



AGENDA

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, April 24, 2024 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

- 1. Call to Order / Roll Call – Establish Quorum**
- 2. Amend/Adopt Agenda**
- 3. President’s Report**
- 4. CEO Report**
 - A. CEO Monthly Report
- 5. Presentation**
 - A. Quarterly Financial Report (Webster)
- 6. Committee Reports**
 - A. Audit
 - B. Board Affairs
 - C. Fiscal Affairs
 - D. Investments
 - E. Nominations & Elections
 - F. Planning & Evaluation
- 7. Consent Agenda** – Consent Agenda items are routine items of business that are collectively presented for approval through a single motion. A Board member may request that an item be pulled from the Consent Agenda and placed under Action Items for separate discussion and action.
 - A. Minutes:
 - 1) BOD Regular Meeting Minutes: February 28, 2024
 - 2) BOD Special Meeting Minutes: March 20, 2024
 - 3) BOD Special Meeting Minutes: March 27, 2024
 - 4) BOD Special Meeting Minutes: April 10, 2024
 - 5) BOD Work Session Minutes: April 10, 2024
 - B. Financial Statements:
 - 1) December 2023 – March 2024 Financials
- 8. Action Items**
 - A. Acceptance of Draft Audit (Webster)
 - B. Approval of Tentative Annual Calendar for Board Meetings (Moyo)
 - C. Approve Desert Hills Locker Room Expansion (Whitman)
 - D. Approve Desert Hills Stage Removal in Auditorium (Whitman)
- 9. Member Comments** - Please limit comments to two (2) minutes. Speakers are asked to provide their name and GVR member number. This time is for comments, not for questions and answers.
- 10. Adjournment**

** GVR encourages members to voice concerns and comments in a professional, business-like, and respectful manner.*

MEMORANDUM

TO: Board of Directors
FROM: Scott Somers, CEO
DATE: April 24, 2024
RE: Monthly CEO Report

Important Dates

- April 22, 11am: **Audit Committee meeting**
- April 23, 1:30pm: **Fiscal Affairs Committee meeting**
- May 8, 2pm: **Work Session Tentative**
- May 9, 10am: **Nominations and Elections Committee meeting**
- May 9, 1:30pm: **Planning and Evaluation Committee meeting**
- May 14, 1:30pm: **Board Affairs Committee meeting**
- May 21, 1:30pm: **Fiscal Affairs Committee meeting**
- May 22, 2pm: **Regular meeting of the Board**
- May 17, Friday, 9am-noon: **Community Foundation Greater Green Valley in partnership with the Center for Healthy Nonprofits and AZ Impact for Good is hosting a training on Governance Best Practices. Nanci will be in touch with the Board to sign up as interested.**

Strategic Plan/Annual Workplan

- **Administration**
 - 5.1.1 Provide staff support to the Board of Directors to enable proactive, complete communications about Board decisions.
 - With Communications, synthesize Board actions/decisions to communicate with the Members. (Ongoing) **Provided in the Eblast the Friday after a Regular Meeting.**
- **Board and Committees**
 - 5.4.1 Encourage staff and Board to attend training and conferences and participate in professional associations.
 - Research and identify Board training opportunities. (February) **Online training April 8 was held; Opportunity for Best Practices in Governing on May 17**
 - 5.2.3 Utilize staff liaisons and the Strategic Plan to support continuity of direction.

- Staff liaison functions to be facilitated by Administration to ensure committee continuity. (February) **Liaisons have been provided Work Plan templates to use with the Committee Chairs. Committee Chairs have been provided Committee Action Plan templates to use with their committees to submit to the Board for approval at the May Regular Meeting.**

- **Communications**
 - 1.3.3 Improve interior and exterior signage: complete, consistent, accessible, concise, and attractive.
 - Complete the Aid Station Project. (March) **Complete**
 - Survey members on topics as needed (Ongoing) **See recreation note**

- **Facilities Department**
 - 1.1.3 Continue to identify and execute a process for regular upkeep and maintenance/predictive maintenance procedures.
 - Develop and implement center-specific Standard Operating Procedures (SOP) book for custodial. (March) **Complete.**
 - Improve implementation of daily/monthly/quarterly inspection reports for custodial, aquatics, landscaping and maintenance. (Ongoing) **Complete for aquatics. Underway for landscaping.**
 - 1.2.2 Assess spaces for specific activities and equip those spaces properly, such as art class space with washable floors.
 - With architect, present WC expansion options and cost estimates. (March) **Concept drawings complete. Cost estimates coming soon.**
 - 1.2.4 Evaluate and improve capital request process.
 - With Board, Recreation, and Finance, review and amend Capital Improvement Plan Policy as needed. (June) **Process is currently in use and being evaluated.**
 - 1.4.2 Design peripheral grounds to provide outdoor recreation opportunities: park-like settings, walking trails, outdoor games, and activities.
 - Identify and begin implementing campus-wide locations for landscaping improvements to include native pollinator species. (Ongoing) **A unique approach to landscape renovation at Del Sol Clubhouse is under development.**

- **Finance**
 - 4.3.4 Provide continuous education for Board, committees, and staff about GVR financial management and positions so that they can make decisions to monitor effectively.
 - **The 2023 Audit is complete and being presented to the Board for acceptance.**

- **Human Resources**
 - 2.2.2 Implement standardized customer service training for all staff, based on clarified policies and expectations, to ensure consistency in service. (See also 5.3.3)
 - With departments, develop an updated customer service training plan for all departments with differentiation and examples for each area, including dress and appearance policy, the wearing of name tags, and standard phone and email dialogue. (July)

- Standards for Dress drafted and set to launch by the end of April. Name tags and uniforms were ordered for staff in member-facing positions.
- 2.2.4 Clarify communications procedures and distribute messaging to all staff so members receive consistent, trustworthy information from all GVR representatives
 - Additional layering of accurate, up-to-date information sent directly to staff. Continue weekly “Staff Bulletin.” (Ongoing)
 - Added IT newsletter component to ongoing weekly Staff Bulletin.
- 5.3.3 Provide training and team activities to help people demonstrate these GVR values.
 - With the CEO and department heads, develop plans and agendas, and schedule regular meetings with all staff and departmental groups to inform employees about and demonstrate values. (Ongoing)
 - May 1st Employee Wellness and Benefits fair scheduled and shared with employees.
- 5.4.1 Encourage staff and Board to attend training conferences and participate in professional associations
 - Continue to work with staff to explore and encourage attendance. (Ongoing)
 - With Operations identified and enrolled 15 staff as members of the Arizona Parks and Recreation Association. Training and professional development is available through membership.
- **Membership Services Department**
 - 2.2.1 With Field Services, implement a quality assurance system to ensure that exceptional customer service is happening, such as secret shopper, a review schedule to see how systems and processes are operating.
 - Partner with attorney to work toward becoming the expert with regard to GVR’s boundary, master development agreements, deed restrictions, title agreements, and collections. **Work in progress, ongoing**
 - Continue to explore and find solutions to identify and decrease membership and guest card misuse. **CSRs and Membership Specialists are submitting potential card misuse scenarios, tracked weekly, communications sent as needed**
 - Implement survey plan to obtain feedback from members regarding recent customer service interactions with staff (October) **Finalizing a draft of a Member Experience Survey that members are asked to complete after an interaction with Member Services staff. Trial form created in Microsoft Forms, will test for 3 months**
 - Work toward documenting Membership SOPs and creating a comprehensive handbook. **Revised version of the CSR Handbook completed and currently being reviewed and trialed. Working on documenting Membership processes**
- **Recreation Department**
 - 2.1.1 Review current programming and make adjustments, if needed, to ensure variety and alignment with current and future member needs.
 - Through member surveys, identify gaps and needed adjustments. (Ongoing) **Outreach about the gymnasium is complete. Members will be polled about events and performances in the coming weeks.**

2.3.1 Explore changes in process of instructor hiring, actively recruiting instructors to meet member needs.

- Require all instructors to complete a background check. (Ongoing) **New contracts have been issued. As they are returned by instructors and personal trainers, background check processes are being introduced**

Board Goals for CEO, 2024 (approved by the Board of Directors February 14, 2024)

1. (Projects) Communicate with Board of Directors (BOD) and members on a monthly basis about project progress as follows:
 - a. *Construction progress*
 1. *The Del Sol Clubhouse renovation is on schedule despite some brief delays. We have yet to secure a contracted vendor to provide food and beverage services but efforts continue. A meeting and site visit with a vending machine company is scheduled as a potential option for the Clubhouse and possibly major centers.*
 2. *The following projects are in research and planning: West Center clubs expansion and lobby improvements, including Metal Arts expansion. Staff has explored options of converting the shotgun building (entire length of previous Glass Arts kiln room at West Center) to allow for Metal Arts expansion. The Metal Arts Club is enthusiastic about this option. Since this is a new project, the Board will be asked to approve Initiatives Fund funding to make the needed improvements. Expect this question on the Board's May agenda.*
 3. *The Board will be asked at their April 24 meeting to consider approving concept drawings for the Desert Hills locker room renovation/expansion project.*
 - b. *Explain delays and challenges*
 1. *The County required an access point to be redesigned at the Del Sol Clubhouse to meet updated county code regarding the turn radius. The redesign and permit process triggered a minor delay and an unexpected expense of \$28.5k. Staff are working with the contractor to value engineer remaining elements of the build to stay within the approved contract amount.*
2. (Meetings) Attempt to improve teamwork by scheduling monthly one-on-one meetings with Board members who wish to meet with me. It is understood and agreed that meetings may need to be rescheduled or canceled due to scheduling conflicts or other pressing matters.
 - a. *Scott met with 4 Board members in the last month.*
3. (Communication) Communicate with Board of Directors (BOD) on a monthly basis about capital expenses in comparison to Board-approved amounts from the Initiatives, and MRR-B funds.

GREEN VALLEY RECREATION						
CAPITAL PROJECTS REPORT						
3/31/2024						
		TOTAL	2024	Project to Date		
Center	Description	Total Project Budget	2024 Budget	Total Project Spent to Date	2024 Spent to Date	Project Budget Balance
NON RESERVE CAPITAL						
ALL	2024 Unplanned Unbudgeted Items	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000
CR	Shade Structure for Canoa Ranch pool	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ 16,000
CP1 / ABS	Deck shade structures for CP1 and Ab	\$ 26,000	\$ 26,000	\$ -	\$ -	\$ 26,000
ALL	Accessibility Initiatives	\$ 67,023	\$ 50,000	\$ 17,023	\$ -	\$ 50,000
PBC	Pickleball Fencing	\$ 35,000	\$ 35,000	\$ 6,080	\$ -	\$ 28,920
WC	Vacuum System for Woodshop	\$ 90,000		\$ 32,049	\$ 21,168	\$ 57,951
INITIATIVES						
SRS	Remodel for Glass Arts	\$ 900,000		\$ 828,605	\$ (24,224)	\$ 71,395
DH	Desert Hills Fitness Center	\$ 1,127,744		\$ 1,128,161	\$ -	\$ (417)
DH	DH Locker-room Expansion	\$ 445,000	\$ 445,000	\$ 9,591	\$ -	\$ 435,409
DSCH	Del Sol Clubhouse Note Payable	\$ 110,000	\$ 11,000	\$ 22,000	\$ 22,000	\$ 88,000
DSCH	Del Sol Clubhouse Renovation	\$ 1,900,000	\$ -	\$ 1,035,586	\$ 523,302	\$ 864,414
WC	West Center Expansion (Lap, Wood, /	\$ 158,835	\$ 100,000	\$ 16,841	\$ 2,783	\$ 141,994
DH	Ceramics Kiln room	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ 90,000
CH	Gym Conversion	\$ 180,000	\$ 180,000	\$ -	\$ -	\$ 180,000
WC	West Center Lobby improvements	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 150,000
ALL	Security Cameras		\$ -	\$ 49,974	\$ 49,974	\$ 26

4. (Capital) Include usage, trade-offs, and justification as part of the annual budget and capital planning process to provide the Board of Directors (BOD) with the necessary information to make capital planning decisions.
 - a. Staff have solicited Requests to apply for Type II Capital Improvement Projects. Type II project proposals will be reviewed by staff and P&E.
 - b. Type I Capital Improvement proposals have been gathered, but the evaluation and award process has been put on hold. 2024 CIP funds are currently frozen due to lower than expected home sales this first quarter.

5. (Capital) Provide information to the Board of Directors (BOD) on usage, trade-offs, and justification for a proposed/planned new capital project when the Board reviews concept plans.
 - a. Updated information on a potential Desert Hill locker room renovation/expansion has been included in the Board packet.



MINUTES

BOARD OF DIRECTORS MEETING

Wednesday, February 28, 2024, 2pm

West Center Auditorium / Zoom

Directors: Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary), Jim Carden (Treasurer), Barbara Blake (Assistant Secretary), Joe Magliola (Assistant Treasurer), Nancy Austin (intermittent due to her Zoom connection – no votes were recorded), Kathi Bachelor, Beth Dingman, Steve Gilbert, Bev Lawless, Richard Sutherland, Scott Somers (non-voting)

Staff Present: Steve Mendoza (Facilities Director), Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (COO)

Visitors: 40 Including support staff

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

The President being in the chair and the Secretary being present.

President Garneau called the meeting to order at 2:04pm MST. Secretary Hillyer called the roll; quorum established.

2. Amend/Adopt Agenda

MOTION: Director Garneau moved, Director Crothers seconded to amend the Agenda by moving Action Item 7.A to the Committee Reports under Fiscal Affairs.

Passed: 6 yes / 5 no (Bachelor, Dingman, Gilbert, Lawless, Sutherland)

3. President's Report

- Nellie Johnson and the Subcommittee for the Del Sol Clubhouse Café were thanked for all the work they did on the business plan. This report will help the Board as it moves forward with changes to Del Sol Clubhouse.
- The Board of Directors were thanked for working together this year.

4. CEO Report

- Glass Arts Studio project is complete and the club has moved in. Glass Arts Club held a successful ribbon cutting at the Glass Arts Studio.
- Canoa Hills punch list was completed last week. The plumbing work was completed overnight to avoid restroom closures during this busy season.
- Del Sol Clubhouse work continues steadily. The contractor assures GVR the recent delays in framing will be made up in March. There is no extension of schedule or budget currently anticipated. Grading work in the parking lots is complete. The retaining walls and concrete curbs have been poured. The hole for the stairs has been done inside the Clubhouse, but currently no stairs.
- Desert Hills Fitness Center has ventilation issues that are being addressed with the professionals who designed and installed the system.
- Abrego South spa has plumbing repairs scheduled for the end of the week.

- Summer Maintenance Repair and Replacement schedule is being developed. Along with asphalt, pool equipment, and HVAC maintenance, members can look forward to new flooring at Desert Hills and Las Campanas. Locker room and restrooms remodel at Desert Hills. New pool decks at Canoa Ranch, Santa Rita Springs, and Casa Paloma 1. The Canoa Ranch pool deck will be replaced in the first half of April. Starting with Canoa Ranch, GVR is shifting to a polyurea pool deck material that does not stain or crack and takes half the time to install and cure.
- A member survey concerning a potential Desert Hills locker room expansion and steam room addition and a Canoa Hills gymnasium conversion is going out in this Friday's eblast and will be posted on the website.

