

CITY OF LIVINGSTON, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

CITY OF LIVINGSTON, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the fiscal year ended September 30, 2024

Prepared by:

Linnette Barker
Finance Director

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The City's Finance Department

CITY OF LIVINGSTON, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended September 30, 2024

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INTRODUCTORY SECTION



City of Livingston, Texas

A Texas Main Street City Since 2005

200 West Church Street, Livingston, Texas 77351-3281
Telephone: (936) 327-4311 Fax: (936) 327-7608
www.cityoflivingston-tx.com

May 14, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Livingston:

The Annual Comprehensive Financial Report (ACFR) of the City of Livingston (the "City") for the fiscal year ended September 30, 2024 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 my 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 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, individual fund statements and schedules, and 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'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 is in southeast Polk County, approximately 75 miles northeast of Houston. The City is readily accessible via Highway 59 on the north and south and U.S. 190 on the east and west. The population of the City was 5,640 as of the 2020 U.S. Census.

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 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, organization 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. These basic services include public safety, streets, sanitation, parks, recreation, events, library, provision of water, 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 controls 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) 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 express 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 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/quarterly to City departmental and divisional management and upon request. Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level. Capital expenditures (items over \$1,000 and having a useful life of three or more years) are monitored and controlled item by item.

Economic Outlook and Financial Conditions

The local economy experienced an increase in most economic indicators in 2024. Sales tax revenue, a major indicator of the economic condition of the area, increased from \$5,505,516 to \$5,716,461, an increase of \$304,365 or 4%. The increase was due to overall improved economic activity.

In fiscal 2024, hotel occupancy tax increased 10%, sanitation service fees increased 2%, and collections for fines and forfeitures increased 97%, while gross receipts and franchise fees decreased by 21% from 2023.

The Electric sales revenues decreased by 16% from \$11,787,552 in fiscal year 2023 to \$9,909,446 in fiscal year 2024. The total gallons of water consumed in the City decreased by 4% from 632,266,000 in fiscal year 2023 compared to 609,357,000 gallons in 2024. The TDCJ Polunsky Unit continued as the City's largest water and wastewater user consuming 295,522,000 gallons of water with the IAH Federal Detention Facility, located on FM 350 South, as the second largest water and wastewater user consuming 25,220,000 gallons of water. Together, these two facilities represent 54% of water and sewer consumption, or 320,742,000 gallons of the total water consumed in fiscal year 2024.

Economic Development

A total of 53 building permits were issued by the City for commercial and residential construction projects in calendar year 2024 with a total construction value of \$23,914,314. 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 2024 year the City added the construction of:

- LISD High School Athletic Complex – value \$14,000,075
- Construction started on Denny's Restaurant
- 7 Brand new manufactured homes
- 2 homes in "The Retreat" a 55 and older community
- New Office located at 310 W. Polk St.

Numerous remodel projects in 2024:

- Remodel of Vanity Fair to U-Haul Facility
- Remodel of the Angler Hotel
- Remodel of Pine Hill Apartment Building that was damaged in a fire.
- Numerous home renovations.

Natural Disasters

In May 2024 the City received 18.42 inches of rain causing major flooding throughout the City. The flooding was part of a series of storms that hit southeast Texas resulting in flash flooding and water flow causing major damage to the City. The City is continuing to work with FEMA on the following identified projects:

- Road and culvert damage
- Electric Warehouse yard repairs
- (2) City pickups and a Tractor
- City sewer lines
- City water lines
- City Sewer Plant – Flooding waters through the plant, fence
- Drainage throughout Matthews Park
- Damage to Matthews Park – Playground Equipment, Benches, Tables, Pavillion, Golf Course
- Pedigo Park – Fence
- Animal Control Facility - Fence

The estimated costs to repair the City damaged infrastructure and property resulted in approximately \$2,851,000 in FEMA claims for the flood event.

While still recovering from the flood event, Hurricane Beryl made landfall as a Category 1 hurricane near Livingston, damaging winds and damaging electric transmission lines. With the mutual-aid help from the City of Seguin, the electric damage was repaired right away. The debris removal, fence repairs, and transmission lines resulted in additional FEMA claims of approximately \$299,800.

Capital Projects

- Administrative Department – Records retention/historical preservation
- Fire Department – Freightliner Pumper
- Police Department – Portable/Mobile radios and control station
- Streets – Truck Purchase
- Pedigo Park – Storage Building
- Matthews Park – Pickle Ball Courts
- Airport – Lean-two, gate motor, fuel pump cover
- Electric – Tractor with implements and trailer, completed electric meter project
- Water – New dump truck, completed water meter project

The fiscal year 2025 includes the following major capital improvement projects:

- Police Department – (2) Patrol vehicles, additional axon camera systems and a police department computer server.
- Street Department – Drainage Milam St to Anniversary Park and Thunder Mountain/West Street repair.
- Electric Department – Line reconductoring Washington Street.
- Utility Department – 12" Line upgrade Hwy 35, 8" line from sewer plant to electric barn, 8" line to complete Pan Am Loop, and repainting and re-piping of West St. water tank.

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 over 500 people.

We are excited about the prospects for the new year. We expect continued growth, and 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 balances and investments is to limit the exposure of credit risk and market risk to the City. All bank balances are insured and collateralized with securities held by the City's agent in the City's name. City assets are held in money market funds and a government investment pool. 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 techniques used for risk financing is the purchase of insurance policies from commercial insurers and through participation in the Texas Municipal League Intergovernment 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.

Independent Audit

The financial records, books of accounts, and City transactions for the fiscal year ended September 30, 2024 have been audited by Crowe LLP and they have issued an unmodified opinion. The independent auditor's report is located at the front of the financial section of this report.

Awards and Acknowledgement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Livingston for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2023. To be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efforts and dedication of the Administrative Departments. I would like to express my appreciation to the personnel from various departments who assist in its preparation. 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
PRINCIPAL OFFICIALS
September 30, 2024

City Council

Mayor
Mayor Pro-tem
Alderman
Alderman
Alderman
Alderman

Judy Cochran
Alan Cook
Raymond Luna
Elgin Davis
Bobby Jackson, Sr.
Andy Evans

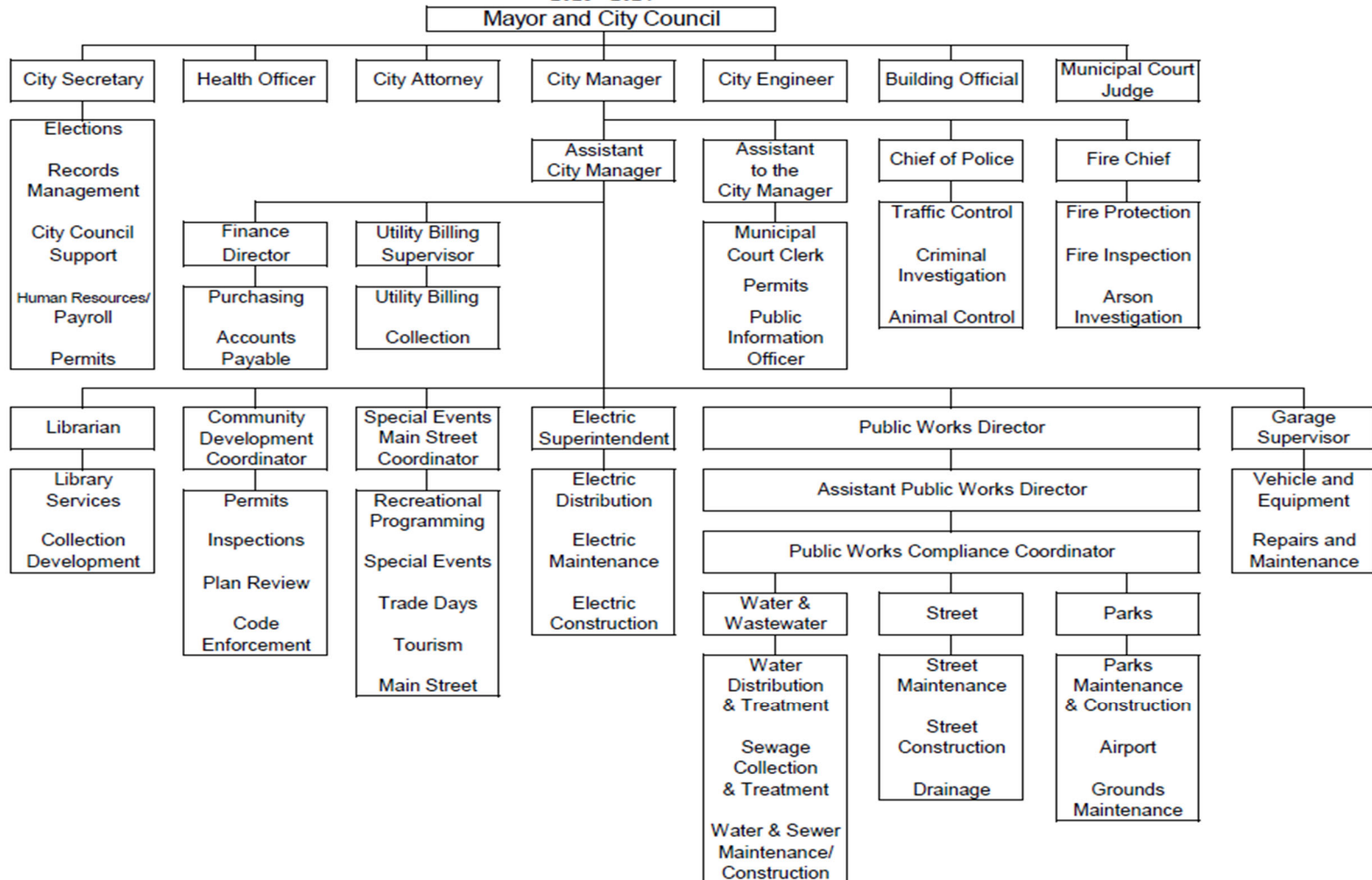
Administration

City Manager
City Finance Director
City Secretary
City Attorney

Bill S. Wiggins
Linnette Barker
Ellie Monteaux
Robert S. Ferguson

**CITY OF LIVINGSTON, TEXAS
ORGANIZATIONAL CHART
2023 - 2024**

Mayor and City Council





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, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Livingston, Texas (the "City"), as of and for the year ended September 30, 2024, 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, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

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

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

Required Supplementary Information

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

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining statements and schedules as listed in the table of contents 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 of America. In our opinion, the combining statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections 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.



Crowe LLP

Houston, Texas
May 14, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of Livingston, Texas (the "City") for the year ended September 30, 2024. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the City's financial statements, which follow this section.

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.

Governmental-Wide Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of 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.

The government-wide financial statements can be found after the MD&A.

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.

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

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.

The City of Livingston maintains six 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.

The City adopts an annual appropriated budget for its general fund and certain special revenue funds. Budgetary comparison schedules have been provided for each of these funds to demonstrate compliance with these budgets.

- 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.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and the schedule of changes in net pension and total other postemployment benefits liability and related ratios and schedule of contributions for the Texas Municipal Retirement System. RSI can be found after the notes to the basic financial statements.

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

Government-Wide Financial Analysis

The City's combined net position was \$83,600,068 as of September 30, 2024. Analyzing the net position of governmental and business-type activities separately, the governmental activities net position is \$13,416,222 while the business type activities net position is \$70,183,846.

By far the largest portion of the City's net position (58%) 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.

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

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	For the Year Ended September 30, 2024			For the Year Ended September 30, 2023		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
ASSETS						
Current and other assets	\$ 4,908,709	\$ 37,072,614	\$ 41,981,323	\$ 7,328,879	\$ 39,358,455	\$ 46,687,334
Capital assets, net	11,224,568	52,748,210	63,972,778	10,050,256	51,162,348	61,212,604
Total assets	16,133,277	89,820,824	105,954,101	17,379,135	90,520,803	107,899,938
DEFERRED OUTFLOWS ON RESOURCES						
Deferred outflows - pensions/OPEB	1,699,670	667,385	2,367,055	2,426,591	1,146,744	3,573,335
Total deferred outflows on resources	1,699,670	667,385	2,367,055	2,426,591	1,146,744	3,573,335
LIABILITIES						
Long-term liabilities	2,896,841	15,968,114	18,864,955	4,086,358	17,452,024	21,538,382
Other liabilities	952,210	4,044,034	4,996,244	397,528	4,420,510	4,818,038
Total liabilities	3,849,051	20,012,148	23,861,199	4,483,886	21,872,534	26,356,420
DEFERRED INFLOWS ON RESOURCES						
Deferred inflows - pensions/OPEB	567,674	292,215	859,889	52,063	-	52,063
Total deferred inflows on resources	567,674	292,215	859,889	52,063	-	52,063
NET POSITION						
Net investment in capital assets	11,224,568	37,125,210	48,349,778	10,050,256	34,762,348	44,812,604
Restricted	2,227,516	509,685	2,737,201	1,826,492	1,020,633	2,847,125
Unrestricted	(35,862)	32,548,951	32,513,089	3,393,029	34,012,032	37,405,061
Total net position	\$ 13,416,222	\$ 70,183,846	\$ 83,600,068	\$ 15,269,777	\$ 69,795,013	\$ 85,064,790

A portion of the City's net position (3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$32,513,089 may be used to meet the government's ongoing obligations to citizens and creditors.

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The City's total net position decreased by \$1,464,722 or 2% during the current fiscal year. Total assets decreased by \$1,945,837 due to an operating deficit largely related to damages and clean-up from two significant storm events and other planned expenses. Total deferred outflows of resources decreased by \$1,206,280 due to the net difference between projected and actual investment earnings on pension plan assets. Total deferred inflows of resources increased by \$807,826 due to changes in actuarial assumptions and the difference between expected and actual economic experience. Total liabilities decreased by \$2,495,221 due to principal payments on debt outstanding in long-term liabilities and a decrease in the net pension liability.

