

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
PERIOD ENDED MARCH 31, 2018



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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 the Period Ended March 31, 2018

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 six months and the period ended March 31, 2018, and the related statement of activities and governmental fund revenues and expenditures for six months and the period 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 30th, 2018

CITY OF BAYOU VISTA
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF MARCH 31, 2018

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 1,161,027	\$ -	\$ 1,161,027
Receivables, net of allowance	67,208	-	67,208
Prepaid items	27,568	-	27,568
Capital assets, net of accumulated depreciation:			
Capital assets not being depreciated	-	232,453	232,453
Capital assets, being depreciated	-	<u>2,225,347</u>	<u>2,225,347</u>
Total Assets	<u>\$ 1,255,803</u>	<u>\$ 2,457,800</u>	<u>\$ 3,713,603</u>
Deferred outflows - pension	<u>-</u>	<u>320,522</u>	<u>320,522</u>

Liabilities

Current liabilities:			
Accounts payable and accrued liabilities	\$ 38,432	\$ -	\$ 38,432
Deposits	2,355	-	2,355
Builder bond payable	16,025	-	16,025
Unearned revenue - other	44,309	-	44,309
State court costs	14,873	-	14,873
Noncurrent liabilities:			-
Limited tax notes - non-current	-	122,000	122,000
Notes payable	-	7,438	7,438
Net pension liability	-	<u>294,540</u>	<u>294,540</u>
Total Liabilities	115,994	423,978	539,972

Deferred Inflows of Resources

Unavailable property taxes	<u>67,208</u>	<u>-</u>	<u>67,208</u>
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Fund Balances/Net Position

Nonspendable - Prepaid items	27,568	(27,568)	-
Unassigned	720,242	(720,242)	-
Assigned to contingency reserves	198,247	(198,247)	-
Assigned to capital improvements	27,368	(27,368)	-
Assigned to road repairs	99,176	(99,176)	-
Total Fund Balances	1,072,601	(1,072,601)	-

**Total Liabilities, Deferred Inflows of Resources
and Fund Balances**

<u>\$ 1,255,803</u>	<u>\$ (648,623)</u>	<u>\$ 607,180</u>
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Net Position

Net investment in capital assets	2,457,800	2,457,800
Restricted - debt service	129,438	129,438
Unrestricted	<u>839,707</u>	<u>839,707</u>
Total Net Position	<u>\$ 3,426,945</u>	<u>\$ 3,426,945</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 ENDED MARCH 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 703,675	\$ 703,675	\$ -	\$ 703,675
Franchise Taxes	54,945	54,945	-	54,945
Sales Tax	67,953	67,953	-	67,953
Sales Tax Road Repair	18,785	18,785	-	18,785
Building Permits	11,635	11,635	-	11,635
City - Revenue Other	22,054	22,054	-	22,054
Interest	1,125	1,125	-	1,125
Court - Fees And Fines	13,551	13,551	-	13,551
Court - Administration Fees	3,748	3,748	-	3,748
Rental - Community Center	2,160	2,160	-	2,160
Club - 3rd Friday Night	300	300	-	300
Island Quilters	360	360	-	360
Pool - Daily	210	210	-	210
Police - Revenue Other	225	225	-	225
Total Revenues	\$ 900,726	\$ 900,726	\$ -	\$ 900,726
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	21,969	21,969	-	21,969
City Secretary's - Payroll Tax	1,843	1,843	-	1,843
City Secretary's - Health Credit	4,414	4,414	-	4,414
City Secretary's - Retirement	752	752	-	752
Payroll - Court Clerk	16,189	16,189	-	16,189
Court Clerk's - Payroll Tax	819	819	-	819
Court Clerk's - Retirement	196	196	-	196
Legal Notices	657	657	-	657
Subscription / Dues	800	800	-	800
Office Supplies	1,535	1,535	-	1,535
Rent / Utilities	8,700	8,700	-	8,700
Postage	245	245	-	245
Telephone	724	724	-	724
Internet - Comcast	472	472	-	472
Website Host	53	53	-	53
Bank Charges	163	163	-	163
Flower Fund	130	130	-	130
Total Administrative	59,661	59,661	-	59,661

