

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
PERIOD ENDED JUNE 30, 2018

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 June 30, 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 seven months and the period ended June 30, 2018, and the related statement of activities and governmental fund revenues and expenditures for seven 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
July 27, 2018

CITY OF BAYOU VISTA
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 1,054,457	\$ -	\$ 1,054,457
Receivables, net of allowance	41,784	-	41,784
Prepaid items	33,571	-	33,571
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
	<u>\$ 1,129,812</u>	<u>\$ 2,422,325</u>	<u>\$ 3,552,137</u>
Deferred outflows - pension	<u>-</u>	<u>320,522</u>	<u>320,522</u>

Liabilities

Current liabilities:

Accounts payable and accrued liabilities	\$ 42,404	\$ -	\$ 42,404
Deposits	1,595	-	1,595
Builder bond payable	13,025	-	13,025
Unearned revenue - other	48,043	-	48,043
State court costs	17,154	-	17,154
Noncurrent liabilities:			-
Limited tax notes - non-current	-	122,000	122,000
Notes payable	-	7,438	7,438
Net pension liability	-	294,540	294,540
Total Liabilities	<u>122,221</u>	<u>423,978</u>	<u>546,199</u>

Deferred Inflows of Resources

Unavailable property taxes	<u>41,784</u>	<u>-</u>	<u>41,784</u>
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Fund Balances/Net Position

Nonspendable - Prepaid items	33,571	(33,571)	-
Unassigned	607,246	(607,246)	-
Assigned to contingency reserves	198,370	(198,370)	-
Assigned to capital improvements	27,382	(27,382)	-
Assigned to road repairs	99,238	(99,238)	-
Total Fund Balances	<u>965,807</u>	<u>(965,807)</u>	<u>-</u>

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

	<u>\$ 1,129,812</u>	<u>\$ (541,829)</u>	<u>\$ 587,983</u>
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Net Position

