



# Memo

To: South Padre Island Economic Development Corporation Board of Directors  
From: Larry Homan, Finance Director  
City of South Padre Island  
CC: Darla Lapeyre  
Date: February 10, 2011  
Re: January 2011 Operating Statement

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The January 2011 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of January 31, 2011 are attached for your review. Transactions summarized in the statements are those processed through the Finance Department of the City. The financial statements reflect a charge for the gift shop cost of goods sold and the inventory value for the Birding Center. The inventory value at month end is furnished to us and the cost of goods sold cost is calculated based on actual purchases and the difference between the beginning and ending inventory values supplied by EDC staff.

The fiscal 2011 approved budget utilized the estimated ending fund balance at the time the budget was prepared for fiscal 2011. The amount estimated in May and June when the budget was prepared was \$130,000. The current ending fund balance amount is estimated to be \$124,285 at September 30, 2010. As happened last year this amount is subject to change as a result of the final audited financial statements.

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

The January operating statement also contains a summary for the City of South Padre Island's Beach Nourishment Fund reflecting an update of transactions for the year ended September 30, 2011.

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

*"A Certified Retirement Community"*

**City of South Padre Island  
Economic Development Corporation  
Balance Sheet  
January 31, 2011/2010**

<b>Assets</b>	<b>2011</b>	<b>2010</b>
Cash and cash equivalents	\$76,910	\$89,853
Receivables - Sales Tax	\$31,022	\$33,488
Gift Shop Inventory	\$11,658	\$0
Due From General Fund	\$0	\$0
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$0	\$28,009
<b>TOTAL ASSETS</b>	<b>\$119,590</b>	<b>\$151,350</b>
<b>Liabilities and Fund Balances</b>		
Accounts Payable	\$0	\$0
Sales Tax Payable	\$693	\$522
Due to General Fund	\$24,911	\$0
Due to EDC Debt Service	\$0	\$0
Due to Convention Center Fund	\$0	\$0
Reserved for Encumbrances	\$1,362	\$0
Other liabilities	\$0	(\$61)
Deferred Revenue	\$0	\$0
<b>Total Liabilities</b>	<b>\$26,966</b>	<b>\$461</b>
<b>Fund Balance</b>	<b>\$92,624</b>	<b>\$150,889</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$119,590</b>	<b>\$151,350</b>

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

	2011		2010
	Budget	Actual	Actual
<b><u>REVENUES</u></b>			
Sales Tax	\$191,667	\$141,415	\$137,049
Interest Revenue	\$0	\$19	\$176
Birding Center Donations	\$3,200	\$40,175	\$0
Birding Center Admission Fees	\$45,659	\$43,011	\$38,901
Birding Center Gift Shop Sales	\$37,938	\$28,349	\$24,496
Birding Center Rental Fees	\$4,162	\$4,423	\$966
Miscellaneous Revenues	\$0	\$107	\$19
Gross Revenues	\$282,626	\$257,499	\$201,608
Cost of Gift Shop Sales	\$23,909	\$15,325	\$0
Operating Revenues	\$258,717	\$242,174	\$201,608
<b><u>EXPENDITURES</u></b>			
General Administrative Expenses	\$219,248	\$172,070	\$169,368
Birding Center Expenses	\$117,819	\$101,765	\$67,289
Total Expenditures	\$337,066	\$273,835	\$236,657
Excess (Deficiency) of Revenues Over			
(Under) Expenditures	(\$78,349)	(\$31,661)	(\$35,049)
Fund balance - beginning	\$124,285	\$124,285	\$185,938
Fund balance - ending	\$45,936	\$92,624	\$150,889