5. Committee Reports – All reports received and placed on file.

- A. Audit – No report
- B. Board Affairs
- C. Fiscal Affairs
- D. Investments – No report
- E. Nominations & Elections
- F. Planning & Evaluation

6. Consent Agenda

MOTION: Director Dingman moved, Director Carden seconded to approve the Consent Agenda.

Passed: unanimous

A. Minutes:

- BOD Regular Meeting Minutes: January 31, 2024
- BOD Work Session Minutes: February 14, 2024

B. Financial Statements:

- January Financials

7. Action Items

A. ~~Accept FAC Recommendation to Accept Café Report~~ Moved to Fiscal Affairs Committee report.

B. Approve Proposed 2024 Workplan

MOTION: Director Carden moved, Director Bachelor seconded to approve the 2024 Proposed Annual Workplan as drafted.

MOTION TO AMEND: Director Crothers moved, Director Carden seconded to create under Finance Department 4.3.4 added bullet "Create a stand-alone budget for the Initiatives Reserve multi-year budget that tracks approved expenditures, expenses to date, and closes out on all major projects."

Passed: 7 yes / 4 no (Bachelor, Dingman, Gilbert, Lawless)

MOTION TO AMEND AMENDMENT: Director Lawless moved to amend, Director Bachelor seconded to prepare a special budget for initiative projects, and report ongoing as needed. Failed: 4 yes (Bachelor, Dingman, Gilbert, Lawless) / 7 no

AMENDED MOTION: Director Hillyer moved, Director Blake seconded to approve the 2024 Proposed Annual Workplan as amended.

Amended Motion Passed: 10 yes / 1 no (Bachelor)

Amended Motion: Approved the 2024 Proposed Annual Workplan with addition to Finance Department 4.3.4 added bullet “Create a stand-alone budget for the Initiatives Reserve multi-year budget that tracks approved expenditures, expenses to date, and closes out on all major projects.”

Director Lawless left the meeting at 3:03pm.

- C. Approve BAC Recommendation for CPM Part 6, Section 2 GVR Clubs, 6.2.8.B

MOTION: Director Crothers moved, Director Dingman seconded to approve removal of the first sentence in 6.2.8.B which reads “All clubs shall maintain a continuity of records and shall preserve all correspondence and minutes for a period of no less than three years.”

Passed: unanimous

- D. Approve BAC Recommendations for CPM Part 1, Section 2 Use of GVR Facilities

COO Natalie Whitman reviewed the reasons for the changes to the Facility Use with these highlights:

- GVR policies are without meaningful limits on consumption of space and resources being used.
- GVR Recreation programs are not adequately prioritized and it is hard to find space for classes and programs. The priority list under 1.2.6.A.1 has been reorganized to address this.
- The Board was provided with a list of 16 primary changes to the Facility Use (found in the Meeting Book). This was fully reviewed at the meeting.
- Implementations will be rolled out by the Staff as needed, but will be added to the CPM as voted on at this meeting.

MOTION: Director Crothers moved, Director Sutherland seconded to approve the BAC recommended changes to CPM Part 1, Section 2 Use of GVR Facilities.

Passed: unanimous

- E. Wallyball Club Application

MOTION: Director Carden moved, Director Magliola seconded to approve club status for the GVR Official Rules Wallyball Club.

Passed: 7 yes / 3 abstaining (Bachelor, Dingman and Sutherland)

- F. P&E Recommendation for Ceramics Kiln Room Enhancements

MOTION: Director Bachelor moved, Director Hillyer seconded to approve the revised upgrades to the Ceramics Kiln Room at Desert Hills within the current budgeted amount of \$90,000.

Passed: unanimous

8. **Member Comments** – 1 regarding lack of discussion on Del Sol Clubhouse Café.

9. **Adjournment**

MOTION: Director Hillyer moved, Director Magliola seconded to adjourn the meeting at 4:27pm.

Passed: unanimous



MINUTES

BOARD OF DIRECTORS SPECIAL MEETING

Wednesday, March 20, 2024 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary), Jim Carden (Treasurer), Barbara Blake (Assistant Secretary), Joe Magliola (Assistant Treasurer) Nancy Austin, Kathi Bachelor, Beth Dingman, Steve Gilbert, Bev Lawless, Richard Sutherland, Scott Somers (non-voting)

Visitors: 36

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

The President being in the chair and the Secretary being present.

President Garneau called the meeting to order at 2:01pm MST. Secretary Hillyer called the roll; quorum established.

2. Adopt or Amend Agenda

MOTION: Director Garneau moved, Director Dingman seconded to amend the Agenda by moving the 3.A. Presentation of the Del Sol Clubhouse Café to Action Item between 4.A and B. Passed: 11 yes / 1 no (Hillyer)

MOTION: Director Hillyer moved, Director Blake seconded to amend the Agenda by deleting Action Items 4.B through E including the recently moved 3.A. Presentation to the Action Item. Passed: 7 yes / 5 no (Bachelor, Dingman, Gilbert, Lawless, Sutherland)

3. Action Items

A. Resolve the Tie Vote from the 2024 Election (Somers)

CEO Somers reviewed the two paths possible for resolving the tie vote for the 2024 election: 1) seat the two tied candidates, or 2) do a runoff election. The attorney has opined that both paths are acceptable.

MOTION: Director Carden moved, Director Blake seconded to seat both candidates with the condition to not fill a resigned Director position in the 2024-25 Board year, to be on track for having nine Directors in the 2026-27 Board year.

Passed: 8 yes / 4 no (Bachelor, Gilbert, Lawless, Sutherland)

MOTION TO AMEND: Director Hillyer moved, Director Carden seconded to seat the number 3 and 4 vote-getters and the Board remain at 12 Directors this 2024-25 Governance year. Start the bylaw change in 2025 and members will vote for only three Directors and the Board will move to 11 on the Board.

Passed: 7 yes / 5 no (Bachelor, Dingman, Gilbert, Lawless, Sutherland)

Amended Motion: Approved to seat the tied candidates with the Board to remain at 12 Directors this 2024-25 Governance year, and begin the bylaw change in 2025 when the members will vote for only three Directors and the Board will move to 11 on the Board.

~~**B. Del Sol Clubhouse Café Power Point and Business Plan (Johnson)**~~

~~**C. Accept the FAC recommendation to accept the Subcommittee's Del Sol Café Report.**~~

~~**D. Release the \$50,000 in the 2024 Capital Budget earmarked for café startup costs to be spent by staff at their discretion based on whether or not we have a vendor for the proposed café/gathering spot at the Del Sol Clubhouse.**~~

~~**E. Approve the FAC recommendation to amend the CPM to allow non-member patrons access to the proposed café for a nominal daily fee of \$1.00.**~~

~~**F. Approve the FAC recommendation to amend the CPM to allow pets on the patio of the clubhouse.**~~

4. Member Comments – 1 comment

5. Adjournment

MOTION: Director Hillyer moved, Austin seconded to adjourn the meeting at 2:50pm MST.

Passed: 10 yes / 2 no (Dingman, Gilbert)



MINUTES

BOARD OF DIRECTORS SPECIAL MEETING

Wednesday, March 27, 2024 – 10:30am

West Center Auditorium / Zoom

*Code of Conduct

Directors: Nancy Austin, Kathi Bachelor, Barbara Blake, Jim Carden, Carol Crothers, Beth Dingman, Candy English, Marge Garneau, Bart Hillyer, Nellie Johnson, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

The President being in the chair and the Secretary being present.

President Garneau called the meeting to order at 10:28am MST. Secretary Hillyer called the roll; quorum established.

2. Adopt or Amend Agenda

MOTION: Director Carden moved, Director Austin seconded to approve the Agenda.

Passed: unanimous

3. New Business

A. Nomination and Election of Board Officers

1) President

a) Nomination

- Garneau 6 will run
- Johnson 3 will run
- Hillyer 1 will not run
- Bachelor 1 will not run

b) Election

- **Garneau 7 President**
- Johnson 5

2) Vice-President

a) Nomination

- Hillyer 6 will run
- English 3 will run
- Crothers 1 will not run

b) Election

- **Hillyer 7 Vice-President**
- English 5

- 3) Secretary
 - a) Nomination
 - Carden 7 will run
 - English 2 will run
 - Austin 1 will not run
 - Lawless 1 will not run
 - b) Election
 - **Carden 7 Secretary**
 - English 5
- 4) Treasurer
 - a) Nomination
 - Crothers 7 will run
 - Johnson 4 will run
 - Bachelor 1 will not run
 - b) Election
 - **Crothers 7 Treasurer**
 - Johnson 5
- 5) Assistant Secretary
 - a) Nomination
 - Johnson 4 will not run
 - English 3 will run
 - Austin 1 will not run
 - Bachelor 1 will not run
 - Magliola 1 will not run
 - Blake 1 will run
 - b) Election
 - **English 7 Assistant Secretary**
 - Blake 5
- 6) Assistant Treasurer
 - a) Nomination
 - Johnson 6 will run
 - Magliola 6 will run
 - b) Election
 - **Johnson 7 Assistant Treasurer**
 - Magliola 5

4. **Member Comments** – There were no member comments.

5. **Adjournment**

MOTION: Director Hillyer moved, Director Blake seconded to adjourn the meeting at 11:04am MST.

Passed: unanimous



MINUTES

BOARD OF DIRECTORS SPECIAL MEETING

Wednesday, April 10, 2024 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer) Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

The President being in the chair and the Secretary being present.

President Garneau called the meeting to order at 2:02pm MST. Secretary Carden called the roll; quorum established.

President Garneau welcomed the two new Directors to the Board: Candy English and Nellie Johnson.

2. Adopt or Amend Agenda

MOTION: Director Dingman moved, Director Crothers seconded to approve the Agenda.

Passed: unanimous

3. Action Items

A. Approve Committee Chairs

MOTION: Director Garneau moved, Director Crothers seconded to approve the appointment of 2024-25 Committee Chairpersons nominated by the President.

Audit - Nancy Austin

Board Affairs – Bart Hillyer

Fiscal Affairs – Carol Crothers

Investments – Nellie Johnson

Nominations & Elections – Barbara Blake

Planning & Evaluation – Jim Carden

Passed: unanimous

4. Member Comments – 0

5. Adjournment

MOTION: Director Hillyer moved, Director Austin seconded to adjourn the meeting at 2:15pm MST.

Passed: unanimous



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, April 10, 2024, Following Special Meeting
WC Auditorium / Zoom

Directors Present: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

Staff Present: Steve Kindred (Recreation Program Director), Steve Mendoza (Facilities Director), Nanci Moyo (Administrative Supervisor), Natalie Whitman (COO)

Visitors: 18 including staff

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 2:15pm by President Garneau. Secretary Carden called the roll.

2. Amend / Approve Agenda

MOTION: Director Johnson moved, Director Carden seconded to approve the Agenda.
Passed: unanimous

3. Canoa Hills Gymnasium

Natalie Whitman, COO, reviewed the Canoa Hills Gymnasium proposal, converting the auditorium to a multi-use gymnasium.

- This is a Type II Capital Improvement Project (future and long-term projects) in the phase 4 stage, where staff presents concept drawings and associated cost estimates to the Board for approval.
- The estimated cost currently budgeted for 2024 is \$180,000.
- There is no plan to change the footprint of the building.
- Remove the false ceiling for more ball clearance.
- Remove the risers to allow for table tennis to store tables when not in use.
- Cage the light fixtures and speakers.
- Paint court lines and walking track.
- Kitchen equipment in Canoa Hills would be repurposed to Del Sol Clubhouse.

Directors shared thoughts and asked questions:

- Consider more member feedback on this project and review the data from the charrette held at Canoa Hills.
- Six feet of additional space once false ceiling is removed.

- The multi-use gymnasium is a good idea with fairly minimal cost. Possibly defer the basketball court and hoops until a need is determined.
- Bridge players and line dancers do not want to move from the auditorium of Canoa Hills.
- There is Board and member support for a walking track.
- Due to lower house sales in 2023 and possibly 2024 it would be good to watch extra spending this year.

Scott Somers, CEO, stated there has been overwhelming negative feedback to changing the auditorium to a multi-purpose gymnasium. He recommended putting this project back on the list of Capital projects and revisit it in the future.

The memo in the Board Meeting Book regarding Canoa Hills had three recommended options. First option is for the Board to approve the project as described, budgeted, and complete by October 2024; Second option is to complete all proposed elements, but defer basketball installation to a later date, pending further outreach to ensure interest is sufficient to justify the cost; and third option is no desire for the overall change in the use of the room, paint a walking track around the perimeter so indoor walking programs can commence.

Member comments:

- Sound quality would be affected if stage was removed because of the drapes as sound buffers.
- Raising the ceiling, also affects the sound quality.
- Walking track would work well at Canoa Hills.
- Is there a walking club? There is not a walking club.

Consensus of the Board was to include a walking path in the auditorium and do not move forward on any other changes to Canoa Hills.

4. Desert Hills Locker Room Expansion and Steam Room

Natalie Whitman, COO, reviewed the Desert Hills Locker Room expansion and the Steam Room.

- This project was recommended by P&E with a \$445,000 budget.
- There was not a lot of support for the steam room in the survey.
- The locker rooms' funding would come out of the MRR due to the need for rehabilitation and the balance out of initiative for the whole project.
- Possible plans are to shift the women's locker room north into the old Desert Hills weight room. Replace tiles and fixtures in the locker rooms. Provide more toilets and showers, and increased changing space. The steam room or deck shower next to the sauna. Remove the unisex bathroom. Replace the ventilation because it is not up to Pima County Code. It is possible to tie the ventilation to the upstairs kiln room because of the improvements needed there.
- The staff report included options the Board can consider which include: 1) Include the proposal as depicted in the attached floorplan sketch on the agenda for the regular April Board meeting; 2) Consider only an expansion of the locker rooms, replacing the steam room with a deck shower; 3) Consider only a rehab within the current footprint, with necessary ventilation upgrades; and 4) Consider alternate direction for staff.

Directors shared thoughts and asked questions:

- Consider not moving the sauna for a cost savings.
- Consider the boxing room being changed to a club space and move the boxing room to the old weight room.
- How much has the architecture been paid for drawings? This was unknown but would be part of the project.
- Include non-slippery textured floors for safety.
- The \$445,000 budget includes the \$90,000 slated for the ventilation upgrade for the kiln room. The initiative shows \$299,335 for the project which includes the \$90,000.

Consensus of the Board is not to move forward on the steam room and keeping the sauna, and have staff bring back concept and construction drawings that uses the old exercise room as part of the women's locker room with a larger men's locker room.

Adjournment:

MOTION: Director Dingman moved, Director Hillyer seconded to adjourn the meeting at 3:47pm MST.

Passed: unanimous



Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

The accompanying pages are the Financial Reports for December 31, 2023. The four

Statement of Financial Position.

This is also known as a Balance Sheet or the Statement of Net Assets.

Statement of Activities

Also known as an Income and Expense statement. This report shows the types of Income, the categories of expense and the unrealized Investment Market changes for the year to date. The bottom line in this report is the net for all the reserve accounts maintained by GVR.

