



# Memo

**To:** South Padre Island Economic Development Corporation Board of Directors

**From:** Rodrigo Gimenez, Chief Financial Officer  
City of South Padre Island

**CC:** Darla Lapeyre

**Date:** January 13, 2020

**Re:** December 31, 2019 Operating Statement

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The December 31, 2019 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of December 31, 2019 are attached for your review.

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

Please contact me at [rgimenez@MYSPI.org](mailto:rgimenez@MYSPI.org) at your earliest convenience should you have any questions.

City of South Padre Island  
Economic Development Corporation  
Balance Sheets  
December 31, 2019/2018

| EDC FUND                  |           |                  |                   |
|---------------------------|-----------|------------------|-------------------|
| Assets                    |           | 2019             | 2018              |
| Cash and Cash Equivalents | \$        | 707,630          | \$ 750,849        |
| Investments               |           | 240,000          | -                 |
| BNC Facility Reserve Cash |           | -                | 62,471            |
| Receivables - Sales Tax   |           | 44,252           | 39,822            |
| Revolving Loan Receivable |           | 20,565           | 32,262            |
| <b>Total Assets</b>       | <b>\$</b> | <b>1,012,447</b> | <b>\$ 885,404</b> |

**Liabilities and Fund Balance**

|                                           |           |                  |                   |
|-------------------------------------------|-----------|------------------|-------------------|
| Deferred Revenue                          | \$        | 20,565           | \$ 32,263         |
| Payroll Taxes Payable                     |           | 533              | -                 |
| Wages Payable                             |           | -                | 328               |
| Total Liabilities                         |           | 21,098           | 32,591            |
| Fund Balance                              |           | 991,349          | 852,813           |
| <b>Total Liabilities and Fund Balance</b> | <b>\$</b> | <b>1,012,447</b> | <b>\$ 885,404</b> |

| BNC FACILITY RESERVE      |           |               |             |
|---------------------------|-----------|---------------|-------------|
| Assets                    |           | 2019          | 2018        |
| Cash and Cash Equivalents | \$        | 81,266        | \$ -        |
| <b>Total Assets</b>       | <b>\$</b> | <b>81,266</b> | <b>\$ -</b> |

**Liabilities and Fund Balance**

|                                           |           |               |             |
|-------------------------------------------|-----------|---------------|-------------|
| Total Liabilities                         | \$        | -             | \$ -        |
| Fund Balance                              |           | 81,266        | -           |
| <b>Total Liabilities and Fund Balance</b> | <b>\$</b> | <b>81,266</b> | <b>\$ -</b> |

City of South Padre Island  
Economic Development Corporation  
Statements of Revenues, Expenditures and Changes in Fund Balance  
December 31, 2019/2018

| EDC FUND                                                       |                   |                   |                   |
|----------------------------------------------------------------|-------------------|-------------------|-------------------|
|                                                                | 2019              |                   | 2018              |
|                                                                | Budget            | Actual            | Actual            |
| <b>Revenues</b>                                                |                   |                   |                   |
| Sales Tax                                                      | \$ 850,000        | \$ 172,291        | \$ 151,650        |
| Revolving Loan Revenue                                         | 12,053            | 2,968             | 2,852             |
| Interest Revenue                                               | 4,722             | 2,661             | 3,312             |
| BNC Rent                                                       | 12,000            | 3,000             | -                 |
| <b>Total Revenue</b>                                           | <b>878,775</b>    | <b>180,920</b>    | <b>157,814</b>    |
| <b>Expenditures</b>                                            |                   |                   |                   |
| General Administrative Expenses                                | 1,233,951         | 213,157           | 125,274           |
| BNC Cash Advances                                              | -                 | -                 | 5,550             |
| BNC Maintenance Expenses                                       | 50,000            | 5,898             | 43,527            |
| BNC Facility Transfers                                         | 70,304            | 17,576            | 35,129            |
| <b>Total Expenditures</b>                                      | <b>1,354,255</b>  | <b>236,631</b>    | <b>209,480</b>    |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures * | (475,480)         | (55,711)          | (51,666)          |
| Fund Balance - Beginning                                       | 1,047,060         | 1,047,060         | 904,479           |
| <b>Fund Balance - Ending</b>                                   | <b>\$ 571,580</b> | <b>\$ 991,349</b> | <b>\$ 852,813</b> |

