



Memo

To: South Padre Island Economic Development Corporation Board of Directors
From: Beth Free, CFO
City of South Padre Island
CC: Darla Lapeyre
Date: October 13, 2011
Re: September 2011 Operating Statement

The September 2011 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of September 30, 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 is calculated based on actual purchases and the difference between the beginning and ending inventory values supplied by EDC staff.

Due to the end of the fiscal year, additional expenditures will be posted in subsequent weeks in accordance with Generally Accepted Accounting Principles.

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 August tax collections sent to the State of Texas in September and distributed to local governments in October. This October allocation payment is accrued for financial statement presentation purposes in the September operating statement.

The September 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.

Please contact me at bfree@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
September 30, 2011/2010

Assets	2011	2010
Cash and cash equivalents	\$119,442	\$42,377
Receivables - Sales Tax	\$67,058	\$67,901
Revolving Loan Receivable	\$104,508	\$0
Gift Shop Inventory	\$15,887	\$15,555
Due From General Fund	\$0	\$0
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$29,474	\$22,201
TOTAL ASSETS	\$336,369	\$148,034

Liabilities and Fund Balances		
Accounts Payable	\$0	\$10,543
Sales Tax Payable	\$426	\$454
Due to General Fund	\$0	\$3,681
Due to EDC Debt Service	\$0	\$0
Due to Convention Center Fund	\$0	\$0
Reserved for Encumbrances	\$0	\$0
Other liabilities	\$0	\$1,908
Deferred Revenue	\$0	\$0
Total Liabilities	\$426	\$16,586
Fund Balance	\$335,943	\$131,448
Total Liabilities and Fund Balance	\$336,369	\$148,034

City of South Padre Island
Economic Development Corporation
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Twelve Months ended September 30, 2011 & 2010

	2011		2010
	Budget	Actual	Actual
<u>REVENUES</u>			
Sales Tax	\$575,000	\$628,723	\$594,251
USDA Grant Revenue	\$0	\$114,150	\$0
Interest Revenue	\$0	\$959	\$501
Birding Center Donations	\$75,000	\$48,175	\$5,000
Birding Center Admission Fees	\$160,000	\$159,959	\$133,219
Birding Center Gift Shop Sales	\$110,000	\$95,739	\$85,415
Birding Center Rental Fees	\$16,500	\$11,125	\$1,059
Birding Center Program Revenue	\$2,000	\$8,700	\$0
Miscellaneous Revenues	\$500	\$944	\$0
Revenues	<u>\$939,000</u>	<u>\$1,068,474</u>	<u>\$819,445</u>
<u>Cost of Goods Sold:</u>			
Cost of Gift Shop Sales	\$55,000	\$49,934	\$31,711
Gross Margin	<u>\$884,000</u>	<u>\$1,018,540</u>	<u>\$787,734</u>
 <u>EXPENDITURES</u>			
General Administrative Expenses	\$549,386	\$497,332	\$620,847
Birding Center Expenses	\$308,989	\$309,551	\$221,377
Total Expenditures	<u>\$858,375</u>	<u>\$806,882</u>	<u>\$842,224</u>
 Excess (Deficiency) of Revenues Over			
(Under) Expenditures	\$25,625	\$211,658	(\$54,490)
Fund balance - beginning	\$124,285	\$124,285	\$185,938
Fund balance - ending	<u>\$149,910</u>	<u>\$335,943</u>	<u>\$131,448</u>

MEMORANDUM

DATE: October 13, 2011
 TO: EDC Board of Directors
 FROM: Beth Free
 SUBJECT: Financial Report for the Twelve Months Ended September 30, 2011

