

**LIVE OAK COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2023**



**Lovvorn & Kieschnick**

CERTIFIED PUBLIC ACCOUNTANTS

LOVVORN & KIESCHNICK, LLP

*This page is left blank intentionally.*

**LIVE OAK COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2023**

**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Directory of Officials .....	i
------------------------------	---

**FINANCIAL SECTION**

Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position – Exhibit 1.....	13
Statement of Activities – Exhibit 2.....	14
Fund Financial Statements:	
Balance Sheet – Governmental Funds – Exhibit 3.....	16
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position – Exhibit 3-R .....	18
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – Exhibit 4.....	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – Exhibit 4-R .....	21
Statement of Net Position – Fiduciary Funds – Exhibit 5 .....	22
Statement of Changes in Net Position – Fiduciary Funds – Exhibit 6.....	23
Notes to Financial Statements.....	24
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund .....	51
Road and Bridge Fund.....	52
Notes to Required Supplementary Information .....	53
Schedule of Changes in Net Pension Liability and Related Ratios – Texas County and District Retirement System.....	54
Schedule of Employer Contributions – Texas County and District Retirement System .....	56
Schedule of Changes in Total OPEB Liability and Related Ratios – Texas County and District Retirement System.....	57
Combining and Individual Fund Financial Statements and Schedules as Supplementary Information:	
Non-Major Governmental Funds:	
Combining Balance Sheet .....	58

Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	60
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Solid Waste Disposal Fund .....	62
Airport Fund .....	63
Courthouse Security Fund.....	64
County Clerk Records Management Fund.....	65
Records Management and Preservation Fund .....	66
Indigent Health Fund .....	67
Justice Technology Fund .....	68
County and District Technology Fund.....	69
Grant Fund.....	70
Debt Service Fund:	
Comparative Balance Sheets .....	71
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	72
Road and Bridge Sub-Funds:	
Schedule – Combining Balance Sheet.....	73
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances .....	75
Fiduciary Funds:	
Custodial Funds:	
Combining Statement of Net Position .....	77
Combining Statement of Changes in Net Position.....	79

## SINGLE AUDIT SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Accounting Standards</i> .....	81
Report on Compliance for Each Major Federal and State Program and on Internal Control over Compliance Required by the <i>Uniform Guidance</i> and the <i>State of Texas Single Audit Circular</i> .....	83
Schedule of Findings and Questioned Costs .....	86
Summary Schedule of Prior Audit Findings .....	87
Corrective Action Plan .....	88
Schedule of Expenditures of Federal Awards .....	89
Notes to the Schedule of Expenditures of Federal Awards .....	90
Schedule of Expenditures of State Awards.....	91
Notes to the Schedule of Expenditures of State Awards.....	92

## **INTRODUCTORY SECTION**

*This page is left blank intentionally.*

**LIVE OAK COUNTY, TEXAS**

**DIRECTORY OF OFFICIALS**

**DECEMBER 31, 2023**

**DISTRICT COURT**

Starr Bauer  
Patrick Flanigan  
Janna K. Whatley  
Jose Aliseda  
Melanie Matkin

Judge, 36<sup>th</sup> Judicial District  
Judge, 156<sup>th</sup> Judicial District  
Judge, 343<sup>rd</sup> Judicial District  
District Attorney  
District Clerk

**COMMISSIONERS COURT**

James L. Liska  
Richard Lee  
Randy Kopplin  
Mitchell Williams  
Lucio Morin

County Judge  
Commissioner, Precinct No. 1  
Commissioner, Precinct No. 2  
Commissioner, Precinct No. 3  
Commissioner, Precinct No. 4

**OTHER COUNTY OFFICIALS**

Larry Busby  
Donna Van Way  
Dwayne McWilliams  
Regina Dove  
Kitley Wasicek  
Deanna Atkinson

Sheriff  
County Clerk  
County Attorney  
County Auditor  
County Treasurer  
Tax Assessor-Collector

*This page is left blank intentionally.*



## **FINANCIAL SECTION**

*This page is left blank intentionally.*



# Lovvorn & Kieschnick, LLP

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

Honorable County Judge  
and Commissioners Court  
Live Oak County, Texas  
George West, Texas

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Live Oak County, Texas as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Live Oak County, Texas, as of December 31, 2023, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Live Oak County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States 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 Live Oak County'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.

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Live Oak County'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 Live Oak County'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, schedule of changes in net pension liability and related ratios, schedule of employer contributions, and schedule of changes in the County's total OPEB liability and related ratios, as listed in the table of contents as well as notes to the required supplementary information, 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.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Live Oak County, Texas' basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of expenditures of State awards, as required by the State of Texas *Single Audit Circular*, 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 and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2024, on our consideration of Live Oak County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Live Oak County, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Live Oak County, Texas' internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Lovvorn & Kieschnick, LLP". The signature is written in a cursive, flowing style.

Lovvorn & Kieschnick, LLP  
September 25, 2024

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

*This page is left blank intentionally.*



**LIVE OAK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(UNAUDITED)**

This discussion and analysis of Live Oak County's (County) financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2023. The MD&A should be read in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

**FINANCIAL HIGHLIGHTS**

Net Position The assets and deferred outflows of resources of Live Oak County exceeded its liabilities and deferred inflows of resources at December 31, 2023 by \$76,054,724 (presented as "net position"). Of this amount \$51,590,201 was reported as "unrestricted net position." Unrestricted net position represents the amount not restricted by parties outside the County.

Changes in Net Position The County's total net position increased by \$5,420,876 (an 8% increase) in fiscal year 2023. The County only had governmental activities during the 2023 year.

Fund Highlights: Governmental Funds – Fund Balances As of the close of fiscal year 2023, the County's governmental funds reported a combined ending fund balance of \$48,181,376 which was an increase of \$2,670,914 in comparison with the prior year. At the end of the year, unassigned fund balance for the general fund was \$19,048,448 equal to 142% of total general fund expenditures including transfers to other funds.

Long-term Debt On April 27, 2006 the County issued Certificates of Obligation for \$8,000,000 for the purpose of constructing a new county justice center. Outstanding debt on these obligations was \$3,615,000 at December 31, 2023.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County'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 required supplementary information in addition to the basic financial statements.

**The Government-wide financial statements.** *The government-wide financial statements* are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting.

These statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Increases or decreases in net position contrasted with budgetary decisions should serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year using full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains nineteen individual governmental funds (excluding fiduciary funds): seventeen special revenue funds, the Debt Service Fund, and the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and the Road and Bridge Fund, which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget as a management control device during the year for the General Fund, the Debt Service Fund, and for all Special Revenue Funds, except the Sheriff State Forfeiture, Sheriff Abandoned Vehicle, Jail Commissary, Library, Sheriff Forfeiture Federal Treasury, and the Pre-trial Diversion Intervention funds. The Required Supplementary Information includes a budgetary comparison schedule (original versus final) for the General Fund and the Road and Bridge Fund to demonstrate compliance with budget. Budgetary comparison schedules are also included as other Supplementary Information for the nonmajor governmental funds.

**Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning general fund and major special revenue budgetary schedules and pension plan funding progress.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Of the County's total assets of \$102,594,389 the largest components are: 1) cash and cash equivalents of \$19,590,590 or 19%, 2) investments of \$40,284,720 or 39%, 3) receivables which largely represent the unavailable taxes for FY2023 of \$13,777,042 or 13%, and 4) capital assets, net of accumulated depreciation, \$27,500,152 or 27%. The tax receivables are offset by deferred inflows of resources: unearned 2023 tax revenues and advanced tax collections, since the FY2023 tax revenue is not recognized until FY2024 even though the levy takes place in FY2023. Capital assets are non-liquid assets and cannot be utilized to satisfy County obligations. Liabilities consist of current liabilities of \$2,239,001 and noncurrent liabilities of \$4,176,308.

(Continued)

The County's net position for fiscal years ended December 31, 2023 and 2022 is summarized as follows:

	<b>Governmental Activities</b>		
	<b>2023</b>	<b>2022</b>	<b>Total Percentage Change 2023-2022</b>
Current and other assets	73,652,352	68,326,049	8%
Capital assets (net of depreciation)	27,500,152	25,651,521	7%
Net pension asset	1,441,885	5,187,605	-72%
Total assets	102,594,389	99,165,175	3%
Deferred outflows of resources	2,574,433	2,348,493	10%
Current and other liabilities	2,239,001	2,642,391	-15%
Long-term liabilities	4,176,308	4,571,061	-9%
Total liabilities	6,415,309	7,213,452	-11%
Deferred inflow of resources	22,698,789	23,666,368	-4%
Net position:			
Net investment in capital assets	23,885,152	21,666,521	10%
Restricted	579,371	726,176	-20%
Unrestricted	51,590,201	48,241,151	7%
Total net position	76,054,724	70,633,848	8%

**Net Position** – *Net position* may serve over time as a useful indicator of a County government's financial position. Live Oak County's combined net position (government activities) totaled \$76,054,724 at the end of fiscal year 2023 compared to \$70,633,848 at the end of the previous year.

Of the County's total net position, 31% reflects its investment in capital assets such as land, buildings, major improvements, equipment, and infrastructure (road and bridges), less any related debt used to acquire those assets that is still outstanding. Live Oak County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County'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.

Governmental activities increased the County's net position by \$5,420,876. The key components of this change are the following:

**Live Oak County's Changes in Net Position**

	<b>Governmental Activities</b>		
	<b>2023</b>	<b>2022</b>	<b>Total Percentage Change 2023-2022</b>
Revenues:			
Net Program revenues:			
Charges for services	4,960,541	2,977,738	67%
Operating grants and contributions	1,581,782	1,848,234	-14%
Capital grants and contributions	-	-	0%
General revenues:			
Property taxes	19,274,557	15,015,115	28%
Sales taxes	3,838,219	2,764,071	39%
Investment earnings	1,268,136	(207,932)	-710%
Total revenues	<u>30,923,235</u>	<u>22,397,226</u>	38%
Expenses:			
General Administration	1,099,319	1,047,530	5%
Judicial	1,444,086	678,742	113%
Financial	1,237,920	1,382,796	-10%
Legal	240,582	895,459	-73%
Public Facilities	1,262,572	787,552	60%
Environmental Protection	293,567	226,623	30%
Public Safety	6,708,219	3,075,419	118%
Highways, Streets and Bridges	11,329,869	6,001,584	89%
Health and Welfare	1,221,804	1,273,170	-4%
Culture and Recreation	119,436	157,838	-24%
Conservation	151,276	1,051,045	-86%
Airport	236,938	230,145	3%
Interest and fiscal charges on debt	156,771	172,628	-9%
Total expenses	<u>25,502,359</u>	<u>16,980,531</u>	50%
Change in net position	5,420,876	5,416,695	0%
Net position--beginning	<u>70,633,848</u>	<u>65,217,153</u>	8%
Net position--ending	<u><u>76,054,724</u></u>	<u><u>70,633,848</u></u>	8%

Program revenues and expenses are presented net of interfund eliminations.

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Program revenues of \$6,542,323 equaled 26% of government expenses of \$25,502,359. As expected, general revenues (\$24,380,912) provided the required support and coverage for expenses.
- The largest category of expenses is Highways, Streets and Bridges (\$11,329,869), with \$1,526,245 in revenues, or about 5% of total revenues.
- The next largest category of expenses is Public Safety (\$6,708,219) with \$1,285,534 in revenues, or about 4% of total revenues.
- General Administration was the only function where expenses did not exceed program revenues.
- Grant revenues and contributions comprised about 5% of revenues.

## FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting and budget controls have been the framework of the County's strong fiscal management and accountability.

**Governmental funds.** The general government functions are reported in the General and Special Revenue Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting 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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$48,181,376, an increase of \$2,670,914 in comparison with the prior year. Approximately \$19,048,448 or 40% of the fund balance represents *unassigned fund balance*, which is available for spending at the County's discretion.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$19,048,448 while total fund balance of all governmental funds reached \$48,181,376. As a measure of the general fund's liquidity, we compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 142% of total fund expenditures and transfers out.

### General Fund Budgetary Highlights

For FY2023, actual expenditures were \$12,904,081 compared to the budget amount of \$16,921,154.

For FY2023, actual revenues were \$16,239,371 as compared to the budget amount of \$13,671,072.

