



# 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: December 16, 2010  
Re: November 2010 Operating Statement

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The November 2010 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of November 30, 2010 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 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 estimated to be \$124,285 at September 30, 2010. As happened last year this amount is subject to change as a result of the final audited financial statements.

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

The November 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 956-761-3049 at your earliest convenience should you have any questions.

*"A Certified Retirement Community"*

**City of South Padre Island**  
**Economic Development Corporation**  
**Balance Sheet**  
**November 30, 2010/2009**

<b>Assets</b>	<b>2010</b>	<b>2009</b>
Cash and cash equivalents	\$126,735	\$83,614
Receivables - Sales Tax	\$34,735	\$30,051
Gift Shop Inventory	\$11,342	\$0
Due From General Fund	\$0	\$0
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$0	\$28,009
<b>TOTAL ASSETS</b>	<b>\$172,812</b>	<b>\$141,673</b>

<b>Liabilities and Fund Balances</b>		
Accounts Payable	\$5,260	\$0
Sales Tax Payable	\$562	\$0
Due to General Fund	\$83,768	\$0
Due to EDC Debt Service	\$0	\$0
Due to Convention Center Fund	\$0	\$0
Reserved for Encumbrances	\$1,362	\$0
Other liabilities	\$0	(\$61)
Deferred Revenue	\$0	\$0
Total Liabilities	\$90,951	(\$61)
Fund Balance	\$81,861	\$141,734
<b>Total Liabilities and Fund Balance</b>	<b>\$172,812</b>	<b>\$141,673</b>

**City of South Padre Island**  
**Economic Development Corporation**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the Two Months ended November 30, 2010 & 2009**

	<b>2010</b>		<b>2009</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
<b><u>REVENUES</u></b>			
Sales Tax	\$95,833	\$82,572	\$77,660
Interest Revenue	\$0	\$7	\$81
Birding Center Donations	\$12,500	\$0	\$0
Birding Center Admission Fees	\$33,333	\$18,303	\$0
Birding Center Gift Shop Sales	\$33,333	\$13,867	\$0
Birding Center Rental Fees	\$0	\$4,423	\$0
Miscellaneous Revenues	\$0	\$0	\$0
Gross Revenues	\$174,999	\$119,172	\$77,741
Cost of Gift Shop Sales	\$16,667	\$11,752	\$0
Operating Revenues	\$158,332	\$107,420	\$77,741
<b><u>EXPENDITURES</u></b>			
General Administrative Expenses	\$109,625	\$84,009	\$79,870
Birding Center Expenses	\$48,710	\$65,835	\$42,075
Total Expenditures	\$158,334	\$149,844	\$121,945
Excess (Deficiency) of Revenues Over			
(Under) Expenditures	(\$2)	(\$42,424)	(\$44,204)
Fund balance - beginning	\$124,285	\$124,285	\$185,938
Fund balance - ending	\$124,283	\$81,861	\$141,734