				YEAR TO DATE			Annual Budget			BUDGET
	Actual	Current Month Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
REVENUES										
SALES TAX	67,058	81,951	(14,893)	628,723	575,000	53,723	575,000	575,000	(53,723)	-9.34%
USDA GRANT REVENUE	0	0	0	114,150	0	114,150	0	0	(114,150)	
INTEREST REVENUE	367	0	367	959	0	959	0	0	(959)	
TOTAL REVENUES	67,425	81,951	(14,526)	743,832	575,000	168,832	575,000	575,000	(168,832)	-29.36%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	67,425	81,951	(14,526)	743,832	575,000	168,832	575,000	575,000	(168,832)	
GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	6,192	6,100	(92)	67,929	68,518	589	68,518	68,518	589	0.86%
OFFICE SUPPLIES	64	270	206	1,106	2,000	894	2,000	2,000	894	44.71%
LOCAL MEETINGS	0	136	136	309	700	391	700	700	391	55.89%
BOOKS & PUBLICATIONS	0	78	78	184	500	316	500	500	316	63.14%
POSTAGE	92	115	23	139	600	461	600	600	461	76.87%
MINOR TOOLS & EQUIP.	0	0	0	1,515	2,900	1,385	2,500	2,900	1,385	47.75%
TELEPHONE	81	170	89	1,892	2,300	408	2,300	2,300	408	17.74%
TRAINING EXPENSE	89	110	21	318	650	332	650	650	332	51.08%
PROFESSIONAL SVCS	3,798	1,684	(2,114)	18,419	18,250	(169)	8,000	18,250	(169)	-0.93%
ADVERTISING	0	997	997	2,668	5,000	2,332	5,000	5,000	2,332	46.64%
TRAVEL	0	220	220	0	1,100	1,100	3,000	1,100	1,100	100.00%
PROMOTIONS	50	461	411	1,095	3,000	1,905	3,000	3,000	1,905	63.50%
DUES & MEMBERSHIPS	0	350	350	3,050	4,000	950	4,000	4,000	950	23.75%
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	0	0	0	15,646	15,646	(0)	39,000	15,646	(0)	0.00%
ECONOMIC ACTIVITY INDEX	4,000	0	(4,000)	4,000	4,400	400	4,400	4,400	400	9.09%
USDA RBEG	238	6,900	6,663	17,738	42,000	24,263	42,000	42,000	24,263	0.00%
BEACH NOURISHMENT	0	0	0	0	0	0	50,000	0	0	0.00%
TRANSFER FOR BOND PAYMENT	29,826	29,825	(1)	357,912	357,911	(1)	357,911	357,911	(1)	0.00%
MARINE SCIENCE CENTER	781	1,719	938	3,412	10,000	6,588	50,000	10,000	6,588	65.88%
OTHER PROJECTS	0	1,983	1,983	0	9,911	9,911	13,661	9,911	9,911	100.00%
TOTAL EXPENDITURES GENERAL ADMINISTRATIVE EXPENSES	45,211	51,118	5,907	497,332	549,386	52,054	657,740	549,386	52,054	9.48%
ADMINISTRATIVE OPERATING RESULTS	22,214	30,833	(8,619)	246,500	25,614	220,886	(82,740)	25,614	(220,886)	
BIRDING CENTER OPERATIONS										
REVENUES										
BIRDING CENTER ADMISSION FEES	7,368	12,482	(5,114)	159,959	160,000	(41)	185,000	160,000	41	0.03%
BIRDING CENTER GIFT SHOP SALES	5,167	10,705	(5,538)	95,739	110,000	(14,261)	200,000	110,000	14,261	12.96%
BIRDING CENTER DONATIONS	0	23,575	(23,575)	48,175	75,000	(26,825)	75,000	75,000	26,825	35.77%
EVENTS/PROGRAMS	450	500	(50)	8,700	2,000	6,700	0	2,000	-6,700	-335.00%
MISCELLANEOUS REVENUES	592	174	418	944	500	444	0	500	-444	-88.88%
BIRDING CENTER RENTAL FEES	775	1,952	(1,177)	11,125	16,500	(5,375)	15,000	16,500	5,375	32.58%
REVENUES	14,353	49,388	(35,035)	324,642	364,000	(39,358)	475,000	364,000	39,358	
COST OF GIFT SHOP SALES	1,379	4,402	3,023	49,934	55,000	5,066	100,000	55,000	5,066	9.21%
NET BNC REVENUES	12,973	44,986	(32,013)	274,708	309,000	(34,292)	375,000	309,000	34,292	11.10%
BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	11,980	12,605	625	128,692	133,273	4,581	122,764	133,273	4,581	3.44%
OFFICE SUPPLIES	1,126	245	(881)	5,296	2,949	(2,347)	1,300	2,949	(2,347)	-79.60%
LOCAL MEETINGS	0	0	0	100	100	0	100	100	0	0.02%

MEMORANDUM

DATE: October 13, 2011
 TO: EDC Board of Directors
 FROM: Beth Free
 SUBJECT: Financial Report for the Twelve Months Ended September 30, 2011