## Capital Assets and Debt Administration

### Capital Assets

At December 31, 2023 the County had \$48,498,208 invested in capital assets, including land, park and recreation facilities, buildings, roads, bridges and equipment. This amount represents a net increase (additions, deductions, and depreciation) of \$1,848,631, or 7% more than last year.

### Capital Assets at Year-End

	Governmental Activities		Total Percentage Change 2023-2022
	2023	2022	
Land	3,536,461	3,507,051	1%
Construction in Progress	644,010	1,378,619	-53%
Buildings and Improvements	18,143,379	16,835,271	8%
Equipment and Vehicles	14,422,951	12,007,596	20%
Infrastructure	11,751,407	11,635,463	1%
Subtotal	48,498,208	45,364,000	7%
Accumulated depreciation	20,998,056	19,712,479	7%
Capital assets, net	27,500,152	25,651,521	7%

Long-term Liabilities On April 27, 2006 the County issued Certificates of Obligation for \$8,000,000 for the purpose of constructing a new county justice center. Outstanding debt on these obligations was \$3,615,000 at December 31, 2023.

The County's bonded debt at December 31, 2023 was \$3,615,000, a decrease of \$370,000 or a 9% decrease compared to last year.

### Long-term Obligations at Year-End

	Governmental Activities		Increase (Decrease)
	2023	2022	
Certificates of Obligation	3,615,000	3,985,000	(370,000)
Compensated Absences	223,054	174,449	48,605
Net Pension Liability (Asset)	(1,441,885)	(5,187,605)	3,745,720
Net OPEB	338,254	411,612	(73,358)
Totals	2,734,423	(616,544)	3,350,967

## **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the County Auditor's Office at P.O. Box 699, George West, Texas 78022.



## **BASIC FINANCIAL STATEMENTS**

*This page is left blank intentionally.*

LIVE OAK COUNTY, TEXAS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023

Exhibit 1

	Governmental Activities
<hr/>	
ASSETS	
Cash and Cash Equivalents	19,590,590
Investments	40,284,720
Receivables	
Taxes Receivable	12,161,814
Due from Others	1,615,228
Capital Assets	
Land	3,536,461
Construction in Progress	644,010
Buildings and Improvements	18,143,379
Equipment and Vehicles	14,422,951
Infrastructure	11,751,407
Less Accumulated Depreciation	(20,998,056)
Net Pension Asset	1,441,885
TOTAL ASSETS	<hr/> 102,594,389 <hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflow Related to Pensions	2,507,919
Deferred Outflow Related to OPEB	66,514
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<hr/> 2,574,433 <hr/>
LIABILITIES	
Accounts Payable	952,827
Accrued Wages	148,595
Interest Payable	64,769
Unearned Revenue	1,072,810
Noncurrent Liabilities	
Due Within One Year	608,054
Due in More Than One Year	3,230,000
Net OPEB Liability	338,254
TOTAL LIABILITIES	<hr/> 6,415,309 <hr/>
DEFERRED INFLOWS OF RESOURCES	
Deferred Revenues - Property Taxes	10,987,578
Advanced Tax Collections	11,134,933
Deferred Inflow Related to Pensions	469,987
Deferred Inflow Related to OPEB	106,291
TOTAL DEFERRED INFLOWS OF RESOURCES	<hr/> 22,698,789 <hr/>
NET POSITION	
Net Investment In Capital Assets	23,885,152
Restricted For:	
Federal and State Programs	255,892
Debt Service	307,004
Other	16,475
Unrestricted	51,590,201
TOTAL NET POSITION	<hr/> 76,054,724 <hr/>

The accompanying notes are an integral part of this statement.

**LIVE OAK COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
General Administration	1,099,319	2,658,286	829,465	-
Judicial	1,444,086	30,908	-	-
Financial	1,237,920	-	-	-
Legal	240,582	11,814	-	-
Public Facilities	1,262,572	-	-	-
Environmental Protection	293,567	125,494	-	-
Public Safety	6,708,219	1,285,534	-	-
Highways, Streets and Bridges	11,329,869	789,309	736,936	-
Health and Welfare	1,221,804	-	-	-
Culture and Recreation	119,436	-	-	-
Conservation	151,276	-	-	-
Airport	236,938	59,196	15,381	-
Interest on Long Term Debt	156,771	-	-	-
Total Governmental Activities	25,502,359	4,960,541	1,581,782	-

General Revenues  
Property Taxes  
Sales Taxes  
Investment Earnings  
Total General Revenues

Change in Net Position  
Net Position-Beginning  
Net Position-Ending

The accompanying notes are an integral part of this statement.

Exhibit 2

Net (Expense)  
Revenue and  
Changes in Net Position

Governmental  
Activities

2,388,432  
(1,413,178)  
(1,237,920)  
(228,768)  
(1,262,572)  
(168,073)  
(5,422,685)  
(9,803,624)  
(1,221,804)  
(119,436)  
(151,276)  
(162,361)  
(156,771)

(18,960,036)

19,274,557  
3,838,219  
1,268,136  
24,380,912

5,420,876  
70,633,848  
76,054,724

**LIVE OAK COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	GENERAL FUND	ROAD AND BRIDGE FUND
<b>ASSETS</b>		
Cash and Cash Equivalents	8,959,530	7,672,260
Investments	19,595,489	20,689,231
Receivables		
Taxes Receivable	11,042,971	815,958
Due From Others	1,409,225	150,803
Due From Other Funds	5,000	-
<b>TOTAL ASSETS</b>	<b>41,012,215</b>	<b>29,328,252</b>
<b>LIABILITIES</b>		
Accounts Payable	358,883	554,782
Due to Other Funds	12,920	-
Accrued Wages	121,982	24,451
Unearned Revenue	-	-
<b>TOTAL LIABILITIES</b>	<b>493,785</b>	<b>579,233</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Revenues - Property Taxes	549,027	364,250
Deferred Revenues - Property Taxes	10,493,944	451,708
Advanced Tax Collections	10,427,013	448,625
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>21,469,984</b>	<b>1,264,583</b>
<b>FUND BALANCES</b>		
Restricted for:		
Debt Service	-	-
Other	-	-
Committed, Reported In:		
Special Revenue Funds	-	27,484,438
Unassigned, Reported In:		
General Fund	19,048,448	-
<b>TOTAL FUND BALANCES</b>	<b>19,048,448</b>	<b>27,484,438</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>41,012,217</b>	<b>29,328,254</b>

The accompanying notes are an integral part of this statement.

Exhibit 3

NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
2,958,800	19,590,590
-	40,284,720
302,885	12,161,814
55,200	1,615,228
12,920	17,920
<u>3,329,805</u>	<u>73,670,272</u>
39,162	952,827
5,000	17,920
2,162	148,595
<u>1,072,810</u>	<u>1,072,810</u>
<u>1,119,134</u>	<u>2,192,152</u>
260,960	1,174,237
41,926	10,987,578
<u>259,295</u>	<u>11,134,933</u>
<u>562,181</u>	<u>23,296,748</u>
110,813	110,813
272,367	272,367
1,265,310	28,749,748
-	19,048,448
<u>1,648,490</u>	<u>48,181,376</u>
<u>3,329,805</u>	<u>73,670,276</u>

*This page is left blank intentionally.*



LIVE OAK COUNTY, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO STATEMENT OF NET POSITION  
DECEMBER 31, 2023

Exhibit 3-R

Total fund balance - total governmental funds	48,181,376
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not reported in the funds.	27,500,152
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,174,237
Other long-term liabilities which are not due in the current period are not reported in the funds	(223,054)
Payables for bond principal which are not due in the current period are not reported in the funds.	(3,615,000)
Payables for bond interest which are not due in the current period are not reported in the funds.	(64,769)
Recognition of County's proportionate share of the net pension asset (liability) is not reported in the funds.	1,441,885
Recognition of County's proportionate share of the net OPEB asset (liability) is not reported in the funds.	(338,254)
Deferred resource outflows/inflows related to pensions are not reported in the funds.	2,037,925
Deferred resource outflows/inflows related to OPEB are not reported in the funds.	(39,774)
Net position of governmental activities - statement of net position	<u><u>76,054,724</u></u>

The accompanying notes are an integral part of this statement.

LIVE OAK COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL FUND	ROAD AND BRIDGE FUND
REVENUES		
Taxes	12,167,977	10,089,617
Licenses and Permits	37,484	545,866
Intergovernmental	829,465	705,772
Fees	1,549,721	-
Fines and Forfeitures	448,956	-
Investment Income	653,900	611,366
Other	551,868	120,493
Total Revenues	<u>16,239,371</u>	<u>12,073,114</u>
EXPENDITURES		
Current		
General Administration	1,635,846	-
Judicial	1,400,581	-
Elections	411,594	-
Financial	1,229,694	-
Legal	235,198	-
Public Facilities	1,169,507	-
Environmental Protection	-	-
Public Safety	5,452,068	-
Highways, Streets and Bridges	-	12,017,567
Health and Welfare	1,076,516	-
Culture and Recreation	170,533	-
Conservation	122,544	-
Airport	-	-
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	<u>12,904,081</u>	<u>12,017,567</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,335,290</u>	<u>55,547</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	-	-
Transfers Out	(525,000)	-
Total Other Financing Sources (Uses)	<u>(525,000)</u>	<u>-</u>
Net Change in Fund Balances	2,810,290	55,547
Fund Balances at Beginning of Year (Restated)	16,238,158	27,428,891
Fund Balances at End of Year	<u>19,048,448</u>	<u>27,484,438</u>

The accompanying notes are an integral part of this statement.

Exhibit 4

NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
556,484	22,814,078
-	583,350
236,605	1,771,842
432,318	1,982,039
-	448,956
2,870	1,268,136
68,809	741,170
<u>1,297,086</u>	<u>29,609,571</u>

57,774	1,693,620
43,505	1,444,086
-	411,594
-	1,229,694
5,384	240,582
-	1,169,507
293,567	293,567
800,687	6,252,755
-	12,017,567
168,245	1,244,761
12,760	183,293
-	122,544
101,687	101,687
370,000	370,000
163,400	163,400
<u>2,017,009</u>	<u>26,938,657</u>

<u>(719,923)</u>	<u>2,670,914</u>
------------------	------------------

525,000	525,000
-	(525,000)
<u>525,000</u>	<u>-</u>

(194,923)	2,670,914
<u>1,843,413</u>	<u>45,510,462</u>
<u>1,648,490</u>	<u>48,181,376</u>

LIVE OAK COUNTY, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

Exhibit 4-R

Net change in fund balance - total governmental funds	2,670,914
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are not reported as expenses in the SOA.	3,635,363
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,734,726)
The gain or loss on the disposal of capital assets is not reported in the funds.	(52,005)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	298,698
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	370,000
(Increase) decrease in accrued interest from beginning of period to end of period.	6,629
The (increase) decrease in compensated absences liability does not require the use of current financial resources but is recorded as a decrease in expenses. in the statement of activities.	(48,605)
Implementing GASB 68 required certain expenditures to be de-expended and recorded as deferred resource outflows	193,149
Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resource outflows	81,459
Change in net assets of governmental activities - statement of activities	<u><u>5,420,876</u></u>

The accompanying notes are an integral part of this statement.

**LIVE OAK COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**DECEMBER 31, 2023**

Exhibit 5

<b>ASSETS</b>	
Cash and Cash Equivalents	1,261,126
Due From Other Funds	-
Due From Other Governments	-
Total Assets	<u>1,261,126</u>
 <b>LIABILITIES</b>	
Accounts Payable	-
Due to Others	-
Total Liabilities	<u>-</u>
 <b>NET POSITION</b>	
Restricted for individuals or organizations	<u>1,261,126</u>
Total Net Position	<u><u>1,261,126</u></u>

The accompanying notes are an integral part of this statement.

LIVE OAK COUNTY, TEXAS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR DECEMBER 31, 2023

Exhibit 6

ADDITIONS	
Contributions:	
From other governments	224,985
From individuals	25,305,978
Investment interest	6,534
Taxes and fees collected for other governments	-
Miscellaneous	-
Total Additions	<u>25,537,497</u>
DEDUCTIONS	
Recipient payments	25,096,907
Administrative expenses	1,055
Purchases by inmates	121,859
Public safety	9,825
Total Deductions	<u>25,229,646</u>
Net increase (decrease) in fiduciary net position	307,852
Net position - beginning (Restated)	<u>953,274</u>
Net position - ending	<u><u>1,261,126</u></u>

The accompanying notes are an integral part of this statement.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Live Oak County, Texas (the County) was organized in 1856. The County operates using a commission form of government under the statutes and the Constitution of the State of Texas. The County (government) provides various services to advance the welfare, health, morals, comfort, safety and convenience of the County and its inhabitants.

