

# **Padre Isles Property Owners Association**

Financial Statements and Report

March 31, 2024

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### **Accountant's Compilation Report**

Ray Singleton - 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 March 31, 2024, 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 9, 2024

**Padre Isles Property Owners Association**

Balance Sheet  
As of March 31, 2024

<b>Assets</b>		
<b>Current Assets</b>		
<b>Cash and Cash Equivalents</b>		
<b>Cash</b>		
American Bank Operating 3820	220,201	
HPO Cash	801,434	
Bill.com Payments Processing	-	
<b>Total Cash</b>	1,021,635	
<b>Cash Equivalents</b>		
HPO Certificate of Deposit	10,825,338	
<b>Total Cash Equivalents</b>	10,825,338	
<b>Prepaid Expenses</b>		
Prepaid Insurance	-	
<b>Total Prepaid Expenses</b>	-	
<b>Short-term Investments</b>		
<b>Marketable Securities, current</b>		
American Funds Bond Fd	810,941	
Dodge & Cox Income Fund	651,473	
Vanguard Fixed Income ST	-	
American Century SM Cap Fund	148,025	
Dodge & Cox Stk Fd	421,840	
Fidelity Advisor Ser Sm Cap Fun	213,115	
Growth Fund America CI	404,071	
<b>Total Marketable Securities, current</b>	2,649,466	
<b>Inventory</b>		
Bulkhead Material Inventory	72,633	
<b>Total Inventory</b>	72,633	
<b>Receivables, net</b>		
Accounts Receivable, Assessments & Fees	693,062	
Accounts Receivable, Trade	-	
<b>Total Receivables, net</b>	693,062	
<b>Total Current Assets</b>	15,262,133	
<b>Assets, Noncurrent</b>		
Non-Current Receivables	399,807	
Allowance for Doubtful Accounts Receivable	(199,166)	
<b>Total Assets, Noncurrent</b>	200,641	
<b>Property, Plant and Equipment, net</b>		
Property, Plant and Equipment	148,710	
Accumulated Depreciation, Depletion and Amortization	(144,003)	
<b>Total Property, Plant and Equipment, net</b>	4,707	
<b>Total Assets</b>	\$ 15,467,481	

**Padre Isles Property Owners Association**

Balance Sheet  
As of March 31, 2024

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**Liabilities and Equity**

**Liabilities**

**Liabilities, current**

Accounts Payable 53,254

**Deferred Revenue and Credits, current**

Prepaid Owner Assessments 2,096

**Other Liabilities, current**

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

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**Total Liabilities, current** 59,050

**Equity**

**Retained Earnings (Deficit)**

Unrealized Investment Gain (Loss) 74,136

Net Income (Loss) 1,822,801

Fund Balance 13,511,495

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**Total Equity** 15,408,430

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**Total Liabilities and Equity** \$ 15,467,481

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Unrealized Investment Gain (Loss) change from last month 57,681.00

**Padre Isles Property Owners Association**

**Mar-24 Income Statement**

<b>REVENUE</b>	<b>Mar-24</b>	<b>2024 YTD Actual</b>	<b>2024 YTD Budget</b>	<b>\$ Over/Under YTD Budget</b>	<b>2024 Annual Budget</b>	<b>Proj 2024 Expenditures</b>
<b>Operating Revenue</b>						
Assessments	0	2,091,124	2,100,000	-8,876	2,100,000	2,091,124
Miscellaneous Revenue						
ACC Applications	850	2,800	3,750	-950	15,000	11,200
Decal Sales	3,660	12,344	7,000	5,344	28,000	49,376
Resale Certificate Fee	1,550	2,950	3,250	-300	13,000	11,800
Transfer Fees	3,000	8,947	6,250	2,697	25,000	35,786
Finance Charges	0	6,964	7,500	-536	30,000	27,855
Misc Revenue, Other	4,184	9,960	500	9,460	2,000	39,838
<b>Total Operating Revenue</b>	<b>13,244</b>	<b>2,135,088</b>	<b>2,128,250</b>	<b>6,838</b>	<b>2,213,000</b>	<b>2,266,979</b>
<b>Non-Operating Revenue</b>						
Billish Park - City of CC Contributio	0	-	14,700	-14,700	14,700	0
Investment Income	26,703	96,857	32,500	64,357	130,000	387,428
<b>Total Non-Operating Revenue</b>	<b>26,703</b>	<b>96,857</b>	<b>47,200</b>	<b>49,657</b>	<b>144,700</b>	<b>387,428</b>
<b>Total Revenue</b>	<b>39,947</b>	<b>2,231,944</b>	<b>2,175,450</b>	<b>56,494</b>	<b>2,357,700</b>	<b>2,654,407</b>
<b>EXPENSE</b>						
<b>Routine Operations</b>						
<b>Bulkheads &amp; Canals</b>					425,000	
Bulkhead Inspection (ACC App)	0	1,175				4,700
Bulkhead Inspection	0	375				1,500
Bulkhead / Drill & Probe	0	0				0
Bulkhead Panel Repair	0	11,090				44,360
Bulkhead Washout/Screen	3,000	15,920				63,680
Bulkhead Tieback Repair	0	1,000				4,000
Bulkhead Repair/Manta Ray Instal	0	44,651				178,604
Bulkhead Caps Repair	26,484	80,424				321,695
Special Projects BH & Canal	0	0				0
Canal Cleanup	734	2,954	3,750	-796	15,000	11,816
<b>Bulkhead Repairs, Total</b>	<b>30,218</b>	<b>157,589</b>	<b>3,750</b>	<b>153,839</b>	<b>440,000</b>	<b>630,355</b>
<b>Billish Park</b>						
Billish Park Lawn Maintenance	4,250	12,750	13,750	-1,000	55,000	51,000
Billish Park Irrigation	0	0	2,000	-2,000	8,000	0
Billish Park Playground	0	0	675	-675	2,700	0
Billish Park General Maintenance	152	637	750	-113	3,000	2,547
Billish Park Special Project	0	0	0	0		0
<b>Billish Park, Total</b>	<b>4,402</b>	<b>13,387</b>	<b>17,175</b>	<b>-3,788</b>	<b>68,700</b>	<b>53,547</b>
<b>Common Area Maintenance</b>						
Common Area Mowing/Trimming	1,792	10,417	22,500	-12,083	90,000	41,667
Boat Ramp Wash/Maintenance	4,908	15,889	14,250	1,639	57,000	63,555
Common Area Special Projects	6,500	6,500	7,500	-1,000	30,000	26,000
Water Inspections	0	0	8,625	-8,625	34,500	0
Aerator Reimbursements	0	3,360	4,375	-1,015	17,500	13,440
Aerator Repair/Maintenance	0	0	0	0	2,500	0
Security Expense	0	0	250	-250	1,000	0
Dumpster / Trash Service	416	887	1,250	-364	5,000	3,546
Misc. Common Area	0	164	625	-461	2,500	654
<b>Common Area Maintenance, Total</b>	<b>13,615</b>	<b>37,215</b>	<b>59,375</b>	<b>-22,160</b>	<b>240,000</b>	<b>148,862</b>
<b>Cost of Routine Operations, Total</b>	<b>48,235</b>	<b>208,191</b>	<b>80,300</b>	<b>127,891</b>	<b>748,700</b>	<b>832,764</b>