Statement of Changes in Net Assets

This report displays the financial activity of the four reserves that make up the Net Assets of Green Valley Recreation. These reserves are:

Unrestricted - These net assets include the Fixed Assets (land, buildings and equipment), undesignated current assets less the current liabilities and deferred revenue items.

Emergency - Designated by the Board of Directors, this reserve is held to provide liquidity when needed for operational emergencies.

Maint - Repair - Replacement - designated by the Board of Directors, this reserve is the accumulation of assets in support of the Reserve Study which is mandated for Common Interest Realty Associations like Green Valley Recreation. Annual amounts are budgeted and transferred into this reserve for the purposes of the name of this reserve.

MRR-B Pools and Spas - Board designated reserve for end of life replacement of Pools and Spas

Initiatives - This reserve is designated by the Board of Directors to help with the funding for new programs that evolve from member interests and demands. Innovation in programming enables GVR to respond to member expectations.

Investment Portfolios

This report displays the market values of investments at the beginning of the year, the dollar amounts of changes that occurred from January 1st to the date of the financial statements. The unrealized gain or loss on market value changes is shown on a separate line to result in the market value of investments as of the reporting month end. The investments related to each of the Reserves (Unrestricted and Designated) are included in separate columns.



Green Valley Recreation, Inc.
Statement of Financial Position

As of Date: December 31, 2023 and Dec 31, 2022

	December 31, 2023	Dec 31, 2022
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	2,599,548	1,732,899
Accounts Receivable	220,589	197,896
Prepaid Expenses	218,015	207,263
Maintenance Inventory	22,003	23,044
Designated Investments (Charles S./SBH)		
Emergency - Fund	560,194 ⁽¹⁾	490,701 ⁽¹⁸⁾
MRR - Fund	7,175,602 ⁽²⁾	7,043,208 ⁽¹⁹⁾
Initiatives - Fund	1,750,056 ⁽³⁾	2,531,557 ⁽²⁰⁾
Pools & Spas - Fund	814,765 ⁽⁴⁾	576,963 ⁽²¹⁾
Total Designated Investments (CS/SBH)	10,300,617 ⁽⁵⁾	10,642,430 ⁽²²⁾
Undesignated Invest. (JP Morgan Long Term)	1,699,386 ⁽⁶⁾	1,565,673 ⁽²³⁾
Undesignated Invest. (JP Morgan)	1,767,892 ⁽⁷⁾	3,361,830 ⁽²⁴⁾
Investments	13,767,895 ⁽⁸⁾	15,569,933 ⁽²⁵⁾
Total Current Assets	16,828,050	17,731,035
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	31,004,036	27,908,195
Sub-Total	49,021,121	45,925,280
Less - Accumulated Depreciation	(27,464,438)	(26,748,166)
Net Fixed Assets	21,556,682 ⁽⁹⁾	19,177,114 ⁽²⁶⁾
Operating Lease ROU, Net of Accum. Amortization	-	467
Finance Lease ROU, Net of Accum. Amortization	72,483	111,355
Total Assets	38,457,215	37,019,971
LIABILITIES		
Current Liabilities		
Accounts Payable	727,655	514,060
Deferred Dues Fees & Programs	4,533,756	4,684,821
Accrued Payroll	156,036	153,683
Compensation Liability	-	-
MCF Refund Liability	211,700	197,120
In-Kind Lease Liability -Current	4,000	4,000
Operating ROU Liability - Current	-	439
Financing ROU Liability - Current	40,307	39,319
Total Current Liabilities	5,673,454	5,593,441
In-Kind Lease Liability - LT	46,667	50,667
Notes Payable	11,000	11,000
Financing ROU Liability - LT	43,954	84,261
Total Long Term Liabilities	101,621	145,928
TOTAL NET ASSETS	32,682,140 ⁽¹⁰⁾	31,280,602 ⁽²⁷⁾
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	560,194 ⁽¹¹⁾	490,701 ⁽²⁸⁾
Maint - Repair - Replacement	7,113,941 ⁽¹²⁾	7,043,208 ⁽²⁹⁾
Initiatives	1,750,056 ⁽¹³⁾	2,531,557 ⁽³⁰⁾
Pools & Spas	814,765 ⁽¹⁴⁾	576,963 ⁽³¹⁾
Sub-Total	10,238,956 ⁽¹⁵⁾	10,642,430
Unrestricted Net Assets	21,041,646	20,638,172
Net change Year-to-Date	1,401,539 ⁽¹⁶⁾	-
Unrestricted Net Assets	22,443,185 ⁽¹⁷⁾	20,638,172
TOTAL NET ASSETS	32,682,140	31,280,602



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: December 31, 2023 and Dec 31, 2022

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	1,401,539 (16)	1,401,539	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(2,010,094)	-	-	1,179,941	540,748	289,405
Transfers Prev. Yr. Surplus	-	(428,596)	-	-	-	428,596	-
Transfers Curr. Yr. Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	-	-	-	-	-	-
Depreciation	-	716,272	(716,272)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	-	701,952	3,095,840	-	(1,378,729)	(2,317,287)	(101,777)
Purchases Withdrawals Outstanding	(0)	(135,634)	-	-	(286,704)	428,349	(6,010)
Allocations of Net Change components:							
Investment income	-	(303,421)	-	9,140	210,673	64,427	19,180
Investment Expenses	-	141,163	-	(3,410)	(115,974)	(16,555)	(5,224)
Net Gains (Losses) in Investments	-	(657,736)	-	63,762	461,527	90,221	42,227
Net Change to December 31, 2023	1,401,539 (16)	(574,556)	2,379,568	69,493	70,733	(781,501)	237,801
Net Assets at, Dec 31, 2022	31,280,602 (27)	1,461,058	19,177,114 (26)	490,701 (28)	7,043,208 (29)	2,531,557 (30)	576,963 (31)
Net Assets as at, December 31, 2023	32,682,140 (10)	886,503	21,556,682 (9)	560,194 (11)	7,113,941 (12)	1,750,056 (13)	814,765 (14)
		22,443,185 (17)			10,238,956 (15)		

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.
Investment Portfolios
Changes and Market Values
Beginning of Year and Curent Month End

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2022 (at Market)	15,569,933 ⁽²⁵⁾	4,927,503 ⁽²⁴⁾	490,701 ⁽¹⁸⁾	7,043,208 ⁽¹⁹⁾	2,531,557 ⁽²⁰⁾	576,963 ⁽²¹⁾
Changes since Jan 1, 2022:						
Principal Transfers	4,938,690	2,500,000	-	1,179,941	969,344	289,405
Investment income	460,556	157,134	9,140	210,673	64,427	19,180
Withdrawals	(7,862,158)	(4,200,000)	-	(1,665,434)	(1,888,938)	(107,787)
Investment Expenses	(141,163)	-	(3,410)	(115,974)	(16,555)	(5,224)
Net Change for 12 Months	(2,604,076)	(1,542,866)	5,731	(390,794)	(871,722)	195,575
Balance before Market Change at December 31, 2023	12,965,857	3,384,638	496,432	6,652,414	1,659,835	772,538
12 Months Net Change in Investments Gain/(Loss)	740,376	82,641	63,762	461,527	90,221	42,227
Balance at December 31, 2023 (at Market)	\$ 13,706,234 ⁽⁸⁾	3,467,278 ⁽⁶⁾ ⁽⁷⁾	560,194.16 ⁽¹⁾	7,113,941 ⁽²⁾	1,750,056 ⁽³⁾	814,765 ⁽⁴⁾

10,238,956 ⁽¹⁵⁾

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Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

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Also known as an Income and Expense statement. This report shows the types of Income, the categories of expense and the unrealized Investment Market changes for the year to date. The bottom line in this report is the net for all the reserve accounts maintained by GVR.

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Green Valley Recreation, Inc.
Statement of Financial Position

As of Date: January 31, 2024 and Dec 31, 2023

	January 31, 2024	Dec 31, 2023
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	687,520	2,599,548
Accounts Receivable	800,828	220,589
Prepaid Expenses	184,509	218,015
Maintenance Inventory	22,003	22,003
Designated Investments (Charles S./SBH)		
Emergency - Fund	563,406 ⁽¹⁾	560,194 ⁽¹⁸⁾
MRR - Fund	8,347,416 ⁽²⁾	7,175,602 ⁽¹⁹⁾
Initiatives - Fund	1,643,301 ⁽³⁾	1,750,056 ⁽²⁰⁾
Pools & Spas - Fund	1,113,273 ⁽⁴⁾	814,765 ⁽²¹⁾
Total Designated Investments (CS/SBH)	11,667,396 ⁽⁵⁾	10,300,617 ⁽²²⁾
Undesignated Invest. (JP Morgan Long Term)	1,707,776 ⁽⁶⁾	1,699,386 ⁽²³⁾
Undesignated Invest. (JP Morgan)	3,771,350 ⁽⁷⁾	1,767,892 ⁽²⁴⁾
Investments	17,146,522 ⁽⁸⁾	13,767,895 ⁽²⁵⁾
Total Current Assets	18,841,381	16,828,050
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	31,265,336	31,004,036
Sub-Total	49,282,421	49,021,121
Less - Accumulated Depreciation	(27,564,476)	(27,464,438)
Net Fixed Assets	21,717,945 ⁽⁹⁾	21,556,682 ⁽²⁶⁾
Operating Lease ROU, Net of Accum. Amortization	-	-
Finance Lease ROU, Net of Accum. Amortization	72,483	72,483
Total Assets	40,631,809	38,457,215
LIABILITIES		
Current Liabilities		
Accounts Payable	704,963	727,655
Deferred Dues Fees & Programs	6,774,617	4,533,756
Accrued Payroll	51,792	156,036
Compensation Liability	-	-
MCF Refund Liability	211,750	211,700
In-Kind Lease Liability -Current	7,666	4,000
Operating ROU Liability - Current	-	-
Financing ROU Liability - Current	40,307	40,307
Total Current Liabilities	7,791,096	5,673,454
In-Kind Lease Liability - LT	46,667	46,667
Notes Payable	11,000	11,000
Financing ROU Liability - LT	43,954	43,954
Total Long Term Liabilities	101,621	101,621
TOTAL NET ASSETS	32,739,093 ⁽¹⁰⁾	32,682,140 ⁽²⁷⁾
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	563,406 ⁽¹¹⁾	560,194 ⁽²⁸⁾
Maint - Repair - Replacement	8,347,416 ⁽¹²⁾	7,175,602 ⁽²⁹⁾
Initiatives	1,643,301 ⁽¹³⁾	1,750,056 ⁽³⁰⁾
Pools & Spas	1,113,273 ⁽¹⁴⁾	814,765 ⁽³¹⁾
Sub-Total	11,667,396 ⁽¹⁵⁾	10,300,617
Unrestricted Net Assets	21,014,744	22,381,524
Net change Year-to-Date	56,952 ⁽¹⁶⁾	-
Unrestricted Net Assets	21,071,696 ⁽¹⁷⁾	22,381,524
TOTAL NET ASSETS	32,739,093	32,682,140



Green Valley Recreation, Inc.

Summary Statement of Activities

YTD Period: 1 month period ending January 31, 2024

FY Budget Period: Jan 1, 2024 - Dec 31, 2024

	PRIOR YEAR COMPARISON				%	BUDGET COMPARISON				%	Fiscal Year Budget	Remaining FY Budget
	2023 YTD Actual	2024 YTD Actual	Year to Year Variance			YTD Actual	YTD Budget	YTD Variance				
Revenue												
Member Dues	588,607	595,471	6,865	1%	595,471	594,396	1,076	0.2%	7,132,750	6,537,279		
L.C, Trans., Crd Fees.	106,487	107,671	1,185	1%	107,671	102,464	5,208	5%	705,637	597,966		
Capital Revenue	175,960	207,438	31,478	18%	207,438	200,625	6,813	3%	3,039,780	2,832,342		
Programs	14,636	27,192	12,557	86%	27,192	25,217	1,975	8%	92,403	65,211		
Instructional	55,516	82,876	27,360	49%	82,876	66,942	15,934	24%	393,000	310,124		
Recreational Revenue	70,151	110,068	39,917	57%	110,068	92,159	17,909	19%	485,403	375,335		
Investment Income	38,998	(40,680)	(79,679)	(204%)	(40,680)	35,455	(76,135)	(215%)	425,458	466,139		
Advertising Income	-	-	-	0%	-	-	-	0%	-	-		
Cell Tower Lease Inc.	3,873	3,996	123	3%	3,996	3,924	72	2%	47,093	43,096		
Comm. Revenue	3,873	3,996	123	3%	3,996	3,924	72	2%	47,093	43,096		
Other Income	7,795	9,022	1,227	16%	9,022	11,532	(2,511)	(22%)	87,072	78,051		
Facility Rent	920	1,135	215	23%	1,135	1,667	(532)	(32%)	20,000	18,865		
Marketing Events	-	-	-	0%	-	-	-	0%	-	-		
In-Kind Contributions	333	333	-	0%	333	333	-	0%	4,000	3,667		
Del Sol Café Revenue	-	-	-	0%	-	-	-	0%	25,000	25,000		
Other Revenue	9,048	10,490	1,442	16%	10,490	13,532	(3,042)	(22%)	136,072	125,582		
Total Revenue	993,124	994,455	1,331	0%	994,455	1,042,555	(48,100)	(4.6%)	11,972,193	10,977,738		
Expenses												
Major Proj.-Rep. & Maint.	31,886	50,917	(19,032)	(60%)	50,917	43,534	(7,383)	(17%)	489,203	438,285		
Facility Maintenance	9,838	5,334	4,504	46%	5,334	35,289	29,955	85%	405,251	399,918		
Fees & Assessments	4,424	30	4,394	99%	30	535	505	94%	5,000	4,970		
Utilities	113,821	123,851	(10,029)	(9%)	123,851	101,181	(22,670)	(22%)	1,000,134	876,283		
Depreciation	116,663	100,038	16,625	14%	100,038	111,313	11,276	10%	1,275,000	1,174,962		
Furniture & Equipment	17,969	15,472	2,497	14%	15,472	33,298	17,826	54%	268,945	253,473		
Vehicles	7,091	9,847	(2,756)	(39%)	9,847	8,168	(1,679)	(21%)	98,000	88,153		
Facilities & Equipment	301,691	305,488	(3,797)	(1%)	305,488	333,317	27,829	8%	3,541,533	3,236,045		
Wages	333,156	356,375	(23,219)	(7%)	356,375	345,408	(10,967)	(3%)	4,047,812	3,691,437		
Payroll Taxes	30,008	36,663	(6,655)	(22%)	36,663	25,756	(10,907)	(42%)	323,634	286,971		
Benefits	89,752	88,230	1,522	2%	88,230	93,450	5,220	6%	964,545	876,315		
Personnel	452,916	481,268	(28,352)	(6%)	481,268	464,615	(16,654)	(4%)	5,335,990	4,854,722		
Food & Catering	467	600	(133)	(29%)	600	1,801	1,201	67%	21,386	20,786		
Recreation Contracts	42,711	33,467	9,244	22%	33,467	36,321	2,854	8%	348,685	315,218		
Bank & Credit Card Fees	35,602	38,538	(2,936)	(8%)	38,538	41,062	2,525	6%	77,000	38,462		
Program	78,780	72,605	6,175	8%	72,605	79,185	6,580	8%	447,071	374,466		
Communications	10,438	13,860	(3,422)	(33%)	13,860	10,519	(3,341)	(32%)	96,023	82,163		
Printing	5,248	507	4,741	90%	507	12,246	11,739	96%	103,183	102,676		
Advertising	3,298	290	3,008	91%	290	2,460	2,170	88%	17,920	17,630		
Communications	18,984	14,657	4,327	23%	14,657	25,225	10,568	42%	217,126	202,469		
Supplies	30,179	26,045	4,134	14%	26,045	46,908	20,863	44%	558,587	532,542		
Postage	-	816	(816)	0%	816	202	(614)	(304%)	17,922	17,106		
Dues & Subscriptions	(543)	100	(643)	118%	100	636	536	84%	17,091	16,991		
Travel & Entertainment	(268)	-	(268)	100%	-	400	400	100%	1,600	1,600		
Other Operating Expense	(3)	5,728	(5,731)	164,214%	5,728	6,596	868	13%	113,884	108,157		
Operations	29,364	32,688	(3,324)	(11%)	32,688	54,742	22,053	40%	709,084	676,396		
Information Technology	4,903	4,741	161	3%	4,741	14,010	9,269	66%	136,781	132,040		
Professional Fees	32,503	16,074	16,429	51%	16,074	26,388	10,314	39%	213,816	197,742		
Commercial Insurance	28,197	30,157	(1,960)	(7%)	30,157	29,568	(589)	(2%)	354,812	324,655		
Taxes	(276)	-	(276)	100%	-	1,083	1,083	100%	33,000	33,000		
Conferences & Training	434	-	434	100%	-	7,949	7,949	100%	34,127	34,127		
Employee Recognition	668	-	668	100%	-	1,792	1,792	100%	21,500	21,500		
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-		
Corporate Expenses	66,429	50,972	15,457	23%	50,972	80,789	29,817	37%	794,036	743,063		
Expenses	948,164	957,678	(9,515)	(1%)	957,678	1,037,873	80,194	7.7%	11,044,839	10,087,160		
Gross Surplus(Rev-Exp)	44,961	36,777	(8,184)	(18%)	36,777	4,682	32,094	685%	927,354	890,578		
Net. Gain/Loss on Invest.	308,945	20,176	(288,770)		20,176	-	20,176		-	(20,176)		
Net from Operations	353,906	56,952	(296,954)	(84%)	56,952	4,682	52,270		927,354	870,402		



