

Padre Isles Property Owners Association

Financial Statements and Report

July 31, 2024

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Accountant's Compilation Report

George Reed - Treasurer
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 July 31, 2024, and the related statements of income and retained earnings for the seven 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

August 27, 2024

Padre Isles Property Owners Association

Balance Sheet
As of July 31, 2024

Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Operating 3820	152,031
HPO Cash	2,269,294
Bill.com Payments Processing	-
Total Cash	2,421,325
Cash Equivalents	
HPO Certificate of Deposit	9,595,805
Total Cash Equivalents	9,595,805
Prepaid Expenses	
Prepaid Insurance	68,273
Total Prepaid Expenses	68,273
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	818,130
Dodge & Cox Income Fund	664,032
Vanguard Fixed Income ST	-
American Century SM Cap Fund	154,704
Dodge & Cox Stk Fd	438,385
Fidelity Advisor Ser Sm Cap Fun	226,439
Growth Fund America CI	418,981
Total Marketable Securities, current	2,720,671
Inventory	
Bulkhead Material Inventory	1,235
Total Inventory	1,235
Receivables, net	
Accounts Receivable, Assessments & Fees	294,301
Accounts Receivable, Trade	-
Total Receivables, net	294,301
Total Current Assets	15,101,609
Assets, Noncurrent	
Non-Current Receivables	368,879
Allowance for Doubtful Accounts Receivable	(199,166)
Total Assets, Noncurrent	169,713
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	\$ 15,276,029

Padre Isles Property Owners Association

Balance Sheet

As of July 31, 2024

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 82,267

Deferred Revenue and Credits, current

Prepaid Owner Assessments 8,575

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 94,543

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 202,922

Net Income (Loss) 1,467,493

Fund Balance 13,511,072

Total Equity 15,181,486

Total Liabilities and Equity \$ 15,276,029

Unrealized Investment Gain (Loss) change from last month 111,121.77

**Padre Isles Property Owners Association
Jul-24 Income Statement**

REVENUE	Jul-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Proj 2024 Expenditures
Operating Revenue						
Assessments	0	2,091,124	2,100,000	-8,876	2,100,000	2,091,124
Miscellaneous Revenue						
ACC Applications	688	6,738	8,750	-2,012	15,000	11,550
Decal Sales	2,334	20,426	16,333	4,093	28,000	35,016
Resale Certificate Fee	1,550	8,600	7,583	1,017	13,000	14,743
Transfer Fees	3,100	20,247	14,583	5,663	25,000	34,708
Finance Charges	7,973	26,838	17,500	9,338	30,000	46,009
Misc Revenue, Other	242	8,342	1,167	7,175	2,000	14,300
Total Operating Revenue	15,886	2,182,314	2,165,917	16,397	2,213,000	2,247,450
Non-Operating Revenue						
Billish Park - City of CC Contribution	0	14,700	14,700	0	14,700	14,700
Investment Income	62,506	282,603	75,833	206,770	130,000	484,462
Total Non-Operating Revenue	62,506	297,303	90,533	206,770	144,700	499,162
Total Revenue	78,392	2,479,617	2,256,450	223,167	2,357,700	2,746,612
EXPENSE						
Routine Operations						
Bulkheads & Canals			247,917		425,000	
Bulkhead Inspection (ACC App)	0	1,700				2,914
Bulkhead Inspection	0	2,675				4,586
Bulkhead / Drill & Probe	0	1,015				1,740
Bulkhead Panel Repair	25,375	36,465				62,511
Bulkhead Washout/Screen	1,125	31,603				54,177
Bulkhead Tieback Repair	0	1,000				1,714
Bulkhead Repair/Manta Ray Install	1,890	122,283				209,628
Bulkhead Caps Repair	2,730	185,418				317,860
Bulkhead Drain Install	0	1,625				2,786
Bulkhead Washout/Foam	0	16,600				28,457
Special Projects BH & Canal	0	0				0
Canal Cleanup	476	5,915	8,750	-2,835	15,000	10,140
Bulkhead Repairs, Total	31,596	406,299	256,667	149,632	440,000	696,512
Billish Park						
Billish Park Lawn Maintenance	4,520	30,020	32,083	-2,064	55,000	51,462
Billish Park Irrigation	732	894	4,667	-3,772	8,000	1,533
Billish Park Playground	0	0	1,575	-1,575	2,700	0
Billish Park General Maintenance	398	2,264	1,750	514	3,000	3,881
Billish Park Special Project	0	0	0	0		0
Billish Park, Total	5,649	33,178	40,075	-6,897	68,700	56,876
Common Area Maintenance						
Common Area Mowing/Trimming	21,958	47,833	52,500	-4,667	90,000	82,000
Boat Ramp Wash/Maintenance	4,635	33,376	33,250	126	57,000	57,216
Common Area Special Projects	10,000	16,500	17,500	-1,000	30,000	28,286
Water Inspections	0	4,600	20,125	-15,525	34,500	7,886
Aerator Reimbursements	0	6,720	10,208	-3,488	17,500	11,520
Aerator Repair/Maintenance	0	625	0	625	2,500	1,071
Security Expense	0	0	583	-583	1,000	0
Dumpster / Trash Service	152	2,018	2,917	-898	5,000	3,460
Misc. Common Area	0	1,064	1,458	-395	2,500	1,823
Common Area Maintenance, Total	36,746	112,736	138,542	-25,806	240,000	193,261
Cost of Routine Operations, Total	73,991	552,212	435,283	116,929	748,700	946,650

