

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
JUNE 30, 2017

ACCOUNTANT'S COMPILATION REPORT

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

Re: Financial Statements as of June 30, 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 June 30, 2017, and the related statement of activities and governmental fund revenues and expenditures for the nine 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
July 20, 2017

CITY OF BAYOU VISTA
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2017

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 833,930	\$ -	\$ 833,930
Receivables	32,018	-	32,018
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	-	2,189,872	2,189,872
Total Assets	<u>\$ 873,386</u>	<u>\$ 2,422,325</u>	<u>\$ 3,295,711</u>
Deferred outflows - pension	-	320,522	320,522

Liabilities

Accrued Liabilities	\$ (9,858)	\$ -	\$ (9,858)
Deposits	1,655	-	1,655
Builder bond payable	19,025	-	19,025
Unearned revenue - other	38,567	-	38,567
State court costs	12,979	-	12,979
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>62,368</u>	<u>423,978</u>	<u>486,346</u>

Deferred Inflows of Resources

Unavailable property taxes	<u>32,018</u>	<u>-</u>	<u>32,018</u>
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Fund Balances/Net Position

Unrestricted:			
Nonspendable - Prepaid items	7,438	(7,438)	-
Unassigned	479,894	(479,894)	-
Assigned to contingency reserves	197,940	(197,940)	-
Assigned to capital improvements	9,641	(9,641)	-
Assigned to road repairs	84,087	(84,087)	-
Total Fund Balances	<u>779,000</u>	<u>(779,000)</u>	<u>-</u>

Total Liabilities and Fund Balances	<u>\$ 873,386</u>	<u>\$ (355,022)</u>	<u>\$ 518,364</u>
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Net Position

Net investment in capital assets	2,422,325	2,422,325
Restricted - pension plan	25,982	25,982
Restricted - debt service	129,438	129,438
Unrestricted	520,124	520,124
Total Net Position	<u>\$ 3,097,869</u>	<u>\$ 3,097,869</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 JUNE 30, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 674,476	\$ 674,476	\$ -	\$ 674,476
Franchise Taxes	80,030	80,030	-	80,030
Sales Tax	70,509	70,509	-	70,509
Sales Tax Road Repair	11,336	11,336	-	11,336
Building Permits	30,509	30,509	-	30,509
City - Revenue Other	14,634	14,634	-	14,634
Interest	1,110	1,110	-	1,110
Court - Fees And Fines	17,721	17,721	-	17,721
Court - Administration Fees	3,691	3,691	-	3,691
Rental - Community Center	3,100	3,100	-	3,100
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	11,825	11,825	-	11,825
Police - Revenue Other	1,556	1,556	-	1,556
Total Revenues	\$ 922,477	\$ 922,477	\$ -	\$ 922,477
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	53,073	53,073	-	53,073
City Secretary's - Payroll Tax	4,218	4,218	-	4,218
City Secretary's - Health Credit	4,661	4,661	-	4,661
City Secretary's - Retirement	1,676	1,676	-	1,676
Payroll - Court Clerk	30,209	30,209	-	30,209
Court Clerk's - Payroll Tax	2,165	2,165	-	2,165
Court Clerk's - Health Credit	5,284	5,284	-	5,284
Court Clerk's - Retirement	1,030	1,030	-	1,030
Court Clerk's - Overtime	64	64	-	64
Legal Notices	562	562	-	562
Subscription / Dues	1,461	1,461	-	1,461
Office Supplies	3,758	3,758	-	3,758
Rent / Utilities	15,950	15,950	-	15,950
Postage	351	351	-	351
Telephone	1,170	1,170	-	1,170
Internet - Comcast	1,067	1,067	-	1,067
Website Host	127	127	-	127
Records Mgt / B. Up	1,169	1,169	-	1,169
Bank Charges	440	440	-	440
Hurricane Prep	140	140	-	140
Flower Fund	92	92	-	92
Awards / Plaques	114	114	-	114
Total Administrative	128,781	128,781	-	128,781