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: January 31, 2024 and Dec 31, 2023

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	56,952 (16)	56,952	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(1,519,695)	-	-	1,220,295	-	299,400
Transfers Prev. Yr. Surplus	-	-	-	-	-	-	-
Transfers Curr. Yr. Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	-	-	-	-	-	-
Depreciation	-	100,038	(100,038)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	-	-	261,300	-	(111,910)	(149,390)	-
Purchases Withdrawals Outstanding	-	(99,470)	-	-	56,210	43,260	-
Allocations of Net Change components:							
Investment income	-	(14,158)	-	876	9,508	1,146	2,627
Investment Expenses	-	18,354	-	(942)	(12,786)	(3,203)	(1,423)
Net Gains (Losses) in Investments	-	(13,111)	-	3,278	10,498	1,431	(2,095)
Net Change to January 31, 2024	56,952 (16)	(1,471,090)	161,263	3,212	1,171,814	(106,755)	298,509
Net Assets at, Dec 31, 2023	32,682,140 (27)	824,841	21,556,682 (26)	560,194 (28)	7,175,602 (29)	1,750,056 (30)	814,765 (31)
Net Assets as at, January 31, 2024	32,739,093 (10)	(646,249)	21,717,945 (9)	563,406 (11)	8,347,416 (12)	1,643,301 (13)	1,113,273 (14)
		21,071,696 (17)		11,667,396 (15)			

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.
Investment Portfolios
Changes and Market Values
Beginning of Year and Current Month End

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2023 (at Market)	<u>13,767,895</u> ⁽²⁵⁾	<u>3,467,278</u> ⁽²⁴⁾	560,194 ⁽¹⁸⁾	7,175,602 ⁽¹⁹⁾	1,750,056 ⁽²⁰⁾	814,765 ⁽²¹⁾
Changes since Jan 1, 2023:						
Principal Transfers	3,519,695	2,000,000	-	1,220,295	-	299,400
Investment income	18,940	4,783	876	9,508	1,146	2,627
Withdrawals	(161,830)	-	-	(55,701)	(106,130)	-
Investment Expenses	(18,354)	-	(942)	(12,786)	(3,203)	(1,423)
Net Change for 1 Months	3,358,451	2,004,783	(66)	1,161,316	(108,186)	300,604
Balance before Market Change at January 31, 2024	17,126,346	5,472,061	560,128	8,336,918	1,641,870	1,115,368
1 Months Net Change in Investments Gain/(Loss)	20,176	7,064	3,278	10,498	1,431	(2,095)
Balance at January 31, 2024 (at Market)	<u>\$ 17,146,521</u> ⁽⁸⁾	<u>5,479,125</u> ⁽⁶⁾ ⁽⁷⁾	<u>563,405.91</u> ⁽¹⁾	<u>8,347,416</u> ⁽²⁾	<u>1,643,301</u> ⁽³⁾	<u>1,113,273</u> ⁽⁴⁾

11,667,396 ⁽¹⁵⁾

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

The accompanying pages are the Financial Reports for February 29, 2024. The four statements

Statement of Financial Position.

This is also known as a Balance Sheet or the Statement of Net Assets.

Statement of Activities

Also known as an Income and Expense statement. This report shows the types of Income, the categories of expense and the unrealized Investment Market changes for the year to date. The bottom line in this report is the net for all the reserve accounts maintained by GVR.

Statement of Changes in Net Assets

This report displays the financial activity of the four reserves that make up the Net Assets of Green Valley Recreation. These reserves are:

Unrestricted - These net assets include the Fixed Assets (land, buildings and equipment), undesignated current assets less the current liabilities and deferred revenue items.

Emergency - Designated by the Board of Directors, this reserve is held to provide liquidity when needed for operational emergencies.

Maint - Repair - Replacement - designated by the Board of Directors, this reserve is the accumulation of assets in support of the Reserve Study which is mandated for Common Interest Realty Associations like Green Valley Recreation. Annual amounts are budgeted and transferred into this reserve for the purposes of the name of this reserve.

MRR-B Pools and Spas - Board designated reserve for end of life replacement of Pools and Spas

Initiatives - This reserve is designated by the Board of Directors to help with the funding for new programs that evolve from member interests and demands. Innovation in programming enables GVR to respond to member expectations.

Investment Portfolios

This report displays the market values of investments at the beginning of the year, the dollar amounts of changes that occurred from January 1st to the date of the financial statements. The unrealized gain or loss on market value changes is shown on a separate line to result in the market value of investments as of the reporting month end. The investments related to each of the Reserves (Unrestricted and Designated) are included in separate columns.



Green Valley Recreation, Inc.
Statement of Financial Position
 As of Date: February 29, 2024 and Dec 31, 2023

	February 29, 2024	Dec 31, 2023
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	438,905	2,599,548
Accounts Receivable	595,464	220,589
Prepaid Expenses	150,925	218,015
Maintenance Inventory	22,003	22,003
Designated Investments (Charles S./SBH)		
Emergency - Fund	582,367 ⁽¹⁾	560,194 ⁽¹⁸⁾
MRR - Fund	8,293,467 ⁽²⁾	7,175,602 ⁽¹⁹⁾
Initiatives - Fund	1,383,483 ⁽³⁾	1,750,056 ⁽²⁰⁾
Pools & Spas - Fund	1,123,865 ⁽⁴⁾	814,765 ⁽²¹⁾
Total Designated Investments (CS/SBH)	11,383,182 ⁽⁵⁾	10,300,617 ⁽²²⁾
Undesignated Invest. (JP Morgan Long Term)	1,736,824 ⁽⁶⁾	1,699,386 ⁽²³⁾
Undesignated Invest. (JP Morgan)	3,784,796 ⁽⁷⁾	1,767,892 ⁽²⁴⁾
Investments	16,904,802 ⁽⁸⁾	13,767,895 ⁽²⁵⁾
Total Current Assets	18,112,099	16,828,050
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	31,560,258	31,004,036
Sub-Total	49,577,343	49,021,121
Less - Accumulated Depreciation	(27,655,275)	(27,455,527)
Net Fixed Assets	21,922,068 ⁽⁹⁾	21,565,593 ⁽²⁶⁾
Operating Lease ROU, Net of Accum. Amortization	467	467
Finance Lease ROU, Net of Accum. Amortization	111,355	111,355
Total Assets	40,145,989	38,505,465
LIABILITIES		
Current Liabilities		
Accounts Payable	714,674	738,655
Deferred Dues Fees & Programs	6,059,362	4,533,756
Accrued Payroll	72,477	156,036
Compensation Liability	-	-
MCF Refund Liability	214,750	211,700
In-Kind Lease Liability - Current	3,333	(0)
Operating ROU Liability - Current	439	439
Financing ROU Liability - Current	39,319	39,319
Total Current Liabilities	7,104,354	5,679,905
In-Kind Lease Liability - LT	50,667	50,667
Notes Payable	-	-
Financing ROU Liability - LT	84,261	84,261
Total Long Term Liabilities	134,928	134,928
TOTAL NET ASSETS	32,906,707 ⁽¹⁰⁾	32,690,632 ⁽²⁷⁾
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	582,367 ⁽¹¹⁾	560,194 ⁽²⁸⁾
Maint - Repair - Replacement	8,293,467 ⁽¹²⁾	7,175,602 ⁽²⁹⁾
Initiatives	1,383,483 ⁽¹³⁾	1,750,056 ⁽³⁰⁾
Pools & Spas	1,123,865 ⁽¹⁴⁾	814,765 ⁽³¹⁾
Sub-Total	11,383,182 ⁽¹⁵⁾	10,300,617
Unrestricted Net Assets	21,307,450	22,390,016
Net change Year-to-Date	216,075 ⁽¹⁶⁾	-
Unrestricted Net Assets	21,523,525 ⁽¹⁷⁾	22,390,016
TOTAL NET ASSETS	32,906,707	32,690,632



GREEN VALLEY RECREATION, INC.

Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 2 month period ending February 29, 2024

FY Budget Period: Jan 1, 2024 - Dec 31, 2024

	PRIOR YEAR COMPARISON				%	BUDGET COMPARISON				%	Fiscal Year Budget	Remaining FY Budget
	2023 YTD Actual	2024 YTD Actual	Year to Year Variance			YTD Actual	YTD Budget	YTD Variance				
Revenue												
Member Dues	1,176,940	1,188,320	11,380	1%	1,188,320	1,188,792	(472)	(0.0%)	7,132,750	5,944,430		
LC, Trans., Crd Fees.	163,942	165,279	1,337	1%	165,279	170,471	(5,192)	(3%)	705,637	540,358		
Capital Revenue	318,232	366,738	48,506	15%	366,738	422,529	(55,791)	(13%)	3,039,780	2,673,042		
Programs	32,163	118,125	85,962	267%	118,125	33,649	84,476	251%	92,403	(25,722)		
Instructional	112,224	147,039	34,815	31%	147,039	120,751	26,288	22%	393,000	245,961		
Recreational Revenue	144,387	265,164	120,776	84%	265,164	154,400	110,764	72%	485,403	220,239		
Investment Income	79,779	81,063	1,284	2%	81,063	70,910	10,153	14%	425,458	344,395		
Advertising Income	-	-	-	0%	-	-	-	0%	-	-		
Cell Tower Lease Inc.	7,749	7,998	249	3%	7,998	7,849	149	2%	47,093	39,095		
Comm. Revenue	7,749	7,998	249	3%	7,998	7,849	149	2%	47,093	39,095		
Other Income	34,768	38,383	3,616	10%	38,383	38,785	(402)	(1%)	87,072	48,689		
Facility Rent	4,647	2,495	(2,152)	(46%)	2,495	3,333	(838)	(25%)	20,000	17,505		
Marketing Events	-	-	-	0%	-	-	-	0%	-	-		
In-Kind Contributions	667	667	-	0%	667	667	-	0%	4,000	3,333		
Del Sol Café Revenue	-	-	-	0%	-	-	-	0%	25,000	25,000		
Other Revenue	40,082	41,545	1,463	4%	41,545	42,785	(1,240)	(3%)	136,072	94,527		
Total Revenue	1,931,111	2,116,107	184,996	10%	2,116,107	2,057,736	58,372	2.8%	11,972,193	9,856,086		
Expenses												
Major Proj.-Rep. & Maint.	52,918	82,770	(29,852)	(56%)	82,770	83,857	1,087	1%	489,203	406,433		
Facility Maintenance	23,375	38,731	(15,356)	(66%)	38,731	68,058	29,327	43%	405,251	366,520		
Fees & Assessments	11,859	3,440	8,419	71%	3,440	535	(2,905)	(543%)	5,000	1,560		
Utilities	237,678	239,914	(2,236)	(1%)	239,914	196,263	(43,651)	(22%)	1,000,134	760,220		
Depreciation	232,400	199,747	32,653	14%	199,747	223,595	23,848	11%	1,275,000	1,075,253		
Furniture & Equipment	53,555	54,316	(761)	(1%)	54,316	50,612	(3,704)	(7%)	268,945	214,629		
Vehicles	17,182	22,693	(5,511)	(32%)	22,693	16,336	(6,357)	(39%)	98,000	75,307		
Facilities & Equipment	628,967	641,611	(12,643)	(2%)	641,611	639,257	(2,354)	(0%)	3,541,533	2,899,922		
Wages	689,456	709,993	(20,537)	(3%)	709,993	667,897	(42,096)	(6%)	4,047,812	3,337,819		
Payroll Taxes	60,927	66,513	(5,586)	(9%)	66,513	55,991	(10,522)	(19%)	323,634	257,120		
Benefits	156,054	152,202	3,852	2%	152,202	166,602	14,400	9%	964,545	812,342		
Personnel	906,437	928,708	(22,272)	(2%)	928,708	890,490	(38,218)	(4%)	5,335,990	4,407,282		
Food & Catering	3,339	9,926	(6,587)	(197%)	9,926	4,247	(5,678)	(134%)	21,386	11,460		
Recreation Contracts	96,450	151,336	(54,886)	(57%)	151,336	88,579	(62,757)	(71%)	348,685	197,349		
Bank & Credit Card Fees	50,079	56,624	(6,545)	(13%)	56,624	54,249	(2,375)	(4%)	77,000	20,376		
Program	149,867	217,885	(68,018)	(45%)	217,885	147,075	(70,810)	(48%)	447,071	229,186		
Communications	18,836	22,407	(3,571)	(19%)	22,407	18,349	(4,058)	(22%)	96,023	73,616		
Printing	6,090	24,748	(18,658)	(306%)	24,748	19,221	(5,527)	(29%)	103,183	78,435		
Advertising	8,886	377	8,509	96%	377	3,670	3,293	90%	17,920	17,543		
Communications	33,811	47,532	(13,720)	(41%)	47,532	41,240	(6,292)	(15%)	217,126	169,594		
Supplies	74,865	96,716	(21,851)	(29%)	96,716	94,617	(2,099)	(2%)	558,587	461,871		
Postage	-	1,710	(1,710)	0%	1,710	461	(1,249)	(271%)	17,922	16,212		
Dues & Subscriptions	55	570	(515)	(940%)	570	1,823	1,253	69%	17,091	16,521		
Travel & Entertainment	22	-	22	100%	-	400	400	100%	1,600	1,600		
Other Operating Expense	1,961	10,617	(8,656)	(442%)	10,617	8,341	(2,276)	(27%)	113,884	103,267		
Operations	76,902	109,613	(32,710)	(43%)	109,613	105,642	(3,971)	(4%)	709,084	599,471		
Information Technology	14,687	11,018	3,670	25%	11,018	24,517	13,499	55%	136,781	125,763		
Professional Fees	58,722	28,435	30,287	52%	28,435	43,471	15,036	35%	213,816	185,381		
Commercial Insurance	56,071	59,325	(3,254)	(6%)	59,325	59,135	(190)	(0%)	354,812	295,486		
Taxes	(276)	-	(276)	100%	-	2,167	2,167	100%	33,000	33,000		
Conferences & Training	7,945	578	7,367	93%	578	8,240	7,663	93%	34,127	33,549		
Employee Recognition	754	2,499	(1,745)	(231%)	2,499	3,584	1,085	30%	21,500	19,001		
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-		
Corporate Expenses	137,904	101,855	36,049	26%	101,855	141,114	39,260	28%	794,036	692,181		
Expenses	1,933,889	2,047,203	(113,314)	(6%)	2,047,203	1,964,818	(82,385)	(4.2%)	11,044,839	8,997,636		
Gross Surplus(Rev-Exp)	(2,778)	68,904	71,682	(2,581%)	68,904	92,918	(24,013)	(26%)	927,354	858,450		
Net Gain/Loss on Invest.	60,929	147,171	86,242		147,171	-	147,171		-	(147,171)		
Net from Operations	58,151	216,075	157,924	272%	216,075	92,918	123,157		927,354	711,279		



