

Padre Isles Property Owners Association

Financial Statements and Report

December 31, 2023

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Accountant's Compilation Report

Drew Diggins
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, 2023, 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 10, 2024

Padre Isles Property Owners Association

Balance Sheet
As of December 31, 2023

Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Operating 3820	120,952
HPO Cash	132,584
Bill.com Payments Processing	-
Total Cash	253,536
Cash Equivalents	
HPO Certificate of Deposit	10,342,575
Total Cash Equivalents	10,342,575
Prepaid Expenses	
Prepaid Insurance	28,755
Total Prepaid Expenses	28,755
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	826,039
Dodge & Cox Income Fund	660,369
Vanguard Fixed Income ST	-
American Century SM Cap Fund	141,346
Dodge & Cox Stk Fd	398,167
Fidelity Advisor Ser Sm Cap Fun	197,611
Growth Fund America CI	359,053
Total Marketable Securities, current	2,582,586
Inventory	
Bulkhead Material Inventory	72,633
Total Inventory	72,633
Receivables, net	
Accounts Receivable, Assessments & Fees	211,183
Accounts Receivable, Trade	-
Total Receivables, net	211,183
Total Current Assets	13,491,268
Assets, Noncurrent	
Non-Current Receivables	338,921
Allowance for Doubtful Accounts Receivable	(199,166)
Total Assets, Noncurrent	139,755
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	\$ 13,635,730

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2023

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 95,191

Deferred Revenue and Credits, current

Prepaid Owner Assessments 15,172

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 114,063

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 418,492

Net Income (Loss) 555,772

Fund Balance 12,547,403

Total Equity 13,521,666

Total Liabilities and Equity \$ 13,635,730

Unrealized Investment Gain (Loss) change from last month 138,037.13

Padre Isles Property Owners Association

Dec-23 Income Statement

REVENUE	Dec-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	800	14,050	20,000	-5,950	20,000	14,050
Decal Sales	1,510	30,095	22,500	7,595	22,500	30,095
Resale Certificate Fee	1,050	13,050	15,000	-1,950	15,000	13,050
Transfer Fees	1,900	26,250	50,000	-23,750	50,000	26,250
Finance Charges	0	36,695	20,000	16,695	20,000	36,695
Misc Revenue, Other	50	4,660	2,500	2,160	2,500	4,660
Total Operating Revenue	5,310	2,198,200	2,214,000	(15,800)	2,214,000	2,198,200
Non-Operating Revenue						
Billish Park - City of CC Contribution	0	14,700	14,700	0	14,700	14,700
Investment Income	48,263	314,720	130,000	184,720	130,000	314,720
Total Non-Operating Revenue	48,263	329,420	144,700	184,720	144,700	329,420
Total Revenue	53,573	2,527,620	2,358,700	168,920	2,358,700	2,527,620
EXPENSE						
Routine Operations						
Bulkheads & Canals						
Bulkhead Inspection (ACC App)	75	17,475	13,256	4,219	13,256	17,475
Bulkhead Inspection	1,425	10,205	13,256	-3,051	13,256	10,205
Bulkhead / Drill & Probe	1,330	11,530	21,731	-10,201	21,731	11,530
Bulkhead Panel Repair	32,099	328,357	19,316	309,041	19,316	328,357
Bulkhead Washout/Screen	17,675	100,225	57,956	42,269	57,956	100,225
Bulkhead Tieback Repair	500	20,500	21,731	-1,231	21,731	20,500
Bulkhead Repair/Manta Ray Install	1,500	15,000	634,682	-619,682	634,682	15,000
Bulkhead Drain Install	0	385	57,956	-57,571	57,956	385
Bulkhead Caps Repair	17,285	369,370	38,636	330,734	38,636	369,370
Canal Dredging	0	0	-	0	0	0
Canal Cleanup	939	13,369	8,384	4,985	8,384	13,369
Bulkhead Repairs, Total	72,828	886,415	886,900	-485	886,900	886,415
Billish Park						
Billish Park Lawn Maintenance	4,250	54,378	52,488	1,891	52,488	54,378
Billish Park Irrigation	0	0	8,000	-8,000	8,000	0
Billish Park Playground	0	0	5,000	-5,000	5,000	0
Billish Park General Maintenance	155	2,456	3,000	-544	3,000	2,456
Billish Park Special Project	0	0	6,000	-6,000	6,000	0
Billish Park, Total	4,405	56,834	74,488	-17,654	74,488	56,834
Common Area Maintenance						
Common Area Mowing/Trimming	6,833	90,045	97,233	-7,188	97,233	90,045
Boat Ramp Wash/Maintenance	4,037	49,588	49,083	505	49,083	49,588
Common Area Special Projects	27,000	74,507	50,000	24,507	50,000	74,507
Water Inspections	2,300	30,439	34,500	-4,061	34,500	30,439
Aerator Reimbursements	0	12,000	17,280	-5,280	17,280	12,000
Aerator Repair/Maintenance	0	1,581	0	1,581	2,500	1,581
Security Expense	0	394	2,500	-2,106	2,500	394
Dumpster / Trash Service	0	4,641	6,215	-1,574	6,215	4,641
Misc. Common Area	19	8,218	6,691	1,526	6,691	8,218
Common Area Maintenance, Total	40,189	271,412	263,504	7,909	266,004	271,412
Cost of Routine Operations, Total	117,422	1,214,662	1,224,891	-10,229	1,227,391	1,214,662

