

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
AUGUST 31, 2017



Texas City Office
600 Gulf Freeway
Suite 226
Texas City, Texas 77591
409.948.4406 Main

whitleypenn.com

ACCOUNTANT'S COMPILATION REPORT

The Honorable Mayor and
Members of City Aldermen
City of Bayou Vista
Bayou Vista, TX

Re: Financial Statements as of August 31, 2017

Management is responsible for the accompanying financial statements of City of Bayou Vista, (A Texas Municipality), which comprise the statement of net position and governmental fund balance sheet as of the period ending August 31, 2017, and the related statement of activities and governmental fund revenues and expenditures for the eleven months then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The City has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

The statement of revenue and expenditures – budget and actual is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information has been compiled by us without audit or review and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on it.

The City of Bayou Vista has elected to omit the management's discussion and analysis ordinarily included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an operational, economic or historic context.

We are not independent with respect to City of Bayou Vista.

Whitley Penn LLP
Texas City, TX
September 18, 2017



CITY OF BAYOU VISTA
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF AUGUST 31, 2017

Assets	General Fund	Adjustments	Statement of Net Position
Cash and cash equivalents	\$ 755,816	\$ -	\$ 755,816
Receivables	23,722	-	23,722
Prepaid items	7,438	-	7,438
Capital assets, net of accumulated depreciation:			
Capital assets not being depreciated	-	232,453	232,453
Capital assets, being depreciated	-	2,166,222	2,166,222
Total Assets	\$ 786,976	\$ 2,398,675	\$ 3,185,651
Deferred outflows - pension	-	320,522	320,522
 Liabilities			
Accrued Liabilities	\$ (1,668)	\$ -	\$ (1,668)
Deposits	1,955	-	1,955
Builder bond payable	17,525	-	17,525
Unearned revenue - other	34,584	-	34,584
State court costs	13,151	-	13,151
Net pension liability	-	294,540	294,540
Noncurrent liabilities:			-
Limited tax notes - non-current	-	122,000	122,000
Notes payable	-	7,438	7,438
Total Liabilities	65,547	423,978	489,525
Deferred Inflows of Resources			
Unavailable property taxes	23,722	-	23,722
Fund Balances/Net Position			
Unrestricted:			
Nonspendable - Prepaid items	7,438	(7,438)	-
Unassigned	398,528	(398,528)	-
Assigned to contingency reserves	197,990	(197,990)	-
Assigned to capital improvements	9,642	(9,642)	-
Assigned to road repairs	84,109	(84,109)	-
Total Fund Balances	697,707	(697,707)	-
Total Liabilities and Fund Balances	\$ 786,976	\$ (273,729)	\$ 513,247
Net Position			
Net investment in capital assets		2,398,675	2,398,675
Restricted - pension plan		25,982	25,982
Restricted - debt service		129,438	129,438
Unrestricted		438,831	438,831
Total Net Position		\$ 2,992,926	\$ 2,992,926

See accountant's compilation report.

CITY OF BAYOU VISTA
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 683,206	\$ 683,206	\$ -	\$ 683,206
Franchise Taxes	103,900	103,900	-	103,900
Sales Tax	86,031	86,031	-	86,031
Sales Tax Road Repair	13,756	13,756	-	13,756
Building Permits	35,416	35,416	-	35,416
City - Revenue Other	14,661	14,661	-	14,661
Interest	1,345	1,345	-	1,345
Court - Fees And Fines	21,554	21,554	-	21,554
Court - Administration Fees	4,983	4,983	-	4,983
Rental - Community Center	4,080	4,080	-	4,080
Club - 3rd Friday Night	600	600	-	600
Island Quilters	600	600	-	600
Morning Quilters	600	600	-	600
Sewer's Bee	180	180	-	180
Pool - Daily	15,368	15,368	-	15,368
Police - Revenue Other	1,593	1,593	-	1,593
Total Revenues	<u>\$ 987,873</u>	<u>\$ 987,873</u>	<u>\$ -</u>	<u>\$ 987,873</u>
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	59,691	59,691	-	59,691
City Secretary's - Payroll Tax	4,724	4,724	-	4,724
City Secretary's - Health Credit	5,826	5,826	-	5,826
City Secretary's - Retirement	1,812	1,812	-	1,812
Payroll - Court Clerk	35,546	35,546	-	35,546
Court Clerk's - Payroll Tax	2,574	2,574	-	2,574
Court Clerk's - Health Credit	6,469	6,469	-	6,469
Court Clerk's - Retirement	1,140	1,140	-	1,140
Court Clerk's - Overtime	64	64	-	64
Legal Notices	832	832	-	832
Subscription / Dues	1,461	1,461	-	1,461
Office Supplies	4,388	4,388	-	4,388
Rent / Utilities	18,850	18,850	-	18,850
Postage	351	351	-	351
Telephone	1,559	1,559	-	1,559
Internet - Comcast	1,429	1,429	-	1,429
Website Host	145	145	-	145
Records Mgt / B. Up	1,169	1,169	-	1,169
Bank Charges	507	507	-	507
Hurricane Prep	690	690	-	690
Flower Fund	92	92	-	92
Awards / Plaques	114	114	-	114
Total Administrative	<u>149,433</u>	<u>149,433</u>	<u>-</u>	<u>149,433</u>

