)	35,000	31,816
Insurance and bonds	34,000	-	34,000	32,478
Recruitment costs	1,500	(1,500)	-	-
Supplies	42,000	-	42,000	42,712
Repairs-building and grounds	5,000	13,000	18,000	17,496
Equipment repairs and maintenance	75,000	-	75,000	120,344
Gas and oil	10,500	1,500	12,000	12,588
Utility/telephone	20,000	5,000	25,000	29,247
Dues and subscriptions	3,500	2,000	5,500	7,545
Transportation and contingency	12,000	(3,000)	9,000	16,738
Maintenance contribution	30,000	-	30,000	24,760
Postage and miscellaneous	3,700	400	4,100	3,747
	<u>587,200</u>	8,400	<u>595,600</u>	<u>631,011</u>
Capital expenditures	<u>96,000</u>	-	<u>96,000</u>	<u>42,459</u>
<b>Total Fire</b>	<b><u>683,200</u></b>	<b><u>8,400</u></b>	<b><u>691,600</u></b>	<b><u>673,470</u></b>
<b>POLICE DEPARTMENT</b>				
Salaries	1,556,000	(44,000)	1,512,000	1,512,931
Salaries, administration	44,000	-	44,000	27,582
Social Security	121,000	(4,000)	117,000	118,268
Retirement	253,000	(7,000)	246,000	243,071
Employee insurance	327,000	(12,000)	315,000	288,657
Uniforms	25,000	-	25,000	14,269
Insurance and bonds	106,000	-	106,000	70,292
Supplies	30,000	-	30,000	25,548
Repairs-building and grounds	14,000	-	14,000	14,796
Equipment repairs and maintenance	50,000	-	50,000	39,467
Gas and oil	60,000	-	60,000	65,641
Utility/telephone	24,000	-	24,000	28,558
Dues and subscriptions	35,000	-	35,000	23,587
Transportation and contingency	34,000	-	34,000	46,512
Postage and miscellaneous	39,000	(3,000)	36,000	21,707
	<u>2,718,000</u>	(70,000)	<u>2,648,000</u>	<u>2,540,886</u>
Capital expenditures	<u>104,000</u>	(1,000)	<u>103,000</u>	<u>153,589</u>
<b>Total Police</b>	<b><u>2,822,000</u></b>	<b><u>(71,000)</u></b>	<b><u>2,751,000</u></b>	<b><u>2,694,475</u></b>

<b>Variance With Final Budget Positive (Negative)</b>	<b>2021 Actual</b>
(6,447)	204,551
16,418	9,961
(533)	13,718
5,022	29,209
3,184	24,655
1,522	48,539
-	-
(712)	39,948
504	1,187
(45,344)	117,559
(588)	8,436
(4,247)	24,928
(2,045)	5,176
(7,738)	8,048
5,240	23,108
353	2,584
<hr/>	<hr/>
(35,411)	561,607
<u>53,541</u>	<u>56,718</u>
<hr/>	<hr/>
18,130	618,325
<hr/>	<hr/>
(931)	1,494,291
16,418	9,911
(1,268)	115,929
2,929	245,954
26,343	240,627
10,731	5,341
35,708	134,821
4,452	36,495
(796)	10,727
10,533	46,711
(5,641)	51,527
(4,558)	25,321
11,413	33,337
(12,512)	27,825
14,293	18,925
<hr/>	<hr/>
107,114	2,497,742
<u>(50,589)</u>	<u>98,301</u>
<hr/>	<hr/>
56,525	2,596,043

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**  
**WITH COMPARATIVE ACTUAL TOTALS FOR 2021**

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	<b>Budgeted Amounts GAAP Basis</b>			
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>PAVING AND STREET DEPARTMENT</b>				
Salaries	325,000	-	325,000	311,964
Salaries, administration	44,000	-	44,000	27,582
Social Security	25,000	-	25,000	25,975
Retirement	59,000	-	59,000	53,581
Employee insurance	96,000	-	96,000	76,140
Uniforms	13,000	-	13,000	6,092
Insurance and bonds	45,000	-	45,000	29,212
Supplies	20,000	-	20,000	15,937
Repairs-building and grounds	15,000	5,000	20,000	24,259
Equipment repairs and maintenance	65,000	-	65,000	79,258
Gas and oil	36,000	-	36,000	42,643
Transit system	5,000	-	5,000	1,193
Transportation and contingency	<u>9,500</u>	<u>500</u>	<u>10,000</u>	<u>7,491</u>
	757,500	5,500	763,000	701,327
Capital expenditures	<u>1,105,000</u>	<u>-</u>	<u>1,105,000</u>	<u>659,998</u>
<b>Total Paving and Street</b>	<b><u>1,862,500</u></b>	<b><u>5,500</u></b>	<b><u>1,868,000</u></b>	<b><u>1,361,325</u></b>
<b>PARKS AND RECREATION DEPARTMENT</b>				
Salaries	497,000	(69,000)	428,000	494,540
Salaries, administration	88,000	-	88,000	55,165
Social Security	39,000	(4,000)	35,000	42,128
Retirement	84,000	-	84,000	79,326
Employee insurance	128,000	-	128,000	110,389
Uniforms	10,600	(1,100)	9,500	8,184
Insurance and bonds	34,000	-	34,000	17,078
Advertising, hotel tax	28,500	9,000	37,500	61,344
Supplies	60,000	6,000	66,000	61,175
Repairs-building and grounds	87,500	2,500	90,000	79,657
Equipment repairs and maintenance	32,000	1,000	33,000	48,005
Gas and oil	93,000	(11,500)	81,500	78,202
Utility/telephone	14,500	1,500	16,000	17,367
Dues and subscriptions	1,475	525	2,000	1,620
Transportation and contingency	4,500	2,000	6,500	6,561
Programming costs	30,000	(20,000)	10,000	10,794
Postage and miscellaneous	<u>850</u>	<u>150</u>	<u>1,000</u>	<u>783</u>
	1,232,925	(82,925)	1,150,000	1,172,318
Capital expenditures	<u>141,000</u>	<u>(19,000)</u>	<u>122,000</u>	<u>107,553</u>
<b>Total Parks and Recreation</b>	<b><u>1,373,925</u></b>	<b><u>(101,925)</u></b>	<b><u>1,272,000</u></b>	<b><u>1,279,871</u></b>

<b>Variance With Final Budget Positive (Negative)</b>	<b>2021 Actual</b>
13,036	313,697
16,418	9,961
(975)	24,760
5,419	52,703
19,860	58,219
6,908	7,966
15,788	62,607
4,063	24,936
(4,259)	17,702
(14,258)	60,953
(6,643)	29,190
3,807	8,400
<u>2,509</u>	<u>3,521</u>
61,673	674,615
<u>445,002</u>	<u>533,463</u>
<u>506,675</u>	<u>1,208,078</u>
(66,540)	513,156
32,835	19,922
(7,128)	40,780
4,674	79,568
17,611	97,025
1,316	10,060
16,922	42,243
(23,844)	33,904
4,825	69,003
10,343	16,393
(15,005)	53,819
3,298	55,327
(1,367)	16,185
380	903
(61)	1,213
(794)	5,301
<u>217</u>	<u>1,217</u>
(22,318)	1,056,019
<u>14,447</u>	<u>121,435</u>
<u>(7,871)</u>	<u>1,177,454</u>

**CITY OF LIVINGSTON, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES-BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**  
**WITH COMPARATIVE ACTUAL TOTALS FOR 2021**

