

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
MARCH 31, 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 March 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 March 31, 2017, and the related statement of activities and governmental fund revenues and expenditures for the six 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
April 28, 2017

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

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 993,111	\$ -	\$ 993,111
Receivables	63,971	-	63,971
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	-	2,225,347	2,225,347
	<u>\$ 1,064,520</u>	<u>\$ 2,457,800</u>	<u>\$ 3,522,320</u>
Total Assets			
Deferred outflows - pension	-	320,522	320,522

Liabilities

Accrued Liabilities	\$ 27,290	\$ -	\$ 27,290
Deposits	1,955	-	1,955
Builder bond payable	20,525	-	20,525
Unearned revenue - other	28,843	-	28,843
State court costs	14,979	-	14,979
Net pension liability	-	294,540	294,540
Noncurrent liabilities:			
Limited tax notes - non-current	-	122,000	122,000
Notes payable	-	7,438	7,438
	<u>93,592</u>	<u>423,978</u>	<u>517,570</u>
Total Liabilities			

Deferred Inflows of Resources

Unavailable property taxes	63,971	-	63,971
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Fund Balances/Net Position

Unrestricted:			
Nonspendable - Prepaid items	7,438	(7,438)	-
Unassigned	590,309	(590,309)	-
Assigned to contingency reserves	197,866	(197,866)	-
Assigned to capital improvements	27,288	(27,288)	-
Assigned to road repairs	84,056	(84,056)	-
Total Fund Balances	<u>906,957</u>	<u>(906,957)</u>	<u>-</u>

Total Liabilities and Fund Balances	<u>\$ 1,064,520</u>	<u>\$ (482,979)</u>	<u>\$ 581,541</u>
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Net Position

Net investment in capital assets	2,457,800	2,457,800
Restricted - pension plan	25,982	25,982
Restricted - debt service	129,438	129,438
Unrestricted	648,081	648,081
Total Net Position	<u>\$ 3,261,301</u>	<u>\$ 3,261,301</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 MARCH 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 641,431	\$ 641,431	\$ -	\$ 641,431
Franchise Taxes	55,275	55,275	-	55,275
Sales Tax	46,072	46,072	-	46,072
Sales Tax Road Repair	7,393	7,393	-	7,393
Building Permits	22,804	22,804	-	22,804
City - Revenue Other	12,966	12,966	-	12,966
Interest	712	712	-	712
Court - Fees And Fines	14,233	14,233	-	14,233
Court - Administration Fees	2,459	2,459	-	2,459
Rental - Community Center	1,880	1,880	-	1,880
Club - 3rd Friday Night	450	450	-	450
Island Quilters	360	360	-	360
Morning Quilters	600	600	-	600
Sewer's Bee	180	180	-	180
Pool - Daily	426	426	-	426
Police - Revenue Other	859	859	-	859
Total Revenues	<u>\$ 808,100</u>	<u>\$ 808,100</u>	<u>\$ -</u>	<u>\$ 808,100</u>
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	31,787	31,787	-	31,787
City Secretary's - Payroll Tax	2,589	2,589	-	2,589
City Secretary's - Health Credit	2,913	2,913	-	2,913
City Secretary's - Retirement	921	921	-	921
Payroll - Court Clerk	20,971	20,971	-	20,971
Court Clerk's - Payroll Tax	1,457	1,457	-	1,457
Court Clerk's - Health Credit	3,507	3,507	-	3,507
Court Clerk's - Retirement	630	630	-	630
Court Clerk's - Overtime	64	64	-	64
Legal Notices	404	404	-	404
Subscription / Dues	898	898	-	898
Office Supplies	3,185	3,185	-	3,185
Rent / Utilities	10,150	10,150	-	10,150
Postage	281	281	-	281
Telephone	780	780	-	780
Internet - Comcast	705	705	-	705
Website Host	101	101	-	101
Records Mgt / B. Up	1,065	1,065	-	1,065
Bank Charges	306	306	-	306
Awards / Plaques	57	57	-	57
Total Administrative	<u>82,771</u>	<u>82,771</u>	<u>-</u>	<u>82,771</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 MARCH 31, 2017