Net investment in capital assets		2,422,325	2,422,325
Restricted - debt service		129,438	129,438
Unrestricted		732,913	732,913
Total Net Position		<u>\$ 3,284,676</u>	<u>\$ 3,284,676</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 JUNE 30, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 730,714	\$ 730,714	\$ -	\$ 730,714
Franchise Taxes	79,924	79,924	-	79,924
Sales Tax	90,953	90,953	-	90,953
Sales Tax Road Repair	22,467	22,467	-	22,467
Building Permits	21,466	21,466	-	21,466
City - Revenue Other	61,245	61,245	-	61,245
Interest	1,818	1,818	-	1,818
Court - Fees And Fines	22,285	22,285	-	22,285
Court - Administration Fees	8,016	8,016	-	8,016
Rental - Community Center	3,000	3,000	-	3,000
Club - 3rd Friday Night	600	600	-	600
Island Quilters	720	720	-	720
Pool - Daily	11,980	11,980	-	11,980
Police - Revenue Other	225	225	-	225
Total Revenues	<u>\$ 1,055,413</u>	<u>\$ 1,055,413</u>	<u>\$ -</u>	<u>\$1,055,413</u>
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	34,109	34,109	-	34,109
City Secretary's - Payroll Tax	2,771	2,771	-	2,771
City Secretary's - Health Credit	6,620	6,620	-	6,620
City Secretary's - Retirement	1,368	1,368	-	1,368
Payroll - Court Clerk	22,853	22,853	-	22,853
Court Clerk's - Payroll Tax	1,350	1,350	-	1,350
Court Clerk's - Retirement	567	567	-	567
Legal Notices	877	877	-	877
Subscription / Dues	1,363	1,363	-	1,363
Office Supplies	3,357	3,357	-	3,357
Rent / Utilities	14,500	14,500	-	14,500
Postage	400	400	-	400
Telephone	1,146	1,146	-	1,146
Internet - Comcast	1,587	1,587	-	1,587
Printing	678	678	-	678
Election	4,303	4,303	-	4,303
Website Host	80	80	-	80
Records Mgt / B. Up	525	525	-	525
Bank Charges	232	232	-	232
Flower Fund	130	130	-	130
Total Administrative	<u>98,816</u>	<u>98,816</u>	<u>-</u>	<u>98,816</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 ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 9,900	\$ 9,900	\$ -	\$ 9,900
City Attorney	19,040	19,040	-	19,040
Prosecutor	5,400	5,400	-	5,400
City Maintenance	12,380	12,380	-	12,380
Cm - Payroll Tax	1,659	1,659	-	1,659
Building Inspector	11,700	11,700	-	11,700
Building Inspector Payroll Tax	1,034	1,034	-	1,034
Mowing Contract	18,310	18,310	-	18,310
Property Maintenance Mowing	2,100	2,100	-	2,100
Accounting	9,600	9,600	-	9,600
Audit	11,800	11,800	-	11,800
Tax Collection	168	168	-	168
Central Appraisal District	4,361	4,361	-	4,361
Total Professional	<u>107,452</u>	<u>107,452</u>	-	<u>107,452</u>
Police Department:				
Salaries - Chief	43,813	43,813	-	43,813
Chief - Payroll Tax	3,514	3,514	-	3,514
Health Credit - Chief	133	133	-	133
Chief - Retirement	1,758	1,758	-	1,758
Salaries - Captain	28,699	28,699	-	28,699
Captain - Payroll Tax	2,357	2,357	-	2,357
Health Credit - Captain	5,885	5,885	-	5,885
Captain - Retirement	879	879	-	879
Payroll - Patrol - F.T.	154,222	154,222	-	154,222
Patrol Officer - Payroll Tax	12,692	12,692	-	12,692
Health Credit - Patrol	24,033	24,033	-	24,033
Patrol - Retirement	4,803	4,803	-	4,803
Subscription / Dues	333	333	-	333
Office Supplies	2,210	2,210	-	2,210
Postage	(4)	(4)	-	(4)
Uniforms	3,444	3,444	-	3,444
Telephone	2,126	2,126	-	2,126
Small Equipment	1,815	1,815	-	1,815
Vehicle Fuel	9,422	9,422	-	9,422
Vehicle - Repair/Maintenance	3,988	3,988	-	3,988
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>308,273</u>	<u>308,273</u>	-	<u>308,273</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 ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 750	\$ 750	\$ -	\$ 750
Computer Software	108	108	-	108
Subs. & Dues	153	153	-	153
Printing Tickets	795	795	-	795
Total Court	<u>1,806</u>	<u>1,806</u>	<u>-</u>	<u>1,806</u>
Recreation Complex:				
Lifeguard Salaries	6,249	6,249	-	6,249
Life Guard - Payroll Taxes	586	586	-	586
Telephone - 911	672	672	-	672
Pool House - Utilities	4,064	4,064	-	4,064
Community Center - Utilities	1,470	1,470	-	1,470
Community Center - Maintenance	2,595	2,595	-	2,595
Community Center - Elevator Inspection	210	210	-	210
Pool Expense	5,122	5,122	-	5,122
Total Recreation Complex	<u>20,968</u>	<u>20,968</u>	<u>-</u>	<u>20,968</u>
General Safety/Maintenance:				
Animal Control	11,104	11,104	-	11,104
Ambulance	25,000	25,000	-	25,000
Fire Department	33,750	33,750	-	33,750
Street Lights	14,902	14,902	-	14,902
Road Repair	3,407	3,407	-	3,407
Capital Improvement	15,160	15,160	-	15,160
Property Purchase	1,153	1,153	-	1,153
City Property Bulkhead	25,050	25,050	-	25,050
Contingency	22,812	22,812	-	22,812
Insurance	21,077	21,077	-	21,077
Windstorm Insurance	11,551	11,551	-	11,551
Flood Insurance	567	567	-	567
Infrastructure - repairs	1,900	1,900	-	1,900
Depreciation	-	-	106,425	106,425
Total General Safety/Maintenance	<u>187,433</u>	<u>187,433</u>	<u>106,425</u>	<u>293,858</u>
Total Expenditures / Expenses	<u>724,748</u>	<u>724,748</u>	<u>106,425</u>	<u>831,173</u>
Net change in fund balance/net position	<u>330,665</u>	<u>330,665</u>	<u>(106,425)</u>	<u>224,240</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>\$ 965,807</u>	<u>\$ 965,807</u>	<u>\$ -</u>	<u>\$3,284,676</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, 2018**

Total fund balance - governmental funds	\$ 965,807
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>\$ 3,284,676</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, 2018**

