

**CITY OF SOUTH PADRE ISLAND  
ECONOMIC DEVELOPMENT CORPORATION  
NOTICE OF REGULAR MEETING**

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**Note:** One or more members of the South Padre Island City Council may attend this meeting. If so, this statement satisfies the requirements of the Open Meetings Act

Notice is hereby given that the Economic Development Corporation Board of Directors of the City of South Padre Island, Texas, will hold its **Regular Meeting Tuesday, December 15<sup>th</sup>, 2015 at 8:30 a.m. at the Municipal Complex, 2<sup>nd</sup> floor Joyce Adams Conference Room, 4601 Padre Blvd.**, South Padre Island, Texas. Following is the agenda on which action may be taken:

1. **Call to order**
2. **Pledge of Allegiance**
3. **Public Comments and Announcements**  
*This is an opportunity for citizens to speak to the Board relating to agenda or non-agenda items. Speakers are required to give their name before addressing their concerns. (Note: State law will not permit the Board to discuss, debate, or consider items that are not on the agenda. Citizen comments may be referred to staff or may be placed on the agenda of a future Board meeting)*
4. **Report from UT-RGV on the Kauffman Fasttrac New Venture Entrepreneurship Training program completed November 17, 2015 (Irv Downing-UTRGV Associate VP Economic Development)**
5. **Presentation by Dr. Mostafa Malki from Aaron Economic Consulting regarding the South Padre Island Economic Index Report dated September 2015**
6. **Approve the Consent Agenda**
  - 6a. **Approve the Minutes from Regular Meeting of November 17<sup>th</sup>, 2015**
  - 6b. **Financial Report for EDC- November 2015**
  - 6c. **Activity Report from the Birding and Nature Center-November 2015**
  - 6d. **Financial Reports for the Birding & Nature Center-November 2015**
  - 6e. **Approve excused absence for Ron Pitcock from the December 15<sup>th</sup>, 2015 Board Meeting**
7. **Discussion regarding draft form to be used for proposed projects and events brought before the Board of Directors**
8. **Discussion and possible action regarding hiring a firm to assist the EDC with retail recruitment efforts**
9. **Executive Director's Activity Report**

## 10. Adjournment

We reserve the right to go into Executive Session regarding any of the items posted on this agenda, pursuant to Sections 551-071, Consultation with Attorney; 551.072, Deliberations about Real Property; 551.073, Deliberations about Gifts & Donations; 551-074, Personnel Matters; 551-076, Deliberations about Security Devices; and/or 551.086, Discuss (A) Commercial or Financial Information Received from a Business Prospect with which the Economic Development Corporation is Conducting Negotiations, or (B) Financial or Other Incentives to the Business Project.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Directors of the City of South Padre Island Economic Development Corporation is a true and correct copy of said Notice and that I posted a true and correct copy of said notice on the bulletin board at City Hall which will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

***Dated this the 11th day of December, 2015***

S E A L

  
\_\_\_\_\_  
Darla Lapeyre, Executive Director

*This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact Jay Mitchim, ADA-designated responsible party, at (956)761-1025.*

## **NOTE:**

**There is no back up  
documentation for items 1, 2,  
3, 4, 8, or 10**

**5.**

CITY OF  
SOUTH PADRE ISLAND  
ECONOMIC INDEX

September 2015

PREPARED FOR  
SOUTH PADRE ISLAND ECONOMIC DEVELOPMENT CORPORATION

BY



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## EXECUTIVE SUMMARY

The external and internal economic factors identified in our previous report are analyzed in our 2014 report. External economic drivers indicate that the economies of Texas, the U.S. and Mexico will continue to grow in the short and medium term. The Conference Board Leading Economic indices for the U.S. and Mexico and the Federal Reserve Bank of Dallas Leading Economic index show that the U.S. will grow at 2.3 percent in 2014 and 3% in 2015. The medium-term (2014-2019) forecast for the U.S. is 2.4 percent. The economic outlook for Mexico is 3.1 percent growth in 2014 and 2.9 percent average growth between 2014 and 2019. Texas' is expected to grow at 2.3% in 2014 and 2.4 percent in 2015.

South Padre Island's most important internal drivers – hospitality and tourism and real estate continue to improve. South Padre Island's Occupancy tax revenue grew at 5.3 percent in 2014 relative to 2013. Current data show that the real estate sector in Texas and South Padre Island continues to improve. Average home sale prices for 2014 have been trending upward, sales increased from January to March and declined in April and May. However, home sales and dollar volume sales have increased. The real estate data also show continuous decline in month inventory since 2011.

In our previous report Aaron used tourism and hospitality data from Port Aransas Galveston and Texas as benchmarks to evaluate South Padre Island economic performance. Our analysis shows that the Island outperforms the other Texas destinations during the summer peak months and during March and April because of the spring-break vacation and underperforms during off-peak months because of the pronounced seasonality at the Island. However, on a yearly basis the Island has outperformed the other Texas Gulf Coast destination in terms of occupancy and sales tax revenue growth. The four performance indicators Aaron use to measure the Island's performance are expected to continue to show short and medium term overall annual growth with the marked disparities between peak and off-peak months to remain unchanged in



the short term. The variability might change as the proposed Liquefied Natural Gas projects move to their implementation stage starting in 2017. In addition, Space X project and other proposed project at South Padre Island most notably a marina and an entertainment district could help smooth out some of the off-season variability. Aaron also expect the variability in economic activity to improve as South Padre Island leadership continues to develop strategies to market and attract a different demographic during the off-peak months. The expected change in the four indicators will vary between 4 and 6 percent for the occupancy tax revenue, between 3 and 5 percent for Sales Tax revenue, and between 3 and 5 percent for bank deposits. Building permits are expected to increase in 2015.

## 1. Introduction

This report provides a summary of the economic performance and forecasts for the city of South Padre Island, Texas. The analysis in this report is based on key local economic indicators such as occupancy tax, sales tax, building permits, bank deposits, and leading external indices and indicators that measure macroeconomic factors that affect the economy of the city of South Padre Island.

Economic performance reports are usually design to inform stakeholders about the periodic economic performance of their city. It helps answer a number of questions including the following: Is the economy of the city expanding or contracting? Is the economic growth rate of the city satisfactory? Does it meet expectations? Are the city's taxes stable or very volatile?

Economic performance report helps in setting economic objectives, tracking and benchmarking performances, identifying underperforming areas, and formulating sound economic planning decisions. In essence, an economic index report helps in assessing a community's opportunities and threats, identify strength and weaknesses in order to position itself to take advantage of identified opportunities and protect itself from threats by leverages its strengths and mitigating its weaknesses. They are road maps that not only guides in framing effective future economic development policies but also in measuring the effectiveness of past policies. An economic index report can be a very valuable management and policy tool.

In evaluating the economic performance of the city of South Padre Island, Texas for 2014 Aaron kept 2007 as a base year for comparative consistency with previous reports. Aaron's emphasis continues to be on the prime economic drivers for South Padre Island as a premier tourist destination, with a special emphasis on hospitality and tourism, and real estate. Aaron also provides a summary of three external macroeconomic factors that impact the economy of South Padre Island: the state of the economy in Texas, in the U.S, and in Mexico. South Padre

Island principal is primarily a tourist destination, its vocation is hospitality and tourism, an export industry that relies heavily on overall economic condition of originating regions. The Office of the Governor of Texas' tourism data show that the largest share, approximately two thirds, of visitors to South Padre Island originate from within Texas. While the remaining one third is divided between the rest of the U.S. and Mexico. Aaron uses the Conference Board's LEIs for the U.S., and Mexico, and the Federal Reserve Bank of Dallas' Texas Leading Economic Index as comprehensive indices that forecast the state of the economy in each of these three originating areas. In addition, Aaron reports on a series of other external indicators to complement information contained in the leading economic indices.

The report is divided into an external factors section that discusses the economy of the external drivers and reports their forecast, and an economic performance section that analyzes local performance indicators and provides forecasts for each indicator. The local performance indicators are Occupancy Tax, Sales Tax, Bank Deposits, Mixed Beverage Tax Revenue, and Building Permits Valuation. Aaron also provides a comparative analysis of the Island's economic performance. Comparative analysis offers a useful way to benchmark the island's economic performance to those of Port Aransas, Galveston, and Texas. This benchmarking lets us see if South Padre Island is under-performing, over performing, or performing at the same level as Texas and as the other Texas Gulf Coast.

## 2. Methodology and Data

In this report, Aaron kept a similar approach to that of our previous reports when analyzing the South Padre Island's impact factors for ease of comparison across different years. In analyzing the local performance indicators Aaron added Mixed Beverage Tax Revenue as a fifth indicator. The local performance comparative benchmark Aaron introduced in last year's report provides South Padre Island officials information about the economic performance of

South Padre Island relative to other Gulf Coast tourist destinations but more importantly a tool to measure the effectiveness of policies.

Aaron used time series data from the same sources Aaron used in our previous reports to identify trends and make a two year forecast. Aaron corrected for seasonality, and then deflated the data using the Consumer Price Index with 2007 as a base year. The percentage change Aaron computed for all indicators are relative to base year 2007. An index of 90 indicates a 10 percent decline in that economic activity, whereas an index value of 110 shows a 10 percent increase of economic activity measured by the index.

To analyze the external factors Aaron obtained data from The Conference Board, the Federal Reserve Bank of Dallas, the Bureau of Labor Statistics, the U.S. Department of Commerce, Bureau of Economic Analysis, and [www.city-data.com](http://www.city-data.com), INEGI, Banco De Mexico. Local performance data was obtained from South Padre Island Economic Development Corporation (Occupancy Tax, Sales Tax, Bank Deposits, and Building Permits), Texas Department of Tourism, Texas A&M Real Estate Center, the National Association of Realtors, and the Federal Reserve Bank of Dallas. The data is for the period January 1994 to December 2014.

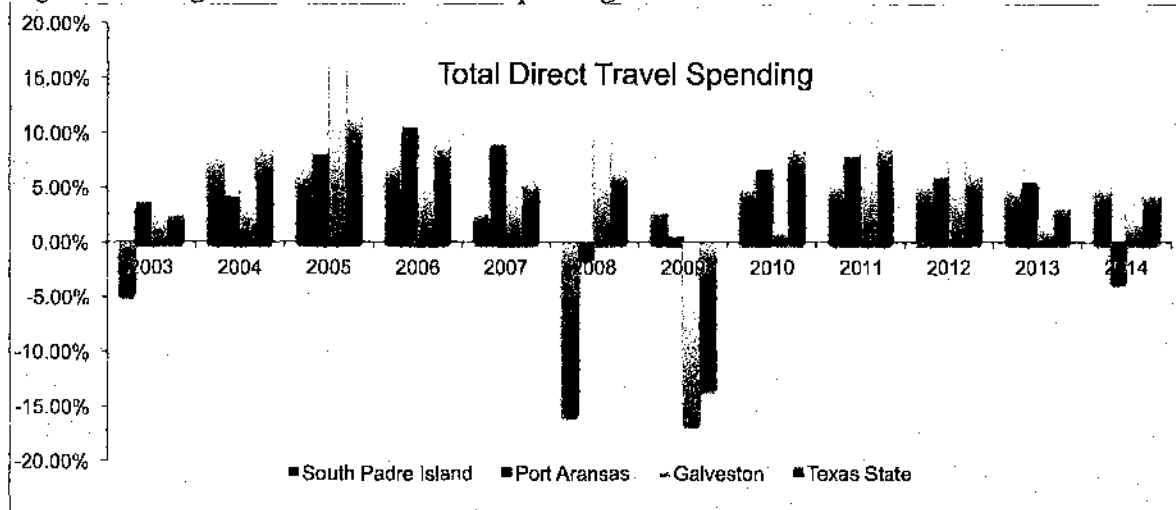
### 3. South Padre Island

#### *Total Direct Visitor Spending*

South Padre Island's total direct visitor spending continues to grow at an average rate of 5 percent in 2014. South Padre Island's total direct visitor spending grew for the sixth year in a row. The growth rate for 2014 is the highest growth rate in total direct visitors spending for all 4 destinations Port Aransas, Galveston, and Texas (-3.6%, 3.4%, and 4.7% respectively). South Padre Island total direct visitor spending increased from \$311 million in 2012 to \$343 million in

2013, and to \$360 million in 2014. Total direct visitor spending has surpassed the pre-recession levels of \$325 million in 2007.

Figure 1: Change in Total Direct Visitor Spending

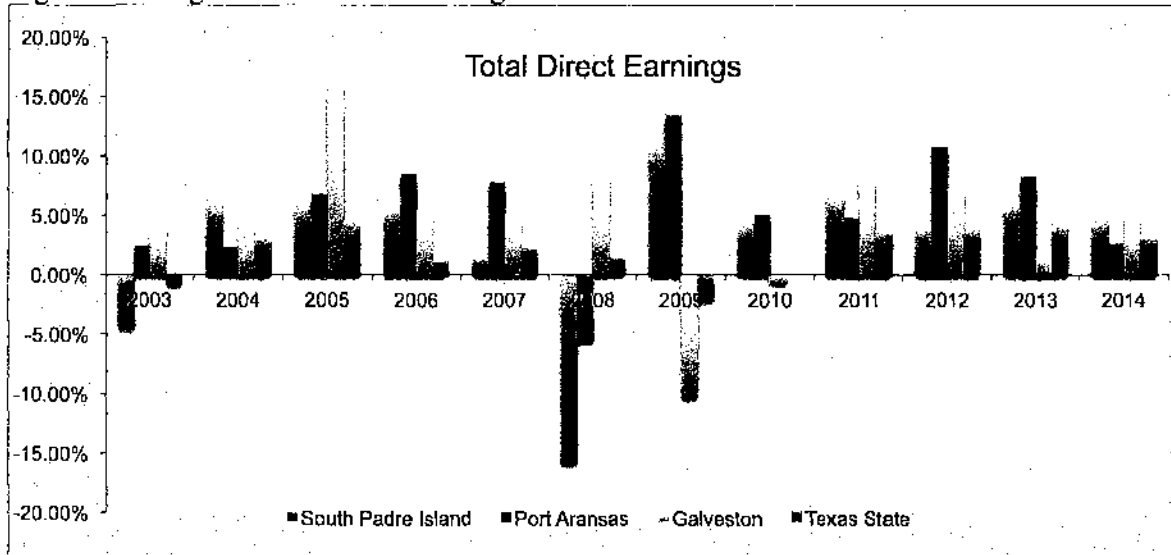


Source: Office of the Governor, Economic Development and Tourism

*Total Direct Earning*

Total direct earnings in South Padre Island grew for the sixth year in a row at an annual rate of 4.6 percent. The Island’s total direct earning growth was the second fastest growth rate for the second year ahead of Texas and Port Aransas but trailing Galveston. South Padre Island’s total direct earnings increased from \$82 million in 2012 to \$87 million in 2013, and \$91 million in 2014. Figure 2 shows the change in total direct earning between 2003 and 2014.

Figure 2: Change in Total Direct Earning

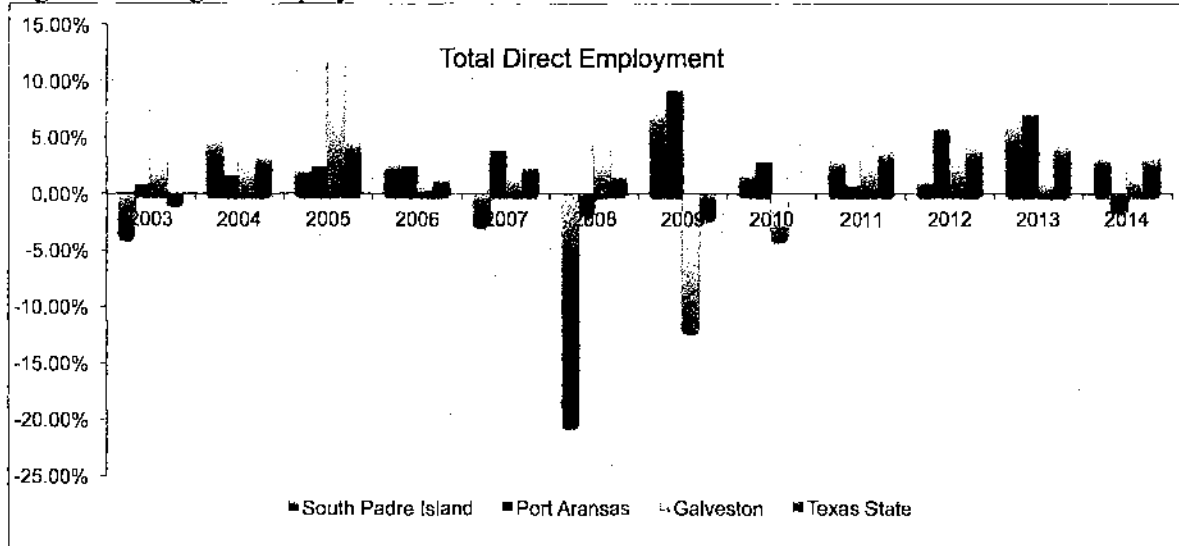


Source: Office of the Governor, Economic Development and Tourism

### *Annual Change in Employment*

Hospitality and Tourism employment in South Padre Island have recovered to their pre-recession levels. After declining from 4,290 jobs in 2007 to 3,410 jobs in 2008, employment grew steadily starting in 2009 at an average rate of 3 percent per year to 4,240 in 2014. Employment in South Padre Island grew at a faster rate than in other Gulf Coast destinations. From 2013 to 2014 it grew by 3.2 percent at the island, -1.5 percent in Port Aransas, 2.2 percent in Galveston, and 3.3 percent in Texas. However, hospitality and tourism employment level is vulnerable to the seasonality of the economic activity in South Padre Island.

Figure 3: Change in Employment

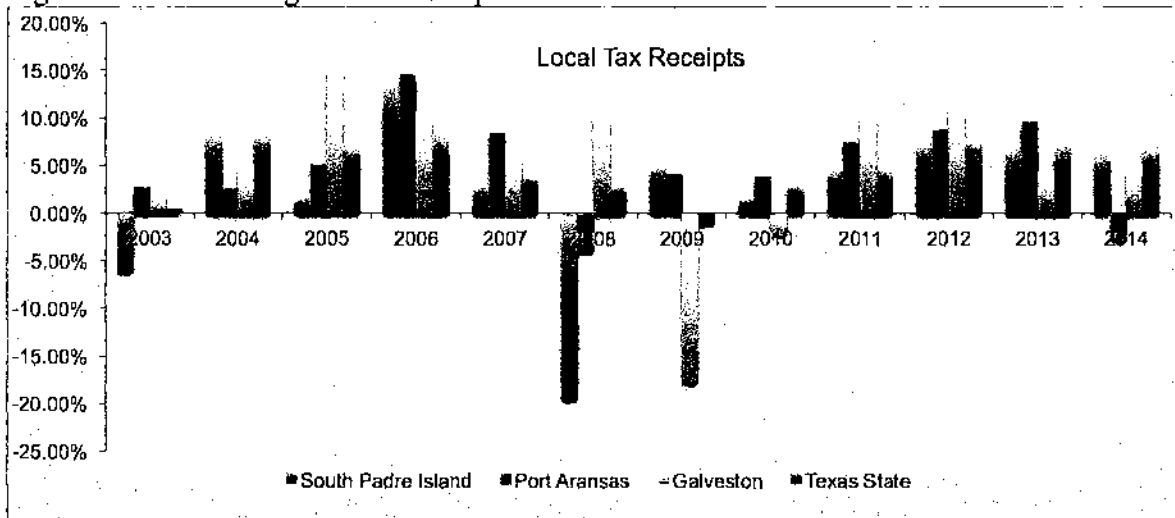


Source: Office of the Governor, Economic Development and Tourism

*Annual Change in Tax Receipts*

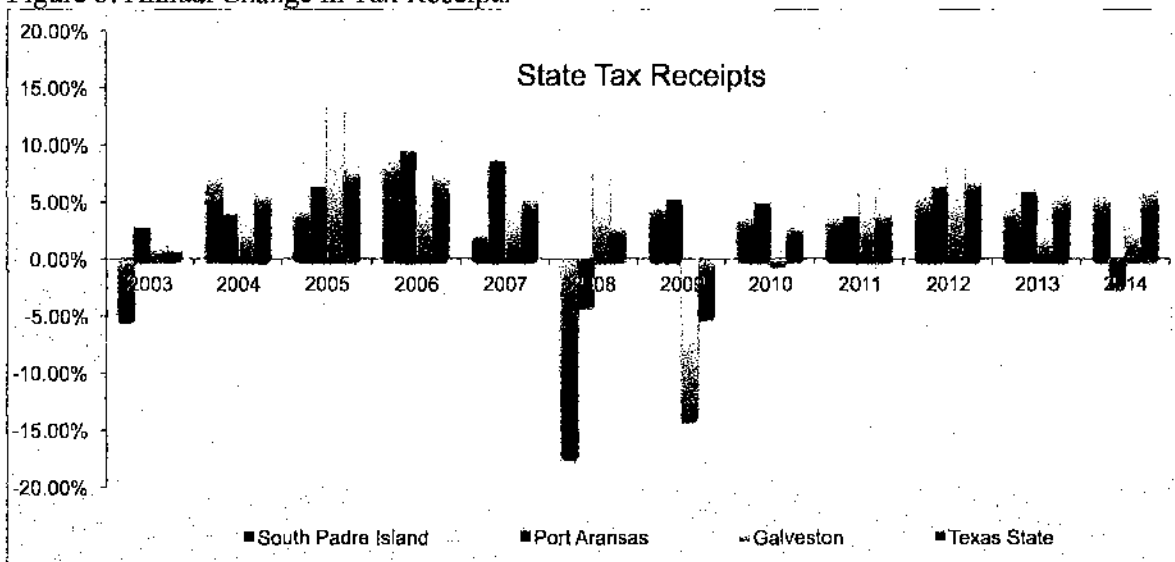
South Padre Island’s tax receipts grew by 6.3 percent in 2014, second only to Texas tax receipts’ growth rate. Tax receipts grew by 7.2 percent in 2012, 6.8 percent in 2013, and 6.3 percent in 2014. Growth rates in tax receipts for the island went from being the lowest in 2011 and 2012 at 4.5 percent and 7.2 percent, to the second highest in 2014 ahead of Port Aransas and Galveston but behind Texas.

