

## Memo

To: South Padre Island Economic Development Corporation Board of Directors

From: Rodrigo Gimenez, Senior Accountant

City of South Padre Island

CC: Darla Lapeyre

Date: April 11, 2011

Re: March 2011 Operating Statement

The March 2011 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of March 31, 2011 are attached for your review. Transactions summarized in the statements are those processed through the Finance Department of the City. The financial statements reflect a charge for the gift shop cost of goods sold and the inventory value for the Birding Center. The inventory value at month end is furnished to us and the cost of goods sold cost is calculated based on actual purchases and the difference between the beginning and ending inventory values supplied by EDC staff.

The loan that was approved through the Revolving Loan Program was in the amount of \$28,000, which was transferred into the Lone Star checking account. The amount EDC wired out for loan disbursement was \$27,900 so that the Lone Star bank account could remain open, The difference of \$100 was subtracted from the attorney's fee at closing resulting in a total of \$28,000 being loaned to Isla Tours, per Reyna & Associates.

The fiscal 2011 approved budget utilized the estimated ending fund balance at the time the budget was prepared for fiscal 2011. The amount estimated in May and June when the budget was prepared was \$130,000. The current ending fund balance amount is \$124,285 at September 30, 2010.

Sales Tax amounts include the February tax collections sent to the State of Texas in March and distributed to local governments in April. This April allocation payment is accrued for financial statement presentation purposes in the March operating statement.

The March operating statement also contains a summary for the City of South Padre Island's Beach Nourishment Fund reflecting an update of transactions for the year ended September 30, 2011.

"A Certified Retirement Community"



Please contact me at rgimenez@MYSPI.org at your earliest convenience should you have any questions.

"A Certified Retirement Community"

# City of South Padre Island Economic Development Corporation Balance Sheet March 31, 2011/2010

Assets	2011	2010
Cash and cash equivalents	\$4,910	\$88,139
Receivables - Sales Tax	\$36,251	\$37,043
Revolving Loan Receivable	\$27,900	\$0
Gift Shop Inventory	\$13,475	\$10,804
Due From General Fund	\$0	\$0
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$0	\$0
TOTAL ASSETS	\$82,536	\$135,985
<b>Liabilities and Fund Balances</b>		
Accounts Payable	\$0	\$10,543
Sales Tax Payable	\$754	\$2,232
Due to General Fund	\$0	\$5,609
Due to EDC Debt Service	\$0	\$0
Due to Convention Center Fund	\$0	\$0
Reserved for Emcumbrances	\$1,362	\$0
Other liabilities	\$0	(\$60)
Deferred Revenue	\$0	\$0
Total Liabilities	\$2,116	\$18,324
Fund Balance	\$80,420	\$117,661
Total Liabilities and Fund Balance	\$82,536	\$135,985

### **City of South Padre Island**

### **Economic Development Corporation**

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Six Months ended March 31, 2011 & 2010

	2011	L	2010		
	Budget	Actual	Actual		
REVENUES					
Sales Tax	\$213,555	\$206,383	\$203,447		
USDA Grant Revenue	\$0	\$9,000	\$254		
Interest Revene	\$0	\$114	\$0		
Birding Center Donations	\$21,000	\$40,675	\$0		
Birding Center Admission Fees	\$91,659	\$75,634	\$71,311		
Birding Center Gift Shop Sales	\$91,938	\$47,922	\$45,219		
Birding Center Rental Fees	\$4,312	\$5,948	\$966		
Miscellaneous Revenues	\$0	\$115	\$19		
Gross Revenues	\$422,464	\$385,791	\$321,216		
Cost of Gift Shop Sales	\$44,309	\$27,117	\$10,515		
Operating Revenues	\$378,155	\$358,674	\$310,701		
<u>EXPENDITURES</u>					
General Administrative Expenses	\$302,366	\$257,385	\$257,984		
Birding Center Expenses	\$162,382	\$145,154	\$120,994		
Total Expenditures	\$464,747	\$402,539	\$378,978		
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	(\$86,592)	(\$43,865)	(\$68,277)		
Fund balance - beginning	\$124,285	\$124,285	\$185,938		
Fund balance - ending	\$37,693	\$80,420	\$117,661		

