

Padre Isles Property Owners Association

Financial Statements and Report

March 31, 2023

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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 March 31, 2023, and the related statements of income and retained earnings for the three 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

April 19, 2023

Padre Isles Property Owners Association

Balance Sheet

As of March 31, 2023

Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Builders Deposit	\$ -
Petty Cash	-
American Bank Operating 3820	205,967
HPO Cash	165,266
Bill.com Payments Processing	-
Total Cash	371,233
Cash Equivalents	
HPO Certificate of Deposit	10,737,989
Total Cash Equivalents	10,737,989
Prepaid Expenses	
Prepaid Insurance	-
Total Prepaid Expenses	-
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	834,666
Dodge & Cox Income Fund	651,997
Vanguard Fixed Income ST	-
American Century SM Cap Fund	125,944
Dodge & Cox Stk Fd	353,896
Fidelity Advisor Ser Sm Cap Fun	177,384
Growth Fund America CI	313,003
Total Marketable Securities, current	2,456,889
Receivables, net	
Accounts Receivable, Assessments & Fees	922,148
Accounts Receivable, Trade	-
Total Receivables, net	922,148
Prepaid Expense	-
Total Current Assets	14,488,259
Assets, Noncurrent	
Non-Current Receivables	256,952
Allowance for Doubtful Accounts Receivable	(199,166)
Total Assets, Noncurrent	57,786
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	\$ 14,550,751

Padre Isles Property Owners Association

Balance Sheet
As of March 31, 2023

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 52,130

Deferred Revenue and Credits, current

Prepaid Owner Assessments 1,478

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 57,308

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 135,520

Net Income (Loss) 1,807,741

Fund Balance 12,550,183

Total Equity 14,493,444

Total Liabilities and Equity \$ 14,550,751

Unrealized Investment Gain (Loss) change from last month 72,111.00

Padre Isles Property Owners Association

Mar-23 Income Statement

REVENUE	Mar-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	1,450	3,900	5,000	-1,100	20,000	15,600
Decal Sales	7,460	13,471	5,625	7,846	22,500	53,884
Resale Certificate Fee	150	2,650	3,750	-1,100	15,000	10,600
Transfer Fees	2,800	7,100	12,500	-5,400	50,000	28,400
Finance Charges	0	6,045	5,000	1,045	20,000	24,179
Misc Revenue, Other	285	660	625	35	2,500	2,640
Total Operating Revenue	12,145	2,107,225	2,116,500	(9,275)	2,214,000	2,208,703
Non-Operating Revenue						
Billish Park - City of CC Contribution	0	14,700	14,700	0	14,700	14,700
Investment Income	14,317	56,253	32,500	23,753	130,000	225,013
Total Non-Operating Revenue	14,317	70,953	47,200	23,753	144,700	239,713
Total Revenue	26,462	2,178,179	2,163,700	14,479	2,358,700	2,448,416
EXPENSE						
Routine Operations						
Bulkheads & Canals						
Bulkhead Inspection (ACC App)	825	3,925	3,314	611	13,256	15,700
Bulkhead Inspection	450	2,450	3,314	-864	13,256	9,800
Bulkhead / Drill & Probe	125	575	5,433	-4,858	21,731	2,300
Bulkhead Panel Repair	0	120	4,829	-4,709	19,316	480
Bulkhead Washout/Screen	5,950	12,900	14,489	-1,589	57,956	51,600
Bulkhead Tieback Repair	0	7,000	5,433	1,567	21,731	28,000
Bulkhead Repair/Manta Ray Install	0	0	158,670	-158,670	634,682	0
Bulkhead Drain Install	385	385	14,489	-14,104	57,956	1,540
Bulkhead Caps Repair	24,855	64,295	9,659	54,636	38,636	257,180
Canal Dredging	0	0	-	0		0
Canal Cleanup	762	5,482	2,096	3,386	8,384	21,930
Bulkhead Repairs, Total	33,352	97,132	221,725	-124,593	886,900	388,530
Billish Park						
Billish Park Lawn Maintenance	7,628	16,128	13,122	3,006	52,488	64,513
Billish Park Irrigation	0	0	2,000	-2,000	8,000	0
Billish Park Playground	0	0	1,250	-1,250	5,000	0
Billish Park General Maintenance	237	884	750	134	3,000	3,535
Billish Park Special Project	0	0	1,500	-1,500	6,000	0
Billish Park, Total	7,865	17,012	18,622	-1,610	74,488	68,048
Common Area Maintenance						
Common Area Mowing/Trimming	8,463	23,170	24,308	-1,138	97,233	92,680
Boat Ramp Wash/Maintenance	3,841	13,209	12,271	938	49,083	52,835
Common Area Special Projects	0	0	12,500	-12,500	50,000	0
Water Inspections	0	0	8,625	-8,625	34,500	0
Aerator Reimbursements	2,400	2,400	4,320	-1,920	17,280	9,600
Aerator Repair/Maintenance	0	0	0	0	2,500	0
Security Expense	0	0	625	-625	2,500	0
Dumpster / Trash Service	454	1,362	1,554	-192	6,215	5,448
Misc. Common Area	776	2,191	1,673	519	6,691	8,766
Common Area Maintenance, Total	15,934	42,332	65,876	-23,544	266,004	169,328
Cost of Routine Operations, Total	57,151	156,476	306,223	-149,746	1,227,391	625,906

