

Padre Isles Property Owners Association

Financial Statements and Report

April 30, 2023

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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 April 30, 2023, and the related statements of income and retained earnings for the four 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.

Gowland, Morales, & Smith, PLLC

Gowland, Morales & Smith PLLC
Corpus Christi, TX

May 11, 2023

Padre Isles Property Owners Association

Balance Sheet
As of April 30, 2023

Assets		
Current Assets		
Cash and Cash Equivalents		
Cash		
American Bank Builders Deposit	\$	-
Petty Cash		-
American Bank Operating 3820		378,532
HPO Cash		423,632
Bill.com Payments Processing		-
Total Cash		802,164
Cash Equivalents		
HPO Certificate of Deposit		10,509,816
Total Cash Equivalents		10,509,816
Prepaid Expenses		
Prepaid Legal Expenses		6,780
Prepaid Insurance		41,251
Total Prepaid Expenses		48,031
Short-term Investments		
Marketable Securities, current		
American Funds Bond Fd		836,103
Dodge & Cox Income Fund		655,659
Vanguard Fixed Income ST		-
American Century SM Cap Fund		122,673
Dodge & Cox Stk Fd		357,950
Fidelity Advisor Ser Sm Cap Fun		173,145
Growth Fund America CI		315,182
Total Marketable Securities, current		2,460,713
Receivables, net		
Accounts Receivable, Assessments & Fees		416,351
Accounts Receivable, Trade		-
Total Receivables, net		416,351
Prepaid Expense		-
Total Current Assets		14,237,075
Assets, Noncurrent		
Non-Current Receivables		397,102
Allowance for Doubtful Accounts Receivable		(199,166)
Total Assets, Noncurrent		197,936
Property, Plant and Equipment, net		
Property, Plant and Equipment		148,710
Accumulated Depreciation, Depletion and Amortization		(144,003)
Total Property, Plant and Equipment, net		4,707
Total Assets	\$	14,439,718

Padre Isles Property Owners Association

Balance Sheet
As of April 30, 2023

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 74,808

Deferred Revenue and Credits, current

Prepaid Owner Assessments 1,814

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 80,322

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 161,171

Net Income (Loss) 1,648,041

Fund Balance 12,550,183

Total Equity 14,359,395

Total Liabilities and Equity \$ 14,439,718

Unrealized Investment Gain (Loss) change from last month 25,651.29

**Padre Isles Property Owners Association
Apr-23 Income Statement**

REVENUE	Apr-23	2023 YTD Actual	2023 YTD Budget	\$ Over/Under YTD Budget	2023 Annual Budget	Proj 2023 Expenditures
Operating Revenue						
Assessments	0	2,073,400	2,084,000	-10,600	2,084,000	2,073,400
Miscellaneous Revenue						
ACC Applications	1,200	5,100	6,667	-1,567	20,000	15,300
Decal Sales	3,386	16,857	7,500	9,357	22,500	50,571
Resale Certificate Fee	800	3,450	5,000	-1,550	15,000	10,350
Transfer Fees	1,400	8,500	16,667	-8,167	50,000	25,500
Finance Charges	14,125	20,170	6,667	13,503	20,000	60,509
Misc Revenue, Other	200	860	833	27	2,500	2,580
Total Operating Revenue	21,111	2,128,336	2,127,333	1,003	2,214,000	2,238,209
Non-Operating Revenue						
Billish Park - City of CC Contribution	0	14,700	14,700	0	14,700	14,700
Investment Income	10,866	67,119	43,333	23,786	130,000	201,358
Total Non-Operating Revenue	10,866	81,819	58,033	23,786	144,700	216,058
Total Revenue	31,977	2,210,156	2,185,367	24,789	2,358,700	2,454,268
EXPENSE						
Routine Operations						
Bulkheads & Canals						
Bulkhead Inspection (ACC App)	1,050	4,975	4,419	556	13,256	14,925
Bulkhead Inspection	75	2,525	4,419	-1,894	13,256	7,575
Bulkhead / Drill & Probe	0	575	7,244	-6,669	21,731	1,725
Bulkhead Panel Repair	0	120	6,439	-6,319	19,316	360
Bulkhead Washout/Screen	3,050	15,950	19,319	-3,369	57,956	47,850
Bulkhead Tieback Repair	3,500	10,500	7,244	3,256	21,731	31,500
Bulkhead Repair/Manta Ray Install	0	0	211,561	-211,561	634,682	0
Bulkhead Drain Install	0	385	19,319	-18,934	57,956	1,155
Bulkhead Caps Repair	19,640	83,935	12,879	71,056	38,636	251,805
Canal Dredging	0	0	-	0		0
Canal Cleanup	918	6,400	2,795	3,605	8,384	19,200
Bulkhead Repairs, Total	28,233	125,365	295,633	-170,268	886,900	376,095
Billish Park						
Billish Park Lawn Maintenance	4,250	20,378	17,496	2,882	52,488	61,134
Billish Park Irrigation	0	0	2,667	-2,667	8,000	0
Billish Park Playground	0	0	1,667	-1,667	5,000	0
Billish Park General Maintenance	127	1,011	1,000	11	3,000	3,033
Billish Park Special Project	0	0	2,000	-2,000	6,000	0
Billish Park, Total	4,377	21,389	24,829	-3,440	74,488	64,167
Common Area Maintenance						
Common Area Mowing/Trimming	6,833	30,003	32,411	-2,408	97,233	90,010
Boat Ramp Wash/Maintenance	3,560	16,769	16,361	408	49,083	50,306
Common Area Special Projects	40,320	40,320	16,667	23,653	50,000	120,960
Water Inspections	0	0	11,500	-11,500	34,500	0
Aerator Reimbursements	0	2,400	5,760	-3,360	17,280	7,200
Aerator Repair/Maintenance	0	0	0	0	2,500	0
Security Expense	0	0	833	-833	2,500	0
Dumpster / Trash Service	464	1,826	2,072	-246	6,215	5,478
Misc. Common Area	0	2,191	2,230	-39	6,691	6,574
Common Area Maintenance, Total	51,177	93,509	87,835	5,675	266,004	280,528
Cost of Routine Operations, Total	83,787	240,263	408,297	-168,034	1,227,391	720,790