Figure 4: Annual Change in Tax Receipts



Source: Office of the Governor, Economic Development and Tourism

Figure 5: Annual Change in Tax Receipts



Source: Office of the Governor, Economic Development and Tourism



### *Winter Texans*

For decades, Winter Texans have represented and continue to represent an important demographic for the Rio Grande Valley. Although, their contribution to the island's city coffers is not as important as most believe, they are nevertheless an important demographic for the island property rental business during off-peak months. According to a recent report from the University of Texas-Pan American's Business and Tourism Research Center, The number of Winter Texans have decline in recent years. The report states that Winter Texans spent \$710 million in 2013 down from \$800 in 2009-2010 a decrease in spending of more than 11-percent. A number of factors have been cited as the reasons for the decrease in Winter Texans chief amongst them is poor health and border violence.

#### 4. South Padre Island's External Economic Drivers

Leading economic indices are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. Leading economic indices are basically composite averages of several individual leading indicators. They are constructed to summarize and indicate common turning point patterns in economic data in a clearer and more convincing manner than any individual component – primarily because they smooth out some of the volatility of individual components.

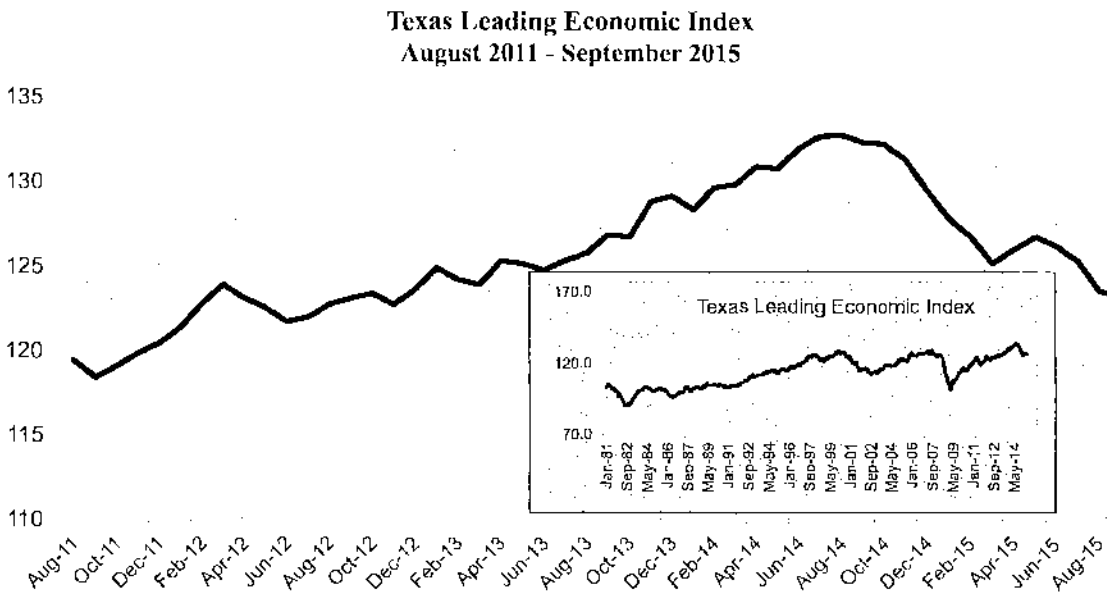
#### *STATE FACTORS*

##### *Texas Leading Economic Index*

The Texas Leading Index is a composite of eight leading indicators that informs on the future of the state's economy. The eight leading indicators that compose the index, are indicators

that tend to change direction before the overall economy, thus indicating a fore coming change before it happens. They include the Texas value of the dollar, U.S. leading index, real oil price, well permits, and initial claims for unemployment insurance, Texas stock index, help-wanted index and average weekly hours worked in manufacturing.

Figure 5: Texas Leading Economic Index



Source: Federal Reserve Bank of Dallas

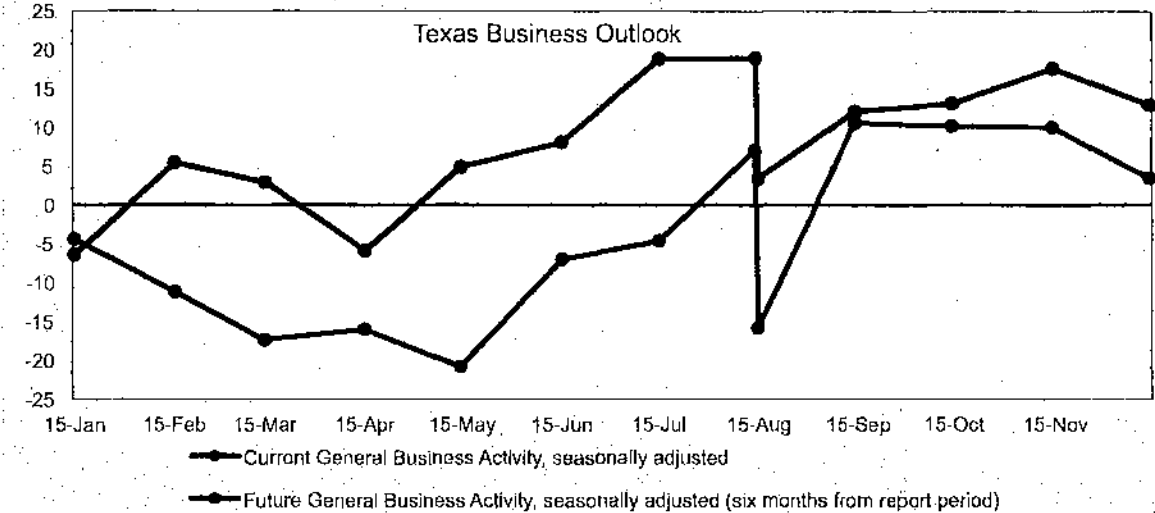
Texas Leading Index in Figure 5 shows that while Texas' economy trended upward after the recession, the LEI shows that after in August of 2014 the trend has changed which signals a slowing down of rate of economic activity in Texas. This indicates a relatively weaker expected growth for Texas mainly due to falling oil and gas prices and a strengthening dollar.

Texas Leading Index rose by 1.83 percent in 2012, 2.58 percent in 2013, and 4.05 percent in 2014. The Federal Reserve Bank of Dallas employment forecast suggests 116,300 jobs will be added in the state this year, and for a total of 11.9 million jobs in December 2015, a downward

revision from 1.3 percent to 1 percent employment growth due to a three months -2.32 net change in the Texas Leading Index.

Although job growth, building permits, and sales tax collections indicate that Texas economy continues to outperform the national economy, the Texas region's consumer confidence index was 106.9 in August 2015, down 3 percent from July 2015, and 12 percent lower than one year ago. This indicates a less than optimistic business outlook for Texas relative to the previous year.

Figure 8: Texas Business Outlook



Source: Federal Reserve Bank of Dallas

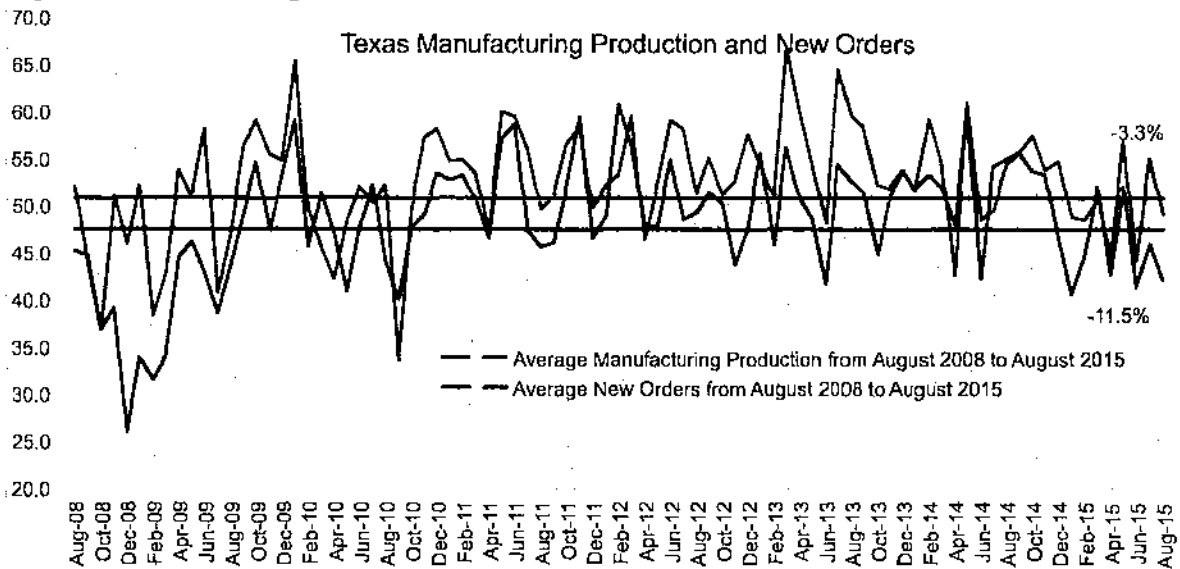
*Texas Manufacturing Outlook*

The Federal Reserve Bank of Dallas conducts the monthly Texas Manufacturing Outlook Survey (TMOS) to assess factory activity. The production index increased in June 2014 relative

to the previous month but has declined towards the end of 2014 and early 2015. The new orders index also experienced a decline relative to the levels seen the previous year.

Expectations about future business conditions are less optimistic for 2015 and 2016 than for 2014.

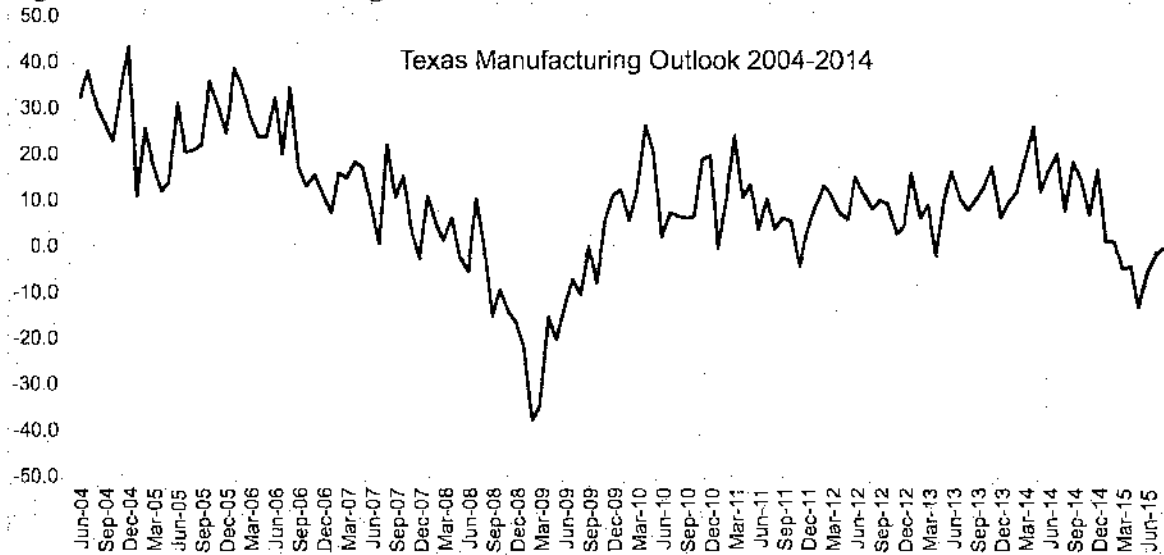
Figure 5: Texas Leading Economic Index



Manufacturing activity has experienced five months of declines. Manufacturing data shows that manufacturing activity in August was flat, as indicated by the near-zero reading of the Texas Manufacturing Outlook Survey production index. While this is an improvement, forward-looking indicators in the survey paint an ominous picture. The new-orders index, a survey's that measures demand dropped 11.5 percent in August.

Texas job annual growth rate was significantly below last year job growth at 1.3 percent through July compared to 3.6 percent last year. The goods-producing sector rebounded in July after experiencing relatively sharp declines in the first half of the year.

Figure 7: Texas Manufacturing



Source: Federal Reserve Bank of Dallas

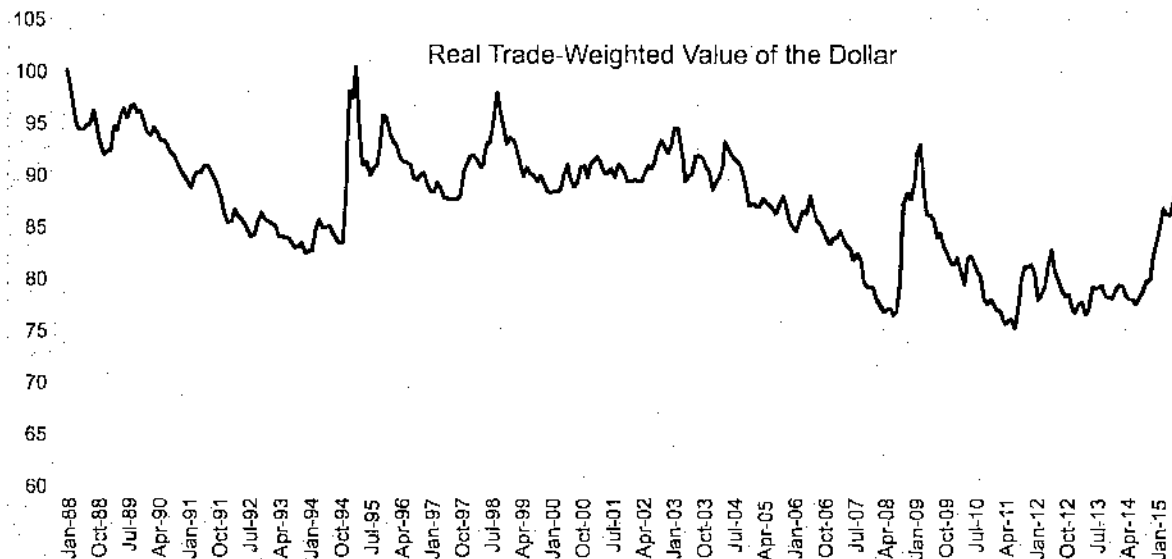
### *Texas Value of the Dollar*

The Texas Value of the Dollar (TXVD) is an effective exchange rate index that assigns a fixed weight based on the size of each country's exports history with Texas. The TXVD index includes data from 48 countries with each country assigned an index weight based on that country's importance as a Texas trading partner. Mexico, Texas' largest trading partner, is assigned an index's weight of 35.9 percent. Changes in the value of the Mexican peso affect the TXVD more than changes in the currencies of any other single trading partner.

The TXVD is inversely related to the Texas Leading Index. An increase in the value of the index indicates that Texas exports are more expensive, and results in an increase in the volume of Texas exports. Conversely a decrease in the value of the index indicates that Texas

exports are less expensive, and leads to an increase in the volume of Texas exports. The TXVD is the Texas equivalent of the U.S. Trade-weighted Value of the Dollar (TWVD).

Figure 8: Texas Value of Dollar



Source: Federal Reserve Bank of Dallas

The Federal Reserve Bank of Dallas trade-weighted value of the dollar (TWVD) historical data show that the TWVD increased 12.5% from its post-recession low on July, 2013, to July, 2015. The strengthening of the US dollar has two effect: 1- A strong dollar tends to make the foreign price of Texas products higher, as for foreign consumers must convert greater amounts of their currency to get the same value in dollars. 2- Consequently a strong dollar tends to lower the domestic price of imported goods in the United States, since American consumers need fewer dollars to pay for the same amount of goods or services.

Figure 8 maps historical data of TWVD. TWVD appreciation makes Texas' exports and destinations relatively more expensive to international importers and visitors. This appreciation of the dollar relative to the value of Texas' trading partners' currencies hinders the competitiveness of Texas and in general reduces Texas exports, including tourism, and increases

Texas foreign imports. These effects and the decreased purchasing power of these currencies in the U.S. should have a relatively smaller trickledown effect on the economy of South Padre Island.

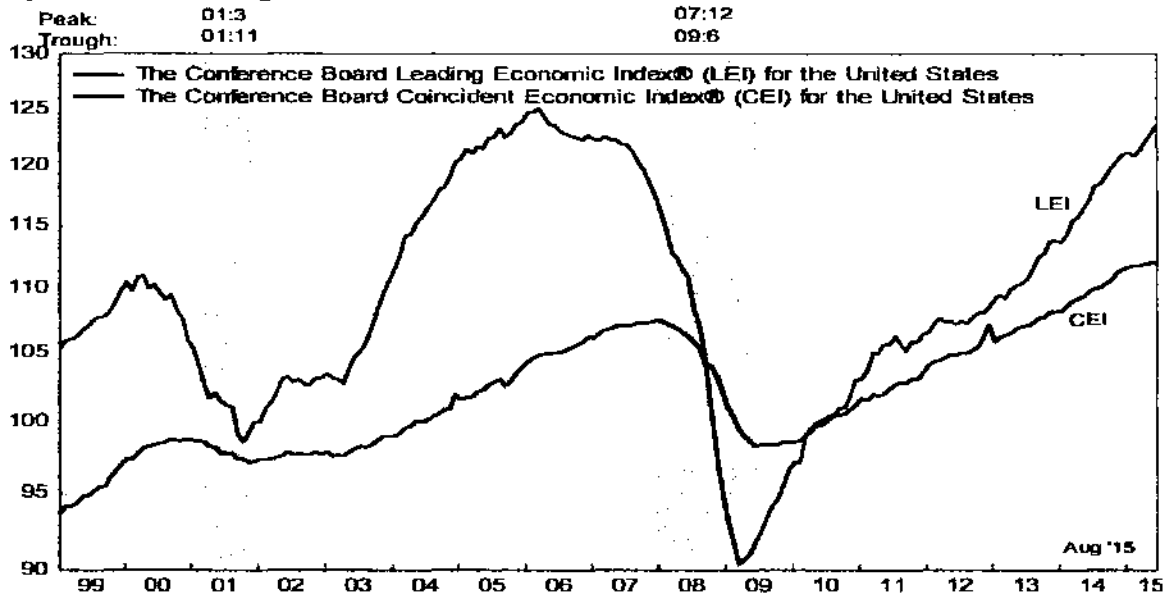
## *NATIONAL FACTORS*

### *U.S. Leading Economic Index*

The conference board LEI increased by 1 percent in March, 0.6 percent in April, 0.8 percent in May, and 0.6 percent in June signaling that the economy will be growing at a more robust rate. In October, The Conference Board Leading Economic Index for the U.S. increased 0.6 percent to 124.1 (2010 = 100), following a 0.1 percent decline in September, and a 0.1 percent decline in August. The U.S. LEI experienced a sharp increase in October due to the yield spread, stock prices, and building permits. Although third quarter growth has been meek, the economic outlook now appears to be improving. While the U.S. LEI's six-month growth rate has moderated, with 5 of the last seven months showing an increase in the U.S. LEI, the U.S. economy is on track for continued expansion heading into 2016.

The conference Board Consumer Confidence Index (CCI) continues to improve. The CCI increased in May and in June from 82.2 in May to 85.2 in June. The Present Situation Index increased from 80.3 to 85.1 and The Expectation Index increased from 83.5 to 85.2.

Figure 9: U.S. Leading Economic Index



Source: The Conference Board

## MEXICAN FACTORS

### *Mexico Leading Economic Index*

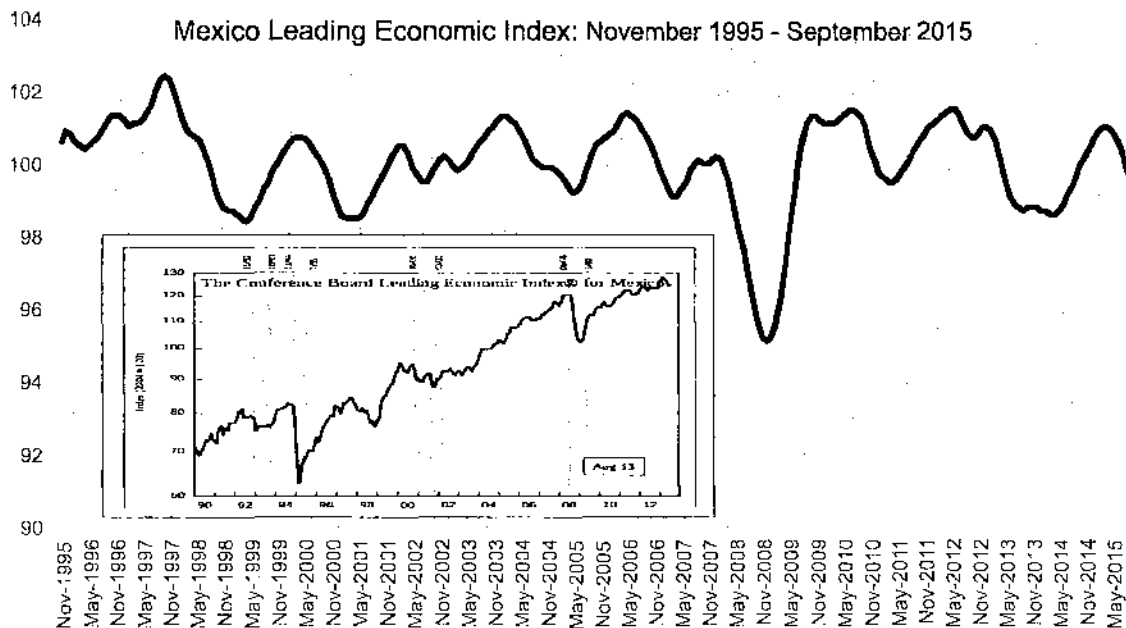
Mexico's economy continued growing in the third quarter. The government's monthly gross domestic product (GDP) measure increased in July and August. In addition, recent data on exports, employment, retail sales and industrial production are all up. Inflation appears firmly under control despite the peso's depreciation against the dollar. The consensus 2015 GDP growth forecast held steady in September at 2.3 percent.