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: February 29, 2024 and Dec 31, 2023

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	216,075 (16)	216,075	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(1,519,695)	-	-	1,220,295	-	299,400
Transfers Prev. Yr. Surplus	-	-	-	-	-	-	-
Transfers Curr. Yr. Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	-	-	-	-	-	-
Depreciation	-	199,747	(199,747)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	-	(21,168)	556,222	-	(252,504)	(282,550)	-
Purchases Withdrawals Outstanding	-	26,018	-	-	62,145	(88,163)	-
Allocations of Net Change components:							
Investment income	-	(28,719)	-	999	21,508	2,880	3,332
Investment Expenses	-	18,354	-	(942)	(12,786)	(3,203)	(1,423)
Net Gains (Losses) in Investments	-	(113,578)	-	22,116	79,207	4,464	7,791
Net Change to February 29, 2024	216,075 (16)	(1,222,965)	356,475	22,173	1,117,865	(366,573)	309,100
Net Assets at, Dec 31, 2023	32,690,632 (27)	824,422	21,565,593 (26)	560,194 (28)	7,175,602 (29)	1,750,056 (30)	814,765 (31)
Net Assets as at, February 29, 2024	32,906,707 (10)	(398,543)	21,922,068 (9)	582,367 (11)	8,293,467 (12)	1,383,483 (13)	1,123,865 (14)
		21,523,525 (17)		11,383,182 (15)			

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.
Investment Portfolios
Changes and Market Values
Beginning of Year and Curent Month End

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2023 (at Market)	<u>13,767,895</u> (25)	<u>3,467,278</u> (24)	560,194 (18)	7,175,602 (19)	1,750,056 (20)	814,765 (21)
Changes since Jan 1, 2023:						
Principal Transfers	3,519,695	2,000,000	-	1,220,295	-	299,400
Investment income	49,468	20,749	999	21,508	2,880	3,332
Withdrawals	(561,072)	-	-	(190,358)	(370,713)	-
Investment Expenses	(18,354)	-	(942)	(12,786)	(3,203)	(1,423)
Net Change for 2 Months	2,989,737	2,020,749	57	1,038,658	(371,037)	301,309
Balance before Market Change at February 29, 2024	16,757,632	5,488,027	560,251	8,214,260	1,379,020	1,116,074
2 Months Net Change in Investments Gain/(Loss)	147,171	33,593	22,116	79,207	4,464	7,791
Balance at February 29, 2024 (at Market)	<u>\$ 16,904,802</u> (8)	<u>5,521,620</u> (7)	<u>582,366.83</u> (1)	<u>8,293,467</u> (2)	<u>1,383,483</u> (3)	<u>1,123,865</u> (4)

11,383,182 (15)

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Green Valley Recreation, Inc.

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Unrestricted - These net assets include the Fixed Assets (land, buildings and equipment), undesignated current assets less the current liabilities and deferred revenue items.

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Green Valley Recreation, Inc.
Statement of Financial Position
 As of Date: March 31, 2024 and Dec 31, 2023

	March 31, 2024	Dec 31, 2023
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	639,406	2,599,548
Accounts Receivable	481,932	220,589
Prepaid Expenses	113,383	218,015
Maintenance Inventory	22,003	22,003
Designated Investments (Charles S./SBH)		
Emergency - Fund	593,812 (1)	560,194 (18)
MRR - Fund	8,299,606 (2)	7,175,602 (19)
Initiatives - Fund	1,273,519 (3)	1,750,056 (20)
Pools & Spas - Fund	1,137,016 (4)	814,765 (21)
Total Designated Investments (CS/SBH)	11,303,953 (5)	10,300,617 (22)
Undesignated Invest. (JP Morgan Long Term)	1,785,081 (6)	1,699,386 (23)
Undesignated Invest. (JP Morgan)	3,150,198 (7)	1,767,892 (24)
Investments	16,239,232 (8)	13,767,895 (25)
Total Current Assets	17,495,957	16,828,050
Fixed Assets		
Contributed Fixed Assets	18,700,035	18,017,085
Purchased fixed Assets	30,975,384	31,004,036
Sub-Total	49,675,418	49,021,121
Less - Accumulated Depreciation	(27,770,204)	(27,464,438)
Net Fixed Assets	21,905,215 (9)	21,556,682 (26)
Operating Lease ROU, Net of Accum. Amortization	-	-
Finance Lease ROU, Net of Accum. Amortization	72,483	72,483
Total Assets	39,473,654	38,457,215
LIABILITIES		
Current Liabilities		
Accounts Payable	418,242	727,655
Deferred Dues Fees & Programs	5,461,051	4,533,756
Accrued Payroll	98,253	156,036
Compensation Liability	-	-
MCF Refund Liability	205,850	211,700
In-Kind Lease Liability -Current	7,000	4,000
Operating ROU Liability - Current	-	-
Financing ROU Liability - Curent	40,307	40,307
Total Current Liabilities	6,230,703	5,673,454
In-Kind Lease Liability - LT	46,667	46,667
Notes Payable	11,000	11,000
Financing ROU Liability - LT	43,954	43,954
Total Long Term Liabilities	101,621	101,621
TOTAL NET ASSETS	33,141,331 (10)	32,682,140 (27)
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	593,812 (11)	560,194 (28)
Maint - Repair - Replacement	8,299,606 (12)	7,175,602 (29)
Initiatives	1,273,519 (13)	1,750,056 (30)
Pools & Spas	1,137,016 (14)	814,765 (31)
Sub-Total	11,303,953 (15)	10,300,617
Unrestricted Net Assets	21,378,187	22,381,524
Net change Year-to-Date	459,190 (16)	-
Unrestricted Net Assets	21,837,378 (17)	22,381,524
TOTAL NET ASSETS	33,141,331	32,682,140



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: March 31, 2024 and Dec 31, 2023

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	459,190 ⁽¹⁶⁾	459,190	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(1,640,591)	-	-	1,220,295	120,896	299,400
Transfers Prev. Yr. Surplus	-	-	-	-	-	-	-
Transfers Curr. Yr. Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	-	-	-	-	-	-
Depreciation	-	305,765	(305,765)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	58,177	(21,168)	654,298	-	(245,204)	(329,749)	-
Purchases Withdrawals Outstanding	-	326,417	-	-	(38,793)	(287,624)	-
Allocations of Net Change components:							
Investment income	-	(55,394)	-	1,823	40,707	7,718	5,146
Investment Expenses	-	18,357	-	(942)	(12,788)	(3,203)	(1,423)
Net Gains (Losses) in Investments	-	(227,079)	-	32,737	159,788	15,425	19,129
Net Change to March 31, 2024	517,367 ⁽¹⁶⁾	(834,501)	348,532	33,618	1,124,004	(476,537)	322,251
Net Assets at, Dec 31, 2023	32,682,140 ⁽²⁷⁾	824,841	21,556,682 ⁽²⁶⁾	560,194 ⁽²⁸⁾	7,175,602 ⁽²⁹⁾	1,750,056 ⁽³⁰⁾	814,765 ⁽³¹⁾
Net Assets as at, March 31, 2024	33,199,508 ⁽¹⁰⁾	(9,660)	21,905,215 ⁽⁹⁾	593,812 ⁽¹¹⁾	8,299,606 ⁽¹²⁾	1,273,519 ⁽¹³⁾	1,137,016 ⁽¹⁴⁾
		21,895,555 ⁽¹⁷⁾			11,303,953 ⁽¹⁵⁾		

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.
Investment Portfolios
Changes and Market Values
Beginning of Year and Curent Month End

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2023 (at Market)	13,767,895 (25)	3,467,278 (24)	560,194 (18)	7,175,602 (19)	1,750,056 (20)	814,765 (21)
Changes since Jan 1, 2023:						
Principal Transfers	3,640,591	2,000,000	-	1,220,295	120,896	299,400
Investment income	100,831	45,438	1,823	40,707	7,718	5,146
Withdrawals	(1,551,370)	(650,000)	-	(283,997)	(617,373)	-
Investment Expenses	(18,357)	-	(942)	(12,788)	(3,203)	(1,423)
Net Change for 3 Months	2,171,695	1,395,438	880	964,217	(491,962)	303,123
Balance before Market Change at March 31, 2024	15,939,590	4,862,716	561,075	8,139,818	1,258,094	1,117,887
3 Months Net Change in Investments Gain/(Loss)	299,641	72,563	32,737	159,788	15,425	19,129
Balance at March 31, 2024 (at Market)	\$ 16,239,231 (8)	4,935,278 (7)	593,811.78 (1)	8,299,606 (2)	1,273,519 (3)	1,137,016 (4)

11,303,953 (15)

Footnotes refer to Statement of Financial Position and Statement of Activities

GREEN VALLEY RECREATION
CAPITAL PROJECTS REPORT
3/31/2024

		TOTAL	2024		Project to Date		
<u>Project ID</u>	<u>Center</u>	<u>Description</u>	Total Project Budget	2024 Budget	Total Project Spent to Date	2024 Spent to Date	Project Budget Balance
NON RESERVE CAPITAL							
ALL		2024 Unplanned Unbudgeted Items	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000
CR		Shade Structure for Canoa Ranch pool eq	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ 16,000
CP1 / ABS		Deck shade structures for CP1 and Abreg	\$ 26,000	\$ 26,000	\$ -	\$ -	\$ 26,000
ALL		Accessibility Initiatives	\$ 67,023	\$ 50,000	\$ 17,023	\$ -	\$ 50,000
PBC		Pickleball Fencing	\$ 35,000	\$ 35,000	\$ 6,080	\$ -	\$ 28,920
WC		Vacuum System for Woodshop	\$ 90,000		\$ 32,049	\$ 21,168	\$ 57,951
INITIATIVES							
SRS		Remodel for Glass Arts	\$ 900,000		\$ 828,605	\$ (24,224)	\$ 71,395
DH		Desert Hills Fitness Center	\$ 1,127,744		\$ 1,128,161	\$ -	\$ (417)
DH		DH Locker-room Expansion	\$ 445,000	\$ 445,000	\$ 9,591	\$ -	\$ 435,409
DSCH		Del Sol Clubhouse Note Payable	\$ 110,000	\$ 11,000	\$ 22,000	\$ 22,000	\$ 88,000
DSCH		Del Sol Clubhouse Renovation	\$ 1,900,000	\$ -	\$ 1,035,586	\$ 523,302	\$ 864,414
WC		West Center Expansion (Lap, Wood, Art E:	\$ 158,835	\$ 100,000	\$ 16,841	\$ 2,783	\$ 141,994
DH		Ceramics Kiln room	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ 90,000
CH		Gym Conversion	\$ 180,000	\$ 180,000	\$ -	\$ -	\$ 180,000
WC		West Center Lobby improvements	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 150,000
ALL		Security Cameras		\$ -	\$ 49,974	\$ 49,974	\$ 26