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 JUNE 30, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 9,000	\$ 9,000	\$ -	\$ 9,000
City Attorney	25,455	25,455	-	25,455
Prosecutor	5,400	5,400	-	5,400
City Maintenance	11,009	11,009	-	11,009
Cm - Payroll Tax	850	850	-	850
Building Inspector	11,542	11,542	-	11,542
Building Inspector Payroll Tax	862	862	-	862
Mowing Contract	19,325	19,325	-	19,325
Property Maintenance Mowing	105	105	-	105
Accounting	10,715	10,715	-	10,715
Tax Collection	337	337	-	337
Central Appraisal District	4,000	4,000	-	4,000
Fire Marshal	694	694	-	694
Total Professional	<u>99,294</u>	<u>99,294</u>	<u>-</u>	<u>99,294</u>
Police Department:				
Salaries - Chief	32,808	32,808	-	32,808
Chief - Payroll Tax	2,519	2,519	-	2,519
Health Credit - Chief	4,078	4,078	-	4,078
Chief - Retirement	1,597	1,597	-	1,597
Salaries - Captain	38,596	38,596	-	38,596
Captain - Payroll Tax	3,011	3,011	-	3,011
Health Credit - Captain	726	726	-	726
Captain - Retirement	1,059	1,059	-	1,059
Payroll - Patrol - F.T.	129,768	129,768	-	129,768
Patrol Officer - Payroll Tax	1,666	1,666	-	1,666
Police Department Overtime	2,790	2,790	-	2,790
Health Credit - Patrol	17,352	17,352	-	17,352
Patrol - Retirement	3,757	3,757	-	3,757
Subscription / Dues	345	345	-	345
Office Supplies	1,986	1,986	-	1,986
Postage	95	95	-	95
Uniforms	1,546	1,546	-	1,546
Telephone	2,013	2,013	-	2,013
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	10,114	10,114	-	10,114
O.S.I - Radio	105	105	-	105
License/Software/MDT	1,208	1,208	-	1,208
Random Drug Testing	166	166	-	166
Police Training	1,276	1,276	-	1,276
Total Police Department	<u>272,970</u>	<u>272,970</u>	<u>-</u>	<u>272,970</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 JUNE 30, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 100	\$ 100	\$ -	\$ 100
Office Supplies / Equip.	823	823	-	823
Training		-	-	-
Computer Software	1,533	1,533	-	1,533
Subs. & Dues		-	-	-
Printing Tickets	330	330	-	330
Total Court	<u>2,786</u>	<u>2,786</u>	<u>-</u>	<u>2,786</u>
Recreation Complex:				
Lifeguard Salaries	6,478	6,478	-	6,478
Life Guard - Payroll Taxes	574	574	-	574
Pool House Maint.	200	200	-	200
Telephone - 911	557	557	-	557
Pool House - Utilities	6,281	6,281	-	6,281
Community Center - Utilities	1,931	1,931	-	1,931
Community Center - Maintenance	3,329	3,329	-	3,329
Community Center - Elevator Inspection	3,418	3,418	-	3,418
Pool Expense	3,016	3,016	-	3,016
Pool Repairs	1,252	1,252	-	1,252
Total Recreation Complex	<u>27,036</u>	<u>27,036</u>	<u>-</u>	<u>27,036</u>
General Safety/Maintenance:				
Animal Control	7,744	7,744	-	7,744
Ambulance	21,350	21,350	-	21,350
Fire Department	33,750	33,750	-	33,750
Street Lights	9,625	9,625	-	9,625
Road Repair	40	40	-	40
Property Purchase	1,371	1,371	-	1,371
City Property Bulkhead	26,200	26,200	-	26,200
Contingency	22,795	22,795	-	22,795
Insurance	20,306	20,306	-	20,306
Windstorm Insurance	10,999	10,999	-	10,999
Infrastructure - repairs	7,256	7,256	-	7,256
Term Benefits	13,673	13,673	-	13,673
Depreciation	-	-	106,425	106,425
Total General Safety/Maintenance	<u>175,109</u>	<u>175,109</u>	<u>106,425</u>	<u>281,534</u>
Total Expenditures / Expenses	<u>705,976</u>	<u>705,976</u>	<u>106,425</u>	<u>812,401</u>
Net change in fund balance/net position	<u>216,501</u>	<u>216,501</u>	<u>(106,425)</u>	<u>110,076</u>
Fund balance/net position, beginning of year	<u>562,499</u>	<u>562,499</u>	<u>-</u>	<u>2,987,793</u>
Fund balance/net position, end of year	<u>\$ 779,000</u>	<u>\$ 779,000</u>	<u>\$ -</u>	<u>\$3,097,869</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 JUNE 30, 2017**