Statement of Activities

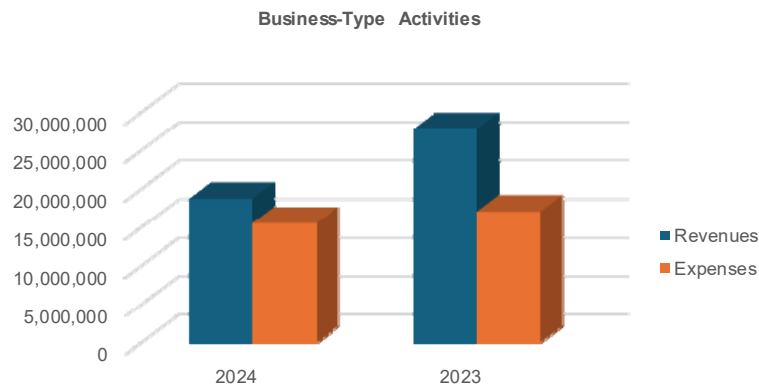
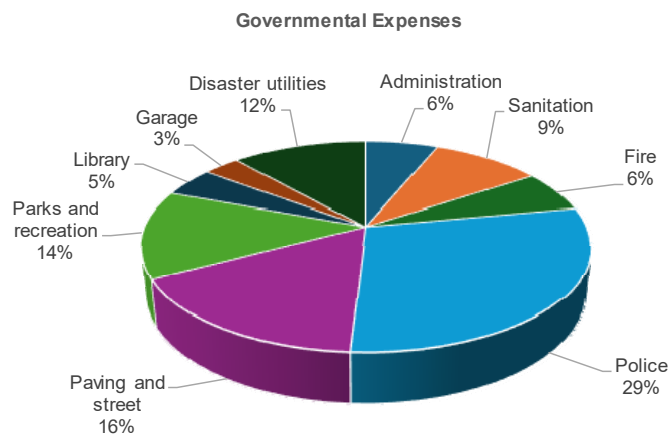
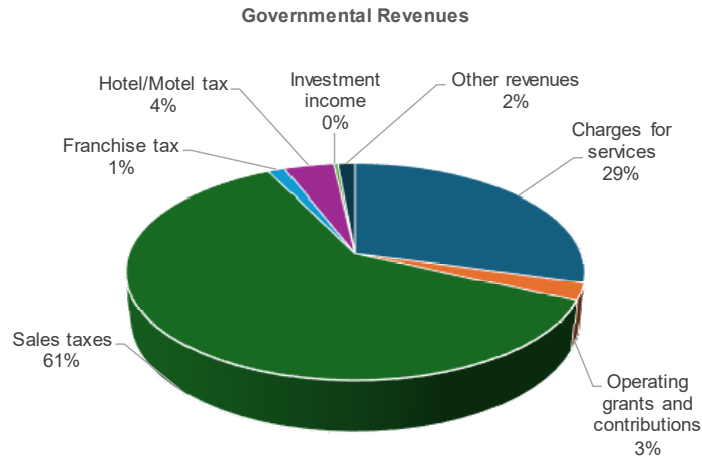
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2024			For the Year Ended September 30, 2023		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 2,732,519	\$ 16,570,886	\$ 19,303,405	\$ 2,306,818	\$ 25,762,975	\$ 28,069,793
Capital grants and contributions	-	437,570	437,570	14,250	863,891	878,141
Operating grants and contributions	241,354	-	241,354	93,221	-	93,221
General revenues:						
Sales taxes	5,716,461	-	5,716,461	5,505,516	-	5,505,516
Franchise tax	127,629	-	127,629	161,274	-	161,274
Hotel/Motel tax	384,506	-	384,506	350,045	-	350,045
Investment income	30,713	1,717,362	1,748,075	29,694	1,174,163	1,203,857
Other revenues	133,566	-	133,566	-	-	-
Total revenues	<u>9,366,748</u>	<u>18,725,818</u>	<u>28,092,566</u>	<u>8,460,818</u>	<u>27,801,029</u>	<u>36,261,847</u>
Expenses						
Administration	871,262	-	871,262	703,695	-	703,695
Sanitation	1,320,548	-	1,320,548	1,093,109	-	1,093,109
Fire	886,355	-	886,355	655,920	-	655,920
Police	4,049,868	-	4,049,868	3,278,120	-	3,278,120
Paving and street	2,289,531	-	2,289,531	1,635,698	-	1,635,698
Parks and recreation	1,884,997	-	1,884,997	1,301,892	-	1,301,892
Library	630,575	-	630,575	655,649	-	655,649
Garage	443,117	-	443,117	442,837	-	442,837
Disaster utilities	1,620,544	-	1,620,544	-	-	-
Electric, water and sewer	-	15,560,491	15,560,491	-	17,073,521	17,073,521
Total expenses	<u>13,996,797</u>	<u>15,560,491</u>	<u>29,557,288</u>	<u>9,766,920</u>	<u>17,073,521</u>	<u>26,840,441</u>
Increase (decrease) in net position before transfers	(4,630,049)	3,165,327	(1,464,722)	(1,306,102)	10,727,508	9,421,406
Transfers in (out)	<u>2,776,494</u>	<u>(2,776,494)</u>	<u>-</u>	<u>2,759,070</u>	<u>(2,759,070)</u>	<u>-</u>
Change in net position	(1,853,555)	388,833	(1,464,722)	1,452,968	7,968,438	9,421,406
Net position-beginning of year	<u>15,269,777</u>	<u>69,795,013</u>	<u>85,064,790</u>	<u>13,816,809</u>	<u>61,826,575</u>	<u>75,643,384</u>
Net position-end of year	<u>\$ 13,416,222</u>	<u>\$ 70,183,846</u>	<u>\$ 83,600,068</u>	<u>\$ 15,269,777</u>	<u>\$ 69,795,013</u>	<u>\$ 85,064,790</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

Graphic Presentation of the selected data from the summary tables follow to assist in the analysis of the City's activities.



(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

Current year net revenues for the governmental activities increased \$905,930, which was primarily due to an increase in charges for services from additional school resource officers at the school district, operating grants and contributions from various police grants and a General Land Office grant, sales tax revenues from an increase in economic activity within the City, and other revenues related to insurance recoveries. Governmental expenses increased by \$4,229,877 compared to the prior year due to increases in personnel costs and costs related to disaster clean-up and repairs from two significant storm events during the fiscal year.

Revenues for business-type activities decreased by \$9,075,211 due to the prior year receipt of \$7,481,000 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) and a decrease in electric rates charged to customers. Expenses decreased \$1,513,030 primarily from a decrease in rates to purchase wholesale electricity.

Financial Analysis of the City's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds

The focus of the City'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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reflect a combined fund balance of \$3,956,499. Of this, \$2,227,516 is restricted for various purposes, \$8,664 is nonspendable for prepaids, and \$1,720,319 is unassigned.

The general fund is the chief operating fund of the City. At the end of the current year, the general fund had a total unassigned fund balance of \$1,720,319. The fund balance for the general fund demonstrated an overall decrease of \$3,323,622. Revenues increased \$699,484 compared to the prior year due to increases in sales tax collections and school resource officer revenues. Expenditures increased \$5,625,753 compared to the prior year due to an increase in capital purchases, personnel costs, and expenditures related to disaster storm clean-up and repairs.

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.

General Fund Budgetary Highlights

There had been a planned decrease in final budgeted fund balance in the amount of \$1,353,471 in the general fund while realizing an actual net decrease in general fund balance of \$3,323,622. The City did not amend the budget during the fiscal year. The budgeted revenues exceeded actual revenues by \$267,979 due mainly to less sales tax collections than anticipated. Actual expenditures exceeded budgeted expenditures by \$2,244,868 due largely to unbudgeted disaster storm clean-up and repair expenditures.

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2024, the City had \$63,972,778 (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 \$2,760,174.

Capital Assets at Year-end (Net of Depreciation)

	For the Year Ended September 30, 2024			For the Year Ended September 30, 2023		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Land	\$ 476,004	\$ 694,222	\$ 1,170,226	\$ 476,004	\$ 694,222	\$ 1,170,226
Construction in progress	-	4,772,155	4,772,155	-	2,316,082	2,316,082
Water rights	-	15,284,333	15,284,333	-	16,400,000	16,400,000
Buildings and improvements	3,092,630	486,587	3,579,217	3,126,436	507,665	3,634,101
Equipment and fixtures	3,127,756	668,258	3,796,014	1,812,230	553,667	2,365,897
Paving, sidewalks and	2,898,516	-	2,898,516	3,476,896	-	3,476,896
Parks development	1,272,466	-	1,272,466	888,440	-	888,440
Airport improvements	357,196	-	357,196	270,250	-	270,250
Utility systems	-	30,842,655	30,842,655	-	30,690,712	30,690,712
Total expenses	<u>\$ 11,224,568</u>	<u>\$ 52,748,210</u>	<u>\$ 63,972,778</u>	<u>\$ 10,050,256</u>	<u>\$ 51,162,348</u>	<u>\$ 61,212,604</u>

This year's major additions included:

- Freightline chassis for pumper for \$126,402.
- Freightliner pumper for \$511,168.
- Pickleball courts for \$192,630.
- Enchanted Forest Drainage Project for \$457,330.
- Portables/mobiles/control stations/radio mounts/accessories for \$892,635.
- Electric distribution system for \$104,867.
- Water distribution system for \$206,336.
- Sewer system for \$472,508.
- CIP additions to the water and electric meter projects for \$2,456,072.

More detailed information about the City's capital assets is presented in Note 3 to the financial statements.

(Continued)

CITY OF LIVINGSTON, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

Debt

At year-end, the City had no bonds outstanding. The City continues to carry a triple A rating. 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. The City recognized a long-term contract payable balance of \$14,405,000 compared to \$15,095,000 in the prior year.

More detailed information about the City's long-term debt is presented in Note 3 to the financial statements.

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 2024-2025 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 2024-2025 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. In fiscal year 2024, sales tax revenue accounted for approximately 20% of the City's total annual operating revenue. In fiscal year 2025, the City budgeted for sales tax revenues of \$5,975,346, which is a decrease of approximately 1% compared to the fiscal year 2024 budget.

As for the City's business-type activities, fees for electric, water and sewer services account for about 59% of the City's total annual operating revenue. In fiscal year 2025, the City budgeted for sales charges of \$15,602,567, which is a decrease of approximately 7% compared to the fiscal year 2024 budget.

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 2025, the City Council and management staff will continually reevaluate and revise, if necessary, the initiatives based upon the financial condition of the community.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
September 30, 2024

	Primary Government		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 3,963,792	\$ 20,470,121	\$ 24,433,913
Investments	-	13,176,827	13,176,827
Receivables, net of allowances	936,253	2,132,155	3,068,408
Prepays	8,664	-	8,664
Restricted assets - cash and cash equivalents	-	1,293,511	1,293,511
Capital assets (net of accumulated depreciation)			
Land	476,004	694,222	1,170,226
Construction in progress	-	4,772,155	4,772,155
Buildings and improvements	3,092,630	486,587	3,579,217
Equipment and fixtures	3,127,756	668,258	3,796,014
Paving, sidewalks and streets	2,898,516	-	2,898,516
Parks development	1,272,466	-	1,272,466
Airport improvements	357,196	-	357,196
Electrical system	-	9,337,026	9,337,026
Water system	-	12,693,980	12,693,980
Sewer system	-	8,811,649	8,811,649
Water service contract rights	-	15,284,333	15,284,333
 Total assets	 <u>16,133,277</u>	 <u>89,820,824</u>	 <u>105,954,101</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	1,640,625	667,385	2,308,010
Deferred outflows of resources - OPEB	<u>59,045</u>	<u>-</u>	<u>59,045</u>
Total deferred outflows of resources	<u>1,699,670</u>	<u>667,385</u>	<u>2,367,055</u>
 Combined assets and deferred outflows of resources	 <u>\$ 17,832,947</u>	 <u>\$ 90,488,209</u>	 <u>\$ 108,321,156</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
September 30, 2024

	Primary Government		
	Governmental	Business-Type	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 952,210	\$ 2,490,208	\$ 3,442,418
Meter deposits	-	783,826	783,826
Contracts payable-due within one year	-	770,000	770,000
Noncurrent liabilities due in more than one year			
Net pension liability	2,649,381	1,115,114	3,764,495
Total other post employment benefit liability	247,460	-	247,460
Contracts payable	-	14,853,000	14,853,000
Total liabilities	<u>3,849,051</u>	<u>20,012,148</u>	<u>23,861,199</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	469,021	292,215	761,236
Deferred inflows of resources - OPEB	98,653	-	98,653
Total deferred inflows of resources	<u>567,674</u>	<u>292,215</u>	<u>859,889</u>
 Combined liabilities and deferred inflows of resources	 <u>4,416,725</u>	 <u>20,304,363</u>	 <u>24,721,088</u>
NET POSITION			
Net investment in capital assets	11,224,568	37,125,210	48,349,778
Restricted for			
System improvements	-	64,068	64,068
Enabling legislation	2,119,362	-	2,119,362
Special projects	108,154	-	108,154
Debt service	-	445,617	445,617
Unrestricted	<u>(35,862)</u>	<u>32,548,951</u>	<u>32,513,089</u>
Total net position	<u>\$ 13,416,222</u>	<u>\$ 70,183,846</u>	<u>\$ 83,600,068</u>

See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Functions/Programs	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Primary Government		
					Government Activities	Business-Type Activities	Total
Governmental activities							
Administrative	\$ 871,262	\$ 56,109	\$ -	\$ 4,468	\$ (810,685)	\$ -	\$ (810,685)
Sanitation	1,320,548	1,442,859	-	-	122,311	-	122,311
Fire	886,355	88,290	-	300	(797,765)	-	(797,765)
Police	4,049,868	979,053	-	130,991	(2,939,824)	-	(2,939,824)
Paving and street	2,289,531	32,493	-	102,788	(2,154,250)	-	(2,154,250)
Parks and recreation	1,884,997	117,169	-	-	(1,767,828)	-	(1,767,828)
Library	630,575	16,546	-	2,807	(611,222)	-	(611,222)
Garage	443,117	-	-	-	(443,117)	-	(443,117)
Disaster utilities	1,620,544	-	-	-	(1,620,544)	-	(1,620,544)
Total governmental activities	13,996,797	2,732,519	-	241,354	(11,022,924)	-	(11,022,924)
Business-type activities							
Electric, water, and sewer	15,560,491	16,570,886	437,570	-	-	1,447,965	1,447,965
Total business-type activities	15,560,491	16,570,886	437,570	-	-	1,447,965	1,447,965
Total primary government	\$ 29,557,288	\$ 19,303,405	\$ 437,570	\$ 241,354	(11,022,924)	1,447,965	(9,574,959)
General revenues							
Taxes							
Sales taxes					5,716,461	-	5,716,461
Hotel/Motel taxes					384,506	-	384,506
Franchise fees					127,629	-	127,629
Investment earnings					30,713	1,717,362	1,748,075
Other revenue					133,566	-	133,566
Transfers					2,776,494	(2,776,494)	-
Total general revenues and transfers					9,169,369	(1,059,132)	8,110,237
Change in net position					(1,853,555)	388,833	(1,464,722)
Net position at beginning of year					15,269,777	69,795,013	85,064,790
Ending net position					\$ 13,416,222	\$ 70,183,846	\$ 83,600,068