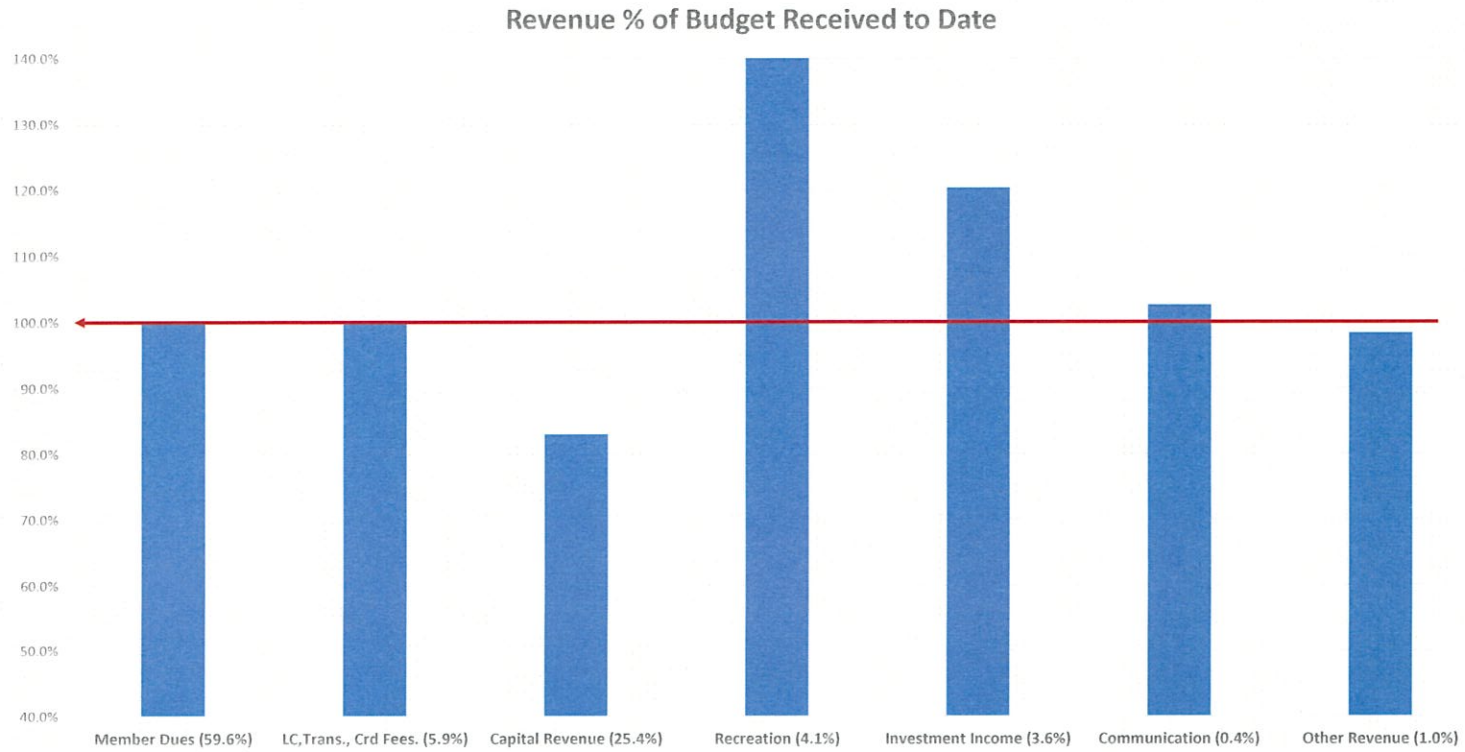
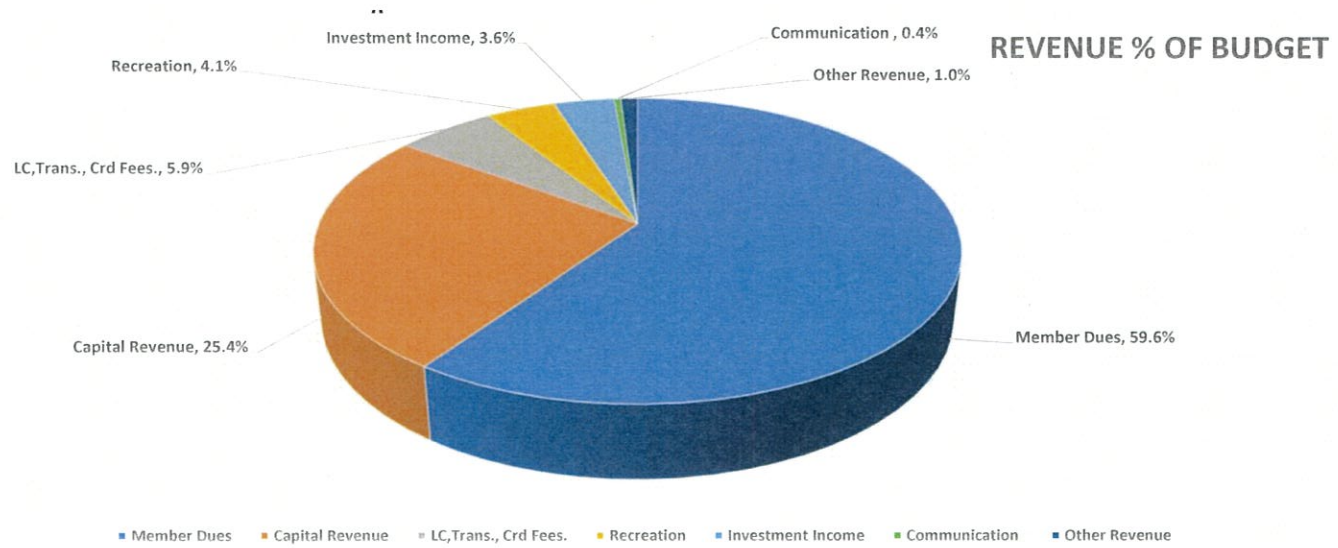
Green Valley Recreation, Inc
Summary of Revenue & Expenditures - Budget to Actual
For Fiscal Year Ending Dec 31, 2024

Quarterly Board Report January - March 2024

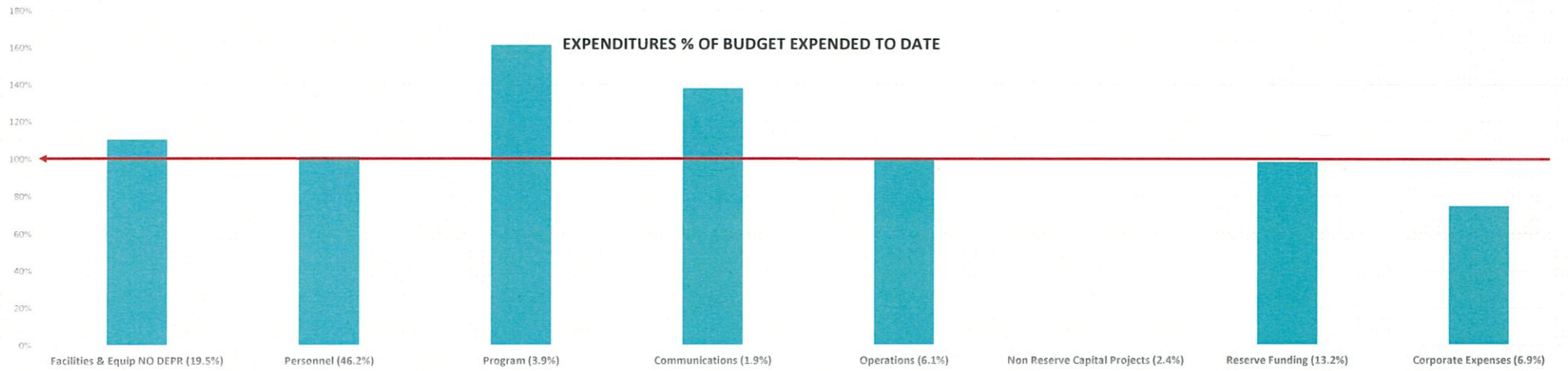
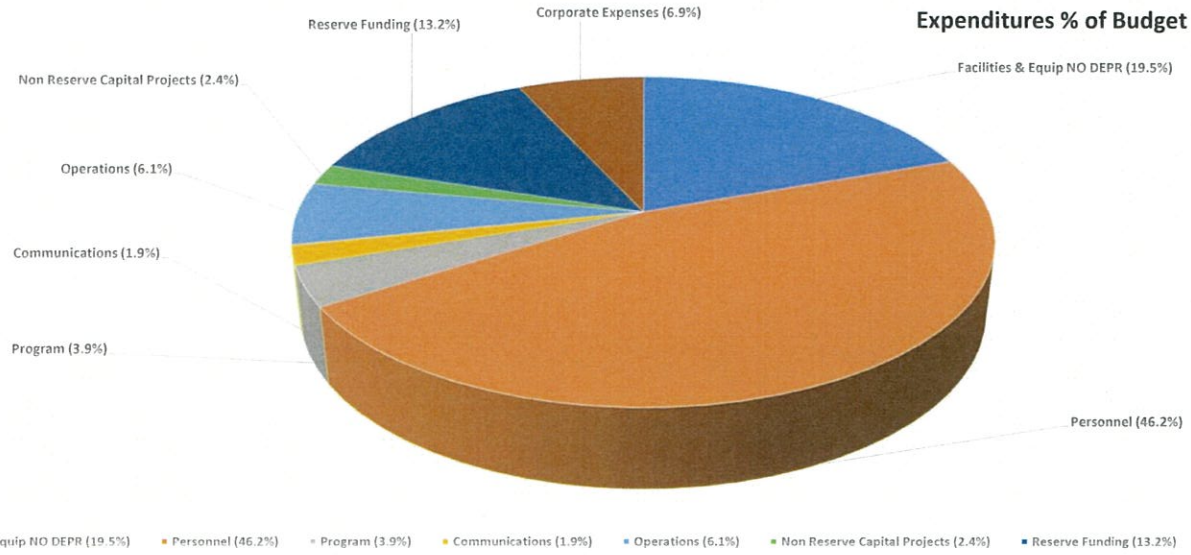
PROJECTION FOR TOTAL YEAR 2024

	2024 Annual Budget	January - March 2024			Prior Year			Projected Apr - Dec 2024	Total Jan- Dec 2024 Projected	Approved Budget 2024	Total Projected Variance	% of Budget Variance
		YTD Budget	Actual YTD	1Q % of Variance	FY 2023 1Q YTD	Var. from Prior Year %	\$					
Revenue:												
Member Dues	\$ 7,132,750	\$ 1,783,187	\$ 1,784,710	0.1%	\$ 1,764,889	1.1%	\$ 19,821	\$ 5,349,041	\$ 7,133,751	\$ 7,132,750	\$ 1,001	0.0%
LC, Trans., Crd Fees	705,637	237,514	237,826	0.1%	237,744	0.0%	82	\$ 451,965	\$ 689,792	\$ 705,637	\$ (15,845)	(2.3%)
Capital Revenue	3,039,780	775,143	643,170	(17.0%)	602,264	6.8%	40,906	\$ 1,940,643	\$ 2,583,813	\$ 3,039,780	\$ (455,967)	(17.6%)
Recreation	485,403	233,366	334,007	44.0%	202,951	64.6%	131,056	\$ 331,396	\$ 665,403	\$ 485,403	\$ 180,000	27.1%
Investment Income	425,458	106,365	127,991	20.3%	133,001	(3.8%)	(5,010)	\$ 297,000	\$ 424,991	\$ 425,458	\$ (467)	(0.1%)
Communication	47,093	11,773	12,075	2.6%	11,698	3.2%	377	\$ 36,423	\$ 48,498	\$ 47,093	\$ 1,405	2.9%
Other Revenue	136,072	55,675	54,764	(1.6%)	48,291	13.4%	6,473	\$ 81,759	\$ 136,523	\$ 136,072	\$ 451	0.3%
Total Revenue	11,972,193	3,203,023	3,194,543	(0.2%)	\$ 3,000,840	6.5%	\$ 193,704	\$ 8,488,227	\$ 11,682,771	\$ 11,972,193	\$ (289,422)	(2.5%)
Expenditures:												
Facilities & Equipment NO DEPRECIATION	\$ 2,255,805	\$ 608,886	\$ 673,440	(3.7%)	\$ 570,454	(18.1%)	\$ (102,986)	\$ 1,347,840	\$ 2,021,280	\$ 2,255,805	\$ 234,525	10.4%
Personnel	5,335,990	1,315,993	1,334,942	(1.4%)	1,322,469	(0.9%)	\$ (12,473)	\$ 4,240,572	\$ 5,575,514	\$ 5,335,990	\$ (239,524)	(4.5%)
Program	447,071	200,745	324,261	(63.3%)	212,056	(52.9%)	\$ (112,205)	\$ 263,810	\$ 588,071	\$ 447,071	\$ (141,000)	(31.5%)
Communications	217,126	57,180	78,927	(38.0%)	54,288	(45.4%)	\$ (24,639)	\$ 127,766	\$ 206,693	\$ 217,126	\$ 10,432	4.8%
Operations	709,084	163,268	162,937	0.2%	119,439	(36.4%)	\$ (43,497)	\$ 533,622	\$ 696,559	\$ 709,084	\$ 12,525	1.8%
Corporate Expenses	794,036	204,866	153,311	25.2%	208,925	26.6%	\$ 55,614	\$ 615,480	\$ 768,791	\$ 794,036	\$ 25,244	3.2%
Total Expenditures	9,759,111	2,550,938	2,727,818	(5.2%)	2,487,633	(9.7%)	\$ (240,186)	7,129,090	9,856,908	9,759,111	(97,798)	(1.0%)
Excess Revenues Over Exp.	\$ 2,213,082	\$ 652,085	\$ 466,725		\$ 513,207		\$ (46,482)	\$ 1,359,137	\$ 1,825,862	\$ 2,213,082	\$ (387,220)	
Transfers and Adjustments:												
Non Reserve Capital Projects	(277,001)	(69,250)	-					\$ -	\$ -	\$ (277,001)	\$ 277,001	-100.0%
Remove Income From Reserves	(259,068)	(64,767)	(41,211)					\$ (217,857)	\$ (259,068)	\$ (259,068)	\$ -	0.0%
Reserve Funding Initiatives	(610,956)	(152,739)	(129,084)					\$ (390,229)	\$ (519,313)	\$ (610,956)	\$ 91,643	-15.0%
Reserve Funding MRR & MRR-B	(1,519,695)	(1,519,695)	(1,519,695)					\$ -	\$ (1,519,695)	\$ (1,519,695)	\$ -	0.0%
MRR Expenses paid by Reserve	371,138	92,784.50	10,345					\$ 360,793	\$ 371,138	\$ 371,138	\$ -	0.0%
Deduct Reserve Investment Exp.	82,500	20,625	20,600					\$ 61,900	\$ 82,500	\$ 82,500	\$ -	0.0%
Modified Accrual Basis Surplus	-	(1,040,957)	(1,192,320)					1,173,745	(18,575)	-	(18,575)	

This report is not a GAAP compliant statement. Non cash adjustments such as Depreciation of Fixed Assets have been removed to establish a Modified Accrual report. The purpose of this report is to give a high level summary of GVRs performance for comparison to the Zero Surplus Budget goal for the fiscal year.



**Green Valley Recreation
Quarterly Board Report January - March 2024**





Green Valley Recreation, Inc
Statement of Financial Position
March 31, 2024

	Current March 31, 2024	Prior Year March 31, 2023	Increase (Decrease)	
Assets				
Total Operating Cash	5,574,685	5,994,008	(419,322)	(7%)
Accounts Receivable (net)	481,932	568,064	(86,131)	(15%)
Designated Investments	11,303,953	12,032,262	(728,309)	(6%)
Prepaid Expenses & Inventory	135,386	111,933	23,453	21%
Total Current Assets	17,495,957	18,706,266	(1,210,309)	(6%)
Fixed Assets				
Net Fixed Assets	21,905,215	19,185,872	2,719,343	14%
Oper. & Finance ROU	72,483	111,822		
Total Assets	39,473,654	38,003,960	1,469,695	4%
Liabilities				
Accounts Payables	418,242	521,248	(103,007)	(20%)
Deffered Dues & Fees	5,559,304	5,355,699	203,605	4%
Compensation Liability	-	-	-	0%
Short Term Liabilities	253,157	341,329	(88,172)	(26%)
Long Term Liabilities	101,621	(145,928)	247,549	(170%)
Total Liabilities	6,332,324	6,072,349	259,975	4%
Total Net Assets	33,141,331	31,931,611	1,209,720	4%
Net Assets				
Board Designated Net Assets	11,303,953	13,092,238	(1,788,285)	(14%)
Unrestricted Net Assetes	21,378,187	18,758,980	2,619,207	14%
Net Change Year-To-Date	459,190	80,393	378,797	(471%)
Total Net Assets	33,141,331	31,931,611	1,209,720	3.79%

BOD Quarterly Report

Green Valley Recreation, Inc.
Investments Performance
Quarterly Board Report January - March 2024