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	<b>Budgeted Amounts GAAP Basis</b>			
	<b>Original</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>LIBRARY DEPARTMENT</b>				
Salaries	191,000	-	191,000	219,655
Salaries, administration	44,000	-	44,000	27,582
Social Security	15,000	-	15,000	18,914
Retirement	38,000	-	38,000	38,161
Employee insurance	65,000	-	65,000	64,563
Insurance and bonds	10,000	-	10,000	5,800
Supplies	15,000	-	15,000	15,936
Repairs-building and grounds	25,000	-	25,000	26,611
Equipment repairs and maintenance	10,000	-	10,000	7,786
Utility/telephone	9,500	500	10,000	9,359
Dues and subscriptions	7,000	2,000	9,000	8,821
Transportation and contingency	2,500	1,500	4,000	4,028
Postage and printing	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>8,879</u>
	439,500	4,000	443,500	456,095
Memorial capital	5,000	3,000	8,000	6,278
Capital expenditures	<u>28,000</u>	<u>-</u>	<u>28,000</u>	<u>18,998</u>
<b>Total Library</b>	<b><u>472,500</u></b>	<b><u>7,000</u></b>	<b><u>479,500</u></b>	<b><u>481,371</u></b>
<b>GARAGE DEPARTMENT</b>				
Salaries	165,000	-	165,000	178,334
Salaries, administration	44,000	-	44,000	27,582
Social Security	13,000	-	13,000	15,752
Retirement	33,000	-	33,000	32,380
Employee insurance	42,000	-	42,000	35,971
Uniforms	4,500	-	4,500	3,096
Insurance and bonds	18,000	-	18,000	7,402
Supplies	8,000	4,000	12,000	12,838
Repairs-building and grounds	15,000	(6,000)	9,000	8,467
Equipment repairs and maintenance	5,500	500	6,000	7,682
Gas and oil	1,800	200	2,000	2,647
Utility/telephone	<u>5,600</u>	<u>400</u>	<u>6,000</u>	<u>6,110</u>
	355,400	(900)	354,500	338,261
Capital expenditures	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>8,149</u>
<b>Total Garage</b>	<b><u>360,400</u></b>	<b><u>(900)</u></b>	<b><u>359,500</u></b>	<b><u>346,410</u></b>
<b>TOTAL GENERAL EXPENDITURES</b>	<b><u>\$ 9,241,325</u></b>	<b><u>\$ (208,725)</u></b>	<b><u>\$ 9,032,600</u></b>	<b><u>\$ 8,444,515</u></b>

<b>Variance With Final Budget Positive (Negative)</b>	<b>2021 Actual</b>
(28,655)	210,825
16,418	9,961
(3,914)	16,890
(161)	35,980
437	45,649
4,200	10,094
(936)	12,192
(1,611)	18,911
2,214	9,942
641	8,793
179	3,983
(28)	650
<u>(1,379)</u>	<u>7,301</u>
(12,595)	391,171
1,722	6,269
<u>9,002</u>	<u>33,683</u>
<u>(1,871)</u>	<u>431,123</u>
(13,334)	156,805
16,418	9,961
(2,752)	12,758
620	27,153
6,029	23,208
1,404	3,522
10,598	21,375
(838)	7,237
533	5,606
(1,682)	5,849
(647)	1,741
<u>(110)</u>	<u>5,839</u>
16,239	281,054
<u>(3,149)</u>	<u>30,945</u>
13,090	311,999
<u>\$ 588,085</u>	<u>\$ 7,753,746</u>

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## **PROPRIETARY FUND**

**CITY OF LIVINGSTON, TEXAS**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**ELECTRIC, WATER AND SEWER FUND**  
**SEPTEMBER 30, 2022 AND 2021**

ASSETS	2022	2021
Current assets:		
Cash	\$ 5,817,167	\$ 3,309,524
Certificates of deposit	5,000,000	1,000,000
Investments	20,131,480	20,024,938
Restricted assets		
Cash in bank, water and sewer system improvements	1,364,196	712,071
Cash in bank, reserve fund	367,452	405,505
Receivables:		
Returned checks receivable	26,742	24,311
Paving accounts receivable	-	-
Utility accounts receivable	<u>1,967,836</u>	<u>1,437,456</u>
Total current assets	<u>34,674,873</u>	<u>26,913,805</u>
Noncurrent assets:		
Capital assets:		
Land	694,222	694,222
Building and improvements	629,836	507,925
Equipment and fixtures	3,260,243	2,982,518
Electrical system	11,575,445	7,244,069
Water system	16,598,986	16,150,258
Sewer system	11,143,450	11,099,912
Water service contract rights	<u>17,190,000</u>	<u>17,950,000</u>
Less accumulated depreciation	<u>61,092,182</u>	<u>56,628,904</u>
Net capital assets	<u>47,977,074</u>	<u>44,210,831</u>
Total assets	<u>82,651,947</u>	<u>71,124,636</u>
Deferred outflows of resources:		
Amounts related to pensions		
Contributions after December 31, 2019	193,661	197,304
Difference in investment returns	-	20,031
Change in assumptions	-	-
Total Deferred Outflows of Resources	<u>193,661</u>	<u>217,335</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 82,845,608</u>	<u>\$ 71,341,971</u>

**CITY OF LIVINGSTON, TEXAS**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**ELECTRIC, WATER AND SEWER FUND**  
**SEPTEMBER 30, 2022 AND 2021**

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<b>LIABILITIES</b>	<b>2022</b>	<b>2021</b>
Current liabilities:		
Accounts payable	\$ 1,070,558	\$ 1,593,549
Meter deposits	649,275	645,958
Contracts payable	<u>790,000</u>	<u>760,000</u>
Total current liabilities	<u>2,509,833</u>	<u>2,999,507</u>
Noncurrent liabilities due in more than one year:		
Net pension liability	214,729	836,885
Contracts payable	<u>16,400,000</u>	<u>17,190,000</u>
Total noncurrent liabilities	<u>16,614,729</u>	<u>18,026,885</u>
Total liabilities	<u>19,124,562</u>	<u>21,026,392</u>
Deferred inflows of resources:		
Amounts related to pensions		
Restricted for:		
Difference in investment returns	593,010	269,846
Amounts related to grants	<u>1,301,461</u>	-
Total Deferred Inflows of Resources	<u>1,894,471</u>	<u>269,846</u>
Total Liabilities and Deferred Inflows of Resources	<u>21,019,033</u>	<u>21,296,238</u>
<b>NET POSITION</b>		
Net investment in capital assets	30,787,074	26,260,831
Restricted for water and sewer system improvements	1,364,196	712,071
Restricted for Trinity River Authority contracts payable	367,452	405,505
Unrestricted	<u>29,307,853</u>	<u>22,667,326</u>
Total Net Position	<u>\$ 61,826,575</u>	<u>\$ 50,045,733</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, 2022 AND 2021**

**Business-Type Activities - Enterprise Fund**

	<b><u>2022</u></b>	<b><u>2021</u></b>
<b><u>Operating revenues:</u></b>		
Charges for sales and services:		
Electricity sales	\$ 10,688,938	\$ 9,108,192
Water sales	3,266,302	3,201,382
Sewer service charges	2,411,921	2,339,931
Penalties, utilities	164,819	147,503
Water tapping fees	42,318	20,689
Sewer tapping fees	10,903	13,200
Recoveries, electrical	7,303,893	6,810,811
Recoveries, water	240,335	216,086
Grants	-	10,058
Revenue, night lights	101,105	101,635
Service fees	55,735	63,310
Total Operating Revenues	<u>24,286,269</u>	<u>22,032,797</u>
<b><u>Operating expenses:</u></b>		
Light and Power Department	8,369,124	9,843,624
Water Department	4,841,315	4,808,928
Sewer Department	870,305	883,069
Depreciation	697,035	673,646
Total Operating Expenses	<u>14,777,779</u>	<u>16,209,267</u>
Operating Income	9,508,490	5,823,530
<b><u>Non-operating revenues:</u></b>		
Interest income	<u>110,498</u>	<u>9,121</u>
Income Before Transfers and Special Item	9,618,988	5,832,651
Special Item - Assets Received	3,652,149	-
Transfers Out	<u>(1,490,295)</u>	<u>(718,490)</u>
Change in net position	11,780,842	5,114,161
Total net position - beginning	<u>50,045,733</u>	<u>44,931,572</u>
Total net position - ending	<u>\$ 61,826,575</u>	<u>\$ 50,045,733</u>