The Conference Board LEI for Mexico fell by 0.2 percent in September 2015, the fifth consecutive monthly decline with the inverted real exchange rate and oil and stock prices making the largest negative contributions. During the six-month period ending in September 2015, the leading economic index declined by 4.2 percent, or an annualized rate of -8.4 percent. This



decline represent a sharper decline compared to the 3.3 percent decline or -6.5 percent annualized rate over the previous six months. Moreover, the weaknesses among the leading individual indicators that make up the index remained more widespread than the strengths in the last six months. Two of the six components that make up the LEI for Mexico, net insufficient inventories and the industrial production construction components, increased in September. The inverted federal funds rate remained unchanged, while the inverted real exchange rate, the US refiners' acquisition cost of domestic and imported crude oil, and stock prices decreased in September.

Figure 10: Mexico Leading Economic Index



Source: The Conference Board

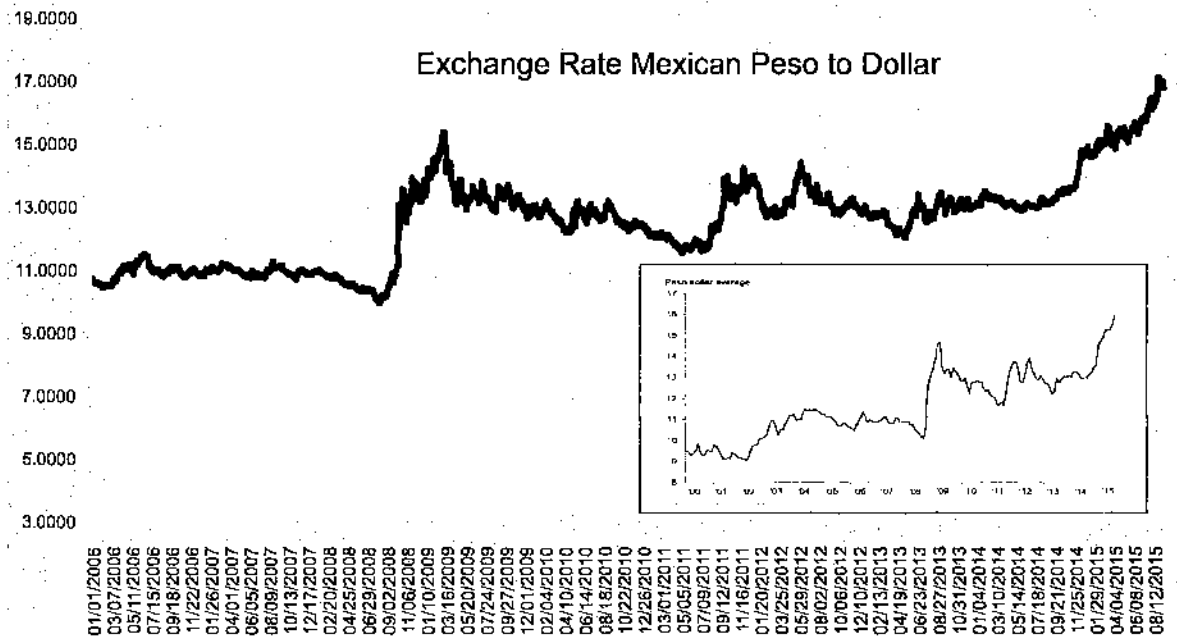
Mexico's LEI is composed of six components. Four of these six components, net insufficient inventories, the US refiners' acquisition cost of domestic and imported crude oil, stock prices, and the (inverted) real exchange rate, increased in May. The other two, Industrial

production construction decreased in May, and the inverted federal funds rate remained unchanged.

*Exchange Rates Mexican Peso to Dollar*

Between January 2012 and November 2014, the Mexican peso was a relatively stable against the U.S. dollar. The depreciation rate accelerated averaged 16.5 pesos per dollar in August, up from 15.9 pesos in July and about the same as in September and October. However, the peso has lost 23.6 percent of its value against the dollar over the past year. The Mexican currency has been unstable partly as a result of the expectation of an increase in U.S. interest rates and the impact of falling oil prices on Mexico's government finances. Oil revenues account for about one-third of the federal government budget.

Figure 11: Exchange Rates Mexican Peso to Dollar

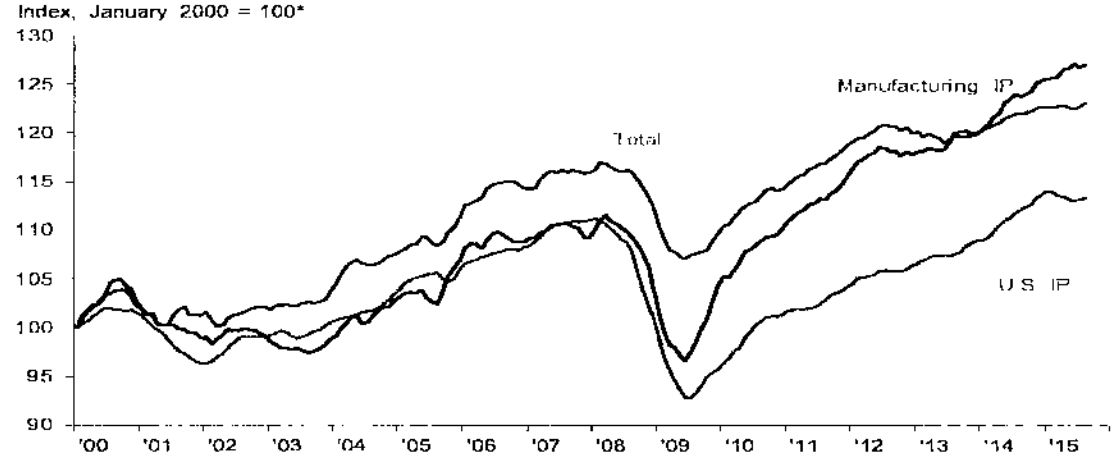


Source: Banco de Mexico

The economy will benefit from a stronger US economy, the depreciation of the peso, and the easing of problems in the construction sector. Mexico's business climate has improved significantly as a result of important structural reforms that the country, including reforms that address environmental problems and foreign investment in the energy sector. Consequently, both domestic and international investments are picking up, and manufacturing activity is gradually accelerating, supporting a robust formal job market, boosting household incomes and consumption growth. Mexico's real GDP grew by 2.3% in 2015, and is projected to grow in excess of 3% in both 2016 and 2017.

Mexico industrial production (IP) growth is recovering after pausing earlier in the year. Total IP, which includes manufacturing, construction, oil and gas extraction, and utilities, grew 0.2 percent in August. Three month moving averages show a slowing in total IP, which includes manufacturing, construction, oil and gas extraction and utilities. In contrast, manufacturing IP continues on an upward trend. Meanwhile, U.S. IP grew 0.6 percent in July the second consecutive month of increases after declining for five months in a row. The positive outlook of the Mexican economy will have beneficial spillovers on the economy of Texas and more particularly the economies of U.S. border cities.

Figure 12: U.S. and Mexico Manufacturing IP



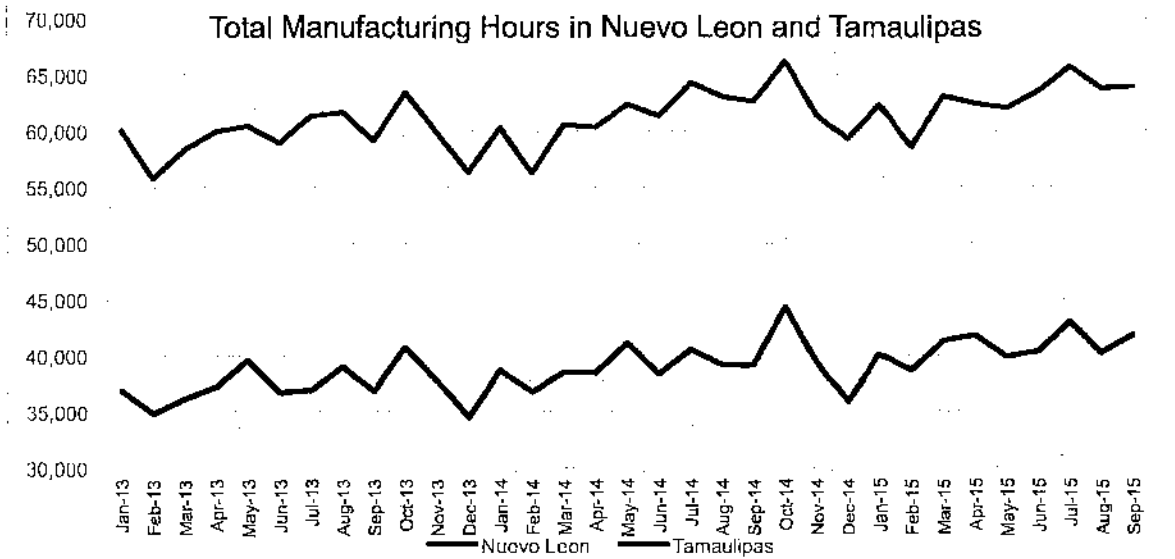
Sources: INEGI (Instituto Nacional de Estadística Geografía e Informática) and Federal Reserve Board

*Nuevo-Leon, Tamaulipas Manufacturing Employment*

Mexico has been successful in recent years in attracting foreign manufacturing and expanding its industrial capacities and capabilities especially in the interior of the country. Mexico is expected to become the seventh largest economy in the world. Changes in maquiladora employment and hours worked are important indicators of economic health in Nuevo Leon and Tamaulipas, Mexico. Increasing employment levels and number of working hours in the maquiladora has positive externalities on the economies of Texas border cities.

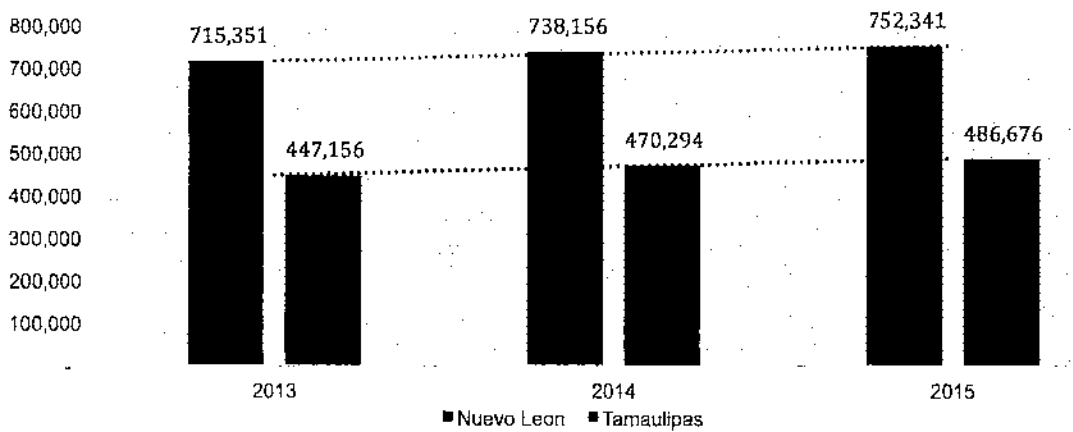
In the states of Nuevo Leon, and Tamaulipas, Mexico the formal-sector employment in manufacturing, jobs with government benefits and pensions, rose at an annualized rate of 2.95 percent in Nuevo Leon and 5.13 in Tamaulipas between January 2013 and November 2015. Year to date, employment is up an annualized 2.45 percent in Nuevo Leon and 5.11 percent in Tamaulipas.

Figure 13: Nuevo Leon-Tamaulipas Monthly Manufacturing Hours (2013-2015)



Sources: INEGI (Instituto Nacional de Estadística Geografía e Informática)

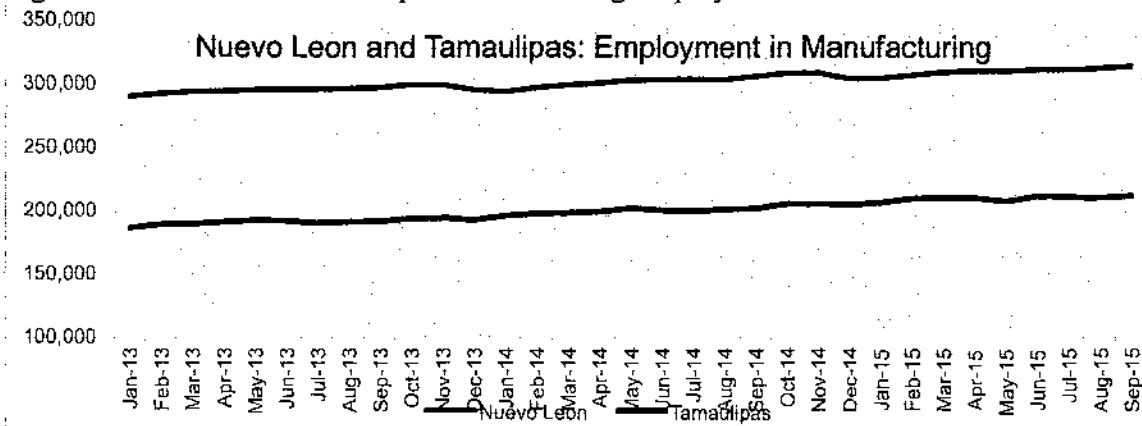
Figure 14: Nuevo Leon-Tamaulipas Annual Manufacturing Hours (2013-2015)  
Annual Manufacturing Hours (in thousands)



Sources: INEGI (Instituto Nacional de Estadística Geografía e Informática)

In our previous report Aaron selected the states of Nuevo Leon and Tamaulipas because of their immediate proximity and the strong economic, historic, and cultural ties to our area. Figures 13 and 14 show that the level of manufacturing employment has increase between 2013 and 2015.

Figure 15: Nuevo Leon-Tamaulipas Manufacturing Employment



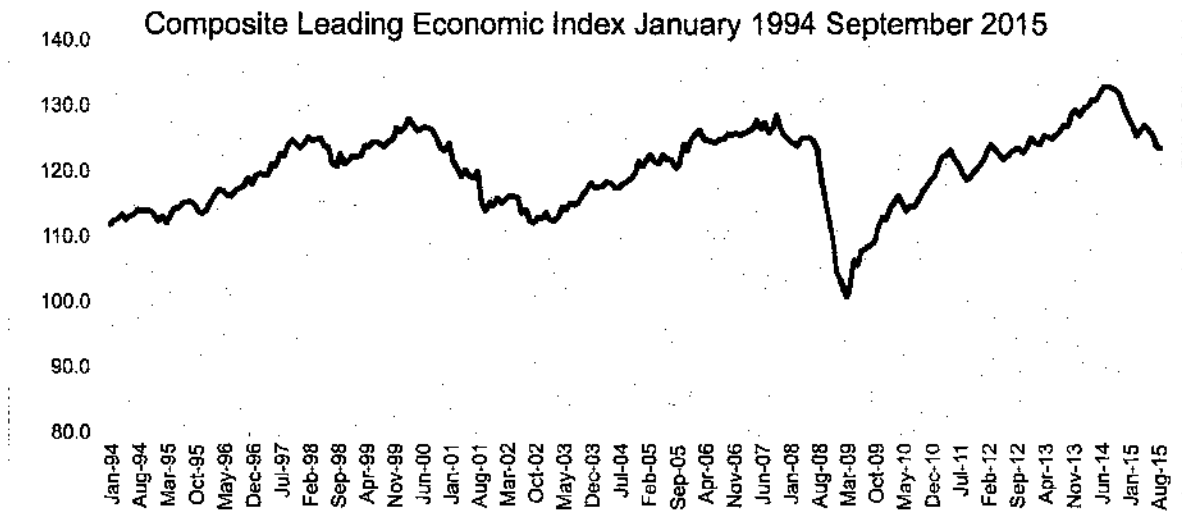
Source: INEGI (Instituto Nacional de Estadística Geografía e Informática)

### *COMPOSITE LEADING ECONOMIC INDEX*

Aaron computes the composite leading economic index using the weighted combined of the three leading economic indexes, U.S., Mexico, and Texas. Although the three LEIs forecast changes of three different economies, the economy of Texas has the biggest impact on the City of South Padre Island. The island's economic activity contracts and expands at rates closer to those of Texas.

Texas' Leading Economic Index influences the shape of the composite leading economic index. Figure 15 shows a downturn in the composite LEI starting in the third quarter 2014 signaling another round of deterioration from the recent fall in oil prices, although the slippage is smaller than it was earlier this year. Exports are down year over year, and the strengthening of the U.S. dollar and some global uncertainty pose additional downside risks to the U.S. and Texas economies. However, the positive outlook for Mexico's economy and both the U.S. and Texas still adding jobs, indicates that there will be positive and perhaps moderate growth for the coming year.

Figure 15 Composite Leading Economic Index



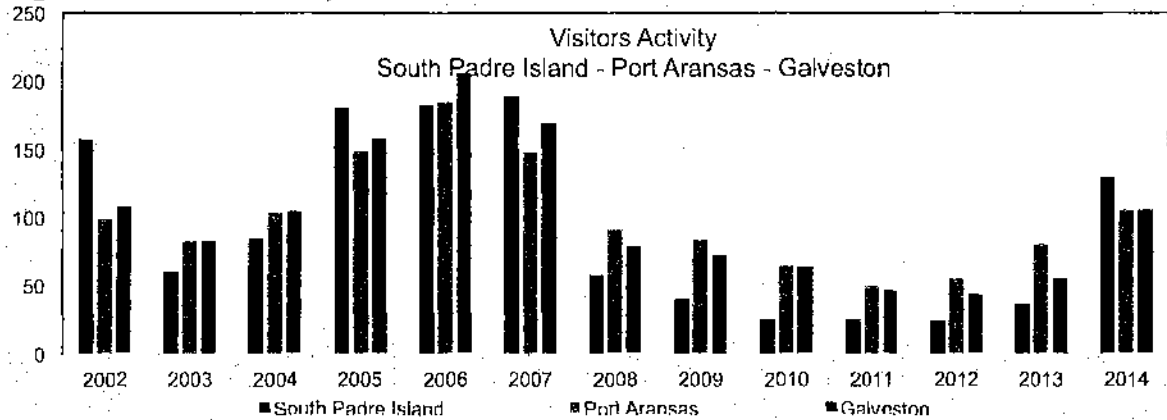
Source: Federal Reserve Bank of Dallas

## 5. South Padre Island - Internal Factors

South Padre Island's Internal Factors section presents the performance statistic for 2014. Aaron uses current and historical data to present current economic performance, and to identify trends and to forecast economic changes for the next two years. The report also includes comparative data and figures from Port Aransas and Galveston as a mean to benchmark South Padre Island's performance.

To be able to compare economies of different sizes, Aaron standardized the data and created an index that remove the impact of size of each economy and measure economic performance only. Figure 16 shows that South Padre Island outperformed both Port Aransas and Galveston in 2014.

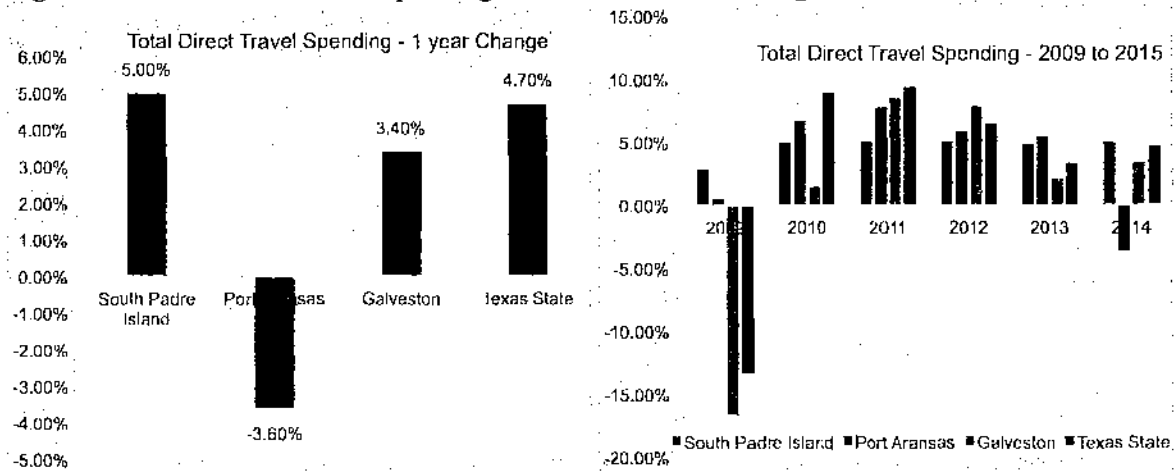
Figure 16: Visitors Activity in South Padre Island - Port Aransas - Galveston



Source: Texas Destinations 2011-2012, Office of Governor, Economic Development Tourism Division

Figure 17 shows that in 2014 South Padre Island's visitor spending grew at 5 percent a faster rate than the other destinations (-3.6 percent in Port Aransas, 3.4 percent in Galveston, and 4.7 percent in Texas). Figure 17 also shows the 5 year change in total direct visitors' spending. The five years data in Figure 17 shows that South Padre Island experienced a relatively stable and constant growth over the last five year period.

