



# Memo

To: South Padre Island Economic Development Corporation Board of Directors  
From: Larry Homan, Finance Director  
City of South Padre Island  
CC: Darla Lapeyre  
Date: June 10, 2010  
Re: May 2010 Operating Statement

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The May 2010 operating statement for the South Padre Island Economic Development Corporation is 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 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 a 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 fiscal 2010 approved budget utilized the estimated ending fund balance at the time the budget was prepared for fiscal 2009. The amount estimated in May and June when the budget was prepared was \$193,827. The final audited ending fund balance amount for 2009 is \$185,938.

Please contact me at 956-761-3049 at your earliest convenience should you have any questions.

*“A Certified Retirement Community”*

**Town Of South Padre Island**  
**Economic Development Corporation**  
**Balance Sheet**  
**May 31, 2010/2009**

<b>Assets</b>	<b>2010</b>	<b>2009</b>
Cash and cash equivalents	\$89,359	\$162,914
Receivables - Sales Tax	\$44,867	\$57,507
Gift Shop Inventory	\$15,251	\$0
Due From General Fund	\$0	\$41
Due from EDC Debt Service	\$0	\$16,135
Prepaid Items	\$0	\$520
<b>TOTAL ASSETS</b>	<b>\$149,479</b>	<b>\$237,117</b>

<b>Liabilities and Fund Balances</b>		
Accounts Payable	\$10,543	\$47,607
Sales Tax Payable	\$1,417	
Due to General Fund	\$0	\$0
Due to EDC Debt Service		\$0
Due to Convention Center Fund		
Reserved for Encumbrances		
Other liabilities	(\$61)	(\$61)
Deferred Revenue		
<b>Total Liabilities</b>	<b>\$11,899</b>	<b>\$47,546</b>
<b>Fund Balance</b>	<b>\$137,578</b>	<b>\$189,571</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$149,479</b>	<b>\$237,117</b>

**City of South Padre Island**  
**Economic Development Corporation**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the Eight Months ending May 31, 2010 & 2009**

	<b>2010</b>		<b>2009</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
<b><u>REVENUES</u></b>			
Sales Tax	\$297,049	\$313,360	\$400,392
Interest Revenue	\$339	\$327	\$958
Birding Center Donations	\$0	\$0	
Birding Center Admission Fees	\$102,300	\$96,045	\$0
Birding Center Gift Shop Sales	\$118,635	\$62,729	\$0
Birding Center Rental Fees	\$11,075	\$966	\$0
Miscellaneous Revenues	\$0	\$86	\$0
Gross Revenues	\$529,398	\$473,513	\$401,350
Cost of Gift Shop Sales	\$59,317	\$19,796	\$0
Operating Revenues	\$470,081	\$453,717	\$401,350
<b><u>EXPENDITURES</u></b>			
General Administrative Expenses	\$346,429	\$346,908	\$347,989
Birding Center Expenses	\$147,137	\$155,169	\$57,617
Total Expenditures	\$493,566	\$502,077	\$405,606
Excess (Deficiency) of Revenues Over			
(Under) Expenditures	(\$23,485)	(\$48,360)	(\$4,256)
Fund balance - beginning	\$185,938	\$185,938	\$193,827
Fund balance - ending	\$162,453	\$137,578	\$189,571

## MEMORANDUM

DATE: JUNE 10, 2010  
 TO: EDC Board of Directors  
 FROM: Larry Homan  
 SUBJECT: Financial Report for the Eight Months Ended May 31, 2010

