

Padre Isles Property Owners Association

Financial Statements and Report

June 30, 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 June 30, 2024, and the related statements of income and retained earnings for the six 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

July 26, 2024

Padre Isles Property Owners Association

Balance Sheet
As of June 30, 2024

Assets		
Current Assets		
Cash and Cash Equivalents		
Cash		
American Bank Operating 3820	267,563	
HPO Cash	2,009,288	
Bill.com Payments Processing	318	
Total Cash	2,277,169	
Cash Equivalents		
HPO Certificate of Deposit	9,763,962	
Total Cash Equivalents	9,763,962	
Prepaid Expenses		
Prepaid Insurance	78,340	
Total Prepaid Expenses	78,340	
Short-term Investments		
Marketable Securities, current		
American Funds Bond Fd	803,033	
Dodge & Cox Income Fund	647,810	
Vanguard Fixed Income ST	-	
American Century SM Cap Fund	140,801	
Dodge & Cox Stk Fd	419,911	
Fidelity Advisor Ser Sm Cap Fun	210,511	
Growth Fund America CI	419,325	
Total Marketable Securities, current	2,641,392	
Inventory		
Bulkhead Material Inventory	1,235	
Total Inventory	1,235	
Receivables, net		
Accounts Receivable, Assessments & Fees	310,194	
Accounts Receivable, Trade	-	
Total Receivables, net	310,194	
Total Current Assets	15,072,292	
Assets, Noncurrent		
Non-Current Receivables	373,696	
Allowance for Doubtful Accounts Receivable	(199,166)	
Total Assets, Noncurrent	174,530	
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	\$ 15,251,529	

Padre Isles Property Owners Association

Balance Sheet
As of June 30, 2024

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 108,065

Deferred Revenue and Credits, current

Prepaid Owner Assessments 4,604

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 116,369

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 91,800

Net Income (Loss) 1,532,288

Fund Balance 13,511,072

Total Equity 15,135,159

Total Liabilities and Equity \$ 15,251,529

Unrealized Investment Gain (Loss) change from last month 32,339.94

Padre Isles Property Owners Association

Jun-24 Income Statement

REVENUE	Jun-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	850	6,050	7,500	-1,450	15,000	12,100
Decal Sales	1,644	18,092	14,000	4,092	28,000	36,184
Resale Certificate Fee	800	7,050	6,500	550	13,000	14,100
Transfer Fees	1,600	17,147	12,500	4,647	25,000	34,293
Finance Charges	0	18,866	15,000	3,866	30,000	37,731
Misc Revenue, Other	1,157	8,100	1,000	7,100	2,000	16,200
Total Operating Revenue	6,051	2,166,428	2,156,500	9,928	2,213,000	2,241,732
Non-Operating Revenue						
Billish Park - City of CC Contribution	14,700	14,700	14,700	0	14,700	14,700
Investment Income	24,785	220,097	65,000	155,097	130,000	440,194
Total Non-Operating Revenue	39,485	234,797	79,700	155,097	144,700	454,894
Total Revenue	45,536	2,401,225	2,236,200	165,025	2,357,700	2,696,626
EXPENSE						
Routine Operations						
Bulkheads & Canals			212,500		425,000	
Bulkhead Inspection (ACC App)	425	1,700				3,400
Bulkhead Inspection	0	2,675				5,350
Bulkhead / Drill & Probe	0	1,015				2,030
Bulkhead Panel Repair	0	11,090				22,180
Bulkhead Washout/Screen	2,500	30,478				60,956
Bulkhead Tieback Repair	0	1,000				2,000
Bulkhead Repair/Manta Ray Install	(1,625)	120,393				240,786
Bulkhead Caps Repair	16,967	182,688				365,377
Bulkhead Drain Install	1,625	1,625				3,250
Bulkhead Washout/Foam	16,600	16,600				33,200
Special Projects BH & Canal	0	0				0
Canal Cleanup	1,761	5,439	7,500	-2,061	15,000	10,878
Bulkhead Repairs, Total	38,253	374,703	220,000	154,703	440,000	749,406
Billish Park						
Billish Park Lawn Maintenance	8,500	25,500	27,500	-2,000	55,000	51,000
Billish Park Irrigation	0	162	4,000	-3,838	8,000	325
Billish Park Playground	0	0	1,350	-1,350	2,700	0
Billish Park General Maintenance	270	1,866	1,500	366	3,000	3,732
Billish Park Special Project	0	0	0	0		0
Billish Park, Total	8,770	27,529	34,350	-6,821	68,700	55,057
Common Area Maintenance						
Common Area Mowing/Trimming	13,667	25,875	45,000	-19,125	90,000	51,750
Boat Ramp Wash/Maintenance	6,440	28,741	28,500	241	57,000	57,482
Common Area Special Projects	0	6,500	15,000	-8,500	30,000	13,000
Water Inspections	0	4,600	17,250	-12,650	34,500	9,200
Aerator Reimbursements	0	6,720	8,750	-2,030	17,500	13,440
Aerator Repair/Maintenance	0	625	0	625	2,500	1,250
Security Expense	0	0	500	-500	1,000	0
Dumpster / Trash Service	587	1,866	2,500	-634	5,000	3,732
Misc. Common Area	0	1,064	1,250	-186	2,500	2,127
Common Area Maintenance, Total	20,694	75,990	118,750	-42,760	240,000	151,980
Cost of Routine Operations, Total	67,716	478,222	373,100	105,122	748,700	956,443