	Mar-23	2023 YTD Actual	2023 YTD Budget	\$ Over/Under YTD Budget	2023 Annual Budget	Projected 2023 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	27,387	94,599	100,000	-5,401	400,000	378,397
Computer Expense/IT	873	3,640	2,883	757	11,532	14,561
Contract Labor	1,913	6,731	4,000	2,731	16,000	26,925
POA Building Maintenance	149	284	1,000	-716	4,000	1,138
Postage and Delivery	500	2,500	2,475	25	9,900	10,000
Office Machine Contracts	438	3,230	2,360	870	9,440	12,920
Property Taxes	0	1,294	554	739	2,218	5,175
Office Supplies	561	1,752	3,125	-1,373	12,500	7,006
Utilities	0					
Electricity	363	1,081	1,188	-106	4,750	4,325
Water / Sewer / Trash	0	539	1,800	-1,261	7,200	2,155
Internet	140	434	411	23	1,644	1,737
Web Site Expense	200	600	675	-75	2,700	2,400
Mileage Expense	732	2,903	3,375	-472	13,500	11,613
Telephone Expense	254	719	775	-56	3,100	2,876
Security Alarm	264	867	792	75	3,167	3,467
Bad Debt Expense	(2,276)	-1,228	3,750	-4,978	15,000	-4,914
Subscription Expense	0	0	81	-81	325	0
Miscellaneous Expense	0	17,961	1,250	16,711	5,000	71,845
Office Expense, Total	31,496	137,906	130,494	7,413	521,976	551,626
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	1,250	-1,250	5,000	0
Insurance Expense	6,867	20,462	31,832	-11,370	127,329	81,848
Balloting Expense	7,355	14,978	4,000	10,978	16,000	59,913
Board/Annual Meeting	1,552	2,432	1,250	1,182	5,000	9,727
Boat Rental	0	220	480	-260	1,920	880
Credit Card Fees	2,431	5,685	5,000	685	20,000	22,742
Bank Fees	321	801	625	176	2,500	3,203
Collection Fees	0	0	3,500	-3,500	14,000	0
Association Fees, Total	18,526	44,578	47,937	-3,359	191,749	178,312
Professional Fees						
Accounting	4,242	19,280	15,000	4,280	60,000	77,119
Audit	0	0	3,125	-3,125	12,500	0
Legal Fees	9,294	9,698	12,500	-2,802	50,000	38,790
Investment Fees	0	2,500	2,500	0	10,000	10,000
Professional Fees, Total	13,535	31,477	33,125	-1,648	132,500	125,909
G&A, Total	63,558	213,962	211,556	2,405	846,225	855,847
Non-Recurring Expenses (Revenue)						
Cyber Theft	0	0	0	0	-	0
Boat Yard Storage	0	0	0	-		
Non-Recurring, Total	0	0	0	0	0	0
Total Expense	120,709	370,438	517,779	-147,341	2,073,616	1,481,753
Net Income	-94,247	1,807,741	1,645,921	161,820	285,084	966,663

{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.