

PADRE ISLES PROPERTY OWNERS' ASSOCIATION, INC.

BOARD OF DIRECTORS' MEETING

TUESDAY, JANUARY 27, 2026

1. Call to Order: 5:30 P.M.
2. Pledge of Allegiance
3. Board Members' Present: George Reed, Drew Diggins, John Pasch, Natasha Muse, Bill Davenport, Terry Brown

Motion: Natasha Muse: Approve meeting minutes for December 2025	
Second: John Pasch	
Aye: George Reed, Bill Davenport, Terry Brown, Drew Diggins	Nay: 0      Abstain: 0

4. President's Comments:

- Audit Update
- The audit being conducted by an independent firm remains in progress.
- The Board continues to monitor the process closely and will provide updates as new information becomes available.
- Infrastructure & Flood Protection
- The Board is actively working with the City regarding the installation of culverts on Encantada and the implementation of a flood gate system.
- It was emphasized that the natural 8-foot berm, which historically provided a layer of protection for the Island, is no longer present. As a result, the community currently has no natural barrier or structural protection, making the culvert and flood gate projects critically important for the safety and resilience of the Island.

5. Presentations:

- a. ACC Presentation – Mark Dragoo (ACC Chairperson)
- Compliance Summary – 2025 Violations Summary Report:
  - Total entries: 419 | Resolved: 319 | Resolved ratio: 76.1%
  - Top violation categories: Lawncare: Weeds (146), Traffic Rules: Vehicles & Parking (138), Lawncare: High Grass (99)
- Bulkhead Activity Report – December 2025
- December Budget: \$95,205.99 | Actual: \$42,606.00 | Difference: -\$52,599.99
- 2025 Annual Bulkhead Expense: Budget \$1,142,472.04 | Actual \$1,365,546.00 | Over budget by \$222,477.96

- 2025 Completed Work Orders Recap: 117 work orders, 443 linear ft new install, 1,660 linear ft cap repair, 75 manta ray installs, 380 foam repairs
6. Executive Director's Report:
- Yard Maintenance Violation Fees: The Board is moving forward with implementing a standardized fee structure for yard maintenance violations. A flat administrative fee will be applied to members who fail to follow established maintenance guidelines. In addition, the Association will bill the actual cost of mowing or corrective maintenance when PIPOA is required to perform the work on behalf of the property owner. This policy is intended to encourage compliance with community standards, reduce the financial burden on compliant members, and generate additional income for the PIPOA to offset maintenance expenses.
  - 2026 Budget Approved and Posted.
  - Annual Meeting – Last Saturday of March (March 28, 2026), 10:00 AM, Seashore Middle School Cafeteria – 15437 SPID and Zoom.
  - Upcoming Board Election – 4 seats + Residual Bylaw Action on the Seawall. Posted: Notification, Schedule, Instructions, Sample Ballot Worksheet. ManageCASA Registration Invitations Resent – 1,307 joined out of 3,323 invited. One candidate application received to date.
  - Election Timeline:
    - Kickoff 2026 Voting Process: 1/1/26 – 3/27/26
    - Registration Period (Extended): 1/5/26 – 2/15/26
    - Vet Candidates: 2/16/26 – 2/23/26
    - Develop eBallot: 2/16/26 – 2/23/26
    - Post Info on Website: 2/24/26 – 2/25/26
    - ePolls Open: 2/25/26 – 3/24/26
    - eBallot Worksheets due to POA Office NLT: 2/25/26 – 3/19/26
    - Polls Closed – Results Computation: 3/25/26 – 3/27/26
    - Annual Meeting: 3/28/26
    - Voting will be conducted by electronic means via ManageCASA. See website “eVoting Information” for details.
  - Skate Park Initial Siting – Near the corner of Gypsy and Fortuna Bay. Diagram sent by City.
  - Billish Park Well Project Update – Back on track; lower bid received.
  - Floodgate Initiative Update and meeting with the Mayor:
    - Priority 1: A flood gate at the Packery Channel
    - Priority 2: Velocity controls as needed in our canals
    - Priority 3: Box culverts at Encantada
    - Flood surge analysis presented (reference: 2018 Flood Map without Don Pat Bridge, 6' tidal surge):

- Surge 0–4 ft: Will increase flow rate in canals to pre-Alberto levels without a velocity gate – 1.9 fps = damage threshold.
- Surge 4–6 ft: Will overtop many bulkheads without the floodgate installed; canal velocities unmanageable without a velocity gate.
- Surge above 8 ft: Red Zone; may not be representative of our location.
- New flood maps require updated Digital Elevation Maps for the current year or Topo-Bathy measurement data – in work.
- Budgetary estimates for floodgate design – in work.

#### 7. Treasurer’s Report:

- Accounting basis: Cash basis. Revenues and expenses recorded as incurred.
- Accounts Receivable: Outstanding accounts receivable as of December 31, 2025 exceeded \$600,000.
  - 696 delinquent accounts (14% of POA ownership).
  - 10% owe \$2,000–\$22,000; 10% owe \$1,000–\$2,000; 62% owe \$100–\$1,000; 18% owe less than \$100.
  - Top 10% (70 accounts) owe in excess of \$325,000 – over 50% of total delinquency. Board and staff will focus collection efforts on this group first.
  - Initial Notice of Nonpayment letters drafted and will be sent per the Maintenance Charge Collection Policy (approved December 12, 2022). Results will be reported to the Board monthly.
- Auditors’ Report: CPA firm Adamson and Company has delayed submission of the Year End Audit Report (fiscal period ending 12/31/2024) to complete the boilerplate statement of potential legal liabilities related to the Joseph Hall case.
- Financial Operations Summary – January through December 2025:
  - Actual expenses: \$2,529,168 vs. budget of \$2,374,167 – over budget by \$155,001 (6.5%).
  - Primary expense variance drivers: Bulkhead Material Inventory (\$48K over) and Bulkhead Build/Repair expense (\$171K over).
- Investment Accounts: Herndon Plant Oakley portfolio value as of 12/31/25: \$14,343,822. Annualized investment income for 12-month period ending 12/31/25: \$682,565 (4.75%). Note: \$460,000 fund transfer made to general operating account during the year to cover operating expenditures.

#### 8. Old Business – Previous Meeting Residual Tasks:

- “No Wake” Sign Status: The Board reviewed the updated status of the No Wake signage project. The Association now has a complete dataset including exact sign locations, inventory count of existing signs, and information needed for ongoing maintenance and replacement planning. A QGIS Map with a spreadsheet overlay was created to better manage sign locations.

Motion: Natasha Muse: Approve the budget for 2026	
Second: John Pasch	
Aye: George Reed, Terry Brown, Drew Diggins, Bill Davenport	Nay: 0      Abstain: 0

9. New Business:

- Annual Meeting – Last Saturday of March, 10:00 AM, Seashore Middle School Cafeteria – 15437 SPID and Zoom.

10. Executive Session (with motion)

Motion: Natasha Muse: To approve the 2026 ACC GUIDELINES	
Second: Bill Davenport	
Aye: George Reed, Drew Diggins, Terry Brown, John Pasch (proxy George Reed)	Nay: 0      Abstain: 0

Motion: Terry Brown: Adjourn meeting	
Second: John Pasch	
Aye: George Reed, Natasha Muse, Bill Davenport, Drew Diggins	Nay: 0      Abstain: 0

Meeting adjourned 7:00 p.m.