## MEMORANDUM

DATE: February 10, 2011

TO: EDC Board of Directors

FROM: Larry Homan

SUBJECT: Financial Report for the Four Months Ended January 31, 2011

	Current Month			YEAR TO DATE BUDGET			Annual Budget			BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
<b>REVENUES</b>										
SALES TAX	31,022	47,917	(16,895)	141,415	191,667	(50,251)	575,000	575,000	433,585	75.41%
INTEREST REVENUE	14	0	14	19	0	19	0	0	(19)	
TOTAL REVENUES	31,036	47,917	(16,881)	141,434	191,667	(50,232)	575,000	575,000	433,566	75.40%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	31,036	47,917	(16,881)	141,434	191,667	(50,232)	575,000	575,000	433,566	
<b>GENERAL ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	5,795	5,710	(85)	21,868	22,839	972	68,518	68,518	46,650	68.08%
OFFICE SUPPLIES	16	167	151	377	667	290	2,000	2,000	1,623	81.17%
LOCAL MEETINGS	0	58	58	22	233	211	700	700	678	96.86%
BOOKS & PUBLICATIONS	20	42	22	90	167	76	500	500	410	81.94%
POSTAGE	0	50	50	24	200	176	600	600	576	96.00%
MINOR TOOLS & EQUIP.	0	208	208	1,475	833	(642)	2,500	2,500	1,025	41.01%
TELEPHONE	220	192	(28)	898	767	(131)	2,300	2,300	1,402	60.97%
TRAINING EXPENSE	79	54	(25)	104	217	113	650	650	546	84.00%
PROFESSIONAL SVCS	543	667	124	7,095	2,667	(4,428)	8,000	8,000	905	11.32%
ADVERTISING	0	417	417	0	1,667	1,667	5,000	5,000	5,000	100.00%
TRAVEL	0	250	250	0	1,000	1,000	3,000	3,000	3,000	100.00%
PROMOTIONS	0	250	250	695	1,000	305	3,000	3,000	2,305	76.83%
DUES & MEMBERSHIPS	0	333	333	2,250	1,333	(917)	4,000	4,000	1,750	43.75%
RENTAL	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	0	0	0	0	0	0	0	0	0	0.00%
BIRDING PLAN & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0.00%
LOBBYIST	0	3,250	3,250	9,375	13,000	3,625	39,000	39,000	29,625	75.96%
ECONOMIC ACTIVITY INDEX	0	367	367	0	1,467	1,467	4,400	4,400	4,400	100.00%
USDA RBEG	0	3,500	3,500	7,500	14,000	6,500	42,000	42,000	34,500	0.00%
BEACH NOURISHMENT	0	4,167	4,167	0	16,667	16,667	50,000	50,000	50,000	100.00%
TRANSFER FOR BOND PAYMENT	29,826	29,826	(0)	119,304	119,304	(0)	357,911	357,911	238,607	66.67%
MARINE SCIENCE CENTER	0	4,167	4,167	995	16,667	15,672	50,000	50,000	49,005	98.01%
OTHER PROJECTS	0	1,138	1,138	0	4,553	4,553	13,661	13,661	13,661	100.00%
<b>TOTAL EXPENDITURES GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>	36,498	54,811	18,314	172,071	219,248	47,175	657,740	657,740	485,669	73.84%
<b>ADMINISTRATIVE OPERATING RESULTS</b>	(5,462)	(6,895)	1,433	(30,637)	(27,581)	(3,057)	(82,740)	(82,740)	(52,103)	
<b>BIRDING CENTER OPERATIONS</b>										
<b>REVENUES</b>										
BIRDING CENTER ADMISSION FEES	16,653	19,300	(2,647)	43,011	45,659	(2,648)	185,000	185,000	141,989	76.75%
BIRDING CENTER GIFT SHOP SALES	8,406	18,000	(9,594)	28,349	37,938	(9,589)	200,000	200,000	171,651	85.83%
BIRDING CENTER DONATIONS	40,175	600	0	40,175	3,200	36,975	75,000	75,000	34,825	46.43%
MISCELLANEOUS REVENUES	100	0	0	107	0	107	0	0	-107	
BIRDING CENTER RENTAL FEES	0	0	0	4,423	4,162	261	15,000	15,000	10,577	70.52%
GROSS REVENUES	65,334	37,900	(12,241)	116,065	90,959	25,106	475,000	475,000	358,935	
COST OF GIFT SHOP SALES	2,216	10,800	8,584	15,325	23,909	8,584	100,000	100,000	84,675	84.68%
NET BNC REVENUES	63,118	27,100	(3,657)	100,740	67,050	33,690	375,000	375,000	274,260	73.14%
<b>BIRDING CENTER GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>										
PERSONNEL SERVICES	10,344	9,443	(900)	32,251	37,774	5,523	122,764	122,764	90,513	73.73%
OFFICE SUPPLIES	250	100	(150)	806	656	(150)	1,300	1,300	494	37.99%
LOCAL MEETINGS	0	40	40	0	40	40	100	100	100	100.00%
BOOKS & PUBLICATIONS	0	0	0	0	0	0	0	0	0	
POSTAGE	0	0	0	0	0	0	800	800	800	100.00%

