



Memo

To: South Padre Island Economic Development Corporation Board of Directors
From: Beth Free, CFO
City of South Padre Island
CC: Darla Lapeyre
Date: August 11, 2011
Re: July 2011 Operating Statement

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

An accounting entry was posted in the month of July to reclassify the expenses incurred for the pelagic trip. The revenue collected year to date for the trips totals \$6,750 and the related expenses total \$3,450.

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

The July 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
July 31, 2011/2010

Assets	2011	2010
Cash and cash equivalents	\$77,016	\$73,185
Receivables - Sales Tax	\$85,203	\$81,132
Revolving Loan Receivable	\$111,420	\$0
Gift Shop Inventory	\$14,540	\$14,260
Due From General Fund	\$0	\$3
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$29,474	\$22,200
TOTAL ASSETS	\$317,653	\$190,780

Liabilities and Fund Balances		
Accounts Payable	\$0	\$10,543
Sales Tax Payable	\$773	\$319
Due to General Fund	\$41,379	\$4,340
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	\$43,514	\$15,141
Fund Balance	\$274,139	\$175,639
Total Liabilities and Fund Balance	\$317,653	\$190,780

City of South Padre Island
Economic Development Corporation
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Ten Months ended July 31, 2011 & 2010

	2011		2010
	Budget	Actual	Actual
<u>REVENUES</u>			
Sales Tax	\$407,049	\$459,026	\$445,129
USDA Grant Revenue	\$0	\$114,150	\$0
Interest Revenue	\$0	\$528	\$402
Birding Center Donations	\$50,425	\$48,175	\$5,000
Birding Center Admission Fees	\$133,518	\$141,611	\$118,815
Birding Center Gift Shop Sales	\$89,295	\$84,607	\$73,762
Birding Center Rental Fees	\$12,548	\$8,823	\$1,059
Birding Center Program Revenue	\$1,000	\$6,750	\$0
Miscellaneous Revenues	\$326	\$348	\$96
Gross Revenues	\$694,161	\$864,016	\$644,263
Cost of Gift Shop Sales	\$45,598	\$44,923	\$26,195
Operating Revenues	\$648,563	\$819,093	\$618,068
 <u>EXPENDITURES</u>			
General Administrative Expenses	\$447,152	\$413,839	\$433,429
Birding Center Expenses	\$260,043	\$255,400	\$194,938
Total Expenditures	\$707,195	\$669,239	\$628,367
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$58,632)	\$149,854	(\$10,299)
Fund balance - beginning	\$124,285	\$124,285	\$185,938
Fund balance - ending	\$65,653	\$274,139	\$175,639