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	6,000	6,000	-	6,000
City Attorney	17,542	17,542	-	17,542
Prosecutor	3,600	3,600	-	3,600
City Maintenance	6,848	6,848	-	6,848
Cm - Payroll Tax	527	527	-	527
Building Inspector	7,458	7,458	-	7,458
Building Inspector Payroll Tax	546	546	-	546
Mowing Contract	13,745	13,745	-	13,745
Property Maintenance Mowing	105	105	-	105
Accounting	7,788	7,788	-	7,788
Tax Collection	337	337	-	337
Central Appraisal District	2,667	2,667	-	2,667
Fire Marshal	694	694	-	694
Total Professional	<u>67,857</u>	<u>67,857</u>	-	<u>67,857</u>
Police Department:				
Salaries - Chief	\$ 28,660	\$ 28,660	\$ -	\$ 28,660
Chief - Payroll Tax	2,201	2,201	-	2,201
Health Credit - Chief	3,496	3,496	-	3,496
Chief - Retirement	1,016	1,016	-	1,016
Salaries - Captain	24,840	24,840	-	24,840
Captain - Payroll Tax	1,959	1,959	-	1,959
Health Credit - Captain	699	699	-	699
Captain - Retirement	900	900	-	900
Payroll - Patrol - F.T.	75,931	75,931	-	75,931
Patrol Officer - Payroll Tax	(2,461)	(2,461)	-	(2,461)
Police Department Overtime	2,790	2,790	-	2,790
Health Credit - Patrol	12,151	12,151	-	12,151
Patrol - Retirement	2,402	2,402	-	2,402
Payroll - Code Enforcement - Overtime	0	0	-	0
Subscription / Dues	345	345	-	345
Office Supplies	1,525	1,525	-	1,525
Postage	81	81	-	81
Uniforms	1,050	1,050	-	1,050
Telephone	1,338	1,338	-	1,338
911 - Dispatching	900	900	-	900
Bullet Proof Vests	5,058	5,058	-	5,058
Vehicle Fuel	5,085	5,085	-	5,085
Vehicle - Repair/Maintenance	8,679	8,679	-	8,679
O.S.S.I - Radio	105	105	-	105
License/Software/MDT	1,208	1,208	-	1,208
Police Training	1,210	1,210	-	1,210
Total Police Department	<u>181,168</u>	<u>181,168</u>	-	<u>181,168</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 MARCH 31, 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.	581	581	-	581
Training		-	-	-
Computer Software	1,443	1,443	-	1,443
Subs. & Dues		-	-	-
Printing Tickets	250	250	-	250
Total Court	<u>2,374</u>	<u>2,374</u>	<u>-</u>	<u>2,374</u>
Recreation Complex:				
Lifeguard Salaries	998	998	-	998
Life Guard - Payroll Taxes	150	150	-	150
Telephone - 911	419	419	-	419
Pool House - Utilities	4,405	4,405	-	4,405
Community Center - Utilities	1,353	1,353	-	1,353
Community Center - Maintenance	701	701	-	701
Community Center - Elevator Inspection	3,418	3,418	-	3,418
Pool Expense	1,019	1,019	-	1,019
Total Recreation Complex	<u>12,463</u>	<u>12,463</u>	<u>-</u>	<u>12,463</u>
General Safety/Maintenance:				
Animal Control	5,124	5,124	-	5,124
Ambulance	12,500	12,500	-	12,500
Fire Department	22,500	22,500	-	22,500
Street Lights	7,475	7,475	-	7,475
Road Repair	40	40	-	40
Property Purchase	1,371	1,371	-	1,371
City Property Bulkhead	26,200	26,200	-	26,200
Contingency	4,189	4,189	-	4,189
Insurance	20,306	20,306	-	20,306
Windstorm Insurance	10,999	10,999	-	10,999
Infrastructure - repairs	6,306	6,306	-	6,306
Depreciation	-	-	70,950	70,950
Total General Safety/Maintenance	<u>117,010</u>	<u>117,010</u>	<u>70,950</u>	<u>187,960</u>
Total Expenditures / Expenses	<u>463,643</u>	<u>463,643</u>	<u>70,950</u>	<u>534,593</u>
Net change in fund balance/net position	<u>344,457</u>	<u>344,457</u>	<u>(70,950)</u>	<u>273,507</u>
Fund balance/net position, beginning of year	<u>562,500</u>	<u>562,500</u>	<u>-</u>	<u>2,987,794</u>
Fund balance/net position, end of year	<u>\$ 906,957</u>	<u>\$ 906,957</u>	<u>\$ -</u>	<u>\$3,261,301</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 MARCH 31, 2017**

Total fund balance - governmental funds	906,957
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,457,800
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>\$ 3,261,301</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 MARCH 31, 2017**

Net change in fund balances - total governmental funds	\$ 344,457
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	(70,950)
Change in net position of governmental activities	<u>\$ 273,507</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 MARCH 31, 2017

