

Padre Isles Property Owners Association

Financial Statements and Report

December 31, 2022

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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, 2022, 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.

Gowland, Morales & Smith, PLLC

Gowland, Morales & Smith PLLC
Corpus Christi, TX

January 18, 2023

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2022

Assets

Current Assets

Cash and Cash Equivalents

Cash

American Bank Builders Deposit	\$ -
Petty Cash	-
American Bank Operating 3820	154,491
HPO Cash	798,085
Bill.com Payments Processing	-

Total Cash 952,576

Cash Equivalents

HPO Certificate of Deposit	8,696,474
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Total Cash Equivalents 8,696,474

Prepaid Expenses

Prepaid Insurance	19,465
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Total Prepaid Expenses 19,465

Short-term Investments

Marketable Securities, current

American Funds Bond Fd	818,130
Dodge & Cox Income Fund	637,868
Vanguard Fixed Income ST	294,456
American Century SM Cap Fund	123,082
Dodge & Cox Stk Fd	352,653
Fidelity Advisor Ser Sm Cap Fun	168,603
Growth Fund America CI	281,519

Total Marketable Securities, current 2,676,311

Receivables, net

Accounts Receivable. Assessments & Fees	159,585
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Accounts Receivable. Trade	-
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Total Receivables, net 159,585

Prepaid Expense -

Total Current Assets 12,504,411

Assets, Noncurrent

Non-Current Receivables	317,509
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Allowance for Doubtful Accounts Receivable	(199,166)
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Total Assets, Noncurrent 118,343

Property, Plant and Equipment, net

Property. Plant and Equipment	148,710
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Accumulated Depreciation. Depletion and Amortization	(144,003)
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Total Property, Plant and Equipment, net 4,707

Total Assets \$ 12,627,461

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2022

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 53,202

Deferred Revenue and Credits, current

Prepaid Owner Assessments 15,001

Other Liabilities, current

Withholding Tax for Aerator Payments 61

Contractor Refundable Deposits 1,700

Total Liabilities, current 69,964

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) (784,188)

Net Income (Loss) 475,163

Fund Balance 12,866,521

Total Equity 12,557,497

Total Liabilities and Equity \$ 12,627,461

Unrealized Investment Gain (Loss) change from last month (73,530.48)

Padre Isles Property Owners Association
Dec-22 Income Statement

REVENUE	Dec-22	2022 YTD Actual	2022 YTD Budget	\$ Over/Under YTD Budget	2022 Annual Budget	Proj 2022 Expenditur
Operating Revenue						
Assessments	0	2,037,823	2,000,000	37,823	2,000,000	2,037,823
Miscellaneous Revenue						
ACC Applications	800	16,850	20,000	-3,150	20,000	16,850
Decal Sales	630	27,685	22,500	5,185	22,500	27,685
Resale Certificate Fee	1,650	22,800	15,000	7,800	15,000	22,800
Transfer Fees	2,400	43,100	50,000	-6,900	50,000	43,100
Finance Charges	0	25,438	20,000	5,438	20,000	25,438
Misc Revenue, Other	125	2,060	2,500	-440	2,500	2,060
Total Operating Revenue	5,605	2,175,756	2,130,000	45,756	2,130,000	2,175,756
Non-Operating Revenue						
Investment Income	46,205	182,029	130,000	52,029	130,000	182,029
Total Non-Operating Revenue	46,205	182,029	130,000	52,029	130,000	182,029
Total Revenue	51,810	2,357,786	2,260,000	97,786	2,260,000	2,357,786
EXPENSE						
Routine Operations						
Bulkheads & Canals					762,000	
Tieback Inspection	3,000	50,100				50,100
Bulkhead Inspection	1,425	19,165				19,165
Bulkhead / Drill & Probe	650	1,650				1,650
Bulkhead Panel Repair	2,220	2,730				2,730
Bulkhead Washout/Screen	18,350	78,606				78,606
Bulkhead Tieback Repair	0	0				0
Bulkhead Drain Install	0	11,693				11,693
Bulkhead Caps Repair	17,380	459,495				459,495
Canal Dredging	0	0				0
Canal Cleanup	963	10,437				10,437
Bulkhead Repairs, Total	43,988	633,876	762,000	-128,124	762,000	633,876
Billish Park						
Billish Park Lawn Maintenance	4,250	48,988	45,000	3,988	45,000	48,988
Billish Park Irrigation	0	10,294	10,000	294	10,000	10,294
Billish Park Playground	0	5,815	10,000	-4,185	10,000	5,815
Billish Park General Maintenance	127	2,689	700	1,989	700	2,689
Billish Park Special Project	0	0	5,000	-5,000	5,000	0
Billish Park - City of CC Contribution	(14,700)	-14,700	-14,700	0	(14,700)	-14,700
Billish Park, Total	-10,323	53,085	56,000	-2,915	56,000	53,085
Common Area Maintenance						
Common Area Mowing/Trimming	6,833	81,949	160,000	-78,051	160,000	81,949
Boat Ramp Wash/Maintenance	3,823	48,656	50,000	-1,344	50,000	48,656
Common Area Special Projects	0	306,448	350,000	-43,552	350,000	306,448
Water Inspections	0	31,800	32,500	-700	32,500	31,800
Aerator Reimbursements	0	8,460	11,000	-2,540	11,000	8,460
Aerator Repair/Maintenance	0	1,676	0	1,676	-	1,676
Security Expense	0	0	2,500	-2,500	2,500	0
Dumpster / Trash Service	0	2,452	6,000	-3,548	6,000	2,452
Misc. Common Area	132	3,161	0	3,161	-	3,161
Common Area Maintenance, Total	10,789	484,603	612,000	-127,397	612,000	484,603
Cost of Routine Operations, Total	44,453	1,171,564	1,430,000	-258,436	1,430,000	1,171,564

