

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

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, June 21st, 2016 at 9:00 a.m. at the Municipal Building, 2nd floor Meeting 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. **Presentation regarding the Proposed Bayside Watersports Park**
5. **Approve the Consent Agenda:**
 - 5a. **Approve the Minutes from the Regular Meeting of May 24th, 2016 and the Workshop on May 24th, 2016**
 - 5b. **Financial Reports for EDC- May 2016**
 - 5c. **Activity Report from the Birding and Nature Center-May 2016**
 - 5d. **Approve the Financial Reports for the Birding & Nature Center-May 2016**
 - 5e. **Approve excused absence for Irv Downing for the June 21st, 2016 meeting**
 - 5f. **Approve primary depository bank agreement with International Bank of Commerce from 10-1-16 through 9-30-18 with three one year extension options**
6. **Discussion and action to approve the 2016-17 Annual Budget for the South Padre Island Birding and Nature Center**
7. **Discussion and action to approve Hilco Partners Contract effective October 1, 2016 through September 30, 2018 and consider amount in the 2016-17 EDC budget**
8. **Discussion and action to approve the 2016-17 Annual Budget**

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 17th day of June, 2016

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.

5.

DRAFT

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

MINUTES
Regular Meeting
May 24th, 2016

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, May 24th, 2016, at the South Padre Island Birding and Nature Center 2nd floor Conference Room, 6801 Padre Blvd., South Padre Island, Texas. President Joanne Williams called the meeting to order at 9:00 a.m. Other Board members present were Vice-President Dan Stanton, Secretary/Treasurer Ron Pitcock, and Director Sally Scaman. Absent were Directors Bob Friedman and Beth Vance. Also present were Executive Director Darla Lapeyre, SPI Birding and Nature Center Board President Lynne Tate and SPI Birding and Nature Center Manager Cristin Howard.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS AND ANNOUNCEMENTS

There were no public comments or announcements.

4. APPROVE THE CONSENT AGENDA

- 4a. Approve the Minutes from Regular Meeting on March 29th, 2016**
- 4b. Financial Report for EDC-March 2016 and April 2016**
- 4c. Activity Report from the Birding and Nature Center-April 2016**
- 4d. Approve the Financial Reports for the Birding and Nature Center-March 2016 and April 2016**
- 4e. Approve excused absence for Bob Friedman and Beth Vance from the May 24th, 2016 meeting**

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

5. QUARTERLY REPORT REGARDING OPERATIONS AT THE SOUTH PADRE ISLAND BIRDING AND NATURE CENTER FROM BOARD PRESIDENT LYNNE TATE

Birding and Nature Center President Lynne Tate reported the finances were good and the Board is working on the 2016-17 annual budget to bring to the EDC at their June Board meeting. Visitation figures are approximately 50,000 annually. Hiring an Educator for the Center has been approved by the Birding Center Board at a budget of \$28K annually. The new Educator will free up time for Cristin to market the Center. The EDC Board discussed the salary of the Educator position. EDC President Joanne Williams asked if grants had been researched to help fund the position. EDC Vice-President Dan Stanton recommended increasing the starting pay to \$32K to get the best candidate out there. EDC Treasurer Ron Pitcock asked Mrs. Tate to check into President Obama's new rules regarding hourly employees.

Spring migration was very good this year due to the increase in habitat and the additional water features. The lawn care company contract was terminated and the maintenance man will be doing the grounds. The Birding Center Board changed him from part-time to full-time and realized a savings. Richard Moore's new video is being shown in the auditorium to the guests. The EDC Board agreed with Ms. Lapeyre it would be a good idea for her to start attending the Birding and Nature Center Board meetings again. Wristbands are being used for admissions to control entry to the facility and identify who has paid. EDC President Williams encouraged Mrs. Tate to look at becoming a member of the Smithsonian to obtain traveling exhibits.

6. DISCUSSION AND ACTION TO APPROVE A PROPOSAL FROM HALFF ASSOCIATES FOR PROFESSIONAL ENGINEERING SERVICES FOR IMPROVEMENTS TO LAGUNA BOULEVARD BETWEEN MARLIN STREET AND SWORDFISH STREET IN THE AMOUNT OF \$21,300

Upon a motion from Ron Pitcock and a second by Sally Scaman the Board approved the proposal from Halff Associates for engineering services for Laguna Blvd between Marlin St. and Swordfish St. in the amount of \$21,300. Vice-President Dan Stanton abstained.

7. ADJOURNMENT

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

SEAL

Darla Lapeyre
Executive Director

APPROVED:

Joanne Williams
President

DRAFT

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

**MINUTES
Workshop
May 24th, 2016**

1. CALL TO ORDER

A workshop of the Board of Directors of the City of South Padre Island Economic Development Corporation was held on Tuesday, May 24th, 2016, at the South Padre Island Birding and Nature Center 2nd floor Conference Room, 6801 Padre Blvd., South Padre Island, Texas. President Joanne Williams called the workshop to order at 10:00 a.m. Other Board members present were Vice-President Dan Stanton, Treasurer Ron Pitcock and Director Sally Scaman. Also present were Executive Director Darla Lapeyre and Birding and Nature Center President Lynne Tate.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS AND ANNOUNCEMENTS

There were no public comments or announcements.

4. DISCUSSION REGARDING POSSIBLE 2016-17 PROJECTS

The Board discussed possible projects for the 2016-17 fiscal year including the Sand Dollars for Success grant program, a design Façade Improvement Program, a regional conference for businesses with a high profile keynote speaker, new eco-tourism projects, a signature event to hold in the off-season partnering with the Convention and Visitors Bureau, facility and habitat maintenance at the Birding and Nature Center, increasing access to the Laguna Madre, and continuing the Kauffman Entrepreneurship training.

5. DISCUSSION REGARDING THE DRAFT 2016-17 ANNUAL BUDGET

The Board reviewed the draft of the 2016-17 annual budget. There was one change to move the \$5000 from the Gulf of Mexico Nature Center down into Designated Projects. This change will zero out the Gulf of Mexico Nature Center line item and increase the Designated Projects line item to \$110,487.

6. DISCUSSION REGARDING A WORKSHOP WITH THE CITY COUNCIL TO DISCUSS PRIORITIES, PLANS, AND PROJECTS FOR 2016-17 TO IMPROVE ECONOMIC DEVELOPMENT AND POSSIBLE DATES FOR THE WORKSHOP

Ms. Lapeyre will coordinate a date and time with the EDC Board members and the City Secretary to schedule a workshop with City Council as soon as possible, in order to identify the Council's ideas of potential projects for EDC consideration.

7. ADJOURNMENT

There being no further business, the workshop was adjourned at 11:23 a.m.

S E A L

Darla Lapeyre
Executive Director

APPROVED:

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: June 14, 2016
Re: May 31, 2016 Operating Statement

The May 31, 2016 Operating Statement for the South Padre Island Economic Development Corporation as well as the Balance Sheet as of May 31, 2016 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 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.

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, 2016/2015

Assets	2016	2015
Cash and cash equivalents	\$ 651,317	\$ 496,249
Receivables - Sales Tax	53,326	60,370
Revolving Loan Receivable	59,542	72,188
Due From General Fund	-	-
Miscellaneous Receivables	-	-
Prepaid Expenses	-	-
TOTAL ASSETS	\$ 764,185	\$ 628,807
Liabilities and Fund Balances		
Deferred Revenue	\$ 59,542	\$ 72,188
Accounts Payable	-	-
Sales Tax Payable	-	-
Payroll Taxes Payable	-	318
Wages Payable	-	-
Due to General Fund	-	-
Reserved for Encumbrances	-	-
Other liabilities	318	-
Total Liabilities	59,860	72,506
Fund Balance	704,325	556,301
Total Liabilities and Fund Balance	\$ 764,185	\$ 628,807

City of South Padre Island
Economic Development Corporation
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
May 31, 2016/2015

	2016		2015
	Budget	Actual	Actual
<u>REVENUES</u>			
Sales Tax	\$ 770,000	\$ 394,716	\$ 402,012
Revolving Loan Revenue	10,274	5,983	4,892
Grant Revenue	-	-	-
Interest Revenue	2,501	1,642	1,622
BNC Expense Reimbursement	-	-	-
Miscellaneous Revenues	-	20	253
Total Revenue	782,775	402,360	408,779
<u>EXPENDITURES</u>			
General Administrative Expenses	692,775	402,001	356,708
BNC Cash Advances	20,000	9,100	12,412
Birding Center Expenses	70,000	45,107	51,753
Total Expenditures	782,775	456,208	420,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(53,848)	(12,095)
Fund balance - beginning	758,173	758,173	568,397
Fund balance - ending	\$ 758,173	\$ 704,325	\$ 556,301

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	UNENCUMBERED	BUDGET PERCENT
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS	BUDGET	BALANCE	REMAINING
PERSONNEL SERVICES								
580-0010	SUPERVISION	4,538.46	0.00	36,625.37	36,625.37	59,000.00	22,374.63	37.92
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	FICA	65.00	0.00	559.30	559.30	1,109.00	549.70	49.57
580-0080	TNRS	573.20	0.00	4,324.41	4,324.41	7,661.00	3,336.59	43.55
580-0081	GROUP INSURANCE	69.79	0.00	3,841.52	3,841.52	5,874.00	2,032.48	34.60
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	40.50	40.50	423.00	382.50	90.43
		=====	=====	=====	=====	=====	=====	=====
		5,247.25	0.00	45,391.10	45,391.10	74,204.00	28,812.90	38.83
GOODS AND SUPPLIES								
580-0101	OFFICE SUPPLIES	0.00	0.00	275.90	275.90	1,350.00	1,074.10	79.56
580-0102	LOCAL MEETINGS	18.00	0.00	54.00	54.00	500.00	446.00	89.20
580-0107	BOOKS & PUBLICATIONS	0.00	0.00	331.60	331.60	600.00	268.40	44.73
580-0108	POSTAGE	26.59	0.00	26.59	26.59	200.00	173.41	86.71
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
		=====	=====	=====	=====	=====	=====	=====
		44.59	0.00	688.09	688.09	4,150.00	3,461.91	83.42
MISCELLANEOUS SERVICES								
580-0501	COMMUNICATIONS	56.04	0.00	567.46	567.46	800.00	232.54	29.07
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	79.00	79.00	1,500.00	1,421.00	94.73
580-0520	INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0530	PROFESSIONAL SERVICE	142.00	0.00	4,256.00	4,256.00	7,500.00	3,244.00	43.25
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	17,384.11	17,384.11	25,000.00	7,615.89	30.46
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 AD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-006	ECONOMIC ACTIVITY IN	0.00	0.00	4,000.00	4,000.00	4,000.00	0.00	0.00
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 REG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-0534-014	T-69 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 MON 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	5,195.00	5,195.00	35,000.00	29,805.00	85.16

