

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
PERIOD ENDED MAY 31, 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 May 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 seven months and the period ended May 31, 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.

Texas City, TX
June 26, 2018



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

Assets

	General Fund	Adjustments	Statement of Net Position
Cash and cash equivalents	\$ 1,047,709	\$ -	\$ 1,047,709
Receivables, net of allowance	49,634	-	49,634
Prepaid items	35,162	-	35,162
Capital assets, net of accumulated depreciation:			
Capital assets not being depreciated	-	232,453	232,453
Capital assets, being depreciated	-	2,201,697	2,201,697
Total Assets	\$ 1,132,505	\$ 2,434,150	\$ 3,566,655
Deferred outflows - pension	-	320,522	320,522

Liabilities

Current liabilities:			
Accounts payable and accrued liabilities	\$ 41,253	\$ -	\$ 41,253
Deposits	2,355	-	2,355
Builder bond payable	13,025	-	13,025
Unearned revenue - other	44,561	-	44,561
State court costs	15,890	-	15,890
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	117,084	423,978	541,062
Deferred Inflows of Resources			
Unavailable property taxes	49,634	-	49,634

Fund Balances/Net Position

Nonspendable - Prepaid items	35,162	(35,162)	-
Unassigned	605,700	(605,700)	-
Assigned to contingency reserves	198,330	(198,330)	-
Assigned to capital improvements	27,377	(27,377)	-
Assigned to road repairs	99,218	(99,218)	-
Total Fund Balances	965,787	(965,787)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,132,505	\$ (541,809)	\$ 590,696

Net Position

Net investment in capital assets		2,434,150	2,434,150
Restricted - debt service		129,438	129,438
Unrestricted		732,893	732,893
Total Net Position		\$ 3,296,481	\$ 3,296,481

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 MAY 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 722,612	\$ 722,612	\$ -	\$ 722,612
Franchise Taxes	70,270	70,270	-	70,270
Sales Tax	83,444	83,444	-	83,444
Sales Tax Road Repair	21,216	21,216	-	21,216
Building Permits	18,766	18,766	-	18,766
City - Revenue Other	29,004	29,004	-	29,004
Interest	1,597	1,597	-	1,597
Court - Fees And Fines	19,308	19,308	-	19,308
Court - Administration Fees	7,133	7,133	-	7,133
Rental - Community Center	3,080	3,080	-	3,080
Club - 3rd Friday Night	600	600	-	600
Island Quilters	720	720	-	720
Pool - Daily	3,110	3,110	-	3,110
Police - Revenue Other	225	225	-	225
Total Revenues	\$ 981,085	\$ 981,085	\$ -	\$ 981,085
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	30,641	30,641	-	30,641
City Secretary's - Payroll Tax	2,506	2,506	-	2,506
City Secretary's - Health Credit	5,149	5,149	-	5,149
City Secretary's - Retirement	1,026	1,026	-	1,026
Payroll - Court Clerk	20,898	20,898	-	20,898
Court Clerk's - Payroll Tax	1,200	1,200	-	1,200
Court Clerk's - Retirement	403	403	-	403
Legal Notices	877	877	-	877
Subscription / Dues	800	800	-	800
Office Supplies	2,200	2,200	-	2,200
Rent / Utilities	11,600	11,600	-	11,600
Postage	286	286	-	286
Telephone	1,025	1,025	-	1,025
Internet - Comcast	1,328	1,328	-	1,328
Printing	438	438	-	438
Website Host	71	71	-	71
Records Mgt / B. Up	525	525	-	525
Bank Charges	209	209	-	209
Flower Fund	130	130	-	130
Total Administrative	81,312	81,312	-	81,312

