

Padre Isles Property Owners Association

Financial Statements and Report

August 31, 2021

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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 August 31, 2021, and the related statements of income and retained earnings for the eight 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, Streatly, Morales & Co. PLLC

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

September 7 , 2021

Padre Isles Property Owners Association

Balance Sheet

As of August 31, 2021

Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Builders Deposit	\$ 16,959
Petty Cash	-
American Bank Operating 3820	76,436
HPO Cash	65,501
Bill.com Payments Processing	-
Total Cash	158,895
Cash Equivalents	
HPO Certificate of Deposit	9,668,187
Total Cash Equivalents	9,668,187
Prepaid Expenses	
Prepaid Insurance	51,071
Total Prepaid Expenses	51,071
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	976,293
Dodge & Cox Income Fund	755,081
Vanguard Fixed Income ST	324,641
American Century SM Cap Fund	153,068
Dodge & Cox Stk Fd	400,800
Fidelity Advisor Ser Sm Cap Fun	234,130
Growth Fund America CI	446,107
Total Marketable Securities, current	3,290,120
Receivables, net	
Accounts Receivable, Assessments & Fees	156,074
Accounts Receivable, Trade	14,700
Total Receivables, net	170,774
Total Current Assets	13,339,047
Assets, Noncurrent	
Non-Current Receivables	285,864
Allowance for Doubtful Accounts Receivable	(199,166)
Total Assets, Noncurrent	86,698
Property, Plant and Equipment, net	
Property, Plant and Equipment	148,710
Accumulated Depreciation, Depletion and Amortization	(142,966)
Total Property, Plant and Equipment, net	5,745
Total Assets	\$ 13,431,491

Padre Isles Property Owners Association

Balance Sheet

As of August 31, 2021

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 69,815

Deferred Revenue and Credits, current

Prepaid Owner Assessments 6,039

Other Liabilities, current

Contractor Refundable Deposits 1,700

Total Liabilities, current 77,553

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 140,585

Net Income (Loss) 1,181,227

Fund Balance 12,032,125

Total Equity 13,353,937

Total Liabilities and Equity \$ 13,431,491

Unrealized Investment Gain (Loss) change from last month \$24,925

**Padre Isles Property Owners Association
Aug-21 Income Statement**

REVENUE	Aug-21	2021 YTD Actual	2021 YTD Budget	\$ Over/Under YTD Budget	% Over/Under YTD Budget	Projected 2021 Annual	2021 Annual Budget
Operating Revenue							
Assessments	0	1,971,896	1,963,000	8,896	0%	1,971,896	1,963,000
Miscellaneous Revenue	0						
ACC Applications	1,500	14,200	43,333	-29,133	-67%	21,300	65,000
Decal Sales	1,325	20,846	6,667	14,179			10,000
Transfer Fees	5,300	39,900	6,667	33,233			10,000
Finance Charges	0	17,136	6,667	10,470	157%		10,000
Misc Revenue, Other	19	1,886	667	1,219	0%	2,828	1,000
Total Operating Revenue	8,144	2,065,864	2,027,000	38,864	2%	1,996,024	2,059,000
Non-Operating Revenue							
Investment Income	6,515	122,203	100,000	22,203			150,000
Total Non-Operating Revenue	6,515	122,203	100,000	22,203	0%	0	150,000
Total Revenue	14,659	2,188,067	2,127,000	61,067	0	1,996,024	2,209,000
EXPENSE							
Routine Operations							
Bulkheads & Canals			400,000	-400,000	-100%	0	600,000
Bulkhead Inspection	1,100	7,690	0	7,690		11,535	0
Bulkhead Panel Repair	15,800	72,219	0	72,219		108,328	0
Bulkhead Washout/Screen	18,290	57,115	0	57,115		85,673	0
Bulkhead Tieback Repair	20,345	55,730	0	55,730		83,595	0
Bulkhead Caps Repair	20,450	119,230	0	119,230		178,845	0
Canal Dredging	0	0	0	0		0	0
Canal Maintenance	0	923	0	923		1,385	0
Canal Cleanup	1,548	8,068	0	8,068		12,103	0
Bulkhead Repairs, Total	77,533	320,976	400,000	-79,024	-20%	481,463	600,000
Billish Park							
Billish Park Lawn Maintenance	3,747	28,476	36,667	-8,190	-22%	42,715	55,000
Billish Park Irrigation	0	3,116	5,800	-2,684		4,674	8,700
Billish Park Playground	0	7,709	5,333	2,375		11,563	8,000
Billish Park General Maintenance	0	315	2,000	-1,685		473	3,000
Billish Park Special Project	0	0	0	0		0	0
Billish Park - City of CC Contributio	0	0	-9,800	9,800		0	-14,700
Billish Park, Total	3,747	39,616	40,000	-384	-1%	59,424	60,000