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 ENDED MARCH 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 6,600	\$ 6,600	\$ -	\$ 6,600
City Attorney	15,956	15,956	-	15,956
Prosecutor	3,600	3,600	-	3,600
City Maintenance	7,637	7,637	-	7,637
Cm - Payroll Tax	1,210	1,210	-	1,210
Building Inspector	7,800	7,800	-	7,800
Building Inspector Payroll Tax	666	666	-	666
Mowing Contract	12,350	12,350	-	12,350
Property Maintenance Mowing	2,100	2,100	-	2,100
Accounting	6,318	6,318	-	6,318
Audit	6,000	6,000	-	6,000
Tax Collection	168	168	-	168
Central Appraisal District	2,909	2,909	-	2,909
Total Professional	<u>73,314</u>	<u>73,314</u>	<u>-</u>	<u>73,314</u>
Police Department:				
Salaries - Chief	28,309	28,309	-	28,309
Chief - Payroll Tax	2,328	2,328	-	2,328
Health Credit - Chief	80	80	-	80
Chief - Retirement	981	981	-	981
Salaries - Captain	22,677	22,677	-	22,677
Captain - Payroll Tax	1,897	1,897	-	1,897
Health Credit - Captain	4,414	4,414	-	4,414
Captain - Retirement	449	449	-	449
Payroll - Patrol - F.T.	92,778	92,778	-	92,778
Patrol Officer - Payroll Tax	7,776	7,776	-	7,776
Health Credit - Patrol	16,510	16,510	-	16,510
Patrol - Retirement	2,503	2,503	-	2,503
Subscription / Dues	333	333	-	333
Office Supplies	1,445	1,445	-	1,445
Postage	(26)	(26)	-	(26)
Uniforms	2,906	2,906	-	2,906
Telephone	1,214	1,214	-	1,214
Small Equipment	1,815	1,815	-	1,815
Vehicle Fuel	6,315	6,315	-	6,315
Vehicle - Repair/Maintenance	3,475	3,475	-	3,475
O.S.S.I - Radio	1,260	1,260	-	1,260
Random Drug Testing	94	94	-	94
Police Training	797	797	-	797
Total Police Department	<u>200,330</u>	<u>200,330</u>	<u>-</u>	<u>200,330</u>

CITY OF BAYOU VISTA
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES - continued
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED MARCH 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 525	\$ 525	\$ -	\$ 525
Computer Software	18	18	-	18
Subs. & Dues	153	153	-	153
Printing Tickets	795	795	-	795
Total Court	<u>1,491</u>	<u>1,491</u>	<u>-</u>	<u>1,491</u>
Recreation Complex:				
Lifeguard Salaries	281	281	-	281
Life Guard - Payroll Taxes	22	22	-	22
Telephone - 911	445	445	-	445
Pool House - Utilities	2,765	2,765	-	2,765
Community Center - Utilities	670	670	-	670
Community Center - Maintenance	1,414	1,414	-	1,414
Community Center - Elevator Inspection	210	210	-	210
Pool Expense	3,292	3,292	-	3,292
Total Recreation Complex	<u>9,099</u>	<u>9,099</u>	<u>-</u>	<u>9,099</u>
General Safety/Maintenance:				
Animal Control	8,276	8,276	-	8,276
Ambulance	18,750	18,750	-	18,750
Fire Department	22,500	22,500	-	22,500
Street Lights	13,180	13,180	-	13,180
Road Repair	3,407	3,407	-	3,407
Capital Improvement	750	750	-	750
Property Purchase	1,153	1,153	-	1,153
City Property Bulkhead	12,400	12,400	-	12,400
Contingency	4,879	4,879	-	4,879
Insurance	31,610	31,610	-	31,610
Flood Insurance	567	567	-	567
Infrastructure - repairs	1,900	1,900	-	1,900
Depreciation	-	-	70,950	70,950
Total General Safety/Maintenance	<u>119,372</u>	<u>119,372</u>	<u>70,950</u>	<u>190,322</u>
Total Expenditures / Expenses	<u>463,267</u>	<u>463,267</u>	<u>70,950</u>	<u>534,217</u>
Net change in fund balance/net position	<u>437,459</u>	<u>437,459</u>	<u>(70,950)</u>	<u>366,509</u>
Fund balance/net position, beginning of year	<u>635,142</u>	<u>635,142</u>	<u>-</u>	<u>3,060,436</u>
Fund balance/net position, end of year	<u>\$ 1,072,601</u>	<u>\$ 1,072,601</u>	<u>\$ -</u>	<u>\$3,426,945</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, 2018**

Total fund balance - governmental funds	\$ 1,072,601
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	\$ 3,426,945

**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, 2018**

Net change in fund balances - total governmental funds	\$ 437,459
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	\$ 366,509