## MEMORANDUM

DATE: December 16, 2010

TO: EDC Board of Directors

FROM: Larry Homan

SUBJECT: Financial Report for the Two Months Ended November 30, 2010

	Current Month			YEAR TO DATE BUDGET			ORIGINAL	Annual Budget	REMAINING	BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	BUDGET	AMENDED BUDGET	BUDGET	PERCENT REMAINING
<b>REVENUES</b>										
SALES TAX	34,735	47,917	(13,181)	82,572	95,833	(13,261)	575,000	575,000	492,428	85.64%
INTEREST REVENUE	5	0	5	7	0	7	0	0	(7)	
TOTAL REVENUES	34,740	47,917	(13,176)	82,579	95,833	(13,254)	575,000	575,000	492,421	85.64%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	34,740	47,917	(13,176)	82,579	95,833	(13,254)	575,000	575,000	492,421	
<b>GENERAL ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	5,722	5,710	(12)	10,305	11,420	1,115	68,518	68,518	58,213	84.96%
OFFICE SUPPLIES	27	167	140	126	333	207	2,000	2,000	1,874	93.69%
LOCAL MEETINGS	0	58	58	0	117	117	700	700	700	100.00%
BOOKS & PUBLICATIONS	0	42	42	0	83	83	500	500	500	100.00%
POSTAGE	0	50	50	15	100	85	600	600	585	97.51%
MINOR TOOLS & EQUIP.	1,475	208	(1,267)	1,475	417	(1,058)	2,500	2,500	1,025	41.01%
TELEPHONE	230	192	(39)	435	383	(52)	2,300	2,300	1,865	81.08%
TRAINING EXPENSE	0	54	54	25	108	83	650	650	625	96.15%
PROFESSIONAL SVCS	875	667	(208)	935	1,333	399	8,000	8,000	7,065	88.32%
ADVERTISING	0	417	417	0	833	833	5,000	5,000	5,000	100.00%
TRAVEL	0	250	250	0	500	500	3,000	3,000	3,000	100.00%
PROMOTIONS	0	250	250	500	500	0	3,000	3,000	2,500	83.33%
DUES & MEMBERSHIPS	250	333	83	2,250	667	(1,583)	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	0	3,250	3,250	3,125	6,500	3,375	39,000	39,000	35,875	91.99%
ECONOMIC ACTIVITY INDEX	0	367	367	0	733	733	4,400	4,400	4,400	100.00%
USDA RBEG	2,500	3,500	1,000	5,000	7,000	2,000	42,000	42,000	37,000	0.00%
BEACH NOURISHMENT	0	4,167	4,167	0	8,333	8,333	50,000	50,000	50,000	100.00%
TRANSFER FOR BOND PAYMENT	29,909	29,826	(83)	59,819	59,652	(167)	357,911	357,911	298,092	83.29%
MARINE SCIENCE CENTER	0	4,167	4,167	0	8,333	8,333	50,000	50,000	50,000	100.00%
OTHER PROJECTS	0	1,138	1,138	0	2,277	2,277	13,661	13,661	13,661	100.00%
<b>TOTAL EXPENDITURES GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>	40,988	54,811	13,824	84,009	109,625	25,614	657,740	657,740	573,731	87.23%
<b>ADMINISTRATIVE OPERATING RESULTS</b>	(6,247)	(6,895)	648	(1,430)	(13,792)	12,360	(82,740)	(82,740)	(81,310)	
<b>BIRDING CENTER OPERATIONS</b>										
<b>REVENUES</b>										
BIRDING CENTER ADMISSION FEES	9,639	16,667	(7,028)	18,303	33,333	(15,031)	200,000	200,000	181,697	90.85%
BIRDING CENTER GIFT SHOP SALES	6,815	16,667	(9,852)	13,867	33,333	(19,466)	200,000	200,000	186,133	93.07%
BIRDING CENTER DONATIONS	0	6,250	0	0	12,500	(12,500)	75,000	75,000	75,000	100.00%
MISCELLANEOUS REVENUES	0	0	0	0	0	0	0	0	0	0.00%
BIRDING CENTER RENTAL FEES	350	0	350	4,423	0	4,423	0	0	(4,423)	0.00%
GROSS REVENUES	16,803	39,583	(16,530)	36,592	79,167	(42,574)	475,000	475,000	438,408	
COST OF GIFT SHOP SALES	5,135	8,333	3,199	11,751	16,667	4,916	100,000	100,000	88,249	
NET BNC REVENUES	11,669	31,250	(13,331)	24,841	62,500	(37,659)	375,000	375,000	350,159	93.38%
<b>BIRDING CENTER GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	7,124	10,230	3,107	12,755	20,461	7,706	122,764	122,764	110,009	89.61%
OFFICE SUPPLIES	409	108	(301)	409	217	(193)	1,300	1,300	891	68.52%
LOCAL MEETINGS	0	8	8	0	17	17	100	100	100	100.00%
BOOKS & PUBLICATIONS	0	0	0	0	0	0	0	0	0	
POSTAGE	0	67	67	0	133	133	800	800	800	100.00%

## MEMORANDUM

DATE: December 16, 2010  
 TO: EDC Board of Directors  
 FROM: Larry Homan  
 SUBJECT: Financial Report for the Two Months Ended November 30, 2010