Figure 17: Total Direct Travel Spending 1 Year and 5 Year Change

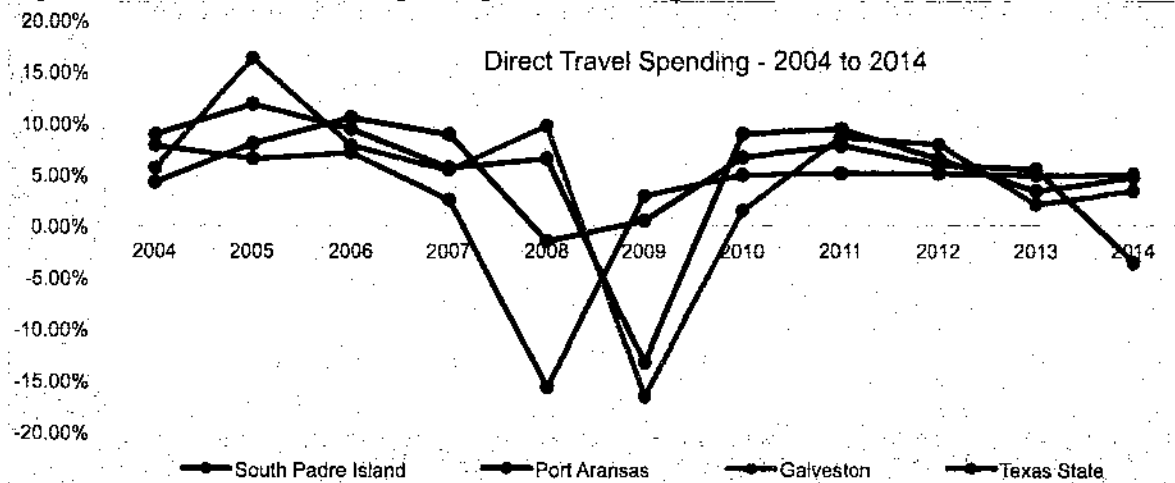


Source: Texas Destinations 2002-2012, Office of Governor, Economic Development Tourism Division



Figure 18 shows visitors' spending change over a 10 year period. The sharp drop in the data for the island (hurricane Dolly and recession) preceded drops for the other regions (recession). Figure 18 shows comparable overall comparable growth to Texas and other tourists destination on Texas Gulf Coast but with less growth volatility. After 2009 the growth rate of South Padre Island was stable around 5 percent annually.

Figure 18: Total Direct Travel Spending 10 Year Change



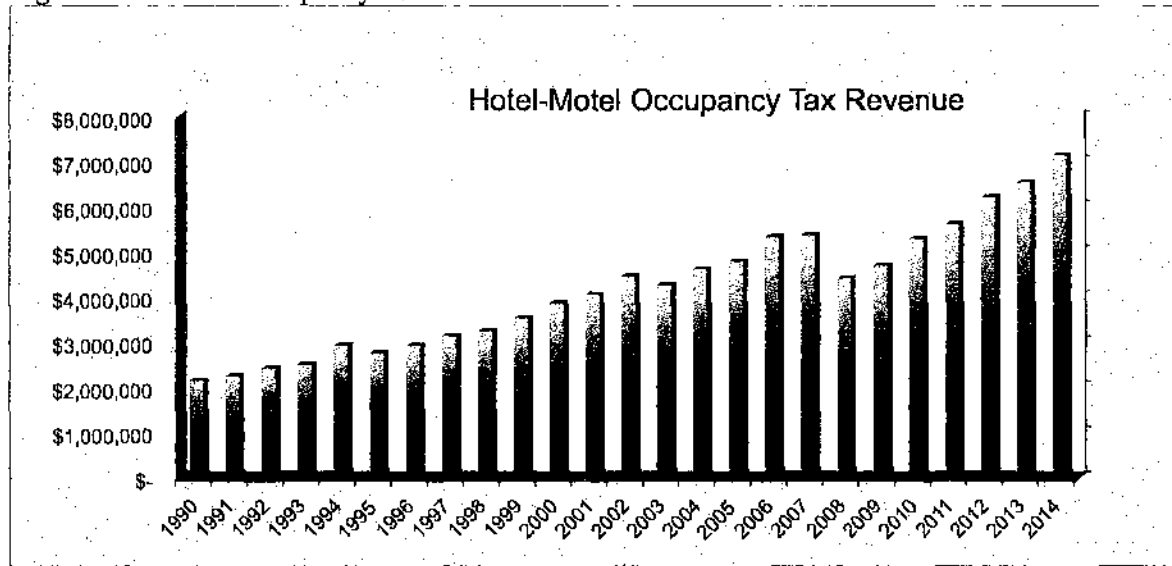
Source: Texas Destinations 2002-2011, Office of Governor, Economic Development Tourism Division

### *HOTEL/MOTEL OCCUPANCY TAX*

In computing the occupancy tax index, Aaron first deflates the data to remove the effect of changing prices and to isolate the change in economic activity. The resulting real occupancy tax, occupancy tax rate adjusted for inflation, provides a more accurate measure of whether there was an improvement in occupancy tax collection or not. Between 1995 and 2007, the occupancy tax index shows that hotel and motel occupancy annualized real growth rate was 2.1 percent. The occupancy tax revenue decreased in 2008 following hurricane Dolly and the great recession, and didn't recover to the pre-recession levels until 2011. Occupancy tax revenues increased steadily after the initial drop in 2008 at an average annual rate of 4.15 percent between 2008 and

2014. The occupancy tax index shows a decrease of 17.65% in 2008 relative to the 2007 and an average annual increase of 8.4% from 2008 to 2014. The occupancy tax revenue index for 2014 indicates a 9.3 percent improvement in the nominal occupation tax revenue.

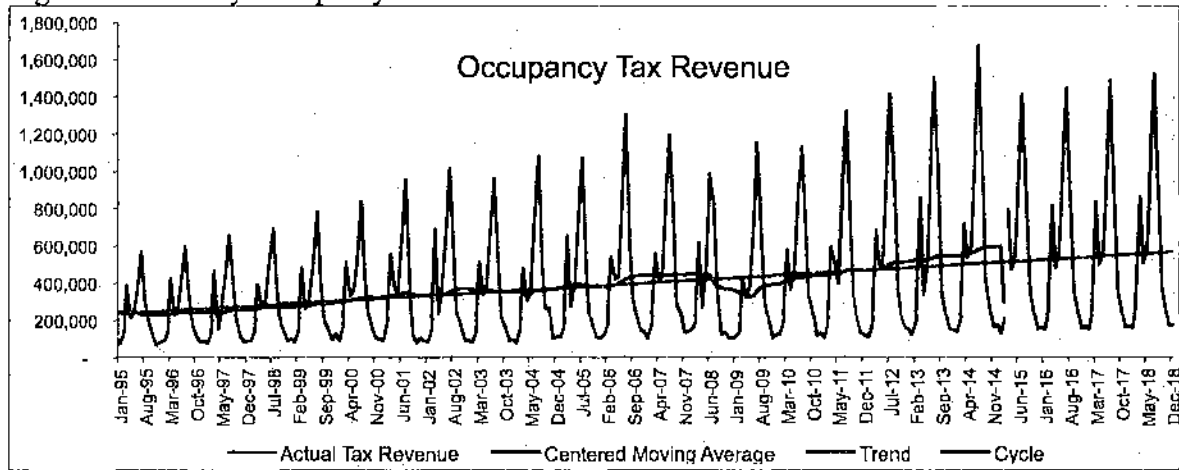
Figure 19: Annual Occupancy Tax Revenue



Source: South Padre Island Economic Development Corporation

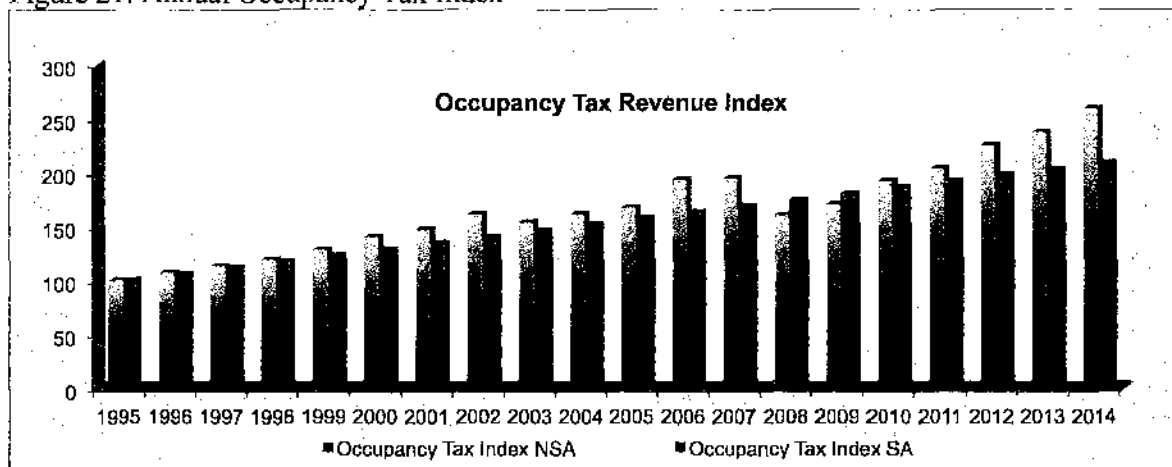
**Forecast:** The leading economic indexes and other leading indicators suggest a slow growth rate within the next two years. South Padre Island has experienced slightly faster growth in total earnings, employment, and tax receipts than Texas between 2008 and 2014. Aaron expect occupancy tax to increase by about 2 percent in 2015 and around 2.5 percent in 2016. The proposed development of Liquefied Natural Gas (LNG) at the Port of Brownsville could generate additional activity at the Island starting 2017.

Figure 20: Monthly Occupancy Tax Index



Source: South Padre Island Economic Development Corporation

Figure 21: Annual Occupancy Tax Index



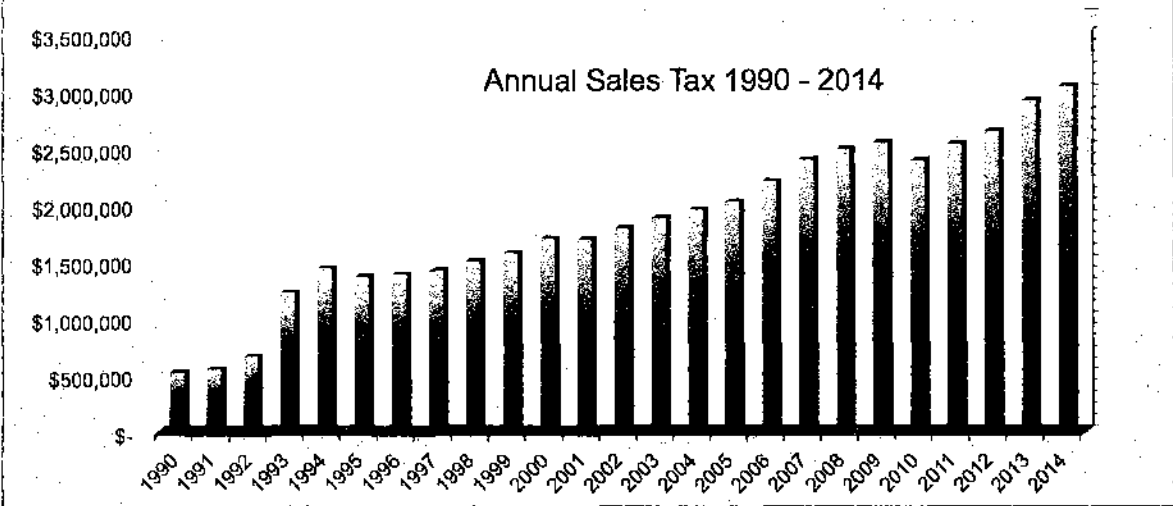
Source: South Padre Island Economic Development Corporation

### SALES TAX

Inflation adjusted sales tax revenue increased by 4.4 percent in 2014. While it is below 2013 sales tax growth rate of 10.2 percent it is above the growth rate of Galveston, Port Aransas and Texas. The faster growth rate experienced immediately after the financial crisis of 2008-2009 were a result first of post-hurricane Dolly and after 2009 of post-recession recovery. The

average growth rate of sales tax 1998 and 2007 was 5.04 percent and 4.22 percent from 2008 to 2014.

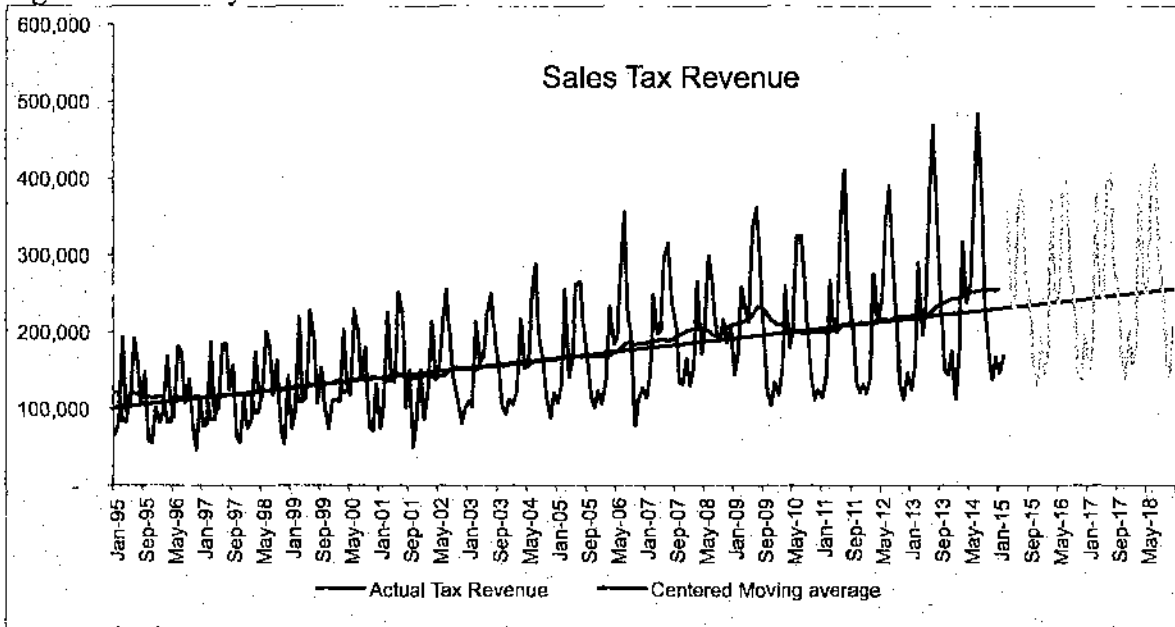
Figure 22: Annual Sales Tax Revenue



South Padre Island Economic Development Corporation

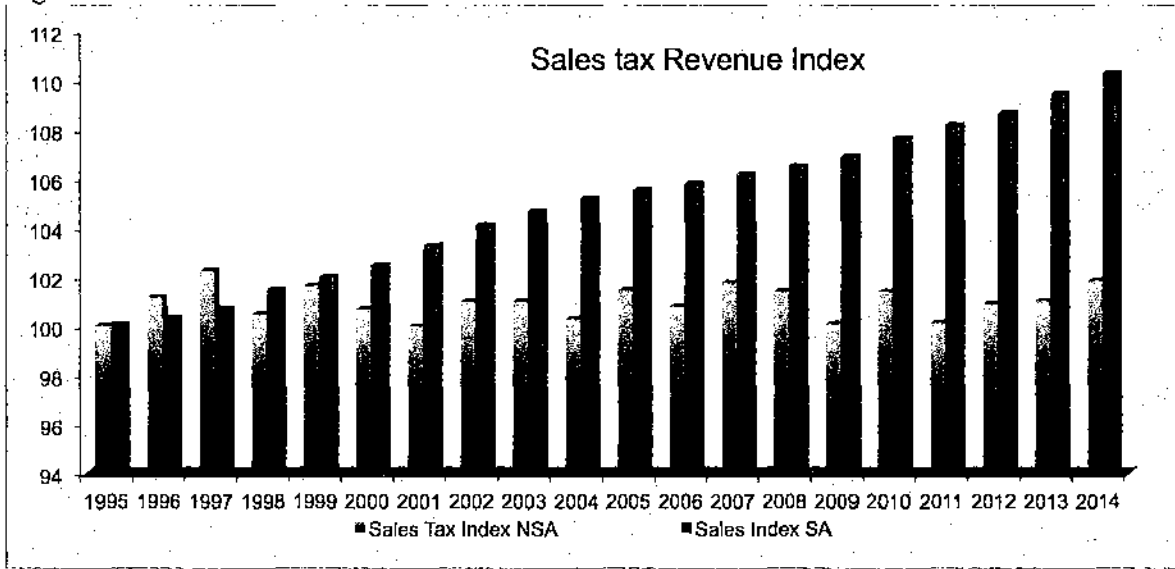
**Forecast:** Data show that factors that affect the economy of South Padre Island are trending slightly downward suggesting slower growth rate in sales tax revenue for the next two years. Aaron forecast sales tax revenue to increase by about 3 and 3.5 percent in 2015 and 2016.

Figure 23: Monthly Sales Tax Index



Source: South Padre Island Economic Development Corporation

Figure 24: Annual Sales Tax Index

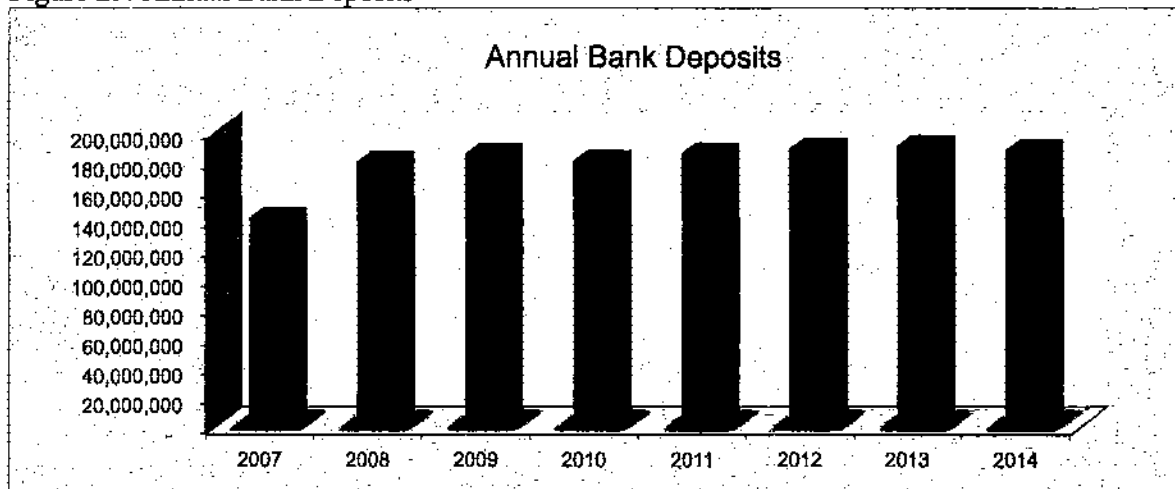


Source: South Padre Island Economic Development Corporation

## BANK DEPOSIT INDEX

The pre-recession period was a period of fast bank deposits growth. In fact, during that period bank deposits doubled every 7 years. Bank deposits declined in 2010 because of the financial recession and have not fully recovered their pre-recession growth rate. From 2008 to 2014, bank deposits increased by 4.5 percent or an average annual growth rate of 0.73 percent. During that period alternated between positive and negative growth from one year to the next. The growth rate of bank deposits for 2014 relative to the previous year is -1.63 percent.

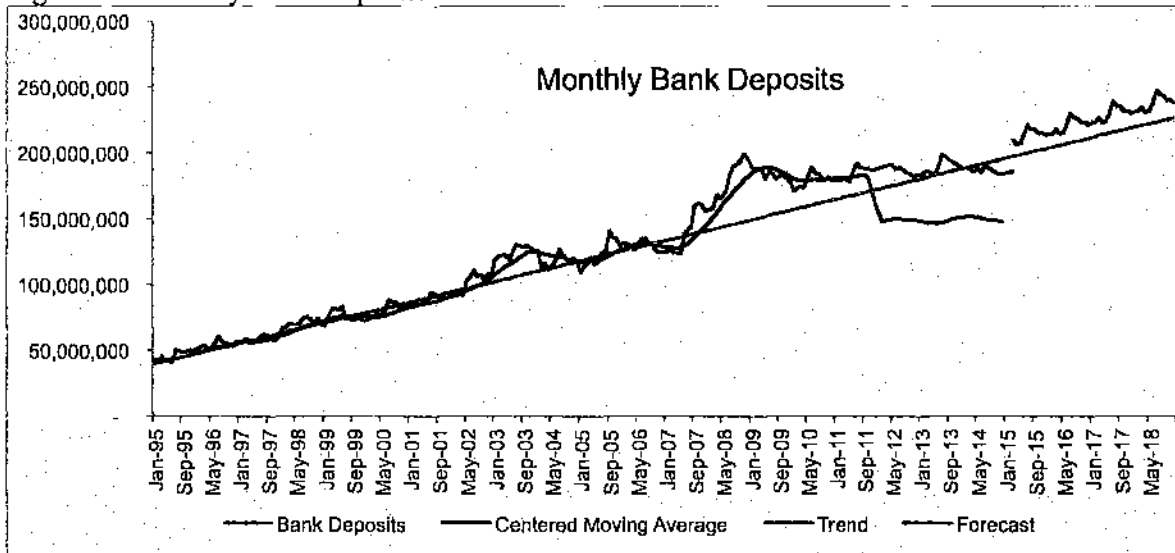
Figure 25: Annual Bank Deposits



Source: Texas Destinations 2007-2008, Office of Governor, Economic Development Tourism Division

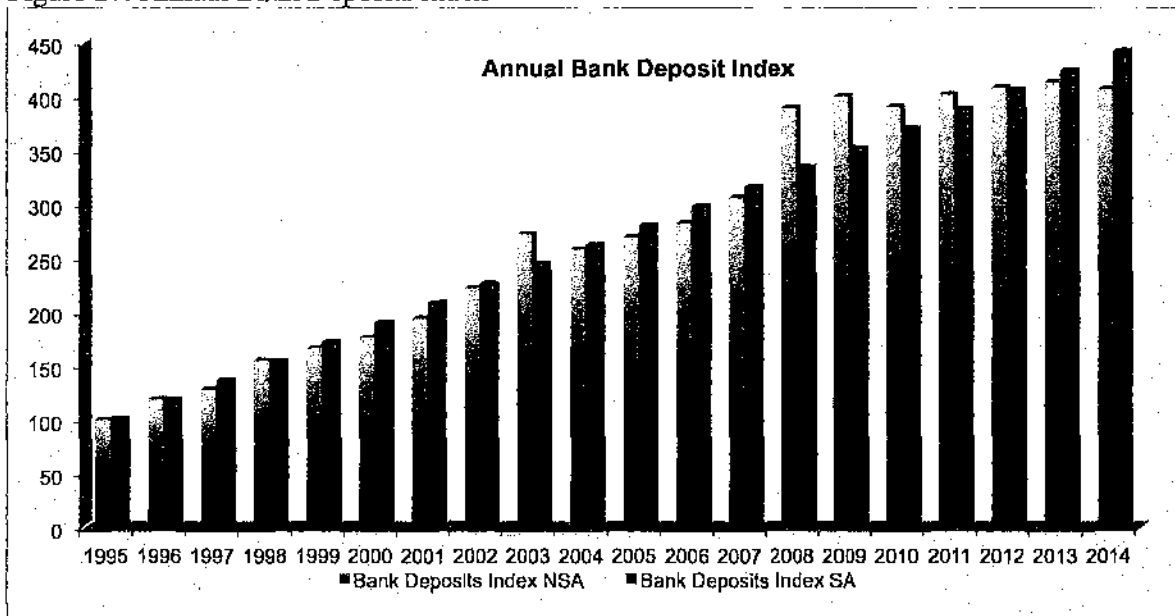
**Forecast:** Dollar appreciation means that Mexican pesos buy fewer American dollars. Aaron expect bank deposits to decline if the appreciation of the dollar stabilizes and to increase if the appreciation of the dollar continues as Mexican nationals will see converting their pesos to dollars before the appreciation occurs as a way to hedge against a loss in purchasing power. Aaron expect bank deposits to decrease by 2 percent in 2015 and 2016.