	Current Month			YEAR TO DATE			Annual Budget			BUDGET PERCENT REMAINING
	Actual	Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	
BOOKS & PUBLICATIONS	0	0	0	0	0	0	0	0	0	
POSTAGE	0	20	20	143	800	657	800	800	657	82.16%
MINOR TOOLS & EQUIP.	(20)	400	420	3,681	3,592	(89)	3,000	3,592	(89)	-2.47%
TELEPHONE	1,530	874	(656)	9,756	9,000	(756)	9,000	9,000	(756)	-8.41%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	
CREDIT CARD FEES	345	420	75	5,109	5,032	(77)	3,000	5,032	(77)	-1.54%
PROFESSIONAL SVCS	0	0	0	441	500	59	500	500	59	11.77%
BLDGS & STRUCTURES-BOARDWALK	0	0	0	1,004	0	(1,004)	0	0	0	
SERVICE CONTRACTS	1,020	4,300	3,280	41,295	49,060	7,765	43,296	49,060	7,765	15.83%
ADVERTISING	645	0	(645)	9,684	10,000	316	10,000	10,000	316	3.16%
TRAVEL	123	0	(123)	1,509	3,736	2,227	1,000	3,736	2,227	59.60%
DUES & MEMBERSHIPS	0	0	0	120	120	0	0	120	0	
PROMOTIONS	255	0	(255)	255	1,000	745	0	1,000	745	74.52%
INSURANCE	0	0	0	51,581	49,853	(1,728)	60,000	49,853	(1,728)	-3.47%
RENTAL-EVENTS/PROGRAMS EXPENSE	450	0	(450)	6,900	0	(6,900)	0	0	(6,900)	
ELECTRICITY	3,519	1,885	(1,634)	24,948	24,000	(948)	24,000	24,000	(948)	-3.95%
WATER, SEWER AND GARBAGE	2,436	1,040	(1,396)	17,046	12,474	(4,572)	10,000	12,474	(4,572)	-36.65%
LAUNDRY & JANITORIAL	706	573	(133)	1,989	2,500	511	2,500	2,500	511	20.43%
MACHINERY AND EQUIPMENT PURCHASES	0	1,000	1,000	0	1,000	1,000	1,000	1,000	1,000	100.00%
TOTAL BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES	<u>24,116</u>	<u>23,362</u>	<u>(754)</u>	<u>309,551</u>	<u>308,989</u>	<u>(562)</u>	<u>292,260</u>	<u>308,989</u>	<u>-562</u>	<u>-0.18%</u>
BIRDING CENTER INCOME (LOSS) FROM OPERATIONS	<u>(11,143)</u>	<u>21,624</u>	<u>(32,767)</u>	<u>(34,842)</u>	<u>11</u>	<u>(34,853)</u>	<u>82,740</u>	<u>11</u>	<u>34,853</u>	
TOTAL EDC REVENUES OVER (UNDER) EXPENSES	<u>11,071</u>	<u>52,457</u>	<u>(41,386)</u>	<u>211,658</u>	<u>25,625</u>	<u>186,033</u>	<u>0</u>	<u>25,625</u>	<u>(186,033)</u>	

FUND BALANCE:

BEGINNING BALANCE October 1, 2010
 ACTUAL REVENUES
 AVAILABLE RESOURCES
 EXPENDITURES
 ENDING FUND BALANCE, September 30, 2011

\$124,285
1,018,540
1,142,825
(806,882)
\$335,943

BEACH NOURISHMENT FUND:

Fund Balance September 30, 2010
 Hotel Occupancy Tax
 Interest
 Transfers In - Town SPI
 General Land Office Grants
 Transfers In - EDC
 Expenditures-Erosion Response Plan
 Expenditures other than Erosion Response Plan
 Fund Balance (UNAUDITED), September 30, 2011

\$1,484,548
 332,265
 0
 0
 0
 0
 (20,309)
(788,947)
\$1,007,557

* Interest includes Debt Service Fund and Debt Service Reserve Account Interest Earnings as well as earnings from the Birding Center Bond Proceeds. Only interest earned in the Operating Fund (Fund 80) is included in the Fund Balance Computation.

Operating Account (Fund 80)	367	0
Debt Service Fund (Fund 52)	2	0
Debt Service Reserve Fund (Fund 58)	164	0
Birding Center Construction Fund (Fund 85)	0	0
	<u>\$533 *</u>	<u>\$0</u>

This report reflects transactions recorded for the Month of September 2011 with the exception of Sales Tax Revenue. Sales Tax Revenue received in October 2011 for August 2011 sales by merchants in the amount of \$67,058.25 is included in revenue for the September 2011 report.