	Dec-22	2022 YTD Actual	2022 YTD Budget	\$ Over/Under YTD Budget	2022 Annual Budget	Projected 2022 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	22,796	322,543	400,000	-77,457	400,000	322,543
Computer Expense/IT	661	12,307	22,500	-10,193	22,500	12,307
Contract Labor	0	16,271	29,000	-12,729	29,000	16,271
Credit Card Fees	249	16,224	20,000	-3,776	20,000	16,224
POA Building Maintenance	0	3,210	9,000	-5,790	9,000	3,210
Bad Debt Expense	11,561	11,561	0	11,561	-	0
Postage and Delivery	552	5,152	5,000	152	5,000	5,152
Office Machine Contracts	472	10,782	10,000	782	10,000	10,782
Property Taxes	(2)	923	2,500	-1,577	2,500	923
Office Supplies	127	7,696	11,000	-3,304	11,000	7,696
Utilities	0					
Electricity	72	4,189	3,800	389	3,800	4,189
Water / Sewer / Trash	349	5,042	5,250	-208	5,250	5,042
Internet	140	1,713	1,800	-87	1,800	1,713
Web Site Expense	200	2,400	3,000	-600	3,000	2,400
Mileage Expense	809	11,395	8,000	3,395	8,000	11,395
Telephone Expense	231	2,755	3,000	-245	3,000	2,755
Security Alarm	264	3,203	3,200	3	3,200	3,203
Subscription Expense	345	345	500	-155	500	345
Miscellaneous Expense	0	1,409	3,000	-1,591	3,000	1,409
Office Expense, Total	38,826	439,121	540,550	-101,429	540,550	427,560
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	10,000	-10,000	10,000	0
Insurance Expense	6,797	127,922	100,000	27,922	100,000	127,922
Balloting Expense	0	14,563	14,000	563	14,000	14,563
Board/Annual Meeting	765	12,657	7,500	5,157	7,500	12,657
Bank Fees	90	1,876	2,500	-624	2,500	1,876
Collection Fees	0	0	0	0	-	0
Association Fees, Total	7,652	157,018	134,000	23,018	134,000	157,018
Professional Fees						
Accounting	0	44,690	67,000	-22,310	67,000	44,690
Audit	0	0	13,000	-13,000	13,000	0
Legal Fees	900	54,952	25,000	29,952	25,000	54,952
Investment Fees	20	10,100	10,000	100	10,000	10,100
Professional Fees, Total	920	109,742	115,000	-5,258	115,000	109,742
G&A, Total	47,399	705,881	789,550	-83,669	789,550	694,320
Non-Recurring Expenses (Revenue)						
Boat Rental	(160)	0	0	0	-	0
Cyber Theft	0	3,678	0	3,678	-	0
Boat Yard Storage	1,500	1,500	0	-	-	0
Non-Recurring, Total	1,340	5,178	0	3,678	0	0
Total Expense	93,192	1,882,622	2,219,550	-338,428	2,219,550	1,865,883
Net Income	-41,382	475,163	40,450	-436,213	40,450	491,902