See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,822,819	\$ 2,140,973	\$ 3,963,792
Receivables, net	860,191	76,062	936,253
Prepays	<u>8,664</u>	<u>-</u>	<u>8,664</u>
Total assets	<u>\$ 2,691,674</u>	<u>\$ 2,217,035</u>	<u>\$ 4,908,709</u>
LIABILITIES			
Accounts payable and accrued liabilities	<u>\$ 910,437</u>	<u>\$ 41,773</u>	<u>\$ 952,210</u>
Total liabilities	<u>910,437</u>	<u>41,773</u>	<u>952,210</u>
FUND BALANCES			
Nonspendable for			
Prepays	8,664	-	8,664
Restricted for			
Municipal court	52,254	-	52,254
Library memorial	-	44,695	44,695
Hotel/motel tax	-	2,067,108	2,067,108
Main Street	-	39,184	39,184
Opioid abatement	-	24,275	24,275
Unassigned	<u>1,720,319</u>	<u>-</u>	<u>1,720,319</u>
Total fund balances	<u>1,781,237</u>	<u>2,175,262</u>	<u>3,956,499</u>
Total liabilities and fund balances	<u>\$ 2,691,674</u>	<u>\$ 2,217,035</u>	4,908,709

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.

Capital assets - nondepreciable	476,004
Capital assets - depreciable	10,748,564

Long-term liabilities and deferred outflows and deferred inflows related to pension and other postemployment benefits (OPEB) are not due and payable in current period and; therefore, are not reported in the funds.

Deferred outflows - pensions	1,640,625
Deferred outflows - OPEB	59,045
Deferred inflows - pensions	(469,021)
Deferred inflows - OPEB	(98,653)
Net pension liability	(2,649,381)
Total OPEB liability	<u>(247,460)</u>

Net position of governmental activities	<u>\$ 13,416,222</u>
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See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Fund</u>
Revenues			
Taxes			
Sales taxes	\$ 5,716,461	\$ -	\$ 5,716,461
Hotel/Motel taxes	-	384,506	384,506
Franchise fees	127,629	-	127,629
Licenses and permits	81,649	-	81,649
Charges for service	1,669,273	-	1,669,273
Intergovernmental	134,098	107,256	241,354
Interest earnings	-	30,713	30,713
Fines and forfeitures	981,597	-	981,597
Contributions and donations	17,041	33,431	50,472
Miscellaneous	83,094	-	83,094
Total revenues	<u>8,810,842</u>	<u>555,906</u>	<u>9,366,748</u>
Expenditures			
Current			
Administrative	593,447	143,466	736,913
Sanitation	1,320,428	-	1,320,428
Fire	793,448	-	793,448
Police	3,666,425	-	3,666,425
Paving and street	1,440,465	-	1,440,465
Parks and recreation	1,687,498	-	1,687,498
Library	475,567	358	475,925
Garage	394,405	-	394,405
Disaster utilities	1,573,984	-	1,573,984
Capital outlay	<u>3,012,390</u>	<u>105,949</u>	<u>3,118,339</u>
Total expenditures	<u>14,958,057</u>	<u>249,773</u>	<u>15,207,830</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,147,215)</u>	<u>306,133</u>	<u>(5,841,082)</u>
Other financing sources (uses)			
Transfers in	2,866,230	42,637	2,908,867
Transfers out	<u>(42,637)</u>	<u>-</u>	<u>(42,637)</u>
Total other financing sources (uses)	<u>2,823,593</u>	<u>42,637</u>	<u>2,866,230</u>
Net change in fund balances	(3,323,622)	348,770	(2,974,852)
Fund balance at beginning of year	<u>6,931,351</u>	<u>-</u>	<u>6,931,351</u>
Change to or within financial reporting entity	<u>(1,826,492)</u>	<u>1,826,492</u>	<u>-</u>
Fund balance at beginning of year, as adjusted	<u>5,104,859</u>	<u>1,826,492</u>	<u>6,931,351</u>
Ending fund balance	<u>\$ 1,781,237</u>	<u>\$ 2,175,262</u>	<u>\$ 3,956,499</u>

See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net changes in fund balances - total governmental funds	\$ (2,974,852)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital asset expenditures	2,808,385
Depreciation	(1,349,554)
Disposals, net	(284,519)

Change in the net pension liability reported as an increase in pension expense in the Statement of Activities

Net pension liability	1,198,829
Amortization of deferred outflows - pensions	(785,966)
Amortization of deferred inflows - pensions	(469,021)

Change in total other postemployment benefits (OPEB) reported as an increase in employee insurance expense in the Statement of Activities

Total OPEB liability	(9,312)
Amortization of deferred outflows - OPEB	59,045
Amortization of deferred inflows - OPEB	<u>(46,590)</u>

Change in net position of governmental activities	<u>\$ (1,853,555)</u>
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See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2024

	Business-Type Activities <u>Enterprise Fund</u> Electric Water and <u>Sewer</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 20,470,121
Investments	13,176,827
Restricted assets	
Cash and cash equivalents - water and sewer system improvements	64,068
Cash and cash equivalents - reserve fund	445,617
Cash and cash equivalents - customer deposits	783,826
Receivables, net	<u>2,132,155</u>
Total current assets	<u>37,072,614</u>
Noncurrent assets	
Capital assets:	
Land	694,222
Construction in Progress	4,772,155
Building and improvements, net	486,587
Equipment and fixtures, net	668,258
Electrical system, net	9,337,026
Water system, net	12,693,980
Sewer system, net	8,811,649
Water service contract rights, net	<u>15,284,333</u>
Total noncurrent assets	<u>52,748,210</u>
Total assets	<u>89,820,824</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pensions	<u>667,385</u>
Total deferred outflows of resources	<u>667,385</u>
 Total assets and deferred outflows of resources	 <u><u>\$ 90,488,209</u></u>

(Continued).

CITY OF LIVINGSTON, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2024

	Business-Type Activities <u>Enterprise Fund</u> Electric Water and <u>Sewer</u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 2,451,913
Wages payable	38,295
Meter deposits	783,826
Contracts payable, due within one year	<u>770,000</u>
Total current liabilities	<u>4,044,034</u>
Noncurrent liabilities due in more than one year	
Net pension liability	1,115,114
Contracts payable	<u>14,853,000</u>
Total noncurrent liabilities	<u>15,968,114</u>
Total liabilities	<u>20,012,148</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - pensions	<u>292,215</u>
Total deferred inflows of resources	<u>292,215</u>
Total liabilities and deferred inflows of resources	<u>20,304,363</u>
NET POSITION	
Net investment in capital assets	37,125,210
Restricted for water and sewer system improvements	64,068
Restricted for Trinity River Authority contracts payable	445,617
Unrestricted	<u>32,548,951</u>
Total net position	<u>\$ 70,183,846</u>

See 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, 2024

	Business-Type Activities <u>Enterprise Fund</u> Electric Water and <u>Sewer</u>
Operating revenues	
Charges for sales and services	
Electricity sales	\$ 9,909,446
Water sales	3,557,974
Sewer service charges	2,583,987
Penalties, utilities	155,275
Water tapping fees	22,284
Sewer tapping fees	7,050
Recoveries, electrical	39,904
Recoveries, water	145,569
Revenue, night lights	99,476
Service fees	49,921
Total operating revenues	<u>16,570,886</u>
Operating expenses	
Light and power department	7,672,465
Water department	4,302,184
Sewer department	1,031,498
Depreciation	1,920,252
Total operating expenses	<u>14,926,399</u>
Operating income	<u>1,644,487</u>
Nonoperating revenues (expenses)	
Intergovernmental	437,570
Investment income	1,717,362
Interest and fiscal charges	(634,092)
Total nonoperating revenues	<u>1,520,840</u>
Income before contributions and transfers	<u>3,165,327</u>
Contributions and Transfers	
Capital Contributions	89,736
Transfers (out)	(2,866,230)
Total contributions and transfers	<u>(2,776,494)</u>
Change in fund balance	388,833
Beginning net position	<u>69,795,013</u>
Ending net position	<u>\$ 70,183,846</u>

See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended September 30, 2024

	Business-Type Activities <u>Enterprise Fund</u> Electric Water and <u>Sewer</u>
Cash flows from operating activities	
Cash received from customers	\$ 16,592,271
Cash payments to suppliers for goods and services	(10,464,872)
Cash payments to employees for services	<u>(2,459,114)</u>
Net cash provided by operating activities	<u>3,668,285</u>
Cash flows from noncapital financing activities	
Transfer to other funds	<u>(2,866,230)</u>
Net cash (used) by noncapital financing activities	<u>(2,866,230)</u>
Cash flows from capital and related financing activities	
Acquisition of capital assets	(3,416,445)
Principal paid on capital debt	(690,000)
Interest paid on capital debt	<u>(752,650)</u>
Net cash (used) for capital and related financing activities	<u>(4,859,095)</u>
Cash flows from investing activities	
Sale of investments	3,500,000
Interest on cash and investments	<u>924,225</u>
Net cash provided by investing activities	<u>4,424,225</u>
 Net Increase in cash and cash equivalents	 367,185
Beginning cash and cash equivalents	<u>21,396,447</u>
Ending cash and cash equivalents	<u>\$ 21,763,632</u>
 Ending cash and cash equivalents	
Unrestricted cash and cash equivalents	\$ 20,470,121
Restricted cash and cash equivalents	<u>1,293,511</u>
	<u>\$ 21,763,632</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended September 30, 2024

	Business-Type Activities <u>Enterprise Fund</u> Electric Water and <u>Sewer</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 1,644,487
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,920,252
Changes in operating assets and liabilities	
(Increase) decrease in assets	
Accounts receivable, net	(53,837)
Deferred outflows	479,359
Increase (decrease) in liabilities	
Accounts payable	19,202
Wages payable	38,295
Meter deposits	75,222
Net pension liability	(746,910)
Deferred inflows	<u>292,215</u>
Total adjustments	<u>2,023,798</u>
Net cash provided by operating activities	<u>\$ 3,668,285</u>
Noncash Capital Activities:	
Capital contributions	<u>\$ 89,736</u>

See notes to financial statements.

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The City of Livingston, Texas (the "City") was incorporated under the laws of the State of Texas (the "State") in 1902 as a general law City. The City provides the following services: police, fire, water and sewer, electricity, street maintenance, sanitation, parks and recreation, library and general and administration.

The City is an independent political subdivision of the State governed by an elected five-member council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is part of any other governmental or other type or reporting entity. The overriding elements associated with the prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Government-Wide Financial Statements: The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Basis of Presentation - Government-Wide Financial Statements: While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water wastewater, and electricity functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation - Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following governmental funds:

General Fund: The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include sales taxes, franchise fees, licenses and permits, fines and forfeitures, and charges for services. Expenditures include administrative, sanitation, fire, police, paving and street, parks and recreation, maintenance, and library. The general fund is always considered a major fund for reporting purposes.

Special Revenue Funds: The *special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. The special revenue funds are considered nonmajor funds for reporting purposes.

The City reports the following proprietary funds:

Enterprise Funds: The *enterprise funds* are used to account for water and wastewater collections, wastewater treatment operations, and electricity services and operations. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The electric, water, and sewer fund is considered a major fund for reporting purposes.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amounts are included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amounts are included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amounts are included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amounts are included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting: The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide, proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

Investments: Investments are stated at fair value, except for investment pools, which are stated at either amortized costs or net asset value. Investment income from the pools is allocated back to the respective funds based on each fund's equity in the pool. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. government
- Statewide investment pools
- Certificates of deposit that meet certain criteria
- Money market funds that meet certain criteria

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets: Certain resources are set aside for specific purposes, are classified as restricted assets on the balance sheet because their use is limited by applicable contractual agreements.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental, business-type activities, or component units columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of at least \$1,000 or more and an estimated useful life of at least two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation, recorded as expenses. Renewal and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years:

<u>Assets Depreciation</u>	<u>Estimated Useful Life</u>
Buildings	20-50 years
Utility plant	67 years
Machinery and equipment	5-15 years
Infrastructure	20-35 years
Improvements	20 years

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the City's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Long-Term Obligations: In government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Contract bonds payable are reported net of applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position Flow Assumption: Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions: Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies: Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Estimates: The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Pensions: For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension 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 the benefit terms. Investments are reported at fair value.

Other Postretirement Benefits: The City participates in a defined benefit group-term life insurance plan administered by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the City's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

Revenues and Expenditures/Expenses:

Program Revenues: Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary Funds Operating and Nonoperating Revenues and Expenses: Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The original budget is adopted by the City Council prior to the beginning of the fiscal year. The legal level of budgetary control is the department level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. The City Council may transfer any unencumbered funds from one department to another. Appropriations lapse at the end of the year. Supplemental budget appropriations were made for the year ended September 30, 2024.

Expenditures exceeded appropriations at the legal level of control for the following:

General Fund:	
Sanitation	\$ 357,428
Parks and recreation	\$ 476,457
Transfers (out)	\$ 42,637
Library Memorial Fund:	
Library	\$ 358

NOTE 3 - DETAILED NOTES ON ALL FUNDS

Deposits and Investments: At September 30, 2024, the carrying amount of the City's deposits (cash and interest-bearing savings accounts included in temporary investments) was \$7,871,557 and the bank balance was \$8,429,571. The City's cash deposits at September 30, 2024, were entirely covered by FDIC insurance or by pledged collateral held by the City's agent bank in the City's name.