See accountant's compilation report.

CITY OF BAYOU VISTA
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES - continued
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 11,000	\$ 11,000	\$ -	\$ 11,000
City Attorney	30,230	30,230	-	30,230
Prosecutor	6,600	6,600	-	6,600
City Maintenance	13,886	13,886	-	13,886
Cm - Payroll Tax	1,072	1,072	-	1,072
Building Inspector	13,411	13,411	-	13,411
Building Inspector Payroll Tax	1,007	1,007	-	1,007
Mowing Contract	25,060	25,060	-	25,060
Property Maintenance Mowing	105	105	-	105
Accounting	12,816	12,816	-	12,816
Tax Collection	337	337	-	337
Central Appraisal District	4,000	4,000	-	4,000
Fire Marshal	876	876	-	876
Total Professional	<u>120,400</u>	<u>120,400</u>	-	<u>120,400</u>
Police Department:				
Salaries - Chief	40,933	40,933	-	40,933
Chief - Payroll Tax	3,140	3,140	-	3,140
Health Credit - Chief	4,096	4,096	-	4,096
Chief - Retirement	1,774	1,774	-	1,774
Salaries - Captain	45,477	45,477	-	45,477
Captain - Payroll Tax	3,537	3,537	-	3,537
Health Credit - Captain	1,911	1,911	-	1,911
Captain - Retirement	1,059	1,059	-	1,059
Payroll - Patrol - F.T.	155,084	155,084	-	155,084
Patrol Officer - Payroll Tax	3,606	3,606	-	3,606
Police Department Overtime	2,790	2,790	-	2,790
Health Credit - Patrol	20,820	20,820	-	20,820
Patrol - Retirement	4,177	4,177	-	4,177
Subscription / Dues	345	345	-	345
Office Supplies	2,520	2,520	-	2,520
Postage	148	148	-	148
Uniforms	1,546	1,546	-	1,546
Telephone	2,696	2,696	-	2,696
911 - Dispatching	1,080	1,080	-	1,080
Bullet Proof Vests	5,058	5,058	-	5,058
Vehicle Fuel	9,283	9,283	-	9,283
Vehicle - Repair/Maintenance	10,290	10,290	-	10,290
O.S.S.I - Radio	105	105	-	105
License/Software/MDT	1,208	1,208	-	1,208
Random Drug Testing	166	166	-	166
Police Training	1,864	1,864	-	1,864
Total Police Department	<u>324,713</u>	<u>324,713</u>	-	<u>324,713</u>

See accountant's compilation report.

