

Padre Isles Property Owners Association

Financial Statements and Report

November 30, 2019

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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 November 30, 2019, and the related statements of income and retained earnings for the eleven 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, Strealy, Morales & Co PLLC

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

December 13, 2019

Padre Isles Property Owners Association

Balance Sheet

As of November 30, 2019

	2019
	\$
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Builders Deposit	\$ 76,341
Petty Cash	100
American Bank Operating 3820	138,434
Total Cash	214,875
Cash Equivalents	
Cash & Equivalents HPO LTD	181,534
Restricted Cash Current	7,271,394
Total	7,452,928
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	954,725
Dodge & Cox Income Fund	741,476
Vanguard Fixed Income ST	317,539
American Century SM Cap Fund	106,725
Dodge & Cox Stk Fd	324,894
Fidelity Advisor Ser Sm Cap Fun	164,060
Growth Fund America CI	302,508
Total Marketable Securities, current	2,911,928
Receivables, net	
Accounts Receivable, gross	376,810
Allowance for Doubtful Accounts Receivable	(199,166)
Total	177,644
Prepaid Expense	24,860
Total Current Assets	10,782,235
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	\$ 10,789,127

Padre Isles Property Owners Association

Balance Sheet

As of November 30, 2019

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 601

Deferred Revenue and Credits, current

Prepaid Owner Assessments 766

Other Liabilities, current

Contractor Refundable Deposits 45,185

Total Liabilities, current 46,553

Equity

Retained Earnings (Deficit)

Unrestricted Net Assets 1,164,769

Unrealized Investment Gain (Loss) 303,904

Net Income (Loss) 759,735

Total Retained Earnings (Deficit) 2,228,408

Preferred Stock

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

Total Equity 10,742,575

Total Liabilities and Equity \$ 10,789,127

Padre Isles Property Owners Association

Statement of Income

For the 11 months ended November 30, 2019

	TOTAL			
	Jan - Nov 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	1,875,639.15	1,858,812.00	16,827.15	100.91%
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	188,926.90	0.00	188,926.90	100.0%
ACC, Decal & Transfer Fees	86,719.40	102,000.00	-15,280.60	85.02%
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	2,154,095.00	1,998,812.00	155,283.00	107.77%
Gross Profit	2,154,095.00	1,998,812.00	155,283.00	107.77%
Expense				
ACC Compliance	2,850.82	4,583.33	-1,732.51	62.2%
Accounting/Auditing	51,259.30	18,333.33	32,925.97	279.6%
Balloting Expense	7,529.95	7,791.67	-261.72	96.64%
Board/Annual Meeting	4,559.87	0.00	4,559.87	100.0%
Investment Fees	3,395.00	6,416.67	-3,021.67	52.91%
POA Building Maintenance	16,020.43	11,000.00	5,020.43	145.64%
Bulkhead Repair	264,675.00	554,583.33	-289,908.33	47.73%
Canal Cleanup	5,004.20	45,833.33	-40,829.13	10.92%
Canal Dredging	0.00	68,750.00	-68,750.00	0.0%
Common Area Maintenance	234,952.99	275,000.00	-40,047.01	85.44%
Billish Park Special Project	125,797.79	0.00	125,797.79	100.0%
Billish Park Maintenance	57,092.04	36,666.67	20,425.37	155.71%
Computer Expense/IT	18,147.22	36,666.67	-18,519.45	49.49%
Contract Labor	34,100.03	6,416.67	27,683.36	531.43%
Miscellaneous Expense	1,880.58	0.00	1,880.58	100.0%
Collection Expense	3,979.40	0.00	3,979.40	100.0%
Insurance Expense	40,631.42	52,525.00	-11,893.58	77.36%
Legal Fees	52,645.49	45,833.33	6,812.16	114.86%
Collection Fees		9,166.67	-9,166.67	0.0%
Subscription Expense	3,312.17	1,925.00	1,387.17	172.06%
Bank & Credit Card Fees	11,240.78	5,958.33	5,282.45	188.66%
Special Projects	760.00	9,166.67	-8,406.67	8.29%
Office Supplies	8,660.44	10,083.33	-1,422.89	85.89%
Payroll Expenses	361,352.27	327,250.00	34,102.27	110.42%
Postage and Delivery	5,803.69	9,166.67	-3,362.98	63.31%
Newsletter Expense	5,085.10	5,500.00	-414.90	92.46%
Property Taxes	6,722.60	6,416.67	305.93	104.77%
Office Machine Contracts	10,334.15	6,875.00	3,459.15	150.32%
Telephone Expense	3,981.94	7,333.33	-3,351.39	54.3%
Web Site Expense	730.00	2,750.00	-2,020.00	26.55%
Mileage Expense	5,588.17	0.00	5,588.17	100.0%
Utilities	5,602.61	6,875.00	-1,272.39	81.49%
Security Alarm	827.58	916.67	-89.09	90.28%
Water Inspections	32,646.61	43,083.33	-10,436.72	75.78%
Aerator Reimbursements	7,190.00	0.00	7,190.00	100.0%
Total Expense	1,394,359.64	1,622,866.67	-228,507.03	85.92%
Net Income	759,735.36			

Budget for Income based on 12 months and the Budget for expenses is based on 11 months