As of September 30, 2024, the City had the following cash equivalents and investments:

<u>Cash Equivalent and Investment Type</u>	<u>Fair Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Texas CLASS	\$ 17,855,867	0.03
Vanguard Federated Money Market Funds	13,176,827	0.00
Total Fair Value	<u>\$ 31,032,694</u>	
Portfolio weighted average maturity		0.02

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk. The City's investment policy limits investments in public fund investment pools rated as to investment quality not less than 'AAA' or 'AAAm', or at an equivalent rating by at least one nationally recognized investment rating service. As of September 30, 2024, the City's investments in the investment pools were rated "AAAm" by Standard & Poor's.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2024, the combined balances of FDIC insurance and collateral pledged exceeded the City's bank balances.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeep securities at the financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

Texas CLASS: The Texas Cooperative Liquid Assets Securities System Trust - Texas (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at www.texasclass.com.

Restricted Assets: The balances of the restricted cash and cash equivalents accounts recognized by the City are as follows:

	Water, Sewer, and Electric
Restricted for:	
Customer deposits	\$ 783,826
Water and sewer system improvements	64,068
Reserve fund	445,617
Total restricted assets	<u>\$ 1,293,511</u>

Receivables: Amounts recorded as receivable as of September 30, 2024 for the City's individual major and aggregate nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Water, Sewer, and Electric</u>
Taxes	\$ 842,019	\$ 76,062	\$ -
Accounts	895	-	2,273,499
Other	17,277	-	3,697
Less Allowance	-	-	(145,041)
Total	<u>\$ 860,191</u>	<u>\$ 76,062</u>	<u>\$ 2,132,155</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets: The following is a summary of changes in capital assets for governmental activities for the year end:

	Primary Government			
	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
<u>Governmental activities</u>				
Capital assets not being depreciated				
Land	\$ 476,004	\$ -	\$ -	\$ 476,004
Capital assets being depreciated				
Buildings and improvements	7,197,787	214,858	(37,683)	7,374,962
Equipment and fixtures	8,736,410	2,023,651	(642,208)	10,117,853
Paving, sidewalks and streets	18,545,530	-	(275,060)	18,270,470
Parks development	3,998,919	457,330	(50,179)	4,406,070
Airport improvements	967,228	112,546	(36)	1,079,738
Total capital assets being depreciated	39,445,874	2,808,385	(1,005,166)	41,249,093
Less accumulated depreciation for				
Buildings and improvements	(4,071,351)	(228,633)	17,652	(4,282,332)
Equipment and fixtures	(6,924,180)	(570,585)	504,668	(6,990,097)
Paving, sidewalks and streets	(15,068,634)	(479,666)	176,346	(15,371,954)
Parks development	(3,110,479)	(45,106)	21,981	(3,133,604)
Airport improvements	(696,978)	(25,564)	-	(722,542)
Total accumulated depreciation	(29,871,622)	(1,349,554)	720,647	(30,500,529)
Total capital assets being depreciated, net	9,574,252	1,458,831	(284,519)	10,748,564
Governmental activities capital assets, net	<u>\$ 10,050,256</u>	<u>\$ 1,458,831</u>	<u>\$ (284,519)</u>	<u>\$ 11,224,568</u>

Depreciation was charged to governmental functions as follows:

Government activities	
Administrative	\$ 67,591
Sanitation	120
Fire	75,408
Police	316,916
Paving and street	550,552
Parks and recreation	158,682
Library	141,749
Garage	38,536
Governmental Activities	<u>\$ 1,349,554</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

The following is a summary of changes in capital assets for business-type activities for the year end:

	Primary Government			
	Beginning Balance*	Increases	(Decreases)/ Reclassifications	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 694,222	\$ -	\$ -	\$ 694,222
Construction in progress	2,316,082	2,456,073	-	4,772,155
	<u>3,010,304</u>	<u>2,456,073</u>	<u>-</u>	<u>5,466,377</u>
Capital assets being depreciated				
Buildings and improvements	810,448	-	-	810,448
Equipment and fixtures	3,337,032	267,883	(381)	3,604,534
Electrical system	12,426,591	103,381	-	12,529,972
Water system	16,678,529	206,336	-	16,884,865
Sewer system	12,426,936	472,508	-	12,899,444
Water Service Contract Rights	<u>16,735,000</u>	<u>-</u>	<u>-</u>	<u>16,735,000</u>
Total capital assets being depreciated	<u>62,414,536</u>	<u>1,050,108</u>	<u>(381)</u>	<u>63,464,263</u>
Less accumulated depreciation for				
Buildings and improvements	(302,783)	(21,078)	-	(323,861)
Equipment and fixtures	(2,783,365)	(153,225)	314	(2,936,276)
Electrical system	(2,562,664)	(630,282)	-	(3,192,946)
Water system	(4,190,885)	-	-	(4,190,885)
Sewer system	(4,087,795)	-	-	(4,087,795)
Water Service Contract Rights	<u>(335,000)</u>	<u>(1,115,667)</u>	<u>-</u>	<u>(1,450,667)</u>
Total accumulated depreciation	<u>(14,262,492)</u>	<u>(1,920,252)</u>	<u>314</u>	<u>(16,182,430)</u>
Total capital assets being depreciated, net	<u>48,152,044</u>	<u>(870,144)</u>	<u>(67)</u>	<u>47,281,833</u>
Business-type activities capital assets, net	<u>\$ 51,162,348</u>	<u>\$ 1,585,929</u>	<u>\$ (67)</u>	52,748,210
			Less associated debt	<u>(15,623,000)</u>
			Net investment in capital assets	<u>\$ 37,125,210</u>

*Beginning balances were adjusted to correct the reporting of certain assets to align with the appropriate classification. There was no change to the net beginning balance.

Depreciation was charged to business-type functions as follows:

Water, sewer, and electric	<u>\$ 1,920,252</u>
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(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Construction in progress and remaining commitments under related construction contracts for projects funded by business-type activities at year end are as follows:

<u>Project Description</u>	<u>Authorized Contract</u>	<u>Contract Expenses</u>	<u>Remaining Contract</u>
Water and Electric Meters Project	<u>\$ 4,977,740</u>	<u>\$ 4,772,155</u>	<u>\$ 205,585</u>

Long-Term Debt: The following is a summary of changes in the City's total governmental long-term liabilities for the fiscal year ended September 30, 2024:

	<u>Beginnig Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental-type activities</u>					
Net pension liability	\$ 3,848,210	\$ -	\$ (1,198,829)	\$ 2,649,381	\$ -
Total OPEB liability	<u>238,148</u>	<u>9,312</u>	<u>-</u>	<u>247,460</u>	<u>-</u>
Total	<u>\$ 4,086,358</u>	<u>\$ 9,312</u>	<u>\$ (1,198,829)</u>	<u>\$ 2,896,841</u>	<u>\$ -</u>

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. For governmental activities, the net pension liability and total OPEB liability are fully liquidated by the general fund.

The City has elected not to present an amount as due within one year for the total OPEB liability as the amount is immaterial to the financial statements.

The following is a summary of changes in the City's total business-type activities long-term liabilities for the fiscal year ended September 30, 2024:

	<u>Beginnig Balance**</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Interest Rate</u>
<u>Business-type activities</u>						
Contract bonds payable:						
Series 2021	\$ 13,390,000	\$ -	\$ (580,000)	\$ 12,810,000 *	\$ 655,000	3.03% - 3.70%
Series 2023	1,705,000	-	(110,000)	1,595,000 *	115,000	2.15%
Premium on bonds	1,305,000	-	(87,000)	1,218,000 *	-	
Net pension liability	<u>1,862,024</u>	<u>-</u>	<u>(746,910)</u>	<u>1,115,114</u>	<u>-</u>	
Total	<u>\$ 18,262,024</u>	<u>\$ -</u>	<u>\$ (1,523,910)</u>	<u>\$ 16,738,114</u>	<u>\$ 770,000</u>	

Long-term debt due in more than one year \$ 15,968,114

*Debt associated with business-type activities capital assets \$ 15,623,000

**Beginning balances were adjusted to present premiums separate from contract bonds payable. There was no change to beginning net total long-term liabilities.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Water System Service Contract - On February 22, 1978, the City entered into a water system service contract with the Trinity River Authority (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 and in September 2023 the outstanding balance of \$14,695,000 bonds from 2013 were refunding with the issuance of \$20,575,000 in new bonds.

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, 2024, the City paid approximately \$1,442,650 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>Fiscal Year ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2025	\$ 770,000	\$ 674,793	\$ 1,444,793
2026	810,000	639,570	1,449,570
2027	845,000	602,490	1,447,490
2028	875,000	563,802	1,438,802
2029	925,000	523,615	1,448,615
2030-2034	5,295,000	1,938,003	7,233,003
2035-2038	<u>4,885,000</u>	<u>597,853</u>	<u>5,482,853</u>
Total	<u>\$ 14,405,000</u>	<u>\$ 5,540,126</u>	<u>\$ 19,945,126</u>

Interfund Transfers: Transfers between the primary government funds during the year were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
Electric, water, and sewer fund	General fund	\$ 2,866,230
General fund	Nonmajor governmental funds	<u>42,637</u>
		<u>\$ 2,908,867</u>

Transfers were made to the general fund from the electric, water, and sewer fund to compensate for general fund revenue shortfalls. Transfers to nonmajor governmental funds from the general fund were for the Main Street Program.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Fund Equity: As of September 30, 2024, \$2,119,362 of the City's total fund balance is restricted by enabling legislation.

NOTE 4 - OTHER INFORMATION

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; and natural disasters for which the City participates along with 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

Contingent Liabilities: Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

Related Party Transactions: The City of Livingston maintains its deposits at two local banks. Two members of the governing body are on the Board of Directors at First National Bank of Livingston. One of the members, who was elected to City Council subsequent to fiscal year end, is also the president of Church Street Financial which is a wholly owned subsidiary of the First National Bank of Livingston and provides financial advisory and investment services to the City.

Pension Plan:

Texas Municipal Retirement System

Plan Description: The City participates as one of 934 plans in the defined benefit cash-balance plan administered by TMRS. TMRS is a statewide public retirement plan created by the State and administered in accordance with the Texas Government Code, Title 8, Subtitle G (the "TMRS Act") as an agent multipleemployer retirement system for municipal employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees (the "Board"); however, TMRS is not fiscally dependent the State. TMRS issues a publicly available annual comprehensive financial report that can be obtained at tmrs.com.

All eligible employees of the City are required to participate in TMRS.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Benefits Provided: TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the member's benefit is calculated based on the sum of the member's contributions, with interest, and the City-financed monetary credits, with interest, and their age at retirement and other actuarial factors. The retiring member may select one of seven monthly payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>2024</u>	<u>2023</u>
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	10
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/10, 0/25
Updated service credit	100% Repeating	100% Repeating
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms: At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	48
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>88</u>
Total	<u><u>161</u></u>

Contributions: Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the City-matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.97% and 16.51% in calendar year 2023 and 18.23% in calendar year 2024. In calendar year 2023 the City had a change in benefit terms that increased the contribution rate to 16.93% in October 2023. The City's contributions to TMRS for the fiscal year ended September 30, 2024 were \$1,023,412, which was equal to the required contributions.

Net Pension Liability: The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions: The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. 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 shortterm and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

The target allocation and best estimates of 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 (Arithmetic)</u>
Global Public Equity	35%	6.7%
Core Fixed Income	6%	4.7%
Non-Core Fixed Income	20%	8.0%
Other Public Private Markets	12%	8.0%
Real Estate	12%	7.6%
Hedge Funds	5%	6.4%
Private Equity	<u>10%</u>	11.6%
Total	<u>100%</u>	

Discount Rate: The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that member and employer contributions will be made at the rates specified in statute. Based on that assumption, TMRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. 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.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Changes in the NPL

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
<u>Changes in net pension liability</u>			
Changes for the year:			
Service cost	\$ 948,738	\$ -	\$ 948,738
Interest	2,350,936	-	2,350,936
Change of benefit terms	174,218	-	174,218
Difference between expected and actual experience	(614,868)	-	(614,868)
Changes in assumptions	(205,628)	-	(205,628)
Contributions - employer	-	843,608	(843,608)
Contributions - employee	-	383,439	(383,439)
Net investment income	-	3,393,836	(3,393,836)
Benefit payments, including refunds of employee contributions	(1,729,208)	(1,729,208)	-
Administrative expense	-	(21,599)	21,599
Other changes	-	(149)	149
Net Changes	924,188	2,869,927	(1,945,739)
Balance at December 31, 2022	35,044,698	29,334,464	5,710,234
Balance at December 31, 2023	<u>\$ 35,968,886</u>	<u>\$ 32,204,391</u>	<u>\$ 3,764,495</u>

Sensitivity of the NPL(A) to Changes in the Discount Rate: The following presents the NPL of the City, calculated using the discount rate of 6.75%, as well as what the City's NPL would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	<u>1% Decrease in Discount Rate (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase in Discount Rate (7.75%)</u>
City's net pension liability	<u>\$ 8,527,046</u>	<u>\$ 3,764,495</u>	<u>\$ (180,200)</u>

Pension Plan Fiduciary Net Position:

Detailed information about TMRS's fiduciary net position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at tmrs.com.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pension: For the fiscal year ended September 30, 2024, the City recognized pension expense of \$1,070,770.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 709,811	\$ 598,093
Changes in actuarial assumptions	6,717	163,143
Net difference between projected and actual investment earnings	821,043	-
Contributions subsequent to the measurement date	<u>770,439</u>	<u>-</u>
Total	<u>\$ 2,308,010</u>	<u>\$ 761,236</u>

\$770,439 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended September 30</u>	<u>Pension Expense</u>
2025	\$ 272,746
2026	252,919
2027	639,281
2028	<u>(388,611)</u>
Total	<u>\$ 776,335</u>

Other Postretirement Benefits

TMRS Supplemental Death Benefits

Plan Description: The City participates in an OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

The member city contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75). As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The SDBF's funding policy assures that adequate resources are available to meet all death benefit payments for the upcoming year. The SDBF is a pay-as-you-go fund, and any excess contributions are available for future SDBF benefits.

