

CITY OF BAYOU VISTA
FINANCIAL STATEMENTS
PERIOD ENDED DECEMBER 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 December 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 December 31, 2018, and the related statement of activities and governmental fund revenues and expenditures, and changes in fund balances for 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, the schedule of changes in net pension liability and related ratios, and the schedule of employer contributions 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
February 21, 2019

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

Assets

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and cash equivalents	\$ 975,310	\$ -	\$ 975,310
Receivables, net of allowance	545,168	-	545,168
Prepaid items	19,682	-	19,682
Capital assets, net of accumulated depreciation:			
Capital assets not being depreciated	-	232,453	232,453
Capital assets, being depreciated	-	1,977,024	1,977,024
Total Assets	\$ 1,540,160	\$ 2,209,477	\$ 3,749,637
Deferred outflows - pension	-	360,097	360,097

Liabilities

Current liabilities:			
Accounts payable and accrued liabilities	\$ 53,231	\$ -	\$ 53,231
Deposits	1,895	-	1,895
Builder bond payable	13,025	-	13,025
Unearned revenue - other	26,279	-	26,279
State court costs	12,773	-	12,773
Noncurrent liabilities:			
Limited taxnotes - non-current	-	122,000	122,000
Net pension liability	-	337,912	337,912
Total Liabilities	107,203	459,912	567,115

Deferred Inflows of Resources

Unavailable property taxes	545,168	-	545,168
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Fund Balances/Net Position

Nonspendable - Prepaid items	19,682	(19,682)	-
Unassigned	522,737	(522,737)	-
Assigned to contingency reserves	198,718	(198,718)	-
Assigned to capital improvements	27,412	(27,412)	-
Assigned to road repairs	119,240	(119,240)	-
Total Fund Balances	887,789	(887,789)	-

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

\$ 1,540,160	\$ (427,877)	\$ 1,112,283
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Net Position

Investment in capital assets	2,209,477	2,209,477
Restricted - debt service	122,000	122,000
Unrestricted	665,974	665,974
Total Net Position	\$ 2,997,451	\$ 2,997,451

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 DECEMBER 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Ad Valorem Taxes	\$ 251,388	\$ 251,388	\$ -	\$ 251,388
Franchise Taxes	29,231	29,231	-	29,231
Sales Tax	25,824	25,824	-	25,824
Sales Tax Road Repair	4,118	4,118	-	4,118
Building Permits	8,158	8,158	-	8,158
City - Revenue Other	23,325	23,325	-	23,325
Interest	1,052	1,052	-	1,052
Court - Fees And Fines	3,021	3,021	-	3,021
Court - Administration Fees	1,786	1,786	-	1,786
Rental - Community Center	1,070	1,070	-	1,070
Island Quilters	540	540	-	540
Pool - Daily	125	125	-	125
Police - Revenue Other	1,050	1,050	-	1,050
Total Revenues	\$ 350,688	\$ 350,688	\$ -	\$ 350,688
Expenditures / Expenses				
Administrative:				
Salaries - City Secretary	12,808	12,808	-	12,808
City Secretary's - Payroll Tax	980	980	-	980
City Secretary's - Health Credit	3,792	3,792	-	3,792
City Secretary's - Retirement	506	506	-	506
Payroll - Court Clerk	8,548	8,548	-	8,548
Court Clerk's - Payroll Tax	654	654	-	654
Court Clerk's - Health Credit	557	557	-	557
Court Clerk's - Retirement	338	338	-	338
Legal Notices	258	258	-	258
Subscription / Dues	535	535	-	535
Office Supplies	707	707	-	707
Rent / Utilities	4,650	4,650	-	4,650
Telephone	362	362	-	362
Internet - Comcast	1,036	1,036	-	1,036
Website Host	27	27	-	27
Records Mgt / B. Up	60	60	-	60
Bank Charges	123	123	-	123
Total Administrative	35,941	35,941	-	35,941