Fund	March 31, 2024	December 31, 2023	RETURN ON INVESTMENT			
			Year To Date		One Year (12 months)	
			Actual	Benchmark *	Actual	Benchmark *
Maintenance Repair & Replacement (SBH)	\$ 8,299,606	\$ 7,175,602	2.5%	2.1%	9.5%	8.3%
MRR - Part B Pools and Spas (SBH) **	\$ 1,137,016	\$ 814,765	2.2%	2.1%	8.3%	8.3%
Initiatives (SBH)	\$ 1,273,519	\$ 1,750,056	1.4%	0.8%	6.6%	5.0%
Emergency (SBH)	<u>\$ 593,812</u>	<u>\$ 560,194</u>	6.1%	6.3%	18.1%	19.2%
Total Designated Reserves	<u><u>\$ 11,303,953</u></u>	<u><u>\$ 10,300,617</u></u>				
Operating Investment Fund Part A Short Term - JP Morgan	\$ 3,150,197	\$ 1,767,892	1.3%	1.3%	4.9%	5.1%
Operating Investment Fund Part B Long Term - JP Morgan	<u>\$ 1,785,081</u>	<u>\$ 1,699,386</u>	5.0%	5.1%	8.5%	8.5%
Total Invested Operating Cash	<u><u>\$ 4,935,278</u></u>	<u><u>\$ 3,467,278</u></u>				

SURPLUS 2023

**2023
ACTUAL**

Revenue:

Member Dues	7,051,930
Transfer Fees, Tenant, Credit Crd, Life Care Fees	740,844
Capital Revenue	2,753,060
Recreation	514,095
Investment Income	456,354
Communication	47,478
Other Revenue	107,304
Total Revenue	11,671,065

Expenditures:

Facilities & Equipment with Depreciation	3,689,031
Personnel	5,015,239
Program	472,846
Communications	214,478
Operations	705,330
Corporate Expenses	913,376
Total Expenditures	11,010,300

Excess Revenues Over Exp.	660,765
----------------------------------	----------------

Transfers and Adjustments:

In Kind Non Cash Revenue	(4,000)
Non Reserve Capital Projects	(43,980)
Remove Income From Reserves	(296,663)
Reserve Funding Initiatives	(559,835)
Reserve Funding MRR & MRR-B	(1,469,346)
MRR Expenses paid by the Reserve	283,441
Remove Reserve Investment Exp.	79,185
Remove Depreciation	1,362,706
Total Adjustments	(648,492)

SURPLUS	12,273
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Analysis of GVR Net Increase in Assets after Reserve Funding

Purpose: To determine if there is sufficient Operating Cash for additional Reserve Funding

	Total Surplus Calculation 12/31/2023	2023 GVR FINANCIAL STATEMENT REFERENCE	2023 GVR AUDIT REPORT REFERENCE	GVR Surplus Formula Ref CPM p 35
	GVR Surplus Formula			
Total Increase in Net Assets	\$ 1,401,539	Page 3 December Financial Stmt.	Pg. 4 Statement of Activities	a.
Reserve Accounts Income: Net Gain / Loss on Investments, Unrealized	\$ (740,774)	Page 3 December Financial Stmt.	Pg. 8 Statement of Cash Flows.	b.
Net Increase in Net Assets	\$ 660,765	Page 3 December Financial Stmt.		
Non Cash Contribution: Less Non Cash In Kind Rental Income	\$ (4,000)	Page 3 December Financial Stmt.	Pg. 8 Statement of Cash Flows.	h.
Reserve Income: Deduct Net Income of Reserve Accounts and Unrealized Gains on Operating Investments.	\$ (296,663)	Unrealized Gains/Losses on Operating Investments and Reserve Accounts Income deducted to determine funds available from Operations. Investment Expenses Removed. Pages 4-5 December Financial Statement	Designated Reserve portion of Investment Income reported on page 4 and 14 of Audit.	b., c.
\$ (217,478)	\$ -			
	\$ 79,185			
Reserves Funding: Maintenance Repair & Replacement Reserve Funding for 2022	\$ (1,179,941)	2022 MRR Funding transfer Jan-22 based on Browning Reserve , Page 4	N/A	g.
MRR-B Funding	\$ (289,405)	Page 4	N/A	g.
Initiatives Funding per CPM Formula	\$ (559,835)	2022 Reserve Funding per CPM formula 2022 Initiatives Transfers	N/A	g.
Net Increase after Reserve Funding	\$ (1,589,894)	Net Increase after deducting 2022 Reserve Funding		
Cash Adjustment for Capital Purchases:				
Add Back Depreciation	\$ 1,362,706	Add Back Non cash Depreciation. (page 3)	Page 6 Statement of Functional Expenses	d.
Deduct Non Reserve Capital Purchases	\$ (43,980)	See attached	N/A	e.
Add Back MRR Expenses paid for out of the MRR Reserve	\$ 283,441	See attached	N/A	f.
Surplus after Reserve Funding and Capital Purchase Adjustments	\$ 12,273	Gross Surplus		Pg. 35
Adjustments	\$ -			
Surplus Available for Transfer	\$ 12,273			Pg. 35



Green Valley Recreation, Inc.
Board of Directors Meeting
Acceptance of Audit

Prepared By: David Webster, CFO

Meeting Date: April 24, 2024

Presented By: David Webster, CFO

Consent Agenda: No

<p>Originating Committee / Department: Audit Committee</p>
<p>Action Requested: Accept the 2023 Draft Audited Financial Statements of Green Valley Recreation, Incorporated (GVR).</p>
<p>Strategic Plan Goal: Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.</p>
<p>Background Justification: Green Valley Recreation’s independent Auditor, R and A CPAs, who was chosen by the GVR Audit committee, has conducted an audit of GVR’s 2023 financial statements as required by Article VIII Section 2.B of the GVR’s Bylaws. This audit has been reviewed by the GVR Audit Committee. The Audit report provides an unqualified opinion of the 2023 financial statements.</p>
<p>Fiscal Impact: The Audit allows the independent external CPA Auditor to obtain audit evidence and express an opinion that the financial statements of GVR present fairly the financial position of GVR as of December 31, 2023.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1. Accept the 2023 Audit Report as presented. 2. Do not accept the 2023 Audit Report. 3. Reject the 2023 Audit Report 3. Table this decision at this time.
<p>Staff Recommendation: Option #1</p>
<p>Attachments: Green Valley Recreation 2023 Audit Report</p>

R&A CPAs

A PROFESSIONAL CORPORATION

GREEN VALLEY
RECREATION, INC.

(A NOT-FOR-PROFIT CORPORATION)

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

YEARS ENDED DECEMBER 31, 2023
AND 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Green Valley Recreation, Inc.
Tucson, Arizona

Opinion

We have audited the financial statements of Green Valley Recreation, Inc. ("GVR") (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GVR as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GVR and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GVR's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GVR's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the GVR's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Emphasis of Matter – Adoption of New Accounting Pronouncements

As discussed in Note A to the financial statements, GVR adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-03, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Our opinion is not modified with respect to this matter.

A Professional Corporation

Tucson, Arizona
March XX, 2024

STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2023 AND 2022

ASSETS	2023	2022
CURRENT ASSETS:		
<i>Cash and cash equivalents:</i>		
Held in deposit accounts	\$ 2,532,556	\$ 1,866,102
Held in investment brokerage accounts	311,366	1,085,294
Total cash and cash equivalents	2,843,922	2,951,396
Investment in marketable securities	13,456,529	14,484,638
Accounts receivable, net	301,605	49,711
Interest receivable	59,621	63,434
Supply and maintenance inventory	22,003	23,044
Prepaid expenses	279,134	275,961
Total current assets	16,962,814	17,848,184
LONG-TERM ASSETS:		
Property and equipment, net	21,443,511	19,177,114
Operating lease right-of-use assets, net of accumulated amortization of \$0 and \$1,303, respectively	-	467
Finance lease right-of-use assets, net of accumulated amortization of \$113,193 and \$104,829, respectively	72,483	111,355
Total long-term assets	21,515,994	19,288,936
TOTAL ASSETS	\$ 38,478,808	\$ 37,137,120
LIABILITIES AND NET ASSETS		
<i>Current liabilities:</i>		
Accounts payable	\$ 486,137	\$ 316,061
Accrued payroll and related liabilities	247,953	281,817
Refundable capital fee liability	212,826	202,757
Other liabilities	104,067	104,376
Deferred membership dues	4,357,257	4,554,800
Deferred program and rental revenue	176,499	130,021
Deferred lease revenue - current portion	4,000	4,000
Note payable - current portion	11,000	11,000
Operating lease liabilities, current portion	-	439
Finance lease liabilities, current portion	40,307	39,319
Total current liabilities	5,640,046	5,644,590
<i>Long-term liabilities:</i>		
Deferred lease revenue, net of current portion	46,667	50,667
Note payable, net of current portion	66,000	77,000
Finance lease liabilities, net of current portion	43,954	84,261
Total long-term liabilities	156,621	211,928
TOTAL LIABILITIES	5,796,667	5,856,518
NET ASSETS:		
<i>Net assets without donor restrictions:</i>		
Undesignated available for operations	22,325,170	20,580,765
Board designated reserves for emergency operations	561,557	491,242
Board designated reserves for initiatives	1,760,779	2,546,589
Board designated reserves for repairs and replacements	8,034,635	7,662,006
Total net assets without donor restrictions	32,682,141	31,280,602
TOTAL NET ASSETS	32,682,141	31,280,602
TOTAL LIABILITIES AND NET ASSETS	\$ 38,478,808	\$ 37,137,120

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

	Without donor restrictions	With donor restrictions	Total
STATEMENT OF ACTIVITIES, 2023			
<i>PUBLIC SUPPORT AND REVENUES:</i>			
Membership dues	\$ 7,051,930	\$ -	\$ 7,051,930
New member capital and initial fees	3,234,560	-	3,234,560
Member, tenant, and guest fees	259,344	-	259,344
Program revenue	514,095	-	514,095
Lease income	51,478	-	51,478
Late fees	70,281	-	70,281
Facility rent revenue	16,822	-	16,822
<i>Total public support and revenues</i>	11,198,510	-	11,198,510
<i>EXPENSES:</i>			
Program services	8,547,789	-	8,547,789
General and administrative	2,380,249	-	2,380,249
<i>Total expenses</i>	10,928,038	-	10,928,038
<i>OTHER INCOME (EXPENSE):</i>			
Investment income (loss)	1,117,943	-	1,117,943
Other income	14,545	-	14,545
Loss on disposal of property and equipment	(1,421)	-	(1,421)
<i>Total other income (expense)</i>	1,131,067	-	1,131,067
<i>CHANGE IN NET ASSETS</i>	1,401,539	-	1,401,539
Net assets, beginning of year	31,280,602	-	31,280,602
<i>NET ASSETS, END OF YEAR</i>	\$ 32,682,141	\$ -	\$ 32,682,141

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2022

	Without donor restrictions	With donor restrictions	Total
STATEMENT OF ACTIVITIES, 2022			
PUBLIC SUPPORT AND REVENUES:			
Membership dues	\$ 6,947,340	\$ -	\$ 6,947,340
New member capital and initial fees	3,637,550	-	3,637,550
Member, tenant, and guest fees	247,452	-	247,452
Program revenue	401,554	-	401,554
Lease income	47,105	-	47,105
Late fees	87,044	-	87,044
Facility rent revenue	21,163	-	21,163
Net assets released from restrictions	30,000	(30,000)	-
Total public support and revenues	11,419,208	(30,000)	11,389,208
EXPENSES:			
Program services	8,045,303	-	8,045,303
General and administrative	2,380,019	-	2,380,019
Total expenses	10,425,322	-	10,425,322
OTHER INCOME (EXPENSE):			
Investment income (loss)	(1,526,699)	-	(1,526,699)
Other revenue	67	-	67
Total other income (expense)	(1,526,632)	-	(1,526,632)
CHANGE IN NET ASSETS	(532,746)	(30,000)	(562,746)
Net assets, beginning of year	31,813,348	30,000	31,843,348
NET ASSETS, END OF YEAR	\$ 31,280,602	\$ -	\$ 31,280,602

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2023

	Program services	General and administrative	Totals
FUNCTIONAL EXPENSES, 2023			
Salaries and wages	\$ 2,968,202	\$ 869,430	\$ 3,837,632
Employee related expenses	889,340	302,138	1,191,478
Total employee-related expenses	3,857,542	1,171,568	5,029,110
Depreciation	1,198,075	125,759	1,323,834
Utilities	1,081,395	-	1,081,395
Supplies	506,024	41,017	547,041
Repairs and maintenance	426,871	-	426,871
Recreation contracts	368,360	-	368,360
Uncapitalized equipment	235,354	62,879	298,233
Facility maintenance	407,315	1,275	408,590
Insurance	-	340,565	340,565
Professional services	91,648	212,895	304,543
Computer expense	1,320	160,321	161,641
Communication	24,048	80,395	104,443
Postage and printing	86,209	13,032	99,241
Vehicles	96,330	-	96,330
Fees and taxes	11,517	81,250	92,767
Investment fees	-	79,185	79,185
Bank and credit card fees	-	73,551	73,551
Amortization	38,872	-	38,872
Catering	30,579	357	30,936
Advertising	28,380	-	28,380
Rental expense	13,051	1,139	14,190
Interest	17,179	-	17,179
Employee training	12,432	2,461	14,893
Dues and subscriptions	7,558	6,006	13,564
Travel	3,694	5,616	9,310
Signage	4,036	-	4,036
Miscellaneous	-	163	163
Total expenses	8,547,789	2,459,434	11,007,223
Less investment fees netted against revenues	-	(79,185)	(79,185)
TOTAL EXPENSES, NET	\$ 8,547,789	\$ 2,380,249	\$ 10,928,038

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2022

	Program services	General and administrative	Totals
FUNCTIONAL EXPENSES, 2022			
Salaries and wages	\$ 2,957,458	\$ 960,326	\$ 3,917,784
Employee related expenses	922,662	318,677	1,241,339
Total employee-related expenses	3,880,120	1,279,003	5,159,123
Depreciation	1,406,388	145,551	1,551,939
Utilities	951,135	-	951,135
Supplies	363,079	55,919	418,998
Recreation contracts	375,954	-	375,954
Insurance	-	338,380	338,380
Facility maintenance	234,198	1,624	235,822
Repairs and maintenance	252,621	-	252,621
Professional services	119,719	117,602	237,321
Uncapitalized equipment	153,365	51,298	204,663
Communication	25,764	81,941	107,705
Postage and printing	91,677	8,690	100,367
Computer expense	-	88,337	88,337
Vehicles	88,253	-	88,253
Investment fees	-	86,438	86,438
Fees and taxes	14,224	54,507	68,731
Bank and credit card fees	-	61,743	61,743
Amortization	-	43,373	43,373
Employee training	10,831	15,676	26,507
Catering	24,945	1,248	26,193
Interest	-	24,073	24,073
Advertising	19,285	-	19,285
Dues and subscriptions	6,760	8,863	15,623
Signage	11,996	-	11,996
Travel	7,721	1,442	9,163
Rental expense	7,268	661	7,929
Miscellaneous	-	88	88
Total expenses	8,045,303	2,466,457	10,511,760
Less investment fees netted against revenues	-	(86,438)	(86,438)
TOTAL EXPENSES, NET	\$ 8,045,303	\$ 2,380,019	\$ 10,425,322

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

CASH FLOWS FROM OPERATING ACTIVITIES	2023	2022
CHANGE IN NET ASSETS	\$ 1,401,539	\$ (562,746)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	1,323,834	1,551,939
Realized and unrealized (gains) losses on investments in marketable securities	(740,774)	1,812,339
Loss on disposal of property and equipment	(1,421)	-
Amortization of finance lease right-of-use assets	38,872	43,373
In-kind lease income	(4,000)	(4,000)
CHANGES IN OPERATING ASSETS AND LIABILITIES:		
Accounts receivable, net	(251,894)	139,044
Interest receivable	3,813	(15,412)
Supply and maintenance inventory	1,041	(23,044)
Prepaid expenses	(3,173)	34,642
Operating lease right-of-use assets, net	467	1,658
Accounts payable	170,076	63,265
Accrued payroll and related liabilities	(33,864)	(16,790)
Refundable capital fee liability	10,069	(91,750)
Other liabilities	(309)	78,559
Deferred membership dues	(197,543)	15,963
Deferred program and rental revenue	46,478	(4,808)
Operating lease liabilities	(439)	(1,559)
Net cash flows provided by operating activities	1,762,772	3,020,673
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of buildings, improvements, furniture and vehicles	(3,588,810)	(2,738,969)
Proceeds from sale of investment in marketable securities	9,159,375	7,565,748
Purchases of investment in marketable securities	(7,390,492)	(11,111,285)
Net cash flows used in investing activities	(1,819,927)	(6,284,506)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payment on note payable	(11,000)	(11,000)
Payments on finance leases	(39,319)	(39,145)
Net cash flows used in financing activities	(50,319)	(50,145)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(107,474)	(3,313,978)
Cash and cash equivalents, beginning of year	2,951,396	6,265,374
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,843,922	\$ 2,951,396

NOTES TO FINANCIAL STATEMENTS

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied by Green Valley Recreation, Inc. in the preparation of its financial statements is as follows.