Benefits: 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 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated).

Participation in the SDBF as of December 31, 2023 is summarized below:

Inactive employees currently receiving benefits	34
Inactive employees entitled to but not yet receiving benefits	8
Active employees	<u>88</u>
Total	<u><u>130</u></u>

Total OPEB Liability: The City's total OPEB liability of \$247,460 was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions and Other Inputs: The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Overall payroll growth	3.60% to 11.85% including inflation
Discount rate*	3.77%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements of GASB Statement 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. Males rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2022.

Changes in the Total OPEB Liability

<u>Changes in OPEB liability</u>	<u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 6,573
Interest	9,612
Difference between expected and actual experience	(9,106)
Changes in assumptions	10,450
Benefit payments*	(8,217)
Net changes	9,312
Balance at December 31, 2022	238,148
Balance at December 31, 2023	<u>\$ 247,460</u>

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the City's yearly contributions for retirees.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

The discount rate decreased from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023. There were no other changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate (2.77%)</u>	<u>Current Discount Rate (3.77%)</u>	<u>1% Increase in Discount Rate (4.77%)</u>
City's total OPEB liability	\$ 290,058	\$ 247,460	\$ 213,344

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the year ended September 30, 2024, the City recognized OPEB expense of \$11,839. The City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,783	\$ 17,079
Changes in actuarial assumptions	44,500	81,574
Contributions subsequent to the measurement date	<u>6,762</u>	<u>-</u>
Total	<u>\$ 59,045</u>	<u>\$ 98,653</u>

\$6,762 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2025.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended September 30</u>	<u>OPEB Expense</u>
2025	\$ (5,947)
2026	(5,712)
2027	(12,006)
2028	(16,108)
2029	(6,630)
Thereafter	<u>33</u>
Total	<u>\$ (46,370)</u>

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. During fiscal year 2024, the City made payments of \$463,268 related to this contract.

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.

(Continued)

CITY OF LIVINGSTON, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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.

Sanitation Department Contract: The City's entered into a contract with Piney Wood Sanitation for waste collection and sanitation services effective August 1, 2023. The City continues to perform all billing and administrative procedures, but all employees and equipment for the sanitation department have been eliminated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
For the year ended September 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Sales taxes	\$ 6,045,717	\$ 6,045,717	\$ 5,716,461	\$ (329,256)
Franchise fees	152,000	152,000	127,629	(24,371)
Licenses and permits	183,000	183,000	81,649	(101,351)
Charges for service	1,683,100	1,683,100	1,669,273	(13,827)
Intergovernmental	108,278	108,278	134,098	25,820
Fines and forfeitures	839,226	839,226	981,597	142,371
Contributions and donations	-	-	17,041	17,041
Miscellaneous	67,500	67,500	83,094	15,594
Total revenues	<u>9,078,821</u>	<u>9,078,821</u>	<u>8,810,842</u>	<u>(267,979)</u>
Expenditures				
Current:				
Administrative	663,213	663,313	593,447	69,866
Sanitation	963,000	963,000	1,320,428	(357,428) *
Fire	610,076	610,076	793,448	(183,372) ***
Police	3,723,508	3,723,508	3,666,425	57,083
Paving and street	1,235,770	1,235,770	1,440,465	(204,695) **
Parks and recreation	1,211,041	1,211,041	1,687,498	(476,457) *
Library	522,119	522,119	475,567	46,552
Garage	382,486	382,486	394,405	(11,919) ***
Disaster utilities	-	-	1,573,984	(1,573,984) **
Capital Outlay	<u>3,401,876</u>	<u>3,401,876</u>	<u>3,012,390</u>	<u>389,486</u>
Total expenditures	<u>12,713,089</u>	<u>12,713,189</u>	<u>14,958,057</u>	<u>(2,244,868)</u>
Excess of revenues over (under) expenditures	<u>(3,634,268)</u>	<u>(3,634,368)</u>	<u>(6,147,215)</u>	<u>(2,512,847)</u>
Other financing sources (uses)				
Transfers in	2,280,897	2,280,897	2,866,230	585,333
Transfers (out)	<u>-</u>	<u>-</u>	<u>(42,637)</u>	<u>(42,637) *</u>
Total other financing sources (uses)	<u>2,280,897</u>	<u>2,280,897</u>	<u>2,823,593</u>	<u>542,696</u>
Net change in fund balance	<u>\$ (1,353,371)</u>	<u>\$ (1,353,471)</u>	<u>(3,323,622)</u>	<u>\$ (1,970,151)</u>
Beginning fund balance			<u>6,931,351</u>	
Change to or within Financial Reporting Entity			<u>(1,826,492)</u>	
Fund Balance at Beginning of Year, as Adjusted			<u>5,104,859</u>	
Ending fund balance			<u>\$ 1,781,237</u>	

Notes to Required Supplementary Information:

- Annual budgets are adopted on a basis consistent with generally accepted accounting principals (GAAP).
- *Expenditures exceeded appropriations at the legal level of control.
 - **The City did not adopt budgets for certain sub-funds. Variance is from sub-funds without an adopted budget.
 - ***The City did not exceed the budgeted expenditures for the department. Variance is due to certain accounts being reported under capital outlay.

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the year ended September 30, 2024

	Measurement Year*									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability										
Service cost	\$ 948,738	\$ 786,301	\$ 762,713	\$ 735,863	\$ 716,673	\$ 681,190	\$ 651,578	\$ 621,499	\$ 568,239	\$ 496,383
Interest (on the total pension liability)	2,350,936	2,189,454	2,082,908	2,015,611	1,896,598	1,766,964	1,724,891	1,636,121	1,617,245	1,523,437
Change in benefit terms	174,218	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(614,868)	866,943	210,025	(372,797)	403,167	548,556	(679,286)	69,229	(214,821)	117,800
Change of assumptions	(205,628)	-	-	-	43,623	-	-	-	69,611	-
Benefit payments, including refunds of employee contributions	(1,729,208)	(1,682,405)	(1,295,548)	(1,494,672)	(1,118,353)	(1,069,520)	(1,107,858)	(945,709)	(917,464)	(749,395)
Net change in total pension liability	924,188	2,160,293	1,760,098	884,005	1,941,708	1,927,190	589,325	1,381,140	1,122,810	1,388,225
Beginning total pension liability	35,044,698	32,884,405	31,124,307	30,240,302	28,298,594	26,371,404	25,782,079	24,400,929	23,278,119	21,889,894
Ending total pension liability	<u>\$ 35,968,886</u>	<u>\$ 35,044,698</u>	<u>\$ 32,884,405</u>	<u>\$ 31,124,307</u>	<u>\$ 30,240,302</u>	<u>\$ 28,298,594</u>	<u>\$ 26,371,404</u>	<u>\$ 25,782,069</u>	<u>\$ 24,400,929</u>	<u>\$ 23,278,119</u>
Plan fiduciary net position										
Contributions - employer	\$ 843,608	\$ 752,737	\$ 773,697	\$ 717,420	\$ 676,477	\$ 709,158	\$ 678,848	\$ 628,150	\$ 629,618	\$ 624,014
Contributions - employee	383,439	345,519	334,314	322,747	319,740	301,221	289,223	273,960	263,597	255,893
Net investment income	3,393,836	(2,355,437)	3,745,459	2,060,088	3,653,320	(731,969)	2,992,834	1,371,056	29,953	1,092,015
Benefit payments, including refunds of employee contributions	(1,729,208)	(1,682,405)	(1,295,548)	(1,494,672)	(1,118,353)	(1,069,520)	(1,107,858)	(945,709)	(917,464)	(749,395)
Administrative expense	(21,599)	(20,384)	(17,329)	(13,329)	(20,640)	(14,145)	(15,512)	(15,483)	(18,244)	(11,401)
Other	(149)	24,324	119	(521)	(620)	(739)	(787)	(834)	(902)	(937)
Net change in plan fiduciary net position	2,869,927	(2,935,646)	3,540,712	1,591,733	3,509,924	(805,994)	2,836,748	1,311,140	(13,442)	1,210,189
Beginning plan fiduciary net position	29,334,464	32,270,110	28,729,398	27,137,665	23,627,741	24,433,735	21,596,987	20,285,847	20,299,289	19,089,100
Ending Plan Fiduciary Net Position	<u>\$ 32,204,391</u>	<u>\$ 29,334,464</u>	<u>\$ 32,270,110</u>	<u>\$ 28,729,398</u>	<u>\$ 27,137,665</u>	<u>\$ 23,627,741</u>	<u>\$ 24,433,735</u>	<u>\$ 21,596,987</u>	<u>\$ 20,285,847</u>	<u>\$ 20,299,289</u>
Net Pension Liability	\$ 3,764,495	\$ 5,710,234	\$ 614,295	\$ 2,394,909	\$ 3,102,637	\$ 4,670,853	\$ 1,937,669	\$ 4,185,082	\$ 4,115,082	\$ 2,978,830
Plan fiduciary net position as a percentage of total pension liability	89.53%	83.71%	98.13%	92.31%	89.74%	83.49%	92.65%	83.77%	83.14%	87.20%
Covered Payroll	\$ 5,477,700	\$ 4,935,979	\$ 4,775,910	\$ 4,610,672	\$ 4,567,707	\$ 4,303,160	\$ 4,131,759	\$ 3,913,719	\$ 3,765,664	\$ 3,655,618
Net pension liability as a percentage of covered payroll	68.72%	115.69%	12.86%	51.94%	67.93%	108.54%	46.90%	106.93%	109.28%	81.49%

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the year ended September 30, 2024

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,023,412	\$ 803,883	\$ 765,156	\$ 763,462	\$ 724,278	\$ 691,310	\$ 678,878	\$ 628,150	\$ 629,618	\$ 629,618
Contributions in relation to the actuarially determined contribution	<u>1,023,412</u>	<u>803,883</u>	<u>765,156</u>	<u>763,462</u>	<u>724,278</u>	<u>691,310</u>	<u>678,878</u>	<u>628,150</u>	<u>629,618</u>	<u>629,618</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$5,758,456	\$5,343,808	\$4,962,934	\$4,765,666	\$4,699,421	\$4,552,991	\$4,388,762	\$4,174,523	\$4,093,657	\$3,962,286
Contributions as a percentage of covered payroll	17.77%	15.04%	15.42%	16.02%	15.41%	15.18%	15.47%	15.05%	15.38%	15.89%

Notes to Schedule of Contributions

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

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 years (longest amortization ladder)
Asset valuation method	10-year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

3. Other information: Adopted 5-year vesting and 20 year, any age retirement eligibility.

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS FUND (TMRS SDBF)
For the year ended September 30, 2024

	Measurement Year*						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability							
Service cost	\$ 6,573	\$ 12,340	\$ 11,462	\$ 8,299	\$ 5,938	\$ 8,176	\$ 6,611
Interest (on the total OPEB liability)	9,612	6,145	6,448	7,619	8,196	7,223	7,148
Difference between expected and actual experience	(9,106)	9,830	(10,211)	(9,354)	(426)	5,702	-
Change of assumptions	10,450	(114,527)	10,012	41,437	43,338	(15,302)	16,687
Benefit payments**	<u>(8,217)</u>	<u>(6,910)</u>	<u>(6,209)</u>	<u>(2,305)</u>	<u>(1,827)</u>	<u>(2,152)</u>	<u>(2,066)</u>
Net change in total OPEB liability	9,312	(93,122)	11,502	45,696	55,219	3,647	28,380
Beginning total OPEB liability	<u>238,148</u>	<u>331,270</u>	<u>319,768</u>	<u>274,072</u>	<u>218,853</u>	<u>215,206</u>	<u>186,826</u>
Ending total OPEB liability	<u>\$ 247,460</u>	<u>\$ 238,148</u>	<u>\$ 331,270</u>	<u>\$ 319,768</u>	<u>\$ 274,072</u>	<u>\$ 218,853</u>	<u>\$ 215,206</u>
Covered-Employee Payroll	\$ 5,477,700	\$ 4,935,979	\$ 4,775,910	\$ 4,610,672	\$ 4,567,707	\$ 4,303,160	\$ 4,131,759
Net OPEB liability as a percentage of covered-employee payroll	4.52%	4.82%	6.94%	6.94%	6.00%	5.09%	5.21%

*Only seven years of information is currently available. The City will build this schedule over the next three-year period.

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

(Continued)

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS FUND (TMRS SDBF)
For the year ended September 30, 2024

Notes to Required Supplementary Information:

1. Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.
2. Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Discount rate*	3.77%
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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates - disables 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 3.0% 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

3. Other information:

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period ending December 31, 2022

There were no benefit changes during the year.

COMBINING STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Library Memorial Fund: This fund is used to account for receipts related to the Livingston Municipal Library's Memorial Program which are restricted for purposes of the memorial program.

Hotel/Motel Tax Fund: This fund is used to account for proceeds from hotel/motel occupancy taxes received during the year. Expenditures from this fund are restricted to tourism activities. An appropriations style budget is adopted for this fund on an annual basis.

Texas General Land Office (GLO) Grant Fund: This fund is used to account for the receipt of grant funds received through Texas GLO.

Main Street: This fund is used to account for fundraising receipts of the Main Street Program which are restricted for downtown revitalization programs.

Opioid Abatement: This fund consists of amounts received from statewide opioid settlement agreements. The fund is used for opioid-related prevention, treatment programs, and other appropriations as permitted by statute.