| BNC FACILITY RESERVE                               |                  |                  |             |
|----------------------------------------------------|------------------|------------------|-------------|
|                                                    | 2019             |                  | 2018        |
|                                                    | Budget           | Actual           | Actual      |
| <b>Revenues</b>                                    |                  |                  |             |
| Transfers From EDC                                 | \$ 70,304        | \$ 17,576        | \$ -        |
| <b>Total Revenue</b>                               | <b>70,304</b>    | <b>17,576</b>    | <b>-</b>    |
| <b>Expenditures</b>                                |                  |                  |             |
| Building & Structure Per Facility Reserve<br>Study | 65,965           | -                | -           |
| <b>Total Expenditures</b>                          | <b>65,965</b>    | <b>-</b>         | <b>-</b>    |
| Excess (Deficiency) of Revenues Over               | 4,339            | 17,576           | -           |
| Fund Balance - Beginning                           | 63,690           | 63,690           | -           |
| <b>Fund Balance - Ending</b>                       | <b>\$ 68,029</b> | <b>\$ 81,266</b> | <b>\$ -</b> |

\* 2019 budget deficit is due to the allocation of excess reserves.

## MEMORANDUM

DATE: January 13, 2020

TO: EDC Board of Directors

FROM: Rodrigo Gimenez

SUBJECT: Financial Report for the three Months Ended December 31, 2019

## EDC FUND

|                                                              | Current Month     |                   |                                    | YEAR TO DATE      |                   |                                    | Annual Budget      |                    |                     |                                |
|--------------------------------------------------------------|-------------------|-------------------|------------------------------------|-------------------|-------------------|------------------------------------|--------------------|--------------------|---------------------|--------------------------------|
|                                                              | Actual            | Budget            | Variance<br>Positive<br>(Negative) | Actual            | Budget            | Variance<br>Positive<br>(Negative) | ORIGINAL<br>BUDGET | AMENDED<br>BUDGET  | REMAINING<br>BUDGET | BUDGET<br>PERCENT<br>REMAINING |
| <b>REVENUES</b>                                              |                   |                   |                                    |                   |                   |                                    |                    |                    |                     |                                |
| SALES TAX                                                    | \$44,252          | \$37,201          | \$7,051                            | \$172,291         | \$141,671         | \$30,620                           | \$850,000          | \$850,000          | \$677,709           | 80%                            |
| REVOLVING LOAN REVENUE                                       | 993               | 1,004             | (11)                               | 2,968             | 3,013             | (45)                               | 12,053             | 12,053             | 9,085               | 75%                            |
| INTEREST REVENUE                                             | 1,362             | 394               | 968                                | 2,661             | 1,181             | 1,480                              | 4,722              | 4,722              | 2,061               | 44%                            |
| BNC RENT                                                     | 1,000             | 1,000             | 0                                  | 3,000             | 3,000             | 0                                  | 12,000             | 12,000             | 9,000               | 75%                            |
| TOTAL REVENUES                                               | 47,607            | 39,599            | 8,008                              | 180,920           | 148,865           | 32,055                             | 878,775            | 878,775            | 697,855             |                                |
| <b>EXPENDITURES</b>                                          |                   |                   |                                    |                   |                   |                                    |                    |                    |                     |                                |
| PERSONNEL SERVICES                                           | 6,445             | 6,956             | 511                                | 18,821            | 13,911            | (4,910)                            | 83,466             | 83,466             | 64,645              | 77%                            |
| GOODS & SUPPLIES                                             | 0                 | 225               | 225                                | 32                | 450               | 418                                | 2,700              | 2,700              | 2,668               | 99%                            |
| MISCELLANEOUS SERVICES                                       | 772               | 2,825             | 2,053                              | 10,889            | 5,650             | (5,239)                            | 33,900             | 33,900             | 23,011              | 68%                            |
| DEBT SERVICE TRANSFERS                                       | 32,871            | 32,871            | 0                                  | 98,613            | 65,742            | (32,871)                           | 394,450            | 394,450            | 295,837             | 75%                            |
| DESIGNATED PROJECTS                                          | 22,162            | 59,953            | 37,791                             | 84,802            | 119,906           | 35,104                             | 719,435            | 719,435            | 634,633             | 88%                            |
| BNC MAINTENANCE EXPENDITURES                                 | 2,988             | 4,167             | 1,179                              | 5,898             | 8,333             | 2,435                              | 50,000             | 50,000             | 44,102              | 88%                            |
| BNC FACILITY TRANSFERS                                       | 5,859             | 5,859             | 0                                  | 17,576            | 11,717            | (5,859)                            | 70,304             | 70,304             | 52,728              | 75%                            |
| TOTAL EXPENDITURES GENERAL<br>ADMINISTRATIVE EXPENSES        | 71,097            | 112,856           | 41,759                             | 236,631           | 225,709           | (10,922)                           | 1,354,255          | 1,354,255          | 1,117,624           | 83%                            |
| <b>Excess (Deficiency) of Revenues Over<br/>Expenditures</b> | <u>(\$23,490)</u> | <u>(\$73,257)</u> | <u>\$49,767</u>                    | <u>(\$55,711)</u> | <u>(\$76,844)</u> | <u>\$21,133</u> *                  | <u>(\$475,480)</u> | <u>(\$475,480)</u> | <u>(\$419,769)</u>  |                                |