The financial statements of Live Oak County, Texas have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The financial statements include all the funds and account groups of the County. There are no component units applicable to the County. Therefore, the primary government (Live Oak County) is the same as the reporting entity. The County is not a component unit of any other entity.

**B. Basis of Presentation**

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the activities of the County. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County had no business-type activities in 2023.

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

**Fund Financial Statements:**

The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. The County had no proprietary activities in 2023.

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

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

General Fund –

The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, judicial, public welfare, health services and capital acquisition.

Road and Bridge Fund –

The Road and Bridge Fund is a special revenue fund that accounts for current funds used for the purpose of constructing and maintaining roads and bridges.

Additionally, the County reports the following fund types:

Fiduciary Fund Types:

Custodial Funds –

These funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or custodial capacity and are therefore not available to support County programs, these funds are not included in the government-wide statements.

C. Measurement Focus/Basis of Accounting

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

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. 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. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

**Governmental fund level financial statements** are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred inflows of resources. Property taxes which were levied in September 2023, and became due October 1, 2023, have been assessed to



**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

finance the budget of the fiscal year beginning January 1, 2024 and, accordingly, have been reflected as taxes receivable and deferred inflows of resources: deferred revenues—property taxes, and advanced tax collections in the fund financial statements at December 31, 2023.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

**D. Encumbrances**

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Encumbrances outstanding at year end are either canceled or appropriations are provided for in the subsequent year's budget.

**E. Investments**

The County can legally invest in certificates of deposit, obligations of the U.S. Government and its Agencies or instrumentalities, State obligations, local government investment pools and certain money market funds.

The County has implemented GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." As a governmental entity other than an external investment pool, in accordance with GASB 31 the County's investments are stated at market value, except for money market investments with remaining maturity of one year or less when purchased and nonparticipating interest earning investment contracts.

**F. Prepaid Items**

Prepaid balances are for payments made by the County in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

**G. Inventories**

The County records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory. Inventory at year end is immaterial.

**H. Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

**I. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on capital assets.

Assets capitalized have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	50 Years
Infrastructure	20-30 Years
Equipment and Furniture	5-10 Years
Improvements	10-20 Years
Vehicles	3-10 Years

**J. Compensated Absences**

A liability for unused vacation leave for all full-time and most regular part-time employees is calculated and reported in the government-wide statements. Vacation leave accrues at a rate of 1 day per month and can accrue up to a maximum of 18 days. All vacation leave is accrued when incurred in the government-wide financial statements. Sick leave is accrued at 1 day per month and is cumulative up to 90 days. It is not convertible to vacation leave or additional pay. The cost of sick leave is recognized when payments are made to employees. Compensated absences are reported in the governmental funds only if they have matured.

**K. Net Position and Fund Equity**

In the government-wide financial statements, net position is reported in three categories: net invested in capital assets; restricted net position; and unrestricted net position. Net invested in capital assets represents capital assets less accumulated depreciation less outstanding principal of related debt. Net invested in capital asset does not include the unspent proceeds of capital debt. Restricted net position represents net position restricted by parties outside of the County (such as creditors, grantors, contributors, laws, and regulations of other governments). All other net position is considered unrestricted.

In the fund financial statements, fund balances of the governmental funds are classified as follows:

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the Commissioners Court, the County's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Commissioners Court removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Commissioners Court. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Commissioners Court or by an official or body to which the Commissioners Court delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**L. Use of Estimates**

The preparation of basic financial statements in conformance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**M. Compliance and Accountability**

**1. Finance-Related Legal and Contractual Provisions**

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None Noted	None Noted

**2. Deficit Fund Balance or Fund Net Assets of Individual Funds**

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None Reported	Not Applicable	Not Applicable

**N. Recent Accounting Pronouncements**

GASB Statement No. 99. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

GASB Statement 100 Omnibus 2022. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

GASB Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**2. CASH AND INVESTMENTS**

**Legal and Contractual Provisions Governing Deposits and Investments**

The Public Funds Investment Act (Texas Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. Agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

**A. Authorized Investments**

The County is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

**B. Deposits and Investments**

Cash and Deposits are as follows:

<b>Cash and Deposits</b>	
	<u>2023</u>
Bank Deposits	
Demand Deposits	20,807,845
Non-negotiable Certificate of Deposit	33,721
Cash and Cash Equivalents	
Petty Cash on Hand	<u>10,150</u>
Total Cash and Deposits	<u><u>20,851,716</u></u>

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

During the year ended December 31, 2023, deposits were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

**Reconciliation of Deposits and Investments**

Type of Security	Market Value December 31, 2023
Investments	
Negotiable Certificates of Deposit	19,253,960
Money Market	21,030,760
Total Investments	40,284,720
Total Cash and Deposits	20,851,716
Total Deposits and Investments	61,136,436

As of December 31, 2023, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 3	4 to 5
Certificates of Deposit	19,253,960	13,355,578	5,407,502	490,880
Money Market	21,030,760	21,030,760	-	-
Total Fair Value	40,284,720	34,386,338	5,407,502	490,880

**Interest Rate Risk** – In accordance with state law and County policy, the County does not purchase any investments with maturities greater than 5 years.

**Credit Risk** – In accordance with state law and the County's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at **least A-1 or P-1**, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A.

**Concentration of Credit Risk** -- The County does not place a limit on the amount the County may invest in any one issuer. The County does not have a concentration of credit risk.

**Custodial Credit Risk** -- For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a custodial credit risk.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**C. Fair Value Measurements**

Live Oak County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Live Oak County has the following recurring fair value measurements as of August 31:

Investment Type	12/31/23	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of Deposit	19,253,960	-	19,253,960	-
Total Fair Value	19,253,960	-	19,253,960	-

**3. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balance January 1	Additions/ Completions	Retirements/ Adjustments	Balance December 31
<b>Governmental Activities:</b>				
Capital assets, not being depreciated				
Land	3,507,051	29,410	-	3,536,461
Construction in Progress	1,378,619	213,661	948,270	644,010
Total capital assets, not being depreciated	4,885,670	243,071	948,270	4,180,471
Capital assets, being depreciated				
Building and Improvements	16,835,271	1,308,108	-	18,143,379
Equipment and Vehicles	12,007,596	2,916,509	501,154	14,422,951
Infrastructure	11,635,463	115,944	-	11,751,407
Total capital assets, being depreciated	40,478,330	4,340,561	501,154	44,317,737
Less accumulated depreciation for:				
Buildings and Improvements	(4,165,418)	(395,793)	-	(4,561,211)
Equipment and Vehicles	(9,226,610)	(909,264)	(449,149)	(9,686,725)
Infrastructure	(6,320,451)	(429,669)	-	(6,750,120)
Total accumulated depreciation	(19,712,479)	(1,734,726)	(449,149)	(20,998,056)
Total capital assets, being depreciated, net	20,765,851	2,605,835	52,005	23,319,681
Governmental activities capital assets, net	25,651,521	2,848,906	1,000,275	27,500,152

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

Depreciation expense was charged to functions/programs of the County for the 2023 year as follows:

**Governmental Activities:**

General Administration	71,097
Financial	8,226
Public Facilities	93,065
Public Safety	457,967
Highways, Streets and Bridges	913,869
Health and Welfare	18,277
Culture and Recreation	8,243
Conservation	28,732
Airport	135,250
<b>Total Depreciation Expense</b>	<b><u>1,734,726</u></b>

**4. LONG-TERM OBLIGATIONS**

Long-term liability activity for the year ended December 31, 2023, was as follows:

Description	Original Debt	Interest Rate Payable	Balance January 1	Additions	Reductions	Balance December 31	Due Within One Year
Governmental Activities:							
Long-term Obligations:							
Certificates of Obligation, Series 2016	8,000,000	4.30%	3,985,000	-	370,000	3,615,000	385,000
Compensated Absences			174,449	223,054	174,449	223,054	223,054
Net Pension Liability (Asset)			(5,187,605)	5,002,869	1,257,149	(1,441,885)	-
Net OPEB Liability			411,612	38,976	112,334	338,254	-
<b>Total Governmental Activities</b>							
Long-term Obligations			(616,544)	5,264,899	1,913,932	2,734,423	608,054



**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

Debt service payments for the Certificates of Obligation are paid by the Debt Service Fund.

The annual requirements for the Certificates of Obligation for years subsequent to December 31, 2023, are as follows:

Fiscal Year Ending December 31	Governmental Activities		
	Principal	Interest	Total
2024	385,000	147,168	532,168
2025	405,000	130,182	535,182
2026	420,000	112,445	532,445
2027	440,000	93,955	533,955
2028	460,000	74,605	534,605
2029-2031	1,505,000	99,007	1,604,007
<b>TOTALS</b>	<b>3,615,000</b>	<b>657,362</b>	<b>4,272,362</b>

Defeased Bonds Outstanding – None

## **5. PROPERTY TAXES**

### **Levy and Collection –**

Taxes levied by the County are levied and collected through the offices of the Live Oak County Tax Assessor-Collector. Ad valorem taxes are due and payable from October 1 of the year in which levied until January 31 of the following year without interest or penalty. On February 1, unpaid taxes become subject to penalty and interest charges.

The County's taxes on real property are a lien against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes. Delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title to the property.

Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years after the time such taxes become delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid. A lien on such property becomes enforceable as of January 1.

### **Taxes Receivable and Advance Tax Collections –**

In the Governmental Funds, Current and Delinquent Taxes Receivable have been reported as Taxes Receivable in the assets section of the various balance sheets where applicable and offset as unavailable revenues—property taxes and deferred revenues—property taxes in the deferred inflows of resources section. The Taxes Receivable is shown net of allowances for uncollectible accounts.

The County begins to collect taxes in October, levied for the subsequent year's budget. These advance tax collections are recognized in the deferred inflows of resources section of the various balance sheets where applicable in both the governmental funds and the government-wide statements.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Appraisal District –**

The appraisal of property within the County is the responsibility of the county-wide appraisal district. The Live Oak County Appraisal District (the District) is required under the Property Tax Code to assess all property within the District on the basis of one hundred (100) percent of its market value and is prohibited from applying any assessment ratios. The District, which began its appraisal and equalization functions in 1982, is governed by a Board of Directors elected by the governing bodies of certain taxing entities in the District. The Board of Directors appoints a Chief Appraiser to act as chief administrator of the Appraisal District and an Appraisal Review Board to equalize appraised values.

The County may challenge appraised values established by the District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property. However, if the “effective tax rate” (excluding tax rates for bonds and other contractual obligations adjusted for new improvements) exceeds the rate for the previous year by more than eight (8) percent, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than eight (8) percent above the tax rate for the previous year. This legislation also provides that, if mandated by the qualified voters in the District, the collection function must be placed with the District.

**Tax Rate –**

The effective tax rate for the 2022 levy year was \$0.49602 per \$100 assessed valuation. This tax rate was used for fiscal year 2023 operations. The 2023 tax roll is to be used for 2024 operations and its tax rate is \$0.49602 per \$100 valuation.

**6. RECEIVABLES**

Receivables for the County's individual major funds and nonmajor funds are as follows:

	Property Taxes	Intergovernmental	Other	Total
Governmental activities:				
General Fund	11,042,971	1,409,225	-	12,452,196
Road and Bridge Fund	815,958	150,803	-	966,761
Non-Major Governmental Funds	302,885	55,200	-	358,085
Totals	<u>12,161,814</u>	<u>1,615,228</u>	<u>-</u>	<u>13,777,042</u>

**7. DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources at year end consisted of the following:

Description	General Fund	Road and Bridge Fund	Non-Major Governmental Funds	Total
Unavailable revenue - property taxes	549,027	364,250	260,960	1,174,237
Deferred revenues - property taxes	10,493,944	451,708	41,926	10,987,578
Advanced tax collections	10,427,013	448,625	259,295	11,134,933
Total deferred revenue	<u>21,469,984</u>	<u>1,264,583</u>	<u>562,181</u>	<u>23,296,748</u>

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivables and payables:

Balances due to and due from other funds at December 31, 2023, consisted of the following:

Due to Fund	Due From Fund	Amount	Purpose
General Fund	Nonmajor Governmental Fund	5,000	Short-Term Loan
Nonmajor Governmental Fund	General Fund	12,920	Short-Term Loan
TOTAL		<u>17,920</u>	

Interfund transfers:

	Transfer In:	
	Nonmajor Governmental Funds	Total
Transfer Out: General Fund	<u>525,000</u>	<u>525,000</u>

Interfund transfers to Nonmajor Governmental Funds were to supplement other funds sources.