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	UNENCUMBERED	BUDGET PERCENT	
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS	BUDGET	BALANCE	REMAINING
580-0534-020	ENC LANDSCAPING PROJ	0.00	0.00	0.00	0.00	0.00	0.00	
580-0540	ADVERTISING	0.00	0.00	1,245.00	1,245.00	3,500.00	2,255.00	64.43
580-0550	TRAVEL	0.00	0.00	0.00	0.00	2,000.00	2,000.00	100.00
580-0551	DUES & MEMBERSHIPS	450.00	0.00	950.00	950.00	1,000.00	50.00	5.00
580-0555	PROMOTIONS	0.00	0.00	500.00	500.00	3,000.00	2,500.00	83.33
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
		2,731.37	0.00	34,176.57	34,176.57	88,300.00	54,123.43	61.29
EQUIPMENT > \$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 DEPT	35,236.13	0.00	281,889.04	281,889.04	422,834.00	140,944.96	33.33
		35,236.13	0.00	281,889.04	281,889.04	422,834.00	140,944.96	33.33
SPECIAL PROJECTS								
580-9175	ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-9178	DESIGNATED PROJECTS	7,650.00	0.00	39,856.29	39,856.29	103,287.00	63,430.71	61.41
580-9178-001	TOMPKINS CHANNEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
580-9181	BRC CASH ADVANCE	0.00	0.00	9,100.00	9,100.00	20,000.00	10,900.00	54.50
		7,650.00	0.00	48,956.29	48,956.29	123,287.00	74,330.71	60.29
DEPARTMENT TOTAL		50,999.34	0.00	411,181.09	411,181.09	712,775.00	301,673.91	42.32

FUND : 80 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		BUDGET		
		EXPENDITURES	ENCUMBRANCES	EXPENDITURES	TOTALS	MODIFIED BUDGET	UNENCUMBERED BALANCE	PERCENT REMAINING	
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	0.00	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	
		0.00	0.00	42,783.17	42,783.17	55,000.00	12,216.83	22.21	
EQUIPMENT > \$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		0.00	0.00	45,107.09	45,107.09	70,000.00	24,892.91	35.56	

BNC/EDC Manager Report for June 2016

Summer Camp update: We will have to cancel the first two sessions due to lack of participation. We will be calling them to see if they can attend the July session. We have 2 children signed up for that session and need it to be at least 5 to hold the camp. I am looking at ways to spark the interest of the parents to sign up their children for next year.

The new Richard Moore movie is being updated, we found some areas we wanted to change.

TCMA Conference (Texas City Manager's Association) was a complete success. I have pictures posted on our facebook page.

I'm working with Dalilah Garcia, Valley Proud Environmental Council on some events next winter and spring. I initiated a meeting with her and we came up with holding a Christmas Tree Compost event January 14, 2017. We will be a drop off center from December 26 – January 4 and we will having a fun family event after your tree is shredded, we will have buckets to plant seeds and teach the children how to create a garden. We hope to get most of the items donated and get sponsorships for the equipment needed to shred the trees.

I have placed a small ad in the South Texas Outdoors magazine that is distributed 4 times a year. June, September, November, February.

I will be attending the book signing for Explore Texas which is a nature travel guide and we will be featured in the publication. The event will be held at Quinta Mazatlán from 6pm – 8pm on June 23rd.

We are having a wedding On Sunday, June 26 and I will be coming in to oversee the set up.

I will continue parking cars as needed on Saturday's. La Quinta has informed me that they will need additional parking every Saturday until the end of summer. Claytons fills up early afternoon on the weekends and it is a chance to make some extra money. Clayton did put a sign out regarding additional parking at the convention center, so our team here will monitor it.

I attended Yappolooza the Gladys Porter Zoo Saturday, June 11th. We had a booth and reached about 300 guests.

I have interviewed two candidates for our educator/naturalist position. I will be setting up times for the BNC board to conduct their interview.

JOJO's 2nd birthday party was held on Friday, June 17th. We offered free admission from 2-4pm and had cake and pictures taken with her.

Respectfully Submitted,

Cristin Howard

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

06/04/16

Balance Sheet

Accrual Basis

As of May 31, 2016

	May 31, 16
ASSETS	
Current Assets	
Checking/Savings	
\$\$BNC Operating 38458	29,636.44
Cash on Hand	
Cash Box	300.00
Kiosk Cash	1,600.00
Register Drawer	500.00
Total Cash on Hand	2,400.00
SPI BNC Donation 38545	19,836.93
SPI BNC Loan 38415	4,422.06
Total Checking/Savings	56,295.43
Other Current Assets	
Inventory Asset	41,977.91
Total Other Current Assets	41,977.91
Total Current Assets	98,273.34
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	178,185.35
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	10,916.81
Total Accounts Payable	10,916.81
Other Current Liabilities	
Payroll Liabilities	
FIT and FICA-Medicare	3,600.94
Total Payroll Liabilities	3,600.94
Sales Tax Payable	897.58
Total Other Current Liabilities	4,498.52
Total Current Liabilities	15,415.33
Long Term Liabilities	
EDC Loan 270101	59,669.40
Total Long Term Liabilities	59,669.40
Total Liabilities	75,084.73
Equity	
Fund Balances	
Board Designated	8,000.00
Total Fund Balances	8,000.00
Unrestricted	58,661.79
Net Income	36,438.83
Total Equity	103,100.62

3:07 PM
06/04/16
Accrual Basis

SOUTH PADRE ISLAND BIRDING & NATURE CENTER
Balance Sheet
As of May 31, 2016

	<u>May 31, 16</u>
TOTAL LIABILITIES & EQUITY	<u><u>178,185.35</u></u>

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Budget vs. Actual

October 2015 through May 2016

06/04/16

Accrual Basis

	Oct '15 - Ma...	Budget	\$ Over Bud...	% of Budget
Ordinary Income/Expense				
Income				
ADMISSIONS INCOME				
DISCOUNT ADMISSIONS	1,194.99	3,800.00	-2,605.01	31.4%
EXTENDED PASS ADMISSIONS	7,700.00	7,000.00	700.00	110.0%
GENERAL ADMISSIONS	117,162.01	161,850.00	-44,687.99	72.4%
GROUP ADMISSIONS	6,540.00	6,500.00	40.00	100.6%
Total ADMISSIONS INCOME	132,597.00	179,150.00	-46,553.00	74.0%
BUILDING RENTAL INCOME	13,268.00	13,000.00	268.00	102.1%
CONTRIBUTIONS				
DESIGNATED				
JOJO	0.00	3,000.00	-3,000.00	0.0%
DESIGNATED - Other	0.00	1,000.00	-1,000.00	0.0%
Total DESIGNATED	0.00	4,000.00	-4,000.00	0.0%
DONATIONS				
HALLOWEEN	800.00	4,000.00	-3,200.00	20.0%
LETTERS	0.00	0.00	0.00	0.0%
SPECIAL EVENTS	1,423.00	0.00	1,423.00	100.0%
SPOONBILL MINI GOLF TOURNAMENT	0.00	5,000.00	-5,000.00	0.0%
W O W E	3,500.00	0.00	3,500.00	100.0%
DONATIONS - Other	25,248.63	25,000.00	248.63	101.0%
Total DONATIONS	30,971.63	34,000.00	-3,028.37	91.1%
EVENT PARKING	6,425.00			
Total CONTRIBUTIONS	37,396.63	38,000.00	-603.37	98.4%
GIFT SHOP INCOME				
CONSIGNMENT SALES	3,631.15	6,000.00	-2,368.85	60.5%
GIFT SHOP SALES	93,478.55	102,000.00	-8,521.45	91.6%
VENDING INCOME	880.33	250.00	630.33	352.1%
Total GIFT SHOP INCOME	97,990.03	108,250.00	-10,259.97	90.5%
Gift Shop Sales				
40201 - Gift Shop Sales	0.00			
Total Gift Shop Sales	0.00			
Service Sales	0.00			
Total Income	281,251.66	338,400.00	-57,148.34	83.1%
Cost of Goods Sold				
COST OF GOODS SOLD				
COST OF GOODS CONSIGNMENT	3,075.89	3,000.00	75.89	102.5%
COST OF GOODS GIFT SHOP	47,362.01	42,000.00	5,362.01	112.8%
Total COST OF GOODS SOLD	50,437.90	45,000.00	5,437.90	112.1%
RETURNS, ALLOWANCES, BAD DEBTS	2.17			
Total COGS	50,440.07	45,000.00	5,440.07	112.1%
Gross Profit	230,811.59	293,400.00	-62,588.41	78.7%
Expense				
OPERATIONS EXPENSES				
ADVERTISING & PROMOTION				
BOOTH RENT	525.00	0.00	525.00	100.0%
GUIDES & DIRECTORIES	2,458.34	1,710.00	748.34	143.8%
PHOTOGRAPHY & VIDEO	200.00	0.00	200.00	100.0%
PRINT	3,088.68	2,700.00	388.68	114.4%
Total ADVERTISING & PROMOTION	6,272.02	4,410.00	1,862.02	142.2%