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

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 8,800	\$ 8,800	\$ -	\$ 8,800
City Attorney	19,040	19,040	-	19,040
Prosecutor	4,800	4,800	-	4,800
City Maintenance	11,078	11,078	-	11,078
Cm - Payroll Tax	1,536	1,536	-	1,536
Building Inspector	10,800	10,800	-	10,800
Building Inspector Payroll Tax	949	949	-	949
Mowing Contract	16,440	16,440	-	16,440
Property Maintenance Mowing	2,100	2,100	-	2,100
Accounting	8,590	8,590	-	8,590
Audit	11,800	11,800	-	11,800
Tax Collection	168	168	-	168
Central Appraisal District	2,909	2,909	-	2,909
Total Professional	<u>99,010</u>	<u>99,010</u>	<u>-</u>	<u>99,010</u>
Police Department:				
Salaries - Chief	39,424	39,424	-	39,424
Chief - Payroll Tax	3,178	3,178	-	3,178
Health Credit - Chief	98	98	-	98
Chief - Retirement	1,334	1,334	-	1,334
Salaries - Captain	28,699	28,699	-	28,699
Captain - Payroll Tax	2,357	2,357	-	2,357
Health Credit - Captain	5,149	5,149	-	5,149
Captain - Retirement	625	625	-	625
Payroll - Patrol - F.T.	136,194	136,194	-	136,194
Patrol Officer - Payroll Tax	11,249	11,249	-	11,249
Health Credit - Patrol	19,263	19,263	-	19,263
Patrol - Retirement	3,571	3,571	-	3,571
Subscription / Dues	333	333	-	333
Office Supplies	2,194	2,194	-	2,194
Postage	(26)	(26)	-	(26)
Uniforms	3,153	3,153	-	3,153
Telephone	1,887	1,887	-	1,887
Small Equipment	1,815	1,815	-	1,815
Vehicle Fuel	8,332	8,332	-	8,332
Vehicle - Repair/Maintenance	3,546	3,546	-	3,546
O.S.I - Radio	1,260	1,260	-	1,260
Random Drug Testing	94	94	-	94
Police Training	797	797	-	797
Total Police Department	<u>274,526</u>	<u>274,526</u>	<u>-</u>	<u>274,526</u>

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

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 575	\$ 575	\$ -	\$ 575
Computer Software	108	108	-	108
Subs. & Dues	153	153	-	153
Printing Tickets	795	795	-	795
Total Court	<u>1,631</u>	<u>1,631</u>	<u>-</u>	<u>1,631</u>
Recreation Complex:				
Lifeguard Salaries	281	281	-	281
Life Guard - Payroll Taxes	22	22	-	22
Telephone - 911	598	598	-	598
Pool House - Utilities	3,476	3,476	-	3,476
Community Center - Utilities	1,470	1,470	-	1,470
Community Center - Maintenance	1,675	1,675	-	1,675
Community Center - Elevator Inspection	210	210	-	210
Pool Expense	3,554	3,554	-	3,554
Total Recreation Complex	<u>11,286</u>	<u>11,286</u>	<u>-</u>	<u>11,286</u>
General Safety/Maintenance:				
Animal Control	11,104	11,104	-	11,104
Ambulance	25,000	25,000	-	25,000
Fire Department	30,000	30,000	-	30,000
Street Lights	14,317	14,317	-	14,317
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	22,390	22,390	-	22,390
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	-	-	94,600	94,600
Total General Safety/Maintenance	<u>182,676</u>	<u>182,676</u>	<u>94,600</u>	<u>277,276</u>
Total Expenditures / Expenses	<u>650,441</u>	<u>650,441</u>	<u>94,600</u>	<u>745,041</u>
Net change in fund balance/net position	<u>330,644</u>	<u>330,644</u>	<u>(94,600)</u>	<u>236,044</u>
Fund balance/net position, beginning of year	<u>635,143</u>	<u>635,143</u>	<u>-</u>	<u>3,060,436</u>
Fund balance/net position, end of year	<u>\$ 965,787</u>	<u>\$ 965,787</u>	<u>\$ -</u>	<u>\$3,296,480</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 MAY 31, 2018**

Total fund balance - governmental funds	\$ 965,787
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,434,150
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	\$ 3,296,481