CITY OF LIVINGSTON, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Library Memorial	Hotel/Motel Tax Fund	Texas GLO Grant	Main Street	Opioid Abatement	
ASSETS						
Cash and cash equivalent	\$ 44,695	\$ 2,032,819	\$ -	\$ 39,184	\$ 24,275	\$ 2,140,973
Taxes receivable	-	76,062	-	-	-	76,062
Total assets	<u>\$ 44,695</u>	<u>\$ 2,108,881</u>	<u>\$ -</u>	<u>\$ 39,184</u>	<u>\$ 24,275</u>	<u>\$ 2,217,035</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ 41,773	\$ -	\$ -	\$ -	\$ 41,773
Total liabilities	<u>-</u>	<u>41,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,773</u>
FUND BALANCES						
Restricted						
Library memorial	44,695	-	-	-	-	44,695
Hotel/motel tax	-	2,067,108	-	-	-	2,067,108
Main Street	-	-	-	39,184	-	39,184
Opioid abatement	-	-	-	-	24,275	24,275
Total fund balances	<u>44,695</u>	<u>2,067,108</u>	<u>-</u>	<u>39,184</u>	<u>24,275</u>	<u>2,175,262</u>
Total liabilities and fund balances	<u>\$ 44,695</u>	<u>\$ 2,108,881</u>	<u>\$ -</u>	<u>\$ 39,184</u>	<u>\$ 24,275</u>	<u>\$ 2,217,035</u>

CITY OF LIVINGSTON, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2024

	Special Revenue Funds (Formerly Major)					Total Nonmajor Governmental Funds
	Library <u>Memorial</u>	Hotel/Motel <u>Tax Fund</u>	Texas GLO <u>Grant</u>	Main <u>Street</u>	Opioid <u>Abatement</u>	
Revenues						
Hotel/Motel taxes	\$ -	\$ 384,506	\$ -	\$ -	\$ -	\$ 384,506
Investment revenue	-	30,488	-	225	-	30,713
Intergovernmental	-	-	102,788	-	4,468	107,256
Contributions and donations	8,643	-	-	24,788	-	33,431
Total revenues	8,643	414,994	102,788	25,013	4,468	555,906
Expenditures						
Current						
Administrative	-	115,000	-	28,466	-	143,466
Library	358	-	-	-	-	358
Capital outlay	-	-	102,788	-	3,161	105,949
Total expenditures	358	115,000	102,788	28,466	3,161	249,773
Excess (deficiency) of revenues over (under) expenditures	8,285	299,994	-	(3,453)	1,307	306,133
Other financing sources (uses)						
Transfers in	-	-	-	42,637	-	42,637
Net change in fund balance	8,285	299,994	-	39,184	1,307	348,770
Fund Balance at Beginning of Year	-	-	-	-	-	-
Change to or within Financial Reporting Entity	36,410	1,767,114	-	-	22,968	1,826,492
Fund Balance at Beginning of Year, as Adjusted	36,410	1,767,114	-	-	22,968	1,826,492
Ending fund balance	\$ 44,695	\$ 2,067,108	\$ -	\$ 39,184	\$ 24,275	\$ 2,175,262

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS – LIBRARY MEMORIAL
For the Year Ended September 30, 2024

	Library Memorial			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Contributions and donations	\$ 8,000	\$ 8,000	\$ 8,643	\$ 643
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>8,643</u>	<u>643</u>
Expenditures				
Current				
Library	-	-	358	(358) *
Total expenditures	<u>-</u>	<u>-</u>	<u>358</u>	<u>(358)</u>
Net change in fund balance	<u>\$ 8,000</u>	<u>\$ 8,000</u>	8,285	<u>\$ 285</u>
Beginning fund balance			-	
Change to or within Financial Reporting Entity			36,410	
Fund Balance at Beginning of Year, as Adjusted			36,410	
Ending fund balance			<u>\$ 44,695</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. *Expenditures exceeded appropriations at the legal level of control.

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS – HOTEL/MOTEL TAX
For the Year Ended September 30, 2024

	Hotel/Motel Tax			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive Negative
Revenues				
Hotel/Motel taxes	\$ 345,000	\$ 345,000	\$ 384,506	\$ 39,506
Investment revenue	26,000	26,000	30,488	4,488
Total revenues	<u>371,000</u>	<u>371,000</u>	<u>414,994</u>	<u>43,994</u>
Expenditures				
Current				
Administrative	1,180,000	1,180,000	115,000	1,065,000
Total expenditures	<u>1,180,000</u>	<u>1,180,000</u>	<u>115,000</u>	<u>1,065,000</u>
Net change in fund balance	<u>\$ (809,000)</u>	<u>\$ (809,000)</u>	299,994	<u>\$ 1,108,994</u>
Beginning fund balance			-	
Change to or within Financial Reporting Entity			1,767,114	
Fund Balance at Beginning of Year, as Adjusted			<u>1,767,114</u>	
Ending fund balance			<u>\$ 2,067,108</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

CITY OF LIVINGSTON, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS – OPIOID ABATEMENT
For the Year Ended September 30, 2024

	Opioid Abatement			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Other revenue	\$ -	\$ -	\$ 4,468	\$ 4,468
Total revenues	-	-	4,468	4,468
Expenditures				
Capital outlay	21,000	21,000	3,161	17,839
Total expenditures	21,000	21,000	3,161	17,839
Net change in fund balance	<u>\$ (21,000)</u>	<u>\$ (21,000)</u>	1,307	<u>\$ 22,307</u>
Beginning fund balance			-	
Change to or within Financial Reporting Entity			22,968	
Fund Balance at Beginning of Year, as Adjusted			22,968	
Ending fund balance			<u>\$ 24,275</u>	

Notes to Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

STATISTICAL SECTION

CITY OF LIVINGSTON, TEXAS
STATISTICAL SECTION

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the government's overall financial health.

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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION.....80

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

OPERATING INFORMATION.....82

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports from the relevant year.

CITY OF LIVINGSTON, TEXAS
NET POSITION BY COMPONENT
Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	\$ 11,224,568	\$ 10,050,256	\$ 10,195,637	\$ 10,451,397	\$ 10,946,446	\$ 5,921,989	\$ 5,626,496	\$ 5,464,673	\$ 4,740,690	\$ 4,437,694
Restricted	2,227,516	1,826,492	30,202	-	-	6,430	9,848	14,443	13,362	6,523
Unrestricted	<u>(35,862)</u>	<u>3,393,029</u>	<u>3,590,970</u>	<u>2,012,958</u>	<u>388,210</u>	<u>(65,999)</u>	<u>51,562</u>	<u>(534,353)</u>	<u>618,282</u>	<u>(217,812)</u>
Total governmental activities net position	<u>\$ 13,416,222</u>	<u>\$ 15,269,777</u>	<u>\$ 13,816,809</u>	<u>\$ 12,464,355</u>	<u>\$ 11,334,656</u>	<u>\$ 5,862,420</u>	<u>\$ 5,687,906</u>	<u>\$ 4,944,763</u>	<u>\$ 5,372,334</u>	<u>\$ 4,226,405</u>
Business-type activities										
Net investment in capital assets	\$ 37,125,210	\$ 34,762,348	\$ 30,787,074	\$ 26,260,831	\$ 25,785,660	\$ 22,730,912	\$ 21,927,012	\$ 21,913,595	\$ 21,350,643	\$ 20,890,615
Restricted	509,685	1,020,633	1,731,648	1,117,576	487,332	509,084	797,893	472,253	123,885	117,270
Unrestricted	<u>32,548,951</u>	<u>34,012,032</u>	<u>29,307,853</u>	<u>22,667,326</u>	<u>18,658,580</u>	<u>22,642,267</u>	<u>17,703,779</u>	<u>16,596,760</u>	<u>12,609,642</u>	<u>7,761,709</u>
Total business-type activities net position	<u>\$ 70,183,846</u>	<u>\$ 69,795,013</u>	<u>\$ 61,826,575</u>	<u>\$ 50,045,733</u>	<u>\$ 44,931,572</u>	<u>\$ 45,882,263</u>	<u>\$ 40,428,684</u>	<u>\$ 38,982,608</u>	<u>\$ 34,084,170</u>	<u>\$ 28,769,594</u>
Primary government										
Net investment in capital assets	\$ 48,349,778	\$ 44,812,604	\$ 40,982,711	\$ 36,712,228	\$ 36,732,106	\$ 28,652,901	\$ 27,553,508	\$ 27,378,268	\$ 26,091,333	\$ 25,328,309
Restricted	2,737,201	2,847,125	1,761,850	1,117,576	487,332	515,514	807,741	486,696	137,247	123,793
Unrestricted	<u>32,513,089</u>	<u>37,405,061</u>	<u>32,898,823</u>	<u>24,680,284</u>	<u>19,046,790</u>	<u>22,576,268</u>	<u>17,755,341</u>	<u>16,062,407</u>	<u>13,227,924</u>	<u>7,543,897</u>
Total primary government net position	<u>\$ 83,600,068</u>	<u>\$ 85,064,790</u>	<u>\$ 75,643,384</u>	<u>\$ 62,510,088</u>	<u>\$ 56,266,228</u>	<u>\$ 51,744,683</u>	<u>\$ 46,116,590</u>	<u>\$ 43,927,371</u>	<u>\$ 39,456,504</u>	<u>\$ 32,995,999</u>

CITY OF LIVINGSTON, TEXAS
CHANGES IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses										
Governmental activities										
Administrative	\$ 871,262	\$ 703,695	\$ 624,095	\$ 608,012	\$ 612,710	\$ 624,090	\$ 546,294	\$ 649,067	\$ 697,407	\$ 629,168
Sanitation	1,320,548	1,093,109	971,774	839,771	806,598	812,677	764,143	740,246	701,452	701,377
Fire	886,355	655,920	662,911	615,684	605,842	547,489	510,309	480,753	473,390	431,539
Police	4,049,868	3,278,120	2,466,594	2,544,742	2,542,525	2,545,281	2,269,710	2,259,591	2,171,640	1,992,910
Paving and street	2,289,531	1,635,698	1,332,002	1,358,565	1,322,083	1,276,557	1,335,446	1,238,574	1,356,218	1,082,684
Parks and recreation	1,884,997	1,301,892	1,237,130	1,173,597	1,126,189	1,183,383	1,113,057	1,101,262	1,061,374	1,060,084
Library	630,575	655,649	550,599	505,850	536,713	554,824	519,798	511,324	515,985	476,226
Garage	443,117	442,837	343,438	305,285	307,729	285,713	255,314	240,257	234,349	217,587
Disaster utilities	1,620,544	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	52,010	188,100	197,100	225,050	252,050	278,500
Total governmental activities expenses	<u>13,996,797</u>	<u>9,766,920</u>	<u>8,188,543</u>	<u>7,951,506</u>	<u>7,912,399</u>	<u>8,018,114</u>	<u>7,511,171</u>	<u>7,446,124</u>	<u>7,463,865</u>	<u>6,870,075</u>
Business-type activities										
Electric, water and sewer	<u>15,560,491</u>	<u>17,073,521</u>	<u>14,777,779</u>	<u>16,209,267</u>	<u>16,238,727</u>	<u>15,808,351</u>	<u>15,082,355</u>	<u>14,772,164</u>	<u>14,721,612</u>	<u>14,628,936</u>
Total business-type activities expenses	<u>15,560,491</u>	<u>17,073,521</u>	<u>14,777,779</u>	<u>16,209,267</u>	<u>16,238,727</u>	<u>15,808,351</u>	<u>15,082,355</u>	<u>14,772,164</u>	<u>14,721,612</u>	<u>14,628,936</u>
Total primary government expenses	<u>\$ 29,557,288</u>	<u>\$ 26,840,441</u>	<u>\$ 22,966,322</u>	<u>\$ 24,160,773</u>	<u>\$ 24,151,126</u>	<u>\$ 23,826,465</u>	<u>\$ 22,593,526</u>	<u>\$ 22,218,288</u>	<u>\$ 22,185,477</u>	<u>\$ 21,499,011</u>
Program revenues										
Governmental activities										
Charges for services										
Administrative	\$ 56,109	\$ 225,022	\$ 186,934	\$ 893,750	\$ 123,113	\$ 132,723	\$ 92,630	\$ 142,640	\$ 91,839	\$ 92,722
Sanitation	1,442,859	1,417,853	1,331,928	1,329,946	1,255,418	1,230,181	1,213,940	1,215,053	1,102,931	1,041,025
Fire	88,290	-	-	-	-	-	-	-	-	-
Police	979,053	499,764	536,637	509,371	325,262	406,947	359,665	347,779	315,638	294,900
Paving and street	32,493	14,186	3,853	4,082	48,734	908	27,146	-	2,219	4,156
Parks and recreation	117,169	128,316	215,809	143,063	177,266	179,350	191,412	191,187	186,002	331,809
Library	16,546	21,677	13,583	17,357	15,985	21,785	21,062	19,163	18,130	32,866
Operating grants and contributions	241,354	93,221	91,630	327,722	80,802	80,759	64,384	69,403	142,999	86,898
Capital grants and contributions	-	14,250	-	-	-	-	-	3,050	52,350	219,600
Total governmental activities program revenues	<u>2,973,873</u>	<u>2,414,289</u>	<u>2,380,374</u>	<u>3,225,291</u>	<u>2,026,580</u>	<u>2,052,653</u>	<u>1,970,239</u>	<u>1,988,275</u>	<u>1,912,108</u>	<u>2,103,976</u>

(Continued)

