



Memo

To: South Padre Island Economic Development Corporation Board of Directors
From: Rodrigo Gimenez, Senior Accountant
City of South Padre Island
CC: Darla Lapeyre
Date: June 10, 2011
Re: May 2011 Operating Statement

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

A year to date adjustment of \$4,026.33 was posted in May to decrease Personnel Services for the EDC and increase Personnel Services for the BNC to correct a coding error and properly reflect the payroll expense of an employee of the BNC.

The fiscal 2011 approved budget utilized the estimated ending fund balance at the time the budget was prepared for fiscal 2011. The amount estimated in May and June when the budget was prepared was \$130,000. The current ending fund balance amount is \$124,285 at September 30, 2010.

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

The May 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 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
May 31, 2011/2010**

Assets	2011	2010
Cash and cash equivalents	\$35,895	\$89,359
Receivables - Sales Tax	\$50,990	\$44,867
Revolving Loan Receivable	\$27,581	\$0
Gift Shop Inventory	\$11,832	\$15,251
Due From General Fund	\$0	\$0
Due from EDC Debt Service	\$0	\$0
Prepaid Items	\$0	\$0
TOTAL ASSETS	<u>\$126,298</u>	<u>\$149,478</u>

Liabilities and Fund Balances		
Accounts Payable	\$0	\$10,543
Sales Tax Payable	\$858	\$1,417
Due to General Fund	\$0	\$0
Due to EDC Debt Service	\$0	\$0
Due to Convention Center Fund	\$0	\$0
Reserved for Encumbrances	\$1,362	\$0
Other liabilities	\$0	(\$60)
Deferred Revenue	\$0	\$0
Total Liabilities	<u>\$2,220</u>	<u>\$11,900</u>
Fund Balance	<u>\$124,078</u>	<u>\$137,578</u>
Total Liabilities and Fund Balance	<u>\$126,298</u>	<u>\$149,478</u>

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

	2011		2010
	Budget	Actual	Actual
<u>REVENUES</u>			
Sales Tax	\$297,049	\$324,029	\$313,360
USDA Grant Revenue	\$0	\$9,000	\$0
Interest Revenue	\$0	\$376	\$327
Birding Center Donations	\$48,425	\$48,175	\$0
Birding Center Admission Fees	\$104,518	\$104,825	\$96,045
Birding Center Gift Shop Sales	\$68,295	\$67,692	\$62,729
Birding Center Rental Fees	\$7,548	\$6,698	\$966
Birding Center Program Revenue	\$0	\$900	\$0
Miscellaneous Revenues	\$326	\$341	\$86
Gross Revenues	\$526,161	\$562,035	\$473,513
Cost of Gift Shop Sales	\$35,098	\$35,794	\$19,796
Operating Revenues	\$491,063	\$526,241	\$453,717
<u>EXPENDITURES</u>			
General Administrative Expenses	\$340,527	\$334,523	\$346,908
Birding Center Expenses	\$202,411	\$191,925	\$155,169
Total Expenditures	\$542,938	\$526,448	\$502,077
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$51,875)	(\$207)	(\$48,360)
Fund balance - beginning	\$124,285	\$124,285	\$185,938
Fund balance - ending	\$72,410	\$124,078	\$137,578

MEMORANDUM

DATE: June 10, 2011
 TO: EDC Board of Directors
 FROM: Rodrigo Gimenez
 SUBJECT: Financial Report for the Eight Months Ended May 31, 2011