	<u>1 MONTH</u> <u>03/31/2017</u>	<u>YTD</u> <u>03/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Revenues					
Ad Valorem Taxes	\$ 20,111	\$ 641,431	\$ 679,032	\$ 37,601	5.54
Franchise Taxes	16,630	55,275	100,000	44,725	44.73
Sales Tax	8,276	46,072	95,000	48,928	51.50
Sales Tax Road Repair	1,380	7,393	15,833	8,440	53.31
Building Permits	6,515	22,804	25,000	2,196	8.78
City - Revenue Other	-	12,966	2,000	(10966)	(548.30)
Interest	155	712	1,200	488	40.67
Court - Fees And Fines	3,291	14,233	17,500	3,267	18.67
Court - Administration Fees	660	2,459	2,500	41	1.64
Rental - Community Center	500	1,880	4,060	2,180	53.69
Island Quilters	-	360	600	240	40.00
Sewer's Bee	-	180	800	620	77.50
Police - Revenue Other	(111)	859	1,500	641	42.73
3rd Friday Nite	-	450	700	250	35.71
Morning Quilters	-	600	800	200	25.00
Daily Pool Pass	-	426	3,000	2,574	85.80
Individual Pass	-	-	2,000	2,000	100.00
Family Pass	-	-	7,500	7,500	100.00
Total Revenues	<u>57,407</u>	<u>808,100</u>	<u>959,025</u>	<u>150,925</u>	<u>15.74</u>
Expenditures					
Administrative:					
Salaries - City Secretary	6,809	31,787	52,000	20,213	38.87
City Secretary's - Payroll Tax	268	2,589	4,160	1,571	37.76
City Secretary's - Health Credit	-	2,913	7,108	4,195	59.02
City Secretary's - Retirement	165	921	1,586	665	41.93
Payroll - Court Clerk	2,462	20,971	34,000	13,029	38.32
Court Clerk's - Payroll Tax	114	1,457	2,720	1,263	46.43
Court Clerk's - Health Credit	594	3,507	7,108	3,601	50.66
Court Clerk's - Retirement	116	630	1,037	407	39.25
Court Clerk OT.	-	64	500	436	87.20
Legal Notices	-	404	900	496	55.11
Subs. & Dues	-	898	2,200	1,302	59.18
Office Supplies	1,156	3,185	4,500	1,315	29.22
Rent / Utilities	1,450	10,150	17,400	7,250	41.67
Postage	180	281	1,000	719	71.90
Telephone	130	780	1,560	780	50.00
Internet	235	705	1,550	845	54.52
Printing	-	-	400	400	100.00
Election	-	-	7,000	7,000	100.00
Website Host	9	101	135	34	25.19
Records Mgt / B. Up	-	1,065	350	(715)	(204.29)
Bank Charges	40	306	800	494	61.75
City Business Mileage	-	-	200	200	100.00
Hurricane Prep	-	-	250	250	100.00
Flower Fund	-	-	150	150	100.00
Awards/Plaques	7	57	175	118	67.43
Total Administrative	<u>13,735</u>	<u>82,771</u>	<u>148,789</u>	<u>66,018</u>	<u>44.37</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 MARCH 31, 2017