**CITY OF LIVINGSTON, TEXAS**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**ELECTRIC, WATER, AND SEWER FUND**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

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**Business-Type Activities - Enterprise Fund**

	<b>2022</b>	<b>2021</b>
Cash flows from operating activities:		
Cash received from customers	\$ 23,756,775	\$ 22,098,150
Cash payments to suppliers for goods and services	(11,938,500)	(14,125,039)
Cash payments to employees for services	<u>(1,639,091)</u>	<u>(1,620,300)</u>
Net cash provided by operating activities	<u>10,179,184</u>	<u>6,352,811</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(1,490,295)</u>	<u>(718,490)</u>
Net cash used for noncapital financing activities	<u>(1,490,295)</u>	<u>(718,490)</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	<u>(1,571,130)</u>	<u>(1,148,817)</u>
Net cash used for capital and related financing activities	<u>(1,571,130)</u>	<u>(1,148,817)</u>
Cash flows from investing activities:		
Purchase of certificates of deposit	(4,000,000)	-
Purchase of investments	(106,542)	(6,005,674)
Interest on cash and investments	<u>110,498</u>	<u>9,121</u>
Net cash used by investing activities	<u>(3,996,044)</u>	<u>(5,996,553)</u>
Net Change in Cash and Cash Equivalents	3,121,715	(1,511,049)
Cash and Cash Equivalents at Beginning of Year	<u>4,427,100</u>	<u>5,938,149</u>
Cash and Cash Equivalents at End of Year	<u>\$ 7,548,815</u>	<u>\$ 4,427,100</u>
		(Continued)
Non-cash capital and related financing activities:		
Capital assets received from Sam Rayburn Municipal Power Authority	\$ 3,652,149	\$ -
Trinity River Authority Bonds refunded	-	(1,885,000)
Trinity River Authority Bonds issued for refunding	-	1,930,000
Total non-cash capital and related financing activities	<u>\$ 3,652,149</u>	<u>\$ 45,000</u>

**CITY OF LIVINGSTON, TEXAS**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**ELECTRIC, WATER, AND SEWER FUND**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

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**Business-Type Activities - Enterprise Fund**

	<b>2022</b>	<b>2021</b>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 9,508,490	\$ 5,823,530
Adjustments to reconcile operating net income to net cash provided by operating activities:		
Depreciation	697,035	673,646
Change in operating assets and liabilities:		
Returned checks receivable	(2,430)	(4,196)
Utility accounts receivable	(530,380)	21,439
Deferred outflows	23,674	117,095
Accounts payable	(522,991)	(40,657)
Meter deposits	3,317	48,110
Net pension liability	(622,156)	(261,363)
Deferred inflows	1,624,625	(24,793)
Total adjustments	670,694	529,281
Net cash provided by operating activities	<u>\$ 10,179,184</u>	<u>\$ 6,352,811</u>
Reconciliation of total cash and cash investments		
Unrestricted	\$ 5,817,167	\$ 3,309,524
Restricted		
Cash in bank, water and sewer system improvements	1,364,196	712,071
Cash in bank, reserve fund	<u>367,452</u>	<u>405,505</u>
Total cash and cash equivalents	<u>\$ 7,548,815</u>	<u>\$ 4,427,100</u>

(Concluded)

## **ENTERPRISE FUND**

**CITY OF LIVINGSTON, TEXAS  
ENTERPRISE FUND**

**SCHEDULE OF EXPENSES BY DEPARTMENT - COMPARED TO BUDGET**

**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>2022</b>			
	<b>Original Budget</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>LIGHT AND POWER DEPARTMENT</b>				
Salaries	\$ 812,000	\$ (102,000)	\$ 710,000	\$ 726,481
Salaries, administration	44,000	-	44,000	39,780
Social Security	63,000	(5,000)	58,000	58,619
Retirement	136,000	(23,000)	113,000	(8,207)
Employee insurance	149,000	(26,000)	123,000	121,520
Uniform rental	14,000	(4,000)	10,000	10,284
Insurance and bonds	49,000	-	49,000	20,013
Legal and professional	15,000	50,000	65,000	83,769
Engineering	1,000	(1,000)	-	-
Supplies	50,000	-	50,000	50,622
Repairs-building and grounds and equipment	150,000	(65,000)	85,000	100,696
Gas and oil	20,000	-	20,000	24,526
Utility/telephone	9,000	-	9,000	7,663
Dues and subscriptions	12,000	(2,000)	10,000	9,690
Power purchase	9,500,000	500,000	10,000,000	7,066,851
Transportation and contingency	14,000	(6,000)	8,000	11,804
Utility billing	18,000	-	18,000	13,796
Postage and miscellaneous	16,000	-	16,000	15,882
Auditing and accounting	15,000	1,000	16,000	15,335
<b>Total Light and Power</b>	<b>11,087,000</b>	<b>317,000</b>	<b>11,404,000</b>	<b>8,369,124</b>
<b>WATER DEPARTMENT</b>				
Salaries	462,000	-	462,000	493,135
Salaries - administration	44,000	-	44,000	29,041
Social Security	37,000	-	37,000	40,416
Retirement	82,000	-	82,000	(5,654)
Employee insurance	125,000	-	125,000	109,894
Uniform rental	14,000	(4,000)	10,000	9,383
Insurance and bonds	40,000	-	40,000	18,761
Legal and professional	15,000	1,000	16,000	17,700
Supplies	200,500	(500)	200,000	143,765
Repairs-building and grounds	15,000	-	15,000	13,180
Repairs-equipment	65,000	35,000	100,000	139,527
Gas and oil	54,000	-	54,000	66,327
Engineering	20,000	(15,000)	5,000	4,076
Dues and subscriptions	15,000	10,000	25,000	19,719
Water-TRA	464,000	-	464,000	463,268
Operations and maintenance-TRA	1,646,000	-	1,646,000	1,642,041
Transportation and contingency	51,000	(10,000)	41,000	29,821
Utility billing	18,000	-	18,000	13,796
Postage and printing	15,000	-	15,000	15,883
TRA-debt service	1,551,000	-	1,551,000	1,561,903
Auditing and accounting	15,000	1,000	16,000	15,333
<b>Total Water</b>	<b>4,948,500</b>	<b>17,500</b>	<b>4,966,000</b>	<b>4,841,315</b>

<b>Variance</b>	<b>2021 Actual</b>
\$ (16,481)	\$ 713,139
4,220	9,961
(619)	55,317
121,207	42,135
1,480	95,542
(284)	8,636
28,987	52,352
(18,769)	27,706
-	-
(622)	78,995
(15,696)	49,553
(4,526)	16,155
1,337	8,299
310	9,341
2,933,149	8,624,748
(3,804)	6,914
4,204	12,963
118	17,367
665	14,501
<u>3,034,876</u>	<u>9,843,624</u>
 (31,135)	 506,749
14,959	9,961
(3,416)	39,959
87,654	30,357
15,106	84,313
617	12,543
21,239	45,548
(1,700)	7,056
56,235	243,125
1,820	7,300
(39,527)	42,415
(12,327)	44,672
924	2,906
5,281	13,712
732	463,268
3,959	1,602,727
11,179	28,138
4,204	12,963
(883)	19,292
(10,903)	1,577,424
667	14,500
<u>124,685</u>	<u>4,808,928</u>