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 DECEMBER 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Professional:				
Municipal Court Judge	\$ 3,300	\$ 3,300	\$ -	\$ 3,300
City Attorney	10,807	10,807	-	10,807
Prosecutor	1,800	1,800	-	1,800
City Maintenance	4,654	4,654	-	4,654
Cm - Payroll Tax	356	356	-	356
Building Inspector	4,874	4,874	-	4,874
Building Inspector Payroll Tax	373	373	-	373
Mowing Contract	7,480	7,480	-	7,480
Property Maintenance Mowing	275	275	-	275
Accounting	3,912	3,912	-	3,912
Central Appraisal District	1,422	1,422	-	1,422
Total Professional	<u>39,253</u>	<u>39,253</u>	<u>-</u>	<u>39,253</u>
Police Department:				
Salaries - Chief	13,416	13,416	-	13,416
Chief - Payroll Tax	1,265	1,265	-	1,265
Health Credit - Chief	427	427	-	427
Chief - Retirement	653	653	-	653
Payroll - Patrol - F.T.	57,773	57,773	-	57,773
Patrol Officer - Payroll Tax	5,356	5,356	-	5,356
Payroll - Patrol - P.T.	4,215	4,215	-	4,215
Police Department P.T. - Payroll Tax	290	290	-	290
Police Department Overtime	14,478	14,478	-	14,478
Health Credit - Patrol	15,775	15,775	-	15,775
Patrol - Retirement	2,765	2,765	-	2,765
Subscription / Dues	346	346	-	346
Office Supplies	869	869	-	869
Postage	97	97	-	97
Uniforms	451	451	-	451
Telephone	735	735	-	735
Vehicle Fuel	4,531	4,531	-	4,531
Vehicle - Repair/Maintenance	622	622	-	622
Police Training	1,230	1,230	-	1,230
Total Police Department	<u>125,294</u>	<u>125,294</u>	<u>-</u>	<u>125,294</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 DECEMBER 31, 2018

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Court:				
Prisoner Housing	\$ 75	\$ 75	\$ -	\$ 75
Office Supplies / Equip.	117	117	-	117
Computer Software	48	48	-	48
Total Court	<u>240</u>	<u>240</u>	<u>-</u>	<u>240</u>
Recreation Complex:				
Telephone - 911	380	380	-	380
Pool House - Utilities	1,762	1,762	-	1,762
Community Center - Utilities	558	558	-	558
Community Center - Maintenance	1,856	1,856	-	1,856
Pool Expense	677	677	-	677
Total Recreation Complex	<u>5,233</u>	<u>5,233</u>	<u>-</u>	<u>5,233</u>
General Safety/Maintenance:				
Animal Control	2,856	2,856	-	2,856
Ambulance	6,250	6,250	-	6,250
Fire Department	11,250	11,250	-	11,250
Street Lights	4,729	4,729	-	4,729
Contingency	7,558	7,558	-	7,558
Insurance	37,655	37,655	-	37,655
Flood Insurance	581	581	-	581
Depreciation	-	-	35,475	35,475
Total General Safety/Maintenance	<u>70,879</u>	<u>70,879</u>	<u>35,475</u>	<u>106,354</u>
Total Expenditures / Expenses	<u>276,840</u>	<u>276,840</u>	<u>35,475</u>	<u>312,315</u>
Net change in fund balance	<u>73,848</u>	<u>73,848</u>	<u>(35,475)</u>	<u>38,373</u>
Net position, beginning of year	<u>813,941</u>	<u>813,941</u>	<u>-</u>	<u>2,959,078</u>
Net position, end of year	<u>\$ 887,789</u>	<u>\$ 887,789</u>	<u>\$ -</u>	<u>\$ 2,997,451</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 DECEMBER 31, 2018**

Total fund balance - governmental funds	\$ 887,789
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,209,477
Pension assets, net of pension liabilities, are not financial resources and therefore, are not reported in the funds	22,185
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)
Net position of governmental activities	<u>\$ 2,997,451</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 DECEMBER 31, 2018**

Net change in fund balances - total governmental funds	\$ 73,848
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	(35,475)
Change in net position of governmental activities	<u>\$ 38,373</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 DECEMBER 31, 2018