	Current Month			YEAR TO DATE BUDGET			Annual Budget			BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
<b>REVENUES</b>										
SALES TAX	44,867	60,289	(15,422)	313,360	297,049	16,311	575,000	575,000	261,640	45.50%
INTEREST REVENUE	37 *	42	(5)	327	339	(12)	5,000	5,000	4,673	93.46%
TOTAL REVENUES	44,904	60,331	(15,427)	313,686	297,388	16,298	580,000	580,000	266,314	45.92%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	44,904	60,331	(15,427)	313,686	297,388	16,298	580,000	580,000	266,314	
<b>GENERAL ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	5,639	5,140	(499)	41,126	41,724	598	64,854	64,854	23,728	36.59%
OFFICE SUPPLIES	114	155	41	1,102	1,382	280	2,000	2,000	898	44.90%
LOCAL MEETINGS	0	36	36	373	355	(18)	500	500	127	25.40%
BOOKS & PUBLICATIONS	71	37	(34)	258	352	94	500	500	242	48.40%
POSTAGE	0	75	75	311	501	190	800	800	489	61.11%
MINOR TOOLS & EQUIP.	0	33	33	379	367	(12)	500	500	121	24.19%
TELEPHONE	219	179	(40)	1,789	1,583	(206)	2,300	2,300	511	22.20%
TRAINING EXPENSE	0	11	11	550	606	56	650	650	100	15.38%
PROFESSIONAL SVCS	560	1,750	1,190	12,312	12,470	158	9,500	19,500	7,188	36.86%
ADVERTISING	0	56	56	0	278	278	500	500	500	100.00%
TRAVEL	0	500	500	2,129	3,212	1,083	5,000	5,000	2,871	57.41%
PROMOTIONS	0	89	89	3,505	3,644	139	4,000	9,000	5,495	61.06%
DUES & MEMBERSHIPS	600	106	(494)	1,185	778	(407)	1,200	1,200	15	1.25%
RENTAL	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	0	39	39	0	194	194	350	350	350	100.00%
BIRDING PLAN & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0.00%
LOBBYIST	3,125	3,427	302	38,697	39,000	303	78,000	39,000	303	0.78%
ECONOMIC ACTIVITY INDEX	0	0	0	0	4,400	4,400	4,400	4,400	4,400	100.00%
BEACH MASTER PLAN	0	0	0	0	0	0	0	0	0	0.00%
BEACH NOURISHMENT	0	0	0	0	0	0	100,000	100,000	100,000	100.00%
TRANSFER FOR BOND PAYMENT	28,698	28,698	0	229,583	229,583	0	344,374	344,374	114,791	33.33%
MARINE SCIENCE CENTER	8,587	0	(8,587)	13,609	0	(13,609)	50,000	40,000	26,391	65.98%
OTHER PROJECTS	0	0	0	0	6,000	6,000	8,000	8,000	8,000	100.00%
<b>TOTAL EXPENDITURES GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>	47,613	40,331	(7,282)	346,908	346,429	(479)	677,428	643,428	296,520	46.08%
<b>ADMINISTRATIVE OPERATING RESULTS</b>	(2,709)	20,000	(8,145)	(33,222)	(49,041)	15,819	(97,428)	(63,428)	(30,206)	
<b>BIRDING CENTER OPERATIONS</b>										
<b>REVENUES</b>										
BIRDING CENTER ADMISSION FEES	9,347	23,000	(13,653)	96,045	102,300	(6,255)	330,000	170,000	73,955	
BIRDING CENTER GIFT SHOP SALES	7,406	40,000	(32,594)	62,516	118,635	(56,119)	0	270,000	207,484	
BIRDING CENTER DONATIONS										
BIRDING CENTER RENTAL FEES	0	3,000	(3,000)	966	11,075	(10,109)	0	25,000	24,034	
GROSS REVENUES	16,753	66,000	(49,247)	159,528	232,010	(72,482)	330,000	465,000	305,472	
COST OF GIFT SHOP SALES	4,906	20,000	15,094	19,796	59,317	39,521	0	135,000	115,204	
NET BNC REVENUES	11,847	46,000	(64,341)	139,731	172,693	(32,962)	330,000	330,000	190,269	57.66%
<b>BIRDING CENTER GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	9,445	10,802	1,357	72,003	83,734	11,731	111,065	126,940	54,937	43.28%
OFFICE SUPPLIES	235	45	(190)	1,029	1,020	(9)	3,000	1,300	271	20.88%
LOCAL MEETINGS	32	0	(32)	32	32	0	0	32	0	0.00%
BOOKS & PUBLICATIONS	0	0	0	0	0	0	0	0	0	
POSTAGE	0	44	44	361	407	46	0	600	239	39.80%
MINOR TOOLS & EQUIP.	(841)	100	941	2,470	2,375	(95)	3,000	3,100	630	20.33%

## MEMORANDUM

DATE: JUNE 10, 2010  
 TO: EDC Board of Directors  
 FROM: Larry Homan  
 SUBJECT: Financial Report for the Eight Months Ended May 31, 2010