Figure 26: Monthly Bank Deposits Index



Source: South Padre Island Economic Development Corporation

Figure 27: Annual Bank Deposits Index

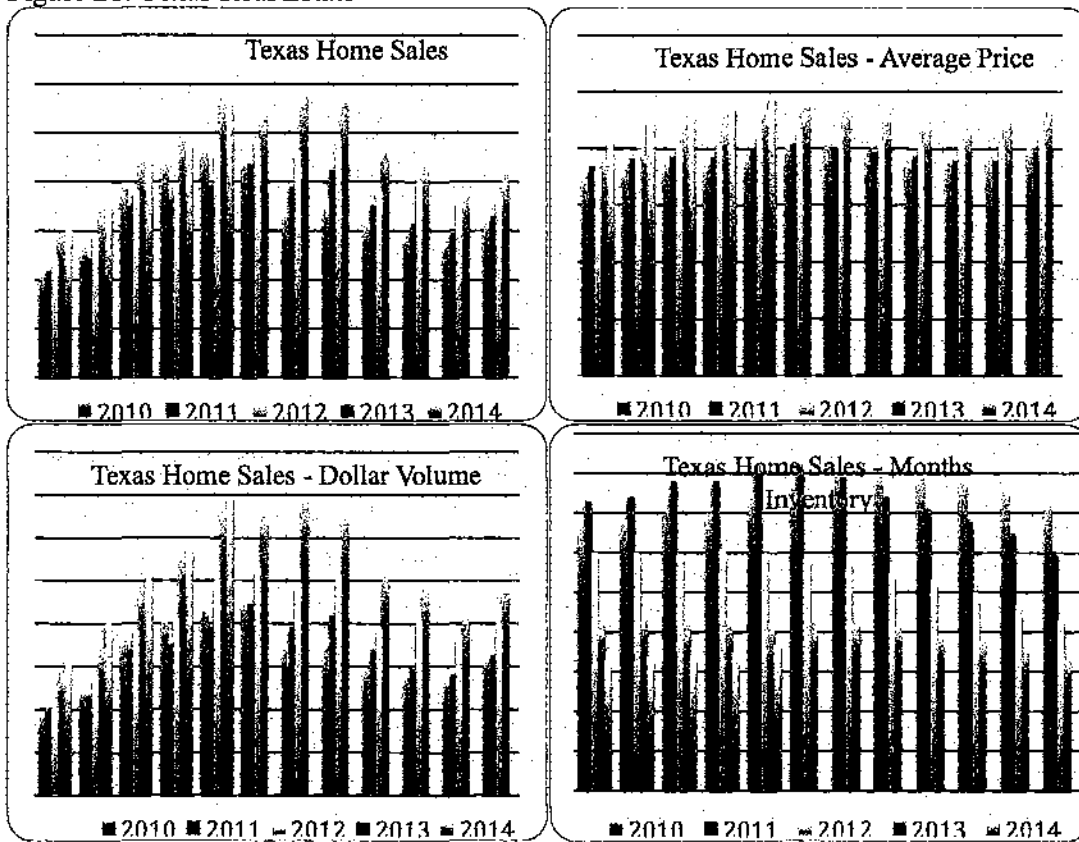


Source: South Padre Island Economic Development Corporation

*REAL ESTATE IN TEXAS*

According to the Real Estate Center at Texas A&M University, monthly home sales in Texas have increased significantly in 2013 and first five months of 2014 relative to sales for the same months in 2010, 2011, and 2012. In addition, average prices, dollar volume from home sales have also increased in 2013 and 2014. Starting in June 2011, months inventory for Texas homes has improved continuously. Months inventory decreased from 8.2 months in June 2011 to 3.7 months in April 2014. Figure 28 shows key statistics for the Texas real estate market.

Figure 28: Texas Real Estate



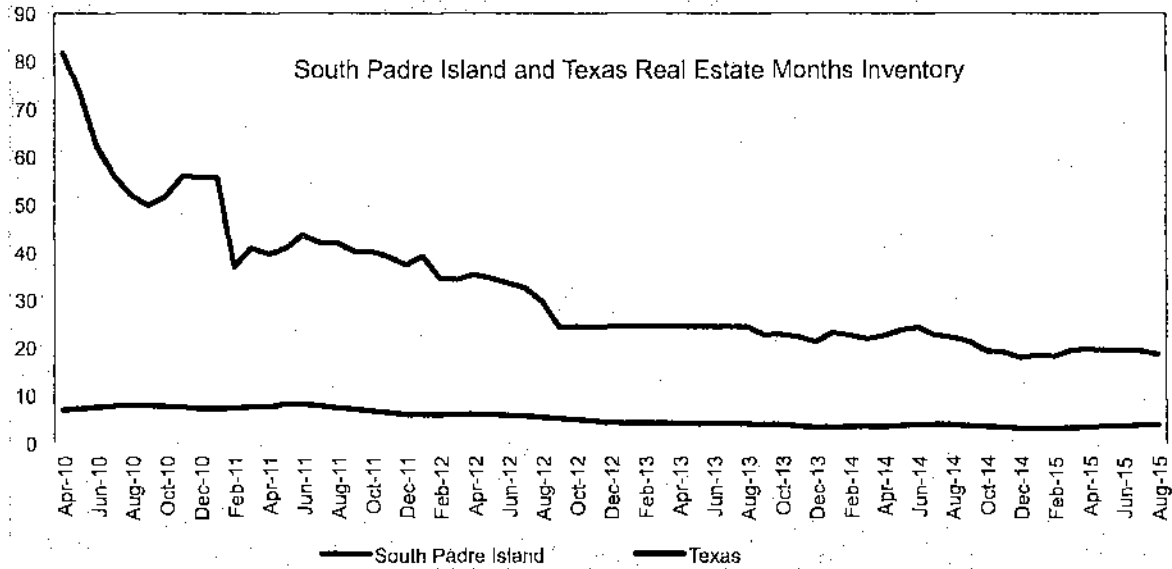
Source: Texas A&M University Real Estate Center



*REAL ESTATE IN SOUTH PADRE ISLAND*

Texas A&M Real Estate Center data shows that South Padre Island’s real estate market has improved significantly after the recession of 2008-2010. All indicators point to an improving real estate market both in Texas and in South Padre Island, home sales, average prices, and dollar volume sales have increased every year since 2011 while number of listings and months inventory have decreased. From 2011 to August 2015 average home sales per month increased from 20 to 37 per month, average monthly dollar volume from sales increased from \$4.2 million to 9.2 million, average Months inventory decreased by 67 percent between January 2011 and August 2015.

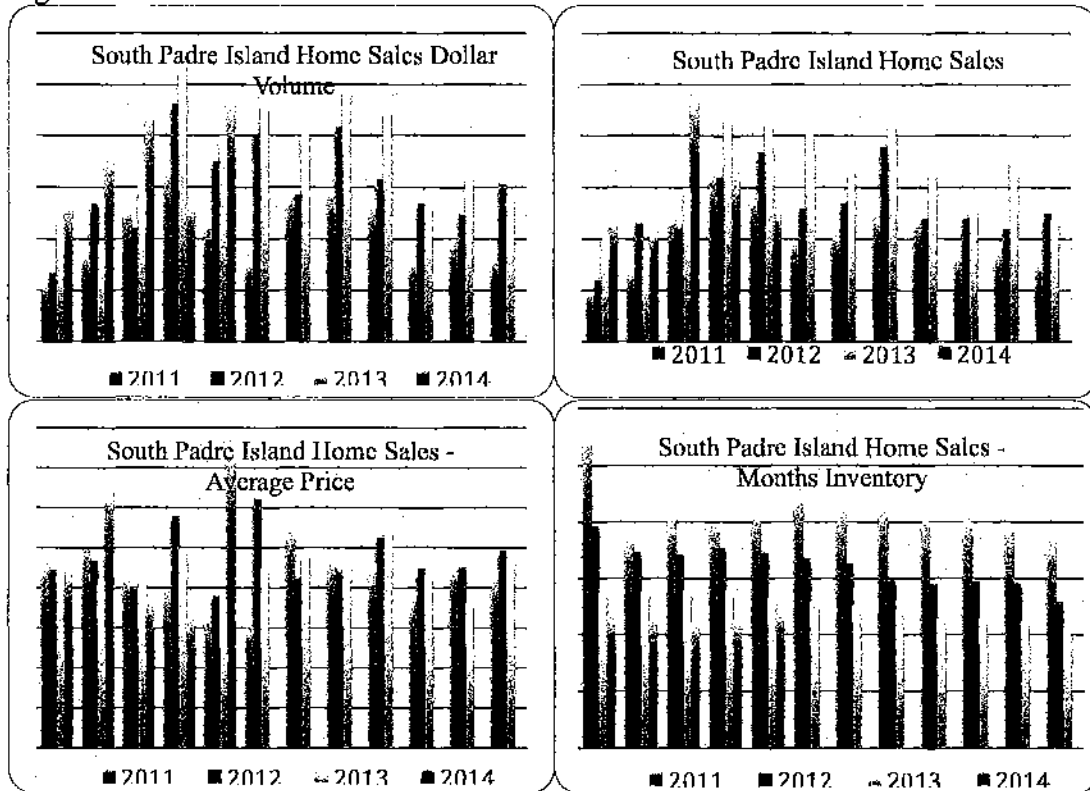
Figure 29: South Padre Island Real Estate



Source: Texas A&M University Real Estate Center

Figure 29 shows that between April 2010 and August 2015, both South Padre Island and Texas month inventory declined dramatically (67 percent and 49 percent respectively). Month inventory in South Padre Island has declined faster than in Texas.

Figure 30: South Padre Island Real Estate



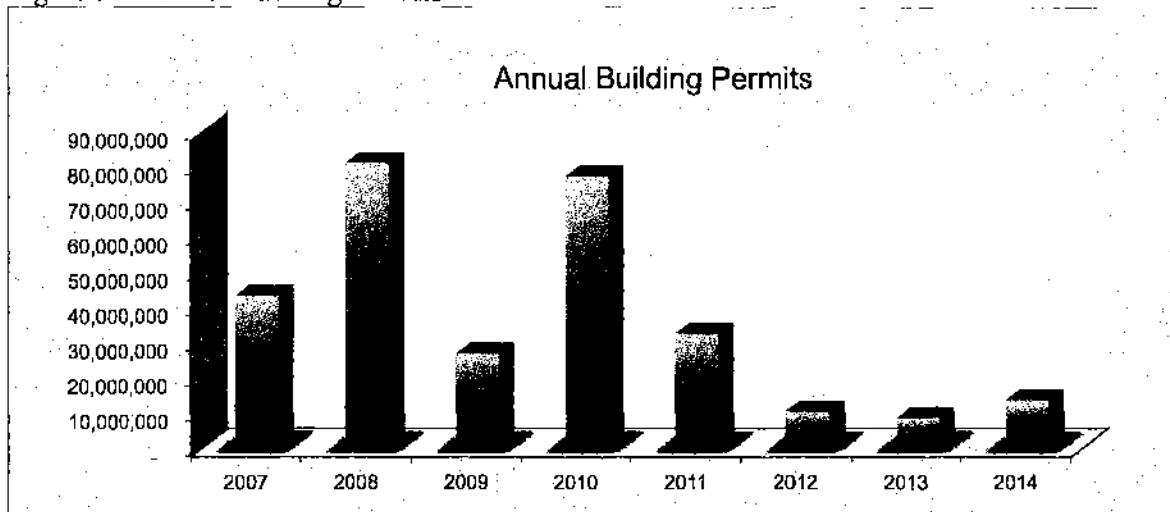
Source: Texas A&M University Real Estate Center

*BUILDING PERMITS INDEX*

Figure 31 shows that the number of building permits declined after 2010 partly due to a relatively large inventory and a slow recovering economy. Figure 32 shows that from 1995 to 2001 building permits followed a stable and constant pattern with minimal variability. This pattern suggests that real estate projects were small single structures or limited multi-family structures. After 2001 the variability of building permits increased. Figures 31 and 32 show pronounced peaks in 2006, 2008, and 2010. The dramatic change suggests a possible structural shift in real estate sector, and a shift to very large construction and real estate projects and high-rise projects. These periods of high peaks have been fairly clustered together, second half of

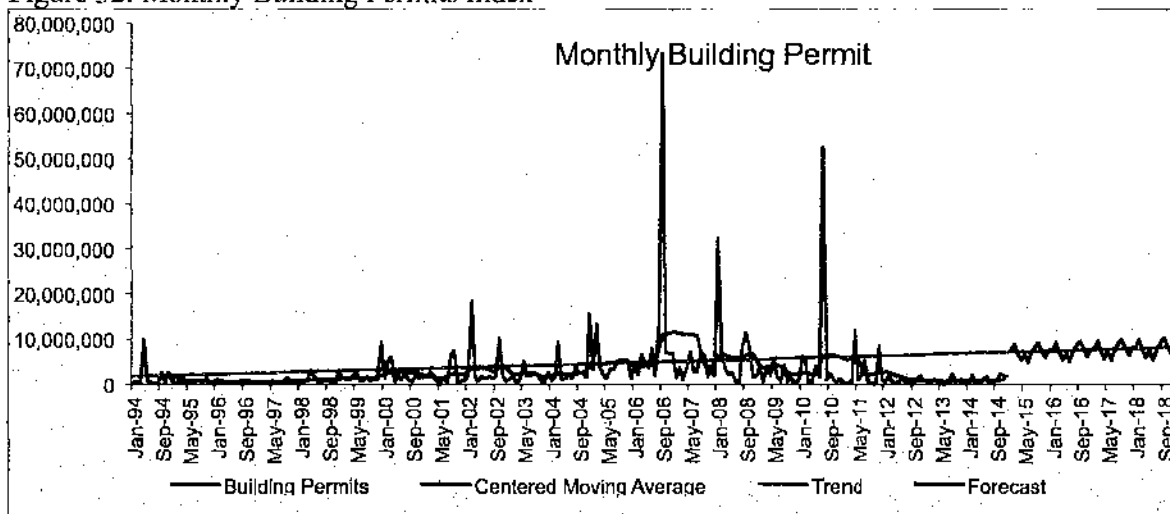
2006, first half of 2008, and second half of 2010. After 2010, there was a decline in the number of building permits. Real estate data for 2014 show that the number of listings declined and average prices increased. These indicators suggest that the decline may be temporary and not as prolonged as the pre-2006 period.

Figure 31: Annual Building Permits



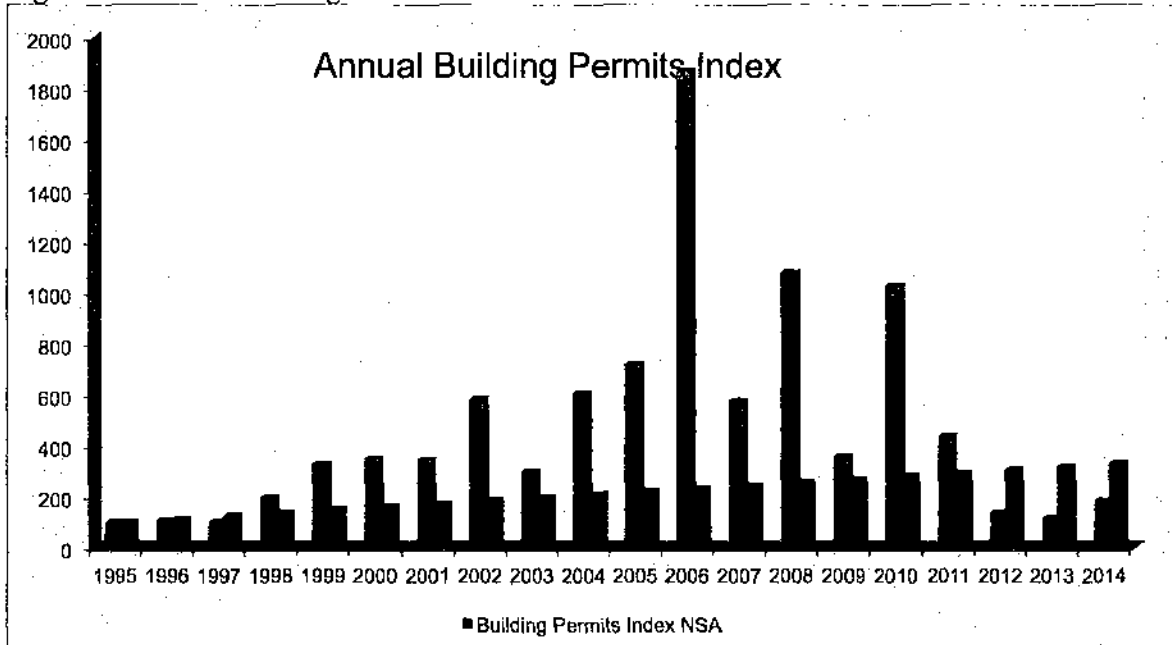
Source: Source: South Padre Island Economic Development Corporation

Figure 32: Monthly Building Permits Index



Source: South Padre Island Economic Development Corporation

Figure 33: Annual Building Permits Index



Source: South Padre Island Economic Development Corporation

Peaks in the data show that large projects are undertaken which lead to a short-term increase in supply of real estate on the island. The peaks are followed by periods of decreasing building permits, which in turn are followed by another sharp increase in building permits.

**Forecast:** Building permits index shows a decline after 2010 the data shows that the number of listing is declining and the average prices increasing. Aaron expects the building permits index to remain constant in 2015, and to increase in 2016.

## 6. Conclusions

The current economic outlook for the U.S. is accelerated economic growth relative to the previous three years at around 2.5 percent in the short term and 3 percent in medium term. Texas economy is forecasted to grow at 3 percent and Mexico is forecasted to grow at 3.5 percent. The

optimistic outlook for the U.S. and Texas, and the fast expanding Mexican economy point to an expansion of economic activity in South Padre Island. However, monthly disparities in terms of economic activity will remain in the short run and the magnitude of these variations will depend on the success of South Padre Island in attracting visitors during the off-peak months.

The proposed development of LNG facilities at the Port of Brownsville discussed above could provide a significant boost to the region's economy by showcasing the region to the world. LNG is the second most traded commodity in the world. In addition, a number of other projects are currently being discussed by different stakeholders. The most notable ones are the proposed building of a Marina and an entertainment district in South Padre Island. These two projects could help mitigate the volatility in yearly economic activity at the Island, especially during the off-season months. While data from the Queen Isabella's causeway traffic shows that there is considerable day traffic crossing into the Island, occupancy tax data and sales tax data don't show that those visitors are spending money at the Island. By developing a comprehensive entertainment district, the Island could capture some spending from local visitors.

Sales tax and occupancy tax revenues rose 4.52 percent and 10.67 percent in 2013, and 10.24 percent and 5.32 percent in 2014 respectively. South Padre Island's tax revenues are expected to continue to grow at a relatively faster rate than the three previous years.

Texas and South Padre Island real estate data show that home sales, prices, months inventory have surpassed pre-crisis levels indicating that the real estate market has completely recovered. Although the real estate market has recovered, the number of building permits is relatively low compared to previous years. Aaron expects the number of permits to remain unchanged for the short run and to increase significantly in the medium term.

## References

Bureau of Economic Analysis

Bureau of Labor Statistics

Federal Reserve Bank of Dallas

Federal Reserve Bank of New York

National Association of Realtors

The Conference Board

Texas A&M Real Estate Center

Texas Destinations 2007-2008, Office of Governor, Economic Development Tourism  
Division

Valley Markets & Research Center: <http://coba.utpa.edu/tourism/file/WTR2008-summary.pdf>

World Bank

[www.city-data.com](http://www.city-data.com)

**6.**

**DRAFT**

**CITY OF SOUTH PADRE ISLAND  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS**

**MINUTES**

Regular Meeting  
November 17<sup>th</sup>, 2015

**1. CALL TO ORDER**

A regular meeting of the Board of Directors of the City of South Padre Island Economic Development Corporation was held on Tuesday, November 17<sup>th</sup>, 2015, at the Municipal Complex 2<sup>nd</sup> floor Joyce Adams Conference Room, 4601 Padre Blvd., South Padre Island, Texas. President Joanne Williams called the meeting to order at 8:30 a.m. Other Board members present were Secretary/Treasurer Ron Pitcock, and Directors Beth Vance, Bill DiLibero, and Bob Friedman. Absent was Vice-President Dan Stanton. Also present were Executive Director Darla Lapeyre, SPI Birding and Nature Center Board President Lynne Tate, Lisa Hill-McCay with the Buxton Company, Hayden Ellis with Shepard Walton King Insurance, and Stormy Wall from the City Parks and Recreation Committee. Citizens Tara Rios, Clayton Brashear, and Sally Scaman were also present.

**2. PLEDGE OF ALLEGIANCE**

**3. PUBLIC COMMENTS AND ANNOUNCEMENTS**

Ms. Lapeyre stated the Chamber of Commerce Quarterly Luncheon will be held at Isla Grand at 11:45 and Senator Eddie Lucio Jr. will be the keynote speaker.

