

Padre Isles Property Owners Association

Financial Statements and Report

January 31, 2020

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Gowland, Strealy, 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 January 31, 2020, and the related statements of income and retained earnings for the one month 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:

A handwritten signature in blue ink that reads "Gowland, Strealy, Morales & Co PLLC". The signature is written in a cursive, flowing style.

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

February 12, 2020

Padre Isles Property Owners Association

Balance Sheet

As of January 31, 2020

	2020
	\$
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Builders Deposit	\$ 82,886
Petty Cash	100
American Bank Operating 3820	187,221
Total Cash	270,207
Cash Equivalents	
Cash & Equivalents HPO LTD	359,610
Restricted Cash Current	6,952,824
Total	7,312,433
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	957,601
Dodge & Cox Income Fund	745,662
Vanguard Fixed Income ST	319,611
American Century SM Cap Fund	103,454
Dodge & Cox Stk Fd	306,452
Fidelity Advisor Ser Sm Cap Fun	159,761
Growth Fund America CI	293,619
Total Marketable Securities, current	2,886,160
Receivables, net	
Accounts Receivable, gross	2,296,547
Allowance for Doubtful Accounts Receivable	(199,166)
Total	2,097,381
Prepaid Expense	24,860
Total Current Assets	12,591,042
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	\$ 12,597,934

Padre Isles Property Owners Association

Balance Sheet

As of January 31, 2020

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 76,317

Deferred Revenue and Credits, current

Prepaid Owner Assessments 10,925

Other Liabilities, current

Contractor Refundable Deposits 46,985

Total Liabilities, current 134,227

Equity

Retained Earnings (Deficit)

Unrestricted Net Assets 2,049,693

Unrealized Investment Gain (Loss) 17,822

Net Income (Loss) 1,882,026

Total Retained Earnings (Deficit) 3,949,540

Preferred Stock

Fund Balance - Oprtns & Slf Ins 8,514,167

Total Equity 12,463,707

Total Liabilities and Equity \$ 12,597,934

Padre Isles Property Owners Association
Statement of Income
As of January 31, 2020

	TOTAL			
	Jan 20	Budget	\$ Over/Under Budget	% of Budget
Income				
Finance Charges		23,000.00	-23,000.00	0.0%
Credit Card Convenience Fees		0.00	0.00	0.0%
Compliance Fees		0.00	0.00	0.0%
Assessments	1,932,415.75	1,914,576.00	17,839.75	100.93%
Lot Mowing Assessment Collected		0.00	0.00	0.0%
Garden Maint Collected		0.00	0.00	0.0%
Investment Income	23,688.95	0.00	23,688.95	100.0%
ACC, Decal & Transfer Fees	4,250.00	104,286.60	-100,036.60	4.08%
Miscellaneous Income		0.00	0.00	0.0%
Mooring Fee		0.00	0.00	0.0%
Total Income	1,960,354.70	2,041,862.60	-81,507.90	96.01%
Gross Profit	1,960,354.70	2,041,862.60	-81,507.90	96.01%
Expense				
ACC Compliance		0.00	0.00	0.0%
Accounting/Auditing	4,088.75	45,859.00	-41,770.25	8.92%
Balloting Expense	9,085.50	8,500.00	585.50	106.89%
Board/Annual Meeting	150.00	5,304.00	-5,154.00	2.83%
Investment Fees		10,000.00	-10,000.00	0.0%
POA Building Maintenance	440.00	12,000.00	-11,560.00	3.67%
Bulkhead Repair	35,960.00	600,000.00	-564,040.00	5.99%
Canal Cleanup		5,000.00	-5,000.00	0.0%
Canal Dredging		250,000.00	-250,000.00	0.0%
Common Area Maintenance	25,695.51	264,521.00	-238,825.49	9.71%
Billish Park Special Project		0.00	0.00	0.0%
Billish Park Maintenance	4,911.66	60,000.00	-55,088.34	8.19%
Computer Expense/IT	20,422.17	27,565.00	-7,142.83	74.09%
Contract Labor	5,356.59	14,000.00	-8,643.41	38.26%
Miscellaneous Expense		0.00	0.00	0.0%
Collection Expense	2,500.00	0.00	2,500.00	100.0%
Insurance Expense		54,145.00	-54,145.00	0.0%
Legal Fees	6,563.00	37,000.00	-30,437.00	17.74%
Collection Fees		6,000.00	-6,000.00	0.0%
Subscription Expense	203.99	0.00	203.99	100.0%
Bank & Credit Card Fees	1,772.62	13,200.00	-11,427.38	13.43%
Special Projects		2,000.00	-2,000.00	0.0%
Office Supplies	1,671.62	7,000.00	-5,328.38	23.88%
Payroll Expenses	21,632.60	355,515.00	-333,882.40	6.09%
Postage and Delivery	1,055.37	10,000.00	-8,944.63	10.55%
Newsletter Expense		5,000.00	-5,000.00	0.0%
Property Taxes		8,000.00	-8,000.00	0.0%
Office Machine Contracts	441.26	10,000.00	-9,558.74	4.41%
Telephone Expense	76.07	5,000.00	-4,923.93	1.52%
Web Site Expense		6,000.00	-6,000.00	0.0%
Mileage Expense		5,600.00	-5,600.00	0.0%
Utilities	487.81	6,000.00	-5,512.19	8.13%
Security Alarm	62.34	1,000.00	-937.66	6.23%
Water Inspections		35,000.00	-35,000.00	0.0%
Aerator Reimbursements		9,120.00	-9,120.00	0.0%
Total Expense	142,576.86	1,878,329.00	-1,735,752.14	7.59%
Net Income	1,817,777.84			