CITY OF LIVINGSTON, TEXAS
CHANGES IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Business-type activities										
Charges for services										
Electric, water and sewer	\$ 16,570,886	\$ 25,762,975	\$ 24,286,269	\$ 22,032,797	\$ 21,942,905	\$ 23,007,770	\$ 18,444,719	\$ 20,484,503	\$ 22,691,589	\$ 19,551,817
Capital grants and contributions	<u>437,570</u>	<u>863,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities revenues	<u>17,008,456</u>	<u>26,626,866</u>	<u>24,286,269</u>	<u>22,032,797</u>	<u>21,942,905</u>	<u>23,007,770</u>	<u>18,444,719</u>	<u>20,484,503</u>	<u>22,691,589</u>	<u>19,551,817</u>
Total primary government program revenues	<u>\$ 19,982,329</u>	<u>\$ 29,041,155</u>	<u>\$ 26,666,643</u>	<u>\$ 25,258,088</u>	<u>\$ 23,969,485</u>	<u>\$ 25,060,423</u>	<u>\$ 20,414,958</u>	<u>\$ 22,472,778</u>	<u>\$ 24,603,697</u>	<u>\$ 21,655,793</u>
Net (expense)/revenue										
Governmental activities	\$ (11,022,924)	\$ (7,352,631)	\$ (5,808,169)	\$ (4,726,215)	\$ (5,885,819)	\$ (5,965,461)	\$ (5,540,932)	\$ (5,457,849)	\$ (5,551,757)	\$ (4,766,099)
Business-type activities	<u>1,447,965</u>	<u>9,553,345</u>	<u>9,508,490</u>	<u>5,823,530</u>	<u>5,704,178</u>	<u>7,199,419</u>	<u>3,362,364</u>	<u>5,712,339</u>	<u>7,969,977</u>	<u>4,922,881</u>
Total primary government net (expense) revenue	<u>\$ (9,574,959)</u>	<u>\$ 2,200,714</u>	<u>\$ 3,700,321</u>	<u>\$ 1,097,315</u>	<u>\$ (181,641)</u>	<u>\$ 1,233,958</u>	<u>\$ (2,178,568)</u>	<u>\$ 254,490</u>	<u>\$ 2,418,220</u>	<u>\$ 156,782</u>
General revenues and other changes in net position										
Governmental activities										
Taxes										
Sales taxes	\$ 5,716,461	\$ 5,505,516	\$ 5,209,435	\$ 4,667,079	\$ 4,188,740	\$ 3,888,574	\$ 4,055,937	\$ 3,759,664	\$ 3,597,499	\$ 3,488,475
Hotel/Motel/taxes	<u>384,506</u>	<u>350,045</u>	<u>337,814</u>	<u>333,636</u>	<u>333,924</u>	<u>352,302</u>	<u>362,937</u>	<u>316,075</u>	<u>296,831</u>	<u>297,152</u>
Franchise fees	<u>127,629</u>	<u>161,274</u>	<u>118,774</u>	<u>134,243</u>	<u>140,748</u>	<u>132,500</u>	<u>115,006</u>	<u>128,601</u>	<u>136,844</u>	<u>142,040</u>
Investment earnings	<u>30,713</u>	<u>29,694</u>	<u>4,305</u>	<u>2,466</u>	<u>4,872</u>	<u>6,525</u>	<u>4,303</u>	<u>3,382</u>	<u>2,926</u>	<u>3,389</u>
Other revenue	<u>133,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers	<u>2,776,494</u>	<u>2,759,070</u>	<u>1,490,295</u>	<u>718,490</u>	<u>6,689,771</u>	<u>1,760,074</u>	<u>1,925,344</u>	<u>822,556</u>	<u>2,663,586</u>	<u>2,347,835</u>
Total governmental activities	<u>9,169,369</u>	<u>8,805,599</u>	<u>7,160,623</u>	<u>5,855,914</u>	<u>11,358,055</u>	<u>6,139,975</u>	<u>6,463,527</u>	<u>5,030,278</u>	<u>6,697,686</u>	<u>6,278,891</u>
Business-type activities										
Investment earnings	1,717,362	1,174,163	110,498	9,121	34,902	14,234	9,056	8,655	8,185	8,930
Special item - assets received	-	-	3,652,149	-	-	-	-	-	-	-
Transfers	<u>(2,776,494)</u>	<u>(2,759,070)</u>	<u>(1,490,295)</u>	<u>(718,490)</u>	<u>(6,689,771)</u>	<u>(1,760,074)</u>	<u>(1,925,344)</u>	<u>(822,556)</u>	<u>(2,663,586)</u>	<u>(2,347,835)</u>
Total business-type activities	<u>(1,059,132)</u>	<u>(1,584,907)</u>	<u>2,272,352</u>	<u>(709,369)</u>	<u>(6,654,869)</u>	<u>(1,745,840)</u>	<u>(1,916,288)</u>	<u>(813,901)</u>	<u>(2,655,401)</u>	<u>(2,338,905)</u>
Total primary government	<u>\$ 8,110,237</u>	<u>\$ 7,220,692</u>	<u>\$ 9,432,975</u>	<u>\$ 5,146,545</u>	<u>\$ 4,703,186</u>	<u>\$ 4,394,135</u>	<u>\$ 4,547,239</u>	<u>\$ 4,216,377</u>	<u>\$ 4,042,285</u>	<u>\$ 3,939,986</u>
Changes in net position										
Governmental activities	\$ (1,853,555)	\$ 1,452,968	\$ 1,352,454	\$ 1,129,699	\$ 5,472,236	\$ 174,514	\$ 922,595	\$ (427,571)	\$ 1,145,929	\$ 1,512,792
Business-type activities	<u>388,833</u>	<u>7,968,438</u>	<u>11,780,842</u>	<u>5,114,161</u>	<u>(950,691)</u>	<u>5,453,579</u>	<u>1,446,076</u>	<u>4,898,438</u>	<u>5,314,576</u>	<u>2,583,976</u>
Total primary government	<u>\$ (1,464,722)</u>	<u>\$ 9,421,406</u>	<u>\$ 13,133,296</u>	<u>\$ 6,243,860</u>	<u>\$ 4,521,545</u>	<u>\$ 5,628,093</u>	<u>\$ 2,368,671</u>	<u>\$ 4,470,867</u>	<u>\$ 6,460,505</u>	<u>\$ 4,096,768</u>

CITY OF LIVINGSTON, TEXAS
FUND BALANCES - GOVERNMENTAL FUND
Last Ten Years

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund										
Nonspendable	\$ 8,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	52,254	36,410	30,202	27,595	10,822	16,029	13,475	14,497	1,419	2,421
Unassigned	<u>1,720,319</u>	<u>5,068,449</u>	<u>5,012,981</u>	<u>3,886,882</u>	<u>2,539,274</u>	<u>1,969,614</u>	<u>1,946,866</u>	<u>1,356,179</u>	<u>2,372,108</u>	<u>1,231,446</u>
Total General Fund	<u>\$ 1,781,237</u>	<u>\$ 5,104,859</u>	<u>\$ 5,043,183</u>	<u>\$ 3,914,477</u>	<u>\$ 2,550,096</u>	<u>\$ 1,985,643</u>	<u>\$ 1,960,341</u>	<u>\$ 1,370,676</u>	<u>\$ 2,373,527</u>	<u>\$ 1,233,867</u>
All other governmental funds										
Restricted	<u>\$ 2,175,262</u>	<u>\$ 1,826,492</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,430</u>	<u>\$ 9,848</u>	<u>\$ 14,443</u>	<u>\$ 13,362</u>	<u>\$ 514,143</u>
Total all other governmental funds	<u>\$ 2,175,262</u>	<u>\$ 1,826,492</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,430</u>	<u>\$ 9,848</u>	<u>\$ 14,443</u>	<u>\$ 13,362</u>	<u>\$ 514,143</u>

CITY OF LIVINGSTON, TEXAS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes	\$ 6,100,967	\$ 5,855,561	\$ 5,666,023	\$ 5,134,958	\$ 4,663,412	\$ 4,373,376	\$ 4,533,880	\$ 4,204,340	\$ 4,031,174	\$ 3,927,667
Franchise fees	127,629	161,274	-	-	-	-	-	-	-	-
Licenses and permits	81,649	162,304	122,927	150,646	90,198	104,453	62,259	108,801	61,394	66,122
Charges for service	1,669,273	1,601,841	1,590,221	1,510,650	1,402,317	1,426,243	1,440,739	1,436,597	1,357,043	1,290,760
Intergovernmental	241,354	-	-	-	-	-	-	-	-	-
Investment earnings	30,713	-	-	-	-	-	-	-	-	-
Fines and forfeitures	981,597	499,035	483,046	491,009	340,150	360,926	370,040	324,687	298,337	280,259
Contributions and donations	50,472	-	-	-	-	-	-	-	-	-
Miscellaneous	83,094	181,391	220,709	1,112,374	206,356	174,036	21,089	126,335	190,184	430,104
Total revenues	<u>9,366,748</u>	<u>8,461,406</u>	<u>8,082,926</u>	<u>8,399,637</u>	<u>6,702,433</u>	<u>6,439,034</u>	<u>6,428,007</u>	<u>6,200,760</u>	<u>5,938,132</u>	<u>5,994,912</u>
Expenditures										
Current										
Administrative	736,913	622,830	619,238	561,194	556,405	552,891	489,166	579,236	584,639	590,106
Sanitation	1,320,428	1,092,989	971,533	839,651	806,478	812,556	764,023	740,126	701,332	701,257
Fire	793,448	566,367	631,011	561,607	529,813	469,002	470,361	429,930	420,082	396,935
Police	3,666,425	2,976,726	2,540,886	2,497,742	2,327,817	2,310,261	2,182,844	2,059,888	1,912,124	1,882,425
Paving and street	1,440,465	951,224	701,327	674,615	630,545	578,273	682,258	591,772	533,445	536,667
Parks and recreation	1,687,498	1,113,308	1,172,318	1,056,019	951,965	969,930	961,081	931,813	885,012	933,864
Library	475,925	501,573	456,095	391,171	394,764	409,877	395,713	370,697	365,558	350,494
Garage	394,405	388,679	338,261	281,054	273,463	264,100	247,642	219,323	204,859	201,151
Disaster utilities	1,573,984	-	-	-	-	-	-	-	-	-
Capital outlay	3,118,339	1,118,612	1,013,846	890,693	830,921	1,402,234	838,093	807,251	1,063,738	1,820,144
Debt service										
Interest	-	-	-	-	52,010	188,100	197,100	225,050	252,050	278,500
Principal	-	-	-	-	5,480,000	220,000	540,000	1,070,000	1,040,000	1,020,000
Total expenditures	<u>15,207,830</u>	<u>9,332,308</u>	<u>8,444,515</u>	<u>7,753,746</u>	<u>12,834,181</u>	<u>8,177,224</u>	<u>7,768,281</u>	<u>8,025,086</u>	<u>7,962,839</u>	<u>8,711,543</u>
Excess (deficiency) of revenues over (under) expenditures	(5,841,082)	(870,902)	(361,589)	645,891	(6,131,748)	(1,738,190)	(1,340,274)	(1,824,326)	(2,024,707)	(2,716,631)
Other financing sources (uses)										
Transfers in	-	2,759,070	1,490,295	718,490	6,689,771	2,164,381	2,657,288	2,117,649	4,457,253	3,638,885
Transfers out	<u>2,908,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(404,307)</u>	<u>(731,944)</u>	<u>(1,295,093)</u>	<u>(1,793,667)</u>	<u>(1,291,050)</u>
Total other financing sources (uses)	<u>2,908,867</u>	<u>2,759,070</u>	<u>1,490,295</u>	<u>718,490</u>	<u>6,689,771</u>	<u>1,760,074</u>	<u>1,925,344</u>	<u>822,556</u>	<u>2,663,586</u>	<u>2,347,835</u>
Net change in fund balances	<u>\$ (2,932,215)</u>	<u>\$ 1,888,168</u>	<u>\$ 1,128,706</u>	<u>\$ 1,364,381</u>	<u>\$ 558,023</u>	<u>\$ 21,884</u>	<u>\$ 585,070</u>	<u>\$ (1,001,770)</u>	<u>\$ 638,879</u>	<u>\$ (368,796)</u>
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	46.1%	6.0%	10.6%	17.9%	18.7%	18.8%

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

Tax Year	Real Property*		Personal Property*		Total Property		Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Rate Applied
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2014	\$ 430,245,544	\$ 430,245,544	\$ 57,118,833	\$ 57,118,833	\$ 487,364,377	\$ 487,364,377	100%	0%
2015	433,212,953	433,212,953	64,160,968	64,160,968	497,373,921	497,373,921	100%	0%
2016	448,000,838	448,000,838	60,225,314	60,225,314	508,226,152	508,226,152	100%	0%
2017	459,769,932	459,769,932	62,424,297	62,424,297	522,194,229	522,194,229	100%	0%
2018	480,902,271	480,902,271	59,874,367	59,874,367	540,776,638	540,776,638	100%	0%
2019	502,633,542	502,633,542	58,985,787	58,985,787	561,619,329	561,619,329	100%	0%
2020	508,573,553	508,573,553	60,371,906	60,371,906	568,945,459	568,945,459	100%	0%
2021	510,866,226	510,866,226	70,068,904	70,068,904	580,935,130	580,935,130	100%	0%
2022	517,945,169	517,945,169	80,765,392	80,765,392	598,710,561	598,710,561	100%	0%
2023	547,725,339	547,725,339	81,558,191	81,558,191	629,283,530	629,283,530	100%	0%

*Information was provided by the Polk Central Appraisal District.

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

Tax Rates per \$100 Assessed Valuation (Direct and Overlapping)

County Fiscal Year	City General Fund	School District	County	Total
2015	-	1.3950	0.6461	2.0411
2016	-	1.3900	0.6461	2.0361
2017	-	1.3900	0.6461	2.0361
2018	-	1.3900	0.6461	2.0361
2019	-	1.3900	0.6461	2.0361
2020	-	1.3233	0.6461	1.9694
2021	-	1.3097	0.6461	1.9558
2022	-	1.2369	0.6376	1.8745
2023	-	1.1320	0.6100	1.7420
2024	-	1.1178	0.6100	1.7278

County Fiscal Year	City General Fund	School District	County	Total
2015	-	19,859,301	18,851,462	38,710,763
2016	-	20,316,019	18,956,761	39,272,780
2017	-	21,532,466	20,362,629	41,895,095
2018	-	19,697,126	18,171,100	37,868,226
2019	-	22,841,226	21,980,245	44,821,471
2020	-	23,274,178	21,977,735	45,251,913
2021	-	25,511,222	19,386,927	44,898,149
2022	-	38,756,821	19,751,273	58,508,094
2023	-	25,242,757	28,288,924	53,531,681
2024	-	28,363,747	53,764,825	82,128,572

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.

*All information in this schedule was provided by the Polk County Assessor/Collector's office.

