

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
JULY 31, 2017



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ACCOUNTANT’S COMPILATION REPORT

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

Re: Financial Statements as of July 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 July 31, 2017, and the related statement of activities and governmental fund revenues and expenditures for the ten 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
August 10, 2017



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

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 787,713	\$ -	\$ 787,713
Receivables	25,581	-	25,581
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	-	2,178,047	2,178,047
Total Assets	<u>\$ 820,732</u>	<u>\$ 2,410,500</u>	<u>\$ 3,231,232</u>
Deferred outflows - pension	<u>-</u>	<u>320,522</u>	<u>320,522</u>

Liabilities

Accrued Liabilities	\$ (6,746)	\$ -	\$ (6,746)
Deposits	1,555	-	1,555
Builder bond payable	17,525	-	17,525
Unearned revenue - other	30,973	-	30,973
State court costs	10,976	-	10,976
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	<u>54,283</u>	<u>423,978</u>	<u>478,261</u>

Deferred Inflows of Resources

Unavailable property taxes	<u>25,581</u>	<u>-</u>	<u>25,581</u>
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Fund Balances/Net Position

Unrestricted:

Nonspendable - Prepaid items	7,438	(7,438)	-
Unassigned	441,725	(441,725)	-
Assigned to contingency reserves	197,965	(197,965)	-
Assigned to capital improvements	9,642	(9,642)	-
Assigned to road repairs	84,098	(84,098)	-
Total Fund Balances	<u>740,868</u>	<u>(740,868)</u>	<u>-</u>

Total Liabilities and Fund Balances

	<u>\$ 820,732</u>	<u>\$ (316,890)</u>	<u>\$ 503,842</u>
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Net Position

Net investment in capital assets	2,410,500	2,410,500
Restricted - pension plan	25,982	25,982
Restricted - debt service	129,438	129,438
Unrestricted	481,992	481,992
Total Net Position	<u>\$ 3,047,912</u>	<u>\$ 3,047,912</u>