				YEAR TO DATE			Annual Budget			BUDGET
	Actual	Current Month Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
REVENUES										
SALES TAX	50,991	60,289	(9,298)	324,029	297,049	26,980	575,000	575,000	250,971	43.65%
USDA GRANT REVENUE	0	0	0	9,000	0	9,000	0	0	(9,000)	
INTEREST REVENUE	259	0	259	376	0	376	0	0	(376)	
TOTAL REVENUES	51,250	60,289	(9,039)	333,405	297,049	36,356	575,000	575,000	241,595	42.02%
EST. CARRYOVER FROM PRIOR YR										
TOTAL REVENUES & CARRYOVER	51,250	60,289	(9,039)	333,405	297,049	36,356	575,000	575,000	241,595	
GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	1,183	6,101	4,918	43,848	44,116	268	68,518	68,518	24,670	36.01%
OFFICE SUPPLIES	139	269	130	791	922	131	2,000	2,000	1,209	60.45%
LOCAL MEETINGS	0	135	135	22	157	135	700	700	678	96.86%
BOOKS & PUBLICATIONS	72	77	5	184	189	5	500	500	316	63.14%
POSTAGE	0	115	115	25	140	115	600	600	575	95.85%
MINOR TOOLS & EQUIP.	0	23	23	2,877	2,900	23	2,500	2,900	23	0.79%
TELEPHONE	40	169	129	1,492	1,621	129	2,300	2,300	808	35.13%
TRAINING EXPENSE	125	109	(16)	229	213	(16)	650	650	421	64.77%
PROFESSIONAL SVCS	353	1,683	1,330	10,187	11,516	1,329	8,000	18,250	8,063	44.18%
ADVERTISING	2,500	996	(1,504)	2,518	1,014	(1,504)	5,000	5,000	2,482	49.64%
TRAVEL	0	220	220	0	220	220	3,000	1,100	1,100	100.00%
PROMOTIONS	0	461	461	695	1,156	461	3,000	3,000	2,305	76.83%
DUES & MEMBERSHIPS	350	350	0	2,600	2,600	0	4,000	4,000	1,400	35.00%
RENTAL	0	0	0	0	0	0	0	0	0	0.00%
INSURANCE	0	0	0	0	0	0	0	0	0	0.00%
BIRDING PLAN & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0.00%
LOBBYIST	0	0	0	15,646	15,646	(0)	39,000	15,646	(0)	0.00%
ECONOMIC ACTIVITY INDEX	0	0	0	0	0	0	4,400	4,400	4,400	100.00%
USDA RBEG	5,000	6,900	1,900	12,500	14,400	1,900	42,000	42,000	29,500	0.00%
BEACH NOURISHMENT	0	0	0	0	0	0	50,000	0	0	0.00%
TRANSFER FOR BOND PAYMENT	29,826	29,826	0	238,608	238,608	0	357,911	357,911	119,303	33.33%
MARINE SCIENCE CENTER	892	1,718	826	2,301	3,127	826	50,000	10,000	7,699	76.99%
OTHER PROJECTS	0	1,982	1,982	0	1,982	1,982	13,661	9,911	9,911	100.00%
TOTAL EXPENDITURES GENERAL ADMINISTRATIVE EXPENSES	40,480	51,134	10,654	334,523	340,527	6,004	657,740	549,386	214,863	39.11%
ADMINISTRATIVE OPERATING RESULTS	10,769	9,155	1,614	(1,119)	(43,478)	42,359	(82,740)	25,614	26,733	
BIRDING CENTER OPERATIONS										
REVENUES										
BIRDING CENTER ADMISSION FEES	14,458	14,000	458	104,825	104,518	307	185,000	160,000	55,175	34.48%
BIRDING CENTER GIFT SHOP SALES	10,397	11,000	(603)	67,692	68,295	(603)	200,000	110,000	42,308	38.46%
BIRDING CENTER DONATIONS	0	250	(250)	48,175	48,425	(250)	75,000	75,000	26,825	35.77%
EVENTS/PROGRAMS	750	0	750	900	0	900	0	2,000	1,100	55.00%
MISCELLANEOUS REVENUES	14	0	14	340	326	14	0	500	160	32.00%
BIRDING CENTER RENTAL FEES	750	1,600	(850)	6,698	7,548	(850)	15,000	16,500	9,802	59.41%
GROSS REVENUES	26,369	26,850	(481)	228,630	229,112	(482)	475,000	364,000	135,370	
COST OF GIFT SHOP SALES	6,196	5,500	(696)	35,794	35,098	(696)	100,000	55,000	19,206	34.92%
NET BNC REVENUES	20,173	21,350	(1,177)	192,836	194,014	(1,178)	375,000	309,000	116,164	37.59%
BIRDING CENTER GENERAL ADMINISTRATIVE EXPENSES										
PERSONNEL SERVICES	14,169	12,605	(1,564)	80,347	82,853	2,506	122,764	133,273	52,926	39.71%
OFFICE SUPPLIES	351	200	(151)	2,256	2,104	(152)	1,300	2,949	693	23.50%
LOCAL MEETINGS	0	0	0	0	0	0	100	100	100	100.00%