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Budget vs. Actual

October 2015 through May 2016

06/04/16

Accrual Basis

	Oct '15 - Ma...	Budget	\$ Over Bud...	% of Budget
CREDIT CARD FEES	8,648.79	9,600.00	-951.21	90.1%
DUES & SUBSCRIPTIONS	35.00	670.00	-635.00	5.2%
FUNDRAISING & EVENTS				
DESIGNATED REIMBURSEMENTS	0.00	1,000.00	-1,000.00	0.0%
HALLOWEEN	19.00	750.00	-731.00	2.5%
JOJO	535.36	3,000.00	-2,464.64	17.8%
LETTERS & BROCHURES	517.24	1,000.00	-482.76	51.7%
PHOTOGRAPHY WORKSHOP	120.00	250.00	-130.00	48.0%
PLAQUES & BRICKS	547.00	1,500.00	-953.00	36.5%
SPECIAL EVENTS	1,416.22	350.00	1,066.22	404.6%
SPOONBILL MINI GOLF TOURNAMENT	442.52	500.00	-57.48	88.5%
SUMMER CAMP	76.90	0.00	76.90	100.0%
W O W E	4,114.85	0.00	4,114.85	100.0%
Total FUNDRAISING & EVENTS	7,789.09	8,350.00	-560.91	93.3%
GIFT SHOP SUPPLIES	95.91	750.00	-654.09	12.8%
INSURANCE	3,745.00	5,500.00	-1,755.00	68.1%
LEGAL & PROFESSIONAL	5,757.50	8,400.00	-2,642.50	68.5%
LOAN EXPENSE	1,489.22	2,810.00	-1,320.78	53.0%
LOCAL MEETINGS				
MEALS & ENTERTAINMENT	309.82	200.00	109.82	154.9%
VOLUNTEER APPRECIATION	398.75	600.00	-201.25	66.5%
Total LOCAL MEETINGS	708.57	800.00	-91.43	88.6%
MAINTENANCE & REPAIRS	4,126.47	5,000.00	-873.53	82.5%
OFFICE & PRINTING	1,048.81	1,000.00	48.81	104.9%
PAYROLL SERVICE	454.13	700.00	-245.87	64.9%
POSTAGE & FREIGHT	367.73	500.00	-132.27	73.5%
SOFTWARE	1,252.95	500.00	752.95	250.6%
SUPPLIES	2,201.00	5,500.00	-3,299.00	40.0%
TOOLS & EQUIPMENT	1,127.46	1,500.00	-372.54	75.2%
TRAINING	300.00	250.00	50.00	120.0%
TRAVEL	1,391.52	2,000.00	-608.48	69.6%
Total OPERATIONS EXPENSES	46,811.17	58,240.00	-11,428.83	80.4%
POS Inventory Adjustments	0.00			
SALARIES AND BENEFITS				
EDUCATOR	0.00	5,000.00	-5,000.00	0.0%
GIFT SHOP ATTENDANTS	19,661.99	32,760.00	-13,098.01	60.0%
JANITOR	12,655.73	19,970.00	-7,314.27	63.4%
MAINTENANCE	12,068.90	17,760.00	-5,691.10	68.0%
MANAGER	28,769.16	42,000.00	-13,230.84	68.5%
PAYROLL TAXES	5,596.40	8,610.00	-3,013.60	65.0%
Total SALARIES AND BENEFITS	78,752.16	126,100.00	-47,347.82	62.5%
SERVICE CONTRACTS				
AIR CONDITIONING	2,268.29	3,900.00	-1,631.71	58.2%
BACKGROUND CHECKS	0.00	250.00	-250.00	0.0%
CLEANING SUPPLIES	2,112.78	2,600.00	-487.22	81.3%
COMPUTER COPIER I.T.	14,499.12	21,480.00	-6,980.88	67.5%
DRINKING WATER	455.50	560.00	-104.50	81.3%
EBIRD TRAIL TRACKER	0.00	650.00	-650.00	0.0%
KIOSK LEASE	5,188.80	6,920.00	-1,731.20	75.0%
LAWN & GROUNDS	8,331.96	12,800.00	-4,468.04	65.1%
LINENS MOPS MATS	0.00	500.00	-500.00	0.0%
PEST CONTROL	624.00	940.00	-316.00	66.4%
SECURITY	1,636.99	2,470.00	-833.01	66.3%
TELEPHONE & INTERNET				
ATT EMERGENCY LINES	1,816.23	2,000.00	-183.77	90.8%
ATT INTERNET	7,154.28	5,820.00	334.28	104.9%
TELEPHONE SYSTEM	3,351.95	5,110.00	-1,758.05	65.6%
Total TELEPHONE & INTERNET	12,322.46	13,930.00	-1,607.54	88.5%

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SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Budget vs. Actual

October 2015 through May 2016

06/04/16

Accrual Basis

	Oct '15 - Ma...	Budget	\$ Over Bud...	% of Budget
WEBMASTER	304.22	2,480.00	-2,175.78	12.3%
Total SERVICE CONTRACTS	47,744.12	69,480.00	-21,735.88	68.7%
UTILITIES				
ELECTRICITY	14,685.33	24,000.00	-9,314.67	61.2%
TRASH	636.44	1,080.00	-443.56	58.9%
WATER / SEWER	14,127.95	14,500.00	-372.05	97.4%
Total UTILITIES	29,449.72	39,580.00	-10,130.28	74.4%
Total Expense	202,757.19	283,400.00	-90,642.81	69.1%
Net Ordinary Income	28,054.40	0.00	28,054.40	100.0%
Other Income/Expense				
Other Income				
EDC ADVANCE	9,100.00	19,000.00	-9,900.00	47.9%
INTEREST INCOME	4.43			
Total Other Income	9,104.43	19,000.00	-9,895.57	47.9%
Other Expense				
Balancing Adjustments	0.00			
HABITAT/CATTAIL MAINTENANCE	720.00	19,000.00	-18,280.00	3.8%
Total Other Expense	720.00	19,000.00	-18,280.00	3.8%
Net Other Income	8,384.43	0.00	8,384.43	100.0%
Net Income	36,438.83	0.00	36,438.83	100.0%

3:10 PM

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Prev Year Comparison

October 2015 through May 2016

06/04/16

Accrual Basis

	Oct '15 - ...	Oct '14 - ...	\$ Change	% Change
Ordinary Income/Expense				
Income				
ADMISSIONS INCOME				
DISCOUNT ADMISSIONS	1,194.99	2,838.00	-1,643.01	-57.9%
EXTENDED PASS ADMISSIONS	7,700.00	7,019.00	681.00	9.7%
GENERAL ADMISSIONS	117,162.01	104,384.84	12,777.17	12.2%
GROUP ADMISSIONS	6,540.00	6,355.80	184.20	2.9%
Total ADMISSIONS INCOME	132,597.00	120,597.64	11,999.36	10.0%
BUILDING RENTAL INCOME	13,268.00	9,500.00	3,768.00	39.7%
CONTRIBUTIONS				
DONATIONS				
HALLOWEEN	800.00	3,923.34	-3,123.34	-79.6%
SPECIAL EVENTS	1,423.00	0.00	1,423.00	100.0%
SPOONBILL MINI GOLF TOURNAMENT	0.00	4,865.00	-4,865.00	-100.0%
W O W E	3,500.00	0.00	3,500.00	100.0%
DONATIONS - Other	25,248.63	18,681.26	6,567.37	35.2%
Total DONATIONS	30,971.63	27,469.60	3,502.03	12.8%
EVENT PARKING	6,425.00	6,838.00	-413.00	-6.0%
Total CONTRIBUTIONS	37,396.63	34,307.60	3,089.03	9.0%
GIFT SHOP INCOME				
CONSIGNMENT SALES	3,631.15	4,500.40	-869.25	-19.3%
GIFT SHOP SALES	93,478.55	71,461.59	22,016.96	30.8%
VENDING INCOME	880.33	228.64	651.69	285.0%
Total GIFT SHOP INCOME	97,990.03	76,190.63	21,799.40	28.6%
Gift Shop Sales				
40201 - Gift Shop Sales	0.00	0.00	0.00	0.0%
Gift Shop Sales - Other	0.00	0.00	0.00	0.0%
Total Gift Shop Sales	0.00	0.00	0.00	0.0%
Service Sales	0.00	0.00	0.00	0.0%
Total Income	281,251.66	240,595.87	40,655.79	16.9%
Cost of Goods Sold				
COST OF GOODS SOLD				
COST OF GOODS CONSIGNMENT	3,075.89	2,901.96	173.93	6.0%
COST OF GOODS GIFT SHOP	47,362.01	48,975.13	-1,613.12	-3.3%
COST OF GOODS SOLD - Other	0.00	0.00	0.00	0.0%
Total COST OF GOODS SOLD	50,437.90	51,877.09	-1,439.19	-2.8%
RETURNS, ALLOWANCES, BAD DEBTS	2.17	37.00	-34.83	-94.1%
Total COGS	50,440.07	51,914.09	-1,474.02	-2.8%
Gross Profit	230,811.59	188,681.78	42,129.81	22.3%
Expense				
OPERATIONS EXPENSES				
ADVERTISING & PROMOTION				
BOOTH RENT	525.00	0.00	525.00	100.0%
GUIDES & DIRECTORIES	2,458.34	1,854.00	604.34	32.6%
PHOTOGRAPHY & VIDEO	200.00	2,500.00	-2,300.00	-92.0%
PRINT	3,088.68	2,096.49	992.19	47.3%
Total ADVERTISING & PROMOTION	6,272.02	6,450.49	-178.47	-2.8%
CREDIT CARD FEES	8,648.79	7,142.09	1,506.70	21.1%
DUES & SUBSCRIPTIONS	35.00	90.00	-55.00	-61.1%
FUNDRAISING & EVENTS				
DESIGNATED REIMBURSEMENTS	0.00	2,176.21	-2,176.21	-100.0%
HALLOWEEN	10.00	760.63	-750.63	-97.5%

3:10 PM

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

06/04/16

Profit & Loss Prev Year Comparison

Accrual Basis

October 2015 through May 2016

	Oct '15 - ...	Oct '14 - ...	\$ Change	% Change
JOJO	535.36	0.00	535.36	100.0%
LETTERS & BROCHURES	517.24	934.20	-416.96	-44.6%
PHOTOGRAPHY WORKSHOP	120.00	237.00	-117.00	-49.4%
PLAQUES & BRICKS	547.00	1,221.50	-674.50	-55.2%
SPECIAL EVENTS	1,416.22	342.12	1,074.10	314.0%
SPOONBILL MINI GOLF TOURNAMENT	442.52	413.86	28.66	6.9%
SUMMER CAMP	76.90	0.00	76.90	100.0%
W O W E	4,114.85	0.00	4,114.85	100.0%
Total FUNDRAISING & EVENTS	7,789.09	6,094.52	1,694.57	27.8%
GIFT SHOP SUPPLIES	95.91	684.20	-588.29	-86.0%
INSURANCE	3,745.00	17,731.65	-13,986.65	-78.9%
LEGAL & PROFESSIONAL	5,757.50	5,477.50	280.00	5.1%
LOAN EXPENSE	1,489.22	3,401.87	-1,912.65	-56.2%
LOCAL MEETINGS				
MEALS & ENTERTAINMENT	309.82	155.46	154.36	99.3%
VOLUNTEER APPRECIATION	398.75	442.50	-43.75	-9.9%
Total LOCAL MEETINGS	708.57	597.96	110.61	18.5%
MAINTENANCE & REPAIRS	4,126.47	3,871.46	255.01	6.6%
OFFICE & PRINTING	1,048.81	819.67	229.14	28.0%
PAYROLL SERVICE	454.13	469.04	-14.91	-3.2%
POSTAGE & FREIGHT	367.73	285.22	82.51	28.9%
SOFTWARE	1,252.95	465.47	787.48	169.2%
SUPPLIES	2,201.00	4,928.07	-2,727.07	-55.3%
TOOLS & EQUIPMENT	1,127.46	1,622.96	-495.50	-30.5%
TRAINING	300.00	0.00	300.00	100.0%
TRAVEL	1,391.52	379.55	1,011.97	266.6%
Total OPERATIONS EXPENSES	46,811.17	60,511.72	-13,700.55	-22.6%
POS Inventory Adjustments	0.00	0.00	0.00	0.0%
SALARIES AND BENEFITS				
GIFT SHOP ATTENDANTS	19,661.99	16,729.69	2,932.30	17.5%
JANITOR	12,655.73	13,170.78	-515.05	-3.9%
MAINTENANCE	12,068.90	10,578.40	1,490.50	14.1%
MANAGER	28,769.16	27,692.28	1,076.88	3.9%
PAYROLL TAXES	5,596.40	5,212.55	383.85	7.4%
Total SALARIES AND BENEFITS	78,752.18	73,383.70	5,368.48	7.3%
SERVICE CONTRACTS				
AIR CONDITIONING	2,268.29	2,480.00	-211.71	-8.5%
CLEANING SUPPLIES	2,112.78	2,137.42	-24.64	-1.2%
COMPUTER COPIER I.T.	14,499.12	16,103.94	-1,604.82	-10.0%
DRINKING WATER	455.50	437.80	17.70	4.0%
EBIRD TRAIL TRACKER	0.00	650.00	-650.00	-100.0%
ELEVATOR	0.00	12,470.22	-12,470.22	-100.0%
KIOSK LEASE	5,188.80	5,484.11	-295.31	-5.4%
LAWN & GROUNDS	8,331.96	8,477.44	-145.48	-1.7%
PEST CONTROL	624.00	624.00	0.00	0.0%
SECURITY	1,636.99	1,878.06	-242.07	-12.9%
TELEPHONE & INTERNET				
ATT EMERGENCY LINES	1,816.23	1,499.18	317.05	21.2%
ATT INTERNET	7,154.28	5,112.95	2,041.33	39.9%
TELEPHONE SYSTEM	3,351.95	3,827.70	-475.75	-12.4%
Total TELEPHONE & INTERNET	12,322.46	10,439.83	1,882.63	18.0%
WEBMASTER	304.22	623.00	-318.78	-51.2%
Total SERVICE CONTRACTS	47,744.12	61,806.82	-14,062.70	-22.8%
UTILITIES				
ELECTRICITY	14,685.33	13,528.69	1,156.64	8.6%
TRASH	636.44	613.45	22.99	3.8%