	<u>1 MONTH</u> <u>03/31/2017</u>	<u>YTD</u> <u>03/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Professional:					
Judge	\$ 2,000	\$ 6,000	\$ 12,000	\$ 6,000	50.00
City Attorney	7,904	17,542	40,000	22,458	56.15
Court Prosecutor	600	3,600	7,200	3,600	50.00
City Maintenance	1,073	6,848	15,080	8,232	54.59
Cm - Payroll Tax	44	527	1,206	679	56.32
Building Inspector	1,145	7,458	14,000	6,542	46.73
Building Inspector Payroll Tax	48	546	1,120	574	51.25
Mowing Contract	3,100	13,745	25,000	11,255	45.02
Force Mow	-	105	1,000	895	89.50
Accounting	875	7,788	9,600	1,812	18.88
Audit Fee	-	-	5,800	5,800	100.00
Tax Collection	-	337	300	(37)	(12.33)
Court Appraisal	-	2,667	4,250	1,583	37.25
Fire Marshal	694	694	1,000	306	30.60
Total Professional	<u>17,483</u>	<u>67,857</u>	<u>137,556</u>	<u>69,699</u>	<u>50.67</u>
Police Department:					
Salaries - Chief	4,424	28,660	57,500	28,840	50.16
Chief - Payroll Tax	179	2,201	4,600	2,399	52.15
Health Credit - Chief	583	3,496	7,108	3,612	50.82
Chief - Retirement	183	1,016	1,754	738	42.07
Salaries - Captain	3,616	24,840	47,000	22,160	47.15
Captain - Payroll Tax	136	1,959	3,760	1,801	47.90
Health Credit - Captain	8	699	7,108	6,409	90.17
Captain - Retirement	149	900	1,434	534	37.22
Payroll - Patrol - F.T.	12,963	75,931	164,320	88,389	53.79
Patrol Officer - Payroll Tax	483	(2,461)	13,146	15,607	118.72
Police Department Overtime	-	2,790	6,000	3,210	53.50
Health Credit - Patrol	1,734	12,151	28,432	16,281	57.26
Patrol - Retirement	374	2,402	5,012	2,610	52.07
Payroll - Code Enforcement - Overtime	-	-	-	-	0.00
Subs. & Dues	-	345	800	455	56.88
Office Supplies	560	1,525	2,300	775	33.70
Postage	17	81	200	119	59.50
Uniforms	376	1,050	1,500	450	30.00
Telephone	267	1,338	3,200	1,862	58.19
911-Dispatching	-	900	990	90	9.09
Small Equipment	-	5,058	1,000	(4,058)	(405.80)
Fuel	2,106	5,085	10,000	4,915	49.15
Vehicle - Repair/Maintenance	3,267	8,679	3,500	(5,179)	(147.97)
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	-	-	500	500	100.00
Police Training	-	1,210	2,500	1,290	51.60
Total Police Department	<u>31,425</u>	<u>181,168</u>	<u>377,064</u>	<u>195,896</u>	<u>51.95</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 JANUARY 31, 2017

	<u>1 MONTH</u> <u>03/31/2017</u>	<u>YTD</u> <u>03/31/2017</u>	<u>2016-2017</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Court:					
Prisoner Housing	\$ 50	\$ 100	\$ 500	400	80.00
Office Supplies / Equip.	444	581	300	(281)	(93.67)
Training	-	-	100	100	100.00
Computer Software	-	1,443	1,400	(43)	(3.07)
Subs. & Dues	-	-	200	200	100.00
Printing Tickets	-	250	500	250	50.00
Total Court	<u>494</u>	<u>2,374</u>	<u>3,000</u>	<u>626</u>	<u>20.87</u>
Recreation Complex:					
Lifeguard Salaries	-	998	20,000	19,002	95.01
Life Guard - Payroll Taxes	-	150	1,600	1,450	90.63
Pool House Maint.	-	-	800	800	100.00
Telephone - 911	143	419	950	531	55.89
Pool House - Utilities	875	4,405	10,000	5,595	55.95
Community Center - Utilities	160	1,353	3,000	1,647	54.90
Center Maint.	322	701	4,500	3,799	84.42
Center Elevator	-	3,418	4,500	1,082	24.04
Pool Expense	3	1,019	6,000	4,981	83.02
Pool Repairs	-	-	5,939	5,939	100.00
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	<u>1,503</u>	<u>12,463</u>	<u>62,289</u>	<u>49,826</u>	<u>79.99</u>
General Safety/Maintenance:					
Animal Control	-	5,124	10,560	5,436	51.48
Ambulance	-	12,500	25,000	12,500	50.00
Fire Department	3,750	22,500	45,000	22,500	50.00
Street Lights	1,816	7,475	14,000	6,525	46.61
Road Repair	40	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	26,200	27,284	1,084	3.97
Contingency	299	4,189	10,000	5,811	58.11
Insurance	-	20,306	20,000	(306)	(1.53)
Windstorm Ins.	10,999	10,999	12,000	1,001	8.34
Flood	-	-	4,000	4,000	100.00
Infrastructure	-	6,306	3,500	(2,806)	(80.17)
Term Benefits	-	-	2,500	2,500	100.00
Vehicle Repair	-	-	2,000	2,000	100.00
Flood Map Appeal Engineering	-	-	7,500	7,500	100.00
Total General Safety/Maintenance	<u>43,104</u>	<u>117,010</u>	<u>230,327</u>	<u>113,317</u>	<u>49.20</u>
Total Expenditures	<u>107,744</u>	<u>463,643</u>	<u>959,025</u>	<u>495,382</u>	<u>51.65</u>
Excess Revenues (Expenditures)	<u>\$ (50,337)</u>	<u>\$ 344,457</u>	<u>\$ -</u>	<u>\$ (344,457)</u>	