	Current Month			YEAR TO DATE BUDGET			ORIGINAL BUDGET	Annual Budget		BUDGET PERCENT REMAINING
	Actual	Budget	Variance	Actual	Budget	Variance		AMENDED BUDGET	REMAINING BUDGET	
MACHINERY AND EQUIPMENT	185	0	(185)	185	300	115	0	300	115	
BUILDINGS AND STRUCTURES	159	115	(44)	159	175	16	0	255	96	
TELEPHONE	756	760	4	5,587	5,575	(12)	13,200	9,300	3,713	39.93%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	0.00%
CREDIT CARD FEES	320	200	(120)	1,580	1,475	(105)	0	4,000	2,420	
PROFESSIONAL SVCS	(2,003)	0	2,003	185	185	0	0	185	0	0.00%
SERVICE CONTRACTS	2,094	2,519	425	15,492	15,147	(345)	14,708	25,225	9,733	38.58%
ADVERTISING	1,947	60	(1,887)	1,947	1,950	3	0	5,000	3,053	0.00%
TRAVEL	0	50	50	261	300	39	0	458	197	43.01%
DUES & MEMBERSHIPS	0	0	0	0	0	0	0	0	0	0.00%
PROMOTIONS	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	0	0	0	36,608	13,759	(22,849)	60,000	53,478	16,870	31.55%
ELECTRICITY	1,901	1,900	(1)	11,513	13,473	1,960	18,000	25,000	13,487	53.95%
WATER, SEWER AND GARBAGE	1,204	1,125	(79)	4,756	5,500	744	9,600	8,200	3,444	42.01%
LAUNDRY & JANITORIAL	1,001	300	(701)	1,001	1,730	729		3,200	2,199	
MACHINERY AND EQUIPMENT PURCHASES	0	0	0	0	0	0	0	0	0	0.00%
<b>TOTAL BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES</b>	<u>16,433</u>	<u>18,020</u>	<u>1,587</u>	<u>155,169</u>	<u>147,137</u>	<u>(8,032)</u>	<u>232,573</u>	<u>266,573</u>	<u>111,404</u>	<u>41.79%</u>
<b>BIRDING CENTER INCOME (LOSS) FROM OPERATIONS</b>	<u>(4,585)</u>	<u>27,980</u>	<u>(65,929)</u>	<u>(15,437)</u>	<u>25,556</u>	<u>(40,993)</u>	<u>97,427</u>	<u>63,427</u>	<u>78,864</u>	
<b>TOTAL EDC REVENUES OVER (UNDER) EXPENSES</b>	<u>(7,294)</u>	<u>47,980</u>	<u>(74,074)</u>	<u>(48,659)</u>	<u>(23,485)</u>	<u>(25,174)</u>	<u>(1)</u>	<u>(1)</u>	<u>48,658</u>	

## FUND BALANCE:

BEGINNING BALANCE October 1, 2009	\$185,938	
ACTUAL REVENUES (UNAUDITED)	<u>453,418</u>	453,418
AVAILABLE RESOURCES	639,356	
EXPENDITURES (UNAUDITED)	<u>(502,077)</u>	<u>(502,077)</u>
ENDING FUND BALANCE (UNAUDITED), April 30, 2009	<u>\$137,279</u>	<u>(48,659)</u>

**NOTE: Beginning Fund Balance agrees with the September 30, 2009 Audited Financial Statements**

**BEACH NOURISHMENT FUND:**

Fund Balance (AUDITED), September 30, 2008	\$432,571
Hotel Occupancy Tax	128,569
Interest	1,499
Transfers In - Town SPI	750,000
General Land Office Grants	566,420
Transfers In - EDC	50,000
Expenditures for Sand Hauling and Sand Source Study	<u>(832,168)</u>
Fund Balance (AUDITED), September 30, 2009	<u>\$1,096,891</u>

**\* 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)	37	327
Debt Service Fund (Fund 52)	0	217
Debt Service Reserve Fund (Fund 58)	219	1,538
Birding Center Construction Fund (Fund 85)	<u>6</u>	<u>196</u>
	<u>\$261</u> *	<u>\$2,278</u>

This report reflects transactions recorded for the Month of May 2010 with the exception of Sales Tax Revenue. Sales Tax Revenue received in June for April 2010 sales by merchants in the amount of \$44,867 is included in revenue for the May 2010 report.