

Padre Isles Property Owners Association

Financial Statements and Report

December 31, 2019

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Gowland, Streatly, Morales & Co PLLC
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Accountant's Compilation Report

Marvin Jones
Padre Isles Property Owners Association
Corpus Christi, TX, United States of America

Management is responsible for the accompanying financial statements of Padre Isles Property Owners Association (the Company), which comprise the balance sheet as of December 31, 2019, and the related statements of income and retained earnings for the twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Jerry Spence:

Gowland, Streatly, Morales & Co PLLC

Gowland, Streatly, Morales & Co PLLC
Corpus Christi, TX

January 10, 2020

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2019

	2019
	\$
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Builders Deposit	\$ 84,952
Petty Cash	100
American Bank Operating 3820	105,163
Total Cash	190,215
Cash Equivalents	
Cash & Equivalents HPO LTD	212,191
Restricted Cash Current	7,226,114
Total	7,438,304
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	941,066
Dodge & Cox Income Fund	734,150
Vanguard Fixed Income ST	317,539
American Century SM Cap Fund	108,361
Dodge & Cox Stk Fd	316,768
Fidelity Advisor Ser Sm Cap Fun	161,396
Growth Fund America CI	291,039
Total Marketable Securities, current	2,870,319
Receivables, net	
Accounts Receivable, gross	380,097
Allowance for Doubtful Accounts Receivable	(199,166)
Total	180,931
Prepaid Expense	24,860
Total Current Assets	10,704,629
Assets, Noncurrent	
Property, Plant and Equipment, net	
Property, Plant and Equipment	148,710
Accumulated Depreciation, Depletion and Amortization	(141,818)
Total Property, Plant and Equipment, net	6,893
Total Assets	\$ 10,711,522

Padre Isles Property Owners Association
 Balance Sheet
 As of December 31, 2019

Liabilities and Equity	
Liabilities	
Liabilities, current	
Accounts Payable	84,061
Deferred Revenue and Credits, current	
Prepaid Owner Assessments	10,925
Other Liabilities, current	
Contractor Refundable Deposits	52,535
Total Liabilities, current	147,520
Equity	
Retained Earnings (Deficit)	
Unrestricted Net Assets	1,164,769
Unrealized Investment Gain (Loss)	256,999
Net Income (Loss)	628,067
Total Retained Earnings (Deficit)	2,049,835
Preferred Stock	
Fund Balance - Oprtns & Slf Ins	8,514,167
Total Equity	10,564,001
Total Liabilities and Equity	\$ 10,711,522

Padre Isles Property Owners Association
Statement of Income
For the 12 months ended December 31, 2019

	TOTAL			
	Jan - Dec 19	Budget	\$ Over/Under Budget	% of Budget
Income				
Finance Charges	362.39	23,000.00	-22,637.61	1.58%
Credit Card Convenience Fees	30.00	0.00	30.00	100.0%
Compliance Fees	50.00	0.00	50.00	100.0%
Assessments	1,878,121.48	1,858,812.00	19,309.48	101.04%
Lot Mowing Assessment Collected	120.00	0.00	120.00	100.0%
Garden Maint Collected	250.00	0.00	250.00	100.0%
Investment Income	254,619.01	0.00	254,619.01	100.0%
ACC, Decal & Transfer Fees	91,969.40	102,000.00	-10,030.60	90.17%
Miscellaneous Income	1,497.16	15,000.00	-13,502.84	9.98%
Mooring Fee	500.00	0.00	500.00	100.0%
Total Income	2,227,519.44	1,998,812.00	228,707.44	111.44%
Gross Profit	2,227,519.44	1,998,812.00	228,707.44	111.44%
Expense				
ACC Compliance	2,850.82	5,000.00	-2,149.18	57.02%
Accounting/Auditing	81,356.95	20,000.00	61,356.95	406.79%
Balloting Expense	7,529.95	8,500.00	-970.05	88.59%
Board/Annual Meeting	5,009.37	0.00	5,009.37	100.0%
Investment Fees	3,395.00	7,000.00	-3,605.00	48.5%
POA Building Maintenance	16,020.43	12,000.00	4,020.43	133.5%
Bulkhead Repair	339,360.00	605,000.00	-265,640.00	56.09%
Canal Cleanup	5,004.20	50,000.00	-44,995.80	10.01%
Canal Dredging		75,000.00	-75,000.00	0.0%
Common Area Maintenance	266,464.22	300,000.00	-33,535.78	88.82%
Billish Park Special Project	125,797.79	0.00	125,797.79	100.0%
Billish Park Maintenance	72,062.72	40,000.00	32,062.72	180.16%
Computer Expense/IT	19,373.89	40,000.00	-20,626.11	48.44%
Contract Labor	43,104.62	7,000.00	36,104.62	615.78%
Miscellaneous Expense	2,110.60	0.00	2,110.60	100.0%
Collection Expense	3,979.40	0.00	3,979.40	100.0%
Insurance Expense	40,631.42	57,300.00	-16,668.58	70.91%
Legal Fees	60,272.99	50,000.00	10,272.99	120.55%
Collection Fees		10,000.00	-10,000.00	0.0%
Subscription Expense	4,335.47	2,100.00	2,235.47	206.45%
Bank & Credit Card Fees	12,687.49	6,500.00	6,187.49	195.19%
Special Projects	760.00	10,000.00	-9,240.00	7.6%
Office Supplies	10,199.08	11,000.00	-800.92	92.72%
Payroll Expenses	386,270.42	357,000.00	29,270.42	108.2%
Postage and Delivery	6,303.69	10,000.00	-3,696.31	63.04%
Newsletter Expense	5,085.10	6,000.00	-914.90	84.75%
Property Taxes	6,722.60	7,000.00	-277.40	96.04%
Office Machine Contracts	12,370.85	7,500.00	4,870.85	164.95%
Telephone Expense	4,313.31	8,000.00	-3,686.69	53.92%
Web Site Expense	730.00	3,000.00	-2,270.00	24.33%
Mileage Expense	5,588.17	0.00	5,588.17	100.0%
Utilities	6,453.18	7,500.00	-1,046.82	86.04%
Security Alarm	952.26	1,000.00	-47.74	95.23%
Water Inspections	32,646.61	47,000.00	-14,353.39	69.46%
Aerator Reimbursements	9,710.00	0.00	9,710.00	100.0%
Total Expense	1,599,452.60	1,770,400.00	-170,947.40	90.34%
Net Income	628,066.84			

Budget for Income and Expenses are based on Annual Budget amounts