CITY OF BAYOU VISTA
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES - continued
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 300	\$ 300	\$ -	\$ 300
Office Supplies / Equip.	823	823	-	823
Training		-	-	-
Computer Software	1,617	1,617	-	1,617
Subs. & Dues		-	-	-
Printing Tickets	330	330	-	330
Total Court	<u>3,070</u>	<u>3,070</u>	<u>-</u>	<u>3,070</u>
Recreation Complex:				
Lifeguard Salaries	16,053	16,053	-	16,053
Life Guard - Payroll Taxes	1,316	1,316	-	1,316
Pool House Maint.	200	200	-	200
Telephone - 911	783	783	-	783
Pool House - Utilities	8,060	8,060	-	8,060
Community Center - Utilities	2,317	2,317	-	2,317
Community Center - Maintenance	4,636	4,636	-	4,636
Community Center - Elevator Inspection	3,616	3,616	-	3,616
Pool Expense	4,754	4,754	-	4,754
Pool Repairs	1,252	1,252	-	1,252
Total Recreation Complex	<u>42,987</u>	<u>42,987</u>	<u>-</u>	<u>42,987</u>
General Safety/Maintenance:				
Animal Control	7,744	7,744	-	7,744
Ambulance	21,350	21,350	-	21,350
Fire Department	41,250	41,250	-	41,250
Street Lights	12,063	12,063	-	12,063
Road Repair	40	40	-	40
Capital Improvement	5,371	5,371	-	5,371
Property Purchase	19,727	19,727	-	19,727
Blkhd/Outfall Mod.	950	950	-	950
City Property Bulkhead	26,200	26,200	-	26,200
Contingency	23,611	23,611	-	23,611
Insurance	20,306	20,306	-	20,306
Windstorm Insurance	10,999	10,999	-	10,999
Infrastructure - repairs	6,306	6,306	-	6,306
Term Benefits	13,673	13,673	-	13,673
Vehicle Repair	1,100	1,100	-	1,100
Flood Map Appeal Engineering	1,371	1,371	-	1,371
Depreciation	-	-	130,075	130,075
Total General Safety/Maintenance	<u>212,061</u>	<u>212,061</u>	<u>130,075</u>	<u>342,136</u>
Total Expenditures / Expenses	<u>852,664</u>	<u>852,664</u>	<u>130,075</u>	<u>982,739</u>
Net change in fund balance/net position	<u>135,209</u>	<u>135,209</u>	<u>(130,075)</u>	<u>5,134</u>
Fund balance/net position, beginning of year	<u>562,498</u>	<u>562,498</u>	<u>-</u>	<u>2,987,792</u>
Fund balance/net position, end of year	<u>\$ 697,707</u>	<u>\$ 697,707</u>	<u>\$ -</u>	<u>\$2,992,926</u>

See accountant's compilation report.

**CITY OF BAYOU VISTA
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF AUGUST 31, 2017**

Total fund balance - governmental funds	\$ 697,707
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,398,675
Pension assets, net of pension liabilities, are not financial resources and therefore, are not reported in the funds	25,982
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the funds	(122,000) (7,438)
Net position of governmental activities	\$ 2,992,926

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE PERIOD ENDED AUGUST 31, 2017**

Net change in fund balances - total governmental funds	\$ 135,209
Governmental funds report capital outlay as expenditures. In the statement of activities, cost of those assets is allocated over their estimated lives and reported as depreciation. This is the amount by which depreciation exceeds capital outlays	(130,075)
Change in net position of governmental activities	\$ 5,134

See accountant's compilation report.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BAYOU VISTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDING AUGUST 31, 2017