#### MEMORANDUM

DATE: April 11, 2011

TO: EDC Board of Directors FROM: Rodrigo Gimenez

SUBJECT: Financial Report for the Six Months Ended March 31, 2011

30B0ECT. Financial Report for the	SIX WOULTS E	iliueu Maich 31	, 2011					Annual Budget		BUDGET
		Current Month			EAR TO DATE		ORIGINAL	AMENDED	REMAINING	PERCENT
DEVENUE	Actual	Budget	Variance	Actual	Budget	Variance	BUDGET	BUDGET	BUDGET	REMAINING
REVENUES	00.054	00.005	(00.054)	000 000	040.555	(7.470)	575 000	575 000	000 047	04.440/
SALES TAX	36,251	62,905	(26,654)	206,383	213,555	(7,172)	575,000	575,000	368,617	64.11%
USDA GRANT REVENUE	9,000	0	9,000	9,000	0	9,000	0	0	(9,000)	
INTEREST REVENUE	88	0	88	114	0	114	0	0	(114)	
TOTAL REVENUES EST. CARRYOVER FROM PRIOR YR	45,339	62,905	(17,566)	215,497	213,555	1,942	575,000	575,000	359,503	62.52%
TOTAL REVENUES & CARRYOVER	45,339	62,905	(17,566)	215,497	213,555	1,942	575,000	575,000	359,503	
GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	8,803	5,710	(3,093)	36,442	34,260	(2,182)	68,518	68,518	32,076	46.81%
OFFICE SUPPLIES	0	167	167	377	1,002	625	2,000	2,000	1,623	81.17%
LOCAL MEETINGS	0	58	58	22	348	326	700	700	678	96.86%
BOOKS & PUBLICATIONS	0	42	42	112	252	140	500	500	388	77.54%
POSTAGE	0	50	50	25	300	275	600	600	575	95.85%
MINOR TOOLS & EQUIP. TELEPHONE	63 228	93 192	30	2,877	1,940	(937)	2,500	2,500	(377) 961	-15.08% 41.78%
			(36)	1,339	1,152	(187)	2,300	2,300		
TRAINING EXPENSE	0	54	54	104	324	220	650	650	546	84.00%
PROFESSIONAL SVCS	2,520	667	(1,853)	9,615	4,002	(5,613)	8,000	8,000	(1,615)	-20.19%
ADVERTISING	18	417	399	18	2,502	2,484	5,000	5,000	4,982	99.64%
TRAVEL	0	250	250	0	1,500	1,500	3,000	3,000	3,000	100.00%
PROMOTIONS	0	250	250	695	1,500	805	3,000	3,000	2,305	76.83%
DUES & MEMBERSHIPS	0	333	333	2,250	1,998	(252)	4,000	4,000	1,750	43.75%
RENTAL	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	0	0	0	0	0	0	0	0	0	0.00%
BIRDING PLAN & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0.00%
LOBBYIST	3,146	3,250	104	15,646	19,500	3,854	39,000	39,000	23,354	59.88%
ECONOMIC ACTIVITY INDEX	0	0	0	0	0	0	4,400	4,400	4,400	100.00%
USDA RBEG	0	3,500	3,500	7,500	21,000	13,500	42,000	42,000	34,500	0.00%
BEACH NOURISHMENT	0	0	0	0	0	0	50,000	50,000	50,000	100.00%
TRANSFER FOR BOND PAYMENT	29,826	29,826	0	178,956	178,956	0	357,911	357,911	178,955	50.00%
MARINE SCIENCE CENTER	414	4,167	3,753	1,409	25,002	23,593	50,000	50,000	48,591	97.18%
OTHER PROJECTS	0	1,138	1,138	0	6,828	6,828	13,661	13,661	13,661	100.00%
TOTAL EXPENDITURES GENERAL										
ADMINISTRATIVE EXPENSES	45,018	50,164	5,146	257,386	302,366	44,980	657,740	657,740	400,354	60.87%
ADMINISTRATIVE OPERATING RESULTS	321	12,741	(12,420)	(41,889)	(88,811)	46,922	(82,740)	(82,740)	(40,851)	
BIRDING CENTER OPERATIONS										
REVENUES										
BIRDING CENTER ADMISSION FEES	14,460	23,000	(8,541)	75,634	91,659	(16,025)	185,000	185,000	109,366	59.12%
BIRDING CENTER GIFT SHOP SALES	9,145	27,000	(17,855)	47,922	91,938	(44,016)	200,000	200,000	152,078	76.04%
BIRDING CENTER DONATIONS	0	9,000	(9,000)	40,675	21,000	19,675	75,000	75,000	34,325	45.77%
MISCELLANEOUS REVENUES	4	0	4	115	0	115	0	0	-115	
BIRDING CENTER RENTAL FEES	1,525	75	1,450	5,948	4,312	1,636	15,000	15,000	9,052	60.35%
GROSS REVENUES	25,134	59,075	(33,941)	170,294	208,909	(38,615)	475,000	475,000	304,706	
COST OF GIFT SHOP SALES	5,212	10,200	4,988	27,116	44,309	17,193	100,000	100,000	72,884	72.88%
NET BNC REVENUES	19,922	48,875	(28,953)	143,178	164,600	(21,422)	375,000	375,000	231,822	61.82%
BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	14,213	14,165	(48)	55,914	61,382	5,468	122,764	122,764	66,850	54.45%
OFFICE SUPPLIES	409	100	(309)	1,881	856	(1,025)	1,300	1,300	(581)	-44.69%
LOCAL MEETINGS	0	10	10	0	70	70	100	1,300	100	100.00%
	0	0		0		0	0	0	0	100.00%
BOOKS & PUBLICATIONS	U	U	0	U	0	U	0	U	U	

