

Padre Isles Property Owners Association

Financial Statements and Report

December 31, 2024

Table of Contents

Accountant's Compilation Report.....	1
Balance Sheet.....	2
Statement of Income.....	4



GOWLAND, MORALES & SMITH, PLLC

Certified Public Accountants

555 N. Carancahua, Suite 1040
Corpus Christi, TX 78401
Telephone: (361) 993-1000
Fax: (361) 991-2880

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 December 31, 2024, and the related statements of income and retained earnings for the twelve 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

January 17, 2025

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2024

Assets	
Current Assets	
Cash and Cash Equivalents	
Cash	
American Bank Operating 3820	78,526
HPO Cash	1,590,127
Bill.com Payments Processing	-
Total Cash	1,668,653
Cash Equivalents	
HPO Certificate of Deposit	9,857,035
Total Cash Equivalents	9,857,035
Prepaid Expenses	
Prepaid Insurance	17,938
Total Prepaid Expenses	17,938
Short-term Investments	
Marketable Securities, current	
American Funds Bond Fd	800,876
Dodge & Cox Income Fund	647,810
Vanguard Fixed Income ST	-
American Century SM Cap Fund	141,892
Dodge & Cox Stk Fd	420,450
Fidelity Advisor Ser Sm Cap Fun	196,582
Growth Fund America CI	422,996
Total Marketable Securities, current	2,630,606
Inventory	
Bulkhead Material Inventory	119,913
Total Inventory	119,913
Receivables, net	
Accounts Receivable, Assessments & Fees	237,282
Accounts Receivable, Trade	-
Total Receivables, net	237,282
Total Current Assets	14,531,427
Assets, Noncurrent	
Non-Current Receivables	337,432
Allowance for Doubtful Accounts Receivable	(199,166)
Total Assets, Noncurrent	138,266
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	\$ 14,674,401

Padre Isles Property Owners Association

Balance Sheet

As of December 31, 2024

Liabilities and Equity

Liabilities

Liabilities, current

Accounts Payable 48,126

Deferred Revenue and Credits, current

Prepaid Owner Assessments 26,951

Other Liabilities, current

Withholding Tax for Aerator Payments -

Contractor Refundable Deposits 3,700

Total Liabilities, current 78,777

Equity

Retained Earnings (Deficit)

Unrealized Investment Gain (Loss) 143,360

Net Income (Loss) 941,192

Fund Balance 13,511,072

Total Equity 14,595,623

Total Liabilities and Equity \$ 14,674,401

Unrealized Investment Gain (Loss) change from last month (187,646.72)

Padre Isles Property Owners Association

Dec-24 Income Statement

REVENUE	Dec-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Proj 2024 Expenditures
Operating Revenue						
Assessments	0	2,090,970	2,100,000	-9,030	2,100,000	2,090,970
Miscellaneous Revenue						
ACC Applications	1,250	11,300	15,000	-3,700	15,000	11,300
Decal Sales	82	23,842	28,000	-4,158	28,000	23,842
Resale Certificate Fee	1,250	14,000	13,000	1,000	13,000	14,000
Transfer Fees	2,600	31,247	25,000	6,247	25,000	31,247
Finance Charges	0	26,818	30,000	-3,182	30,000	26,818
Misc Revenue, Other	386	9,681	2,000	7,681	2,000	9,681
Total Operating Revenue	5,568	2,207,857	2,213,000	(5,143)	2,213,000	2,207,857
Non-Operating Revenue						
Billish Park - City of CC Contributio	0	14,700	14,700	0	14,700	14,700
Investment Income	133,701	586,714	130,000	456,714	130,000	586,714
Total Non-Operating Revenue	133,701	601,414	144,700	456,714	144,700	601,414
Total Revenue	139,269	2,809,271	2,357,700	451,571	2,357,700	2,809,271
EXPENSE						
Routine Operations						
Bulkheads & Canals			425,000		425,000	
Bulkhead Inspection (ACC App)	0	2,175				2,175
Bulkhead Inspection	8,550	41,500				41,500
Bulkhead / Drill & Probe	0	6,055				6,055
Bulkhead Panel Repair	0	124,543				124,543
Bulkhead Washout/Screen	0	37,978				37,978
Bulkhead Tieback Repair	0	1,300				1,300
Bulkhead Repair/Manta Ray Instal	58,798	311,991				311,991
Bulkhead Caps Repair	0	224,492				224,492
Bulkhead Drain Install	0	1,625				1,625
Bulkhead Washout/Foam	13,100	86,900				86,900
Special Projects BH & Canal	0	0				0
Canal Cleanup	1,258	10,636	15,000	-4,364	15,000	10,636
Bulkhead Repairs, Total	81,706	849,194	440,000	409,194	440,000	849,194
Billish Park						
Billish Park Lawn Maintenance	4,250	51,000	55,000	-4,000	55,000	51,000
Billish Park Irrigation	0	894	8,000	-7,106	8,000	894
Billish Park Playground	0	125	2,700	-2,575	2,700	125
Billish Park General Maintenance	179	3,700	3,000	700	3,000	3,700
Billish Park Special Project	0	0	0	0	0	0
Billish Park, Total	4,429	55,720	68,700	-12,980	68,700	55,720
Common Area Maintenance						
Common Area Mowing/Trimming	9,825	92,719	90,000	2,719	90,000	92,719
Boat Ramp Wash/Maintenance	4,765	57,046	57,000	46	57,000	57,046
Common Area Special Projects	0	16,500	30,000	-13,500	30,000	16,500
Water Inspections	750	5,850	34,500	-28,650	34,500	5,850
Aerator Reimbursements	0	13,440	17,500	-4,060	17,500	13,440
Aerator Repair/Maintenance	0	3,130	0	3,130	2,500	3,130
Security Expense	0	0	1,000	-1,000	1,000	0
Dumpster / Trash Service	134	4,959	5,000	-41	5,000	4,959
Misc. Common Area	0	1,416	2,500	-1,084	2,500	1,416
Common Area Maintenance, Total	15,475	195,059	237,500	-42,441	240,000	195,059
Cost of Routine Operations, Total	101,609	1,099,973	746,200	353,773	748,700	1,099,973