## BNC FACILITY RESERVE

|                                                              | Current Month  |              |                                    | YEAR TO DATE    |              |                                    | Annual Budget      |                   |                     |                                |
|--------------------------------------------------------------|----------------|--------------|------------------------------------|-----------------|--------------|------------------------------------|--------------------|-------------------|---------------------|--------------------------------|
|                                                              | Actual         | Budget       | Variance<br>Positive<br>(Negative) | Actual          | Budget       | Variance<br>Positive<br>(Negative) | ORIGINAL<br>BUDGET | AMENDED<br>BUDGET | REMAINING<br>BUDGET | BUDGET<br>PERCENT<br>REMAINING |
| <b>REVENUES</b>                                              |                |              |                                    |                 |              |                                    |                    |                   |                     |                                |
| TRANSFER FROM EDC                                            | \$5,859        | \$5,859      | 0                                  | \$17,576        | \$11,717     | 5,859                              | \$70,304           | \$70,304          | \$52,728            | 75%                            |
| TOTAL REVENUES                                               | 5,859          | 5,859        | 0                                  | 17,576          | 11,717       | 5,859                              | 70,304             | 70,304            | 52,728              | 75%                            |
| <b>EXPENDITURES</b>                                          |                |              |                                    |                 |              |                                    |                    |                   |                     |                                |
| BUILDING & STRUCTURE PER<br>FACILITY RESERVE STUDY           | 0              | 5,497        | 5,497                              | 0               | 10,994       | 10,994                             | 65,965             | 65,965            | 65,965              | 100%                           |
| TOTAL EXPENDITURES GENERAL<br>ADMINISTRATIVE EXPENSES        | 0              | 5,497        | 5,497                              | 0               | 10,994       | 10,994                             | 65,965             | 65,965            | 65,965              | 100%                           |
| <b>Excess (Deficiency) of Revenues Over<br/>Expenditures</b> | <u>\$5,859</u> | <u>\$362</u> | <u>\$5,497</u>                     | <u>\$17,576</u> | <u>\$723</u> | <u>\$16,853</u>                    | <u>\$4,339</u>     | <u>\$4,339</u>    | <u>(\$13,237)</u>   |                                |

\* 2019 budget deficit due to the allocation of excess reserves.



FUND
:80 -ECONOMIC DEVELOPMENT CORP

SCHEDULE OF BUDGETED, ACTUAL AND ENCUMBERED EXPENDITURES

DEPARTMENT
: DEPT 580 - EDC

NOTATION
:

| ACCOUNT<br>NUMBERS | ACCOUNT<br>DESCRIPTION | -- MONTH --   ----- |              | YEAR TO DATE |           | -----                         |                         | BUDGET<br>PERCENT<br>REMAINING |
|--------------------|------------------------|---------------------|--------------|--------------|-----------|-------------------------------|-------------------------|--------------------------------|
|                    |                        | EXPENDITURES        | ENCUMBRANCES | EXPENDITURES | TOTALS    | CURRENT<br>MODIFIED<br>BUDGET | UNENCUMBERED<br>BALANCE |                                |
| =====              | =====                  | =====               | =====        | =====        | =====     | =====                         | =====                   | =====                          |
| 580-0534-019       | BUSINESS RECRUITMENT   | 0.00                | 0.00         | 0.00         | 0.00      | 0.00                          | 0.00                    | 0.00                           |
| 580-0534-020       | BNC LANDSCAPING PROJ   | 0.00                | 0.00         | 0.00         | 0.00      | 0.00                          | 0.00                    | 0.00                           |
| 580-0540           | ADVERTISING            | 0.00                | 0.00         | 2,763.00     | 2,763.00  | 4,500.00                      | 1,737.00                | 38.60                          |
| 580-0550           | TRAVEL                 | 0.00                | 0.00         | 2,235.57     | 2,235.57  | 6,000.00                      | 3,764.43                | 62.74                          |
| 580-0551           | DUES & MEMBERSHIPS     | 0.00                | 0.00         | 2,083.33     | 2,083.33  | 1,000.00                      | ( 1,083.33)             | ( 108.33)                      |
| 580-0555           | PROMOTIONS             | 0.00                | 0.00         | 2,200.00     | 2,200.00  | 3,000.00                      | 800.00                  | 26.67                          |
| 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                           |
| 580-0599           | PROMOTIONS             | 0.00                | 0.00         | 0.00         | 0.00      | 0.00                          | 0.00                    | 0.00                           |
|                    |                        | =====               | =====        | =====        | =====     | =====                         | =====                   | =====                          |
|                    |                        | 771.47              | 0.00         | 10,889.32    | 10,889.32 | 33,900.00                     | 23,010.68               | 67.88                          |
|                    |                        | =====               | =====        | =====        | =====     | =====                         | =====                   | =====                          |

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

|             |                      |           |       |            |            |            |            |       |
|-------------|----------------------|-----------|-------|------------|------------|------------|------------|-------|
| 580-9470    | TRANSFER TO EDC DEBT | 32,870.84 | 0.00  | 98,612.44  | 98,612.44  | 394,450.00 | 295,837.56 | 75.00 |
| 580-9471    | TRANSFER TO GENERAL  | 0.00      | 0.00  | 0.00       | 0.00       | 0.00       | 0.00       | 0.00  |
| 580-9476-01 | TSF TO BEACH NOURISH | 0.00      | 0.00  | 0.00       | 0.00       | 0.00       | 0.00       | 0.00  |
| 580-9483    | TSF TO BNC FACILITY  | 5,858.67  | 0.00  | 17,576.01  | 17,576.01  | 70,304.00  | 52,727.99  | 75.00 |
|             |                      | =====     | ===== | =====      | =====      | =====      | =====      | ===== |
|             |                      | 38,729.51 | 0.00  | 116,188.45 | 116,188.45 | 464,754.00 | 348,565.55 | 75.00 |
|             |                      | =====     | ===== | =====      | =====      | =====      | =====      | ===== |

SPECIAL PROJECTS

|              |                     |           |       |           |           |            |            |       |
|--------------|---------------------|-----------|-------|-----------|-----------|------------|------------|-------|
| 580-9175     | ELECTION EXPENSE    | 0.00      | 0.00  | 0.00      | 0.00      | 0.00       | 0.00       | 0.00  |
| 580-9178     | DESIGNATED PROJECTS | 22,162.00 | 0.00  | 84,802.00 | 84,802.00 | 719,435.00 | 634,633.00 | 88.21 |
| 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  | 0.00      | 0.00      | 0.00       | 0.00       | 0.00  |
|              |                     | =====     | ===== | =====     | =====     | =====      | =====      | ===== |
|              |                     | 22,162.00 | 0.00  | 84,802.00 | 84,802.00 | 719,435.00 | 634,633.00 | 88.21 |
|              |                     | =====     | ===== | =====     | =====     | =====      | =====      | ===== |

DEPARTMENT TOTAL
68,108.11
0.00
230,732.57
230,732.57
1,304,255.00
1,073,522.43
82.31



SCHEDULE OF BUDGETED, ACTUAL AND ENCUMBERED EXPENDITURES

NOTATION :

[illegible]