**CITY OF LIVINGSTON, TEXAS**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES BY DEPARTMENT - COMPARED TO BUDGET**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>2022</b>			
	<b>Original Budget</b>	<b>Revisions</b>	<b>Final</b>	<b>Actual</b>
<b>SEWER DEPARTMENT</b>				
Salaries	296,000	(10,000)	286,000	323,071
Salaries, administration	44,000	-	44,000	27,582
Social Security	23,000	-	23,000	27,258
Retirement	51,000	(3,000)	48,000	(3,650)
Employee insurance	69,000	(14,000)	55,000	56,852
Uniform rental	9,500	(3,500)	6,000	5,287
Insurance and bonds	22,000	-	22,000	5,728
Lab fees-engineering	20,000	-	20,000	18,124
Supplies	45,000	30,000	75,000	66,971
Chemicals	27,000	-	27,000	21,697
Legal/professional	3,500	1,500	5,000	7,958
Repairs-equipment	130,000	-	130,000	156,891
Repairs-building and grounds	20,000	-	20,000	22,042
Gas and oil	10,000	-	10,000	9,129
Dues and subscriptions	12,000	3,000	15,000	13,354
Transportation and contingency	64,000	(4,000)	60,000	65,777
Utilities and telephone	30,000	12,000	42,000	46,234
<b>Total Sewer</b>	<b>876,000</b>	<b>12,000</b>	<b>888,000</b>	<b>870,305</b>
<b>TOTAL ENTERPRISE FUND</b>				
<b>DEPARTMENT EXPENDITURES</b>	<b><u>\$ 16,911,500</u></b>	<b><u>\$ 346,500</u></b>	<b><u>\$ 17,258,000</u></b>	<b><u>\$ 14,080,744</u></b>

<u>Variance</u>	<u>2021</u>	<u>Actual</u>
(37,071)	370,529	
16,418	9,961	
(4,258)	29,565	
51,650	21,649	
(1,852)	52,625	
713	6,671	
16,272	22,661	
1,876	23,708	
8,029	53,595	
5,303	22,113	
(2,958)	9,201	
(26,891)	144,735	
(2,042)	1,770	
871	7,024	
1,646	12,435	
(5,777)	55,764	
(4,234)	39,063	
<u>17,695</u>	<u>883,069</u>	
<u>\$ 3,177,256</u>	<u>\$ 15,535,621</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.**

**TABLE A-1**

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

	<b>Fiscal Year</b>		
	<b>2013</b>	<b>2014</b>	<b>2015</b>
Governmental activities			
Net investment in capital assets	\$ 4,315,590	\$ 2,964,659	\$ 4,437,694
Restricted	11,906	12,825	6,523
Unrestricted	<u>662,242</u>	<u>1,270,906</u>	<u>(217,812)</u>
Total governmental activities net position	<u>\$ 4,989,738</u>	<u>\$ 4,248,390</u>	<u>\$ 4,226,405</u>
Business-type activities			
Net investment in capital assets	\$ 18,761,672	\$ 20,254,016	\$ 20,890,615
Restricted	103,626	111,356	117,270
Unrestricted	<u>5,978,877</u>	<u>6,620,642</u>	<u>7,761,709</u>
Total business-type activities net position	<u>\$ 24,844,175</u>	<u>\$ 26,986,014</u>	<u>\$ 28,769,594</u>
Primary government			
Net investment in capital assets	\$ 23,077,262	\$ 23,218,675	\$ 25,328,309
Restricted	115,532	124,181	123,793
Unrestricted	<u>6,641,119</u>	<u>7,891,548</u>	<u>7,543,897</u>
Total primary government net position	<u>\$ 29,833,913</u>	<u>\$ 31,234,404</u>	<u>\$ 32,995,999</u>

TABLE A-1

Fiscal Year						
2016	2017	2018	2019	2020	2021	2022
\$ 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	\$ 10,451,397 - 2,012,958	\$ 10,195,637 30,202 3,590,970
<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>	<u>\$ 12,464,355</u>	<u>\$ 13,816,809</u>
\$ 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	\$ 26,260,831 1,117,576 22,667,326	\$ 30,787,074 1,731,648 29,307,853
<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>	<u>\$ 50,045,733</u>	<u>\$ 61,826,575</u>
\$ 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	\$ 36,712,228 1,117,576 24,680,284	\$ 40,982,711 1,761,850 32,898,823
<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>	<u>\$ 62,510,088</u>	<u>\$ 75,643,384</u>

TABLE A-2

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

	<b>Fiscal Year</b>					
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Expenses</b>						
Governmental activities:						
Administrative	\$ 609,174	\$ 628,524	\$ 629,168	\$ 697,407	\$ 649,067	\$ 546,294
Sanitation	653,663	705,207	701,377	701,452	740,246	764,143
Fire	404,025	429,642	431,539	473,390	480,753	510,309
Police	1,852,215	1,912,194	1,992,910	2,171,640	2,259,591	2,269,710
Paving and street	969,670	993,905	1,082,684	1,356,218	1,238,574	1,335,446
Parks and recreation	991,098	947,878	1,060,084	1,061,374	1,101,262	1,113,057
Library	354,693	448,499	476,226	515,985	511,324	519,798
Garage	203,343	218,840	217,587	234,349	240,257	255,314
Interest on long-term debt	366,800	325,625	278,500	252,050	225,050	197,100
Total governmental activities expense	<u>6,404,681</u>	<u>6,610,314</u>	<u>6,870,075</u>	<u>7,463,865</u>	<u>7,446,124</u>	<u>7,511,171</u>
Business-type activities:						
Electric, water and sewer	12,167,699	14,519,484	14,628,936	14,721,612	14,772,164	15,082,355
Total business-type activities expenses	<u>12,167,699</u>	<u>14,519,484</u>	<u>14,628,936</u>	<u>14,721,612</u>	<u>14,772,164</u>	<u>15,082,355</u>
Total primary government expenses	<u>18,572,380</u>	<u>21,129,798</u>	<u>21,499,011</u>	<u>22,185,477</u>	<u>22,218,288</u>	<u>22,593,526</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services						
Administrative	98,300	101,595	92,722	91,839	142,640	92,630
Sanitation	1,027,614	1,038,218	1,041,025	1,102,931	1,215,053	1,213,940
Police	273,321	275,621	294,900	315,638	347,779	359,665
Paving and street	2,103	11,485	4,156	2,219	-	27,146
Parks and recreation	203,685	192,800	331,809	186,002	191,187	191,412
Library	17,835	23,829	32,866	18,130	19,163	21,062
Operating grants and contributions	128,227	60,484	86,898	142,999	69,403	64,384
Capital grants and contributions	-	-	219,600	52,350	3,050	-
Total governmental activities program revenues	<u>1,751,085</u>	<u>1,704,032</u>	<u>2,103,976</u>	<u>1,912,108</u>	<u>1,988,275</u>	<u>1,970,239</u>
Business-type activities:						
Charges for services						
Electric, water and sewer	16,851,001	17,055,406	19,551,817	22,691,589	20,484,503	18,444,719
Total business-type activities program revenues	<u>16,851,001</u>	<u>17,055,406</u>	<u>19,551,817</u>	<u>22,691,589</u>	<u>20,484,503</u>	<u>18,444,719</u>
Total primary government program revenues	<u>18,602,086</u>	<u>18,759,438</u>	<u>21,655,793</u>	<u>24,603,697</u>	<u>22,472,778</u>	<u>20,414,958</u>
Net (Expense) Revenues						
Governmental activities	(4,653,596)	(4,906,282)	(4,766,099)	(5,551,757)	(5,457,849)	(5,540,932)
Business-type activities	4,683,302	2,535,922	4,922,881	7,969,977	5,712,339	3,362,364
Total primary government net expense	<u>29,706</u>	<u>(2,370,360)</u>	<u>156,782</u>	<u>2,418,220</u>	<u>254,490</u>	<u>(2,178,568)</u>
<b>General Revenues and Other Changes in Net Position</b>						
Governmental activities:						
Taxes						
Sales taxes	3,730,723	3,431,399	3,488,475	3,597,499	3,759,664	4,055,937
Franchise taxes	151,625	135,253	142,040	136,844	128,601	115,006
Hotel/Motel taxes	270,564	318,487	297,152	296,831	316,075	362,937
Investment earnings	7,743	3,918	3,389	2,926	3,382	4,303
Transfers	321,544	406,434	2,347,835	2,663,586	822,556	1,925,344
Total governmental activities	<u>4,482,199</u>	<u>4,295,491</u>	<u>6,278,891</u>	<u>6,697,686</u>	<u>5,030,278</u>	<u>6,463,527</u>
Business-type activities:						
Investment earnings	12,204	12,351	8,930	8,185	8,655	9,056
Special item - assets received	(321,544)	(406,434)	(2,347,835)	(2,663,586)	(822,556)	(1,925,344)
Transfers	(309,340)	(394,083)	(2,338,905)	(2,655,401)	(813,901)	(1,916,288)
Total business-type activities	<u>4,172,859</u>	<u>3,901,408</u>	<u>3,939,986</u>	<u>4,042,285</u>	<u>4,216,377</u>	<u>4,547,239</u>
Total primary government						
<b>Changes in Net Position</b>						
Governmental activities	(171,397)	(610,791)	1,512,792	1,145,929	(427,571)	922,595
Business-type activities	4,373,962	2,141,839	2,583,976	5,314,576	4,898,438	1,446,076
Total primary government	<u>\$ 4,202,565</u>	<u>\$ 1,531,048</u>	<u>\$ 4,096,768</u>	<u>\$ 6,460,505</u>	<u>\$ 4,470,867</u>	<u>\$ 2,368,671</u>