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 ENDED MARCH 31, 2018

	1 MONTH	YTD	2017-2018	REMAINING	REMAINING
	03/31/2018	03/31/2018	BUDGET	BUDGET	BUDGET %
Revenues					
Ad Valorem Taxes	\$ 15,943	\$ 703,675	\$ 751,256	\$ 47,581	6.33
Franchise Taxes	9,845	54,945	100,000	45,055	45.06
Sales Tax	6,903	67,953	95,000	27,047	28.47
Sales Tax Road Repair	1,151	18,785	15,833	(2,952)	(18.64)
Building Permits	1,250	11,635	20,000	8,365	41.83
City - Revenue Other	146	22,054	2,000	(20,054)	(1,002.70)
Interest	253	1,125	1,200	75	6.25
Court - Fees And Fines	1,297	13,551	18,000	4,449	24.72
Court - Administration Fees	201	3,748	4,000	252	6.30
Rental - Community Center	320	2,160	5,000	2,840	56.80
Island Quilters	-	360	600	240	40.00
Sewer's Bee	-	-	-	-	-
Police - Revenue Other	-	225	1,500	1,275	85.00
3rd Friday Nite	-	300	600	300	50.00
Morning Quilters	-	-	600	600	100.00
Daily Pool Pass	-	210	3,000	2,790	93.00
Individual Pass	-	-	2,000	2,000	100.00
Family Pass	-	-	7,500	7,500	100.00
Total Revenues	37,309	900,726	1,028,090	127,364	12.39
Expenditures					
Administrative:					
Salaries - City Secretary	3,469	21,969	45,000	23,031	51.18
City Secretary's - Payroll Tax	421	1,843	3,600	1,757	48.81
City Secretary's - Health Credit	736	4,414	8,221	3,807	46.31
City Secretary's - Retirement	-	752	1,859	1,107	59.54
Payroll - Court Clerk	2,720	16,189	36,774	20,585	55.98
Court Clerk's - Payroll Tax	344	819	2,942	2,123	72.16
Court Clerk's - Health Credit	-	-	8,221	8,221	100.00
Court Clerk's - Retirement	-	196	1,519	1,323	87.09
Court Clerk OT.	-	-	500	500	100.00
Legal Notices	-	657	900	243	27.00
Subs. & Dues	-	800	2,200	1,400	63.64
Office Supplies	349	1,535	4,500	2,965	65.89
Rent / Utilities	1,450	8,700	17,400	8,700	50.00
Postage	69	245	750	505	67.33
Telephone	-	724	1,560	836	53.59
IT Support	-	-	1,000	1,000	100.00
Internet	117	472	1,550	1,078	69.55
Printing	-	-	200	200	100.00
Election	-	-	7,000	7,000	100.00
Website Host	8	53	135	82	60.74
Records Mgt / B. Up	-	-	1,200	1,200	100.00
Bank Charges	22	163	750	587	78.27
City Business Mileage	-	-	200	200	100.00
Hurricane Prep	-	-	250	250	100.00
Flower Fund	-	130	150	20	13.33
Awards/Plaques	-	-	175	175	100.00
Total Administrative	9,705	59,661	148,556	88,895	59.84

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 ENDED MARCH 31, 2018

	<u>1 MONTH</u> <u>03/31/2018</u>	<u>YTD</u> <u>03/31/2018</u>	<u>2017-2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Professional:					
Judge	\$ 1,100	\$ 6,600	\$ 13,200	\$ 6,600	50.00
City Attorney	3,112	15,956	35,000	19,044	54.41
Court Prosecutor	600	3,600	7,200	3,600	50.00
City Maintenance	1,178	7,637	16,120	8,483	52.62
Cm - Payroll Tax	148	1,210	1,290	80	6.17
Building Inspector	1,200	7,800	15,600	7,800	50.00
Building Inspector Payroll Tax	154	666	1,248	582	46.63
Building Inspector Training			1,000	1,000	100.00
Mowing Contract	1,870	12,350	25,000	12,650	50.60
Force Mow	-	2,100	750	(1,350)	(180.00)
Accounting	3,035	6,318	11,500	5,182	45.06
Audit Fee	6,000	6,000	6,000	-	-
Tax Collection	-	168	375	207	55.20
Court Appraisal	1,452	2,909	4,250	1,341	31.55
Fire Marshal	-	-	1,000	1,000	100.00
Total Professional	19,849	73,314	139,533	66,219	47.46
Police Department:					
Salaries - Chief	4,155	28,309	54,000	25,691	47.58
Chief - Payroll Tax	471	2,328	4,320	1,992	46.11
Health Credit - Chief	18	80	8,221	8,141	99.03
Chief - Retirement	-	981	2,230	1,249	56.01
Salaries - Captain	3,079	22,677	47,091	24,414	51.84
Captain - Payroll Tax	390	1,897	3,767	1,870	49.65
Health Credit - Captain	736	4,414	8,221	3,807	46.31
Captain - Retirement	-	449	1,945	1,496	76.91
Payroll - Patrol - F.T.	13,246	92,778	172,850	80,072	46.32
Patrol Officer - Payroll Tax - F.T.	1,659	7,776	13,828	6,052	43.77
Patrol Officer - Health Credit	2,752	16,510	32,885	16,375	49.79
Patrol Officer - Retirement	-	2,503	7,139	4,636	64.94
Payroll - Patrol - P.T.			10,000	10,000	100.00
Patrol Officer - Payroll Tax - P.T.			800	800	100.00
Police Department Overtime	-	-	5,000	5,000	100.00
Subs. & Dues	16	333	500	167	33.40
Office Supplies	-	1,445	2,300	855	37.17
Postage	-	(26)	150	176	117.33
Uniforms	1,739	2,906	1,500	(1,406)	(93.73)
Telephone	-	1,214	3,200	1,986	62.06
911-Dispatching	-	-	1,200	1,200	100.00
Small Equipment	502	1,815	6,000	4,185	69.75
Fuel	908	6,315	11,000	4,685	42.59
Vehicle - Repair/Maintenance	415	3,475	5,000	1,525	30.50
O.S.S.I. Radio	-	1,260	2,000	740	37.00
License/Software/MDT	-	-	1,500	1,500	100.00
Random Drug Testing	-	94	500	406	81.20
Police Training	-	797	2,500	1,703	68.12
Total Police Department	30,086	200,330	409,648	209,318	51.10