**4. PRESENTATION BY LISA HILL-MCCAY, VICE-PRESIDENT WITH THE BUXTON COMPANY REGARDING A RETAIL RECRUITMENT STRATEGY**

The Board received a proposal from the Buxton Company for retail recruitment and visitor insights solution. Lisa Hill-McCay, Vice-President of the Buxton Company gave a PowerPoint presentation and explained how their company can assist the City and the EDC with retail recruitment and insight to their visitor's profiles using analytic data, psychographics, an exclusive partnership with VISA, seasonal experience, demographics that are updated every 8 weeks, booth space at the ICSC events in Dallas and Las Vegas, a software application SCOUT that is accessible to users we choose, and face to face meetings with potential businesses that would relocate to South Padre Island. The proposal was for a three year commitment however she said Buxton could do one year and would be willing to work with existing developers to cost share and contract and invoice with them separately.



**5. DISCUSSION AND ACTION TO APPROVE THE ANNUAL INSURANCE PAYMENT FOR THE BIRDING AND NATURE CENTER FACILITY-WIND, PROPERTY, AND LIABILITY POLICIES (PRESENTED BY HAYDEN ELLIS WITH SHEPARD WALTON KING)**

The Board reviewed a proposal from Shepard Walton King Insurance group for insurance renewal for the Birding and Nature Center facility. Upon a motion from Ron Pitcock and a second by Bob Friedman the Board unanimously approved the annual insurance payment not to exceed the amount of \$42,820.93 for Property and Liability Policies for the South Padre Island Birding and Nature Facility for coverage for the period of 12/21/15-12/20/16.

**6. APPROVE THE CONSENT AGENDA**

- 6a. Approve the Minutes from Regular Meeting on October 20<sup>th</sup>, 2015**
- 6b. Financial Report-October 2015**
- 6c. Activity Report from the Birding and Nature Center-October 2015**
- 6d. Financial Reports for the Birding and Nature Center-October 2015**
- 6e. Approve excused absence for Dan Stanton from the November 17<sup>th</sup>, 2015 and December 15<sup>th</sup>, 2015 Board Meetings**

Upon a motion from Ron Pitcock and a second by Bill DiLibero the consent agenda was unanimously approved as presented.

**7. PRESENTATION BY KERRY SCHWARTZ WITH THE CITY PARKS AND RECREATION COMMITTEE REGARDING A SKATE PARK FOR SOUTH PADRE ISLAND**

Stormy Wall from the City Parks and Recreation Committee was present to speak to the Board, as Kerry Schwartz was out of town. Mr. Wall provided a handout to the Board which included the space allocated at the John L. Tompkins Park for the skate park addition, the preliminary estimate for the park is \$125,000-135,000 and the request to the EDC is a contribution in the amount of \$100,000-\$115,000 with the remainder of the funds coming from private contributions. Plans for the Tompkins Park and the Skate Park were included in the packet.

**8. DISCUSSION AND POSSIBLE ACTION REGARDING PROVIDING FUNDING FOR A SKATE PARK AT THE CITY'S JOHN L. TOMPKINS PARK**

Tara Rios and Clayton Brashear addressed the Board in opposition to the Skate Park, the location of the Skate Park, and the EDC providing funding for the Skate Park. The Board recommended to Mr. Wall the item go back to the Parks and Recreation Committee for a workshop to allow community input. Upon a motion from Ron Pitcock and a second by Bill DiLibero the Board unanimously voted to table this item until the next EDC Board meeting.

**9. BUSINESS DEVELOPMENT COMMITTEE REPORT (PITCOCK)**

Secretary/Treasurer Ron Pitcock reported to the Board the Business Development Committee met and discussed ideas for the 1<sup>st</sup> annual small business forum including his meeting with Dr. Mark Kroll the Dean of Business at UTRGV and their willingness to participate in a forum between Spring Break and summer, developing a program for existing businesses similar to the Ruby Red Venture Program in Mission, placing an ad in the Valley Business Report for business recruitment from the RGV, an art festival event, and the feasibility of pop up businesses, rent subsidies, and a commercial kitchen business incubator.

**10. EXECUTIVE DIRECTOR'S ACTIVITY REPORT**

Ms. Lapeyre presented the most recent economic indicators to the Board and provided an analysis of the Sales Tax. She provided a written report of her office activity from October 19<sup>th</sup>, 2015 through November 13<sup>th</sup>, 2015. Ms. Lapeyre reported the September sales tax was up 12.45% from September 2014 and sales tax for the 2015 calendar year to date was up 4% from the same period in 2014.

**11. ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:50 a.m.

S E A L

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Darla Lapeyre  
Executive Director

APPROVED:

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Joanne Williams  
President



# Memo

**To:** South Padre Island Economic Development Corporation Board of Directors  
**From:** Rodrigo Gimenez, Finance Director  
City of South Padre Island  
**CC:** Darla Lapeyre  
**Date:** December 10, 2015  
**Re:** November 30, 2015 Operating Statement

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The November 30, 2015 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of November 30, 2015 are attached for your review. **Transactions summarized in the statements are those processed through the Finance Department of the City.**

The Birding and Nature Center sales are not reflected in these financial statements, since they took their bookkeeping in house in October 2011.

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.

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

Please contact me at [rgimenez@MYSPI.org](mailto: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**  
**November 30, 2015/2014**

<b>Assets</b>	<b>2015</b>	<b>2014</b>
Cash and cash equivalents	\$708,436	\$540,750
Receivables - Sales Tax	\$40,258	\$41,795
Revolving Loan Receivable	\$65,524	\$76,272
Due From General Fund	\$0	\$0
Miscellaneous Receivables	\$0	
Prepaid Expenses	\$0	\$0
<b>TOTAL ASSETS</b>	<b>\$814,218</b>	<b>\$658,817</b>

<b>Liabilities and Fund Balances</b>		
Deferred Revenue	\$65,524	\$76,272
Accounts Payable	\$0	\$0
Sales Tax Payable	\$0	\$0
Payroll Taxes Payable	\$318	\$318
Wages Payable	\$0	\$0
Due to General Fund	\$0	\$0
Reserved for Encumbrances	\$0	\$0
Other liabilities	\$0	\$0
<b>Total Liabilities</b>	<b>\$65,842</b>	<b>\$76,590</b>
<b>Fund Balance</b>	<b>\$748,375</b>	<b>\$582,227</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$814,218</b>	<b>\$658,817</b>

**City of South Padre Island**  
**Economic Development Corporation**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**November 30, 2015/2014**

	2015		2014
	Budget	Actual	Actual
<b><u>REVENUES</u></b>			
Sales Tax	\$770,000	\$105,210	\$99,555
Revolving Loan Revenue	\$10,274	\$0	\$808
Grant Revenue	\$0	\$0	\$0
Interest Revenue	\$2,501	\$38	\$287
BNC Expense Reimbursement	\$0	\$0	\$0
Miscellaneous Revenues	\$0	\$20	\$0
<b>Total Revenue</b>	<b>\$782,775</b>	<b>\$105,268</b>	<b>\$100,650</b>
<b><u>EXPENDITURES</u></b>			
General Administrative Expenses	\$692,775	\$105,965	\$84,538
BNC Cash Advances	\$20,000	\$9,100	\$0
Birding Center Expenses	\$70,000	\$0	\$2,282
<b>Total Expenditures</b>	<b>\$782,775</b>	<b>\$115,065</b>	<b>\$86,820</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$0	(\$9,796)	\$13,830
Fund balance - beginning	\$758,173	\$758,170	\$568,397
Fund balance - ending	<b>\$758,173</b>	<b>\$748,375</b>	<b>\$582,227</b>

FUND : 80 - ECONOMIC DEVELOPMENT CORP

SCHEDULE OF BUDGETED, ACTUAL AND ENCUMBERED EXPENDITURES

DEPARTMENT : DEPT 580 - EDC

NOTATION :

ACCOUNT NUMBERS	ACCOUNT DESCRIPTION	-- MONTH --		YEAR TO DATE		CURRENT MODIFIED BUDGET	UNENCUMBERED BALANCE	BUDGET PERCENT REMAINING
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS			
<u>PERSONNEL SERVICES</u>								
580-0010	SUPERVISION	4,538.46	0.00	7,125.38	7,125.38	59,000.00	51,874.62	87.92
580-0020	CLERICAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0060	OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0070	PICA	65.80	0.00	131.60	131.60	1,109.00	977.40	88.13
580-0080	TMRS	580.46	0.00	580.46	580.46	7,661.00	7,080.54	92.42
580-0081	GROUP INSURANCE	509.96	0.00	990.15	990.15	5,874.00	4,883.85	83.14
580-0083	WORKERS COMPENSATION	0.00	0.00	0.00	0.00	137.00	137.00	100.00
580-0084	UNEMPLOYMENT TAX	0.00	0.00	0.00	0.00	423.00	423.00	100.00
		5,694.68	0.00	8,827.59	8,827.59	74,204.00	65,376.41	88.10

GOODS AND SUPPLIES

580-0101	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	1,350.00	1,350.00	100.00
580-0102	LOCAL MEETINGS	18.00	0.00	36.00	36.00	500.00	464.00	92.80
580-0107	BOOKS & PUBLICATIONS	0.00	0.00	0.00	0.00	600.00	600.00	100.00
580-0108	POSTAGE	0.00	0.00	0.00	0.00	200.00	200.00	100.00
580-0150	MINOR TOOLS & EQUIPM	0.00	0.00	0.00	0.00	1,500.00	1,500.00	100.00
580-0180	INFORMATION TECHNOLO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		18.00	0.00	36.00	36.00	4,150.00	4,114.00	99.13

MISCELLANEOUS SERVICES

580-0501	COMMUNICATIONS	0.00	0.00	63.46	63.46	800.00	736.54	92.07
580-0502	LOAN REV EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0513	TRAINING EXPENSE	0.00	0.00	0.00	0.00	1,500.00	1,500.00	100.00
580-0520	INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0530	PROFESSIONAL SERVICE	2.00	0.00	4.00	4.00	7,500.00	7,496.00	99.95
580-0534-001	BIRDING MASTER PLAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-002	LOBBYIST	2,083.33	0.00	4,166.66	4,166.66	25,000.00	20,833.34	83.33
580-0534-003	COMPREHENSIVE PLAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-004	BEACH MASTER PLAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-005	REGIONAL MOBILITY AU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-006	ECONOMIC ACTIVITY IN	0.00	0.00	0.00	0.00	4,000.00	4,000.00	100.00
580-0534-010	BAY CLEANUP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-012	AREA MARKETING STUDY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-013	USDA RBEG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-014	I-68 ALLIANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-015	BROWN PROPERTY INTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-016	BIRDING MASTER NON-C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-017	OTHER PROJECTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-018	GULF OF MEXICO NATUR	0.00	0.00	0.00	0.00	5,000.00	5,000.00	100.00
580-0534-019	BUSINESS RECRUITMENT	0.00	0.00	0.00	0.00	35,000.00	35,000.00	100.00

FUND : 80 - ECONOMIC DEVELOPMENT CORP

SCHEDULE OF BUDGETED, ACTUAL AND ENCUMBERED EXPENDITURES

DEPARTMENT : DEPT 580 - EDC

NOTATION :

ACCOUNT NUMBERS	ACCOUNT DESCRIPTION	-- MONTH --		YEAR TO DATE		CURRENT MODIFIED BUDGET	UNENCUMBERED BALANCE	BUDGET PERCENT REMAINING
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS			
580-0534-020	BNC LANDSCAPING PROJ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0540	ADVERTISING	395.00	0.00	1,095.00	1,095.00	3,500.00	2,405.00	68.71
580-0550	TRAVEL	0.00	0.00	0.00	0.00	2,000.00	2,000.00	100.00
580-0551	DUES & MEMBERSHIPS	0.00	0.00	0.00	0.00	1,000.00	1,000.00	100.00
580-0555	PROMOTIONS	0.00	0.00	0.00	0.00	3,000.00	3,000.00	100.00
580-0560	RENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0576	BEACH RENOURISHMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0580	INTEREST EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0599	PROMOTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		2,480.33	0.00	5,329.12	5,329.12	88,300.00	82,970.88	93.96

EQUIPMNT > \$5,000 OUTLAY

580-1001	BUILDINGS & STRUCTUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-1003	FURNITURE & FIXTURES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-1004	MACHINERY & EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-1011	INFORMATION TECHNOLO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00

INTERFUND TRANSFERS

580-9476	BEACH NOURISHMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-9480	TRANSFER TO EDC DEBT	35,236.13	0.00	70,472.26	70,472.26	422,834.00	352,361.74	83.33
		35,236.13	0.00	70,472.26	70,472.26	422,834.00	352,361.74	83.33

SPECIAL PROJECTS

580-9175	ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-9178	DESIGNATED PROJECTS	11,500.00	0.00	21,300.00	21,300.00	103,287.00	81,987.00	79.38
580-9178-001	TOMPKINS CHANNEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-9181	BNC CASH ADVANCE	0.00	0.00	9,100.00	9,100.00	20,000.00	10,900.00	54.50
		11,500.00	0.00	30,400.00	30,400.00	123,287.00	92,887.00	75.34

DEPARTMENT TOTAL 54,929.14 0.00 115,064.97 115,064.97 712,775.00 597,710.03 83.86





FUND : 00 - ECONOMIC DEVELOPMENT CORP

SCHEDULE OF BUDGETED, ACTUAL AND ENCUMBERED EXPENDITURES

DEPARTMENT : DEPT 581 - BIRD CENTER

NOTATION :

ACCOUNT NUMBERS	ACCOUNT DESCRIPTION	-- MONTH --		YEAR TO DATE		CURRENT MODIFIED BUDGET	UNENCUMBERED BALANCE	BUDGET PERCENT REMAINING
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS			
581-0540	ADVERTISING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0550	TRAVEL EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0551	DUES & MEMBERSHIPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0555	PROMOTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0560	RENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0580	ELECTRICITY	( 2,189.31)	0.00	0.00	0.00	0.00	0.00	0.00
581-0581	WATER, SEWER, & GARB	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-0590	JANITORIAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		( 2,189.31)	0.00	0.00	0.00	55,000.00	55,000.00	100.00

EQUIPMT > \$5,000 OUTLAY

581-1001	BUILDINGS & STRUCTUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-1003	FURNITURE & FIXTURES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-1004	MACHINERY & EQUIPMEN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
581-1011	INFORMATION TECHNOLO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00

DEPARTMENT TOTAL ( 2,189.31) 0.00 0.00 0.00 70,000.00 70,000.00 100.00

Manager Report to the EDC Meeting December 15, 2015

The polo match held it's reception here on December 15 and it was a great success. They had a silent auction and raised \$1,518.00 for the birding center. Earlier that day we had our first children's birthday party. \$12.00 per child and the price includes snacks. Pictures are posted on the facebook page.

Friends of Animal Rescue held their annual Paws with Santa on December 5. We moved the Christmas Tree outside and we had Santa holding the dogs. FOAR will donate half the funds raised.

The new editor, Wendy from the Coastal Current weekly came for a tour and decided to do a feature story on the center. November 20 the birding center on the front cover and a two page story.

The week of November 30 – December 4 the gift shop credit card was down and we spent many hours and days working with Intuit. We were able to resolve the issue after day 5.

Committee and myself been working extremely hard on WOVE which will be held January 26 -30.

We will have 4 different guest speaker each day. Richard Moore will be the first speaker on opening day, Johnathon Wood, the Raptor Project will be here Friday & Saturday doing three shows daily. Each day will have a topic for discussion. We are still looking for sponsors to help fund the event. We believe it will turn into a profitable annual fundraiser.

Spoonbill Mini Golf Tournament will be held February 21 at Gravity Park. I will start working on that event next week. Dan Stanton and I talked last year about setting up the food outside and having a bar. I have lost one of the major sponsors of the event, Holiday Inn Express. I will be looking to form more teams to make up the loss of revenue from HIE. Last year we raised over \$4,000.00. My goal this year is to raise at least \$6,000.00. The past two years we have had outstanding weather, so cross your fingers for this coming February.

I will be attending the Winter Texan Expo January 19 & 20 in McAllen.

As always, daily operations with the center and overseeing the gift shop take up a majority of each day.

Respectfully Submitted,

Cristin Howard

5:02 PM

12/08/15

Accrual Basis

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**

**Balance Sheet**

As of November 30, 2015

Nov 30, 15

**ASSETS**

**Current Assets**

**Checking/Savings**

**\$\$BNC Operating 38458**

3,616.01

**Cash on Hand**

    Clearing, Cash Over/Short

14.08

    Kiosk Cash

1,600.00

    Petty Cash

250.00

    Register Drawer

500.00

**Total Cash on Hand**

2,364.08

**SPI BNC Donation 38546**

17,886.93

**SPI BNC Loan 38415**

4,418.74

**Total Checking/Savings**

28,285.76

**Other Current Assets**

**Inventory Asset**

20,473.37

**Total Other Current Assets**

20,473.37

**Total Current Assets**

48,759.13

**Fixed Assets**

**Boardwalk**

40,750.00

**Building Improvement**

19,562.01

**Furniture and Equipment**

10,600.00

**Landscape and Grounds**

9,000.00

**Total Fixed Assets**

79,912.01

**TOTAL ASSETS**

128,671.14

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

        Accounts Payable

8,471.54

**Total Accounts Payable**

8,471.54

**Other Current Liabilities**

**Payroll Liabilities**

        FIT and FICA-Medicare

3,395.82

**Total Payroll Liabilities**

3,395.82

**Sales Tax Payable**

659.81

**Total Other Current Liabilities**

4,055.63

**Total Current Liabilities**

12,527.17

**Long Term Liabilities**

**EDC Loan 270101**

64,788.95

**Total Long Term Liabilities**

64,788.95

**Total Liabilities**

77,316.12

**Equity**

**Fund Balances**

        Board Designated

4,417.63

**Total Fund Balances**

4,417.63

**Unrestricted**

39,068.84

**Net Income**

7,868.55

**Total Equity**

51,355.02

5:02 PM

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**

12/08/15

**Balance Sheet**

Accrual Basis

As of November 30, 2015

---

Nov 30, 15

TOTAL LIABILITIES & EQUITY

128,671.14

5:00 PM

## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Budget vs. Actual

12/08/15

October through November 2015

Accrual Basis

	Oct - Nov 15	Budget
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>ADMISSIONS INCOME</b>		
DISCOUNT ADMISSIONS	256.00	3,800.00
EXTENDED PASS ADMISSIONS	1,761.00	7,000.00
GENERAL ADMISSIONS	22,426.70	161,850.00
GROUP ADMISSIONS	543.00	6,500.00
<b>Total ADMISSIONS INCOME</b>	<b>24,986.70</b>	<b>179,150.00</b>
<b>BUILDING RENTAL INCOME</b>	<b>7,418.00</b>	<b>13,000.00</b>
<b>CONTRIBUTIONS</b>		
<b>DESIGNATED</b>		
JOJO	0.00	3,000.00
DESIGNATED - Other	0.00	1,000.00
<b>Total DESIGNATED</b>	<b>0.00</b>	<b>4,000.00</b>
<b>DONATIONS</b>		
HALLOWEEN	800.00	4,000.00
SPOONBILL MINI GOLF TOURNAMENT	0.00	5,000.00
DONATIONS - Other	5,463.00	25,000.00
<b>Total DONATIONS</b>	<b>6,263.00</b>	<b>34,000.00</b>
<b>Total CONTRIBUTIONS</b>	<b>6,263.00</b>	<b>38,000.00</b>
<b>GIFT SHOP INCOME</b>		
CONSIGNMENT SALES	1,207.00	6,000.00
GIFT SHOP SALES	22,305.19	102,000.00
VENDING INCOME	69.24	250.00
<b>Total GIFT SHOP INCOME</b>	<b>23,581.43</b>	<b>108,250.00</b>
<b>Service Sales</b>	<b>0.00</b>	
<b>Total Income</b>	<b>62,249.13</b>	<b>338,400.00</b>
<b>Cost of Goods Sold</b>		
<b>COST OF GOODS SOLD</b>		
COST OF GOODS CONSIGNMENT	1,629.40	3,000.00
COST OF GOODS GIFT SHOP	7,180.38	42,000.00
<b>Total COST OF GOODS SOLD</b>	<b>8,809.78</b>	<b>45,000.00</b>
<b>Total COGS</b>	<b>8,809.78</b>	<b>45,000.00</b>
<b>Gross Profit</b>	<b>53,439.35</b>	<b>293,400.00</b>
<b>Expense</b>		
<b>OPERATIONS EXPENSES</b>		
<b>ADVERTISING &amp; PROMOTION</b>		
GUIDES & DIRECTORIES	1,704.00	1,710.00
PHOTOGRAPHY & VIDEO	200.00	
PRINT	964.15	2,700.00
<b>Total ADVERTISING &amp; PROMOTION</b>	<b>2,868.15</b>	<b>4,410.00</b>
<b>CREDIT CARD FEES</b>	<b>1,666.19</b>	<b>9,600.00</b>
<b>DUES &amp; SUBSCRIPTIONS</b>	<b>270.00</b>	<b>670.00</b>
<b>FUNDRAISING &amp; EVENTS</b>		
DESIGNATED REIMBURSEMENTS	0.00	1,000.00
HALLOWEEN	19.00	750.00
JOJO	0.00	3,000.00
LETTERS & BROCHURES	0.00	1,000.00
LUNCH TICKET PROMOTION	0.00	140.00
PHOTOGRAPHY WORKSHOP	120.00	250.00
PLAQUES & BRICKS	144.00	1,500.00
POI O MATCH	895.00	