	Current Month			YEAR TO DATE BUDGET			ORIGINAL BUDGET	Annual Budget		BUDGET PERCENT REMAINING
	Actual	Budget	Variance	Actual	Budget	Variance		AMENDED BUDGET	REMAINING BUDGET	
MINOR TOOLS & EQUIP.	0	250	250	0	500	500	3,000	3,000	3,000	100.00%
MACHINERY AND EQUIPMENT	0	83	83	0	167	167	1,000	1,000	1,000	
BUILDINGS AND STRUCTURES	0	0	0	0	0	0	0	0	0	
TELEPHONE	162	750	588	939	1,500	561	9,000	9,000	8,061	89.56%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	0.00%
CREDIT CARD FEES	591	250	(341)	900	500	(400)	3,000	3,000	2,100	
PROFESSIONAL SVCS	0	42	42	205	83	(122)	500	500	295	59.00%
SERVICE CONTRACTS	1,679	3,608	1,929	4,322	7,216	2,894	43,296	43,296	38,974	90.02%
ADVERTISING	1,654	833	(821)	1,979	1,667	(312)	10,000	10,000	8,021	0.00%
TRAVEL	0	83	83	0	167	167	1,000	1,000	1,000	100.00%
DUES & MEMBERSHIPS	0	0	0	50	0	(50)	0	0	(50)	0.00%
PROMOTIONS	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	(2,472)	5,000	7,472	40,353	10,000	(30,353)	60,000	60,000	19,647	32.75%
ELECTRICITY	0	2,000	2,000	0	4,000	4,000	24,000	24,000	24,000	100.00%
WATER, SEWER AND GARBAGE	3,551	833	(2,718)	3,630	1,667	(1,963)	10,000	10,000	6,370	63.70%
LAUNDRY & JANITORIAL	209	208	(1)	292	417	124	2,500	2,500	2,208	
MACHINERY AND EQUIPMENT PURCHASES	0	0	0	0	0	0	0	0	0	0.00%
<b>TOTAL BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES</b>	<u>12,907</u>	<u>24,355</u>	<u>11,448</u>	<u>65,835</u>	<u>48,710</u>	<u>(17,125)</u>	<u>292,260</u>	<u>292,260</u>	<u>226,425</u>	<u>77.47%</u>
<b>BIRDING CENTER INCOME (LOSS) FROM OPERATIONS</b>	<u>(1,238)</u>	<u>6,895</u>	<u>(1,883)</u>	<u>(40,994)</u>	<u>13,790</u>	<u>(54,784)</u>	<u>82,740</u>	<u>82,740</u>	<u>123,734</u>	
<b>TOTAL EDC REVENUES OVER (UNDER) EXPENSES</b>	<u>(7,485)</u>	<u>0</u>	<u>(1,235)</u>	<u>(42,424)</u>	<u>(2)</u>	<u>(42,424)</u>	<u>0</u>	<u>0</u>	<u>42,424</u>	

## FUND BALANCE:

BEGINNING BALANCE October 1, 2010	\$124,285
ACTUAL REVENUES (UNAUDITED)	<u>107,420</u>
AVAILABLE RESOURCES	231,705
EXPENDITURES (UNAUDITED)	<u>(149,844)</u>
ENDING FUND BALANCE (UNAUDITED), October 31, 2010	<u>\$81,861</u>

**NOTE: Beginning Fund Balance is based on September 30, 2010 Unaudited Financial Statements**

**BEACH NOURISHMENT FUND:**

Fund Balance (UNAUDITED), September 30, 2010	\$1,484,550
Hotel Occupancy Tax	15,357
Interest	0
Transfers In - Town SPI	0
General Land Office Grants	0
Transfers In - EDC	0
Expenditures Sand Source Study	<u>0</u>
Fund Balance (UNAUDITED), November 30, 2010	<u>\$1,499,907</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)	2	0
Debt Service Fund (Fund 52)	0	0
Debt Service Reserve Fund (Fund 58)	0	0
Birding Center Construction Fund (Fund 85)	<u>0</u>	<u>0</u>
	<u>\$2 *</u>	<u>\$0</u>

This report reflects transactions recorded for the Month of November 2010 with the exception of Sales Tax Revenue. Sales Tax Revenue received in December for October 2010 sales by merchants in the amount of \$34,735 is included in revenue for the November 2010 report.