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 JULY 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 681,361	\$ 681,361	\$ -	\$ 681,361
Franchise Taxes	80,030	80,030	-	80,030
Sales Tax	78,811	78,811	-	78,811
Sales Tax Road Repair	12,552	12,552	-	12,552
Building Permits	32,134	32,134	-	32,134
City - Revenue Other	14,659	14,659	-	14,659
Interest	1,232	1,232	-	1,232
Court - Fees And Fines	18,430	18,430	-	18,430
Court - Administration Fees	4,054	4,054	-	4,054
Rental - Community Center	3,400	3,400	-	3,400
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	14,507	14,507	-	14,507
Police - Revenue Other	1,556	1,556	-	1,556
Total Revenues	<u>\$ 944,706</u>	<u>\$ 944,706</u>	<u>\$ -</u>	<u>\$ 944,706</u>
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	56,382	56,382	-	56,382
City Secretary's - Payroll Tax	4,471	4,471	-	4,471
City Secretary's - Health Credit	5,244	5,244	-	5,244
City Secretary's - Retirement	1,812	1,812	-	1,812
Payroll - Court Clerk	32,877	32,877	-	32,877
Court Clerk's - Payroll Tax	2,370	2,370	-	2,370
Court Clerk's - Health Credit	5,876	5,876	-	5,876
Court Clerk's - Retirement	1,140	1,140	-	1,140
Court Clerk's - Overtime	64	64	-	64
Legal Notices	562	562	-	562
Subscription / Dues	1,461	1,461	-	1,461
Office Supplies	4,291	4,291	-	4,291
Rent / Utilities	15,950	15,950	-	15,950
Postage	351	351	-	351
Telephone	1,429	1,429	-	1,429
Internet - Comcast	1,311	1,311	-	1,311
Website Host	136	136	-	136
Records Mgt / B. Up	1,169	1,169	-	1,169
Bank Charges	485	485	-	485
Hurricane Prep	316	316	-	316
Flower Fund	92	92	-	92
Awards / Plaques	114	114	-	114
Total Administrative	<u>137,903</u>	<u>137,903</u>	<u>-</u>	<u>137,903</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 JULY 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
City Attorney	28,430	28,430	-	28,430
Prosecutor	6,000	6,000	-	6,000
City Maintenance	12,311	12,311	-	12,311
Cm - Payroll Tax	950	950	-	950
Building Inspector	12,571	12,571	-	12,571
Building Inspector Payroll Tax	942	942	-	942
Mowing Contract	21,195	21,195	-	21,195
Property Maintenance Mowing	105	105	-	105
Accounting	11,654	11,654	-	11,654
Tax Collection	337	337	-	337
Central Appraisal District	4,000	4,000	-	4,000
Fire Marshal	876	876	-	876
Total Professional	<u>109,371</u>	<u>109,371</u>	<u>-</u>	<u>109,371</u>
Police Department:				
Salaries - Chief	37,087	37,087	-	37,087
Chief - Payroll Tax	2,846	2,846	-	2,846
Health Credit - Chief	4,087	4,087	-	4,087
Chief - Retirement	1,774	1,774	-	1,774
Salaries - Captain	42,015	42,015	-	42,015
Captain - Payroll Tax	3,272	3,272	-	3,272
Health Credit - Captain	1,318	1,318	-	1,318
Captain - Retirement	1,059	1,059	-	1,059
Payroll - Patrol - F.T.	143,092	143,092	-	143,092
Patrol Officer - Payroll Tax	2,685	2,685	-	2,685
Police Department Overtime	2,790	2,790	-	2,790
Health Credit - Patrol	19,086	19,086	-	19,086
Patrol - Retirement	4,177	4,177	-	4,177
Subscription / Dues	345	345	-	345
Office Supplies	2,181	2,181	-	2,181
Postage	121	121	-	121
Uniforms	1,546	1,546	-	1,546
Telephone	2,418	2,418	-	2,418
911 - Dispatching	1,080	1,080	-	1,080
Bullet Proof Vests	5,058	5,058	-	5,058
Vehicle Fuel	8,251	8,251	-	8,251
Vehicle - Repair/Maintenance	10,289	10,289	-	10,289
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	1,791	1,791	-	1,791
Total Police Department	<u>299,847</u>	<u>299,847</u>	<u>-</u>	<u>299,847</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 JULY 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 275	\$ 275	\$ -	\$ 275
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>3,045</u>	<u>3,045</u>	-	<u>3,045</u>
Recreation Complex:				
Lifeguard Salaries	11,494	11,494	-	11,494
Life Guard - Payroll Taxes	963	963	-	963
Pool House Maint.	200	200	-	200
Telephone - 911	626	626	-	626
Pool House - Utilities	7,058	7,058	-	7,058
Community Center - Utilities	2,130	2,130	-	2,130
Community Center - Maintenance	4,405	4,405	-	4,405
Community Center - Elevator Inspection	3,418	3,418	-	3,418
Pool Expense	3,816	3,816	-	3,816
Pool Repairs	1,252	1,252	-	1,252
Total Recreation Complex	<u>35,362</u>	<u>35,362</u>	-	<u>35,362</u>
General Safety/Maintenance:				
Animal Control	7,744	7,744	-	7,744
Ambulance	21,350	21,350	-	21,350
Fire Department	37,500	37,500	-	37,500
Street Lights	10,849	10,849	-	10,849
Road Repair	40	40	-	40
Property Purchase	1,371	1,371	-	1,371
City Property Bulkhead	27,150	27,150	-	27,150
Contingency	23,521	23,521	-	23,521
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
Depreciation	-	-	118,250	118,250
Total General Safety/Maintenance	<u>180,809</u>	<u>180,809</u>	<u>118,250</u>	<u>299,059</u>
Total Expenditures / Expenses	<u>766,337</u>	<u>766,337</u>	<u>118,250</u>	<u>884,587</u>
Net change in fund balance/net position	<u>178,369</u>	<u>178,369</u>	<u>(118,250)</u>	<u>60,119</u>
Fund balance/net position, beginning of year	<u>562,499</u>	<u>562,499</u>	-	<u>2,987,793</u>
Fund balance/net position, end of year	<u>\$ 740,868</u>	<u>\$ 740,868</u>	<u>\$ -</u>	<u>\$3,047,912</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 JULY 31, 2017**

Total fund balance - governmental funds	\$ 740,868
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,410,500
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	<u>\$ 3,047,912</u>

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

Net change in fund balances - total governmental funds	\$ 178,369
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	(118,250)
Change in net position of governmental activities	<u>\$ 60,119</u>