**Padre Isles Property Owners Association
Aug-21 Income Statement**

	Aug-21	2021 YTD Actual	2021 YTD Budget	Projected \$ Over/Under Annual	Projected % Over/Under Annual	Projected 2021 Annual	2021 Annual Budget
Common Area Maintenance							
Common Area Mowing/Trimming	23,772	107,087	146,667	-39,579	-27%	160,631	220,000
Boat Ramp Wash/Maintenance	6,508	34,855	23,920	10,935		52,282	35,880
Common Area Special Projects	0						200,000
Water Inspections	6,900	21,125	21,333	-208	-1%	31,688	32,000
Aerator Reimbursements	0	4,590	6,080	-1,490	-25%	6,885	9,120
Security Expense	0	840	2,000	-1,160		1,260	3,000
Common Area Maintenance, Total	37,181	168,497	200,000	-31,503	-16%	252,745	500,000
Cost of Routine Operations, Total	118,460	529,089	640,000	-110,911	-17%	793,633	1,160,000
G&A							
Office Expense							
Payroll Expenses	33,993	213,418	233,333	-19,916	-9%	320,126	350,000
Computer Expense/IT	810	6,174	26,667	-20,493	-77%	9,261	40,000
Contract Labor	0	12,263	20,000	-7,738	-39%	18,394	30,000
Credit Card Fees	762	14,922	14,667	256	2%	22,384	22,000
Bank Fees	100	1,553	2,000	-447		2,329	3,000
POA Building Maintenance	815	6,094	16,667	-10,573	-63%	9,141	25,000
Postage and Delivery	(233)	3,157	10,000	-6,843	-68%	4,736	15,000
Office Machine Contracts	1,684	6,794	5,333	1,460	27%	10,191	8,000
Property Taxes	0	558	5,333	-4,776	-90%	836	8,000
Office Supplies	2,352	6,852	5,000	1,852	37%	10,277	7,500
Utilities	1,290	6,262	5,000	1,262	25%	9,392	7,500
Web Site Expense	200	3,400	4,000	-600	-15%	5,100	6,000
Mileage Expense	1,116	5,505	1,333	4,172	313%	8,258	2,000
Telephone Expense	234	1,636	2,000	-364	-18%	2,455	3,000
Administrative Special Projects	0	0	0	0		0	0
Security Alarm	257	2,155	1,667	488	29%	3,232	2,500
Subscription Expense	0	15	333	-318		22	500
Miscellaneous Expense	(32)	1,474	0	1,474		2,211	0
Office Expense, Total	43,346	292,231	353,333	-61,103	-17%	438,346	530,000
Association Fees & 3rd Party Expenses							
Community Engagement	0	5,080	23,333	-18,254	-78%	7,619	35,000
Insurance Expense	7,296	44,561	56,667	-12,105	-21%	66,842	85,000
Balloting Expense	0	12,933	8,667	4,266	49%	19,399	13,000
Board/Annual Meeting	465	6,200	4,667	1,533	33%	9,300	7,000
Collection Fees	0	0	16,000	-16,000	-100%	0	24,000
Association Fees, Total	7,761	68,774	109,333	-40,559	-37%	95,542	164,000
Professional Fees							
Accounting/Auditing	4,383	57,395	36,667	20,729	57%	86,093	55,000
Legal Fees	0	8,972	40,000	-31,028	-78%	13,458	60,000
Investment Fees	0	7,528	6,667	861	13%	11,291	10,000
Professional Fees, Total	4,383	73,895	83,333	-9,439	-11%	110,842	125,000
Non-Recurring Expenses (Revenue)							
CAM Fee Writeoffs & Adjustment	7	14,152					
Property Tax Refunds	0	(13,336)					
Fish Kill Cleanup	0	43,065					
Billish Park - City of CC Contribution	0	0					
Refund of Builder Fees	(1,000)	(500)					
Refund of Member Fines	(150)	(530)					
Non-Recurring Expenses, Total	-1,143	42,851	0	0	0	0	0
G&A, Total	55,490	434,899	546,000	-111,101	-1%	644,730	819,000
Non-Recurring, Total	-1,143	42,851	0	0	0	0	0
Total Expense	172,807	1,006,839	1,186,000	-222,012	-19%	1,438,363	1,979,000
Net Income	-158,148	1,181,227	941,000	283,078	30%	557,661	230,000