MEMORANDUM

DATE: June 10, 2011
 TO: EDC Board of Directors
 FROM: Rodrigo Gimenez
 SUBJECT: Financial Report for the Eight Months Ended May 31, 2011

	Current Month			YEAR TO DATE			Annual Budget			BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	ORIGINAL BUDGET	AMENDED BUDGET	REMAINING BUDGET	PERCENT REMAINING
BOOKS & PUBLICATIONS	0	0	0	0	0	0	0	0	0	
POSTAGE	0	20	20	64	84	20	800	800	736	92.01%
MINOR TOOLS & EQUIP.	48	200	152	2,440	2,592	152	3,000	3,592	1,152	32.07%
TELEPHONE	598	860	262	5,284	5,546	262	9,000	9,000	3,716	41.29%
TRAINING EXPENSE	0	0	0	0	0	0	0	0	0	
CREDIT CARD FEES	442	420	(22)	3,374	3,352	(22)	3,000	5,032	1,658	32.95%
PROFESSIONAL SVCS	0	59	59	441	500	59	500	500	59	11.77%
SERVICE CONTRACTS	3,413	10,000	6,587	24,977	31,564	6,587	43,296	49,064	24,087	49.09%
ADVERTISING	420	2,000	1,580	4,916	6,497	1,581	10,000	10,000	5,084	50.84%
TRAVEL	0	0	0	1,236	1,236	0	1,000	3,736	2,500	66.92%
DUES & MEMBERSHIPS	0	0	0	120	120	0	0	120	0	
PROMOTIONS	0	0	0	0	0	0	0	1,000	1,000	100.00%
INSURANCE	1,404	1,404	0	41,757	41,757	0	60,000	49,853	8,096	16.24%
ELECTRICITY	2,158	1,900	(258)	15,273	15,015	(258)	24,000	24,000	8,727	36.36%
WATER, SEWER AND GARBAGE	1,589	1,040	(549)	8,863	8,314	(549)	10,000	12,474	3,611	28.95%
LAUNDRY & JANITORIAL	0	300	300	577	877	300	2,500	2,500	1,923	76.92%
MACHINERY AND EQUIPMENT PURCHASES	0	0	0	0	0	0	1,000	1,000	1,000	100.00%
TOTAL BIRDING CENTER GENERAL										
ADMINISTRATIVE EXPENSES	<u>24,592</u>	<u>31,008</u>	<u>6,416</u>	<u>191,925</u>	<u>202,411</u>	<u>10,486</u>	<u>292,260</u>	<u>308,993</u>	<u>117,068</u>	<u>37.89%</u>
BIRDING CENTER INCOME (LOSS) FROM OPERATIONS	<u>(4,419)</u>	<u>(9,658)</u>	<u>5,239</u>	<u>911</u>	<u>(8,397)</u>	<u>9,308</u>	<u>82,740</u>	<u>7</u>	<u>(904)</u>	
TOTAL EDC REVENUES OVER (UNDER) EXPENSES	<u>6,350</u>	<u>(503)</u>	<u>6,853</u>	<u>(207)</u>	<u>(51,875)</u>	<u>51,668</u>	<u>0</u>	<u>25,621</u>	<u>25,828</u>	

FUND BALANCE:

BEGINNING BALANCE October 1, 2010	\$124,285
ACTUAL REVENUES	526,241
AVAILABLE RESOURCES	650,526
EXPENDITURES	(526,448)
ENDING FUND BALANCE, April 30, 2011	<u>\$124,078</u>

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

BEACH NOURISHMENT FUND:

Fund Balance September 30, 2010	\$1,484,548
Hotel Occupancy Tax	119,538
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	(606,266)
Fund Balance (UNAUDITED), May 31, 2011	<u>\$997,820</u>

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

Operating Account (Fund 80)	259	0
Debt Service Fund (Fund 52)	0	0
Debt Service Reserve Fund (Fund 58)	180	0
Birding Center Construction Fund (Fund 85)	2	0
	<u>\$441 *</u>	<u>\$0</u>

This report reflects transactions recorded for the Month of May 2011 with the exception of Sales Tax Revenue. Sales Tax Revenue received in June 2011 for April 2011 sales by merchants in the amount of \$50,990.52 is included in revenue for the May 2011 report.