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 JULY 31, 2017

	<u>1 MONTH</u> <u>07/31/2017</u>	<u>YTD</u> <u>07/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Revenues					
Ad Valorem Taxes	\$ 6,885	\$ 681,361	\$ 686,513	\$ 5,152	0.75
Franchise Taxes	-	80,030	100,000	19,970	19.97
Sales Tax	8,302	78,811	95,000	16,189	17.04
Sales Tax Road Repair	1,216	12,552	15,833	3,281	20.72
Building Permits	1,625	32,134	28,500	(3,634)	(12.75)
City - Revenue Other	25	14,659	7,500	(7,159)	(95.45)
Interest	122	1,232	1,200	(32)	(2.67)
Court - Fees And Fines	709	18,430	17,500	(930)	(5.31)
Court - Administration Fees	363	4,054	3,500	(554)	(15.83)
Rental - Community Center	300	3,400	5,000	1,600	32.00
Island Quilters	-	600	600	0	0.00
Sewer's Bee	-	180	800	620	77.50
Police - Revenue Other	-	1,556	1,500	(56)	(3.73)
3rd Friday Nite	-	600	700	100	14.29
Morning Quilters	-	600	800	200	25.00
Daily Pool Pass	1,647	3,852	3,000	(852)	(28.40)
Individual Pass	85	2,280	2,000	(280)	(14.00)
Family Pass	950	8,375	7,500	(875)	(11.67)
Total Revenues	<u>22,229</u>	<u>944,706</u>	<u>977,446</u>	<u>32,740</u>	<u>3.35</u>
Expenditures					
Administrative:					
Salaries - City Secretary	3,309	56,382	64,064	7,682	11.99
City Secretary's - Payroll Tax	253	4,471	5,125	654	12.76
City Secretary's - Health Credit	583	5,244	7,108	1,864	26.22
City Secretary's - Retirement	136	1,812	1,954	142	7.26
Payroll - Court Clerk	2,668	32,877	39,100	6,223	15.92
Court Clerk's - Payroll Tax	205	2,370	3,128	758	24.23
Court Clerk's - Health Credit	592	5,876	7,108	1,232	17.33
Court Clerk's - Retirement	110	1,140	1,193	53	4.41
Court Clerk OT.	-	64	500	436	87.20
Legal Notices	-	562	900	338	37.56
Subs. & Dues	-	1,461	2,200	739	33.59
Office Supplies	533	4,291	4,500	209	4.64
Rent / Utilities	-	15,950	18,850	2,900	15.38
Postage	-	351	1,000	649	64.90
Telephone	259	1,429	1,560	131	8.40
Internet	244	1,311	1,550	239	15.42
Printing	-	-	400	400	100.00
Website Host	9	136	135	(1)	(0.74)
Records Mgt / B. Up	-	1,169	350	(819)	(234.00)
Bank Charges	45	485	800	315	39.38
City Business Mileage	-	-	200	200	100.00
Hurricane Prep	176	316	250	(66)	(26.40)
Flower Fund	-	92	150	58	38.67
Awards/Plaques	-	114	175	61	34.86
Total Administrative	<u>9,122</u>	<u>137,903</u>	<u>162,300</u>	<u>24,397</u>	<u>15.03</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 JULY 31, 2017