MEMORANDUM

DATE: August 11, 2011
 TO: EDC Board of Directors
 FROM: Beth Free
 SUBJECT: Financial Report for the Ten Months Ended July 31, 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	85,203	60,000	25,203	459,026	407,049	51,977	575,000	575,000	115,974	20.17%
USDA GRANT REVENUE	105,150	0	105,150	114,150	0	114,150	0	0	(114,150)	
INTEREST REVENUE	144	0	144	528	0	528	0	0	(528)	
TOTAL REVENUES	190,497	60,000	130,497	573,703	407,049	166,654	575,000	575,000	1,297	0.23%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	190,497	60,000	130,497	573,703	407,049	166,654	575,000	575,000	1,297	
GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	5,236	6,101	865	54,386	56,318	1,932	68,518	68,518	14,132	20.63%
OFFICE SUPPLIES	195	269	74	1,002	1,460	458	2,000	2,000	998	49.88%
LOCAL MEETINGS	0	136	136	22	428	406	700	700	678	96.86%
BOOKS & PUBLICATIONS	0	78	78	184	344	160	500	500	316	63.14%
POSTAGE	0	115	115	47	370	323	600	600	553	92.17%
MINOR TOOLS & EQUIP.	0	0	0	2,877	2,900	23	2,500	2,900	23	0.79%
TELEPHONE	82	170	88	1,727	1,960	233	2,300	2,300	573	24.90%
TRAINING EXPENSE	0	109	109	229	431	202	650	650	421	64.77%
PROFESSIONAL SVCS	2,041	1,683	(358)	12,715	14,882	2,167	8,000	18,250	5,535	30.33%
ADVERTISING	0	996	996	2,518	3,006	488	5,000	5,000	2,482	49.64%
TRAVEL	0	220	220	0	660	660	3,000	1,100	1,100	100.00%
PROMOTIONS	350	461	111	1,045	2,078	1,033	3,000	3,000	1,955	65.17%
DUES & MEMBERSHIPS	450	350	(100)	3,050	3,300	250	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	0	0	0	0	4,400	4,400	4,400	4,400	4,400	100.00%
USDA RBEG	5,000	6,900	1,900	17,500	28,200	10,700	42,000	42,000	24,500	0.00%
BEACH NOURISHMENT	0	0	0	0	0	0	50,000	0	0	0.00%
TRANSFER FOR BOND PAYMENT	29,826	29,826	0	298,260	298,260	0	357,911	357,911	59,651	16.67%
MARINE SCIENCE CENTER	330	1,718	1,388	2,631	6,563	3,932	50,000	10,000	7,369	73.69%
OTHER PROJECTS	0	1,982	1,982	0	5,946	5,946	13,661	9,911	9,911	100.00%
TOTAL EXPENDITURES GENERAL ADMINISTRATIVE EXPENSES	43,511	51,114	7,603	413,840	447,152	33,312	657,740	549,386	135,546	24.67%
ADMINISTRATIVE OPERATING RESULTS	146,986	8,886	138,100	159,863	(40,103)	199,966	(82,740)	25,614	(134,249)	
BIRDING CENTER OPERATIONS										
REVENUES										
BIRDING CENTER ADMISSION FEES	19,180	15,000	4,180	141,611	133,518	8,093	185,000	160,000	18,389	11.49%
BIRDING CENTER GIFT SHOP SALES	9,372	10,000	(628)	84,607	89,295	(4,688)	200,000	110,000	25,393	23.08%
BIRDING CENTER DONATIONS	0	1,000	(1,000)	48,175	50,425	(2,250)	75,000	75,000	26,825	35.77%
EVENTS/PROGRAMS	6,450	500	5,950	6,750	1,000	5,750	0	2,000	-4,750	-237.50%
MISCELLANEOUS REVENUES	3	0	3	348	326	22	0	500	152	30.40%
BIRDING CENTER RENTAL FEES	1,075	2,500	(1,425)	8,823	12,548	(3,725)	15,000	16,500	7,677	46.53%
GROSS REVENUES	36,080	29,000	7,080	290,314	287,112	3,202	475,000	364,000	73,686	
COST OF GIFT SHOP SALES	6,170	5,000	(1,170)	44,923	45,598	675	100,000	55,000	10,077	18.32%
NET BNC REVENUES	29,910	24,000	5,910	245,391	241,514	3,877	375,000	309,000	63,609	20.59%
BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	10,531	12,605	2,074	101,311	108,063	6,753	122,764	133,273	31,963	23.98%
OFFICE SUPPLIES	759	200	(559)	3,755	2,504	(1,251)	1,300	2,949	(806)	-27.32%
LOCAL MEETINGS	0	0	0	18	0	(18)	100	100	82	82.00%