## MEMORANDUM

DATE: February 10, 2011  
 TO: EDC Board of Directors  
 FROM: Larry Homan  
 SUBJECT: Financial Report for the Four Months Ended January 31, 2011

	Current Month			YEAR TO DATE BUDGET			Annual Budget			BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
MINOR TOOLS & EQUIP.	0	200	200	0	200	200	3,000	3,000	3,000	100.00%
TELEPHONE	338	800	462	2,103	2,565	462	9,000	9,000	6,897	76.63%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	
CREDIT CARD FEES	378	200	(178)	1,607	1,430	(177)	3,000	3,000	1,393	46.43%
PROFESSIONAL SVCS	236	0	(236)	441	205	(236)	500	500	59	11.77%
SERVICE CONTRACTS	651	3,500	2,849	9,778	12,626	2,848	43,296	43,296	33,518	77.42%
ADVERTISING	0	500	500	2,574	3,074	500	10,000	10,000	7,426	74.26%
TRAVEL	0	1,000	1,000	0	1,000	1,000	1,000	1,000	1,000	100.00%
DUES & MEMBERSHIPS	0	0	0	50	0	(50)	0	0	(50)	
PROMOTIONS	0	0	0	0	0	0	0	0	0	
INSURANCE	0	0	0	40,353	42,825	2,472	60,000	60,000	19,647	32.75%
ELECTRICITY	2,475	1,690	(785)	7,510	9,200	1,690	24,000	24,000	16,490	68.71%
WATER, SEWER AND GARBAGE	1,283	560	(723)	3,707	5,543	1,836	10,000	10,000	6,293	62.93%
LAUNDRY & JANITORIAL	135	230	95	585	681	96	2,500	2,500	1,915	76.59%
MACHINERY AND EQUIPMENT PURCHASES	0	0	0	0	0	0	1,000	1,000	1,000	100.00%
<b>TOTAL BIRDING CENTER GENERAL</b>										
<b>ADMINISTRATIVE EXPENSES</b>	16,089	18,263	2,174	101,764	117,819	16,054	292,260	292,260	190,496	65.18%
<b>BIRDING CENTER INCOME (LOSS) FROM OPERATIONS</b>	47,029	8,837	(1,483)	(1,025)	(50,769)	49,744	82,740	82,740	83,765	
<b>TOTAL EDC REVENUES OVER (UNDER) EXPENSES</b>	41,567	0	(49)	(31,661)	(78,350)	46,687	0	0	31,661	

## FUND BALANCE:

BEGINNING BALANCE October 1, 2010

\$124,285

ACTUAL REVENUES

242,174

AVAILABLE RESOURCES

366,459

EXPENDITURES

(273,835)

ENDING FUND BALANCE, January 31, 2011

\$92,624

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

Fund Balance (UNAUDITED), September 30, 2010

\$1,484,548

Hotel Occupancy Tax

31,153

Interest

0

Transfers In - Town SPI

0

General Land Office Grants

0

Transfers In - EDC

0

Expenditures Sand Source Study

0

Expenditures other than Sand Source Study

(604,577)

Fund Balance (UNAUDITED), January 31, 2011

\$911,124

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

Operating Account (Fund 80)	14	0
Debt Service Fund (Fund 52)	0	0
Debt Service Reserve Fund (Fund 58)	207	0
Birding Center Construction Fund (Fund 85)	3	0
	<u>\$224</u> *	<u>\$0</u>

This report reflects transactions recorded for the Month of January 2011 with the exception of Sales Tax Revenue. Sales Tax Revenue received in February 2011 for December 2010 sales by merchants in the amount of \$31,022.23 is included in revenue for the January 2011 report.