	Jun-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Projected 2024 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	23,093	183,179	192,500	-9,321	385,000	366,358
Health Insurance (Employee)	0	0	8,900	-8,900	17,800	0
Computer Expense/IT	1,539	6,742	5,000	1,742	10,000	13,484
Contract Labor	10,242	17,381	2,500	14,881	5,000	34,762
POA Building Maintenance	230	785	2,000	-1,215	4,000	1,571
Postage and Delivery	0	5,659	4,500	1,159	9,000	11,317
Office Machine Contracts	564	5,847	6,000	-153	12,000	11,693
Property Taxes	0	102	900	-798	1,800	204
Office Supplies	269	2,307	5,000	-2,693	10,000	4,613
Utilities	0					
Electricity	256	2,951	2,500	451	5,000	5,901
Water / Sewer / Trash	506	1,332	1,750	-418	3,500	2,664
Internet	123	813	900	-87	1,800	1,625
Web Site Expense	200	1,200	1,200	0	2,400	2,400
Mileage Expense	218	3,480	6,700	-3,220	13,400	6,960
Telephone Expense	764	1,530	1,550	-20	3,100	3,059
Security Alarm	659	1,719	2,000	-281	4,000	3,437
Bad Debt Expense	475	11,803	0	11,803		23,605
Subscription Expense	0	0	600	-600	1,200	0
Miscellaneous Expense	103	831	2,500	-1,669	5,000	1,662
Office Expense, Total	39,242	247,658	247,000	658	494,000	495,317
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	7,500	-7,500	15,000	0
Insurance Expense	10,067	59,956	57,750	2,206	115,500	119,913
Balloting Expense	0	17,870	7,500	10,370	15,000	35,739
Board/Annual Meeting	48	5,718	5,000	718	10,000	11,437
Boat Rental	0	0	0	0		0
Credit Card Fees	180	1,153	0	1,153		2,307
Bank Fees	128	1,158	1,250	-92	2,500	2,317
Collection Fees	0	0	7,500	-7,500	15,000	0
Association Fees, Total	10,423	85,856	86,500	-644	173,000	171,713
Professional Fees						
Accounting	9,232	32,205	25,000	7,205	50,000	64,410
Audit	0	0	6,000	-6,000	12,000	0
Reserve Study	0	0	10,000	-10,000	20,000	0
Legal Fees	1,423	19,996	37,500	-17,504	75,000	39,991
Investment Fees	0	5,000	5,000	0	10,000	10,000
Professional Fees, Total	10,654	57,201	83,500	-26,299	167,000	114,402
G&A, Total	60,320	390,716	417,000	-26,284	834,000	781,431
Total Expense	128,036	868,937	790,100	78,837	1,582,700	1,737,874
Net Income	-82,500	1,532,288	1,446,100	86,188	775,000	958,752

{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.