**9. PENSION PLAN**

**Plan Description**

The County provides retirement, disability, and death benefits for all of its eligible employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system which consists of 826 nontraditional defined benefit pension plans. TCDRS, in the aggregate, issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted and may be amended by the governing body of the County within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits in a lump sum and who are not eligible to retire are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employees' deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

the TCDRS Act, so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

**Membership Information**

Members	Dec. 31, 2021	Dec. 31, 2022
Number of inactive employees entitled to but not yet receiving benefits:	96	109
Number of active employees:	144	131
Average monthly salary*:	\$3,271	\$3,297
Average age*:	49.59	50.64
Average length of service in years*:	11.05	10.87
<b>Inactive Employees (or their Beneficiaries) Receiving Benefits</b>		
Number of benefit recipients:	75	83
Average monthly benefit:	\$920	\$1,235

*\*Averages reported for active employees.*

**Funding Policy**

The County has elected the Annually Determined Contribution Rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 12.46% of covered payroll for the months of the calendar year in 2023.

The deposit rate payable by all employee members for the calendar year 2023 is 7% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

The TCDRS board hires independent outside consulting actuaries to conduct an annual valuation to measure the funding status and to determine the required employer contribution rate for each employer plan. In order to calculate the employer contribution rate, the actuary does the following:

1. Studies each employer's adopted plan of benefits and the profile of its plan participants, and uses assumptions established by the board to estimate future benefit payments.
2. Discounts the estimate of future benefit payments to the present based on the long-term rate of investment return to determine the present value of future benefits.
3. Compares the present value of future benefits with the plan's assets to determine the difference that needs to be funded based on the funding policy.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Actuarial Methods and Assumptions**

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis, as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age (level percent of pay) <sup>(1)</sup>
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	Varies by age and service.
Investment Rate of Return	7.60%, gross of administrative expenses
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Live Oak County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Mortality	
Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

<sup>(1)</sup>Individual entry age normal cost method, as required by GASB 68, used for GASB calculations.  
Note that a slightly different version of the entry age normal cost method is used for the funding actuarial valuation.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Actuarial Methods and Assumptions Used for Funding Valuation**

Except where indicated in the section of this GASB 68 report entitled "Actuarial Methods and Assumptions Used for GASB Calculations," the assumptions used in this analysis for the December 31, 2022 financial reporting metrics are the same as those used in the December 31, 2022 actuarial valuation analysis for Live Oak County.

The following is a description of the assumptions used in the December 31, 2022 actuarial valuation analysis for Live Oak County. This information may also be found in the Live Oak County December 31, 2022 Summary Valuation Report.

**Economic Assumptions**

**TCDRS system-wide economic assumptions:**

Real rate of return	5.00%
Inflation	2.50%
Long-term investment return	7.50%

The assumed long-term investment return of 7.5% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.5% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Growth in membership	0.00%
Payroll growth for funding calculations	3.00%

The payroll growth assumption is for the aggregate covered payroll of an employer.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2023 information for a 10-year time horizon.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting.

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation<sup>(1)</sup></b>	<b>Geometric Real Rate of Return<sup>(2)</sup></b>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(3)</sup>	4.00%	7.60%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(5)</sup>	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

<sup>(1)</sup>Target asset allocation adopted at the March 2023 TCDRS Board meeting.

<sup>(2)</sup>Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.3%, per Cliffwater's 2023 capital market assumptions.

<sup>(3)</sup>Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup>Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup>Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

#### **Depletion of Plan Assets/GASB Discount Rate**

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer, TCDRS used an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the County's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
3. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 7.60% was used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.



**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Changes in Net Pension Liability/(Asset)**

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2021	27,466,079	32,653,684	(5,187,605)
Changes for the year:			
Service cost	933,958	-	933,958
Interest on total pension liability <sup>(1)</sup>	2,123,296	-	2,123,296
Effect of plan changes <sup>(2)</sup>	-	-	-
Effect of economic/demographic gains or losses	(110,969)	-	(110,969)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(83,320)	(83,320)	-
Benefit payments	(857,773)	(857,773)	-
Administrative expenses	-	(18,116)	18,116
Member contributions	-	394,731	(394,731)
Net investment income	-	(1,927,500)	1,927,500
Employer contributions	-	703,344	(703,344)
Other <sup>(3)</sup>	-	48,105	(48,105)
Balances as of December 31, 2022	29,471,271	30,913,155	(1,441,884)

<sup>(1)</sup>Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

<sup>(2)</sup>No plan changes valued.

<sup>(3)</sup>Relates to allocation of system-wide items.

**Sensitivity Analysis**

The following presents the net pension liability of the county/district, calculated using the discount rate of 7.60%, as well as what the Live Oak County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	32,904,718	29,471,270	26,565,204
Fiduciary net position	30,913,155	30,913,155	30,913,155
Net pension liability / (asset)	1,991,563	(1,441,885)	(4,347,951)

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Pension Expense / (Income)**

	January 1, 2022 to December 31, 2022
Service cost	933,958
Interest on total pension liability <sup>(1)</sup>	2,123,296
Effect of plan changes	-
Administrative expenses	18,116
Member contributions	(394,731)
Expected investment return net of investment expenses	(2,488,655)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(218,330)
Recognition of assumption changes or inputs	298,611
Recognition of investment gains or losses	84,866
Other <sup>(2)</sup>	(48,105)
Pension expense / (income)	<u>309,026</u>

<sup>(1)</sup>Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

<sup>(2)</sup>Relates to allocation of system-wide items.

**Deferred Inflows / Outflows of Resources**

As of December 31, 2022, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	406,027	-
Changes of assumptions	63,960	330,590
Net difference between projected and actual earnings	-	684,661
Contributions made subsequent to measurement date	N/A	1,492,668
Total	<u>469,987</u>	<u>2,507,919</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2023	(252,695)
2024	(171,562)
2025	86,291
2026	883,230
2027	-
Thereafter	-

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

Live Oak County participates in the retiree Group Term Life (GTL) program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCERS pension plan. Only employers that have elected participation in the retiree Group Term Life program are included in the OPEB plan. The plan provides \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program. The OPEB benefit is a fixed \$5,000 lump-sum benefit. No future increases are assumed in the \$5,000 benefit amount. Benefit terms are established under the TCERS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year.

Contributions made to the retiree GTL Program are held in the GTL Fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.

Benefit terms are established under the TCERS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out (or opt into) coverage as of Jan. 1 each year. The county's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to \$5,000.

**Membership Information**

Members	Dec. 31, 2021	Dec. 31, 2022
Number of inactive employees entitled to but not yet receiving benefits <sup>(1)</sup> :	23	26
Number of active employees:	144	131
Average age of active employees:	49.59	50.64
Average length of service in years for active employees:	11.05	10.87
<b>Inactive Employees Receiving Benefits<sup>(1)</sup></b>		
Number of benefit recipients <sup>(1)</sup>	62	69

<sup>(1)</sup> "Receiving benefits" indicates the member is retired and receiving monthly pension benefits, and his or her beneficiary is eligible for the \$5,000 lump sum upon the retiree's death.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Summary of Actuarial Assumptions**

All actuarial assumptions and methods that determined the total OPEB liability as of December 31, 2022 were based on the results of an actuarial experience study for the period of January 1, 2017 - December 31, 2020, except where required to be different by GASB 75.

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Level Percent of Salary
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply
Investment Rate of Return	3.72% 20 Year Bond GO Index published by bondbuyer.com as of December 30, 2022
Cost-of-Living Adjustment	Does not apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.
Mortality	
Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries, and non-depositing members	135% of Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Retirement	Deferred members are assumed to retire (100% probability) at the later of: a) age 60 b) earliest retirement eligibility  For all eligible members ages 75 and later, retirement is assumed to occur immediately.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Total OPEB Liability**

	<u>December 31, 2021</u>	<u>December 31, 2022</u>
Total OPEB Liability	411,612	338,254

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

**Discount Rate**

Discount Rate <sup>(1)</sup>	2.06%	3.72%
Long-term expected rate of return, net of investment expense <sup>(1)</sup>	Does not apply	Does not apply
Municipal bond rate <sup>(1)</sup>	2.06%	3.72%

*<sup>(1)</sup>The OPEB plan has been determined to be an unfunded OPEB plan; therefore, only the municipal bond rate applies.*

**Other Key Actuarial Assumptions**

All actuarial assumptions that determined the total OPEB liability as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2017 - December 31, 2020, except where required to be different by GASB 75.

**Sensitive Analysis**

The following shows the Total OPEB Liability of the employer, calculated using the discount rate of 3.72%, as well as what the Live Oak County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage point higher (4.72%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>2.72%</b>	<b>3.72%</b>	<b>4.72%</b>
Total OPEB Liability	395,110	338,254	293,174

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Changes in Total OPEB Liability**

	<b>Changes in Total OPEB Liability</b>
OPEB Liability as of December 31, 2021	411,612
Changes for the year:	
Service cost	20,300
Interest on total OPEB liability <sup>(1)</sup>	8,799
Changes of benefit terms <sup>(2)</sup>	-
Effect of economic/demographic experience	9,877
Effect of assumptions changes or inputs <sup>(3)</sup>	(102,748)
Benefit payments	(9,586)
Other	-
OPEB Liability as of December 31, 2022	<u>338,254</u>

<sup>(1)</sup>Reflects the change in the liability due to the time value of money.  
TCDRS does not charge fees or interest.

<sup>(2)</sup>No plan changes valued

<sup>(3)</sup>Reflects change in discount rate.

**OPEB Expenses / (Income)**

	<b>January 1, 2022 to December 31, 2022</b>
Service cost	20,300
Interest on total OPEB liability <sup>(1)</sup>	8,799
Effect on plan changes	-
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(5,809)
Recognition of assumption changes or inputs	(96)
Other	-
OPEB expense / (income)	<u>23,194</u>

<sup>(1)</sup>Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Deferred Inflows / Outflows of Resources**

As of December 31, 2022, the deferred inflows and outflows of resources are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	15,828	9,300
Changes in assumptions	90,463	48,307
Contributions made subsequent to measurement date <sup>(2)</sup>	N/A	8,907
Total	<u>106,291</u>	<u>66,514</u>

<sup>(2)</sup>Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end should be reflected.

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year ended December 31:	
2023	(5,973)
2024	25
2025	(11,781)
2026	(15,479)
2027	(15,476)
Thereafter <sup>(3)</sup>	-

<sup>(3)</sup>Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

**11. DEFERRED COMPENSATION PLAN**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The funds in the plan are held by the Public Employees Benefit Service Corporation, Columbus, Ohio (PEBSCO) as the plan administrator for the County. This plan qualifies under the requirements of the Internal Revenue Code Section 457, Subsection g. The funds are held in trust by PEBSCO for the exclusive benefits of the employees and their beneficiaries, who will receive these funds directly from PEBSCO. Since these funds are directly remitted by PEBSCO to the County employees and their beneficiaries, the County no longer owns the amounts deferred by the employees or related income on these amounts. Therefore, since the plan does not qualify to be included with the County's fiduciary funds, there are not any plan assets included in the County's financial statements.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**12. RISK MANAGEMENT**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has utilized the purchase of commercial insurance to cover any potential losses. Except for minimal deductibles, the County has transferred risk of loss to commercial issuers. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlement amounts have not exceeded insurance coverage for the year ended December 31, 2023 or the three prior years.

**13. COMMITMENTS AND CONTINGENCIES**

In the opinion of County Attorney and management, there is no pending or threatened litigation against the County that would have a material effect on the County's financial position or operations.

