

Padre Isles Property Owners Association

Financial Statements and Report

November 30, 2023

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Accountant's Compilation Report

Drew Diggins
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 November 30, 2023, and the related statements of income and retained earnings for the eleven 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

December 6, 2023

Padre Isles Property Owners Association

Balance Sheet
As of November 30, 2023

Assets		
Current Assets		
Cash and Cash Equivalents		
Cash		
American Bank Operating 3820	129,800	
HPO Cash	186,982	
Bill.com Payments Processing	-	
Total Cash	316,782	
Cash Equivalents		
HPO Certificate of Deposit	10,294,161	
Total Cash Equivalents	10,294,161	
Prepaid Expenses		
Prepaid Insurance	38,024	
Total Prepaid Expenses	38,024	
Short-term Investments		
Marketable Securities, current		
American Funds Bond Fd	799,439	
Dodge & Cox Income Fund	641,008	
Vanguard Fixed Income ST	-	
American Century SM Cap Fund	126,489	
Dodge & Cox Stk Fd	383,813	
Fidelity Advisor Ser Sm Cap Fun	179,261	
Growth Fund America CI	362,953	
Total Marketable Securities, current	2,492,963	
Inventory		
Bulkhead Material Inventory	69,750	
Total Inventory	69,750	
Receivables, net		
Accounts Receivable, Assessments & Fees	231,406	
Accounts Receivable, Trade	-	
Total Receivables, net	231,406	
Total Current Assets	13,443,086	
Assets, Noncurrent		
Non-Current Receivables	356,477	
Allowance for Doubtful Accounts Receivable	(199,166)	
Total Assets, Noncurrent	157,311	
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	\$ 13,605,104	

Padre Isles Property Owners Association

Balance Sheet

As of November 30, 2023

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 89,049

Deferred Revenue and Credits, current

Prepaid Owner Assessments 4,824

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 97,573

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 280,455

Net Income (Loss) 679,673

Fund Balance 12,547,403

Total Equity 13,507,530

Total Liabilities and Equity \$ 13,605,104

Unrealized Investment Gain (Loss) change from last month 182,425.89

Padre Isles Property Owners Association

Nov-23 Income Statement

REVENUE	Nov-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	400	13,250	18,333	-5,083	20,000	14,455
Decal Sales	534	28,585	20,625	7,960	22,500	31,184
Resale Certificate Fee	900	12,000	13,750	-1,750	15,000	13,091
Transfer Fees	1,650	24,350	45,833	-21,483	50,000	26,564
Finance Charges	0	36,695	18,333	18,362	20,000	40,031
Misc Revenue, Other	50	4,610	2,292	2,319	2,500	5,029
Total Operating Revenue	3,534	2,192,890	2,203,167	(10,277)	2,214,000	2,203,753
Non-Operating Revenue						
Billish Park - City of CC Contribution	0	14,700	14,700	0	14,700	14,700
Investment Income	32,941	266,457	119,167	147,291	130,000	290,681
Total Non-Operating Revenue	32,941	281,157	133,867	147,291	144,700	305,381
Total Revenue	36,475	2,474,047	2,337,033	137,014	2,358,700	2,509,134
EXPENSE						
Routine Operations						
Bulkheads & Canals						
Bulkhead Inspection (ACC App)	1,575	17,400	12,151	5,249	13,256	18,982
Bulkhead Inspection	600	8,780	12,151	-3,371	13,256	9,578
Bulkhead / Drill & Probe	455	10,200	19,920	-9,720	21,731	11,127
Bulkhead Panel Repair	44,668	296,258	17,706	278,552	19,316	323,190
Bulkhead Washout/Screen	12,700	82,550	53,126	29,424	57,956	90,055
Bulkhead Tieback Repair	2,500	20,000	19,920	80	21,731	21,818
Bulkhead Repair/Manta Ray Install	6,000	13,500	581,791	-568,291	634,682	14,727
Bulkhead Drain Install	0	385	53,126	-52,741	57,956	420
Bulkhead Caps Repair	48,120	352,085	35,416	316,669	38,636	384,093
Canal Dredging	0	0	-	0		0
Canal Cleanup	546	12,430	7,685	4,745	8,384	13,560
Bulkhead Repairs, Total	117,163	813,588	812,992	596	886,900	887,550
Billish Park						
Billish Park Lawn Maintenance	4,250	50,128	48,114	2,015	52,488	54,685
Billish Park Irrigation	0	0	7,333	-7,333	8,000	0
Billish Park Playground	0	0	4,583	-4,583	5,000	0
Billish Park General Maintenance	152	2,301	2,750	-449	3,000	2,510
Billish Park Special Project	0	0	5,500	-5,500	6,000	0
Billish Park, Total	4,402	52,429	68,280	-15,851	74,488	57,195
Common Area Maintenance						
Common Area Mowing/Trimming	7,603	83,212	89,131	-5,919	97,233	90,776
Boat Ramp Wash/Maintenance	3,797	45,551	44,993	558	49,083	49,692
Common Area Special Projects	0	47,507	45,833	1,674	50,000	51,826
Water Inspections	0	28,139	31,625	-3,486	34,500	30,697
Aerator Reimbursements	3,360	12,000	15,840	-3,840	17,280	13,091
Aerator Repair/Maintenance	0	1,581	0	1,581	2,500	1,725
Security Expense	0	394	2,292	-1,898	2,500	430
Dumpster / Trash Service	1,104	4,641	5,697	-1,056	6,215	5,063
Misc. Common Area	0	8,199	6,134	2,065	6,691	8,944
Common Area Maintenance, Total	15,865	231,223	241,545	-10,322	266,004	252,243
Cost of Routine Operations, Total	137,431	1,097,240	1,122,817	-25,577	1,227,391	1,196,989