	Jul-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Projected 2024 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	44,280	227,459	224,583	2,875	385,000	389,929
Health Insurance (Employee)	0	0	10,383	-10,383	17,800	0
Computer Expense/IT	4,090	10,832	5,833	4,998	10,000	18,568
Contract Labor	4,322	21,704	2,917	18,787	5,000	37,206
POA Building Maintenance	0	785	2,333	-1,548	4,000	1,346
Postage and Delivery	10	5,668	5,250	418	9,000	9,717
Office Machine Contracts	544	6,391	7,000	-609	12,000	10,956
Property Taxes	0	102	1,050	-948	1,800	175
Office Supplies	577	2,884	5,833	-2,949	10,000	4,944
Utilities	0					
Electricity	272	3,223	2,917	306	5,000	5,525
Water / Sewer / Trash	232	1,564	2,042	-477	3,500	2,682
Internet	123	936	1,050	-114	1,800	1,604
Web Site Expense	200	1,400	1,400	0	2,400	2,400
Mileage Expense	589	4,069	7,817	-3,748	13,400	6,975
Telephone Expense	255	1,785	1,808	-23	3,100	3,060
Security Alarm	255	1,974	2,333	-360	4,000	3,383
Bad Debt Expense	(8,007)	3,796	0	3,796		6,507
Subscription Expense	0	0	700	-700	1,200	0
Miscellaneous Expense	0	831	2,917	-2,086	5,000	1,425
Office Expense, Total	47,742	295,400	288,167	7,234	494,000	506,401
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	8,750	-8,750	15,000	0
Insurance Expense	10,067	70,023	67,375	2,648	115,500	120,040
Balloting Expense	0	17,870	8,750	9,120	15,000	30,634
Board/Annual Meeting	1,116	6,834	5,833	1,001	10,000	11,716
Boat Rental	0	0	0	0		0
Credit Card Fees	200	1,354	0	1,354		2,321
Bank Fees	125	1,283	1,458	-175	2,500	2,199
Collection Fees	0	0	8,750	-8,750	15,000	0
Association Fees, Total	11,508	97,364	100,917	-3,553	173,000	166,910
Professional Fees						
Accounting	0	32,205	29,167	3,039	50,000	55,209
Audit	0	0	7,000	-7,000	12,000	0
Reserve Study	0	0	11,667	-11,667	20,000	0
Legal Fees	7,446	27,441	43,750	-16,309	75,000	47,042
Investment Fees	2,500	7,500	5,833	1,667	10,000	12,857
Professional Fees, Total	9,946	67,147	97,417	-30,270	167,000	115,108
G&A, Total	69,196	459,911	486,500	-26,589	834,000	788,419
Total Expense	143,187	1,012,124	921,783	90,340	1,582,700	1,735,069
Net Income	-64,794	1,467,493	1,334,667	132,827	775,000	1,011,543

{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.