	1 MONTH	YTD	2018-2019	REMAINING	REMAINING
	12/31/2018	12/31/2018	BUDGET	BUDGET	BUDGET %
Revenues					
Ad Valorem Taxes	\$ 177,929	\$ 251,388	\$ 765,970	\$ 514,582	67.18
Franchise Taxes	4,943	29,231	100,000	70,769	70.77
Sales Tax	7,793	25,824	100,000	74,176	74.18
Sales Tax Road Repair	1,299	4,118	16,667	12,549	75.29
Building Permits	1,887	8,158	25,000	16,842	67.37
City - Revenue Other	7,904	23,325	7,500	(15,825)	(211.00)
Interest	353	1,052	2,200	1,148	52.18
Court - Fees And Fines	97	3,021	25,000	21,979	87.92
Court - Administration Fees	417	1,786	8,000	6,214	77.68
Rental - Community Center	795	1,070	5,000	3,930	78.60
Island Quilters	540	540	720	180	25.00
Police - Revenue Other	1,050	1,050	500	(550)	(110.00)
3rd Friday Nite	-	-	600	600	100.00
Daily Pool Pass	-	125	3,000	2,875	95.83
Total Revenues	205,007	350,688	1,069,657	718,969	67.21
Expenditures					
Administrative:					
Salaries - City Secretary	3,691	12,808	48,000	35,192	73.32
City Secretary's - Payroll Tax	283	980	3,840	2,860	74.48
City Secretary's - Health Credit	1,020	3,792	9,100	5,308	58.33
City Secretary's - Retirement	292	506	1,896	1,390	73.31
Payroll - Court Clerk	1,849	8,548	38,854	30,306	78.00
Court Clerk's - Payroll Tax	142	654	3,108	2,454	78.96
Court Clerk's - Health Credit	247	557	9,100	8,543	93.88
Court Clerk's - Retirement	182	338	1,535	1,197	77.98
Court Clerk OT.	-	-	500	500	100.00
Legal Notices	258	258	1,000	742	74.20
Subs. & Dues	335	535	2,200	1,665	75.68
Office Supplies	107	707	4,500	3,793	84.29
Rent / Utilities	1,550	4,650	18,600	13,950	75.00
Postage	-	-	750	750	100.00
Telephone	121	362	1,560	1,198	76.79
IT Support	-	-	1,000	1,000	100.00
Internet	518	1,036	2,275	1,239	54.46
Printing	-	-	500	500	100.00
Special Events	-	-	5,000	5,000	100.00
Election	-	-	7,000	7,000	100.00
Website Host	9	27	135	108	80.00
Records Mgt / B. Up	-	60	1,200	1,140	95.00
Bank Charges	63	123	500	377	75.40
Total Administrative	10,667	35,941	162,928	126,987	77.94

