

Padre Isles Property Owners Association

Financial Statements and Report

May 31, 2024

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Accountant's Compilation Report

Tom Gottemoller - 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 May 31, 2024, and the related statements of income and retained earnings for the five 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

June 10, 2024

Padre Isles Property Owners Association

Balance Sheet
As of May 31, 2024

Assets		
Current Assets		
Cash and Cash Equivalents		
Cash		
American Bank Operating 3820	250,046	
HPO Cash	1,339,503	
Bill.com Payments Processing	318	
Total Cash	1,589,867	
Cash Equivalents		
HPO Certificate of Deposit	10,393,324	
Total Cash Equivalents	10,393,324	
Prepaid Expenses		
Prepaid Insurance	88,407	
Total Prepaid Expenses	88,407	
Short-term Investments		
Marketable Securities, current		
American Funds Bond Fd	797,282	
Dodge & Cox Income Fund	647,810	
Vanguard Fixed Income ST	-	
American Century SM Cap Fund	143,800	
Dodge & Cox Stk Fd	421,350	
Fidelity Advisor Ser Sm Cap Fun	212,328	
Growth Fund America CI	402,121	
Total Marketable Securities, current	2,624,690	
Inventory		
Bulkhead Material Inventory	1,235	
Total Inventory	1,235	
Receivables, net		
Accounts Receivable, Assessments & Fees	348,242	
Accounts Receivable, Trade	-	
Total Receivables, net	348,242	
Total Current Assets	15,045,766	
Assets, Noncurrent		
Non-Current Receivables	382,684	
Allowance for Doubtful Accounts Receivable	(199,166)	
Total Assets, Noncurrent	183,518	
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	\$ 15,233,991	

Padre Isles Property Owners Association

Balance Sheet
As of May 31, 2024

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 33,218

Deferred Revenue and Credits, current

Prepaid Owner Assessments 2,831

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 39,749

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 59,460

Net Income (Loss) 1,623,287

Fund Balance 13,511,495

Total Equity 15,194,241

Total Liabilities and Equity \$ 15,233,991

Unrealized Investment Gain (Loss) change from last month 91,207.19

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

REVENUE	May-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	1,900	5,200	6,250	-1,050	15,000	12,480
Decal Sales	2,138	16,448	11,667	4,781	28,000	39,475
Resale Certificate Fee	2,000	6,250	5,417	833	13,000	15,000
Transfer Fees	4,000	15,547	10,417	5,130	25,000	37,312
Finance Charges	0	18,866	12,500	6,366	30,000	45,277
Misc Revenue, Other	(3,502)	6,942	833	6,109	2,000	16,662
Total Operating Revenue	6,536	2,160,377	2,147,083	13,293	2,213,000	2,257,330
Non-Operating Revenue						
Billish Park - City of CC Contributio	0	-	14,700	-14,700	14,700	0
Investment Income	36,253	195,312	54,167	141,145	130,000	468,748
Total Non-Operating Revenue	36,253	195,312	68,867	126,445	144,700	468,748
Total Revenue	42,789	2,355,688	2,215,950	139,738	2,357,700	2,726,079
EXPENSE						
Routine Operations						
Bulkheads & Canals			177,083		425,000	
Bulkhead Inspection (ACC App)	0	1,275				3,060
Bulkhead Inspection	75	2,675				6,420
Bulkhead / Drill & Probe	420	1,015				2,436
Bulkhead Panel Repair	0	11,090				26,616
Bulkhead Washout/Screen	1,125	27,978				67,147
Bulkhead Tieback Repair	0	1,000				2,400
Bulkhead Repair/Manta Ray Instal	0	122,018				292,843
Bulkhead Caps Repair	33,132	165,721				397,731
Special Projects BH & Canal	0	0				0
Canal Cleanup	383	3,678	6,250	-2,572	15,000	8,828
Bulkhead Repairs, Total	35,135	336,450	183,333	153,117	440,000	807,480
Billish Park						
Billish Park Lawn Maintenance	0	17,000	22,917	-5,917	55,000	40,800
Billish Park Irrigation	0	162	3,333	-3,171	8,000	390
Billish Park Playground	0	0	1,125	-1,125	2,700	0
Billish Park General Maintenance	715	1,597	1,250	347	3,000	3,832
Billish Park Special Project	0	0	0	0		0
Billish Park, Total	715	18,759	28,625	-9,866	68,700	45,021
Common Area Maintenance						
Common Area Mowing/Trimming	0	12,208	37,500	-25,292	90,000	29,300
Boat Ramp Wash/Maintenance	4,184	22,301	23,750	-1,449	57,000	53,521
Common Area Special Projects	0	6,500	12,500	-6,000	30,000	15,600
Water Inspections	4,600	4,600	14,375	-9,775	34,500	11,040
Aerator Reimbursements	3,360	6,720	7,292	-572	17,500	16,128
Aerator Repair/Maintenance	625	625	0	625	2,500	1,500
Security Expense	0	0	417	-417	1,000	0
Dumpster / Trash Service	238	1,279	2,083	-804	5,000	3,069
Misc. Common Area	0	1,064	1,042	22	2,500	2,552
Common Area Maintenance, Total	13,007	55,296	98,958	-43,662	240,000	132,711
Cost of Routine Operations, Total	48,857	410,505	310,917	99,588	748,700	985,212