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	624,090	\$ 612,710	\$ 608,012	\$ 624,095
812,677	806,598	839,771	971,774	
547,489	605,842	615,684	662,911	
2,545,281	2,542,525	2,544,742	2,466,594	
1,276,557	1,322,083	1,358,565	1,332,002	
1,183,383	1,126,189	1,173,597	1,237,130	
554,824	536,713	505,850	550,599	
285,713	307,729	305,285	343,438	
<u>188,100</u>	<u>52,010</u>	<u>-</u>	<u>-</u>	
<u>8,018,114</u>	<u>7,912,399</u>	<u>7,951,506</u>	<u>8,188,543</u>	
<b><u>15,808,351</u></b>	<b><u>16,238,727</u></b>	<b><u>16,209,267</u></b>	<b><u>14,777,779</u></b>	
<b><u>15,808,351</u></b>	<b><u>16,238,727</u></b>	<b><u>16,209,267</u></b>	<b><u>14,777,779</u></b>	
<b><u>23,826,465</u></b>	<b><u>24,151,126</u></b>	<b><u>24,160,773</u></b>	<b><u>22,966,322</u></b>	
132,723	123,113	893,750	186,934	
1,230,181	1,255,418	1,329,946	1,331,928	
406,947	325,262	509,371	536,637	
908	48,734	4,082	3,853	
179,350	177,266	143,063	215,809	
21,785	15,985	17,357	13,583	
80,759	80,802	327,722	91,630	
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>2,052,653</u>	<u>2,026,580</u>	<u>3,225,291</u>	<u>2,380,374</u>	
<b><u>23,007,770</u></b>	<b><u>21,942,905</u></b>	<b><u>22,032,797</u></b>	<b><u>24,286,269</u></b>	
<b><u>23,007,770</u></b>	<b><u>21,942,905</u></b>	<b><u>22,032,797</u></b>	<b><u>24,286,269</u></b>	
<b><u>25,060,423</u></b>	<b><u>23,969,485</u></b>	<b><u>25,258,088</u></b>	<b><u>26,666,643</u></b>	
(5,965,461)	(5,885,819)	(4,726,215)	(5,808,169)	
7,199,419	5,704,178	5,823,530	9,508,490	
<u>1,233,958</u>	<u>(181,641)</u>	<u>1,097,315</u>	<u>3,700,321</u>	
3,888,574	4,188,740	4,667,079	5,209,435	
132,500	140,748	134,243	118,774	
352,302	333,924	333,636	337,814	
6,525	4,872	2,466	4,305	
<u>1,760,074</u>	<u>6,689,771</u>	<u>718,490</u>	<u>1,490,295</u>	
<u>6,139,975</u>	<u>11,358,055</u>	<u>5,855,914</u>	<u>7,160,623</u>	
14,234	34,902	9,121	110,498	
-	-	-	3,652,149	
<u>(1,760,074)</u>	<u>(6,689,771)</u>	<u>(718,490)</u>	<u>(1,490,295)</u>	
<u>(1,745,840)</u>	<u>(6,654,869)</u>	<u>(709,369)</u>	<u>2,272,352</u>	
<u>4,394,135</u>	<u>4,703,186</u>	<u>5,146,545</u>	<u>9,432,975</u>	
174,514	5,472,236	1,129,699	1,352,454	
5,453,579	(950,691)	5,114,161	11,780,842	
<u>\$ 5,628,093</u>	<u>\$ 4,521,545</u>	<u>\$ 6,243,860</u>	<u>\$ 13,133,296</u>	

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

	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
General Fund				
Restricted	\$ 214	\$ 296	\$ 2,421	\$ 1,419
Unassigned	<u>857,542</u>	<u>1,270,609</u>	<u>1,231,446</u>	<u>2,372,108</u>
Total General Fund	<u>\$ 857,756</u>	<u>\$ 1,270,905</u>	<u>\$ 1,233,867</u>	<u>\$ 2,373,527</u>
All Other Governmental Funds				
Restricted				
Debt Service Fund	\$ 11,906	\$ 12,825	\$ 6,523	\$ 13,362
Capital Projects Fund	<u>3,363,060</u>	A. <u>833,076</u>	<u>507,620</u>	-
Total all other governmental funds	<u>\$ 3,374,966</u>	<u>\$ 845,901</u>	<u>\$ 514,143</u>	<u>\$ 13,362</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.

TABLE A-3

<b>Fiscal Year</b>					
<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 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>	\$ 27,595 <u>3,886,882</u>	\$ 30,202 <u>5,012,981</u>
<u>\$ 1,370,676</u>	<u>\$ 1,960,341</u>	<u>\$ 1,985,643</u>	<u>\$ 2,550,096</u>	<u>\$ 3,914,477</u>	<u>\$ 5,043,183</u>
\$ 14,443 -	\$ 9,848 -	\$ 6,430 -	\$ - B. -	\$ - -	\$ - -
<u>\$ 14,443</u>	<u>\$ 9,848</u>	<u>\$ 6,430</u>	<u>\$ -</u>	<u>\$ -</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)**

	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenues</b>				
Taxes	\$ 4,152,912	\$ 3,885,139	\$ 3,927,667	\$ 4,031,174
Licenses and permits	54,839	78,737	66,122	61,394
Charges for service	1,275,560	1,311,551	1,290,760	1,357,043
Fines and forfeitures	256,378	261,363	280,259	298,337
Miscellaneous	<u>180,943</u>	<u>88,191</u>	<u>430,104</u>	<u>190,184</u>
Total Revenues	<u>5,920,632</u>	<u>5,624,981</u>	<u>5,994,912</u>	<u>5,938,132</u>
<b>Expenditures</b>				
Administrative	546,441	569,230	590,106	584,639
Sanitation	653,542	705,087	701,257	701,332
Fire	371,718	393,104	396,935	420,082
Police	1,736,455	1,802,083	1,882,425	1,912,124
Paving and street	450,841	486,078	536,667	533,445
Parks and recreation	845,205	802,039	933,864	885,012
Library	302,686	335,764	350,494	365,558
Garage	182,681	198,707	201,151	204,859
Capital outlay	1,862,161	1,498,439	1,820,144	1,063,738
Debt service				
Interest	366,800	366,800	278,500	252,050
Principal	<u>960,000</u>	<u>990,000</u>	<u>1,020,000</u>	<u>1,040,000</u>
Total Expenditures	<u>8,278,530</u>	<u>8,147,331</u>	<u>8,711,543</u>	<u>7,962,839</u>
Excess of revenues over (under) expenditures	(2,357,898)	(2,522,350)	(2,716,631)	(2,024,707)
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,874,484	3,276,767	3,638,885	4,457,253
Transfers out	<u>(2,552,940)</u>	<u>(2,870,333)</u>	<u>(1,291,050)</u>	<u>(1,793,667)</u>
Total other financing sources	<u>321,544</u>	<u>406,434</u>	<u>2,347,835</u>	<u>2,663,586</u>
Net change in fund balances	<u>\$ (2,036,354)</u>	<u>\$ (2,115,916)</u>	<u>\$ (368,796)</u>	<u>\$ 638,879</u>
Debt service as a percentage of noncapital expenditures	20.7%	20.4%	18.8%	18.7%