SOUTH PADRE ISLAND BIRDING & NATURE CENTER
Profit & Loss Prev Year Comparison
 October 2015 through May 2016

	Oct '15 - ...	Oct '14 - ...	\$ Change	% Change
WATER / SEWER	<u>14,127.95</u>	<u>6,444.34</u>	<u>7,683.61</u>	<u>119.2%</u>
Total UTILITIES	<u>29,449.72</u>	<u>20,586.48</u>	<u>8,863.24</u>	<u>43.1%</u>
Total Expense	<u>202,757.19</u>	<u>216,288.72</u>	<u>-13,531.53</u>	<u>-6.3%</u>
Net Ordinary Income	<u>28,054.40</u>	<u>-27,606.94</u>	<u>55,661.34</u>	<u>201.6%</u>
Other Income/Expense				
Other Income				
EDC ADVANCE	9,100.00	12,411.97	-3,311.97	-26.7%
INTEREST INCOME	4.43	4.36	0.07	1.6%
Total Other Income	<u>9,104.43</u>	<u>12,416.33</u>	<u>-3,311.90</u>	<u>-26.7%</u>
Other Expense				
Balancing Adjustments	0.00	-37.00	37.00	100.0%
HABITAT/CATTAIL MAINTENANCE	720.00	630.00	90.00	14.3%
Total Other Expense	<u>720.00</u>	<u>593.00</u>	<u>127.00</u>	<u>21.4%</u>
Net Other Income	<u>8,384.43</u>	<u>11,823.33</u>	<u>-3,438.90</u>	<u>-29.1%</u>
Net Income	<u><u>36,438.83</u></u>	<u><u>-15,783.61</u></u>	<u><u>52,222.44</u></u>	<u><u>330.9%</u></u>

**CITY OF SOUTH PADRE ISLAND
CITY COUNCIL MEETING
AGENDA REQUEST FORM**

MEETING DATE: June 15, 2016

NAME & TITLE: Rodrigo Gimenez, Chief Financial Officer

DEPARTMENT: Finance

*IBC
Approved
by City
Council
6/15/16*

ITEM

Discussion and action to select a primary depository bank and authorize the Interim City Manager to enter into an agreement that will commence on October 1, 2016 and terminate on September 30, 2018 with three additional one-year extension options.

ITEM BACKGROUND

Valley View Consulting, L.L.C.; the city's investment advisor, assisted the City of South Padre Island with the Primary Depository Bank Services Request for Applications project.

The process for selecting a Primary Depository Bank is governed by the State of Texas Local Government Codes: Chapter 105 Municipal Depository Act; Chapter 176 Conflict of Interest Act; Chapter 2256 Public Funds Investment Act; and Chapter 2257 Public Funds Collateral Act.

Two bank applications were received from:

- International Bank of Commerce
- Wells Fargo Bank

A project recap memorandum is attached as backup detailing the procedure, application analysis, fees, a net income (cost) analysis as well as a recommendation.

BUDGET/FINANCIAL SUMMARY

Fees will be budgeted in FY 2016-17 based on the bank selected by council.

COMPREHENSIVE PLAN GOAL

LEGAL REVIEW

Sent to Legal: YES: _____ NO: _____
Approved by Legal: YES: _____ NO: _____

Comments:

RECOMMENDATIONS/COMMENTS

International Bank of Commerce has been a responsive business partner over the current contract period. Based on the service levels provided, the lowest proposed fees, earnings credit and higher interest income over the expected 5-year term of the new contract, Valley View Consulting is recommending that the City Council authorize the City Manager to negotiate and execute a contract with International Bank of Commerce to continue to provide Primary Depository Bank Services to the City.



June 1, 2016

Rodrigo Gimenez
Finance Director
City South Padre Island
4601 Padre Blvd.
South Padre Island, TX 78597

Dear Mr. Gimenez:

As part of the services provided under the current Investment Advisory Agreement, we welcome the opportunity to assist the City of South Padre Island (the "City") with this Primary Depository Bank Services Request for Applications (the "RFA") project.

The objective of this engagement was to select a primary depository bank following the expiration of the current contract which ends September 30, 2016. This agreement, when approved, will commence on October 1, 2016 and terminate on September 30, 2018 with three additional one-year extension options which will extend through September 30, 2021 if executed.

Procedure

The project began with the establishment of a calendar of events to ensure that the required project steps were performed in a timely and sequential manner.

The process for selecting a Primary Depository Bank is governed by the State of Texas Local Government Codes: Chapter 105 Municipal Depository Act; Chapter 176 Conflict of Interest Act; Chapter 2256 Public Funds Investment Act; and Chapter 2257 Public Funds Collateral Act.

In addition to complying with these State statutory requirements, it was necessary to understand and comply with the City's financial and purchasing policies and Investment Policy.

The RFA project was conducted as follows:

1. Analyzed historical bank service usage and balance records.
2. Reviewed the minimum banking services and potential additional services.
3. Developed a list of eligible financial institutions within the City's service area parameters:

2428 Carters Mill Road, Huddleston, VA 24104-4003
440.297.3419

10-3

- a. First Community Bank
 - b. First National Bank of South Padre Island
 - c. International Bank of Commerce (Incumbent)
 - d. Lone Star National Bank
 - e. Wells Fargo Bank
4. Contacted the financial institutions to confirm distribution information, describe process, and identify the designated recipient.
 5. Drafted the RFA for City review and approval.
 6. Posted the notice and advertised as required.
 7. Distributed RFAs to the identified and receptive financial institutions.
 8. Held a non-mandatory pre-application conference that was attended by representatives of:
 - a. Wells Fargo Bank
 9. No additional RFA requests were received as a result of the advertisement.
 10. By the closing deadline, applications were received from:
 - a. International Bank of Commerce (Incumbent) and
 - b. Wells Fargo Bank

The evaluation of the applications was based on, but not limited to, the following criteria, in no particular order of priority:

1. Ability to perform and provide the required and requested services,
2. Completeness of application and agreement to points in the RFA,
3. Convenience of locations,
4. Cost of services,
5. Earnings credit calculation on compensating balances,
6. Financial strength and stability of the institution.
7. Funds availability,
8. Interest paid on interest bearing accounts and deposits,
9. Previous service relationship with the City, and
10. Reputation of respondent and quality of services,

Application Analysis

The analysis began with an overall review of each bank's general financial strength and ability to provide the bank services necessary to meet the City's current and future service needs. Each of the responding banks exhibited acceptable financial strength.

The pricing component of the two applications was reasonably competitive. However, there were major response "qualified answers" that caused selection concern. IBC would not commit to provide the "required" Security Clearance/Safekeeping services. Wells Fargo Bank's

Custodial Agreement allows unilateral collateral release by the Bank. The attached Bank RFA Analysis highlights the details of each response.

Fees

Each bank's fee schedule was analyzed based on the City's banking service needs and estimated activity levels. Where quantifiable and appropriate, the estimated service fees were adjusted for any incentives (including waived fees, supplies and check scanners):

	<u>Est. Monthly Fees</u>	<u>Est. 2 Year Fees</u>	<u>Est. 5 Year Fees</u>
International Bank of Commerce	\$563	\$13,512	\$33,779
Wells Fargo Bank	\$1,133	\$22,793	\$63,581

Net Income/(Cost)

The average balance that the City has maintained over the last year has been approximately \$13,000,000. Each bank's potential earnings credit rates were considered as "soft-dollar" earnings credit to be netted against the estimated service charges. Remaining balances were invested in each bank's "hard" interest deposit option. IBC offered a higher interest-bearing NOW account - \$1,000,000 was estimated as the minimum DDA Compensating Balance. Wells Fargo's Compensating Balance was estimated to be \$4,550,000. The estimated five year financial impact of the combination of earning credit and hard interest income on the overall proposals submitted by the two banks is provided below:

	<u>International Bank of Commerce</u>	<u>Wells Fargo</u>
Fees	(\$33,779)	(\$63,581)
Earnings Credit	6,750	56,875
Hard Interest Earned	120,000	40,983
Net 5 Year Income/(Cost)	\$92,971	\$34,277
Net Income/(Cost) Per Month	\$1,550	\$571

Recommendation

International Bank of Commerce has been a responsive business partner over the current contract period and based on the service levels provided, the lowest proposed fees, earnings credit and higher interest income over the expected 5-year term of the new contract. The Security Clearance/Safekeeping service, although used prior to 2007, will most likely not be needed in the near term. Therefore, we recommend that the City Council authorize the City Manager to negotiate and execute a contract with International Bank of Commerce to continue to provide Primary Depository Bank Services to the City.

10-5

Upon approval, the new contract will commence on October 1, 2016.

Please contact Dick or me to discuss any questions or additional information needs. Thank you for this opportunity to serve the City.

Sincerely,



T. H. Ross
Valley View Consulting, L.L.C.

Attachments

6.