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 ENDED MARCH 31, 2018

	<u>1 MONTH</u> <u>03/31/2018</u>	<u>YTD</u> <u>03/31/2018</u>	<u>2017-2018</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET</u>	<u>REMAINING</u> <u>BUDGET %</u>
Court:					
Prisoner Housing	\$ -	\$ 525	\$ 500	\$ (25)	(5.00)
Office Supplies / Equip.	-	-	500	500	100.00
Training	-	-	2,000	2,000	100.00
Computer Software	-	18	1,750	1,732	98.97
Subs. & Dues	-	153	100	(53)	(53.00)
Printing Tickets	-	795	500	(295)	(59.00)
Total Court	-	1,491	5,350	3,859	72.13
Recreation Complex:					
Lifeguard Salaries	-	281	20,000	19,719	98.60
Life Guard - Payroll Taxes	-	22	1,600	1,578	98.63
Pool House Maint.	-	-	600	600	100.00
Telephone - 911	80	445	950	505	53.16
Pool House - Utilities	225	2,765	10,000	7,235	72.35
Community Center - Utilities	-	670	3,000	2,330	77.67
Center Maint.	186	1,414	4,500	3,086	68.58
Center Elevator	210	210	4,500	4,290	95.33
Pool Expense	2,151	3,292	5,000	1,708	34.16
Pool Repairs	-	-	4,000	4,000	100.00
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	2,852	9,099	59,150	50,051	84.62
General Safety/Maintenance:					
Animal Control	-	8,276	11,312	3,036	26.84
Ambulance	6,250	18,750	25,000	6,250	25.00
Fire Department	3,750	22,500	45,000	22,500	50.00
Street Lights	966	13,180	13,000	(180)	(1.38)
New Street Lights	-	-	9,000	9,000	100.00
Road Repair	-	3,407	15,833	12,426	78.48
Capital Improvement	-	750	27,190	26,440	97.24
Property Purchase	-	1,153	19,150	17,997	93.98
Blkh/d/Outfall Mod.	-	-	2,000	2,000	100.00
City Property Bulkhead	-	12,400	27,000	14,600	54.07
Contingency	(58)	4,879	23,869	18,990	79.56
Insurance	-	31,610	20,000	(11,610)	(58.05)
Windstorm Ins.	-	-	12,600	12,600	100.00
Flood	-	567	4,000	3,433	85.83
Infrastructure	-	1,900	3,500	1,600	45.71
Term Benefits	-	-	2,500	2,500	100.00
Vehicle Repair	-	-	2,000	2,000	100.00
Flood Map Appeal Engineering	-	-	3,500	3,500	100.00
Total General Safety/Maintenance	10,908	119,372	266,453	147,081	55.20
Total Expenditures	73,400	463,267	1,028,690	565,423	54.97
Net change in fund balance/net position	<u>\$ (36,091)</u>	<u>\$ 437,459</u>	<u>\$ (600)</u>	<u>\$ (438,059)</u>	
Fund balance/net position, beginning of year	<u>-</u>	<u>635,141</u>			
Fund balance/net position, end of year	<u>\$ (36,091)</u>	<u>\$1,072,600</u>			