TABLE A-4

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 4,204,340	\$ 4,533,880	\$ 4,373,376	\$ 4,663,412	\$ 5,134,958	\$ 5,666,023
108,801	62,259	104,453	90,198	150,646	122,927
1,436,597	1,440,739	1,426,243	1,402,317	1,510,650	1,590,221
324,687	370,040	360,926	340,150	491,009	483,046
126,335	21,089	174,036	206,356	1,112,374	220,709
<u>6,200,760</u>	<u>6,428,007</u>	<u>6,439,034</u>	<u>6,702,433</u>	<u>8,399,637</u>	<u>8,082,926</u>
579,236	489,166	552,891	556,405	561,194	619,238
740,126	764,023	812,556	806,478	839,651	971,533
429,930	470,361	469,002	529,813	561,607	631,011
2,059,888	2,182,844	2,310,261	2,327,817	2,497,742	2,540,886
591,772	682,258	578,273	630,545	674,615	701,327
931,813	961,081	969,930	951,965	1,056,019	1,172,318
370,697	395,713	409,877	394,764	391,171	456,095
219,323	247,642	264,100	273,463	281,054	338,261
807,251	838,093	1,402,234	830,921	890,693	1,013,846
225,050	197,100	188,100	52,010	-	-
<u>1,070,000</u>	<u>540,000</u>	<u>220,000</u>	<u>5,480,000</u>	<u>-</u>	<u>-</u>
<u>8,025,086</u>	<u>7,768,281</u>	<u>8,177,224</u>	<u>12,834,181</u>	<u>7,753,746</u>	<u>8,444,515</u>
(1,824,326)	(1,340,274)	(1,738,190)	(6,131,748)	645,891	(361,589)
2,117,649	2,657,288	2,164,381	6,689,771	718,490	1,490,295
(1,295,093)	(731,944)	(404,307)	-	-	-
<u>822,556</u>	<u>1,925,344</u>	<u>1,760,074</u>	<u>6,689,771</u>	<u>718,490</u>	<u>1,490,295</u>
<u>\$ (1,001,770)</u>	<u>\$ 585,070</u>	<u>\$ 21,884</u>	<u>\$ 558,023</u>	<u>\$ 1,364,381</u>	<u>\$ 1,128,706</u>
17.9%	10.6%	6.0%	46.1%	0.0%	0.0%

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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**

---

<b>Tax Year</b>	<b>Real Property (1)</b>		<b>Personal (1)</b> <b>Assessed Value</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
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
2020	508,573,553	508,573,553	60,371,906
2021	510,866,226	510,866,226	70,068,904

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

**TABLE B-1**

<b>Personal (1) Estimated Actual Value</b>	<b>Total Property</b>		<b>Ratio of Total Assessed to Total Estimated Actual Value</b>	<b>Total Direct Rate Applied</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>		
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%
60,371,906	568,945,459	568,945,459	100%	0%
70,068,904	580,935,130	580,935,130	100%	0%

**TABLE B-2**

**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)**

<b>County Fiscal Year</b>	<b>City General Fund</b>	<b>School District</b>	<b>County</b>	<b>Total</b>
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
2020	.00	1.3097	0.6461	1.9558
2021	.00	1.2369	0.6376	1.8745

<b>County Fiscal Year</b>	<b>City General Fund</b>	<b>School District</b>	<b>County</b>	<b>Total</b>
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
2020	-	25,511,222	19,386,927	44,898,149
2021	-	38,756,821	19,751,273	58,508,094

**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.

TABLE B-3

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

<b>TEN LARGEST ELECTRIC CUSTOMERS</b> <b>FISCAL 2022 KILOWATT HOURS</b>				<b>TEN LARGEST ELECTRIC CUSTOMERS</b> <b>FISCAL 2013 KILOWATT HOURS</b>			
(*) Name	Kilowatt Hours	Rank	Percent of Total	Kilowatt Hours	Rank	Percent of Total	
Livingston Independent School Dist.	6,440,982	1	7.60%	7,470,574	1	8.82%	
Polk County	3,723,143	2	4.39%	3,510,377	2	4.14%	
HEB Pantry Foods	3,073,790	3	3.63%	1,970,027	5	2.33%	
Brookshire Brothers	1,964,702	4	2.32%	2,273,767	3	2.68%	
Lowe's Home Improvement	1,446,020	5	1.71%	2,034,999	4	2.40%	
Bradford at Brookside	930,954	6	1.10%	1,168,132	6	1.38%	
McDonalds	858,280	7	1.01%	942,736	8	1.11%	
Premier Auto Plex	837,955	8	0.99%	-	-	0.00%	
Pine Ridge Healthcare Center	703,643	9	0.83%	878,413	9	1.04%	
First State Bank	545,784	10	0.64%	695,151	10	0.82%	
Factory Stores of America	-	-	0.00%	1,122,660	7	1.33%	
	<u>20,525,253</u>		<u>24.22%</u>	<u>22,066,836</u>		<u>26.06%</u>	
<b>TEN LARGEST WATER CUSTOMERS</b> <b>FISCAL 2022 GALLONS USED</b>				<b>TEN LARGEST WATER CUSTOMERS</b> <b>FISCAL 2013 GALLONS USED</b>			
(*) Name	Gallons Used	Rank	Percent of Total	Gallons Used	Rank	Percent of Total	
Texas Department of Criminal Just.	258,422,200	1	60.03%	237,818,000	1	42.46%	
IAH Detention Facility	19,423,000	2	4.51%	24,791,000	2	4.43%	
CHI St Luke's Health	15,544,000	3	3.61%	-	-	0.00%	
Livingston Independent School Dist.	12,003,500	4	2.79%	11,319,000	4	2.02%	
Polk County	7,679,283	5	1.78%	7,681,000	5	1.37%	
Pine Hill Apartments	4,525,194	6	1.05%	6,491,000	6	1.16%	
Camp Cho Yeh	4,509,000	7	1.05%	6,016,000	7	1.07%	
Bradford at Brookside	4,360,000	8	1.01%	4,388,000	8	0.78%	
Pine Ridge Healthcare Center	4,317,000	9	1.00%	-	-	0.00%	
First Methodist Church	3,786,000	10	0.88%	-	-	0.00%	
Memorial Medical Center	-	-	0.00%	14,894,000	3	2.66%	
Lowe's Home Improvement	-	-	0.00%	2,901,000	9	0.52%	
Walmart	-	-	0.00%	2,761,000	10	0.49%	
	<u>334,569,177</u>		<u>77.72%</u>	<u>319,060,000</u>		<u>56.96%</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.

**TABLE B-4**

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

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>
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	-	-
2020-21	N/A	N/A	N/A	-	-
2021-22	N/A	N/A	N/A	-	-

\* City discontinued levying property taxes in fiscal 1989.