	Nov-23	2023 YTD Actual	2023 YTD Budget	\$ Over/Under YTD Budget	2023 Annual Budget	Projected 2023 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	21,736	278,888	366,667	-87,779	400,000	304,241
Computer Expense/IT	879	11,101	10,571	530	11,532	12,110
Contract Labor	2,749	46,137	14,667	31,470	16,000	50,331
POA Building Maintenance	55	2,532	3,667	-1,134	4,000	2,762
Postage and Delivery	500	6,000	9,075	-3,075	9,900	6,545
Office Machine Contracts	1,724	11,587	8,653	2,933	9,440	12,640
Property Taxes	0	3,043	2,033	1,010	2,218	3,320
Office Supplies	1,675	8,624	11,458	-2,835	12,500	9,408
Utilities	0					
Electricity	377	4,382	4,354	28	4,750	4,781
Water / Sewer / Trash	0	3,062	6,600	-3,538	7,200	3,340
Internet	143	1,562	1,507	55	1,644	1,704
Web Site Expense	200	2,200	2,475	-275	2,700	2,400
Mileage Expense	898	9,975	12,375	-2,400	13,500	10,882
Telephone Expense	0	2,496	2,842	-346	3,100	2,723
Security Alarm	202	3,192	2,903	288	3,167	3,482
Bad Debt Expense	3,292	5,149	13,750	-8,601	15,000	5,618
Subscription Expense	0	991	298	693	325	1,081
Miscellaneous Expense	595	17,908	4,583	13,325	5,000	19,537
Office Expense, Total	35,024	418,830	478,478	-59,648	521,976	456,905
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	4,583	-4,583	5,000	0
Insurance Expense	9,269	93,717	116,718	-23,002	127,329	102,236
Balloting Expense	0	14,477	14,667	-189	16,000	15,793
Board/Annual Meeting	0	8,444	4,583	3,860	5,000	9,211
Boat Rental	0	310	1,760	-1,450	1,920	338
Credit Card Fees	389	20,929	18,333	2,596	20,000	22,832
Bank Fees	75	1,473	2,292	-819	2,500	1,607
Collection Fees	0	2,000	12,833	-10,833	14,000	2,182
Association Fees, Total	9,733	141,350	175,770	-34,420	191,749	154,200
Professional Fees						
Accounting	0	55,661	55,000	661	60,000	60,721
Audit	0	9,700	11,458	-1,758	12,500	10,582
Legal Fees	5,309	61,365	45,833	15,532	50,000	66,944
Investment Fees	20	10,229	9,167	1,063	10,000	11,159
Professional Fees, Total	5,329	136,955	121,458	15,497	132,500	149,406
G&A, Total	50,086	697,135	775,706	-78,571	846,225	760,511
Total Expense	187,517	1,794,375	1,898,523	-104,148	2,073,616	1,957,500
Net Income	-151,042	679,673	438,510	241,162	285,084	551,634

{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.