Net change in fund balances - total governmental funds	\$ 330,665
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>\$ 224,240</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 ENDED JUNE 30, 2018

	1 MONTH	YTD	2017-2018	REMAINING	REMAINING
	06/30/2018	06/30/2018	BUDGET	BUDGET	BUDGET %
Revenues					
Ad Valorem Taxes	\$ 8,102	\$ 730,714	\$ 751,256	\$ 20,542	2.73
Franchise Taxes	9,654	79,924	100,000	20,076	20.08
Sales Tax	7,509	90,953	95,000	4,047	4.26
Sales Tax Road Repair	1,251	22,467	15,833	(6,634)	(41.90)
Building Permits	2,700	21,466	20,600	(866)	(4.20)
City - Revenue Other	32,241	61,245	23,000	(38,245)	(166.28)
Interest	221	1,818	2,000	182	9.10
Court - Fees And Fines	2,977	22,285	20,000	(2,285)	(11.43)
Court - Administration Fees	883	8,016	10,000	1,984	19.84
Rental - Community Center	(80)	3,000	5,000	2,000	40.00
Island Quilters	-	720	720	-	-
Police - Revenue Other	-	225	1,500	1,275	85.00
3rd Friday Nite	-	600	600	0	-
Daily Pool Pass	840	1,050	3,000	1,950	65.00
Individual Pass	2,180	2,180	2,000	(180)	(9.00)
Family Pass	8,750	8,750	7,500	(1,250)	(16.67)
Total Revenues	77,228	1,055,413	1,058,010	2,597	0.25
Expenditures					
Administrative:					
Salaries - City Secretary	3,468	34,109	45,000	10,891	24.20
City Secretary's - Payroll Tax	265	2,771	3,600	829	23.03
City Secretary's - Health Credit	1,471	6,620	8,221	1,601	19.48
City Secretary's - Retirement	342	1,368	1,859	491	26.39
Payroll - Court Clerk	1,955	22,853	36,774	13,921	37.86
Court Clerk's - Payroll Tax	150	1,350	2,942	1,592	54.11
Court Clerk's - Health Credit	-	-	8,221	8,221	100.00
Court Clerk's - Retirement	164	567	1,519	952	62.67
Court Clerk OT.	-	-	500	500	100.00
Legal Notices	-	877	900	23	2.56
Subs. & Dues	563	1,363	2,200	837	38.05
Office Supplies	1,157	3,357	4,500	1,143	25.40
Rent / Utilities	2,900	14,500	17,400	2,900	16.67
Postage	114	400	750	350	46.67
Telephone	121	1,146	1,560	414	26.54
IT Support	-	-	1,000	1,000	100.00
Internet	259	1,587	1,550	(37)	(2.39)
Printing	678	678	200	(478)	(239.00)
Election	4,303	4,303	7,000	2,697	38.53
Website Host	9	80	135	55	40.74
Records Mgt / B. Up	525	525	1,200	675	56.25
Bank Charges	23	232	750	518	69.07
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	18,467	98,816	148,556	49,740	33.48

**IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDED JUNE 30, 2018**

	1 MONTH 06/30/2018	YTD 06/30/2018	2017-2018 BUDGET	REMAINING BUDGET	REMAINING BUDGET %
Professional:					
Judge	\$ 1,100	\$ 9,900	\$ 13,200	\$ 3,300	25.00
City Attorney	0	19,040	35,000	15,960	45.60
Court Prosecutor	600	5,400	7,200	1,800	25.00
City Maintenance	1,302	12,380	16,120	3,740	23.20
Cm - Payroll Tax	123	1,659	1,290	(369)	(28.64)
Building Inspector	900	11,700	15,600	3,900	25.00
Building Inspector Payroll Tax	85	1,034	1,248	214	17.15
Building Inspector Training			1,000	1,000	100.00
Mowing Contract	1,870	18,310	25,000	6,690	26.76
Force Mow	-	2,100	2,750	650	23.64
Accounting	1,010	9,600	11,500	1,900	16.52
Audit Fee	5,800	11,800	6,000	(5,800)	(96.67)
Tax Collection	-	168	375	207	55.20
Court Appraisal	1,452	4,361	4,250	(111)	(2.61)
Fire Marshal	-	-	1,000	1,000	100.00
Total Professional	14,242	107,452	141,533	34,081	24.08
Police Department:					
Salaries - Chief	4,389	43,813	54,000	10,187	18.86
Chief - Payroll Tax	336	3,514	4,320	806	18.66
Health Credit - Chief	35	133	8,221	8,088	98.38
Chief - Retirement	424	1,758	2,230	472	21.17
Salaries - Captain	-	28,699	47,091	18,392	39.06
Captain - Payroll Tax	-	2,357	3,767	1,410	37.44
Health Credit - Captain	736	5,885	8,221	2,336	28.42
Captain - Retirement	254	879	1,945	1,066	54.80
Payroll - Patrol - F.T.	18,028	154,222	172,850	18,628	10.78
Patrol Officer - Payroll Tax - F.T.	1,443	12,692	13,828	1,136	8.22
Patrol Officer - Health Credit	4,770	24,033	32,885	8,852	26.92
Patrol Officer - Retirement	1,232	4,803	7,139	2,336	32.72
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	-	333	500	167	33.40
Office Supplies	16	2,210	2,300	90	3.91
Postage	22	(4)	150	154	102.67
Uniforms	291	3,444	1,500	(1,944)	(129.60)
Telephone	239	2,126	3,200	1,074	33.56
911-Dispatching	-	-	1,200	1,200	100.00
Small Equipment	-	1,815	6,000	4,185	69.75
Fuel	1,090	9,422	11,000	1,578	14.35
Vehicle - Repair/Maintenance	442	3,988	5,000	1,012	20.24
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	33,747	308,273	409,648	101,375	24.75

**IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDED JUNE 30, 2018**

	1 MONTH 06/30/2018	YTD 06/30/2018	2017-2018 BUDGET	REMAINING BUDGET	REMAINING BUDGET %
Court:					
Prisoner Housing	\$ 175	\$ 750	\$ 500	\$ (250)	(50.00)
Office Supplies / Equip.	-	-	500	500	100.00
Training	-	-	2,000	2,000	100.00
Computer Software	-	108	1,750	1,642	93.83
Subs. & Dues	-	153	100	(53)	(53.00)
Printing Tickets	-	795	1,000	205	20.50
Total Court	175	1,806	5,850	4,044	69.13
Recreation Complex:					
Lifeguard Salaries	5,968	6,249	20,000	13,751	68.76
Life Guard - Payroll Taxes	564	586	1,600	1,014	63.38
Pool House Maint.	-	-	600	600	100.00
Telephone - 911	74	672	950	278	29.26
Pool House - Utilities	588	4,064	10,000	5,936	59.36
Community Center - Utilities	-	1,470	3,000	1,530	51.00
Center Maint.	920	2,595	4,500	1,905	42.33
Center Elevator	-	210	4,500	4,290	95.33
Pool Expense	1,568	5,122	5,000	(122)	(2.44)
Pool Repairs	-	-	4,000	4,000	100.00
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	9,682	20,968	59,150	38,182	64.55
General Safety/Maintenance:					
Animal Control	-	11,104	11,312	208	1.84
Ambulance	-	25,000	25,000	0	-
Fire Department	3,750	33,750	45,000	11,250	25.00
Street Lights	585	14,902	13,500	(1,402)	(10.39)
New Street Lights	-	-	9,000	9,000	100.00
Road Repair	-	3,407	15,833	12,426	78.48
Capital Improvement	-	15,160	27,190	12,030	44.24
Property Purchase	-	1,153	19,150	17,997	93.98
Blkhd/Outfall Mod.	-	-	2,000	2,000	100.00
City Property Bulkhead	-	25,050	27,000	1,950	7.22
Contingency	422	22,812	50,189	27,377	54.55
Insurance	-	21,077	20,000	(1,077)	(5.39)
Windstorm Ins.	11,551	11,551	12,600	1,049	8.33
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	16,308	187,433	293,273	105,840	36.09
Total Expenditures	92,621	724,748	1,058,010	333,262	31.50
Net change in fund balance/net position	\$ (15,393)	\$ 330,665	\$ (0)	\$ (330,665)	
Fund balance/net position, beginning of year	1	635,142			
Fund balance/net position, end of year	\$ (15,392)	\$ 965,807			