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Budget Overview

October 2016 through September 2017

06/08/16

Accrual Basis

Oct '16 - Sep 17

Ordinary Income/Expense		
Income		
ADMISSIONS INCOME		
DISCOUNT ADMISSIONS		2,000.00
EXTENDED PASS ADMISSIONS		9,000.00
GENERAL ADMISSIONS		175,000.00
GROUP ADMISSIONS		8,500.00
Total ADMISSIONS INCOME		194,500.00
BUILDING RENTAL INCOME		20,000.00
CONTRIBUTIONS		
DONATIONS		
HALLOWEEN		1,000.00
LETTERS		30,000.00
SPECIAL EVENTS		5,000.00
SPOONBILL MINI GOLF TOURNAMENT		5,500.00
W O W E		12,300.00
Total DONATIONS		53,800.00
Total CONTRIBUTIONS		53,800.00
GIFT SHOP INCOME		
CONSIGNMENT SALES		5,000.00
GIFT SHOP SALES		125,000.00
VENDING INCOME		1,000.00
Total GIFT SHOP INCOME		131,000.00
Total Income		399,300.00
Cost of Goods Sold		
COST OF GOODS SOLD		
COST OF GOODS CONSIGNMENT		3,600.00
COST OF GOODS GIFT SHOP		62,500.00
Total COST OF GOODS SOLD		66,100.00
Total COGS		66,100.00
Gross Profit		333,200.00
Expense		
OPERATIONS EXPENSES		
ADVERTISING & PROMOTION		
BOOTH RENT		650.00
GUIDES & DIRECTORIES		2,200.00
PHOTOGRAPHY & VIDEO		3,800.00
PRINT		3,600.00
Total ADVERTISING & PROMOTION		10,250.00
CREDIT CARD FEES		10,120.00
DUES & SUBSCRIPTIONS		670.00
FUNDRAISING & EVENTS		
DESIGNATED REIMBURSEMENTS		500.00
HALLOWEEN		750.00
JOJO		3,000.00
LETTERS & BROCHURES		1,000.00
PHOTOGRAPHY WORKSHOP		250.00
PLAQUES & BRICKS		900.00
SPECIAL EVENTS		350.00
SPOONBILL MINI GOLF TOURNAMENT		500.00
SUMMER CAMP		300.00
W O W E		5,500.00
Total FUNDRAISING & EVENTS		13,050.00
GIFT SHOP SUPPLIES		300.00

SOUTH PADRE ISLAND BIRDING & NATURE CENTER

Profit & Loss Budget Overview

October 2016 through September 2017

06/08/16

Accrual Basis

	<u>Oct '16 - Sep 17</u>
INSURANCE	6,000.00
LEGAL & PROFESSIONAL	8,400.00
LOAN EXPENSE	2,810.00
LOCAL MEETINGS	
MEALS & ENTERTAINMENT	200.00
VOLUNTEER APPRECIATION	600.00
Total LOCAL MEETINGS	800.00
MAINTENANCE & REPAIRS	5,000.00
OFFICE & PRINTING	1,200.00
PAYROLL SERVICE	700.00
POSTAGE & FREIGHT	500.00
SOFTWARE	500.00
SUPPLIES	4,000.00
TOOLS & EQUIPMENT	3,000.00
TRAINING	300.00
TRAVEL	2,000.00
Total OPERATIONS EXPENSES	69,600.00
SALARIES AND BENEFITS	
EDUCATOR	32,000.00
GIFT SHOP ATTENDANTS	32,760.00
JANITOR	13,000.00
MAINTENANCE	26,000.00
MANAGER	45,000.00
PAYROLL TAXES	11,400.00
Total SALARIES AND BENEFITS	160,160.00
SERVICE CONTRACTS	
AIR CONDITIONING	3,900.00
BACKGROUND CHECKS	110.00
CLEANING SUPPLIES	2,800.00
COMPUTER COPIER I.T.	19,500.00
DRINKING WATER	600.00
EBIRD TRAIL TRACKER	650.00
ELEVATOR	0.00
KIOSK LEASE	6,920.00
LAWN & GROUNDS	0.00
LINENS MOPS MATS	0.00
PEST CONTROL	940.00
SECURITY	2,470.00
TELEPHONE & INTERNET	
ATT EMERGENCY LINES	2,690.00
ATT INTERNET	10,080.00
TELEPHONE SYSTEM	4,480.00
Total TELEPHONE & INTERNET	17,250.00
WEBMASTER	1,000.00
Total SERVICE CONTRACTS	56,140.00
UTILITIES	
ELECTRICITY	26,400.00
TRASH	1,400.00
WATER / SEWER	19,500.00
Total UTILITIES	47,300.00
Total Expense	333,200.00
Net Ordinary Income	0.00
Net Income	0.00

7.

From: Susan Hill <SHill@MySPI.org>

To: Darla Lapeyre <SPIEDC@AOL.com>

Subject: HillCo Contract

Date: Tue, Jun 14, 2016 2:50 pm

Attachments: HillCo Partners Contract.pdf (9877K)

Hi Darla,

Attached is the HillCo contract that the EDC needs to approve, hopefully at their next scheduled meeting. I looked at our financial summary when we submitted to the City Council and it was relayed that the split between the City and EDC was to be 75/25, which is what I believe it is now. Also, the total cost of the contract was for \$156,000 (\$144,000 for fees and \$12,000 for office expenses). Let me know if you have any questions.

Thanks,

Susan

Susan Hill | City Secretary

City of South Padre Island City Managers Office
4601 Padre Blvd. South Padre Island, Texas 78597
Office: 956-761-8109 | Fax: 956-761-3888 | Mobile: 956-433-9138
E-mail: SHill@MySPI.org www.MySPI.org



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GOVERNMENTAL CONSULTING AGREEMENT

Agreement entered into as of October 1, 2016 between the City of South Padre Island and the Economic Development Corporation of South Padre (hereinafter referred to as the "Client") and HillCo Partners (the "Consultant"), with respect to government consulting services.

In consideration of the mutual promises set forth below, the Client and the Consultant agree as follows:

- 1) **Term.** The term of this Agreement commences on October 1, 2016 and shall continue through September 30, 2018 unless terminated by either party pursuant to Paragraph 7.
- 2) **The Services.** The responsibility of the Consultant under this agreement shall be as follows:

LEGISLATIVE LOBBYING EFFORT

During the legislative session we propose the following general legislative and regulatory consulting services to South Padre Island:

- Develop a political strategy based on the Client's goals and objectives;
- Work with the client, if needed, on specific legislation to be sought in the 2017 Texas Legislative Session.
- Continue to confer with and advocate your position with the Governor and his staff and other executive personnel on areas of importance to the Client;
- Maintain a continuing relationship with the members and key officers and employees of the House and Senate on your behalf;
- Monitor, daily, all priority legislation introduced and administrative rules proposed;
- Provide periodic status reports on legislation and administrative actions of interest;
- Attend legislative committee hearings, daily sessions in the House and Senate, and report key information to the Client;
- Represent the Client in meetings of legislative committees, state agencies, or individual legislators, as requested;
- Conduct on-site visits to South Padre Island to educate Economic Development Corporation officials, city officials, and city staff on the legislative process and the Client's agenda;
- Attend crucial meetings with Economic Development Corporation officials, city officials, and city staff, if needed;
- Identify the most influential or effective sponsor in both houses for proposed legislation, appropriation riders and/or amendments;

- Advise on the preparation and submission of testimony before legislative committee and state agencies;
- Confer with legislative leadership on committee and subcommittee activities as appropriate;
- Work with legislators in passing, amending, or defeating legislation; and
- Provide assistance on PAC committee organization and contributions, if appropriate.

SEEKING STATE FUNDING FOR CLIENT TOURISM DEVELOPMENT AND ISLAND ENHANCEMENT

- Work with the client to identify state funding for tourism attraction to South Padre Island.
- Work with the client to identify beach enhancement funding and infrastructure improvement funding.
- Work with client to seek additional funding for enhancement of the birding center.
- Work with the General Land Office to secure beach nourishment funding and other beach enhancement funding.
- Work with local and state officials of the Texas Department of Transportation on city transportation issues.
- Work with client to identify and seek any additional funding available to the City of South Padre Island and its Economic Development Corporation.
- Work with client, legislators, and state agencies on seeking RESTORE funds.

NORTH CAUSEWAY PROJECT

The following are items that the Consultant will be involved and take action in regard to a future causeway to South Padre Island:

- Continue to monitor all significant action, in regard to the Causeway project, by governmental agencies including Texas Department of Transportation (TxDOT), Cameron County Regional Mobility Authority, and Cameron County.
- Continue to meet with key governmental officials and agency officials to communicate South Padre Island's stance on the causeway project.
- Continue to work with South Padre Island leaders to contact and lobby other cities' officials in the Valley to communicate the importance of the North Causeway location.
- Continue to prepare South Padre Island leaders for testimony in all public forums involving the Causeway project.
- Continue to plan on-site visits for state elected officials and governmental agency officials with South Padre Island officials to educate them on the benefits of the North Causeway location.
- Continue an on-going dialogue with South Padre Island leaders as to the status of efforts.

- Work with Cameron County Regional Mobility Authority on seeking funding for the Causeway project.

POST LEGISLATIVE LOBBYING EFFORTS

Following the Texas 2017 Legislative Session, Consultant will continue to work on the North Causeway project and will monitor all interim legislative activity that affects the city and the EDC. Periodic consultation and reporting will be maintained during this period.

The consultant will work with South Padre Island officials on maintaining an excellent relationship with the Cameron County RMA and will monitor all actions of this body. The consultants will also continue to maintain contacts with state and local officials on matters affecting the city and the North Causeway project.

The consultant will work with city staff in the interim on projects identified in the "2017-2018 Legislative Agenda and Action Items" developed by the consultant and the City Manager.

All Services to be provided hereunder will be undertaken only as directed by the Client or staff members designated by the Client. The Consultant agrees in performing the Services to work with such individuals and third parties as the Client may designate from time to time. The Consultant will not subcontract the performance of the Services under this Agreement without the prior written consent of the Client.

The Consultant will provide copies of any written materials prepared in connection with the Services to the in-house legal staff and appropriate designee(s) and shall report to those individuals and to the Client periodically in writing.

3) Confidentiality.

- (a) The Consultant will maintain at all times the confidentiality of all information received in connection with the Services performed hereunder regarding the business and activities of the Client.
- (b) The Consultant acknowledges and agrees that any materials referring to any existing or future publications or programs of the Client contain proprietary material; that such materials have been provided to the Consultant in strictest confidence, solely for the purposes of review and use in completing assignments; that no divulgence or reproduction of any such materials shall be made without the prior written permission of the Client; and that any other person who is given access to any of the foregoing materials will be put on notice, in writing, of the terms of this Agreement pertaining to confidentiality. Notwithstanding the foregoing, the Consultant may not, in the course of performing its duties hereunder, disclose any publicly available information about the Client without prior permission and may not make oral representations about the Client.

- (c) All written materials and computer files submitted to the Consultant by the Client shall be returned to the Client by the Consultant, postage prepaid, within ten (10) days after demand by the Client.

4) Payment.

- (a) In full consideration of the Consultant's satisfactory performance of all Services to be rendered by the Consultant under this Agreement, the Client agrees to compensate the Consultant in the amount of \$12,000 per month beginning October 1, 2016 and extending through the term of this Agreement.
- (b) The Client will reimburse the Consultant for reasonable travel expenses, including economy airfare, car rental, lodging and meals incurred in the course of performing the Consultant's duties hereunder. The Client will also reimburse the Consultant for certain office expenses such as postage, legislative reporting services, telephone and express mail costs incurred during the performance of the Consultant's duties not to exceed \$500 per month, except during the Legislative Session, when billing is not to exceed \$1,000.