	<u>1 MONTH</u> <u>07/31/2017</u>	<u>YTD</u> <u>07/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Professional:					
Judge	\$ 1,000	\$ 10,000	\$ 12,000	\$ 2,000	16.67
City Attorney	2,975	28,430	40,000	11,570	28.93
Court Prosecutor	600	6,000	7,200	1,200	16.67
City Maintenance	1,302	12,311	15,080	2,769	18.36
Cm - Payroll Tax	100	950	1,206	256	21.25
Building Inspector	1,029	12,571	14,000	1,429	10.21
Building Inspector Payroll Tax	80	942	1,120	178	15.89
Mowing Contract	1,870	21,195	25,000	3,805	15.22
Force Mow	-	105	1,000	895	89.50
Accounting	939	11,654	10,000	(1,654)	(16.54)
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	182	876	1,000	124	12.40
Total Professional	<u>10,077</u>	<u>109,371</u>	<u>138,006</u>	<u>28,635</u>	<u>20.75</u>
Police Department:					
Salaries - Chief	4,279	37,087	49,900	12,813	25.68
Chief - Payroll Tax	327	2,846	3,992	1,146	28.71
Health Credit - Chief	9	4,087	7,108	3,021	42.50
Chief - Retirement	177	1,774	1,522	(252)	(16.56)
Salaries - Captain	3,419	42,015	47,000	4,985	10.61
Captain - Payroll Tax	261	3,272	3,760	488	12.98
Health Credit - Captain	592	1,318	7,108	5,790	81.46
Captain - Retirement	-	1,059	1,434	375	26.12
Payroll - Patrol - F.T.	13,324	143,092	164,320	21,228	12.92
Patrol Officer - Payroll Tax	1,019	2,685	13,146	10,461	79.57
Police Department Overtime	-	2,790	6,000	3,210	53.50
Health Credit - Patrol	1,734	19,086	28,432	9,346	32.87
Patrol - Retirement	420	4,177	5,012	835	16.66
Payroll - Code Enforcement - Overtime	-	-	-	-	0.00
Subs. & Dues	-	345	800	455	56.88
Office Supplies	195	2,181	2,300	119	5.17
Postage	26	121	200	79	39.50
Uniforms	-	1,546	1,500	(46)	(3.07)
Telephone	405	2,418	3,200	782	24.44
911-Dispatching	-	1,080	990	(90)	(9.09)
Small Equipment	-	5,058	5,100	42	0.82
Fuel	-	8,251	10,000	1,749	17.49
Vehicle - Repair/Maintenance	175	10,289	10,000	(289)	(2.89)
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	515	1,791	2,500	709	28.36
Total Police Department	<u>26,877</u>	<u>299,847</u>	<u>379,224</u>	<u>79,377</u>	<u>20.93</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 JULY 31, 2017

	<u>1 MONTH</u> <u>07/31/2017</u>	<u>YTD</u> <u>07/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Court:					
Prisoner Housing	\$ 175	\$ 275	\$ 500	\$ 225	45.00
Office Supplies / Equip.	-	823	1,000	177	17.70
Training	-	-	100	100	100.00
Computer Software	84	1,617	1,550	(67)	(4.32)
Subs. & Dues	-	-	200	200	100.00
Printing Tickets	-	330	500	170	34.00
Total Court	259	3,045	3,850	805	20.91
Recreation Complex:					
Lifeguard Salaries	5,016	11,494	20,000	8,506	42.53
Life Guard - Payroll Taxes	389	963	1,600	637	39.81
Pool House Maint.	-	200	800	600	75.00
Telephone - 911	69	626	950	324	34.11
Pool House - Utilities	777	7,058	10,000	2,942	29.42
Community Center - Utilities	199	2,130	3,000	870	29.00
Center Maint.	1,076	4,405	4,500	95	2.11
Center Elevator	-	3,418	4,500	1,082	24.04
Pool Expense	800	3,816	6,000	2,184	36.40
Pool Repairs	-	1,252	5,939	4,687	78.92
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	8,326	35,362	62,289	26,927	43.23
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	37,500	45,000	7,500	16.67
Street Lights	1,224	10,849	14,000	3,151	22.51
Road Repair	-	40	15,833	15,793	99.75
Capital Improvement	-	-	8,400	8,400	100.00
Property Purchase	-	1,371	19,150	17,779	92.84
Blkh/Outfall Mod.	-	-	2,000	2,000	100.00
City Property Bulkhead	950	27,150	27,284	134	0.49
Contingency	726	23,521	24,000	479	2.00
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	(950)	6,306	7,500	1,194	15.92
Term Benefits	-	13,673	14,000	327	2.34
Vehicle Repair	-	-	2,000	2,000	100.00
Flood Map Appeal Engineering	-	-	2,500	2,500	100.00
Total General Safety/Maintenance	5,700	180,809	253,227	72,418	28.60
Total Expenditures	60,361	766,337	998,896	232,559	23.28
Prior Years' Fund Balance:					
Capital Improvement			21,450		
Excess Revenues (Expenditures)	<u>\$ (38,132)</u>	<u>\$ 178,369</u>	<u>\$ 0</u>	<u>\$ (178,369)</u>	