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE PERIOD ENDED MAY 31, 2018**

Net change in fund balances - total governmental funds	\$ 330,644
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	(94,600)
Change in net position of governmental activities	\$ 236,044

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 MAY 31, 2018

	1 MONTH	YTD	2017-2018	REMAINING	REMAINING
	05/31/2018	05/31/2018	BUDGET	BUDGET	BUDGET %
Revenues					
Ad Valorem Taxes	\$ 11,808	\$ 722,612	\$ 751,256	\$ 28,644	3.81
Franchise Taxes	15,185	70,270	100,000	29,730	29.73
Sales Tax	8,458	83,444	95,000	11,556	12.16
Sales Tax Road Repair	1,410	21,216	15,833	(5,383)	(34.00)
Building Permits	2,425	18,766	20,000	1,234	6.17
City - Revenue Other	6,950	29,004	2,000	(27,004)	(1,350.20)
Interest	235	1,597	1,200	(397)	(33.08)
Court - Fees And Fines	1,942	19,308	18,000	(1,308)	(7.27)
Court - Administration Fees	604	7,133	4,000	(3,133)	(78.33)
Rental - Community Center	120	3,080	5,000	1,920	38.40
Island Quilters	-	720	600	(120)	(20.00)
Police - Revenue Other	-	225	1,500	1,275	85.00
3rd Friday Nite	300	600	600	0	-
Morning Quilters	-	-	600	600	100.00
Daily Pool Pass	-	210	3,000	2,790	93.00
Individual Pass	875	875	2,000	1,125	56.25
Family Pass	2,025	2,025	7,500	5,475	73.00
Total Revenues	52,337	981,085	1,028,090	47,005	4.57
Expenditures					
Administrative:					
Salaries - City Secretary	5,204	30,641	45,000	14,359	31.91
City Secretary's - Payroll Tax	398	2,506	3,600	1,094	30.39
City Secretary's - Health Credit	-	5,149	8,221	3,072	37.37
City Secretary's - Retirement	137	1,026	1,859	833	44.79
Payroll - Court Clerk	2,193	20,898	36,774	15,876	43.17
Court Clerk's - Payroll Tax	167	1,200	2,942	1,742	59.21
Court Clerk's - Health Credit	-	-	8,221	8,221	100.00
Court Clerk's - Retirement	99	403	1,519	1,116	73.47
Court Clerk OT.	-	-	500	500	100.00
Legal Notices	198	877	900	23	2.56
Subs. & Dues	-	800	2,200	1,400	63.64
Office Supplies	645	2,200	4,500	2,300	51.11
Rent / Utilities	1,450	11,600	17,400	5,800	33.33
Postage	14	286	750	464	61.87
Telephone	120	1,025	1,560	535	34.29
IT Support	-	-	1,000	1,000	100.00
Internet	-	1,328	1,550	222	14.32
Printing	438	438	200	(238)	(119.00)
Election	-	-	7,000	7,000	100.00
Website Host	9	71	135	64	47.41
Records Mgt / B. Up	525	525	1,200	675	56.25
Bank Charges	23	209	750	541	72.13
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	11,620	81,312	148,556	67,244	45.26

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - continued
IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDED MAY 31, 2018