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

TEN LARGEST ELECTRIC CUSTOMERS FISCAL 2024 KILOWATT HOURS				TEN LARGEST ELECTRIC CUSTOMERS FISCAL 2015 KILOWATT HRS		
Name	Kilowatt Hours	Rank	% of Total	Kilowatt Hours	Rank	% of Total
Livingston Independent School Dist.	6,233,332	1	7.56%	7,307,671	1	8.53%
Polk County	4,467,849	2	5.42%	3,543,154	2	4.14%
Brookshire Brothers	2,128,400	3	2.58%	2,378,989	3	2.78%
HEB Pantry Food	1,649,453	4	2.00%	1,853,443	5	2.41%
Lowe's Home Improvement	1,314,900	5	1.59%	2,062,285	4	2.16%
Bradford at Brookside	930,000	6	1.13%	1,157,332	6	1.35%
McDonalds	825,400	7	1.00%	959,492	7	1.12%
Pine Ridge Healthcare Center	679,080	8	0.82%	850,978	8	0.99%
Kramers Auto Plex	599,700	9	0.73%	-		0.00%
Burgerworks Texas	529,400	10	0.64%	-		0.00%
Factory Stores of America	-		0.00%	850,644	9	0.99%
First State Bank	-		0.00%	635,384	10	0.74%
	<u>19,357,514</u>		<u>23.47%</u>	<u>21,599,372</u>		<u>25.21%</u>

TEN LARGEST WATER CUSTOMERS FISCAL 2024 GALLONS USED				TEN LARGEST WATER CUSTOMERS FISCAL 2015 GALLONS USED		
Name	Gallons Used	Rank	% of Total	Gallons Used	Rank	% of Total
Texas Department of Criminal Just.	295,522,000	1	49.67%	251,993,000	1	47.75%
IAH Detention Facility	25,220,000	2	4.24%	21,495,000	2	4.07%
Memorial Medical Center	15,024,000	3	2.53%	14,368,000	3	2.72%
Livingston Independent School Dist	12,659,000	4	2.13%	11,625,000	4	2.20%
Pine Hill Apartments	7,371,000	5	1.24%	5,799,000	6	1.10%
Polk County	7,358,000	6	1.24%	7,011,000	5	1.33%
Bradford at Brookside	5,730,000	7	0.96%	4,164,000	7	0.79%
Camp Cho Yeh	4,719,000	8	0.79%	3,395,000	8	0.64%
Pine Ridge Healthcare Center	4,530,000	9	0.76%	3,159,000	9	0.60%
First Methodist Church	2,795,000	10	0.47%	-		0.00%
La Quinta	-	-		2,767,000	10	0.52%
	<u>380,928,000</u>		<u>64.03%</u>	<u>325,776,000</u>		<u>61.72%</u>

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

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percentage of Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections as a Percent or Current Levy</u>	<u>Adjustment</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent as a Percent of Tax Levy</u>
2015	N/A	N/A	N/A	\$ -	\$ -	N/A	\$ -	\$ -	N/A
2016	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2017	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2018	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2019	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2020	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2021	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2022	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2023	N/A	N/A	N/A	-	-	N/A	-	-	N/A
2024	N/A	N/A	N/A	-	-	N/A	-	-	N/A

Source: Tax assessor/collector's records.

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Mining	\$ -	\$ -	\$ 17,511	\$ -	\$ -	\$ -	\$ -	\$ 5,892	\$ -	\$ -
Construction	4,593,815	6,902,104	4,446,381	2,030,219	3,857,243	4,999,590	3,368,703	2,828,797	5,839,513	4,357,712
Manufacturing	8,192,960	10,111,757	9,670,676	6,705,829	5,057,706	6,131,611	7,838,552	7,338,917	7,437,680	5,935,164
Transportation, communication, utility	196,881	623,215	269,763	272,157	266,008	147,792	257,023	237,053	229,389	248,119
Wholesale trade	4,802,734	47,910,743	4,460,884	5,500,826	5,800,663	6,167,509	6,299,002	6,611,068	9,793,097	10,046,996
Retail trade	198,813,773	237,562,667	190,922,218	177,749,436	158,137,179	155,304,015	153,086,173	150,182,763	124,622,403	142,208,459
Finance, insurance, real estate	1,137,698	2,005,046	2,111,509	2,193,236	2,182,031	2,510,620	2,301,532	2,353,850	2,471,029	2,013,205
Services and other	<u>77,948,128</u>	<u>12,362,266</u>	<u>62,894,799</u>	<u>48,131,650</u>	<u>45,573,813</u>	<u>45,787,613</u>	<u>45,484,035</u>	<u>45,521,468</u>	<u>43,277,048</u>	<u>39,477,491</u>
Total	<u>\$ 295,685,989</u>	<u>\$ 317,477,798</u>	<u>\$ 274,793,741</u>	<u>\$ 242,583,353</u>	<u>\$ 220,874,643</u>	<u>\$ 221,048,750</u>	<u>\$ 218,635,020</u>	<u>\$ 215,079,808</u>	<u>\$ 193,670,159</u>	<u>\$ 204,287,146</u>

Source: State Comptroller's Office

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Electric revenues	\$ 10,254,022	\$ 19,617,193	\$ 18,314,490	\$ 16,231,451	\$ 16,210,295	\$ 17,565,089	\$ 13,011,389	\$ 14,998,630	\$ 17,663,467	\$ 14,952,135
Water revenues	3,725,827	3,603,151	3,548,955	3,438,157	3,233,546	3,243,058	3,337,436	3,367,577	2,947,552	2,707,222
Sewer revenues	<u>2,591,037</u>	<u>3,406,522</u>	<u>2,422,824</u>	<u>2,363,189</u>	<u>2,499,064</u>	<u>2,199,623</u>	<u>2,095,894</u>	<u>2,118,296</u>	<u>2,080,570</u>	<u>1,892,460</u>
Total	<u>\$ 16,570,886</u>	<u>\$ 26,626,866</u>	<u>\$ 24,286,269</u>	<u>\$ 22,032,797</u>	<u>\$ 21,942,905</u>	<u>\$ 23,007,770</u>	<u>\$ 18,444,719</u>	<u>\$ 20,484,503</u>	<u>\$ 22,691,589</u>	<u>\$ 19,551,817</u>

Source: Various City Departments

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

<u>Fiscal Year</u>	<u>Certificates of Obligation</u>	<u>General Obligation Bonds</u>	<u>Total Governmental Activities</u>	<u>Business-Type Activities Water Service Contracts Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Gross Bonded Debt per Capita</u>	<u>Net Bonded Debt per Capita</u>	<u>Population*</u>
2015	\$ 5,850,000	\$ 2,500,000	\$ 8,350,000	\$ 21,900,000	\$ 30,250,000	15.85%	\$ 1,565	\$ 1,564	\$ 5,335
2016	5,800,000	1,510,000	7,310,000	21,280,000	28,590,000	14.14%	1,370	1,368	5,335
2017	5,750,000	490,000	6,240,000	20,645,000	26,885,000	13.19%	1,170	1,167	5,335
2018	5,700,000	-	5,700,000	19,990,000	25,690,000	12.60%	1,068	1,067	5,335
2019	5,480,000	-	5,480,000	19,315,000	24,795,000	11.78%	1,027	1,026	5,335
2020	-	-	-	18,625,000	18,625,000	8.77%	-	-	5,335
2021	-	-	-	17,950,000	17,950,000	7.43%	-	-	5,640
2022	-	-	-	17,190,000	17,190,000	6.91%	-	-	5,640
2023	-	-	-	16,400,000	16,400,000	6.17%	-	-	5,640
2024	-	-	-	15,623,000	15,623,000	5.78%	-	-	5,640

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

*U.S. Census 2020.

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

<u>Fiscal Year</u>	<u>Population</u> ^{3,4}	<u>Assessed Value</u> ¹	<u>Gross Bonded Debt</u> ²	<u>Less: Debt Service Fund</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
2015	5,335	\$ 487,364,377	\$ 8,350,000	\$ 6,523	\$ 8,343,477	-	\$ 1,564
2016	5,335	497,373,921	7,310,000	13,362	7,296,638	-	1,368
2017	5,335	508,226,152	6,240,000	14,443	6,225,557	-	1,167
2018	5,335	522,194,229	5,700,000	9,848	5,690,152	-	1,067
2019	5,335	540,776,638	5,480,000	6,430	5,473,570	-	1,026
2020	5,335	561,619,329	-	-	-	-	-
2021	5,640	568,945,459	-	-	-	-	-
2022	5,640	580,935,130	-	-	-	-	-
2023	5,640	598,710,561	-	-	-	-	-
2024	5,640	629,283,530	-	-	-	-	-

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

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

³U.S. Census 2010 from 2015

⁴U.S. Census 2020 from 2021

CITY OF LIVINGSTON, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

<u>Governmental unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable*</u>	<u>Share of Overlapping Debt</u>
Livingston Independent School District ¹	\$ 46,635,000	20%	\$ 9,327,000
County of Polk ²	<u>12,042,488</u>	13%	<u>1,565,523</u>
Total direct and overlapping debt	<u>\$ 58,677,488</u>		<u>\$ 10,892,523</u>

¹Information provided by Livingston Independent School District Business Office

²Information provided by Polk County Auditor's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Livingston, Texas. This process recognizes that when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

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

CITY OF LIVINGSTON, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Years

Assessed value, year 2023	<u>\$ 629,283,530</u>
Debt limit	10%
Maximum legal debt	62,928,353
Amount of debt applicable to debt limit	<u>15,623,000</u>
Legal Debt Margin	<u>\$ 47,305,353</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Debt Limit</u>	<u>Legal Debt Margin</u>	<u>Legal Debt Margin as a Percentage of Debt Limit</u>
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%
2023	59,871,056	16,400,000	43,471,056	72.61%
2024	62,928,353	15,623,000	47,305,353	75.17%

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.

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

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	5,335	\$ 190,864,960	\$ 35,776	5.9%
2016	5,335	202,132,480	37,888	6.9%
2017	5,335	203,871,690	38,214	5.6%
2018	5,335	203,850,350	38,210	4.8%
2019	5,335	210,401,730	39,438	4.3%
2020	5,335	212,429,030	39,818	9.8%
2021	5,640	241,561,200	42,830	8.7%
2022	5,640	248,659,311	44,089	2.4%
2023	5,640	265,926,000	47,150	4.8%
2024	5,640	271,983,744	47,952	9.8%

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

<u>2024</u>			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Livingston Independent School Dist.	541	1	7.05%
Walmart Super Center	400	2	5.21%
CHI St Luke's Health	323	3	4.21%
Polk County	514	4	6.70%
IAH Detention Facility	242	5	3.15%
Lowe's Home Improvement	140	6	1.82%
Sam Houston Electric Coop	159	7	2.07%
The Bradford at Brookside	159	8	2.07%
HEB Pantry Foods	97	9	1.26%
First National Bank	65	10	0.85%
Total	<u>2,640</u>		<u>34.41%</u>
<u>2015</u>			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Livingston Independent School Dist.	599	1	7.68%
Walmart Super Center	454	2	5.82%
CHI St Luke's Health	321	3	4.33%
Memorial Medical Center	321	4	4.12%
Sam Houston Electric Coop	157	5	2.01%
Lowe's Home Improvement	147	6	1.88%
The Bradford at Brookside	135	7	1.73%
Brookshire Brothers	112	8	1.44%
HEB Pantry Foods	110	9	1.41%
IAH Detention Facility	102	10	1.44%

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

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

Function/Program	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Administrative ¹	13	15	15	12	12	12	13	11	12	12
Fire ²	1	1	1	1	1	1	1	1	1	1
Police										
Officers	27	27	24	20	20	20	19	18	18	18
Other staff	10	8	8	8	8	7	8	7	8	8
Paving and street	7	6	7	5	6	5	5	7	6	7
Parks and recreation	7	7	7	9	10	10	8	9	9	9
Library	5	5	5	5	4	5	5	5	5	5
Garage	3	3	3	3	2	2	2	2	2	2
Electric, Water and Sewer	<u>18</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>20</u>	<u>19</u>	<u>18</u>	<u>20</u>	<u>20</u>	<u>19</u>
Total district positions	<u>91</u>	<u>88</u>	<u>87</u>	<u>81</u>	<u>83</u>	<u>81</u>	<u>79</u>	<u>80</u>	<u>81</u>	<u>81</u>

Source: Various City Departments

¹The City does not have a paid fire department. The City has approximately 37 citizens who volunteer to serve in the fire department.

²Includes 2 employees assigned to community development and 1 employee assigned to Main Street for 2006 and subsequent years.

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police										
Violations (Traffic and criminal)	5,955	5,535	4,065	5,570	2,988	4,382	4,735	4,273	4,840	4,402
Fire										
Fire calls	910	835	720	638	631	523	627	587	592	531
Library										
Volumes of books	19,608	18,143	19,238	19,937	18,224	20,999	19,466	21,305	19,817	19,798
Electric										
Average daily kilowatt hours sold	225,889	225,062	221,260	220,826	213,870	220,793	229,114	282,310	230,634	234,643
Total customers	3,592	3,491	3,460	3,485	3,423	3,332	3,321	3,286	3,313	3,316
Water										
Average daily consumption	1,669,470	1,599,813	1,579,578	1,594,471	2,253,570	1,562,151	1,553,392	1,569,050	1,528,677	1,458,384
Total connections	3,546	3,543	3,388	3,530	3,392	3,325	3,302	3,291	3,289	3,299

Source: Various City departments

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police										
Patrol Units	22	20	18	18	17	19	19	19	17	16
Fire										
Stations and substation	4	4	4	4	4	4	4	4	3	3
Vehicles including fire trucks	16	15	15	15	15	15	16	15	15	17
Paving and street										
Miles of paved streets	59.16	59.16	59.16	59.16	59.16	59.06	59.06	59.06	59.06	58.06
Miles of paved sidewalks	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
Street lights	830	830	830	838	835	832	830	828	828	821
Night lights	476	476	476	476	476	474	483	481	472	467
Parks and recreation										
Acres of parks	373.50	373.50	373.50	373.50	373.50	373.50	373.50	373.50	373.50	373.50
Water										
Miles of water mains	50.45	50.45	50.45	50.45	49.71	49.71	48.52	48.49	48.18	46.63
Storage capacity-gallons	3,850,000	3,850,000	3,850,000	3,850,000	3,850,000	3,300,000	3,300,000	3,300,000	3,300,000	3,150,000
Sewer										
Miles of sewer lines	81.72	81.72	81.72	81.72	81.72	81.60	81.60	81.60	81.60	80.75

Source: Various City departments