**TABLE B-4**

<b>Total Collections as Percent of Current Levy</b>	<b>Adjustment</b>	<b>Outstanding Delinquent Taxes</b>	<b>Outstanding Delinquent as a Percent of Total Tax Levy</b>
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

**TABLE B-5**

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

	<b>Fiscal Year</b>			
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Mining	\$ -	\$ -	\$ -	\$ -
Construction	5,879,331	4,302,348	4,357,712	5,839,513
Manufacturing	4,907,254	6,711,331	5,935,164	7,437,680
Transportation, communication, utility	226,591	231,890	248,119	229,389
Wholesale Trade	9,603,888	10,848,869	10,046,996	9,793,097
Retail Trade	138,173,284	142,313,890	142,208,459	124,622,403
Finance, insurance, real estate	1,865,566	1,899,028	2,013,205	2,471,029
Services and other	<u>36,840,033</u>	<u>38,727,778</u>	<u>39,477,491</u>	<u>43,277,048</u>
<b>Total</b>	<b><u>\$197,495,947</u></b>	<b><u>\$ 205,035,134</u></b>	<b><u>\$ 204,287,146</u></b>	<b><u>\$ 193,670,159</u></b>

Source: State Comptroller's Office

**TABLE B-5**

<b>Fiscal Year</b>					
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$ 5,892	\$ -	\$ -	\$ -	\$ -	\$ 17,511
2,828,797	3,368,703	4,999,590	3,857,243	2,030,219	4,446,381
7,338,917	7,838,552	6,131,611	5,057,706	6,705,829	9,670,676
237,053	257,023	147,792	266,008	272,157	269,763
6,611,068	6,299,002	6,167,509	5,800,663	5,500,826	4,460,884
150,182,763	153,086,173	155,304,015	158,137,179	177,749,436	190,922,218
2,353,850	2,301,532	2,510,620	2,182,031	2,193,236	2,111,509
45,521,468	45,484,035	45,787,613	45,573,813	48,131,650	62,894,799
<u>\$ 215,079,808</u>	<u>\$ 218,635,020</u>	<u>\$ 221,048,750</u>	<u>\$ 220,874,643</u>	<u>\$ 242,583,353</u>	<u>\$ 274,793,741</u>

**TABLE B-6**

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

---

	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Electrical revenues	\$ 12,539,645	\$ 12,262,970	\$ 14,952,135	\$ 17,663,467
Water revenues	2,908,495	2,916,915	2,707,222	2,947,552
Sewer revenues	<u>1,402,861</u>	<u>1,875,521</u>	<u>1,892,460</u>	<u>2,080,570</u>
Total	<u>\$ 16,851,001</u>	<u>\$ 17,055,406</u>	<u>\$ 19,551,817</u>	<u>\$ 22,691,589</u>

Sources: Various City Departments

**TABLE B-6**

<b>Fiscal Year</b>					
<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 14,998,630	\$ 13,011,389	\$ 17,565,089	\$ 16,210,295	\$ 16,231,451	\$ 18,314,490
3,367,577	3,337,436	3,243,058	3,233,546	3,438,157	3,548,955
<u>2,118,296</u>	<u>2,095,894</u>	<u>2,199,623</u>	<u>2,499,064</u>	<u>2,363,189</u>	<u>2,422,824</u>
<u>\$ 20,484,503</u>	<u>\$ 18,444,719</u>	<u>\$ 23,007,770</u>	<u>\$ 21,942,905</u>	<u>\$ 22,032,797</u>	<u>\$ 24,286,269</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.**

**TABLE C-1**

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

<b>Fiscal Year</b>	<b>CERTIFICATES OF OBLIGATION</b>		<b>GENERAL OBLIGATION BONDS</b>		<b>TOTAL GOVERNMENTAL ACTIVITIES</b>		<b>BUSINESS-TYPE ACTIVITIES</b>	
							<b>WATER SERVICE CONTRACTS</b>	<b>PAYABLE</b>
2012-13	6,055,000	(3)	4,305,000	(3)	10,360,000		23,140,000	(1) (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	
2020-21	-		-		-		17,950,000	
2021-22	-		-		-		17,190,000	

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 in 2012 to be repaid by the City proprietary fund. Bonds were refinanced by Trinity River Authority in 2021.

(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 in 2012 to be repaid by the City proprietary fund.

(5) U.S. Census 2020.

**TABLE C-1**

<b>TOTAL PRIMARY GOVERNMENT</b>	<b>PERCENTAGE OF PERSONAL INCOME</b>	<b>GROSS BONDED DEBT PER CAPITA</b>	<b>NET BONDED DEBT PER CAPITA</b>	<b>POPULATION</b>
33,500,000	16.55%	1,942	1,940	5,335 (2)
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
17,950,000	7.43%	-	-	5,640 (5)
17,190,000	6.91%	-	-	5,640

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

<b>Fiscal Year</b>	<b>Population</b>		<b>Assessed Value (1)</b>	<b>Gross Bonded Debt (2)</b>	<b>Less: Debt Service Fund</b>
2012-13	5,335	(3)	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	-	-
2020-21	5,640	(4)	568,945,459	-	-
2021-22	5,640		580,935,130	-	-

(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

(4) U.S. Census 2020

**TABLE C-2**

<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
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, 2022**

<b>Governmental Unit</b>	<b>Outstanding Debt</b>	<b>Percentage Applicable to This Governmental Unit *</b>	<b>City of Livingston's Share of Debt</b>
(1) Livingston Independent School District	51,385,000	20%	10,277,000
(2) County of Polk	<u>14,835,000</u>	13%	<u>1,928,550</u>
Total overlapping debt	<u>66,220,000</u>		<u>12,205,550</u>
Total direct and overlapping debt	<u>\$ 66,220,000</u>		<u>\$ 12,205,550</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.

**TABLE C-4**

**CITY OF LIVINGSTON, TEXAS**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**September 30, 2022**

---

Assessed value, year 2021	<u>\$ 580,935,130</u>
Debt Limit - Ten Percent of assessed value	58,093,513
Amount of Debt Applicable to Debt Limit:	
Other debt (contracts payable)	<u>17,190,000</u>
Total debt	<u>17,190,000</u>
Less: Assets in debt service fund	-
Total amount of debt applicable to debt limit	<u>17,190,000</u>
Legal debt margin	<u>\$ 40,903,513</u>

<b>Fiscal Year</b>	<b>Debt Limit</b>	<b>Total Net Debt Applicable to Limit</b>	<b>Legal Debt Margin</b>	<b>Legal Debt Margin as a Percentage of the Debt Limit</b>
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%
2021	\$ 56,894,546	\$ 17,950,000	\$ 38,944,546	68.45%
2022	\$ 58,093,513	\$ 17,190,000	\$ 40,903,513	70.41%

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.**

**TABLE D-1**

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

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
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%
2020-21	5,640	241,561,200	42,830	8.70%
2021-22	5,640	248,659,311	44,089	2.40%

\* Sources: Population provided by the 2010 and 2020 census. Personal income and unemployment rate provided by the Bureau of Economic Analysis.

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

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(*) <u>Name</u>	<u>2022</u>			<u>2013</u>		
	<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.	550	1	9.75%	625	1	8.01%
Walmart Super Center	384	2	6.81%	432	2	5.54%
Polk County	300	3	5.32%	330	4	4.23%
CHI St Luke's Health	216	4	3.83%	-	-	0.00%
IAH Detention Facility	179	5	3.17%	172	5	2.21%
Sam Houston Electric Coop	158	6	2.80%	157	6	2.01%
Lowe's Home Improvement	140	7	2.48%	133	8	1.71%
The Bradford at Brookside	98	8	1.74%	142	7	1.82%
HEB Pantry Foods	97	9	1.72%	-	-	0.00%
First National Bank	97	10	1.72%	98	10	1.26%
Pine Ridge Healthcare Center	-	-	0.00%	126	9	1.62%
Memorial Medical Center	-	-	0.00%	360	3	4.62%
	<u>2,219</u>		<u>39.34%</u>	<u>2,575</u>		<u>33.01%</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.**

TABLE E-1

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

		<b>Full-time Equivalent Employees as of September 30,</b>				
<b>FUNCTION/PROGRAM</b>		<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Administrative	B	12	12	12	12	11
Fire	A	2	2	1	1	1
Police Officers		18	18	18	18	18
Other staff		8	8	8	8	7
Paving and street		4	6	7	6	7
Parks and recreation		7	9	9	9	9
Library		5	5	5	5	5
Garage		2	2	2	2	2
Electric, Water & Sewer		<u>17</u>	<u>21</u>	<u>19</u>	<u>20</u>	<u>20</u>
Total		<u>75</u>	<u>83</u>	<u>81</u>	<u>81</u>	<u>80</u>

Sources: Various City Departments

- A. The City does not have a paid fire department. The City has approximately 37 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.