	Dec-23	2023 YTD Actual	2023 YTD Budget	\$ Over/Under YTD Budget	2023 Annual Budget	Projected 2023 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	28,896	307,784	400,000	-92,216	400,000	307,784
Computer Expense/IT	1,495	12,596	11,532	1,064	11,532	12,596
Contract Labor	1,425	47,562	16,000	31,562	16,000	47,562
POA Building Maintenance	0	2,532	4,000	-1,468	4,000	2,532
Postage and Delivery	448	6,448	9,900	-3,452	9,900	6,448
Office Machine Contracts	40	11,627	9,440	2,187	9,440	11,627
Property Taxes	0	3,043	2,218	826	2,218	3,043
Office Supplies	1,819	10,443	12,500	-2,057	12,500	10,443
Utilities	0					
Electricity	389	4,771	4,750	21	4,750	4,771
Water / Sewer / Trash	473	3,534	7,200	-3,666	7,200	3,534
Internet	143	1,705	1,644	61	1,644	1,705
Web Site Expense	200	2,400	2,700	-300	2,700	2,400
Mileage Expense	928	10,903	13,500	-2,597	13,500	10,903
Telephone Expense	509	3,005	3,100	-95	3,100	3,005
Security Alarm	0	3,192	3,167	24	3,167	3,192
Bad Debt Expense	(1,629)	3,521	15,000	-11,480	15,000	3,521
Subscription Expense	345	1,336	325	1,011	325	1,336
Miscellaneous Expense	108	18,017	5,000	13,017	5,000	18,017
Office Expense, Total	35,589	454,419	521,976	-67,557	521,976	454,419
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	5,000	-5,000	5,000	0
Insurance Expense	9,269	102,985	127,329	-24,344	127,329	102,985
Balloting Expense	0	14,477	16,000	-1,523	16,000	14,477
Board/Annual Meeting	632	9,075	5,000	4,075	5,000	9,075
Boat Rental	0	310	1,920	-1,610	1,920	310
Credit Card Fees	312	21,242	20,000	1,242	20,000	21,242
Bank Fees	172	1,645	2,500	-855	2,500	1,645
Collection Fees	0	2,000	14,000	-12,000	14,000	2,000
Association Fees, Total	10,385	151,735	191,749	-40,014	191,749	151,735
Professional Fees						
Accounting	9,322	64,983	60,000	4,983	60,000	64,983
Audit	0	9,700	12,500	-2,800	12,500	9,700
Legal Fees	4,695	66,060	50,000	16,060	50,000	66,060
Investment Fees	60	10,289	10,000	289	10,000	10,289
Professional Fees, Total	14,077	151,032	132,500	18,532	132,500	151,032
G&A, Total	60,051	757,186	846,225	-89,039	846,225	757,186
Total Expense	177,473	1,971,847	2,071,116	-99,269	2,073,616	1,971,847
Net Income	-123,900	555,773	287,584	268,189	285,084	555,773

{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.