MEMORANDUM

DATE: August 11, 2011
 TO: EDC Board of Directors
 FROM: Beth Free
 SUBJECT: Financial Report for the Ten Months Ended July 31, 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	124	(19)	800	800	657	82.16%
MINOR TOOLS & EQUIP.	151	200	49	3,143	2,992	(151)	3,000	3,592	449	12.51%
TELEPHONE	902	860	(42)	7,412	7,266	(146)	9,000	9,000	1,588	17.64%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	
CREDIT CARD FEES	465	420	(45)	4,281	4,192	(89)	3,000	5,032	751	14.92%
PROFESSIONAL SVCS	0	0	0	441	500	59	500	500	59	11.77%
BLDGS & STRUCTURES-BOARDWALK	954	0	(954)	954	0	(954)	0	0	0	
SERVICE CONTRACTS	2,301	4,400	2,099	37,119	40,360	3,241	43,296	49,060	11,941	24.34%
ADVERTISING	1,340	1,500	160	6,979	9,497	2,518	10,000	10,000	3,021	30.21%
TRAVEL	50	0	(50)	1,286	2,236	950	1,000	3,736	2,450	65.58%
DUES & MEMBERSHIPS	0	0	0	120	120	0	0	120	0	
PROMOTIONS	0	0	0	0	750	750	0	1,000	1,000	100.00%
INSURANCE	9,825	8,096	(1,729)	51,581	49,853	(1,728)	60,000	49,853	(1,728)	-3.47%
RENTAL-EVENTS/PROGRAMS EXPENSE	3,450	0	(3,450)	3,450	0	(3,450)	0	0	(3,450)	
ELECTRICITY	2,243	2,500	257	19,318	19,615	297	24,000	24,000	4,682	19.51%
WATER, SEWER AND GARBAGE	1,764	1,040	(724)	12,920	10,394	(2,526)	10,000	12,474	(446)	-3.58%
LAUNDRY & JANITORIAL	398	350	(48)	1,170	1,577	407	2,500	2,500	1,330	53.20%
MACHINERY AND EQUIPMENT PURCHASES	0	0	0	0	0	0	1,000	1,000	1,000	100.00%
TOTAL BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES	<u>35,130</u>	<u>32,191</u>	<u>(2,939)</u>	<u>255,400</u>	<u>260,043</u>	<u>4,643</u>	<u>292,260</u>	<u>308,989</u>	<u>53,589</u>	<u>17.34%</u>
BIRDING CENTER INCOME (LOSS) FROM OPERATIONS	<u>(5,220)</u>	<u>(8,191)</u>	<u>2,971</u>	<u>(10,009)</u>	<u>(18,529)</u>	<u>8,520</u>	<u>82,740</u>	<u>11</u>	<u>10,020</u>	
TOTAL EDC REVENUES OVER (UNDER) EXPENSES	<u>141,766</u>	<u>695</u>	<u>141,071</u>	<u>149,854</u>	<u>(58,632)</u>	<u>208,486</u>	<u>0</u>	<u>25,625</u>	<u>(124,229)</u>	

FUND BALANCE:

BEGINNING BALANCE October 1, 2010	\$124,285
ACTUAL REVENUES	819,094
AVAILABLE RESOURCES	943,379
EXPENDITURES	(669,240)
ENDING FUND BALANCE, June 30, 2011	<u>\$274,139</u>

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

BEACH NOURISHMENT FUND:

Fund Balance September 30, 2010	\$1,484,548
Hotel Occupancy Tax	202,888
Interest	0
Transfers In - Town SPI	0
General Land Office Grants	0
Transfers In - EDC	0
Expenditures-Erosion Response Plan	(14,517)
Expenditures other than Erosion Response Plan	(788,058)
Fund Balance (UNAUDITED), June 30, 2011	<u>\$884,860</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)	144	0
Debt Service Fund (Fund 52)	0	0
Debt Service Reserve Fund (Fund 58)	201	0
Birding Center Construction Fund (Fund 85)	1	0
	<u>\$346 *</u>	<u>\$0</u>

This report reflects transactions recorded for the Month of July 2011 with the exception of Sales Tax Revenue. Sales Tax Revenue received in August 2011 for June 2011 sales by merchants in the amount of \$85,202.81 is included in revenue for the July 2011 report.