The Consultant may bill the Client expenses for meals with state officials provided the expenses are approved in advance by the Mayor or City Manager. Reimbursement will be made in accordance with the Client's billing policies and based upon submission and approval of appropriate receipts or other reasonable verification of expenses incurred. These expenses will be billed to either the Economic Development Corporation or the City or both depending on the nature of the event and sponsoring entity.

- 5) **Work Product.** Any recommendations, information, approaches, suggestions, concepts, ideas, and any and all contributions received from the Consultant may be used by the Client without compensation, except for that expressly hereinabove provided.
- 6) **Independent Contractor.** The Consultant is an independent contractor and is not authorized to commit or obligate the Client in any manner whatsoever. This Agreement does not constitute an employer-employee relationship between the Consultant and the Client, and therefore the Consultant is not entitled to participate in or receive any employee benefits of the Client, such as, but not limited to, insurance, pension, disability, medical, etc. The Consultant recognizes the Client's right to withhold any monies due the Consultant, for tax or other purposes, should the Client be required to do so by law.
- 7) **Termination.** The Client may terminate this Agreement upon thirty (30) days written notice for any reason without obligation, and the Consultant will be entitled (i) to retain all sums previously paid, (ii) to payment of all outstanding unpaid approved invoices, and (iii) to payment for services through the date that the

Consultant receives the notice of termination upon receipt and approval in accordance with this Agreement of a statement covering such services.

- 8) Warranty and Indemnity.** The Consultant warrants and represents that it has the full right, power and authority to enter into this Agreement and to perform legislative and executive branch governmental consulting and public relations services in the State of Texas. The Consultant will file all notices as required by law. The Consultant will indemnify and hold the Client harmless from and against any and all claims, damages, liabilities, costs, and expenses, including legal expenses and reasonable attorney's fees, arising out of any breach of the foregoing provisions, warranties and representations.
- 9) Cost of Expert Witnesses and Studies to Support Positions.** The Client will bear all costs of "expert witnesses" hired to make presentations to legislative and governmental bodies. The Client will also bear all costs of studies undertaken to advance the Client's positions in front of the legislative and governmental bodies. No witnesses are to be retained or studies undertaken without prior agreement of the Client.
- 10) Miscellaneous.** The Consultant may not assign this Agreement or any of the Consultant's obligations hereunder. This Agreement will be deemed made in the state of Texas and shall be subject to and construed in accordance with the laws of the state of Texas applicable to agreements to be performed wholly therein; merges all prior representations and understandings; and constitutes the entire understanding between the parties concerning the subject matter hereof. No modification of this Agreement shall be effective unless in writing and signed by both parties.
- 11) Lobby Activity; Conflict of Interest.**
- (a) The Texas ethics law and rules adopted by the Texas Ethics Commission require the Consultant to report compensation or reimbursement paid to Consultant for the purpose of directly communicating with members of the legislative or executive branch. Texas Ethics Commission Rules provide that a registrant receiving compensation or reimbursement for purposes other than lobby activities may reasonably determine the amount of compensation attributable to lobby activities and report only that amount. The rules define lobby activity as "Direct communication with one or more members of Texas legislative or executive branch to influence legislation or administrative action and activities in preparing for such direct communication." The statutory term "lobby activity" does not include, for example, the following activities performed on the Client's behalf:
- Any effort to influence purchasing decisions by a state agency
 - Daily monitoring of legislation and/or executive actions

- Communication with the Client on many strategic subjects
 - Preparation and delivery of status reports, newsletters, and other items of interest
 - Giving sworn testimony before executive or legislative bodies
 - Legal consultation, briefings and documentation
 - Analysis of political races and fundraising efforts on behalf of PACs and/or individual candidates
 - Attending and preparing for board meetings
 - Negotiation sessions
 - Arranging of meetings with various state officials to brief them on areas of interest to the Client
 - Any other action taken which is not designed specifically to influence legislative or executive action.
- (b) The Consultant will allocate on a reasonable basis, as allowed by the rules, the amount of the retainer paid to the Consultant that is being paid for "lobby activities". Based upon Consultant's experience representing other clients, the Consultant believes 40 percent would be a reasonable estimate of the monthly retainer attributable to "lobby activities." It is understood and agreed that the Consultant's activities will be monitored from time to time so that any change in the amount of time spent on lobby activities as defined by the rules of the Texas Ethics Commission will be detected.
- (c) Attached to this Agreement is a list of clients for which the Consultant engages in lobby activities. The parties acknowledge that the law provides that a registrant may represent multiple clients with the client's consent after full disclosure of the possible effects of that representation on the registrant's professional judgment. The consultant confirms that it has disclosed to the Client such information as is necessary for the client to agree and consent to the representation of all the clients on the attached list, and the Client confirms that it so agrees and consents.

Should any other services relating to the general area of public relations become necessary or warranted such as event management for conventions, openings, meetings and seminars or development of interactive media for presentations or other communications, a separate budget for these services may be negotiated by the parties hereto.

EXECUTED as of the date first set forth above.

HILCO PARTNERS

By: _____
R. Clint Smith

Date: _____

By: _____
Neal T. "Buddy" Jones, Jr.

Date: _____

SOUTH PADRE ISLAND

By: _____
[Handwritten Signature]

Title: *Interim City Manager*

Date: *June 1, 2016*

ECONOMIC DEVELOPMENT
CORPORATION OF SOUTH PADRE
ISLAND

By: _____

Title: _____

Date: _____

8.

EDC Budget for Fiscal Year 2016-17

	Budget Approved for 2015-2016	YTD as of 5/31/16	Increase/Decrease	Budget Proposed for 2016-17	Notes
<u>REVENUE</u>					
Sales tax	\$ 770,000	\$ 394,716	\$ -	\$ 770,000	
Revolving Loan Revenue(Principal)	10,274	5,983	419	10,693	BNC Loan - Principal
Interest Revenue (BNC Loan)	2,501	1,642	(418)	2,083	BNC Loan - Interest
Miscellaneous Revenue		20	(20)	(20)	
Total Revenue	782,775	402,361	(19)	782,756	
<u>EXPENSES</u>					
<u>ADMINISTRATIVE - EDC</u>					
Salary	\$ 59,000	\$ 36,625	\$ -	\$ 59,000	
Medicare	1,109	559	-	1,109	
Group insurance	5,874	3,842	1,100	6,974	
Retirement	7,661	4,324	(23)	7,638	
Workers compensation	137	-	100	237	
Unemployment Tax	423	41	(243)	180	
TOTAL ADMINISTRATIVE- EDC	74,204	45,391	934	\$ 75,138	
<u>OPERATING - EDC</u>					
Office supplies	1,350	276	(350)	1,000	
Local meetings	500	54	-	500	Chamber/business lunches, meeting supplies
Books, publications	600	332		600	Nielsen Demographics, PI Press, Valley Star
Postage	200	27		200	Stamps, Shipping Charges (UPS, Lone Star)
Information Technology	1,500	-		1,500	Printer, IT accessories
Communication	800	567	-	800	Fax line
Training	1,500	79	-	1,500	TEDC, Seminars, Webinars
Insurance		-		1,000	D&O Liability
Professional services					
Legal	2,000			2,000	Paul Cunningham
Web	3,000		-	3,000	Annual fees for Website and software
Audit/Other	2,500		1,000	3,500	Reimburse City for Audit and Bank Services
Total Professional Svcs.	7,500	4,256	1,000	8,500	Total of Lines 29-31
Advertising	3,500	1,245		3,500	Chamber, Classifieds, RGV Partnership, VBR
Travel	2,000	-		2,000	TEDC, Austin legislative issues
Promotions	3,000	500		3,000	Marketing, Sponsorships
Dues & Memberships	1,000	950		1,000	Valley Chamber, TEDC
TOTAL OPERATING- EDC	\$ 23,450	8,286	650	\$ 24,100	

	Budget Approved for 2015-2016	YTD as of 5/31/16	Increase/Decrease	Budget Proposed for 2016-17	Notes
<u>BIRDING CENTER -EXPENSES</u>					
Insurance	\$ 55,000	\$ 42,783		\$ 55,000	TWIA, Flood, Liability
Building Maintenance	15,000	2,324		15,000	Elevator Service Agmt \$1,100 quarterly
Habitat Maintenance			25,000	25,000	Cattail Removal/Pond Restoration
Cash Advances	20,000	9,100		20,000	BNC Revenue shortfalls
BIRDING CENTER EXPENSES	\$ 90,000	\$ 54,207	\$ 25,000	\$ 115,000	
TRANSFER TO DEBT SERVICE	422,834	281,889	(28,803)	394,031	Bond payment for BNC
<u>TOTAL ADMIN., OPER., & TFRS</u>	610,488	389,772	(2,219)	608,269	
<u>PROJECTS</u>					
Lobbyist	25,000	17,384	-	25,000	?? Portion of Lobbyist \$120K per year total
Economic Consulting	4,000	4,000	5,000	9,000	Annual Index since 1994 /Grant writing
Business Recruitment/Development	35,000	5,195	-	35,000	Kauffman Entrepreneur, Business Grants
Gulf of Mexico Nature Center	5,000		(5,000)	-	
Designated projects	103,287	39,856	2,200	105,487	i.e. Marina and Aquarium Studies
<u>TOTAL PROJECTS</u>	172,287	66,435	2,200	174,487	
<u>TOTAL EXPENSES</u>	\$ 782,775	\$ 456,207	(19)	\$ 782,756	

9.