	Apr-23	2023 YTD Actual	2023 YTD Budget	\$ Over/Under YTD Budget	2023 Annual Budget	Projected 2023 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	24,423	119,022	133,333	-14,311	400,000	357,066
Computer Expense/IT	873	4,513	3,844	669	11,532	13,540
Contract Labor	5,253	11,984	5,333	6,650	16,000	35,951
POA Building Maintenance	0	284	1,333	-1,049	4,000	853
Postage and Delivery	500	3,000	3,300	-300	9,900	9,000
Office Machine Contracts	657	3,887	3,147	741	9,440	11,662
Property Taxes	0	1,294	739	555	2,218	3,881
Office Supplies	678	2,429	4,167	-1,737	12,500	7,288
Utilities	0					
Electricity	376	1,457	1,583	-126	4,750	4,371
Water / Sewer / Trash	846	1,385	2,400	-1,015	7,200	4,155
Internet	140	574	548	26	1,644	1,722
Web Site Expense	200	800	900	-100	2,700	2,400
Mileage Expense	738	3,641	4,500	-859	13,500	10,924
Telephone Expense	0	719	1,033	-314	3,100	2,157
Security Alarm	264	1,131	1,056	75	3,167	3,392
Bad Debt Expense	2,153	924	5,000	-4,076	15,000	2,773
Subscription Expense	0	0	108	-108	325	0
Miscellaneous Expense	12	17,974	1,667	16,307	5,000	53,921
Office Expense, Total	37,112	175,019	173,992	1,027	521,976	525,057
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	1,667	-1,667	5,000	0
Insurance Expense	58,587	79,049	42,443	36,606	127,329	237,147
Balloting Expense	(501)	14,477	5,333	9,144	16,000	43,432
Board/Annual Meeting	0	2,432	1,667	765	5,000	7,295
Boat Rental	0	220	640	-420	1,920	660
Credit Card Fees	6,476	12,161	6,667	5,495	20,000	36,484
Bank Fees	102	903	833	70	2,500	2,709
Collection Fees	0	0	4,667	-4,667	14,000	0
Association Fees, Total	64,664	109,242	63,916	45,326	191,749	327,727
Professional Fees						
Accounting	0	19,280	20,000	-720	60,000	57,839
Audit	0	0	4,167	-4,167	12,500	0
Legal Fees	3,613	13,310	16,667	-3,357	50,000	39,930
Investment Fees	2,500	5,000	3,333	1,667	10,000	15,000
Professional Fees, Total	6,113	37,590	44,167	-6,577	132,500	112,769
G&A, Total	107,889	321,851	282,075	39,776	846,225	965,553
Non-Recurring Expenses (Revenue)						
Cyber Theft	0	0	0	0	-	0
Non-Recurring, Total	0	0	0	0	0	0
Total Expense	191,676	562,114	690,372	-128,258	2,073,616	1,686,343
Net Income	-159,699	1,648,041	1,494,995	153,047	285,084	767,925

{See Accountant's compilation report}

Depreciation Expense is not recorded on a monthly basis but rather at the end of the year when the audit is performed.