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

	1 MONTH	YTD	2018-2019	REMAINING	REMAINING
	12/31/2018	12/31/2018	BUDGET	BUDGET	BUDGET %
Professional:					
Judge	\$ 1,100	\$ 3,300	\$ 13,200	\$ 9,900	75.00
City Attorney	\$ 3,204	10,807	35,000	24,193	69.12
Court Prosecutor	\$ 600	1,800	7,200	5,400	75.00
City Maintenance	\$ 1,662	4,654	16,500	11,846	71.79
Cm - Payroll Tax	\$ 127	356	1,320	964	73.03
Building Inspector	\$ 1,644	4,874	17,100	12,226	71.50
Building Inspector Payroll Tax	\$ 126	373	1,368	995	72.73
Building Inspector Training	\$ -	-	1,000	1,000	100.00
Mowing Contract	\$ 3,740	7,480	25,000	17,520	70.08
Force Mow	\$ -	275	1,500	1,225	81.67
Accounting	\$ 2,987	3,912	13,000	9,088	69.91
Audit Fee	\$ -	-	6,000	6,000	100.00
Tax Collection	\$ -	-	375	375	100.00
Court Appraisal	\$ 1,422	1,422	4,250	2,828	66.54
Total Professional	16,612	39,253	143,813	104,560	72.71
Police Department:					
Salaries - Chief	3,578	13,416	60,000	46,584	77.64
Chief - Payroll Tax	353	1,265	4,800	3,535	73.65
Health Credit - Chief	181	427	9,200	8,773	95.36
Chief - Retirement	389	653	2,370	1,717	72.45
Payroll - Patrol - F.T.	16,636	57,773	233,000	175,227	75.20
Patrol Officer - Payroll Tax - F.T.	1,538	5,356	18,640	13,284	71.27
Patrol Officer - Health Credit	4,210	15,775	45,500	29,725	65.33
Patrol Officer - Retirement	1,637	2,765	9,204	6,439	69.96
Payroll - Patrol - P.T.	1,880	4,215	10,000	5,785	57.85
Patrol Officer - Payroll Tax - P.T.	144	290	800	510	63.75
Police Department Overtime	4,223	14,478	5,000	(9,478)	(189.56)
Subs. & Dues	16	346	500	154	30.80
Office Supplies	66	869	2,500	1,631	65.24
Postage	-	97	150	53	35.33
Uniforms	280	451	2,500	2,049	81.96
Telephone	369	735	3,200	2,465	77.03
911-Dispatching	-	-	1,200	1,200	100.00
Small Equipment	-	-	5,000	5,000	100.00
Fuel	1,610	4,531	15,000	10,469	69.79
Vehicle - Repair/Maintenance	-	622	5,000	4,378	87.56
O.S.S.I. Radio	-	-	2,000	2,000	100.00
New Car	-	-	10,000	10,000	100.00
License/Software/MDT	-	-	1,500	1,500	100.00
Random Drug Testing	-	-	500	500	100.00
Police Training	-	1,230	2,500	1,270	50.80
Total Police Department	37,110	125,294	450,065	324,771	72.16

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 DECEMBER 31, 2018

	1 MONTH	YTD	2018-2019	REMAINING	REMAINING
	12/31/2018	12/31/2018	BUDGET	BUDGET	BUDGET %
Court:					
Prisoner Housing	\$ -	\$ 75	\$ 500	\$ 425	85.00
Office Supplies / Equip.	\$ -	117	500	383	76.60
Training	\$ -	-	1,000	1,000	100.00
Computer Software	\$ -	48	1,500	1,452	96.80
Total Court	-	240	4,550	4,310	94.73
Telephone - 911	238	380	950	570	60.00
Pool House - Utilities	468	1,762	10,000	8,238	82.38
Community Center - Utilities	135	558	3,000	2,442	81.40
Center Maint.	33	1,856	4,500	2,644	58.76
Center Elevator	-	-	4,500	4,500	100.00
Pool Expense	-	677	5,000	4,323	86.46
Total Recreation Complex	874	5,233	59,550	54,317	91.21
General Safety/Maintenance:					
Animal Control	-	2,856	11,500	8,644	75.17
Ambulance	-	6,250	25,000	18,750	75.00
Fire Department	3,750	11,250	45,000	33,750	75.00
Street Lights	1,192	4,729	5,000	271	5.42
New Street Lights	-	-	1,000	1,000	100.00
Road Repair	-	-	16,667	16,667	100.00
Capital Improvement	-	-	20,000	20,000	100.00
Property Purchase	-	-	19,150	19,150	100.00
Blkh/Outfall Mod.	-	-	2,000	2,000	100.00
City Property Bulkhead	-	-	35,000	35,000	100.00
Contingency	-	7,558	16,300	8,742	53.63
Insurance	-	37,655	22,000	(15,655)	(71.16)
Windstorm Ins.	-	-	13,800	13,800	100.00
Flood	-	581	4,000	3,419	85.48
Total General Safety/Maintenance	4,942	70,879	248,751	177,872	71.51
Total Expenditures	70,205	276,840	1,069,657	792,817	74.12
Net change in fund balance/net position	\$ 134,802	\$ 73,848	\$ -	\$ (73,848)	
Fund balance/net position, beginning of year	184,800	813,941			
Fund balance/net position, end of year	\$ 319,602	\$ 887,789			