SOUTH PADRE ISLAND ECONOMIC DEVELOPMENT CORPORATION

Meets 3rd Tuesday @ 9:00 a.m. each month

EDC Liaison: Darla Lapeyre, EDC Director

<u>Member Information</u>	<u>Phone Numbers</u>	<u>Appointed</u>	<u>Expires</u>
Irv Downing** P. O. Box 2865 South Padre Island, TX 78597 iwdsoc@aol.com	956-456-4277 (M) 956-882-6577 (W)	06/01/16	12/31/16
Bob Friedman 170 S. San Roman Rd. Bayview, TX 78566 bof228@aol.com	956-433-9405	01/01/16	12/31/17
Ron Pitcock, Secretary/Treasurer 5820 Gulf Boulevard South Padre Island, TX 78597 ronpitcock@earthlink.net	956-761-4887	01/01/16	12/31/17
Dan Stanton, Vice President 218 W. Carolyn South Padre Island, TX 78597 louiesbackyard@aol.com	956-498-7779 (M) 956-761-6406 (W)	01/01/15	12/31/16
Sally Scaman* P. O. Box 2727 South Padre Island, TX 78597 sally4spi@gmail.com	956-551-2980	12/16/15	12/31/16
Beth Vance P. O. Box 40003 South Padre Island, TX 78597 drtbeth@yahoo.com	956-778-5254 (M)	01/01/15	12/31/16
Joanne Williams, President 1300 Gulf Boulevard #1801 South Padre Island, TX 78597 jowilliams0212@gmail.com	956-433-7282 956-772-1113 (F)	01/01/15	12/31/16

*Vacancy created by the resignation of Joe Townsend (7/7/15)

**Replacing William DiLibero (06/01/16)



Lone Star National Bank

P.O. Box 1127 • Pharr, Texas 78577-1127
www.lonestarnationalbank.com



Customer Service (956) 984-2440
Toll-Free Customer Service (800) 580-0322
24-Hour Phone Banking (956) 984-2444
Lost or Stolen Debit Card (800) 580-0322

Date 5/31/16 Page 1
Primary Account XXXXXXXXXXXXX2005
Enclosures

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

Effective: June 1, 2016
Visa Debit Card International Transaction Fee will be 3%
Incoming Wire Transfer Fee \$11 Outgoing Wire Transfer Fee \$27

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	5/02/16 thru 5/31/16
Previous Balance	87,426.56	Days in the statement period	30
Deposits/Credits	.00	Average Ledger	87,426.49
1 Checks/Debits	2.00	Average Collected	87,426.49
Service Charge	.00		
Interest Paid	18.56		
Current Balance	87,443.12	2016 Interest Paid	88.55

Deposits and Additions

Date	Description	Amount
5/31	Interest Deposit	18.56

Debits and Other Withdrawals

Date	Description	Amount
5/31	Paper Statement Fee	2.00-

NOW Checking Commercial XXXXXXXXXXXXX2005 (Continued)

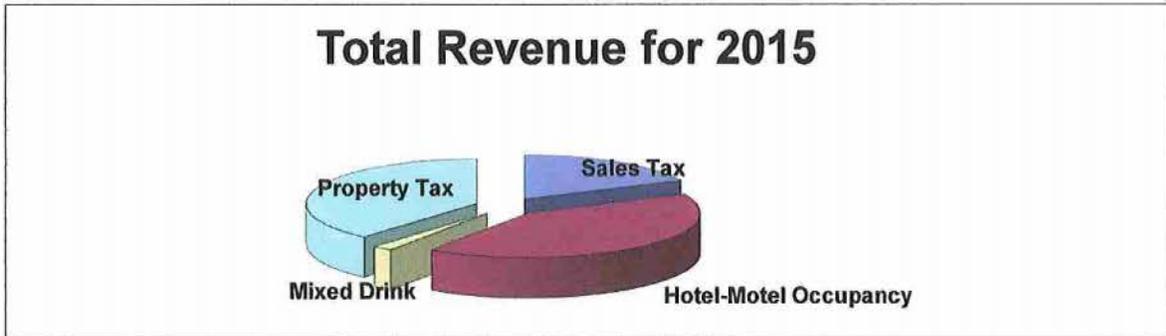
Daily Balance Information

Date	Balance	Date	Balance
5/02	87,426.56	5/31	87,443.12

If you have overdrawn your account, be advised we have other less expensive methods to handle NSF item payments. Presenting transactions against NSFs is an expensive practice. To discuss other alternatives, call us at 1(800)580-0322 ext. 2440.

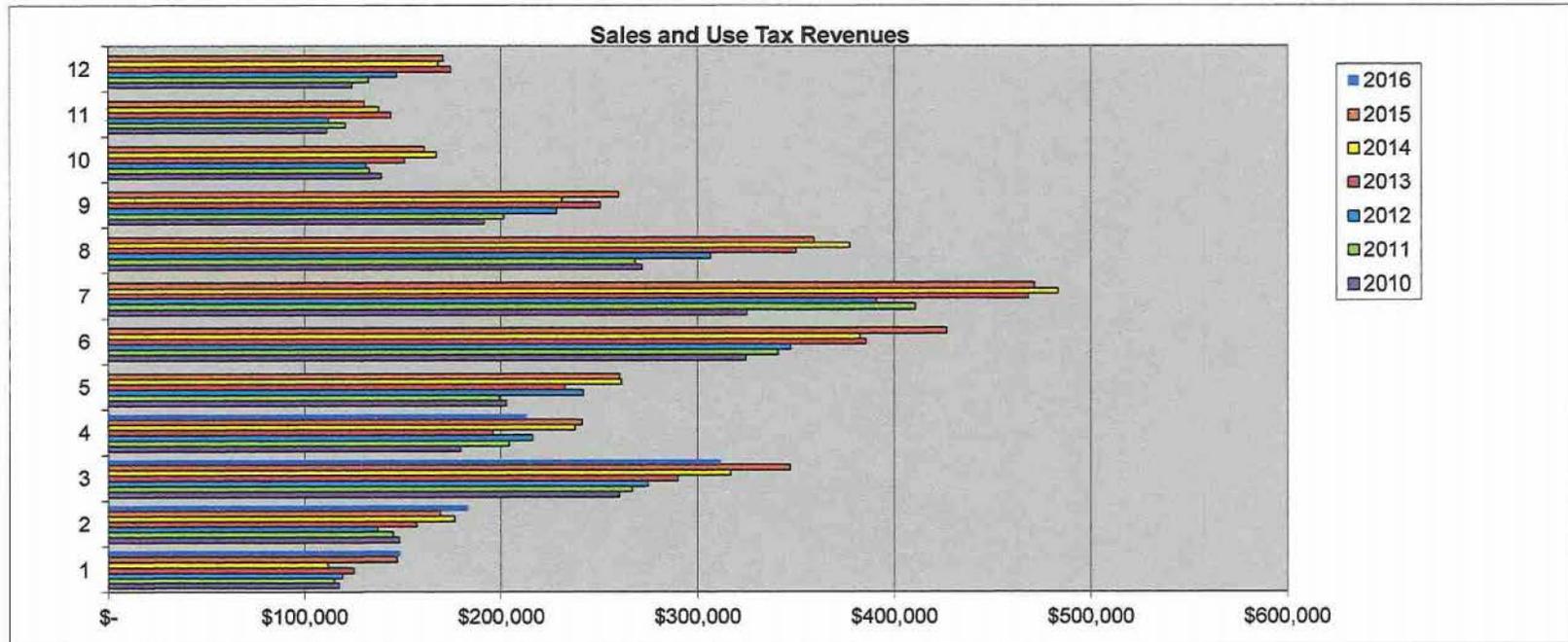
South Padre Island Tax Revenue Earned					
1990-2015					
	Sales Tax	Hotel-Motel Occupancy	Mixed Drink	Property Tax	Total Revenue
2015	\$ 3,142,842	\$ 7,209,432	\$ 328,935	\$ 6,700,239	\$ 17,381,448
2014	3,050,346	7,135,926	319,053	6,584,166	17,089,491
2013	2,923,179	6,532,214	274,684	6,354,878	16,084,955
2012	2,651,572	6,202,100	216,469	7,064,208	16,134,349
2011	2,536,833	5,603,897	215,112	5,921,663	14,277,505
2010	2,394,470	5,283,701	224,166	6,152,850	14,055,187
2009	2,552,357	4,691,737	216,613	6,244,873	13,705,580
2008	2,497,841	4,408,809	195,171	5,294,904	12,396,725
2007	2,401,168	5,355,993	204,316	5,166,612	13,128,089
2006	2,209,411	5,322,385	207,117	4,255,282	11,994,195
2005	2,031,668	4,777,696	206,974	4,016,920	11,033,258
2004	1,962,203	4,610,922	194,163	3,499,580	10,266,868
2003	1,883,890	4,250,253	191,537	3,180,020	9,505,700
2002	1,793,118	4,449,502	186,407	2,233,090	8,662,117
2001	1,696,573	4,052,386	167,636	2,094,328	8,010,923
2000	1,704,137	3,855,722	169,925	2,390,673	8,120,457
1999	1,577,164	3,532,435	161,395	1,551,650	6,822,644
1998	1,507,257	3,238,726	150,676	1,989,977	6,886,636
1997	1,423,292	3,129,209	130,440	1,606,488	6,289,429
1996	1,390,352	2,919,416	125,332	1,506,872	5,941,972
1995	1,366,314	2,753,729	121,597	1,470,909	5,712,549
1994	1,443,968	2,923,344	128,651	1,469,896	5,965,859
1993	1,230,320	2,497,665	105,006	1,369,388	5,202,379
1992	668,249	2,425,198	99,745	1,404,996	4,598,188
1991	554,330	2,242,414	100,116	1,436,560	4,333,420
1990	526,681	2,150,824	92,680	1,286,155	4,056,340

Sales tax was increased from 1% to 2% on October 1, 1992. Effective July 2009 total occupancy tax is 14.5%, 6% of which is paid to the State quarterly, and 8.5% of which is paid to the City monthly. As of Jan. 1, 2014, the new Texas mixed beverage gross receipts tax rate is 6.7 percent, and a new 8.25 percent mixed beverage sales tax became effective. The city receives 10.7143% of all mixed beverage tax allocations. As of October 2015, South Padre Island's property tax rate is \$.28564 per \$100 valuation, increased from \$.252701.