	Dec-24	2024 YTD Actual	2024 YTD Budget	\$ Over/Under YTD Budget	2024 Annual Budget	Projected 2024 Annual Expenditures
G&A						
Office Expense						
Payroll Expenses	45,923	392,277	385,000	7,277	385,000	392,277
Health Insurance (Employee)	0	0	17,800	-17,800	17,800	0
Computer Expense/IT	1,151	21,233	10,000	11,233	10,000	21,233
Contract Labor	0	21,704	5,000	16,704	5,000	21,704
POA Building Maintenance	219	2,157	4,000	-1,843	4,000	2,157
Postage and Delivery	0	5,697	9,000	-3,303	9,000	5,697
Office Machine Contracts	545	12,645	12,000	645	12,000	12,645
Property Taxes	0	599	1,800	-1,201	1,800	599
Office Supplies	1,228	7,051	10,000	-2,949	10,000	7,051
Utilities	0					
Electricity	244	4,611	5,000	-389	5,000	4,611
Water / Sewer / Trash	235	2,721	3,500	-779	3,500	2,721
Internet	127	1,600	1,800	-200	1,800	1,600
Web Site Expense	900	2,900	2,400	500	2,400	2,900
Mileage Expense	565	6,982	13,400	-6,418	13,400	6,982
Telephone Expense	449	2,930	3,100	-170	3,100	2,930
Security Alarm	273	3,083	4,000	-917	4,000	3,083
Bad Debt Expense	0	-1,858	0	-1,858		-1,858
Subscription Expense	153	332	1,200	-868	1,200	332
Miscellaneous Expense	7	2,703	5,000	-2,297	5,000	2,703
Office Expense, Total	52,019	489,367	494,000	-4,633	494,000	489,367
Association Fees & 3rd Party Expenses						
Community Engagement	0	0	15,000	-15,000	15,000	0
Insurance Expense	10,067	120,358	115,500	4,858	115,500	120,358
Balloting Expense	0	17,870	15,000	2,870	15,000	17,870
Board/Annual Meeting	250	8,800	10,000	-1,200	10,000	8,800
Boat Rental	0	500	0	500		500
Credit Card Fees	1,256	3,797	0	3,797		3,797
Bank Fees	75	1,820	2,500	-680	2,500	1,820
Collection Fees	0	0	15,000	-15,000	15,000	0
Association Fees, Total	11,648	153,146	173,000	-19,854	173,000	153,146
Professional Fees						
Accounting	8,957	74,467	50,000	24,467	50,000	74,467
Audit	0	0	12,000	-12,000	12,000	0
Reserve Study	0	0	20,000	-20,000	20,000	0
Legal Fees	1,853	41,075	75,000	-33,925	75,000	41,075
Investment Fees	0	10,050	10,000	50	10,000	10,050
Professional Fees, Total	10,811	125,592	167,000	-41,408	167,000	125,592
G&A, Total	74,478	768,105	834,000	-65,895	834,000	768,105
Total Expense	176,087	1,868,079	1,580,200	287,879	1,582,700	1,868,079
Net Income	-36,819	941,192	777,500	163,692	775,000	941,192

{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.