MEMORANDUM

DATE: April 11, 2011

TO: EDC Board of Directors FROM: Rodrigo Gimenez

SUBJECT: Financial Report for the Six Months Ended March 31, 2011

	Actual	Current Month Budget	Variance	Actual	YEAR TO DATE Budget	Variance	ORIGINAL BUDGET	Annual Budget  AMENDED  BUDGET	REMAINING BUDGET	BUDGET PERCENT REMAINING
POSTAGE	Actual 64	100	36	Actual 64	350	286	800	800	736	92.0
MINOR TOOLS & EQUIP.	1,162	300	(862)	1,879	1,300	(579)	3,000	3,000	1,121	37.3
FELEPHONE	679	800	121	3,980	4,165	185	9,000	9,000	5,020	55.7
FRAINING EXPENSE	0/9	0	0	3,980	4,105	0	9,000	9,000	0	55.7
CREDIT CARD FEES	460	200	(260)	2,458	1,830	(628)	3,000	3,000	542	18.0
PROFESSIONAL SVCS	0	295	295	2,436 441	500	59	500	500	59	11.7
SERVICE CONTRACTS	2,172	3,500	1,328	14,748	21,626	6,878	43,296	43,296	28,548	65.9
ADVERTISING	1,688	1,500	(188)	4,497	5,574	1,077	10,000	10,000	5,503	55.0
RAVEL	1,236	0	(1,236)	1,236	1,000	(236)	1,000	1,000	(236)	-23.5
DUES & MEMBERSHIPS	70	0	(70)	120	0	(120)	0	0	(120)	-20.0
PROMOTIONS	0	0	0	0	0	0	0	0	0	
NSURANCE	0	0	0	40,353	42,825	2,472	60,000	60,000	19,647	32.7
ELECTRICITY	1,837	1,400	(437)	11,253	12,600	1,347	24,000	24,000	12,747	53.1
WATER, SEWER AND GARBAGE	965	560	(405)	5,754	6,663	909	10,000	10,000	4,246	42.4
AUNDRY & JANITORIAL		230	235	5,754 577	1,141	564	2,500	2,500		76.9
MACHINERY AND EQUIPMENT PURCHASES	(5) 0	0	0	0	500	500	1,000	1,000	1,923 1,000	100.0
TOTAL BIRDING CENTER GENERAL				0	500	500	1,000	1,000	1,000	100.0
ADMINSTRATIVE EXPENSES	24,950	23,160	(1,790)	145,154	162,382	17,228	292,260	292,260	147,106	50.3
BIRDING CENTER INCOME (LOSS) FROM			( ,/							
PERATIONS	(5,028)	25,715	(30,743)	(1,976)	2,218	(4,194)	82,740	82,740	84,716	
TOTAL EDC REVENUES OVER (UNDER)					=======================================					
EXPENSES	(4,707)	38,456	(43,163)	(43,865)	(86,593)	42,728	0	0	43,865	
FUND BALANCE:										
									\$124,285	
BEGINNING BALANCE October 1, 2010									Ψ.Σ.,Σου	
, ,									358,675	
ACTUAL REVENUES										
BEGINNING BALANCE October 1, 2010 ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES									358,675	
ACTUAL REVENUES AVAILABLE RESOURCES									358,675 482,960	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES	September 30,	2010 Unaudited Fi	inancial Statement	es					358,675 482,960 (402,540)	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011	September 30,	2010 Unaudited Fi	inancial Statement	es					358,675 482,960 (402,540)	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND:	3eptember 30,	2010 Unaudited Fi	inancial Statement	ds					358,675 482,960 (402,540)	
ACTUAL REVENUES  AVAILABLE RESOURCES  EXPENDITURES  ENDING FUND BALANCE, March 31, 2011  HOTE: Beginning Fund Balance is based on SEACH NOURISHMENT FUND:  Fund Balance September 30, 2010	September 30,	2010 Unaudited Fi	inancial Statement	ts					358,675 482,960 (402,540) \$80,420	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S	September 30,	2010 Unaudited Fi	inancial Statement	ts					358,675 482,960 (402,540) \$80,420 \$1,484,548	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 HOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest	September 30,	2010 Unaudited Fi	inancial Statement	ts					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011  NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest Transfers In - Town SPI	September 30,	2010 Unaudited Fi	inancial Statement	ts					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011  IOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010  Hotel Occupancy Tax Interest Transfers In - Town SPI General Land Office Grants	September 30,	2010 Unaudited Fi	inancial Statement	rs.					