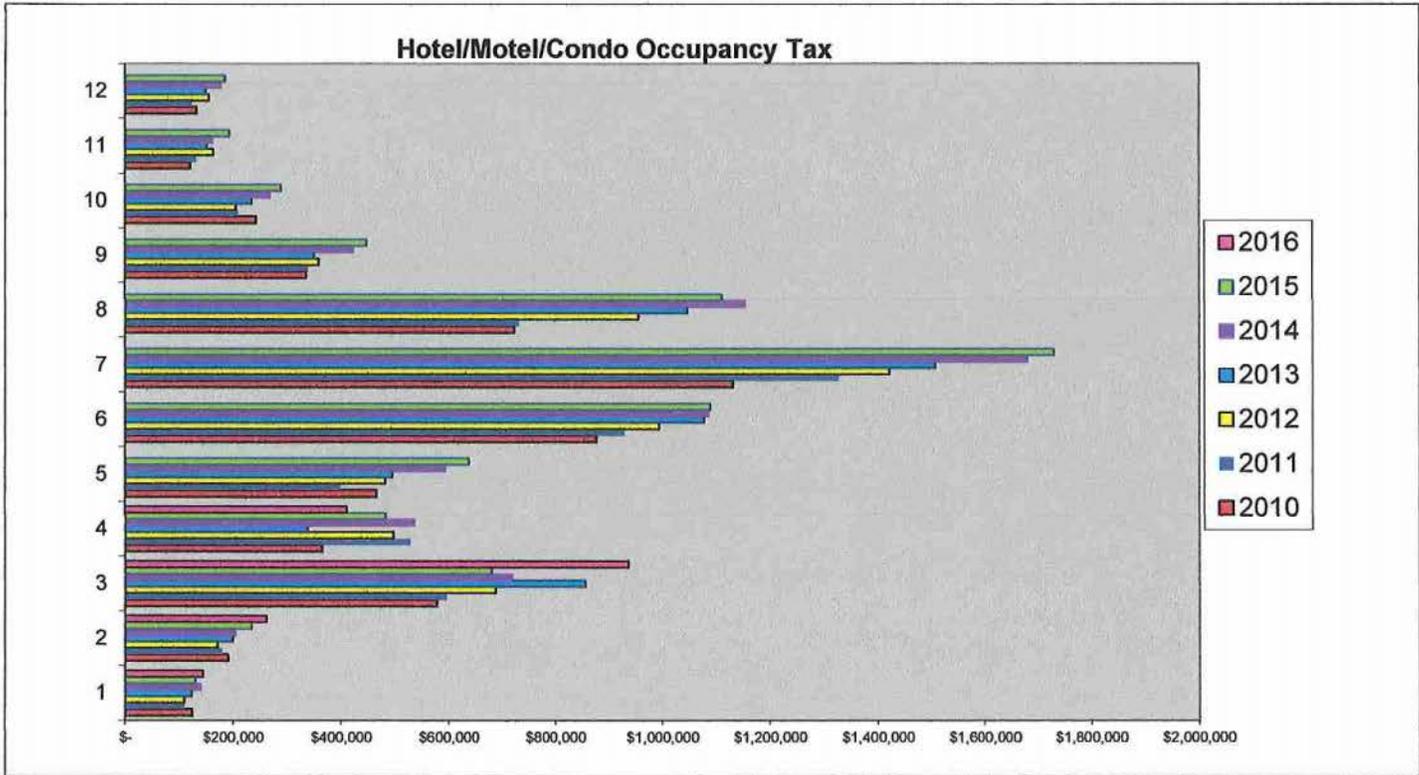
South Padre Island Sales and Use Tax Revenues								
	2010	2011	2012	2013	2014	2015	2016	
								%
January	\$ 117,419	\$ 114,865	\$ 119,092	\$ 124,955	\$ 111,837	\$ 147,033	\$ 148,673	1.12
February	148,170	145,004	137,090	156,927	176,331	168,939	183,246	8.47
March	260,182	266,620	274,677	289,849	316,834	346,948	311,867	(10.11)
April	179,469	203,962	215,913	195,868	237,624	241,179	213,305	(11.56)
May	202,552	199,176	241,670	232,586	261,170	260,265		
June	324,527	340,811	347,206	385,570	382,481	426,572		
July	324,886	410,556	390,920	467,989	483,156	471,196		
August	271,602	268,233	306,588	350,038	377,267	359,029		
September	191,347	201,328	228,185	250,437	231,042	259,809		
October	138,942	133,115	131,407	150,816	167,179	161,032		
November	111,285	120,696	112,229	143,930	137,595	130,352		
December	124,089	132,467	146,595	174,214	167,830	170,488		
Total	\$ 2,394,470	\$ 2,536,833	\$ 2,651,572	\$ 2,923,179	\$ 3,050,346	\$ 3,142,842		

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								
	2010	2011	2012	2013	2014	2015	2016	% change
January	\$ 123,680	\$ 109,440	\$ 109,774	\$ 123,289	\$ 140,192	\$ 130,054	\$ 144,395	11.03
February	190,487	180,476	171,451	199,626	204,078	234,729	262,332	11.76
March	577,675	595,805	687,275	855,873	718,514	680,389	936,915	37.70
April	364,810	528,026	497,202	338,337	535,518	482,346	410,857	(14.82)
May	465,445	399,279	482,275	494,883	593,135	637,343		
June	876,624	929,372	994,101	1,078,509	1,086,514	1,090,245		
July	1,131,300	1,325,927	1,420,513	1,507,657	1,679,092	1,728,733		
August	723,141	731,489	955,899	1,046,929	1,153,488	1,111,051		
September	335,734	340,030	359,467	350,530	422,559	447,169		
October	242,670	208,442	205,150	234,719	268,955	288,878		
November	120,144	131,812	163,655	152,042	161,516	193,079		
December	131,991	123,799	155,338	149,820	177,192	185,416		
Total	\$ 5,283,701	\$ 5,603,897	\$ 6,202,100	\$ 6,532,214	\$ 7,135,926	\$ 7,209,432		

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.

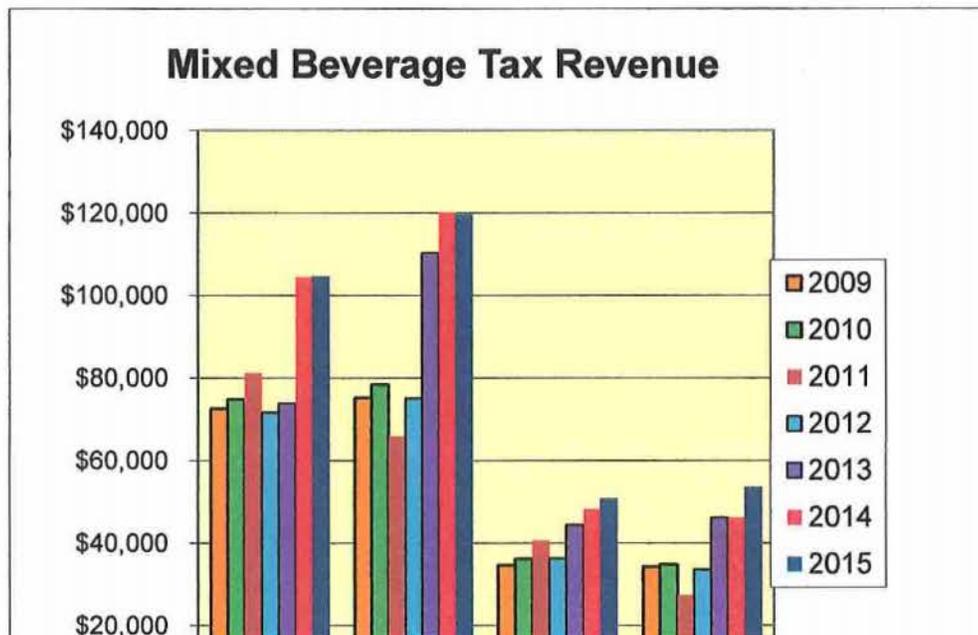


South Padre Island Property Tax Revenue

	2010	2011	2012	2013	2014	2015	2016
January	\$ 633,716	\$ 955,624	\$ 925,441	\$ 768,980	\$ 774,747	\$ 775,106	\$ 842,301
February	766,443	376,594	498,598	587,833	697,644	643,376	851,485
March	128,325	211,177	488,209	154,633	129,345	126,429	133,534
April	168,093	134,539	125,963	85,060	97,865	108,299	108,879
May	70,190	104,032	117,171	100,790	74,555	68,063	54,257
June	100,376	97,986	93,955	77,075	98,131	84,304	
July	68,581	164,458	222,631	135,249	125,279	111,522	
August	40,920	37,832	63,604	58,877	35,643	30,635	
September	38,286	56,310	33,535	44,457	41,480	25,557	
October	1,062,890	552,062	1,716,909	1,953,119	2,035,083	1,344,874	
November	2,598,999	1,558,168	2,287,424	1,925,829	1,828,594	2,797,154	
December	476,031	1,672,881	493,478	462,976	645,800	584,920	
TOTAL	\$ 6,152,850	\$ 5,921,663	\$ 7,066,918	\$ 6,354,878	\$ 6,584,166	\$ 6,700,239	
As of October 1:							
Tax rate per \$100	0.24561	0.2504	0.252071	0.254384	0.262754	0.28564	
Taxable value	\$ 2,421,696,820	\$ 2,608,645,628	\$ 2,606,119,273	\$ 2,583,563,287	\$2,516,386,826	\$ 2,478,519,198	

South Padre Island Mixed Beverage Tax Revenue							
	2009	2010	2011	2012	2013	2014	2015
First Quarter	\$ 72,567	\$ 74,807	\$ 81,200	\$ 71,650	\$ 73,839	\$ 104,506	\$ 104,712
Second Quarter	75,174	78,397	65,941	75,022	110,336	120,183	119,690
Third Quarter	34,602	36,141	40,628	36,263	44,381	48,216	50,873
Fourth Quarter	34,270	34,821	27,343	33,534	46,128	46,148	53,660
Total	\$ 216,613	\$ 224,166	\$ 215,112	\$ 216,469	\$ 274,684	\$ 319,053	\$ 328,935

South Padre Island receives 10.7143% of collected mixed beverage taxes. Figures above are reported as of the quarter in which the sales were generated.



South Padre Island Bank Deposits						
	2011	2012	2013	2014	2015	2016
January	\$ 179,975,828	\$ 188,688,921	\$ 183,482,806	\$ 189,117,086	\$ 184,769,073	\$ 190,669,578
February	179,309,856	189,716,741	185,777,638	188,712,750	186,033,279	191,563,273
March	180,633,288	190,720,292	187,487,100	187,797,668	186,399,232	191,402,596
April	179,882,446	191,356,419	185,131,280	185,677,307	186,278,615	192,248,169
May	178,419,296	190,955,054	183,778,660	187,994,015	186,513,099	192,952,571
June	187,686,002	187,497,842	190,887,338	185,644,401	191,541,241	
July	192,345,125	189,478,667	198,752,238	190,627,539	198,033,439	
August	188,858,760	187,651,279	197,904,453	189,181,816	196,222,971	
September	188,922,705	186,098,587	195,087,563	186,637,957	194,155,543	
October	188,205,724	184,477,088	193,115,238	185,468,421	192,194,113	
November	187,373,653	182,804,762	191,781,069	184,219,440	190,042,714	
December	187,434,187	184,702,236	189,450,248	184,333,130	189,722,716	
AVERAGE	\$ 184,920,573	\$ 187,845,657	\$ 190,219,636	\$ 187,117,628	\$ 190,158,836	

The deposits include First National Bank SPI; and First Community Bank, International Bank of Commerce, Lone Star

South Padre Island Building Permit Valuations

	2010	2011	2012	2013	2014	2015	Commercial	Residential	2016
January	\$ 6,275,239	\$ 243,630	\$ 552,718	\$ 703,791	\$ 434,335	\$ 4,490,817	\$ 319,434	\$ 2,301,454	\$ 2,620,888
February	5,473,877	423,259	1,968,904	330,425	2,117,014	1,887,739	232,253	1,443,602	1,675,855
March	456,675	627,539	449,800	1,016,164	271,651	2,319,135	889,608	2,950,613	3,840,221
April	444,700	12,105,395	268,337	554,688	412,515	8,676,090	640,967	175,856	816,823
May	3,977,138	1,009,344	915,996	295,625	1,052,261	1,143,022	427,394	800,152	1,227,546
June	1,504,846	1,821,047	1,243,528	177,150	1,717,942	842,403			
July	52,590,819	5,411,225	412,100	145,069	160,664	1,439,706			
August	975,263	899,292	459,314	2,525,727	500,475	1,799,928			
September	2,436,837	192,228	373,975	692,401	894,061	1,205,667			
October	1,295,900	280,511	950,100	885,901	2,322,681	792,963			
November	414,111	8,549,789	2,022,260	1,103,873	1,975,292	2,008,807			
December	1,408,183	1,093,434	773,540	162,116	1,894,849	2,855,683			
Total	\$ 77,253,588	\$ 32,656,693	\$ 10,390,572	\$ 8,592,930	\$ 13,753,740	\$ 29,461,960			