The County participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

**14. FUND BALANCES**

The following is a summary of Governmental fund balances of the County at December 31, 2023:

<u>GENERAL FUND</u>	
Unassigned	19,048,448
<u>ROAD AND BRIDGE FUND</u>	
Committed:	
Highways, Streets and Bridges	27,484,438
<u>OTHER GOVERNMENTAL FUNDS</u>	
Restricted:	
Retirement of Long-Term Debt	110,813
Law Enforcement	255,892
Other	16,475
TOTAL RESTRICTED	383,180
Committed:	
Solid Waste	209,074
Airport	137,927
Pre-trial Diversion Intervention	117,358
Courthouse Security	720
County Clerk Records Management	304,249
Records Mgmt. and Preservation	12,668
Indigent Health	389,156
Justice Technology	86,267
County and District Technology	7,891
TOTAL COMMITTED	1,265,310
TOTAL OTHER GOVERNMENTAL FUND BALANCES	1,648,490
TOTAL GOVERNMENTAL FUND BALANCES	48,181,376



**LIVE OAK COUNTY, TEXAS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**15. RESTATEMENT OF FUND BALANCES AND FIDUCIARY NET POSITION**

At the beginning of fiscal year 2023, the County established the "Pretrial Diversion Intervention Fund," a nonmajor governmental fund. This fund was established using resources of the General Fund. Also, during the year, management determined that a certificate of deposit for the Historical Commission Fund, a fiduciary custodial fund, had inadvertently not been included in the fund's fiscal year end 2022 financial report. Restatement of fund balances and fiduciary net position are as follows:

	General Fund	Non Major Governmental Funds	Fiduciary Net Position Custodial Funds
Beginning Equity, as Originally Reported	16,355,517	1,726,055	923,025
Restatements:			
To Establish New Fund	(117,358)	117,358	-
To Report Certificate of Deposit	<u>-</u>	<u>-</u>	<u>30,249</u>
Beginning Equity, as Restated	<u>16,238,159</u>	<u>1,843,413</u>	<u>953,274</u>

*This page is left blank intentionally.*

# **REQUIRED SUPPLEMENTARY INFORMATION**

## **Major General and Special Revenue Funds Budgetary Comparisons**

The following are the Major governmental funds of the County:

The General Fund is utilized to account for all County revenues and expenditures except those which are required by law to be classified in other funds and such other funds that are presented separately to facilitate proper accountability.

The Road and Bridge Special Revenue Fund is used to account for costs associated with the construction and maintenance of roads and bridges in the County. Revenues are derived primarily from ad valorem taxes, vehicle registration charges, State Lateral Road Distribution funds, and interest.

## **NOTES**

The Notes to Required Supplementary Information provide information on the County's budget process.

## **TCDRS PENSION PLAN**

Schedule of Changes in Net Pension Liability and Related Ratios  
Schedule of Employer Contributions

## **TCDRS OPEB PLAN**

Schedule of Changes in Total OPEB Liability and Related Ratios

*This page is left blank intentionally.*

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	12,850,000	10,850,000	12,167,977	1,317,977
Licenses and Permits	26,400	26,400	37,484	11,084
Intergovernmental	743,287	623,287	829,465	206,178
Fees	866,800	1,166,800	1,549,721	382,921
Fines and Forfeitures	496,000	377,000	448,956	71,956
Investment Income	540,000	480,000	653,900	173,900
Other	47,585	147,585	551,868	404,283
Total Revenues	<u>15,570,072</u>	<u>13,671,072</u>	<u>16,239,371</u>	<u>2,568,299</u>
EXPENDITURES				
Current				
General Government	2,376,116	2,323,116	1,635,846	687,270
Judicial	1,509,723	1,524,223	1,400,581	123,642
Elections	427,339	427,339	411,594	15,745
Financial	1,661,137	1,661,137	1,229,694	431,443
Legal	336,035	336,035	235,198	100,837
Public Facilities	2,351,764	2,356,764	1,169,507	1,187,257
Environmental Protection	-	-	-	-
Public Safety	6,500,471	6,538,971	5,452,068	1,086,903
Highways, Streets & Bridges	-	-	-	-
Health and Welfare	1,381,219	1,381,219	1,076,516	304,703
Culture and Recreation	232,746	232,746	170,533	62,213
Conservation	142,604	139,604	122,544	17,060
Economic Development	-	-	-	-
Airport	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>16,919,154</u>	<u>16,921,154</u>	<u>12,904,081</u>	<u>4,017,073</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,349,082)</u>	<u>(3,250,082)</u>	<u>3,335,290</u>	<u>6,585,372</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(575,000)	(575,000)	(525,000)	50,000
Total Other Financing Sources (Uses)	<u>(575,000)</u>	<u>(575,000)</u>	<u>(525,000)</u>	<u>50,000</u>
Net Change in Fund Balance	(1,924,082)	(3,825,082)	2,810,290	6,635,372
Fund Balance at Beginning of Year	<u>16,238,158</u>	<u>16,238,158</u>	<u>16,238,158</u>	-
Fund Balance at End of Year	<u><u>14,314,076</u></u>	<u><u>12,413,076</u></u>	<u><u>19,048,448</u></u>	<u><u>6,635,372</u></u>

See accompanying notes to required supplementary information.

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	10,495,000	5,745,000	10,089,617	4,344,617
Licenses and Permits	460,000	460,000	545,866	85,866
Intergovernmental	1,573,707	2,073,707	705,772	(1,367,935)
Investment Income	65,250	65,250	611,366	546,116
Other	-	-	120,493	120,493
Total Revenues	<u>12,593,957</u>	<u>8,343,957</u>	<u>12,073,114</u>	<u>3,729,157</u>
EXPENDITURES				
Current				
General Administration	-	-	-	-
Financial	-	-	-	-
Environmental Protection	-	-	-	-
Public Safety	-	-	-	-
Highways, Streets and Bridges	13,960,632	13,410,632	12,017,567	1,393,065
Culture & Recreation	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>13,960,632</u>	<u>13,410,632</u>	<u>12,017,567</u>	<u>1,393,065</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,366,675)</u>	<u>(5,066,675)</u>	<u>55,547</u>	<u>5,122,222</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,366,675)	(5,066,675)	55,547	5,122,222
Fund Balance at Beginning of Year	<u>27,428,891</u>	<u>27,428,891</u>	<u>27,428,891</u>	<u>-</u>
Fund Balance at End of Year	<u>26,062,216</u>	<u>22,362,216</u>	<u>27,484,438</u>	<u>5,122,222</u>

See accompanying notes to required supplementary information.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2023**

**BUDGETS AND BUDGETARY ACCOUNTING**

The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners Court, the County Judge, with the help of the County Auditor, prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to the Commissioners Court.

The Commissioners Court invites various department heads to appear for a hearing concerning the department's budget request. Before determining the final budget, the Commissioners Court may increase or decrease the amounts requested by various departments. Amounts finally budgeted may not exceed the estimate of revenues and available resources. Also, amendments can be made within the above guidelines.

When the budget has been adopted by the Commissioners Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of Commissioners Court advised of the condition of the various funds and accounts. Appropriations lapse at year end. The legal level of budgetary control (the level on which expenditures may not exceed appropriations) is on an object class basis.

The Commissioners Court may levy taxes only in accordance with the budget. After final approval of the budget, the Commissioners Court may spend County funds only in strict compliance with the budget except in an emergency. The Commissioners Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could have not been included in the original budget through the use of reasonable diligent thought and attention. If the court amends the original budget to meet an emergency, the court must file a copy of its order amending the budget with the County Clerk and the clerk shall attach the copy to the original budget. Only the Commissioners Court may amend the budget and shift funds from one budget account to another.

The original budget is adopted by the Commissioners Court and filed with the County Clerk. Amendments are made during the year and approved by the Commissioners Court. During the current year the budget was amended. Both the original and final amended budgets are presented in this report.

Budgets for the General Fund and Special Revenue Funds are adopted on a modified accrual basis in accordance with generally accepted accounting principles (GAAP basis). Except for the Sheriff Forfeiture Federal Justice, Sheriff Forfeiture Federal Treasury, Sheriff State Forfeiture, Sheriff Abandoned Vehicle, Jail Commissary, Library, and Pretrial Diversion Intervention funds, budgets were adopted for all governmental funds in 2023.

LIVE OAK COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

**Schedule of Changes in Net Pension Liability and Related Ratios**

	Year Ended December 31		
	2022	2021	2020
<b>Total Pension Liability</b>			
Service cost	933,958	949,043	797,330
Interest on total pension liability	2,123,296	2,021,484	1,921,271
Effect of plan changes	-	-	-
Effect of assumption changes or inputs	-	(127,922)	1,322,366
Effect of economic/demographic (gains) or losses	(110,969)	(497,434)	(296,342)
Benefit payments/refunds of contributions	(941,094)	(1,038,042)	(996,092)
Net change in total pension liability	2,005,191	1,307,129	2,748,533
Total pension liability, beginning	27,466,079	26,158,950	23,410,417
Total pension liability, ending (a)	29,471,270	27,466,079	26,158,950
<b>Fiduciary Net Position</b>			
Employer contributions	703,344	682,031	1,186,438
Member contributions	394,731	383,165	385,641
Investment income net of investment expenses	(1,927,500)	5,880,092	2,452,413
Benefit payments/refunds of contributions	(941,093)	(1,038,042)	(996,092)
Administrative expenses	(18,116)	(17,666)	(19,578)
Other	48,105	8,138	19,395
Net change in fiduciary net position	(1,740,529)	5,897,717	3,028,217
Fiduciary net position, beginning	3,265,384	26,755,966	23,727,749
Fiduciary net position, ending (b)	30,913,155	32,653,684	26,755,966
Net pension liability / (asset), ending = (a) - (b)	(1,441,885)	(5,187,605)	(597,017)
Fiduciary net position as a % of total pension liability	104.89%	118.89%	102.28%
Pensionable covered payroll	5,639,017	5,473,781	5,509,157
Net pension liability / (asset) as a % of covered payroll	-25.57%	-94.77%	-10.84%

The County will continue to add data until ten years are presented.  
GASB Statement No. 68 was implemented in fiscal year 2015 and prior information is not available.



LIVE OAK COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
(Continued)

Year Ended December 31					
2019	2018	2017	2016	2015	2014
793,724	776,456	826,760	864,679	743,652	625,886
1,785,891	1,668,570	1,552,453	1,405,541	1,307,199	1,174,153
-	-	-	-	(102,093)	-
-	-	211,794	-	188,204	-
31,431	(181,932)	(309,814)	(107,130)	(282,015)	364,659
(892,500)	(773,733)	(820,065)	(686,921)	(630,102)	(614,434)
1,718,546	1,489,361	1,461,128	1,476,169	1,224,845	1,550,263
21,691,871	20,202,510	18,741,382	17,265,213	16,040,368	14,490,105
23,410,417	21,691,871	20,202,510	18,741,382	17,265,213	16,040,368
624,292	612,643	605,901	1,122,513	1,147,673	1,188,491
350,726	344,183	340,395	349,727	342,426	305,031
3,336,910	(380,357)	2,601,736	1,172,031	(211,110)	898,680
(892,500)	(773,733)	(820,065)	(686,921)	(630,102)	(614,434)
(18,081)	(16,321)	(13,651)	(12,739)	(11,154)	(10,964)
6,131	7,517	1,563	102,057	23,324	46,763
3,407,477	(206,069)	2,715,879	2,046,668	661,058	1,813,567
20,320,272	20,526,341	17,810,461	15,763,793	15,102,735	13,289,169
23,727,749	20,320,272	20,526,340	17,810,461	15,763,793	15,102,736
(317,333)	1,371,599	(323,830)	930,921	1,501,420	937,633
101.36%	93.68%	101.60%	95.03%	91.30%	94.15%
5,010,374	4,916,893	4,862,792	4,996,113	4,891,806	4,357,590
-6.33%	27.90%	-6.66%	18.63%	30.69%	21.52%

**LIVE OAK COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**

**Schedule of Employer Contributions**

Year Ending December 31	Actuarially Determined Contribution <sup>(1)</sup>	Actual Employer Contribution <sup>(1)</sup>	Contribution Deficiency (Excess)	Pensionable Covered Payroll <sup>(2)</sup>	Actual Contribution as a % of Covered Payroll
2014	688,491	1,188,491	(500,000)	4,357,590	27.3%
2015	647,673	1,147,673	(500,000)	4,891,806	23.5%
2016	595,037	1,122,513	(527,476)	4,996,113	22.5%
2017	563,598	605,901	(42,303)	4,862,792	12.5%
2018	574,293	612,643	(38,349)	4,916,893	12.5%
2019	580,201	624,292	(44,091)	5,010,374	12.5%
2020	666,057	1,186,438	(520,381)	5,509,157	21.5%
2021	588,431	682,031	(93,599)	5,473,781	12.5%
2022	652,998	703,344	(50,346)	5,639,017	12.5%
2023	686,839	1,607,889	(921,050)	6,847,848	23.5%

<sup>(1)</sup> TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

<sup>(2)</sup> Payroll is calculated based on contributions as reported to TCDRS.