	1 MONTH	YTD	2016-2017	REMAINING	REMAINING
	08/31/2017	08/31/2017	BUDGET	BUDGET	BUDGET %
Revenues					
Ad Valorem Taxes	\$ 1,845	\$ 683,206	\$ 686,513	\$ 3,307	0.48
Franchise Taxes	23,870	103,900	100,000	(3,900)	(3.90)
Sales Tax	7,220	86,031	95,000	8,969	9.44
Sales Tax Road Repair	1,204	13,756	15,833	2,077	13.12
Building Permits	3,282	35,416	28,500	(6,916)	(24.27)
City - Revenue Other	2	14,661	7,500	(7,161)	(95.48)
Interest	113	1,345	1,200	(145)	(12.08)
Court - Fees And Fines	3,124	21,554	17,500	(4,054)	(23.17)
Court - Administration Fees	929	4,983	3,500	(1,483)	(42.37)
Rental - Community Center	680	4,080	5,000	920	18.40
Island Quilters	-	600	600	-	0.00
Sewer's Bee	-	180	800	620	77.50
Police - Revenue Other	37	1,593	1,500	(93)	(6.20)
3rd Friday Nite	-	600	700	100	14.29
Morning Quilters	-	600	800	200	25.00
Daily Pool Pass	661	4,513	3,000	(1,513)	(50.43)
Individual Pass	200	2,480	2,000	(480)	(24.00)
Family Pass	-	8,375	7,500	(875)	(11.67)
Total Revenues	43,167	987,873	977,446	(10,427)	(1.07)
Expenditures					
Administrative:					
Salaries - City Secretary	3,309	59,691	64,064	4,373	6.83
City Secretary's - Payroll Tax	253	4,724	5,125	401	7.83
City Secretary's - Health Credit	582	5,826	7,108	1,282	18.04
City Secretary's - Retirement	-	1,812	1,954	142	7.26
Payroll - Court Clerk	2,669	35,546	39,100	3,554	9.09
Court Clerk's - Payroll Tax	204	2,574	3,128	554	17.71
Court Clerk's - Health Credit	593	6,469	7,108	639	8.99
Court Clerk's - Retirement	-	1,140	1,193	53	4.41
Court Clerk OT.	-	64	500	436	87.20
Legal Notices	270	832	900	68	7.56
Subs. & Dues	-	1,461	2,200	739	33.59
Office Supplies	97	4,388	4,500	112	2.49
Rent / Utilities	2,900	18,850	18,850	-	0.00
Postage	-	351	1,000	649	64.90
Telephone	130	1,559	1,560	1	0.06
Internet	118	1,429	1,550	121	7.81
Printing	-	-	400	400	100.00
Website Host	9	145	135	(10)	(7.41)
Records Mgt / B. Up	-	1,169	350	(819)	(234.00)
Bank Charges	22	507	800	293	36.63
City Business Mileage	-	-	200	200	100.00
Hurricane Prep	374	690	250	(440)	(176.00)
Flower Fund	-	92	150	58	38.67
Awards/Plaques	-	114	175	61	34.86
Total Administrative	11,530	149,433	162,300	12,867	7.93

CITY OF BAYOU VISTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - continued
IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDING AUGUST 31, 2017

	1 MONTH	YTD	2016-2017	REMAINING	REMAINING
	08/31/2017	08/31/2017	BUDGET	BUDGET	BUDGET %
Professional:					
Judge	\$ 1,000	\$ 11,000	\$ 12,000	\$ 1,000	8.33
City Attorney	1,800	30,230	40,000	9,770	24.43
Court Prosecutor	600	6,600	7,200	600	8.33
City Maintenance	1,575	13,886	15,080	1,194	7.92
Cm - Payroll Tax	122	1,072	1,206	134	11.14
Building Inspector	840	13,411	14,000	589	4.21
Building Inspector Payroll Tax	65	1,007	1,120	113	10.09
Mowing Contract	3,865	25,060	25,000	(60)	(0.24)
Force Mow	-	105	1,000	895	89.50
Accounting	1,162	12,816	10,000	(2,816)	(28.16)
Audit Fee	-	-	5,800	5,800	100.00
Tax Collection	-	337	350	13	3.71
Court Appraisal	-	4,000	4,250	250	5.88
Fire Marshal	-	876	1,000	124	12.40
Total Professional	<u>11,029</u>	<u>120,400</u>	<u>138,006</u>	<u>17,606</u>	<u>12.76</u>
Police Department:					
Salaries - Chief	3,846	40,933	49,900	8,967	17.97
Chief - Payroll Tax	294	3,140	3,992	852	21.34
Health Credit - Chief	9	4,096	7,108	3,012	42.37
Chief - Retirement	-	1,774	1,522	(252)	(16.56)
Salaries - Captain	3,462	45,477	47,000	1,523	3.24
Captain - Payroll Tax	265	3,537	3,760	223	5.93
Health Credit - Captain	593	1,911	7,108	5,197	73.11
Captain - Retirement	-	1,059	1,434	375	26.12
Payroll - Patrol - F.T.	11,992	155,084	164,320	9,236	5.62
Patrol Officer - Payroll Tax	921	3,606	13,146	9,540	72.57
Police Department Overtime	-	2,790	6,000	3,210	53.50
Health Credit - Patrol	1,734	20,820	28,432	7,612	26.77
Patrol - Retirement	-	4,177	5,012	835	16.66
Payroll - Code Enforcement - Overtime	-	-	-	-	0.00
Subs. & Dues	-	345	800	455	56.88
Office Supplies	339	2,520	2,300	(220)	(9.57)
Postage	27	148	200	52	26.00
Uniforms	-	1,546	1,500	(46)	(3.07)
Telephone	278	2,696	3,200	504	15.75
911-Dispatching	-	1,080	990	(90)	(9.09)
Small Equipment	-	5,058	5,100	42	0.82
Fuel	1,032	9,283	10,000	717	7.17
Vehicle - Repair/Maintenance	1	10,290	10,000	(290)	(2.90)
O.S.S.I. Radio	-	105	2,000	1,895	94.75
License/Software/MDT	-	1,208	1,400	192	13.71
Random Drug Testing	-	166	500	334	66.80
Police Training	73	1,864	2,500	636	25.44
Total Police Department	<u>24,866</u>	<u>324,713</u>	<u>379,224</u>	<u>54,511</u>	<u>14.37</u>