	May-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Projected 2024 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	38,580	160,086	160,417	-331	385,000	384,207
Health Insurance (Employee)	0	0	7,417	-7,417	17,800	0
Computer Expense/IT	667	5,203	4,167	1,036	10,000	12,487
Contract Labor	2,138	7,139	2,083	5,056	5,000	17,134
POA Building Maintenance	220	556	1,667	-1,111	4,000	1,334
Postage and Delivery	1,056	5,659	3,750	1,909	9,000	13,580
Office Machine Contracts	1,736	5,283	5,000	283	12,000	12,679
Property Taxes	0	102	750	-648	1,800	245
Office Supplies	547	2,037	4,167	-2,129	10,000	4,890
Utilities	0					
Electricity	637	2,694	2,083	611	5,000	6,466
Water / Sewer / Trash	0	826	1,458	-632	3,500	1,982
Internet	98	690	750	-60	1,800	1,655
Web Site Expense	200	1,000	1,000	0	2,400	2,400
Mileage Expense	240	3,262	5,583	-2,322	13,400	7,828
Telephone Expense	0	765	1,292	-526	3,100	1,837
Security Alarm	255	1,059	1,667	-607	4,000	2,542
Bad Debt Expense	0	2,827	0	2,827		6,785
Subscription Expense	0	0	500	-500	1,200	0
Miscellaneous Expense	55	728	2,083	-1,356	5,000	1,746
Office Expense, Total	46,429	199,916	205,833	-5,917	494,000	479,799
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	6,250	-6,250	15,000	0
Insurance Expense	11,067	49,889	48,125	1,764	115,500	119,735
Balloting Expense	0	17,870	6,250	11,620	15,000	42,887
Board/Annual Meeting	1,050	5,670	4,167	1,504	10,000	13,609
Boat Rental	0	0	0	0		0
Credit Card Fees	220	973	0	973		2,335
Bank Fees	75	1,031	1,042	-11	2,500	2,474
Collection Fees	0	0	6,250	-6,250	15,000	0
Association Fees, Total	12,412	75,433	72,083	3,350	173,000	181,040
Professional Fees						
Accounting	0	22,974	20,833	2,140	50,000	55,137
Audit	0	0	5,000	-5,000	12,000	0
Reserve Study	0	0	8,333	-8,333	20,000	0
Legal Fees	5,384	18,573	31,250	-12,677	75,000	44,575
Investment Fees	0	5,000	4,167	833	10,000	12,000
Professional Fees, Total	5,384	46,546	69,583	-23,037	167,000	111,712
G&A, Total	64,225	321,896	347,500	-25,604	834,000	772,550
Total Expense	113,082	732,401	658,417	73,984	1,582,700	1,757,762
Net Income	-70,293	1,623,288	1,557,533	65,754	775,000	968,317

{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.