5:00 PM

## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Budget vs. Actual

12/08/15

Accrual Basis

October through November 2015

	Oct - Nov 15	Budget
SPoonbill Mini Golf Tournament	0.00	500.00
Total FUNDRAISING & EVENTS	1,182.25	8,490.00
GIFT SHOP SUPPLIES	0.00	750.00
INSURANCE	2,468.00	5,500.00
LEGAL & PROFESSIONAL	1,300.00	8,400.00
LOAN EXPENSE	221.23	2,810.00
LOCAL MEETINGS		
MEALS & ENTERTAINMENT	138.44	200.00
VOLUNTEER APPRECIATION	0.00	600.00
Total LOCAL MEETINGS	138.44	800.00
MAINTENANCE & REPAIRS	1,564.63	5,000.00
OFFICE & PRINTING	0.00	1,000.00
PAYROLL SERVICE	115.13	700.00
POSTAGE & FREIGHT	98.00	500.00
SOFTWARE	289.53	500.00
SUPPLIES	395.58	5,500.00
TOOLS & EQUIPMENT	836.69	1,500.00
TRAINING	0.00	250.00
TRAVEL	425.99	2,000.00
Total OPERATIONS EXPENSES	13,819.81	58,380.00
POS Inventory Adjustments	0.00	
SALARIES AND BENEFITS		
EDUCATOR	0.00	5,000.00
GIFT SHOP ATTENDANTS	5,613.62	32,760.00
JANITOR	3,827.73	19,970.00
MAINTENANCE	3,082.75	17,760.00
MANAGER	7,769.22	42,000.00
PAYROLL TAXES	1,552.42	8,610.00
Total SALARIES AND BENEFITS	21,845.74	126,100.00
SERVICE CONTRACTS		
AIR CONDITIONING	408.29	3,900.00
BACKGROUND CHECKS	0.00	250.00
CLEANING SUPPLIES	489.59	2,600.00
COMPUTER COPIER I.T.	3,214.22	21,480.00
DRINKING WATER	124.50	560.00
EBIRD TRAIL TRACKER	0.00	650.00
KIOSK LEASE	1,729.60	6,920.00
LAWN & GROUNDS	2,370.44	12,800.00
LINENS MOPS MATS	0.00	500.00
PEST CONTROL	156.00	940.00
SECURITY	520.96	2,470.00
TELEPHONE & INTERNET		
ATT EMERGENCY LINES	223.30	2,000.00
ATT INTERNET	2,474.80	6,820.00
TELEPHONE SYSTEM	1,120.10	5,110.00
Total TELEPHONE & INTERNET	3,818.20	13,930.00
WEBMASTER	0.00	2,340.00
Total SERVICE CONTRACTS	12,831.80	69,340.00
UTILITIES		
ELECTRICITY	4,210.47	24,000.00
TRASH	175.84	1,080.00
WATER / SEWER	1,831.55	14,500.00
Total UTILITIES	6,217.86	39,580.00
Total Expense	54,715.21	293,400.00

5:00 PM  
12/08/15  
Accrual Basis

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**  
**Profit & Loss Budget vs. Actual**  
October through November 2015

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	Oct - Nov 15	Budget
Net Ordinary Income	-1,275.86	0.00
Other Income/Expense		
Other Income		
EDC ADVANCE	9,100.00	19,000.00
INTEREST INCOME	1.11	
Total Other Income	9,101.11	19,000.00
Other Expense		
Balancing Adjustments	-43.30	
HABITAT/CATTAIL MAINTENANCE	0.00	19,000.00
Total Other Expense	-43.30	19,000.00
Net Other Income	9,144.41	0.00
Net Income	<u>7,868.55</u>	<u>0.00</u>

## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Budget vs. Actual

October through November 2015

12/08/15

Accrual Basis

	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
ADMISSIONS INCOME		
DISCOUNT ADMISSIONS	-3,544.00	6.7%
EXTENDED PASS ADMISSIONS	-5,239.00	25.2%
GENERAL ADMISSIONS	-139,423.30	13.9%
GROUP ADMISSIONS	-5,957.00	8.4%
<b>Total ADMISSIONS INCOME</b>	<b>-154,163.30</b>	<b>13.9%</b>
BUILDING RENTAL INCOME	-5,582.00	57.1%
CONTRIBUTIONS		
DESIGNATED		
JOJO	-3,000.00	0.0%
DESIGNATED - Other	-1,000.00	0.0%
<b>Total DESIGNATED</b>	<b>-4,000.00</b>	<b>0.0%</b>
DONATIONS		
HALLOWEEN	-3,200.00	20.0%
SPOONBILL MINI GOLF TOURNAMENT	-5,000.00	0.0%
DONATIONS - Other	-19,537.00	21.9%
<b>Total DONATIONS</b>	<b>-27,737.00</b>	<b>18.4%</b>
<b>Total CONTRIBUTIONS</b>	<b>-31,737.00</b>	<b>16.5%</b>
GIFT SHOP INCOME		
CONSIGNMENT SALES	-4,793.00	20.1%
GIFT SHOP SALES	-79,694.81	21.9%
VENDING INCOME	-180.76	27.7%
<b>Total GIFT SHOP INCOME</b>	<b>-84,668.57</b>	<b>21.8%</b>
<b>Service Sales</b>		
<b>Total Income</b>	<b>-276,150.87</b>	<b>18.4%</b>
<b>Cost of Goods Sold</b>		
COST OF GOODS SOLD		
COST OF GOODS CONSIGNMENT	-1,370.60	54.3%
COST OF GOODS GIFT SHOP	-34,819.62	17.1%
<b>Total COST OF GOODS SOLD</b>	<b>-36,190.22</b>	<b>19.6%</b>
<b>Total COGS</b>	<b>-36,190.22</b>	<b>19.6%</b>
<b>Gross Profit</b>	<b>-239,960.65</b>	<b>18.2%</b>
<b>Expense</b>		
OPERATIONS EXPENSES		
ADVERTISING & PROMOTION		
GUIDES & DIRECTORIES	-6.00	99.6%
PHOTOGRAPHY & VIDEO		
PRINT	-1,736.85	35.7%
<b>Total ADVERTISING &amp; PROMOTION</b>	<b>-1,541.85</b>	<b>65.0%</b>
CREDIT CARD FEES	-7,933.81	17.4%
DUES & SUBSCRIPTIONS	-400.00	40.3%
FUNDRAISING & EVENTS		
DESIGNATED REIMBURSEMENTS	-1,000.00	0.0%
HALLOWEEN	-731.00	2.5%
JOJO	-3,000.00	0.0%
LETTERS & BROCHURES	-1,000.00	0.0%
LUNCH TICKET PROMOTION	-140.00	0.0%
PHOTOGRAPHY WORKSHOP	-130.00	48.0%
PLAQUES & BRICKS	-1,356.00	9.6%
POLO MATCH		
SPECIAL EVENTS	-345.75	1.2%



## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Budget vs. Actual

12/08/15

Accrual Basis

October through November 2015

	\$ Over Budget	% of Budget
SPoonbill Mini Golf Tournament	-500.00	0.0%
Total FUNDRAISING & EVENTS	-7,307.75	13.9%
GIFT SHOP SUPPLIES	-750.00	0.0%
INSURANCE	-3,032.00	44.9%
LEGAL & PROFESSIONAL	-7,100.00	15.5%
LOAN EXPENSE	-2,588.77	7.9%
LOCAL MEETINGS		
MEALS & ENTERTAINMENT	-61.56	69.2%
VOLUNTEER APPRECIATION	-600.00	0.0%
Total LOCAL MEETINGS	-661.56	17.3%
MAINTENANCE & REPAIRS	-3,435.37	31.3%
OFFICE & PRINTING	-1,000.00	0.0%
PAYROLL SERVICE	-584.87	16.4%
POSTAGE & FREIGHT	-402.00	19.6%
SOFTWARE	-230.47	53.9%
SUPPLIES	-5,104.42	7.2%
TOOLS & EQUIPMENT	-663.31	55.8%
TRAINING	-250.00	0.0%
TRAVEL	-1,574.01	21.3%
Total OPERATIONS EXPENSES	-44,560.19	23.7%
POS Inventory Adjustments		
SALARIES AND BENEFITS		
EDUCATOR	-5,000.00	0.0%
GIFT SHOP ATTENDANTS	-27,146.38	17.1%
JANITOR	-16,142.27	19.2%
MAINTENANCE	-14,677.25	17.4%
MANAGER	-34,230.78	18.5%
PAYROLL TAXES	-7,057.58	18.0%
Total SALARIES AND BENEFITS	-104,254.26	17.3%
SERVICE CONTRACTS		
AIR CONDITIONING	-3,491.71	10.5%
BACKGROUND CHECKS	-250.00	0.0%
CLEANING SUPPLIES	-2,110.41	18.8%
COMPUTER COPIER I.T.	-18,265.78	15.0%
DRINKING WATER	-435.50	22.2%
EBIRD TRAIL TRACKER	-650.00	0.0%
KIOSK LEASE	-5,190.40	25.0%
LAWN & GROUNDS	-10,429.56	18.5%
LINENS MOPS MATS	-500.00	0.0%
PEST CONTROL	-784.00	16.6%
SECURITY	-1,949.04	21.1%
TELEPHONE & INTERNET		
ATT EMERGENCY LINES	-1,776.70	11.2%
ATT INTERNET	-4,345.20	36.3%
TELEPHONE SYSTEM	-3,989.90	21.9%
Total TELEPHONE & INTERNET	-10,111.80	27.4%
WEBMASTER	-2,340.00	0.0%
Total SERVICE CONTRACTS	-56,508.20	18.5%
UTILITIES		
ELECTRICITY	-19,789.53	17.5%
TRASH	-904.16	16.3%
WATER / SEWER	-12,668.45	12.6%
Total UTILITIES	-33,362.14	15.7%
Total Expense	-238,684.79	18.6%

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12/08/15

Accrual Basis

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**  
**Profit & Loss Budget vs. Actual**  
**October through November 2015**

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	<b>\$ Over Budget</b>	<b>% of Budget</b>
<b>Net Ordinary Income</b>	-1,275.86	100.0%
<b>Other Income/Expense</b>		
<b>Other Income</b>		
EDC ADVANCE	-9,900.00	47.9%
INTEREST INCOME		
<b>Total Other Income</b>	-9,898.89	47.9%
<b>Other Expense</b>		
Balancing Adjustments		
HABITAT/CATTAIL MAINTENANCE	-19,000.00	0.0%
<b>Total Other Expense</b>	-19,043.30	-0.2%
<b>Net Other Income</b>	9,144.41	100.0%
<b>Net Income</b>	<u>7,868.55</u>	<u>100.0%</u>

## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Prev Year Comparison

12/08/15

October through November 2015

Accrual Basis

	Oct - Nov 15	Oct - Nov 14
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>ADMISSIONS INCOME</b>		
DISCOUNT ADMISSIONS	256.00	40.00
EXTENDED PASS ADMISSIONS	1,761.00	1,416.00
GENERAL ADMISSIONS	22,426.70	17,545.80
GROUP ADMISSIONS	543.00	744.00
<b>Total ADMISSIONS INCOME</b>	<b>24,986.70</b>	<b>19,745.80</b>
<b>BUILDING RENTAL INCOME</b>	<b>7,418.00</b>	<b>50.00</b>
<b>CONTRIBUTIONS</b>		
<b>DONATIONS</b>		
HALLOWEEN	800.00	3,923.34
DONATIONS - Other	5,463.00	1,939.00
<b>Total DONATIONS</b>	<b>6,263.00</b>	<b>5,862.34</b>
<b>Total CONTRIBUTIONS</b>	<b>6,263.00</b>	<b>5,862.34</b>
<b>GIFT SHOP INCOME</b>		
CONSIGNMENT SALES	1,207.00	730.41
GIFT SHOP SALES	22,305.19	14,261.41
VENDING INCOME	69.24	146.46
<b>Total GIFT SHOP INCOME</b>	<b>23,581.43</b>	<b>15,138.28</b>
<b>Gift Shop Sales</b>	<b>0.00</b>	<b>0.00</b>
<b>Service Sales</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Income</b>	<b>62,249.13</b>	<b>40,796.42</b>
<b>Cost of Goods Sold</b>		
<b>COST OF GOODS SOLD</b>		
COST OF GOODS CONSIGNMENT	1,629.40	780.58
COST OF GOODS GIFT SHOP	7,180.38	5,047.62
COST OF GOODS SOLD - Other	0.00	0.00
<b>Total COST OF GOODS SOLD</b>	<b>8,809.78</b>	<b>5,828.20</b>
<b>Total COGS</b>	<b>8,809.78</b>	<b>5,828.20</b>
<b>Gross Profit</b>	<b>53,439.35</b>	<b>34,968.22</b>
<b>Expense</b>		
<b>OPERATIONS EXPENSES</b>		
<b>ADVERTISING &amp; PROMOTION</b>		
GUIDES & DIRECTORIES	1,704.00	0.00
PHOTOGRAPHY & VIDEO	200.00	2,500.00
PRINT	964.15	881.50
<b>Total ADVERTISING &amp; PROMOTION</b>	<b>2,868.15</b>	<b>3,381.50</b>
<b>CREDIT CARD FEES</b>	<b>1,666.19</b>	<b>947.53</b>
<b>DUES &amp; SUBSCRIPTIONS</b>	<b>270.00</b>	<b>0.00</b>
<b>FUNDRAISING &amp; EVENTS</b>		
HALLOWEEN	19.00	769.63
LETTERS & BROCHURES	0.00	199.20
PHOTOGRAPHY WORKSHOP	120.00	0.00
PLAQUES & BRICKS	144.00	0.00
POLO MATCH	895.00	0.00
SPECIAL EVENTS	4.25	127.12
<b>Total FUNDRAISING &amp; EVENTS</b>	<b>1,182.25</b>	<b>1,095.95</b>
<b>INSURANCE</b>	<b>2,468.00</b>	<b>10,897.88</b>
<b>LEGAL &amp; PROFESSIONAL</b>	<b>1,300.00</b>	<b>1,555.00</b>
<b>LOAN EXPENSE</b>	<b>221.23</b>	<b>251.54</b>
<b>LOCAL MEETINGS</b>		

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## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

## Profit &amp; Loss Prev Year Comparison

October through November 2015

12/08/15

Accrual Basis

	Oct - Nov 15	Oct - Nov 14
MEALS & ENTERTAINMENT	138.44	19.00
VOLUNTEER APPRECIATION	0.00	322.00
<b>Total LOCAL MEETINGS</b>	<b>138.44</b>	<b>341.00</b>
MAINTENANCE & REPAIRS	1,564.63	775.16
OFFICE & PRINTING	0.00	59.82
PAYROLL SERVICE	115.13	58.63
POSTAGE & FREIGHT	98.00	68.99
SOFTWARE	269.53	85.52
SUPPLIES	395.58	905.10
TOOLS & EQUIPMENT	836.69	0.00
TRAVEL	425.99	95.03
<b>Total OPERATIONS EXPENSES</b>	<b>13,819.81</b>	<b>20,518.65</b>
POS Inventory Adjustments	0.00	0.00
SALARIES AND BENEFITS		
GIFT SHOP ATTENDANTS	5,613.62	4,584.99
JANITOR	3,827.73	3,747.33
MAINTENANCE	3,082.75	2,899.55
MANAGER	7,769.22	7,692.30
PAYROLL TAXES	1,552.42	1,447.71
<b>Total SALARIES AND BENEFITS</b>	<b>21,845.74</b>	<b>20,371.88</b>
SERVICE CONTRACTS		
AIR CONDITIONING	408.29	310.00
CLEANING SUPPLIES	489.59	310.74
COMPUTER COPIER I.T.	3,214.22	4,635.93
DRINKING WATER	124.50	111.39
ELEVATOR	0.00	1,067.28
KIOSK LEASE	1,729.60	1,729.60
LAWN & GROUNDS	2,370.44	2,119.36
PEST CONTROL	156.00	156.00
SECURITY	520.96	217.71
TELEPHONE & INTERNET		
ATT EMERGENCY LINES	223.30	427.90
ATT INTERNET	2,474.80	1,237.40
TELEPHONE SYSTEM	1,120.10	1,168.55
<b>Total TELEPHONE &amp; INTERNET</b>	<b>3,818.20</b>	<b>2,833.85</b>
WEBMASTER	0.00	270.00
<b>Total SERVICE CONTRACTS</b>	<b>12,831.80</b>	<b>13,761.86</b>
UTILITIES		
ELECTRICITY	4,210.47	3,985.14
TRASH	175.84	168.36
WATER / SEWER	1,831.55	1,146.72
<b>Total UTILITIES</b>	<b>6,217.86</b>	<b>5,300.22</b>
<b>Total Expense</b>	<b>54,715.21</b>	<b>59,952.61</b>
<b>Net Ordinary Income</b>	<b>-1,275.86</b>	<b>-24,984.39</b>
Other Income/Expense		
Other Income		
EDC ADVANCE	9,100.00	0.00
INTEREST INCOME	1.11	1.07
<b>Total Other Income</b>	<b>9,101.11</b>	<b>1.07</b>
Other Expense		
Balancing Adjustments	-43.30	0.00
HABITAT/CATTAIL MAINTENANCE	0.00	630.00

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12/08/15

Accrual Basis

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**  
**Profit & Loss Prev Year Comparison**  
**October through November 2015**

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	Oct - Nov 15	Oct - Nov 14
Total Other Expense	-43.30	630.00
Net Other Income	9,144.41	-628.93
Net Income	<u>7,868.55</u>	<u>-25,613.32</u>

## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

12/08/15

## Profit &amp; Loss Prev Year Comparison

Accrual Basis

October through November 2015

	\$ Change	% Change
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>ADMISSIONS INCOME</b>		
DISCOUNT ADMISSIONS	216.00	540.0%
EXTENDED PASS ADMISSIONS	345.00	24.4%
GENERAL ADMISSIONS	4,880.90	27.8%
GROUP ADMISSIONS	-201.00	-27.0%
<b>Total ADMISSIONS INCOME</b>	<b>5,240.90</b>	<b>26.5%</b>
<b>BUILDING RENTAL INCOME</b>		
<b>CONTRIBUTIONS</b>	<b>7,368.00</b>	<b>14,736.0%</b>
<b>DONATIONS</b>		
HALLOWEEN	-3,123.34	-79.6%
DONATIONS - Other	3,524.00	181.7%
<b>Total DONATIONS</b>	<b>400.66</b>	<b>6.8%</b>
<b>Total CONTRIBUTIONS</b>	<b>400.66</b>	<b>6.8%</b>
<b>GIFT SHOP INCOME</b>		
CONSIGNMENT SALES	476.59	65.3%
GIFT SHOP SALES	8,043.78	56.4%
VENDING INCOME	-77.22	-52.7%
<b>Total GIFT SHOP INCOME</b>	<b>8,443.15</b>	<b>55.8%</b>
<b>Gift Shop Sales</b>	<b>0.00</b>	<b>0.0%</b>
<b>Service Sales</b>	<b>0.00</b>	<b>0.0%</b>
<b>Total Income</b>	<b>21,452.71</b>	<b>52.6%</b>
<b>Cost of Goods Sold</b>		
<b>COST OF GOODS SOLD</b>		
COST OF GOODS CONSIGNMENT	848.82	108.7%
COST OF GOODS GIFT SHOP	2,132.76	42.3%
COST OF GOODS SOLD - Other	0.00	0.0%
<b>Total COST OF GOODS SOLD</b>	<b>2,981.58</b>	<b>51.2%</b>
<b>Total COGS</b>	<b>2,981.58</b>	<b>51.2%</b>
<b>Gross Profit</b>	<b>18,471.13</b>	<b>52.8%</b>
<b>Expense</b>		
<b>OPERATIONS EXPENSES</b>		
<b>ADVERTISING &amp; PROMOTION</b>		
GUIDES & DIRECTORIES	1,704.00	100.0%
PHOTOGRAPHY & VIDEO	-2,300.00	-92.0%
PRINT	82.65	9.4%
<b>Total ADVERTISING &amp; PROMOTION</b>	<b>-513.35</b>	<b>-15.2%</b>
<b>CREDIT CARD FEES</b>	<b>718.66</b>	<b>75.9%</b>
<b>DUES &amp; SUBSCRIPTIONS</b>	<b>270.00</b>	<b>100.0%</b>
<b>FUNDRAISING &amp; EVENTS</b>		
HALLOWEEN	-750.63	-97.5%
LETTERS & BROCHURES	-199.20	-100.0%
PHOTOGRAPHY WORKSHOP	120.00	100.0%
PLAQUES & BRICKS	144.00	100.0%
POLO MATCH	895.00	100.0%
SPECIAL EVENTS	-122.87	-96.7%
<b>Total FUNDRAISING &amp; EVENTS</b>	<b>86.30</b>	<b>7.9%</b>
<b>INSURANCE</b>	<b>-8,429.88</b>	<b>-77.4%</b>
<b>LEGAL &amp; PROFESSIONAL</b>	<b>-255.00</b>	<b>-16.4%</b>
<b>LOAN EXPENSE</b>	<b>-30.31</b>	<b>-12.1%</b>
<b>LOCAL MEETINGS</b>		

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## SOUTH PADRE ISLAND BIRDING &amp; NATURE CENTER

12/08/15

## Profit &amp; Loss Prev Year Comparison

Accrual Basis

October through November 2015

	\$ Change	% Change
MEALS & ENTERTAINMENT	119.44	628.6%
VOLUNTEER APPRECIATION	-322.00	-100.0%
<b>Total LOCAL MEETINGS</b>	<b>-202.56</b>	<b>-59.4%</b>
MAINTENANCE & REPAIRS	789.47	101.9%
OFFICE & PRINTING	-59.82	-100.0%
PAYROLL SERVICE	56.50	96.4%
POSTAGE & FREIGHT	29.01	42.1%
SOFTWARE	184.01	215.2%
SUPPLIES	-509.52	-56.3%
TOOLS & EQUIPMENT	836.69	100.0%
TRAVEL	330.86	348.3%
<b>Total OPERATIONS EXPENSES</b>	<b>-6,698.84</b>	<b>-32.7%</b>
POS Inventory Adjustments	0.00	0.0%
<b>SALARIES AND BENEFITS</b>		
GIFT SHOP ATTENDANTS	1,028.63	22.4%
JANITOR	80.40	2.2%
MAINTENANCE	183.20	6.3%
MANAGER	76.92	1.0%
PAYROLL TAXES	104.71	7.2%
<b>Total SALARIES AND BENEFITS</b>	<b>1,473.86</b>	<b>7.2%</b>
<b>SERVICE CONTRACTS</b>		
AIR CONDITIONING	98.29	31.7%
CLEANING SUPPLIES	178.85	57.6%
COMPUTER COPIER I.T.	-1,421.71	-30.7%
DRINKING WATER	13.11	11.8%
ELEVATOR	-1,067.28	-100.0%
KIOSK LEASE	0.00	0.0%
LAWN & GROUNDS	251.08	11.9%
PEST CONTROL	0.00	0.0%
SECURITY	303.25	139.3%
TELEPHONE & INTERNET		
ATT EMERGENCY LINES	-204.60	-47.8%
ATT INTERNET	1,237.40	100.0%
TELEPHONE SYSTEM	-48.45	-4.2%
<b>Total TELEPHONE &amp; INTERNET</b>	<b>984.35</b>	<b>34.7%</b>
WEBMASTER	-270.00	-100.0%
<b>Total SERVICE CONTRACTS</b>	<b>-930.06</b>	<b>-6.8%</b>
<b>UTILITIES</b>		
ELECTRICITY	225.33	5.7%
TRASH	7.48	4.4%
WATER / SEWER	684.83	59.7%
<b>Total UTILITIES</b>	<b>917.64</b>	<b>17.3%</b>
<b>Total Expense</b>	<b>-5,237.40</b>	<b>-8.7%</b>
<b>Net Ordinary Income</b>	<b>23,708.53</b>	<b>94.9%</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
EDC ADVANCE	9,100.00	100.0%
INTEREST INCOME	0.04	3.7%
<b>Total Other Income</b>	<b>9,100.04</b>	<b>850,471.0%</b>
<b>Other Expense</b>		
Balancing Adjustments	-43.30	-100.0%
HABITAT/CATTAIL MAINTENANCE	-630.00	-100.0%

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12/08/15

Accrual Basis

**SOUTH PADRE ISLAND BIRDING & NATURE CENTER**  
**Profit & Loss Prev Year Comparison**  
**October through November 2015**

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	<b>\$ Change</b>	<b>% Change</b>
Total Other Expense	-873.30	-106.9%
Net Other Income	9,773.34	1,554.0%
Net Income	<u>33,481.87</u>	<u>130.7%</u>



**7.**

**SOUTH PADRE ISLAND  
ECONOMIC DEVELOPMENT  
CORPORATION**

6801 Padre Blvd.  
South Padre Island, TX 78597-3899  
956-761-6805  
fax 956-761-4523  
[SPIEDC@aol.com](mailto:SPIEDC@aol.com)



**EVENT/PROJECT REQUEST FORM - COVER PAGE**

**South Padre Island EDC Policy: Project recommendations or requests which fit into one or more of the below categories, may be submitted by downloading the online form @ [www.southpadreislandedc.com](http://www.southpadreislandedc.com) and emailing to [spiedc@aol.com](mailto:spiedc@aol.com)**

Chapter 501 and 505 of the Local Government Code states the primary purpose of the EDC is to develop new and expanded business enterprise.