Total fund balance - governmental funds	\$ 779,000
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,422,325
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>\$ 3,097,869</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 JUNE 30, 2017**

Net change in fund balances - total governmental funds	\$ 216,501
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	(106,425)
Change in net position of governmental activities	<u>\$ 110,076</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 JUNE 30, 2017

	<u>1 MONTH</u> <u>06/30/2017</u>	<u>YTD</u> <u>06/30/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Revenues					
Ad Valorem Taxes	\$ 10,410	\$ 674,476	\$ 679,032	\$ 4,556	0.67
Franchise Taxes	9,593	80,030	100,000	19,970	19.97
Sales Tax	10,102	70,509	95,000	24,491	25.78
Sales Tax Road Repair	1,683	11,336	15,833	4,497	28.40
Building Permits	2,120	30,509	25,000	(5,509)	(22.04)
City - Revenue Other	-	14,634	2,000	(12,634)	(631.70)
Interest	124	1,110	1,200	90	7.50
Court - Fees And Fines	1,268	17,721	17,500	(221)	(1.26)
Court - Administration Fees	165	3,691	2,500	(1,191)	(47.64)
Rental - Community Center	(80)	3,100	4,060	960	23.65
Island Quilters	-	600	600	0	0.00
Sewer's Bee	-	180	800	620	77.50
Police - Revenue Other	30	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	1,779	2,205	3,000	795	26.50
Individual Pass	2,195	2,195	2,000	(195)	(9.75)
Family Pass	7,425	7,425	7,500	75	1.00
Total Revenues	46,814	922,477	959,025	36,548	3.81
Expenditures					
Administrative:					
Salaries - City Secretary	3,309	53,073	52,000	(1,073)	(2.06)
City Secretary's - Payroll Tax	253	4,218	4,160	(58)	(1.39)
City Secretary's - Health Credit	583	4,661	7,108	2,447	34.43
City Secretary's - Retirement	342	1,676	1,586	(90)	(5.67)
Payroll - Court Clerk	2,669	30,209	34,000	3,791	11.15
Court Clerk's - Payroll Tax	204	2,165	2,720	555	20.40
Court Clerk's - Health Credit	-	5,284	7,108	1,824	25.66
Court Clerk's - Retirement	276	1,030	1,037	7	0.68
Court Clerk OT.	-	64	500	436	87.20
Legal Notices	158	562	900	338	37.56
Subs. & Dues	563	1,461	2,200	739	33.59
Office Supplies	335	3,758	4,500	742	16.49
Rent / Utilities	1,450	15,950	17,400	1,450	8.33
Postage	13	351	1,000	649	64.90
Telephone	130	1,170	1,560	390	25.00
Internet	245	1,067	1,550	483	31.16
Printing	-	-	400	400	100.00
Election	-	-	7,000	7,000	100.00
Website Host	9	127	135	8	5.93
Records Mgt / B. Up	-	1,169	350	(819)	(234.00)
Bank Charges	50	440	800	360	45.00
City Business Mileage	-	-	200	200	100.00
Hurricane Prep	140	140	250	110	44.00
Flower Fund	-	92	150	58	38.67
Awards/Plaques	16	114	175	61	34.86
Total Administrative	10,745	128,781	148,789	20,008	13.45