CITY OF BAYOU VISTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - continued
IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDING AUGUST 31, 2017

	<u>1 MONTH</u> <u>08/31/2017</u>	<u>YTD</u> <u>08/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Court:					
Prisoner Housing	\$ 25	\$ 300	\$ 500	\$ 200	40.00
Office Supplies / Equip.	-	823	1,000	177	17.70
Training	-	-	100	100	100.00
Computer Software	-	1,617	1,550	(67)	(4.32)
Subs. & Dues	-	-	200	200	100.00
Printing Tickets	-	330	500	170	34.00
Total Court	25	3,070	3,850	780	20.26
Recreation Complex:					
Lifeguard Salaries	4,559	16,053	20,000	3,947	19.74
Life Guard - Payroll Taxes	353	1,316	1,600	284	17.75
Pool House Maint.	-	200	800	600	75.00
Telephone - 911	157	783	950	167	17.58
Pool House - Utilities	1,002	8,060	10,000	1,940	19.40
Community Center - Utilities	187	2,317	3,000	683	22.77
Center Maint.	231	4,636	4,500	(136)	(3.02)
Center Elevator	198	3,616	4,500	884	19.64
Pool Expense	938	4,754	6,000	1,246	20.77
Pool Repairs	-	1,252	5,939	4,687	78.92
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	7,625	42,987	62,289	19,302	30.99
General Safety/Maintenance:					
Animal Control	-	7,744	10,560	2,816	26.67
Ambulance	-	21,350	25,000	3,650	14.60
Fire Department	3,750	41,250	45,000	3,750	8.33
Street Lights	1,214	12,063	14,000	1,937	13.84
Road Repair	-	40	15,833	15,793	99.75
Capital Improvement	5,371	5,371	8,400	3,029	36.06
Property Purchase	18,356	19,727	19,150	(577)	(3.01)
Blkhd/Outfall Mod.	950	950	2,000	1,050	52.50
City Property Bulkhead	(950)	26,200	27,284	1,084	3.97
Contingency	90	23,611	24,000	389	1.62
Insurance	-	20,306	20,000	(306)	(1.53)
Windstorm Ins.	-	10,999	12,000	1,001	8.34
Flood	-	-	4,000	4,000	100.00
Infrastructure	-	6,306	7,500	1,194	15.92
Term Benefits	-	13,673	14,000	327	2.34
Vehicle Repair	1,100	1,100	2,000	900	45.00
Flood Map Appeal Engineering	1,371	1,371	2,500	1,129	45.16
Total General Safety/Maintenance	31,252	212,061	253,227	41,166	16.26
Total Expenditures	86,327	852,664	998,896	146,232	14.64
Prior Years' Fund Balance:					
Capital Improvement			21,450		
Excess Revenues (Expenditures)	\$ (43,160)	\$ 135,209	\$ 0	\$ (135,209)	