Allowable projects, which includes land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements that are for the creation or retention of primary jobs and found by the board to be required or suitable for the development, retention, or expansion of:

Manufacturing and industrial facilities

Research and development facilities

Military facilities

Transportation facilities (includes airports, marine ports, etc)

Sewage or solid waste facilities

Recycling facilities

Air/water pollution control facilities

Facilities to furnish water to public

Distribution centers

Small warehouse (storage)

Primary job training facilities- use by higher education or regional corporate headquarters

Targeted infrastructure improvements are limited to: streets and roads, rail spurs, natural gas utilities, electric utilities, water and sewer utilities, drainage, site improvements, telecommunications and internet improvements and beach remediation along Gulf of Mexico

Public parks and open space improvements

Concert halls, auditoriums, amphitheaters

Stadiums, ballparks, athletic fields (for all)

Tourist, convention, and visitor centers

For cities with population of <20,000, retail incentives – to include regular project expenditures, plus cash incentives

**The submissions will be reviewed and evaluated for possible consideration, by the South Padre Island Economic Development Corporation Executive Committee. Priority may be given to events/projects based on their ability to increase sales tax revenue, create jobs, or improve quality of life on the Island in order to promote economic development.**

**SOUTH PADRE ISLAND  
ECONOMIC DEVELOPMENT  
CORPORATION**

6801 Padre Blvd.  
South Padre Island, TX 78597-3899  
956-761-6805  
fax 956-761-4523  
[SPIEDC@aol.com](mailto:SPIEDC@aol.com)



**EVENT/PROJECT REQUEST FORM**

**DATE:**

**CONTACT NAME:**

**NAME OF ORGANIZATION:**

**ADDRESS:**

**OFFICE PHONE NUMBER:**

**CELL PHONE NUMBER:**

**EMAIL ADDRESS:**

**WEB SITE ADDRESS:**

**PROJECT NAME:**

**PROJECT TIMELINE - START DATE AND COMPLETION:**

**TYPE OF SUPPORT REQUESTED (i.e. FINANCIAL, SUPPORT LETTER,  
RESOLUTION):**

**WHICH CATEGORY LISTED ON THE COVER PAGE DOES THE PROJECT  
IMPACT:**

**ATTACHMENTS REQUIRED**

**PLEASE ATTACH:**

- **A PROJECT DESCRIPTION**
- **BUDGET FOR THE REQUESTED PROJECT**
- **BOARD OF DIRECTORS LISTING, AND IF A NON-PROFIT A COPY OF YOUR IRS DETERMINATION LETTER**

**9.**

Report to the Board of Directors  
EDC Office Activity  
November 16th, 2015 through December 11<sup>th</sup>, 2015

I attended the Chamber of Commerce Quarterly Luncheon with Senator Eddie Lucio Jr. who provided those in attendance a legislative update. Senator Lucio has been a big advocate for the Island in Austin and was instrumental in securing funding to complete the Birding and Nature Center project. A few of us met with him after the luncheon to discuss bringing back the World Birding Center entity through Texas Parks and Wildlife and designating the South Padre Island location as the headquarters. Senator Lucio has wanted this and Mayor Patel told him the leadership at the Birding Center will work with the lobbyist to get this item on the next legislative session. Senator Lucio said in addition to a bill to create the entity and designate it a mechanism for funding also needs to be included in the bill.

A workshop was held with City Council, EDC, and Shoreline Task force with the City grant writer Peter Ravella to discuss projects to submit for the RESTORE Act funding which is money allocated to the states from the BP Horizon oil spill. The groups agreed the grant consultant with submit the Corral Street boat ramp/access, eco-tourism park, and the laguna boardwalk trail connecting the multimodal transportation center to the beach and the bay boardwalks. Diagrams and handouts were provided. A team will work with Peter Ravella to gather the necessary data for the grant submission and I will be part of this team.

I met with Roxanne Guenzel with the Chamber and Irv Downing with UTRGV regarding ideas that were discussed in the Business Development Committee meeting. I gathered information regarding possible keynote speakers for the 1<sup>st</sup> annual small business forum but I ask the Board to assist me with a subcommittee for this project. The few members on the Business Development are very busy and in order to pull this event off I will need some consensus on the program and assistance with logistics and developing topics, etc. Roxanne will help with marketing the event and staff support the day. I have heard conflicting direction on what the event will be with regards to topics, timeframe etc and these are things that can be worked through with some help.

I met with the Mission EDC CEO who provided insight into retail recruitment, emailed me some great reports from software he purchased, and he is going to send me items I requested regarding Ruby Red Venture program including sample contract and a follow up form/evaluation. I am eager to do these grants for our local business community. He has been doing the program 3 years in Mission and has helped 26 businesses and has expended \$235,000 with the average request being \$10,000. Many times the businesses just need assistance with purchasing equipment, software programs, etc and he believes as we do it is a perfect fit for the Island, We need to come up with a clever name for our program and I will work with UTRGV to set up the curriculum.

I met with a land owner who owns an entire block on Padre Blvd. He has asked me to approach an Island business who has spoken to me in the past about expansion about possibly a good location for this business to grow and expand.

Letter was submitted to the Army Corps of Engineers for the habitat work at the Birding and Nature Center to rebuild the levee system, freshwater ponds and major cattail removal. I contacted Diesel Dave to spray the cattails from the boardwalks in the meantime to enhance the viewing and he will be doing that this month.

I spoke to a company who is working with ten Valley communities on an Active Transportation Plan for bicycles and pedestrian trails and I will be going to future meetings. We spoke about an hour regarding what the Island is doing and covered such items as the multimodal center, second causeway and TAPP grant for sidewalks on Padre Blvd and Gulf Blvd. I provided economic data and reports for that piece of the overall plan. They are working on a web site and the group is in the beginning stages of development. The project is being funded by a grant through UTRGV and the City of Brownsville is the main lead on this project.

Dan, Ron and I met with the Marina consultants and they were here this week. They also had meetings with Skipjack LLC, the City, Shoreline Taskforce, and 21 other locations on the Island as well as stops in Port Aransas and Corpus Christi. I spoke with them again today and they were very impressed with the input they received and feel the visits and face to face meetings were very productive.

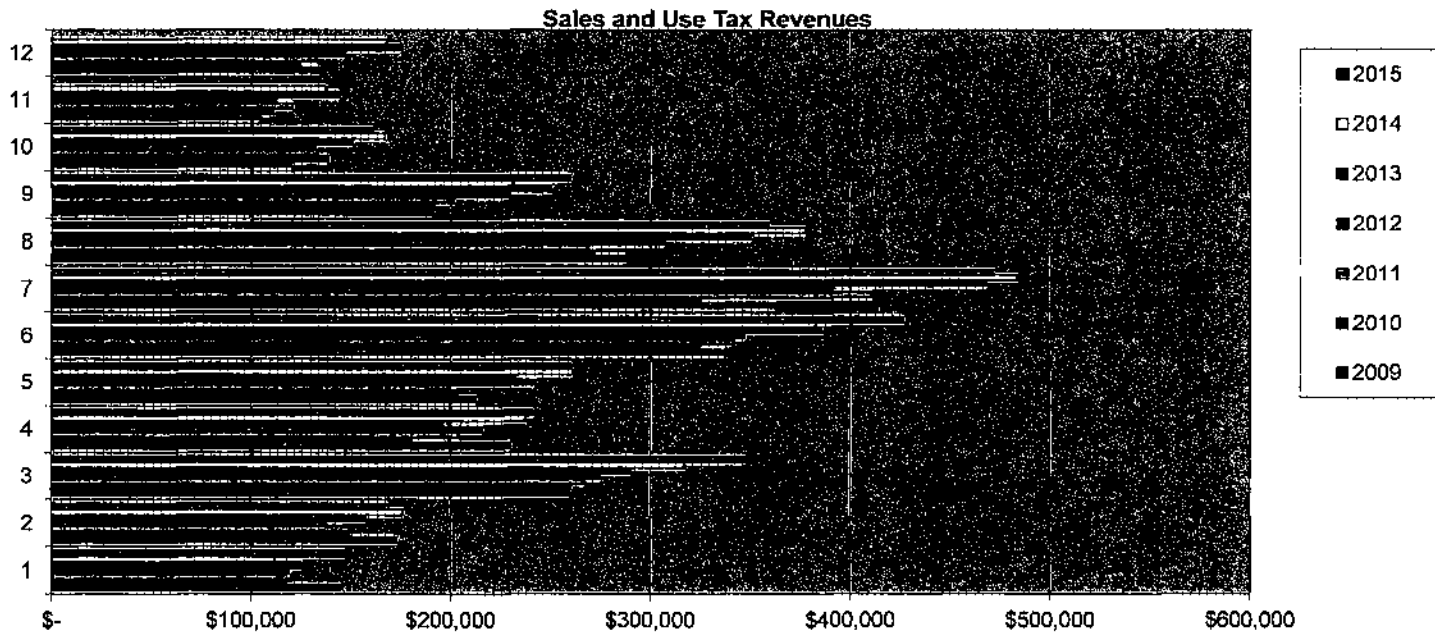
I attended the Parks and Recreation Committee meeting and adding the skate park to the John L Tompkins Park was approved unanimously by their committee. They will send to City Council for approval next and then it will come to the EDC for a funding request. Tara Rios and Clayton Brashear were at the meeting and spoke in opposition of a skate park and the location, however the committee approved the location...

Attached are economic indicators and the Lone Star bank statement.

### South Padre Island Sales and Use Tax Revenues

January	\$ 143,886	\$ 117,419	\$ 114,865	\$ 119,092	\$ 124,955	\$ 111,837	\$ 147,033	31.47
March	259,180	260,182	266,620	274,677	289,849	316,834	346,948	9.50
May	212,544	202,552	199,176	241,670	232,586	261,170	260,265	(0.35)
July	361,970	324,886	410,556	390,920	467,989	483,156	471,196	(2.48)
September	190,439	191,347	201,328	228,185	250,437	231,042	259,809	12.45
November	103,605	111,285	120,696	112,229	143,930	137,595		
<b>Total</b>	<b>2,552,357</b>	<b>\$ 2,394,470</b>	<b>\$ 2,536,833</b>	<b>\$ 2,651,572</b>	<b>\$ 2,923,179</b>	<b>\$ 3,050,346</b>		

NOTE: Percentages of change March vs. April each year are principally the result of the month in which Easter falls. Amounts reported in January are based on January sales, for example, even though reported by the State and received by South Padre Island in March.



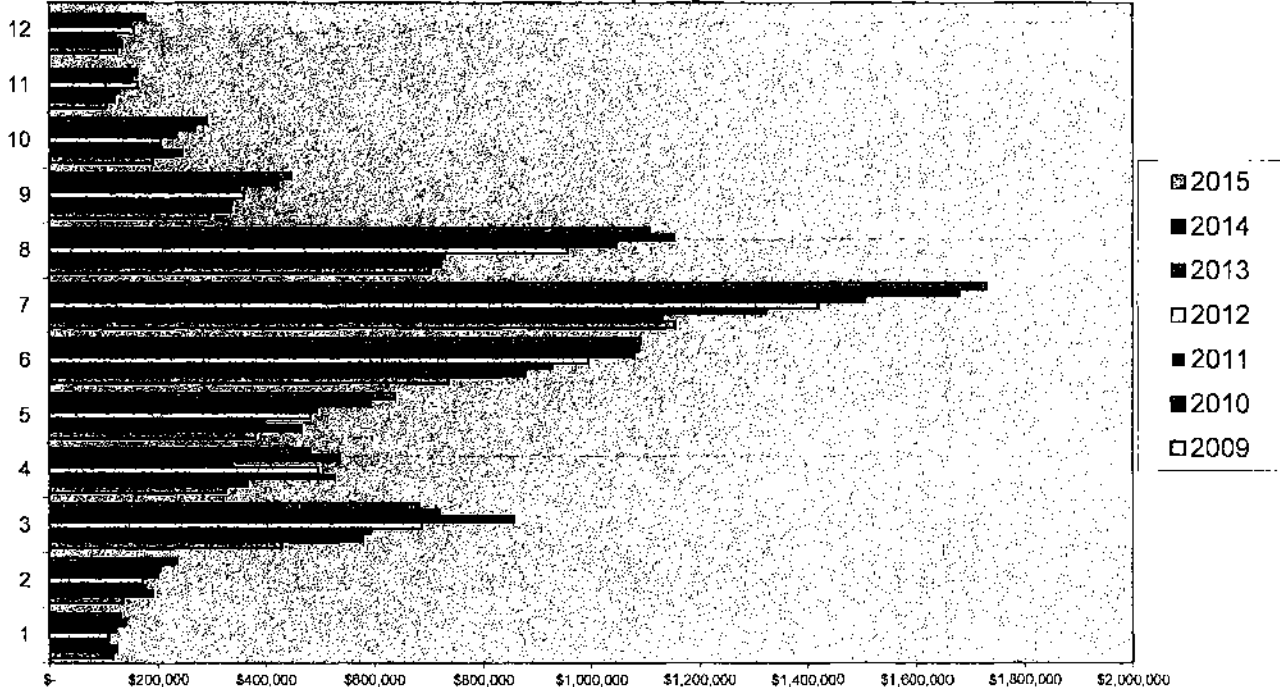


### South Padre Island Hotel/Motel/Condo Occupancy Tax

	2009	2010	2011	2012	2013	2014	2015	% change
January	\$ 416,611	\$ 123,080	\$ 109,440	\$ 109,774	\$ 123,289	\$ 140,192	\$ 130,054	(7.23)
February	167,788	190,457	180,476	171,451	199,626	204,078	234,729	15.02
March	128,608	577,675	595,805	687,275	855,873	718,514	680,389	(5.31)
April	324,596	367,810	528,026	497,202	338,337	535,518	482,346	(9.93)
May	380,047	466,445	399,279	482,275	494,883	593,135	637,943	7.45
June	766,288	876,624	929,372	994,101	1,078,509	1,086,514	1,090,245	0.34
July	1,155,188	1,151,300	1,325,927	1,420,513	1,607,657	1,679,092	1,728,733	2.96
August	704,214	723,141	781,489	965,899	1,046,929	1,153,488	1,108,239	(3.92)
September	281,425	335,744	340,030	359,467	350,530	422,559	445,507	5.43
October	189,390	242,570	208,442	205,150	234,719	268,955	290,102	7.86
November	104,762	110,744	161,812	163,855	152,042	161,516		
December	123,877	131,991	128,799	155,338	149,820	177,192		
<b>Total</b>	<b>\$ 4,691,737</b>	<b>\$ 5,283,701</b>	<b>\$ 5,603,897</b>	<b>\$ 6,202,100</b>	<b>\$ 6,532,214</b>	<b>\$ 7,135,926</b>		<b>9.24</b>

Occupancy tax is 14.5% as of July 2009. 8.5% is collected by the City of South Padre Island monthly, and 6% by the state of Texas quarterly. Any hotel or condo visit longer than 30 days is tax exempt. Percentages of change March vs. April are partially the result of the month in which Easter falls. The monthly occupancy tax reports from the finance office include any late payments received from properties behind in their taxes. The City reports them in the month they are paid.

#### Hotel/Motel/Condo Occupancy Tax



### South Padre Island Property Tax Revenue

	2009	2010	2011	2012	2013	2014	2015
January	\$ 881,608	\$ 633,716	\$ 955,624	\$ 925,441	\$ 768,980	\$ 774,747	\$ 775,106
February	826,923	766,443	376,594	498,598	587,833	697,644	643,376
March	113,491	128,325	211,177	488,209	154,633	129,345	126,429
April	139,655	168,093	134,539	125,963	85,060	97,865	108,299
May	124,088	70,190	104,032	117,171	100,790	74,555	68,063
June	70,721	100,376	97,986	93,955	77,075	98,131	84,304
July	124,127	68,581	164,458	222,631	135,249	125,279	111,522
August	48,719	40,920	37,832	63,604	58,877	35,643	30,635
September	8,678	38,286	56,310	33,535	44,457	41,480	25,557
October	1,278,200	1,062,890	552,062	1,716,909	1,953,119	2,035,083	1,344,874
November	2,145,275	2,598,999	1,558,168	2,287,424	1,925,829	1,828,594	2,797,154
December	483,388	476,031	1,672,881	493,478	462,976	645,800	195,426
<b>TOTAL</b>	<b>\$ 6,244,873</b>	<b>\$ 6,152,850</b>	<b>\$ 5,921,663</b>	<b>\$ 7,066,918</b>	<b>\$ 6,354,878</b>	<b>\$ 6,584,166</b>	
As of October 1:							
Tax rate per \$100	0.24561	0.24561	0.2504	0.252071	0.254384	0.262754	0.262754
Taxable value	\$ 2,434,546,327	\$ 2,421,696,820	\$ 2,608,645,628	\$ 2,606,119,273	\$ 2,583,563,287	\$2,516,386,826	

June	6,498,664	6,375,255	240,660	552,710	703,791	434,598	2,535,673	725,127	4,499,317
July	4,217,221	4,668,973	627,599	449,891	1,013,134	271,631	2,141,536	207,529	2,319,335
August	3,725,891	3,977,158	1,009,844	913,956	265,625	1,952,231	1,037,671	755,351	1,443,622
September	613,759	3,560,819	547,125	472,130	145,359	80,664	175,900	35,126	333,766
October	557,990	2,363,971	1,022,220	673,975	692,401	89,165	612,477	599,190	213,327
November	79,933	1,211,210	354,900	2,022,250	109,679	1,973,292	29,366	337,211	2,009,807
December	2,842,620	7,639,366	3,076,539	3,399,577	3,592,930	3,145,533	710	3,533,710	4,105,656



# Lone Star National Bank

P.O. Box 1127 • Pharr, Texas 78577-1127  
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Toll-Free Customer Service ..... (800) 580-0322  
24-Hour Phone Banking ..... (956) 984-2444  
Lost or Stolen Debit Card ..... (800) 580-0322

Date 11/30/15 Page 1  
Primary Account XXXXXXXXXXXXX2005  
Enclosures

SOUTH PADRE ISLAND ECONOMIC DEVELOPMENT  
CORPORATION  
6801 PADRE BLVD  
SOUTH PADRE ISLAND TX 78597

## CHECKING ACCOUNTS

If you have overdrawn your account, please be advised that we have other less expensive methods to handle the payment of non-sufficient funds items. Presenting transactions and other items against non sufficient funds is an expensive practice. If you would like to discuss alternatives which include account transfers or if you have other financial needs, please call us at 1(800)580-0322 ext. 2440.

NOW Checking Commercial		Number of Enclosures	0
Account Number	XXXXXXXXXXXX2005	Statement Dates	11/02/15 thru 11/30/15
Previous Balance	79,882.92	Days in the statement period	29
Deposits/Credits	.00	Average Ledger	79,882.85
1 Checks/Debits	2.00	Average Collected	79,882.85
Service Charge	.00		
Interest Paid	16.41		
Current Balance	79,897.33	2015 Interest Paid	167.18

### Deposits and Additions

Date	Description	Amount
11/30	Interest Deposit	16.41

### Debits and Other Withdrawals

Date	Description	Amount
11/30	Paper Statement Fee	2.00-

### Daily Balance Information

Date	Balance	Date	Balance
11/02	79,882.92	11/30	79,897.33