LIVE OAK COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

**Schedule of Changes in Total OPEB Liability and Related Ratios**

	Year Ended December 31					
	2022	2021	2020	2019	2018	2017
<b>Total OPEB Liability</b>						
Service cost	20,300	18,383	15,306	11,177	13,214	13,082
Interest on total OPEB liability	8,799	8,779	10,040	11,421	10,387	10,821
Effect of plan changes	-	-	-	-	-	-
Effect of assumption changes or inputs	(102,748)	9,387	40,251	67,654	(29,055)	12,070
Effect of economic/demographic (gains) or losses	9,877	(15,414)	(10,840)	3,209	(6,966)	(11,634)
Benefit payments	(9,586)	(10,400)	(9,916)	(9,520)	(8,359)	(9,239)
Net change in total OPEB liability	(73,358)	10,735	44,841	83,941	(20,779)	15,100
Total OPEB liability, beginning	411,612	400,877	356,036	272,095	292,874	277,774
Total OPEB liability, ending	338,254	411,612	400,877	356,036	272,095	292,874
Pensionable covered payroll	5,639,017	5,473,781	5,509,157	5,010,374	4,916,893	4,862,792
Net OPEB liability / (asset) as a % of covered payroll	6.00%	7.52%	7.28%	7.11%	5.53%	6.02%

The County will continue to add data until ten years are presented.

GASB Statement No. 75 was implemented in fiscal year 2018 and prior information is not available.

*This page is left blank intentionally.*

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES AS  
SUPPLEMENTARY INFORMATION**

LIVE OAK COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

	Solid Waste Disposal	Airport	Prenatal Diversion Intervention	Courthouse Security	Co Clerk Records Management	Records Mgmt and Preservation	Indigent Health	Justice Technology
ASSETS								
Cash and Cash Equivalents	220,527	125,559	117,358	4,264	301,166	12,993	404,263	85,447
Receivables								
Taxes Receivable	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Others	141	19,002	-	1,459	4,479	265	-	820
Total Assets	<u>220,668</u>	<u>144,561</u>	<u>117,358</u>	<u>5,723</u>	<u>305,645</u>	<u>13,258</u>	<u>404,263</u>	<u>86,267</u>
LIABILITIES								
Accounts Payable	9,432	6,634	-	3	1,396	590	15,107	-
Due to Other Funds	-	-	-	5,000	-	-	-	-
Accrued Wages	2,182	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>11,594</u>	<u>6,634</u>	<u>-</u>	<u>5,003</u>	<u>1,396</u>	<u>590</u>	<u>15,107</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenues - Property Taxes	-	-	-	-	-	-	-	-
Deferred Revenues - Property Taxes	-	-	-	-	-	-	-	-
Advanced Tax Collections	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted for Debt Service	-	-	-	-	-	-	-	-
Restricted for Other	-	-	-	-	-	-	-	-
Committed	209,074	137,927	117,358	720	304,249	12,668	389,156	86,267
TOTAL FUND BALANCE	<u>209,074</u>	<u>137,927</u>	<u>117,358</u>	<u>720</u>	<u>304,249</u>	<u>12,668</u>	<u>389,156</u>	<u>86,267</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>220,668</u>	<u>144,561</u>	<u>117,358</u>	<u>5,723</u>	<u>305,645</u>	<u>13,258</u>	<u>404,263</u>	<u>86,267</u>

SPECIAL REVENUE FUNDS										
County and District Technology Fund	Shenff Forfeiture Federal Justice	Shenff Forfeiture Federal Treasury	Shenff State Forfeiture	Shenff Abandoned Vehicle	Jail Commissary	Library	Grant Fund	Total Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
7,885	40,349	31,540	15,733	73,806	94,464	16,475	1,078,810	2,630,639	328,161	2,958,800
-	-	-	-	-	-	-	-	-	302,885	302,885
-	-	-	-	-	-	-	-	-	12,920	12,920
6	-	-	-	-	-	-	-	26,172	29,028	55,200
<u>7,891</u>	<u>40,349</u>	<u>31,540</u>	<u>15,733</u>	<u>73,806</u>	<u>94,464</u>	<u>16,475</u>	<u>1,078,810</u>	<u>2,656,811</u>	<u>672,994</u>	<u>3,329,805</u>
-	-	-	-	-	-	-	6,000	39,162	-	39,162
-	-	-	-	-	-	-	-	5,000	-	5,000
-	-	-	-	-	-	-	-	2,162	-	2,162
-	-	-	-	-	-	-	1,072,810	1,072,810	-	1,072,810
-	-	-	-	-	-	-	1,078,810	1,119,134	-	1,119,134
-	-	-	-	-	-	-	-	-	260,960	260,960
-	-	-	-	-	-	-	-	-	41,926	41,926
-	-	-	-	-	-	-	-	-	259,295	259,295
-	-	-	-	-	-	-	-	-	562,181	562,181
-	-	-	-	-	-	-	-	-	110,813	110,813
-	40,349	31,540	15,733	73,806	94,464	16,475	-	272,367	-	272,367
7,891	-	-	-	-	-	-	-	1,265,310	-	1,265,310
<u>7,891</u>	<u>40,349</u>	<u>31,540</u>	<u>15,733</u>	<u>73,806</u>	<u>94,464</u>	<u>16,475</u>	<u>-</u>	<u>1,537,677</u>	<u>110,813</u>	<u>1,648,490</u>
<u>7,891</u>	<u>40,349</u>	<u>31,540</u>	<u>15,733</u>	<u>73,806</u>	<u>94,464</u>	<u>16,475</u>	<u>1,078,810</u>	<u>2,656,811</u>	<u>672,994</u>	<u>3,329,805</u>

LIVE OAK COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Solid Waste Disposal	Airport	Pretrial Diversion Intervention	Courthouse Security	Co Clerk Records Management	Records Mgmt and Preservation	Indigent Health	Justice Technology	County and District Technology Fund
REVENUES									
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	15,381	-	-	-	-	-	-	-
Charges for Services	118,401	-	-	21,830	70,257	9,078	-	11,572	242
Investment Income	625	334	-	119	715	29	-	203	19
Miscellaneous	7,093	59,348	-	-	-	-	-	-	-
Total Revenues	<u>126,119</u>	<u>75,063</u>	<u>-</u>	<u>21,949</u>	<u>70,972</u>	<u>9,107</u>	<u>-</u>	<u>11,775</u>	<u>261</u>
EXPENDITURES									
Current									
General Administration	-	-	-	-	48,774	-	-	-	-
Judicial	-	-	-	37,575	-	5,930	-	-	-
Legal	-	-	-	-	-	-	-	5,384	-
Public Facilities	-	-	-	-	-	-	-	-	-
Environmental Protection	293,567	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	168,245	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-
Airport	-	101,687	-	-	-	-	-	-	-
Debt Service									
Principal Retirement	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>293,567</u>	<u>101,687</u>	<u>-</u>	<u>37,575</u>	<u>48,774</u>	<u>5,930</u>	<u>168,245</u>	<u>5,384</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(167,448)</u>	<u>(26,624)</u>	<u>-</u>	<u>(15,626)</u>	<u>22,198</u>	<u>3,177</u>	<u>(168,245)</u>	<u>6,391</u>	<u>261</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	175,000	50,000	-	-	-	-	300,000	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>175,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	7,552	23,376	-	(15,626)	22,198	3,177	131,755	6,391	261
Fund Balances at Beginning of Year (Restated)	<u>201,522</u>	<u>114,551</u>	<u>117,358</u>	<u>16,346</u>	<u>282,051</u>	<u>9,491</u>	<u>257,401</u>	<u>79,876</u>	<u>7,630</u>
Fund Balances at End of Year	<u>209,074</u>	<u>137,927</u>	<u>117,358</u>	<u>720</u>	<u>304,249</u>	<u>12,668</u>	<u>389,156</u>	<u>86,267</u>	<u>7,891</u>