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 JUNE 30, 2017

	<u>1 MONTH</u> <u>06/30/2017</u>	<u>YTD</u> <u>06/30/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Professional:					
Judge	\$ 1,000	\$ 9,000	\$ 12,000	\$ 3,000	25.00
City Attorney	1,875	25,455	40,000	14,545	36.36
Court Prosecutor	600	5,400	7,200	1,800	25.00
City Maintenance	1,174	11,009	15,080	4,071	27.00
Cm - Payroll Tax	91	850	1,206	356	29.54
Building Inspector	1,165	11,542	14,000	2,458	17.56
Building Inspector Payroll Tax	90	862	1,120	258	23.04
Mowing Contract	1,870	19,325	25,000	5,675	22.70
Force Mow	-	105	1,000	895	89.50
Accounting	952	10,715	9,600	(1,115)	(11.61)
Audit Fee	-	-	5,800	5,800	100.00
Tax Collection	-	337	300	(37)	(12.33)
Court Appraisal	1,333	4,000	4,250	250	5.88
Fire Marshal	-	694	1,000	306	30.60
Total Professional	10,150	99,294	137,556	38,262	27.82
Police Department:					
Salaries - Chief	-	32,808	57,500	24,692	42.94
Chief - Payroll Tax	-	2,519	4,600	2,081	45.24
Health Credit - Chief	-	4,078	7,108	3,030	42.63
Chief - Retirement	410	1,597	1,754	157	8.94
Salaries - Captain	4,063	38,596	47,000	8,404	17.88
Captain - Payroll Tax	311	3,011	3,760	749	19.92
Health Credit - Captain	9	726	7,108	6,382	89.79
Captain - Retirement	-	1,059	1,434	375	26.12
Payroll - Patrol - F.T.	16,416	129,768	164,320	34,552	21.03
Patrol Officer - Payroll Tax	1,258	1,666	13,146	11,480	87.33
Police Department Overtime	-	2,790	6,000	3,210	53.50
Health Credit - Patrol	1,734	17,352	28,432	11,080	38.97
Patrol - Retirement	976	3,757	5,012	1,255	25.04
Payroll - Code Enforcement - Overtime	-	-	-	-	0.00
Subs. & Dues	-	345	800	455	56.88
Office Supplies	-	1,986	2,300	314	13.65
Postage	-	95	200	105	52.50
Uniforms	-	1,546	1,500	(46)	(3.07)
Telephone	130	2,013	3,200	1,187	37.09
911-Dispatching	-	1,080	990	(90)	(9.09)
Small Equipment	-	5,058	1,000	(4,058)	(405.80)
Fuel	1,062	8,251	10,000	1,749	17.49
Vehicle - Repair/Maintenance	576	10,114	3,500	(6,614)	(188.97)
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	166	500	334	66.80
Police Training	66	1,276	2,500	1,224	48.96
Total Police Department	27,177	272,970	377,064	104,094	27.61

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 JUNE 30, 2017

	<u>1 MONTH</u> <u>06/30/2017</u>	<u>YTD</u> <u>06/30/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Court:					
Prisoner Housing	\$ -	\$ 100	\$ 500	\$ 400	80.00
Office Supplies / Equip.	-	823	300	(523)	(174.33)
Training	-	-	100	100	100.00
Computer Software	-	1,533	1,400	(133)	(9.50)
Subs. & Dues	-	-	200	200	100.00
Printing Tickets	-	330	500	170	34.00
Total Court	-	2,786	3,000	214	7.13
Recreation Complex:					
Lifeguard Salaries	5,480	6,478	20,000	13,522	67.61
Life Guard - Payroll Taxes	424	574	1,600	1,026	64.13
Pool House Maint.	200	200	800	600	75.00
Telephone - 911	-	557	950	393	41.37
Pool House - Utilities	746	6,281	10,000	3,719	37.19
Community Center - Utilities	205	1,931	3,000	1,069	35.63
Center Maint.	111	3,329	4,500	1,171	26.02
Center Elevator	-	3,418	4,500	1,082	24.04
Pool Expense	448	3,016	6,000	2,984	49.73
Pool Repairs	1,252	1,252	5,939	4,687	78.92
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	8,866	27,036	62,289	35,253	56.60
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	33,750	45,000	11,250	25.00
Street Lights	1,015	9,625	14,000	4,375	31.25
Road Repair	-	40	15,833	15,793	99.75
Capital Improvement	-	-	10,000	10,000	100.00
Property Purchase	-	1,371	19,150	17,779	92.84
Blkhd/Outfall Mod.	-	-	2,000	2,000	100.00
City Property Bulkhead	-	26,200	27,284	1,084	3.97
Contingency	427	22,795	10,000	(12,795)	(127.95)
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	7,256	3,500	(3,756)	(107.31)
Term Benefits	-	13,673	2,500	(11,173)	(446.92)
Vehicle Repair	-	-	2,000	2,000	100.00
Flood Map Appeal Engineering	-	-	7,500	7,500	100.00
Total General Safety/Maintenance	6,142	175,109	230,327	55,218	23.97
Total Expenditures	63,080	705,976	959,025	253,049	26.39
Excess Revenues (Expenditures)	<u>\$ (16,266)</u>	<u>\$ 216,501</u>	<u>\$ -</u>	<u>\$ (216,501)</u>	