	1 MONTH	YTD	2017-2018	REMAINING	REMAINING
	05/31/2018	05/31/2018	BUDGET	BUDGET	BUDGET %
Professional:					
Judge	\$ 1,100	\$ 8,800	\$ 13,200	\$ 4,400	33.33
City Attorney	1,059	19,040	35,000	15,960	45.60
Court Prosecutor	600	4,800	7,200	2,400	33.33
City Maintenance	2,294	11,078	16,120	5,042	31.28
Cm - Payroll Tax	217	1,536	1,290	(246)	(19.11)
Building Inspector	1,800	10,800	15,600	4,800	30.77
Building Inspector Payroll Tax	170	949	1,248	299	23.96
Building Inspector Training			1,000	1,000	100.00
Mowing Contract	0	16,440	25,000	8,560	34.24
Force Mow	-	2,100	750	(1,350)	(180.00)
Accounting	1,283	8,590	11,500	2,910	25.30
Audit Fee	5,800	11,800	6,000	(5,800)	(96.67)
Tax Collection	-	168	375	207	55.20
Court Appraisal	-	2,909	4,250	1,341	31.55
Fire Marshal	-	-	1,000	1,000	100.00
Total Professional	14,323	99,010	139,533	40,523	29.04
Police Department:					
Salaries - Chief	6,337	39,424	54,000	14,576	26.99
Chief - Payroll Tax	485	3,178	4,320	1,142	26.44
Health Credit - Chief	-	98	8,221	8,123	98.81
Chief - Retirement	189	1,334	2,230	896	40.18
Salaries - Captain	2,762	28,699	47,091	18,392	39.06
Captain - Payroll Tax	211	2,357	3,767	1,410	37.44
Health Credit - Captain	-	5,149	8,221	3,072	37.37
Captain - Retirement	54	625	1,945	1,320	67.86
Payroll - Patrol - F.T.	28,941	136,194	172,850	36,656	21.21
Patrol Officer - Payroll Tax - F.T.	2,357	11,249	13,828	2,579	18.65
Patrol Officer - Health Credit	-	19,263	32,885	13,622	41.42
Patrol Officer - Retirement	553	3,571	7,139	3,568	49.98
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	298	2,194	2,300	106	4.61
Postage	-	(26)	150	176	117.33
Uniforms	-	3,153	1,500	(1,653)	(110.20)
Telephone	245	1,887	3,200	1,313	41.03
911-Dispatching	-	-	1,200	1,200	100.00
Small Equipment	-	1,815	6,000	4,185	69.75
Fuel	-	8,332	11,000	2,668	24.25
Vehicle - Repair/Maintenance	73	3,546	5,000	1,454	29.08
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	42,505	274,526	409,648	135,122	32.98

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - continued
IN FUND BALANCE, BUDGET AND ACTUAL - GENERAL FUND
FOR THE PERIOD ENDED MAY 31, 2018

	1 MONTH	YTD	2017-2018	REMAINING	REMAINING
	05/31/2018	05/31/2018	BUDGET	BUDGET	BUDGET %
Court:					
Prisoner Housing	\$ 50	\$ 575	\$ 500	\$ (75)	(15.00)
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	500	(295)	(59.00)
Total Court	50	1,631	5,350	3,719	69.51
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	-	598	950	352	37.05
Pool House - Utilities	409	3,476	10,000	6,524	65.24
Community Center - Utilities	800	1,470	3,000	1,530	51.00
Center Maint.	221	1,675	4,500	2,825	62.78
Center Elevator	-	210	4,500	4,290	95.33
Pool Expense	262	3,554	5,000	1,446	28.92
Pool Repairs	-	-	4,000	4,000	100.00
Paint Trim/Deck	-	-	5,000	5,000	100.00
Total Recreation Complex	1,692	11,286	59,150	47,864	80.92
General Safety/Maintenance:					
Animal Control	2,828	11,104	11,312	208	1.84
Ambulance	6,250	25,000	25,000	0	-
Fire Department	3,750	30,000	45,000	15,000	33.33
Street Lights	1,067	14,317	13,000	(1,317)	(10.13)
New Street Lights	-	-	9,000	9,000	100.00
Road Repair	-	3,407	15,833	12,426	78.48
Capital Improvement	14,410	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	12,650	25,050	27,000	1,950	7.22
Contingency	14,282	22,390	23,869	1,479	6.20
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	66,788	182,676	266,453	83,777	31.44
Total Expenditures	136,978	650,441	1,028,690	378,249	36.77
Net change in fund balance/net position	\$ (84,641)	\$ 330,644	\$ (600)	\$ (331,244)	
Fund balance/net position, beginning of year	2	635,143			
Fund balance/net position, end of year	\$ (84,639)	\$ 965,787			