SPECIAL REVENUE FUNDS									
Shenff Forfeiture Federal Justice	Shenff Forfeiture Federal Treasury	Shenff State Forfeiture	Shenff Abandoned Vehicle	Jail Commissary	Library	Grant Fund	Total Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
-	-	-	-	-	-	-	-	556,484	556,484
-	-	-	-	-	8,500	212,724	236,605	-	236,605
25,326	31,808	5,077	63,433	71,924	3,370	-	432,318	-	432,318
64	75	57	248	-	50	-	2,538	332	2,870
-	-	-	-	-	2,368	-	68,809	-	68,809
<u>25,390</u>	<u>31,883</u>	<u>5,134</u>	<u>63,681</u>	<u>71,924</u>	<u>14,298</u>	<u>212,724</u>	<u>740,270</u>	<u>556,816</u>	<u>1,297,086</u>
-	-	-	-	-	-	9,000	57,774	-	57,774
-	-	-	-	-	-	-	43,505	-	43,505
-	-	-	-	-	-	-	5,384	-	5,384
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	293,567	-	293,567
2,413	26,851	17,480	99,926	154,406	-	499,611	800,687	-	800,687
-	-	-	-	-	-	-	168,245	-	168,245
-	-	-	-	-	12,760	-	12,760	-	12,760
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	101,687	-	101,687
-	-	-	-	-	-	-	-	370,000	370,000
-	-	-	-	-	-	-	-	163,400	163,400
<u>2,413</u>	<u>26,851</u>	<u>17,480</u>	<u>99,926</u>	<u>154,406</u>	<u>12,760</u>	<u>508,611</u>	<u>1,483,609</u>	<u>533,400</u>	<u>2,017,009</u>
<u>22,977</u>	<u>5,032</u>	<u>(12,346)</u>	<u>(36,245)</u>	<u>(82,482)</u>	<u>1,528</u>	<u>(295,887)</u>	<u>(743,339)</u>	<u>23,416</u>	<u>(719,923)</u>
-	-	-	-	-	-	-	525,000	-	525,000
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	525,000	-	525,000
22,977	5,032	(12,346)	(36,245)	(82,482)	1,528	(295,887)	(218,339)	23,416	(194,923)
<u>17,372</u>	<u>26,508</u>	<u>28,079</u>	<u>110,051</u>	<u>176,946</u>	<u>14,947</u>	<u>295,887</u>	<u>1,756,016</u>	<u>87,397</u>	<u>1,843,413</u>
<u>40,349</u>	<u>31,540</u>	<u>15,733</u>	<u>73,806</u>	<u>94,464</u>	<u>16,475</u>	<u>-</u>	<u>1,537,677</u>	<u>110,813</u>	<u>1,648,490</u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
SOLID WASTE DISPOSAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	46,000	46,125	118,401	72,276
Investment Income	700	575	625	50
Miscellaneous	-	-	7,093	7,093
Total Revenues	<u>46,700</u>	<u>46,700</u>	<u>126,119</u>	<u>79,419</u>
EXPENDITURES				
Environmental Protection	<u>400,929</u>	<u>400,929</u>	<u>293,567</u>	<u>107,362</u>
Total Expenditures	<u>400,929</u>	<u>400,929</u>	<u>293,567</u>	<u>107,362</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(354,229)</u>	<u>(354,229)</u>	<u>(167,448)</u>	<u>186,781</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	225,000	225,000	175,000	(50,000)
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>225,000</u>	<u>225,000</u>	<u>175,000</u>	<u>(50,000)</u>
Net Change in Fund Balance	(129,229)	(129,229)	7,552	136,781
Fund Balance at Beginning of Year	<u>201,522</u>	<u>201,522</u>	<u>201,522</u>	<u>-</u>
Fund Balance at End of Year	<u><u>72,293</u></u>	<u><u>72,293</u></u>	<u><u>209,074</u></u>	<u><u>136,781</u></u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
AIRPORT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	-	-	15,381	15,381
Investment Income	300	300	334	34
Miscellaneous	49,850	49,850	59,348	9,498
Total Revenues	<u>50,150</u>	<u>50,150</u>	<u>75,063</u>	<u>24,913</u>
EXPENDITURES				
Airport	<u>116,807</u>	<u>116,807</u>	<u>101,687</u>	<u>15,120</u>
Total Expenditures	<u>116,807</u>	<u>116,807</u>	<u>101,687</u>	<u>15,120</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(66,657)</u>	<u>(66,657)</u>	<u>(26,624)</u>	<u>40,033</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	50,000	50,000	50,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	(16,657)	(16,657)	23,376	40,033
Fund Balance at Beginning of Year	<u>114,551</u>	<u>114,551</u>	<u>114,551</u>	<u>-</u>
Fund Balance at End of Year	<u><u>97,894</u></u>	<u><u>97,894</u></u>	<u><u>137,927</u></u>	<u><u>40,033</u></u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
COURTHOUSE SECURITY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	23,000	20,250	21,830	1,580
Investment Income	100	75	119	44
Total Revenues	<u>23,100</u>	<u>20,325</u>	<u>21,949</u>	<u>1,624</u>
EXPENDITURES				
Judicial	30,675	38,475	37,575	900
Legal	-	-	-	-
Public Facilities	-	-	-	-
Total Expenditures	<u>30,675</u>	<u>38,475</u>	<u>37,575</u>	<u>900</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(7,575)</u>	<u>(18,150)</u>	<u>(15,626)</u>	<u>2,524</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(7,575)	(18,150)	(15,626)	2,524
Fund Balance at Beginning of Year	<u>16,346</u>	<u>16,346</u>	<u>16,346</u>	<u>-</u>
Fund Balance at End of Year	<u><u>8,771</u></u>	<u><u>(1,804)</u></u>	<u><u>720</u></u>	<u><u>2,524</u></u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
COUNTY CLERK RECORDS MANAGEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	56,000	56,000	70,257	14,257
Investment Income	200	200	715	515
Total Revenues	<u>56,200</u>	<u>56,200</u>	<u>70,972</u>	<u>14,772</u>
EXPENDITURES				
General Administration	94,800	94,800	48,774	46,026
Total Expenditures	<u>94,800</u>	<u>94,800</u>	<u>48,774</u>	<u>46,026</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(38,600)</u>	<u>(38,600)</u>	<u>22,198</u>	<u>60,798</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(38,600)	(38,600)	22,198	60,798
Fund Balance at Beginning of Year	282,051	282,051	282,051	-
Fund Balance at End of Year	<u>243,451</u>	<u>243,451</u>	<u>304,249</u>	<u>60,798</u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
RECORDS MANAGEMENT AND PRESERVATION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	6,000	8,500	9,078	578
Investment Income	10	10	29	19
Total Revenues	<u>6,010</u>	<u>8,510</u>	<u>9,107</u>	<u>597</u>
EXPENDITURES				
Judicial	<u>4,400</u>	<u>6,900</u>	<u>5,930</u>	<u>970</u>
Total Expenditures	<u>4,400</u>	<u>6,900</u>	<u>5,930</u>	<u>970</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,610</u>	<u>1,610</u>	<u>3,177</u>	<u>1,567</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,610	1,610	3,177	1,567
Fund Balance at Beginning of Year	<u>9,491</u>	<u>9,491</u>	<u>9,491</u>	<u>-</u>
Fund Balance at End of Year	<u><u>11,101</u></u>	<u><u>11,101</u></u>	<u><u>12,668</u></u>	<u><u>1,567</u></u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
INDIGENT HEALTH FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Investment Income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Health and Welfare	300,000	300,000	168,245	131,755
Total Expenditures	300,000	300,000	168,245	131,755
Excess (Deficiency) of Revenues Over Expenditures	(300,000)	(300,000)	(168,245)	131,755
OTHER FINANCING SOURCES (USES)				
Transfers In	300,000	300,000	300,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	300,000	300,000	300,000	-
Net Change in Fund Balance	-	-	131,755	131,755
Fund Balances at Beginning of Year	257,401	257,401	257,401	-
Fund Balances at End of Year	257,401	257,401	389,156	131,755

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
JUSTICE TECHNOLOGY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	17,000	7,200	11,572	4,372
Investment Income	-	-	203	203
Miscellaneous	-	-	-	-
Total Revenues	<u>17,000</u>	<u>7,200</u>	<u>11,775</u>	<u>4,575</u>
EXPENDITURES				
Legal	<u>10,000</u>	<u>10,000</u>	<u>5,384</u>	<u>4,616</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>5,384</u>	<u>4,616</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,000</u>	<u>(2,800)</u>	<u>6,391</u>	<u>9,191</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	7,000	(2,800)	6,391	9,191
Fund Balances at Beginning of Year	<u>79,876</u>	<u>79,876</u>	<u>79,876</u>	<u>-</u>
Fund Balances at End of Year	<u><u>86,876</u></u>	<u><u>77,076</u></u>	<u><u>86,267</u></u>	<u><u>9,191</u></u>



LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
COUNTY AND DISTRICT TECHNOLOGY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Fees	600	235	242	7
Investment Income	-	15	19	4
Miscellaneous	-	-	-	-
Total Revenues	<u>600</u>	<u>250</u>	<u>261</u>	<u>11</u>
EXPENDITURES				
General Administration	-	-	-	-
Legal	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>600</u>	<u>250</u>	<u>261</u>	<u>11</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	600	250	261	11
Fund Balances at Beginning of Year	<u>7,630</u>	<u>7,630</u>	<u>7,630</u>	<u>-</u>
Fund Balances at End of Year	<u><u>8,230</u></u>	<u><u>7,880</u></u>	<u><u>7,891</u></u>	<u><u>11</u></u>

**LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2023  
GRANT FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<b>REVENUES</b>				
Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental	1,000,000	1,000,000	212,724	(787,276)
Investment Income	-	-	-	-
Other	-	-	-	-
<b>Total Revenues</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>212,724</u>	<u>(787,276)</u>
<b>EXPENDITURES</b>				
Current				
General Administration	-	50,000	9,000	41,000
Financial	-	-	-	-
Environmental Protection	-	-	-	-
Public Safety	850,000	800,000	499,611	300,389
Conservation	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>Total Expenditures</b>	<u>850,000</u>	<u>850,000</u>	<u>508,611</u>	<u>341,389</u>
 Excess (Deficiency) of Revenues Over Expenditures	 <u>150,000</u>	 <u>150,000</u>	 <u>(295,887)</u>	 <u>(445,887)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Net Change in Fund Balance	 150,000	 150,000	 (295,887)	 (445,887)
 Fund Balance (Deficits) at Beginning of Year	 <u>295,887</u>	 <u>295,887</u>	 <u>295,887</u>	 <u>-</u>
Fund Balance (Deficits) at End of Year	<u>445,887</u>	<u>445,887</u>	<u>-</u>	<u>(445,887)</u>

See accompanying notes to required supplemental information.

## **DEBT SERVICE FUND**

*This page is left blank intentionally.*

**LIVE OAK COUNTY, TEXAS  
COMPARATIVE BALANCE SHEETS  
DEBT SERVICE FUND  
DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and Cash Equivalents	328,161	380,186
Receivables		
Taxes Receivable	302,885	273,434
Due From Other Funds	12,920	-
Due From Others	29,028	25,399
TOTAL ASSETS	<u>672,994</u>	<u>679,019</u>
LIABILITIES		
Accounts Payable	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenues - Property Taxes	260,960	40,387
Deferred Revenues - Property Taxes	41,926	233,047
Advanced Tax Collections	259,295	318,188
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>562,181</u>	<u>591,622</u>
FUND BALANCES		
Restricted for Debt Service	110,813	87,397
Total Fund Balances	<u>110,813</u>	<u>87,397</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>672,994</u>	<u>679,019</u>

LIVE OAK COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	533,000	425,200	556,484	131,284
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	400	200	332	132
Other	-	-	-	-
Total Revenues	<u>533,400</u>	<u>425,400</u>	<u>556,816</u>	<u>131,416</u>
EXPENDITURES				
Current				
General Administration	-	-	-	-
Financial	-	-	-	-
Environmental Protection	-	-	-	-
Public Safety	-	-	-	-
Conservation	-	-	-	-
Debt Service				
Principal Retirement	370,000	370,000	370,000	-
Interest and Fiscal Charges	163,400	163,400	163,400	-
Total Expenditures	<u>533,400</u>	<u>533,400</u>	<u>533,400</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(108,000)</u>	<u>23,416</u>	<u>131,416</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(108,000)	23,416	131,416
Fund Balance at Beginning of Year	<u>87,397</u>	<u>87,397</u>	<u>87,397</u>	<u>-</u>
Fund Balance at End of Year	<u><u>87,397</u></u>	<u><u>(20,603)</u></u>	<u><u>110,813</u></u>	<u><u>131,416</u></u>

## **ROAD AND BRIDGE SUB-FUNDS**

**LIVE OAK COUNTY, TEXAS**  
**SCHEDULE - COMBINING BALANCE SHEET**  
**ROAD AND BRIDGE SUB-FUNDS**  
**DECEMBER 31, 2023**

	ROAD		
	Road and Bridge Precinct 1	Road and Bridge Precinct 2	Road and Bridge Precinct 3
<b>ASSETS</b>			
Cash and Cash Equivalents	558,351	102,573	544,677
Investments	-	2,097,615	3,116,082
Receivables			
Taxes Receivable	-	-	-
Due from Others	-	2,500	-
Due from Road & Bridge Sub Fund	-	-	-
Prepaid Items	-	-	-
<b>TOTAL ASSETS</b>	<u>558,351</u>	<u>2,202,688</u>	<u>3,660,759</u>
<b>LIABILITIES</b>			
Accounts Payable	19,255	283,602	79,227
Due to Road & Bridge Sub Fund	-	-	-
Accrued Wages	6,960	5,703	5,544
	<u>26,215</u>	<u>289,305</u>	<u>84,771</u>
<b>TOTAL LIABILITIES</b>			
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenues - Property Taxes	-	-	-
Deferred Revenue - Property Taxes	-	-	-
Advanced Tax Collections	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Committed	532,136	1,913,383	3,575,990
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>558,351</u>	<u>2,202,688</u>	<u>3,660,761</u>



AND BRIDGE SUB-FUNDS

Road and Bridge Precinct 4	Road and Bridge General	FM and Lateral Road	Special Lateral Road	Total Road and Bridge Fund
963,578	2,274,156	2,989,683	239,242	7,672,260
2,077,053	9,162,301	4,236,180	-	20,689,231
-	237,753	578,205	-	815,958
-	111,578	36,725	-	150,803
-	-	-	-	-
-	-	-	-	-
<u>3,040,631</u>	<u>11,785,788</u>	<u>7,840,793</u>	<u>239,242</u>	<u>29,328,252</u>
153,849	18,849	-	-	554,782
-	-	-	-	-
6,244	-	-	-	24,451
<u>160,093</u>	<u>18,849</u>	<u>-</u>	<u>-</u>	<u>579,233</u>
-	11,821	352,429	-	364,250
-	225,932	225,776	-	451,708
-	224,490	224,135	-	448,625
<u>-</u>	<u>462,243</u>	<u>802,340</u>	<u>-</u>	<u>1,264,583</u>
2,880,538	11,304,696	7,038,453	239,242	27,484,438
<u>3,040,631</u>	<u>11,785,788</u>	<u>7,840,793</u>	<u>239,242</u>	<u>29,328,254</u>

