

# **Padre Isles Property Owners Association**

**Financial Statements and Report**

**November 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 November 30, 2024, 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 13, 2024

**Padre Isles Property Owners Association**

Balance Sheet

As of November 30, 2024

<b>Assets</b>	
<b>Current Assets</b>	
<b>Cash and Cash Equivalents</b>	
<b>Cash</b>	
American Bank Operating 3820	202,283
HPO Cash	957,333
Bill.com Payments Processing	(3,364)
<b>Total Cash</b>	<b>1,156,251</b>
<b>Cash Equivalents</b>	
HPO Certificate of Deposit	10,347,732
<b>Total Cash Equivalents</b>	<b>10,347,732</b>
<b>Prepaid Expenses</b>	
Prepaid Insurance	23,015
<b>Total Prepaid Expenses</b>	<b>23,015</b>
<b>Short-term Investments</b>	
<b>Marketable Securities, current</b>	
American Funds Bond Fd	815,974
Dodge & Cox Income Fund	667,171
Vanguard Fixed Income ST	-
American Century SM Cap Fund	163,564
Dodge & Cox Stk Fd	470,820
Fidelity Advisor Ser Sm Cap Fun	240,247
Growth Fund America CI	468,874
<b>Total Marketable Securities, current</b>	<b>2,826,649</b>
<b>Inventory</b>	
Bulkhead Material Inventory	119,913
<b>Total Inventory</b>	<b>119,913</b>
<b>Receivables, net</b>	
Accounts Receivable, Assessments & Fees	231,110
Accounts Receivable, Trade	-
<b>Total Receivables, net</b>	<b>231,110</b>
<b>Total Current Assets</b>	<b>14,704,670</b>
<b>Assets, Noncurrent</b>	
Non-Current Receivables	349,638
Allowance for Doubtful Accounts Receivable	(199,166)
<b>Total Assets, Noncurrent</b>	<b>150,472</b>
<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>	<b>4,707</b>
<b>Total Assets</b>	<b>\$ 14,859,849</b>

**Padre Isles Property Owners Association**  
 Balance Sheet  
 As of November 30, 2024

<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
	<b>Liabilities, current</b>	
	Accounts Payable	27,370
	<b>Deferred Revenue and Credits, current</b>	
	Prepaid Owner Assessments	8,690
	<b>Other Liabilities, current</b>	
	Withholding Tax for Aerator Payments	-
	Contractor Refundable Deposits	3,700
	<b>Total Liabilities, current</b>	39,760
<b>Equity</b>		
	<b>Retained Earnings (Deficit)</b>	
	Unrealized Investment Gain (Loss)	331,006
	Net Income (Loss)	978,011
	Fund Balance	13,511,072
	<b>Total Equity</b>	14,820,088
	<b>Total Liabilities and Equity</b>	\$ 14,859,849

Unrealized Investment Gain (Loss) change from last month                      104,036.49

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

REVENUE	Nov-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Proj 2024 Expenditures
<b>Operating Revenue</b>						
Assessments	0	2,090,970	2,100,000	-9,030	2,100,000	2,090,970
Miscellaneous Revenue						
ACC Applications	850	10,050	13,750	-3,700	15,000	10,964
Decal Sales	424	23,760	25,667	-1,907	28,000	25,920
Resale Certificate Fee	1,000	12,750	11,917	833	13,000	13,909
Transfer Fees	2,100	28,647	22,917	5,730	25,000	31,251
Finance Charges	0	26,818	27,500	-682	30,000	29,256
Misc Revenue, Other	125	9,295	1,833	7,462	2,000	10,140
<b>Total Operating Revenue</b>	<b>4,499</b>	<b>2,202,289</b>	<b>2,203,583</b>	<b>(1,294)</b>	<b>2,213,000</b>	<b>2,212,409</b>
<b>Non-Operating Revenue</b>						
Billish Park - City of CC Contributio	0	14,700	14,700	0	14,700	14,700
Investment Income	10,164	453,013	119,167	333,846	130,000	494,196
<b>Total Non-Operating Revenue</b>	<b>10,164</b>	<b>467,713</b>	<b>133,867</b>	<b>333,846</b>	<b>144,700</b>	<b>508,896</b>
<b>Total Revenue</b>	<b>14,663</b>	<b>2,670,002</b>	<b>2,337,450</b>	<b>332,552</b>	<b>2,357,700</b>	<b>2,721,305</b>
<b>EXPENSE</b>						
<b>Routine Operations</b>						
<b>Bulkheads &amp; Canals</b>			389,583		425,000	
Bulkhead Inspection (ACC App)	0	2,175				2,373
Bulkhead Inspection	11,100	32,950				35,945
Bulkhead / Drill & Probe	0	6,055				6,605
Bulkhead Panel Repair	57,500	124,543				135,865
Bulkhead Washout/Screen	0	37,978				41,431
Bulkhead Tieback Repair	0	1,300				1,418
Bulkhead Repair/Manta Ray Install	81,400	253,193				276,210
Bulkhead Caps Repair	0	224,492				244,900
Bulkhead Drain Install	0	1,625				1,773
Bulkhead Washout/Foam	10,200	73,800				80,509
Special Projects BH & Canal	0	0				0
Canal Cleanup	714	9,379	13,750	-4,371	15,000	10,231
<b>Bulkhead Repairs, Total</b>	<b>160,914</b>	<b>767,489</b>	<b>403,333</b>	<b>364,155</b>	<b>440,000</b>	<b>837,260</b>
<b>Billish Park</b>						
Billish Park Lawn Maintenance	4,250	46,750	50,417	-3,667	55,000	51,000
Billish Park Irrigation	0	894	7,333	-6,439	8,000	976
Billish Park Playground	0	125	2,475	-2,350	2,700	137
Billish Park General Maintenance	(0)	3,522	2,750	772	3,000	3,842
Billish Park Special Project	0	0	0	0		0
<b>Billish Park, Total</b>	<b>4,250</b>	<b>51,291</b>	<b>62,975</b>	<b>-11,684</b>	<b>68,700</b>	<b>55,954</b>
<b>Common Area Maintenance</b>						
Common Area Mowing/Trimming	9,848	82,894	82,500	394	90,000	90,430
Boat Ramp Wash/Maintenance	4,103	52,280	52,250	30	57,000	57,033
Common Area Special Projects	0	16,500	27,500	-11,000	30,000	18,000
Water Inspections	500	5,100	31,625	-26,525	34,500	5,564
Aerator Reimbursements	3,360	13,440	16,042	-2,602	17,500	14,662
Aerator Repair/Maintenance	800	3,130	0	3,130	2,500	3,414
Security Expense	0	0	917	-917	1,000	0
Dumpster / Trash Service	957	4,824	4,583	241	5,000	5,263
Misc. Common Area	0	1,416	2,292	-876	2,500	1,544
<b>Common Area Maintenance, Total</b>	<b>19,568</b>	<b>179,584</b>	<b>217,708</b>	<b>-38,124</b>	<b>240,000</b>	<b>195,910</b>
<b>Cost of Routine Operations, Total</b>	<b>184,732</b>	<b>998,364</b>	<b>684,017</b>	<b>314,347</b>	<b>748,700</b>	<b>1,089,124</b>