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011  NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest Transfers In - Town SPI General Land Office Grants Transfers In - EDC	September 30,	2010 Unaudited Fi	inancial Statement	is.					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax	September 30,	2010 Unaudited Fi	inancial Statement	d's					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest Transfers In - Town SPI General Land Office Grants Transfers In - EDC Expenditures Sand Source Study	September 30,	2010 Unaudited Fi	inancial Statement	is					358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011  IOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010  Idotel Occupancy Tax Interest Fransfers In - Town SPI Beneral Land Office Grants Fransfers In - EDC Expenditures Sand Source Study Expenditures other than Sand Source Study Fund Balance (UNAUDITED), March 31, 2011  Interest includes Debt Service Fund and Debt	ot Service Res	erve Account Inter			rom the Birding C	Center Bond Proc	eeds. Only inte	rest earned in the	358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0 (606,266) \$927,570	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES EXPENDIT	bt Service Res ce Computatic	erve Account Inter on.			rom the Birding C	Center Bond Proc	ceeds. Only inte	rest earned in the	358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0 (606,266) \$927,570	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 IOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Flotel Occupancy Tax Interest Fransfers In - Town SPI General Land Office Grants Fransfers In - EDC Expenditures Sand Source Study Expenditures other than Sand Source Study Fund Balance (UNAUDITED), March 31, 2011 Interest includes Debt Service Fund and Debt Fund (Fund 80) is included in the Fund Balance Operating Account (Fund 80)	ot Service Res ce Computatic 88	erve Account Inter on. 0			rom the Birding C	Center Bond Proc	eeds. Only inte	rest earned in the	358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0 (606,266) \$927,570	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest Fransfers In - Town SPI General Land Office Grants Fransfers In - EDC Expenditures Sand Source Study Expenditures other than Sand Source Study Fund Balance (UNAUDITED), March 31, 2011 Interest includes Debt Service Fund and Debt Fund (Fund 80) is included in the Fund Balance Operating Account (Fund 80) Debt Service Fund (Fund 52)	ot Service Res ce Computatic 88 0	erve Account Inter on. 0 0			rom the Birding C	Center Bond Proc	eeds. Only inte	rest earned in the	358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0 (606,266) \$927,570	
ACTUAL REVENUES AVAILABLE RESOURCES EXPENDITURES ENDING FUND BALANCE, March 31, 2011 NOTE: Beginning Fund Balance is based on S BEACH NOURISHMENT FUND: Fund Balance September 30, 2010 Hotel Occupancy Tax Interest Transfers In - Town SPI General Land Office Grants Transfers In - EDC Expenditures Sand Source Study Expenditures other than Sand Source Study Fund Balance (UNAUDITED), March 31, 2011 Interest includes Debt Service Fund and Debt Fund (Fund 80) is included in the Fund Balance Operating Account (Fund 80)	ot Service Res ce Computatic 88	erve Account Inter on. 0			rom the Birding C	Center Bond Proc	eeds. Only inte	rest earned in the	358,675 482,960 (402,540) \$80,420 \$1,484,548 49,288 0 0 0 0 (606,266) \$927,570	

This report reflects transactions recorded for the Month of March 2011 with the exception of Sales Tax Revenue. Sales Tax Revenue received in April 2011 for February 2011 sales by merchants in the amount of \$36,250.98 is included in revenue for the March 2011 report.