**LIVE OAK COUNTY, TEXAS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**ROAD AND BRIDGE SUB-FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Road and Bridge Precinct 1</u>	<u>Road and Bridge Precinct 2</u>
<b>REVENUES</b>		
Taxes	-	-
Licenses and Permits	90,014	116,264
Intergovernmental	-	-
Investment Income	3,640	95,487
Other	-	-
Total Revenues	<u>93,654</u>	<u>211,751</u>
<b>EXPENDITURES</b>		
Current		
General Administration	-	-
Financial	-	-
Environmental Protection	-	-
Public Safety	-	-
Highways, Streets and Bridges	2,746,464	2,254,265
Culture and Recreation	-	-
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	<u>2,746,464</u>	<u>2,254,265</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,652,810)</u>	<u>(2,042,514)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In - From Road and Bridge Sub-Funds	2,034,000	1,748,200
Transfers Out - To Road and Bridge Sub-Funds	-	-
Total Other Financing Sources (Uses)	<u>2,034,000</u>	<u>1,748,200</u>
Net Change in Fund Balances	(618,810)	(294,314)
Fund Balances at Beginning of Year	<u>1,150,946</u>	<u>2,207,697</u>
Fund Balances at End of Year	<u><u>532,136</u></u>	<u><u>1,913,383</u></u>

ROAD AND BRIDGE SUB-FUNDS

Road and Bridge Precinct 3	Road and Bridge Precinct 4	Road and Bridge General	FM and Lateral Road	Special Lateral Road	Total Road and Bridge Fund
-	-	2,633,071	7,456,546	-	10,089,617
90,014	108,514	141,060	-	-	545,866
-	-	683,201	-	22,571	705,772
116,251	96,773	176,181	122,469	565	611,366
40,000	-	80,493	-	-	120,493
<u>246,265</u>	<u>205,287</u>	<u>3,714,006</u>	<u>7,579,015</u>	<u>23,136</u>	<u>12,073,114</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,052,578	1,446,042	3,301,021	197,473	19,724	12,017,567
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,052,578</u>	<u>1,446,042</u>	<u>3,301,021</u>	<u>197,473</u>	<u>19,724</u>	<u>12,017,567</u>
(1,806,313)	(1,240,755)	412,985	7,381,542	3,412	55,547
1,670,800	1,386,000	2,000,000	-	-	8,839,000
-	-	(300,000)	(8,539,000)	-	(8,839,000)
<u>1,670,800</u>	<u>1,386,000</u>	<u>1,700,000</u>	<u>(8,539,000)</u>	<u>-</u>	<u>-</u>
(135,513)	145,245	2,112,985	(1,157,458)	3,412	55,547
3,711,503	2,735,293	9,191,711	8,195,911	235,830	27,428,891
<u>3,575,990</u>	<u>2,880,538</u>	<u>11,304,696</u>	<u>7,038,453</u>	<u>239,242</u>	<u>27,484,438</u>

*This page is left blank intentionally.*

## **FIDUCIARY FUNDS**

LIVE OAK COUNTY, TEXAS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
DECEMBER 31, 2023

	County Clerk	District Clerk	Justice's of the Peace	Tax Collector	Chpt 19 Elections
<b>ASSETS</b>					
Cash and Cash Equivalents	86	(201)	417	993,412	1
Due From Other Funds	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Total Assets	<u>86</u>	<u>(201)</u>	<u>417</u>	<u>993,412</u>	<u>1</u>
<b>LIABILITIES</b>					
<u>Current Liabilities</u>					
Accounts Payable	-	-	-	-	-
Due to Others	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>					
Restricted for individuals or organizations	<u>86</u>	<u>(201)</u>	<u>417</u>	<u>993,412</u>	<u>1</u>
Total Net Position	<u><u>86</u></u>	<u><u>(201)</u></u>	<u><u>417</u></u>	<u><u>993,412</u></u>	<u><u>1</u></u>

<u>Sheriff</u>	<u>Sheriff Escrow</u>	<u>Bond Account</u>	<u>Health Dept</u>	<u>Sheriff Inmate Account</u>	<u>Historical Commission</u>	<u>Attorney Insufficient Funds</u>	<u>TOTAL</u>
670	2,419	190,532	5,907	27,212	39,266	1,405	1,261,126
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>670</u>	<u>2,419</u>	<u>190,532</u>	<u>5,907</u>	<u>27,212</u>	<u>39,266</u>	<u>1,405</u>	<u>1,261,126</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>670</u>	<u>2,419</u>	<u>190,532</u>	<u>5,907</u>	<u>27,212</u>	<u>39,266</u>	<u>1,405</u>	<u>1,261,126</u>
<u>670</u>	<u>2,419</u>	<u>190,532</u>	<u>5,907</u>	<u>27,212</u>	<u>39,266</u>	<u>1,405</u>	<u>1,261,126</u>

LIVE OAK COUNTY, TEXAS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR DECEMBER 31, 2023

	County Clerk	District Clerk	Justice's of the Peace	Tax Collector	Chpt 19 Elections
ADDITIONS					
Contributions:					
From other governments	-	-	-	-	-
From individuals	307,566	192,879	782,057	23,737,192	1,154
Investment interest	55	25	117	1,908	-
Taxes and fees collected from other governments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Additions	<u>307,621</u>	<u>192,904</u>	<u>782,174</u>	<u>23,739,100</u>	<u>1,154</u>
DEDUCTIONS					
Recipient payments	307,634	193,199	782,059	23,441,216	1,154
Administrative expenses	-	-	-	-	-
Purchases by inmates	-	-	-	-	-
Public safety	-	-	-	-	-
Total Deductions	<u>307,634</u>	<u>193,199</u>	<u>782,059</u>	<u>23,441,216</u>	<u>1,154</u>
Net increase (decrease) in fiduciary net position	(13)	(295)	115	297,884	-
Net position - beginning (Restated)	<u>99</u>	<u>94</u>	<u>302</u>	<u>695,528</u>	<u>1</u>
Net position - ending	<u>86</u>	<u>(201)</u>	<u>417</u>	<u>993,412</u>	<u>1</u>



<u>Sheriff</u>	<u>Sheriff Escrow</u>	<u>Bond Account</u>	<u>Health Dept</u>	<u>Sheriff Inmate Account</u>	<u>Historical Commission</u>	<u>Attorney Insufficient Funds</u>	<u>TOTAL</u>
221,985	-	-	-	-	3,000	-	224,985
18,715	9,547	29,000	42,183	185,115	570	-	25,305,978
29	5	519	4	-	3,869	3	6,534
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>240,729</u>	<u>9,552</u>	<u>29,519</u>	<u>42,187</u>	<u>185,115</u>	<u>7,439</u>	<u>3</u>	<u>25,537,497</u>
240,729	-	36,897	38,522	55,470	-	27	25,096,907
-	-	-	-	-	1,055	-	1,055
-	-	-	-	121,859	-	-	121,859
-	9,825	-	-	-	-	-	9,825
<u>240,729</u>	<u>9,825</u>	<u>36,897</u>	<u>38,522</u>	<u>177,329</u>	<u>1,055</u>	<u>27</u>	<u>25,229,646</u>
-	(273)	(7,378)	3,665	7,786	6,384	(24)	307,852
670	2,692	197,910	2,241	19,426	32,882	1,429	953,274
<u>670</u>	<u>2,419</u>	<u>190,532</u>	<u>5,907</u>	<u>27,212</u>	<u>39,266</u>	<u>1,405</u>	<u>1,261,126</u>

*This page is left blank intentionally.*

## **SINGLE AUDIT SECTION**

*This page is left blank intentionally.*



# Lovvorn & Kieschnick, LLP

CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Internal Control**  
**over Financial Reporting and on Compliance**  
**and Other Matters Based on an Audit of Financial Statements**  
**performed in Accordance with Government Auditing Standards**

Honorable County Judge  
and Commissioners Court  
Live Oak County, Texas  
George West, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Live Oak County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Live Oak County's basic financial statements, and have issued our report thereon dated September 25, 2024.

## **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be

material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Live Oak County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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



Lovvorn & Kieschnick, LLP  
Corpus Christi, Texas

September 25, 2024



# Lovvorn & Kieschnick, LLP

CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Compliance for Each Major Program and on  
Internal Control Over Compliance Required by the *Uniform Guidance*  
and by the State of Texas *Single Audit Circular***

Honorable County Judge  
and Commissioners Court  
Live Oak County, Texas  
George West, Texas

**Report on Compliance for Each Major Federal and State Program**

**Opinion on Each Major Federal and State Program**

We have audited Live Oak County's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the State of Texas *Single Audit Circular* that could have a direct and material effect on each of Live Oak County's major federal and state programs for the year ended December 31, 2023. Live Oak County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Live Oak County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

**Basis for Opinion on Each Major Federal and State Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*) and the State of Texas *Single Audit Circular*. Our responsibilities under those standards and the *Uniform Guidance* and the State of Texas *Single Audit Circular* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Live Oak County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Live Oak County's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Live Oak County's federal and state programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Live Oak County's compliance based on our audit. 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, *Government Auditing Standards*, the *Uniform Guidance*, and the State of Texas *Single Audit Circular* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Live Oak County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the *Uniform Guidance*, and the State of Texas *Single Audit Circular* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Live Oak County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Live Oak County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Uniform Guidance* and the State of Texas *Single Audit Circular*, but not for the purpose of



expressing an opinion on the effectiveness of Live Oak County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance* and the State of Texas *Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Lovvorn & Kieschnick, LLP  
Corpus Christi, TX

September 25, 2024

**LIVE OAK COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**A. Summary of Auditor's Results**

**1. Financial Statements**

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
One or more material weakness(es) identified?	____ Yes <u>X</u> No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes <u>X</u> None Reported
Noncompliance material to financial statements noted?	____ Yes <u>X</u> No

**2. Federal and State Awards**

Internal control over major programs:	
One or more material weakness(es) identified?	____ Yes <u>X</u> No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes <u>X</u> None Reported

Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, para. 200.516(a) or the State of Texas <i>Single Audit Circular</i> ?	____ Yes <u>X</u> No

Identification of major programs:	
<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>21.027</u>	Coronavirus State and Local Fiscal Recovery Funds
<u>State Identifying Number(s)</u>	<u>Name of State Program or Cluster</u>
CTIF 02 149	County Transportation Infrastructure Fund Grant Program
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	____ Yes <u>X</u> No

**B. Financial Statement Findings**

NONE

**C. Federal or State Award Findings and Questioned Costs**

NONE

**LIVE OAK COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
N/A - No prior findings		

**LIVE OAK COUNTY, TEXAS**  
**CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Program/Reference Number

Corrective Action Plan

N/A

No corrective action required

**LIVE OAK COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients Federal Expenditures
<u>U.S. Department of the Treasury</u>			
Direct Program:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	-	499,611
Local Assistance and Tribal Consistency Fund	21.032	-	9,000
Total U.S. Department of the Treasury			508,611
<u>U.S. General Services Administration</u>			
Direct Program:			
Donation of Federal Surplus Personal Property	39.003	-	189,434
<u>U.S. Department of Health and Human Services</u>			
Passed through Texas Department of State Health Services:			
COVID-19 Public Health Workforce Expansion	93.354	HHS001077200001	109,793
COVID-19 Health Disparities Grant	93.391	HHS5001057600029	59,142
Preventative Health and Health Services Block Grant - RLSS/LPHS	93.991	HHS001027500001	33,144
Total U.S. Department of Health and Human Services			202,079
<u>U.S. Department of Homeland Security</u>			
Passed through Office of the Governor:			
Operation Stone Garden	97.067	3927803	93,736
TOTAL EXPENDITURES OF FEDERAL AWARDS			993,860

The accompanying notes are an integral part of this schedule.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Live Oak County, Texas. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Live Oak County, Texas has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**LIVE OAK COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

(1)	(2)	(2A)	(3)	
State Grantor/ Pass-Through Grantor/ Program or Cluster Title	Grant Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	State Expenditures
<u>Texas Department of Transportation</u>				
Direct Program:				
County Transportaion Infrastructure Fund Grant Program	CTIF 02 149	-	-	717,255
Routine Airport Maintenance Program	ME2316GWES	-	-	8,522
Routine Airport Maintenance Program	ME2416GWES	-	-	2,025
Total Texas Department of Transportation			-	727,802
<u>Texas Department of Health and Human Services</u>				
Direct Program:				
Title XX HDM (Home Delivered Meals)	HHSC001001677	-	-	45,294
TOTAL EXPENDITURES OF STATE AWARDS			-	773,096

The accompanying notes are an integral part of this schedule.

**LIVE OAK COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Basis of Presentation

The accompanying schedule of expenditures of state awards ("the Schedule") includes the state grant activity of Live Oak County, Texas. The information in the schedule is presented in accordance with the requirements of the State of Texas *Single Audit Circular*. Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the State of Texas *Single Audit Circular*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.