**TABLE E-1**

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
13	12	12	12	15
1	1	1	1	1
19 8	20 7	20 8	20 8	24 8
5	5	6	5	7
8	10	10	9	7
5	5	4	5	5
2	2	2	3	3
<u>18</u>	<u>19</u>	<u>20</u>	<u>18</u>	<u>17</u>
<u>79</u>	<u>81</u>	<u>83</u>	<u>81</u>	<u>87</u>

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

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<b>FUNCTION/PROGRAM</b>	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Police				
Violations (Traffic & Criminal)	4,881	4,588	4,402	4,840
Fire				
Fire Calls	572	508	531	592
Library				
Volumes of Books	19,599	18,335	19,798	19,817
Electric				
Average daily kilowatt hours sold	232,027	232,292	234,643	230,634
Total customers	3,310	3,320	3,316	3,313
Water				
Average daily consumption	1,956,984	1,847,951	1,458,384	1,528,677
	3,293	3,286	3,299	3,289

Sources: Various City Departments

**TABLE E-2**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
4,273	4,735	4,382	2,988	5,570	4,065
587	627	523	631	638	720
21,305	19,466	20,999	18,224	19,937	19,238
282,310 3,286	229,114 3,321	220,793 3,332	213,870 3,423	220,826 3,485	221,260 3,460
1,569,050 3,291	1,553,392 3,302	1,562,151 3,325	2,253,570 3,392	1,594,471 3,530	1,579,578 3,388

**TABLE E-3**

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

<b>FUNCTION/PROGRAM</b>	<b>Fiscal Year</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Police				
Patrol Units	16	16	16	17
Fire				
Stations and substation	3	3	3	3
Vehicles including fire trucks	15	17	17	15
Paving and Street				
Miles of Paved Streets	58.06	58.06	58.06	59.06
Miles of Paved Sidewalks	12.50	12.50	12.50	12.50
Street lights	819	821	821	828
Night lights	452	467	467	472
Parks & Recreation				
Acres of Parks	373.50	373.50	373.50	373.50
Water				
Miles of water mains	45.78	46.63	46.63	48.18
Storage capacity-gallons	2,150,000	3,150,000	3,150,000	3,300,000
Sewer				
Miles of sewer lines	80.75	80.75	80.75	81.60

Sources: Various City Departments

**TABLE E-3**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
19	19	19	17	18	18
4 15	4 16	4 15	4 15	4 15	4 15
59.06 12.50 828 481	59.06 12.50 830 483	59.06 12.50 832 474	59.16 12.50 835 476	59.16 12.50 838 476	59.16 12.50 830 476
373.50	373.50	373.50	373.50	373.50	373.50
48.49 3,300,000	48.51 3,300,000	49.71 3,300,000	49.71 3,850,000	50.45 3,850,000	50.45 3,850,000
81.60	81.60	81.72	81.72	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 2020 U.S. Census - 5,640

**INCORPORATED AREA IN ACRES LAST TEN YEARS**

2013	5,572	2018	5,572
2014	5,572	2019	5,572
2015	5,572	2020	5,572
2016	5,572	2021	5,572
2017	5,572	2022	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" 10.76 miles 8" 15.12 miles 6" 22.09 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 - UNAUDITEDPERSONNEL

<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+	3
Electric	6	20-30	14
Water	7	15-19	10
Sewer	4	10-14	11
Police	32	6-9	14
Street	7	1-5	22
Parks and Recreational	7	Less than (one) 1 year	<u>13</u>
Library	5		
Garage	3		<u>87</u>
Community Devel.	2		
Fire	1		
Main Street	1		
Trade Days	2		
Total	<u>87</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 320 hours accrual

Holiday Compensation

Paid Holidays (Thirteen)

Law Enforcement Certificate Pay

Bereavement Leave (24 hours)

Telecommunication Officer Certificate Pay

Earned personal leave days (One)

Paid uniforms for all service personnel

Award program-Annual banquet, safety, service, attendance, and volunteer awards

Healthy initiative program

Education tuition reimbursement

Water/Wastewater Certificate pay

Family Leave (FMLA)

Workers Compensation Program

## CITY OF LIVINGSTON, TEXAS

## MISCELLANEOUS STATISTICAL DATA - UNAUDITED

<u>POLICE PROTECTION</u>	
<u>Personnel at Full Staff</u>	<u>Equipment</u>
One (1) Chief	Eighteen (18) Patrol Units
One (1) Lieutenant	Eleven (11) Radars
Five (5) Sergeants	Radio Communication System
Two (2) Detectives	Computer System
Ten (10) Officers	
Five (5) Reserve Officers	
Four (4) Telecommunication Officers	<u>Traffic and Criminal Violations</u>
Two (2) Relief Telecommunication Officer	\$254,453 fines collected
One (1) Animal Control Officer	4,065 violations
Five (5) School Officers	
<u>FIRE PROTECTION</u>	
<u>Personnel</u>	<u>Housing</u>
One (1) Fire Chief	1992 Station 1 - 8 Truck bays, 2 offices
Thirty-six (36) volunteer firemen	1 classroom, and 1 workroom
Two (2) radio dispatchers - full time and Two (2) relief	
One (1) secretary	1996 Station 2 - 5 Truck bays
<u>Equipment</u>	2007 Station 3 - 2 Truck bays
Five (5) pumbers (4-1250 GPM; 1-750 GPM)	2016 Station 4 - 4 Truck bays
One (1) aerial ladder truck (2000 GPM)	
Two (2) tankers (3000 gal. capacity)	
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	2021-2022 - 720 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
U.S. Census - 2020	5,640

ENTERPRISES AS OF SEPTEMBER 30, 2022

(1) CenterPoint Energy	Gas Utility	Active Customers 1,207 Inactive Customers N/A
(1) LivCom	Telephone System	Access Lines - 3,198
(1) LivCom	Television Cable	Customers - 339
City of Livingston	Electric & Water Systems	Electric Customers 3,460 Water Customers 3,388
(1) Information provided by individual corporate offices		

CITY ELECTRIC DEPARTMENT STATISTICS (LAST TEN YEARS)

Fiscal Year	Number of Customers	KWH Consumed		Total
		Residential	Commercial	
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
2021	3,485	29,766,797	50,833,792	80,600,589
2022	3,460	25,749,925	51,375,632	77,125,557

## CITY OF LIVINGSTON, TEXAS

MISCELLANEOUS STATISTICAL DATA - UNAUDITEDMUNICIPAL SALES TAX

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
2020-21	\$ 4,667,079
2021-22	\$ 5,209,435

WATER DEPARTMENT STATISTICS (LAST TEN YEARS)

Year	Gallons Consumed *	Gallons Pumped
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
2021	578,998,000	829,166,000
2022	576,546,000	783,757,000

\* 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 - Six (6)  
 Asst. Principals - Ten (10)  
 Counselors - Eight (8)  
 Directors of Special Prog./Curriculum - Seven (7)  
 Other - Forty-seven (47)  
Private  
 Private Kindergarten and/or Nursery Schools - Three (3)  
College  
 Angelina Junior College/  
 Polk County Commerce Center Fall 2021 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; 2022 - 19,236

**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 2021	41,294
* Number voting in last general election November 2020	16,760
Number of registered voters in City 2020	3,086
** 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, 2022**

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<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
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
Linnette Barker	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.