	Mar-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Projected 2024 Annual Expenditures
<b>G&amp;A</b>						
<b>Office Expense</b>						
Payroll Expenses	25,221	98,485	96,250	2,235	385,000	393,939
Health Insurance (Employee)	0	0	4,450	-4,450	17,800	0
Computer Expense/IT	879	3,658	2,500	1,158	10,000	14,630
Contract Labor	1,856	3,994	1,250	2,744	5,000	15,975
POA Building Maintenance	0	336	1,000	-665	4,000	1,342
Postage and Delivery	3,084	4,103	2,250	1,853	9,000	16,410
Office Machine Contracts	722	2,983	3,000	-17	12,000	11,931
Property Taxes	0	102	450	-348	1,800	408
Office Supplies	462	1,373	2,500	-1,127	10,000	5,494
Utilities	0					
Electricity	433	1,284	1,250	34	5,000	5,136
Water / Sewer / Trash	205	630	875	-245	3,500	2,518
Internet	123	409	450	-41	1,800	1,635
Web Site Expense	200	600	600	0	2,400	2,400
Mileage Expense	848	2,773	3,350	-577	13,400	11,092
Telephone Expense	0	510	775	-265	3,100	2,041
Security Alarm	0	277	1,000	-723	4,000	1,108
Bad Debt Expense	(491)	-319	0	-319		-1,276
Subscription Expense	0	0	300	-300	1,200	0
Miscellaneous Expense	362	673	1,250	-577	5,000	2,691
<b>Office Expense, Total</b>	<b>33,903</b>	<b>121,869</b>	<b>123,500</b>	<b>-1,631</b>	<b>494,000</b>	<b>487,474</b>
<b>Association Fees &amp; 3rd Party Expenses</b>						
Community Engagement	0	0	3,750	-3,750	15,000	0
Insurance Expense	10,218	28,755	28,875	-120	115,500	115,022
Balloting Expense	6,571	17,870	3,750	14,120	15,000	71,478
Board/Annual Meeting	2,010	3,092	2,500	592	10,000	12,368
Boat Rental	0	0	0	0		0
Credit Card Fees	155	635	0	635		2,540
Bank Fees	186	780	625	155	2,500	3,118
Collection Fees	0	0	3,750	-3,750	15,000	0
<b>Association Fees, Total</b>	<b>19,139</b>	<b>51,132</b>	<b>43,250</b>	<b>7,882</b>	<b>173,000</b>	<b>204,526</b>
<b>Professional Fees</b>						
Accounting	0	12,544	12,500	44	50,000	50,175
Audit	0	0	3,000	-3,000	12,000	0
Reserve Study	0	0	5,000	-5,000	20,000	0
Legal Fees	200	12,909	18,750	-5,841	75,000	51,636
Investment Fees	0	2,500	2,500	0	10,000	10,000
<b>Professional Fees, Total</b>	<b>200</b>	<b>27,953</b>	<b>41,750</b>	<b>-13,797</b>	<b>167,000</b>	<b>111,811</b>
<b>G&amp;A, Total</b>	<b>53,242</b>	<b>200,953</b>	<b>208,500</b>	<b>-7,547</b>	<b>834,000</b>	<b>803,811</b>
<b>Total Expense</b>	<b>101,478</b>	<b>409,144</b>	<b>288,800</b>	<b>120,344</b>	<b>1,582,700</b>	<b>1,636,576</b>
<b>Net Income</b>	<b>-61,530</b>	<b>1,822,801</b>	<b>1,886,650</b>	<b>-63,849</b>	<b>775,000</b>	<b>1,017,831</b>

{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.