	Nov-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	29,138	346,355	352,917	-6,562	385,000	377,841
Health Insurance (Employee)	0	0	16,317	-16,317	17,800	0
Computer Expense/IT	1,022	20,082	9,167	10,915	10,000	21,908
Contract Labor	0	21,704	4,583	17,120	5,000	23,677
POA Building Maintenance	505	1,938	3,667	-1,728	4,000	2,115
Postage and Delivery	0	5,697	8,250	-2,553	9,000	6,215
Office Machine Contracts	2,864	12,100	11,000	1,100	12,000	13,200
Property Taxes	268	599	1,650	-1,051	1,800	654
Office Supplies	375	5,823	9,167	-3,344	10,000	6,352
Utilities	0					
Electricity	253	4,366	4,583	-217	5,000	4,763
Water / Sewer / Trash	249	2,486	3,208	-722	3,500	2,712
Internet	127	1,473	1,650	-177	1,800	1,607
Web Site Expense	0	2,000	2,200	-200	2,400	2,182
Mileage Expense	602	6,417	12,283	-5,867	13,400	7,000
Telephone Expense	186	2,481	2,842	-361	3,100	2,707
Security Alarm	53	2,810	3,667	-856	4,000	3,066
Bad Debt Expense	(5,706)	-1,858	0	-1,858		-2,027
Subscription Expense	0	179	1,100	-921	1,200	195
Miscellaneous Expense	77	2,697	4,583	-1,887	5,000	2,942
<b>Office Expense, Total</b>	<b>30,012</b>	<b>437,349</b>	<b>452,833</b>	<b>-15,485</b>	<b>494,000</b>	<b>477,108</b>
<b>Association Fees &amp; 3rd Party Expenses</b>						
Community Engagement	0	0	13,750	-13,750	15,000	0
Insurance Expense	10,067	110,291	105,875	4,416	115,500	120,318
Balloting Expense	0	17,870	13,750	4,120	15,000	19,494
Board/Annual Meeting	0	8,550	9,167	-616	10,000	9,328
Boat Rental	0	500	0	500		545
Credit Card Fees	180	2,541	0	2,541		2,772
Bank Fees	90	1,745	2,292	-547	2,500	1,904
Collection Fees	0	0	13,750	-13,750	15,000	0
<b>Association Fees, Total</b>	<b>10,337</b>	<b>141,497</b>	<b>158,583</b>	<b>-17,086</b>	<b>173,000</b>	<b>154,361</b>
<b>Professional Fees</b>						
Accounting	0	65,510	45,833	19,676	50,000	71,465
Audit	0	0	11,000	-11,000	12,000	0
Reserve Study	0	0	18,333	-18,333	20,000	0
Legal Fees	962	39,222	68,750	-29,528	75,000	42,787
Investment Fees	25	10,050	9,167	883	10,000	10,964
<b>Professional Fees, Total</b>	<b>987</b>	<b>114,782</b>	<b>153,083</b>	<b>-38,302</b>	<b>167,000</b>	<b>125,216</b>
<b>G&amp;A, Total</b>	<b>41,336</b>	<b>693,628</b>	<b>764,500</b>	<b>-70,872</b>	<b>834,000</b>	<b>756,685</b>
<b>Total Expense</b>	<b>226,067</b>	<b>1,691,991</b>	<b>1,448,517</b>	<b>243,475</b>	<b>1,582,700</b>	<b>1,845,809</b>
<b>Net Income</b>	<b>-211,405</b>	<b>978,011</b>	<b>888,933</b>	<b>89,077</b>	<b>775,000</b>	<b>875,496</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.