NATURE OF OPERATIONS

Green Valley Recreation, Inc. ("GVR") was incorporated as a not-for-profit corporation in 1979 under the laws of Arizona. GVR was the successor corporation to the Green Valley Community Club incorporated in 1972. GVR's purpose is to address the recreational needs of members through the operation and maintenance of recreational and social facilities (currently there are 14 such facilities) and the sponsorship of cultural and civic activities for its members within the unincorporated community of Green Valley, Arizona. All property owners within certain geographic boundaries as defined by GVR's by-laws require regular membership in GVR. Members' properties are encumbered by deed restrictions that require perpetual membership and payment of annual dues and assessments, including a capital investment fee upon each property's transfer. There were 13,850 and 13,823 members as of December 31, 2023 and 2022, respectively.

GVR has assumed responsibility for operation, maintenance, and upkeep for recreational facilities donated by area developers at the completion of housing developments within GVR's boundaries.

BASIS OF PRESENTATION

The financial statements of GVR have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require GVR to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of GVR. These net assets may be used at the discretion of GVR's management and board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of GVR or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

CASH AND CASH EQUIVALENTS

GVR considers all cash and highly liquid investments with an original maturity of three months or less to be cash equivalents. GVR classifies money market mutual funds with investments. GVR maintains its cash in bank deposit accounts which may exceed federally insured limits. Uninsured cash at December 31, 2023 and 2022 was \$2,340,997 and \$2,451,396, respectively. GVR mitigates this risk by banking with financial institutions that are rated as stable by the major rating agencies.

ACCOUNTS RECEIVABLE

Accounts receivable are uncollateralized and consist of unpaid membership dues and facility rentals established under contractual agreements. GVR records receivables with an offsetting allowance for credit losses for amounts estimated to be uncollectible over the life of the asset. The allowance for credit losses is estimated using a loss-rate method that considers historical collection experience, the age of the accounts receivable balances, the credit quality and risk of its members, any specific collection issues, current economic conditions, and other micro or macro-economic factors that may impact ability to pay. GVR also considers reasonable and supportable forecasts of future economic conditions and the expected impact on collections. At the time a receivable is determined to be uncollectible, the balance is written off against the allowance for credit losses.

GVR assesses late fees on past due balances.

MAINTENANCE AND SUPPLY INVENTORY

GVR maintains an inventory of supplies and items commonly used for maintenance activities. The inventory is recorded at cost and no income is generated from such items.

INVESTMENT IN MARKETABLE SECURITIES

Investments consist of marketable securities in debt and equity securities and mutual funds under management with various national brokerages, all of which are carried at quoted market values determined at the date of the statement of financial position. Income, gains, and losses are reported in the statements of activities as increases and decreases in net assets without donor restrictions.

INVESTMENT VALUATION AND INCOME

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Investment expenses are recorded as a reduction in investment earnings.

US GAAP establishes the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under US GAAP are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that GVR has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liabilities;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Fair value measurements are determined based on the assumptions, referred to as inputs, that market participants would use in pricing the asset. The fair value hierarchy distinguishes between market participant assumptions and GVR's own assumptions about market participant assumptions. Observable inputs are assumptions based on market data obtained from independent sources, while unobservable inputs are GVR's own assumptions about what market participants would assume based on the best information available in the circumstances.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

GVR's investments are summarized in the *Investment in Marketable Securities* note. The Organization's policies with respect to valuing the various categories of investments are as follows:

Mutual funds - Valued at the net asset value as reported by the fund manager at the close of business which is a readily determinable fair value in accordance with GAAP.

Common stock and exchange traded funds - valued at the closing prices at the close of business as reported on nationally recognized stock exchanges which represents fair value.

Corporate and government bonds - Reported at the closing trade price on nationally recognized exchanges.

FINANCIAL INSTRUMENTS

Financial instruments that subject GVR to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable, and investment in marketable securities. The total loss that would occur if the accounts became uncollectible is the stated balance of the financial instruments reported in the accompanying statements of financial position.

PROPERTY AND EQUIPMENT

GVR capitalizes all expenditures for property and equipment in excess of \$5,000 with a useful life greater than one year. Purchased property and equipment are carried at cost. Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

At formation, GVR was the beneficiary of infrastructure contributed by developers building in the community of Green Valley. Additional contributed property, plant, and equipment has been donated by clubs associated with GVR. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

REFUNDABLE CAPITAL FEE LIABILITY

Each time a home is purchased within the boundaries of GVR, a Property Acquisition Capital Fee ("PACF") is charged to the buyer to fund future capital improvements and maintenance of GVR's recreational infrastructure. The Property Acquisition Capital Fee is due on each purchase at the close of escrow. This fee is refundable if the buyer has also sold a home within GVR within the past year and applies for a fee waiver. Management estimates the total refunds that are likely to result from waivers within the next year using the historical ratio of waivers to home sales.

LEASES

GVR recognizes and measures its lease obligations in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases ("Topic 842")*. Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term. ROU assets are recognized at the commencement date of the lease under Topic 842 based on the lower of the lease liability or the fair value of the underlying asset, adjusted for any prepaid rent and/or initial direct costs incurred in connection with execution of the lease and reduced by any lease incentives received. GVR's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date under Topic 842 to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the balance of the right-of-use asset reflects that GVR will exercise a purchase option. In that case the right-of-use asset will be amortized over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, GVR's incremental borrowing rate or the risk-free rate determined with reference to the lease term.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in GVR's estimate of the amount expected to be payable under a residual value guarantee, if GVR changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the results of operations if the carrying amount of the right-of-use asset has been reduced to zero.

Practical expedients

GVR has elected, for all underlying classes of asset, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at commencement, and do not include an option to purchase the underlying asset that GVR is reasonably certain to exercise. GVR recognizes lease costs associated with short-term leases on a straight-line basis over the lease term. GVR does not include non-lease components in its determination of its fixed lease payment obligations in the measurement of ROU assets and lease liabilities. GVR uses a risk-free rate to discount future lease payments, considering the currency of the lease agreement and terms of the lease.

CONTRIBUTIONS

Unconditional contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

Conditional contributions consist of contributions that contain a barrier to entitlement of the funds by the recipient, such as requirement to expend the funds for a specific purpose or program, or other requirements, and also contain a provision for return of the funds to the resource provider if the barriers are not overcome. Payments received for conditional contributions are recorded as a liability, reported in the statements of financial position as conditional contributions refundable, or are unrecognized initially, in the case of conditional promises to give, until the barriers to entitlement are overcome. When conditions are satisfied, the transaction is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions, based on the nature of the underlying transaction. At December 31, 2023 and 2022, GVR had received no conditional contributions.

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the nature of the restrictions. When a restriction expires, that is, when funds are expended in accordance with donor restrictions, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

REVENUE

Revenue is recognized in accordance with Accounting Standards Codification Topic 606 – *Revenues from Contracts with Customers* (“ASC 606”) which requires an evaluation of contracts with customers based the following five-step model: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognize revenues when (or as) each performance obligation is satisfied.

ASC 606 requires revenues to be recognized when performance obligations are satisfied by transferring goods or services promised in a contract, in an amount that reflects the consideration that the GVR expects to receive in exchange for those goods or services. Performance obligations in the GVR’s contracts represent distinct or separate service streams that it provides.

Management has assessed recognition of each type of revenue generated by GVR, in accordance with ASC 606, as described below.

Membership dues and access card fees – Revenue is recognized as the performance obligation is satisfied over the life of the contract. The contract terms are for a single calendar year and, as such, there are no outstanding performance obligations as of December 31, 2023 or 2022 for prior year membership dues. Outstanding performance obligations at December 31, 2023 and 2022 represent amounts collected in advance for future period membership dues.

Facility rent - Revenue generated by the use of GVR property and facilities is subject to performance obligations satisfied by the passage of a specified period not longer than one month.

Capital/initial fees - New member capital and initial fees are recognized at a point in time, when a property is purchased, and late fees are recognized when the related fees are determined to be overdue.

Programs and instructional - Revenue generated from instructional and entertainment activities create obligations that are satisfied by the performance of specific activities. Revenue from these activities are recognized through the performance of activities.

DONATED GOODS, FACILITIES AND SERVICES

Donated goods and facilities are valued at fair value at the time of donation. Donated services are recognized in the financial statements at fair value if the following criteria are met:

- The services require specialized skills and the services are provided by individuals possessing those skills.
- The services would typically need to be purchased if not donated.

Although GVR may utilize the services of outside volunteers, the fair value of these services has not been recognized in the accompanying financial statements since they do not meet the criteria for recognition under US GAAP.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of program and general and administrative activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents expenses by natural classification and by function in a matrix format, as required by US GAAP. Certain costs have been allocated between the program services and supporting services.

Expenses are typically allocated based on a method that is deemed appropriate by management in the manner in which the expense is accrued. Indirect costs are the only expenses that are deemed as administrative by function. Management typically codes expenses to a program, administrative, or fundraising directly during the payment process.

INCOME TAXES

GVR is exempt from Federal income tax under Section 501(c)(4) of the Internal Revenue Code. However, income from certain activities not directly related to the entity's tax-exempt purpose may be subject to taxation as unrelated business income.

In accordance with US GAAP, management believes GVR holds no uncertain tax positions and, therefore, has no policy for evaluating them. GVR's Forms 990, *Return of Organization Exempt from Income Taxes*, are generally subject to examination by the Internal Revenue Service for three years after the date the returns were filed.

ADVERTISING COSTS

Advertising costs are expensed as incurred and totaled \$28,380 and \$19,285 for the years ended December 31, 2023 and 2022, respectively.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported assets, liabilities, revenues and expenses and disclosure of any contingent assets and liabilities at the date of the financial statements. Actual results could differ from estimates.

RECLASSIFICATIONS

Certain amounts in the prior year's financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. These reclassifications have no effect on previously reported net assets.

NEW ACCOUNTING PRONOUNCEMENTS

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-13 *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASC 326") which introduced a new credit loss methodology entitled Current Expected Credit Losses ("CECL"). The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, held-to-maturity securities, trade receivables, and other financial assets commencing at the time the financial asset is originated or acquired. The methodology replaces the multiple existing impairment methods in historical U.S. GAAP, which generally require that a loss be incurred before it is recognized ("Incurred Loss Model").

GVR adopted ASC 326 and all related subsequent amendments thereto effective on January 1, 2023, using the modified retrospective approach. Accordingly, results for reporting periods beginning on January 1, 2023, are presented under CECL while prior periods continue to be reported in accordance with the incurred loss model as previously applicable. The adoption of Topic 326 did not result in a cumulative effect adjustment to net assets as of January 1, 2023.

NOTE B. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at December 31:

	2023	2022
Accounts receivable	\$ 452,731	\$ 213,619
Less allowances	(151,126)	(163,908)
Net accounts receivable	\$ 301,605	\$ 49,711

Changes in allowance for credit losses consisted of the following during the year ended December 31, 2023:

Allowance for credit losses, beginning of year	\$ 163,908
Less write offs charged against allowance	(12,782)
Allowance for credit losses, end of year	\$ 151,126

NOTE C. INVESTMENT IN MARKETABLE SECURITIES

The financial statement values and cost basis of investments, including aggregated unrealized gains and losses, at December 31, 2023 were as follows:

	Fair value	Cost	Unrealized gains	Unrealized losses
Corporate bonds	\$ 6,494,322	\$ 6,122,041	\$ 372,281	\$ -
Mutual funds	2,159,801	2,629,918	-	(470,117)
Common stock	3,430,031	2,579,731	850,300	-
Government bonds	981,697	874,382	107,315	-
Exchange traded funds	390,678	354,441	36,237	-
Totals	\$ 13,456,529	\$ 12,560,513	\$ 1,366,133	\$ (470,117)

The financial statement values and cost basis of investments, including aggregated unrealized gains and losses, at December 31, 2022 were as follows:

	Fair value	Cost	Unrealized gains	Unrealized losses
Corporate bonds	\$ 6,211,153	\$ 6,096,352	\$ 114,801	\$ -
Mutual funds	3,283,684	3,787,701	-	(504,017)
Common stock	3,203,930	2,711,047	492,883	-
Government bonds	1,501,016	1,515,569	-	(14,553)
Exchange traded funds	168,251	177,797	-	(9,546)
Small issue municipal bonds	116,604	125,010	-	(8,406)
Totals	\$ 14,484,638	\$ 14,413,476	\$ 607,684	\$ (536,522)

Fair values of assets measured on a recurring basis at December 31, 2023 were as follows:

	Level 1	Level 2	Total
Corporate bonds	\$ 6,494,322	\$ -	\$ 6,494,322
Mutual funds	2,159,801	-	2,159,801
Common stock	3,430,031	-	3,430,031
Government bonds	981,697	-	981,697
Exchange traded funds	390,678	-	390,678
Total investments at fair value	\$ 13,456,529	\$ -	\$ 13,456,529

Fair values of assets measured on a recurring basis at December 31, 2022 were as follows:

	Level 1	Level 2	Total
Corporate bonds	\$ 6,211,153	\$ -	\$ 6,211,153
Mutual funds	3,283,684	-	3,283,684
Common stock	3,203,930	-	3,203,930
Government bonds	1,501,016	-	1,501,016
Exchange traded funds	168,251	-	168,251
Small issue municipal bonds	-	116,604	116,604
Total investments at fair value	\$ 14,368,034	\$ 116,604	\$ 14,484,638

Investment income consisted of the following for the years ended December 31:

	2023	2022
Interest and dividends	\$ 456,354	\$ 372,078
Realized and unrealized gain (loss)	740,774	(1,812,339)
Less investment fees	(79,185)	(86,438)
Net investment income (loss)	\$ 1,117,943	\$ (1,526,699)

Assets held in the brokerage accounts, by type of asset and board designation, were as follows at December 31, 2023:

	Cash and cash equivalents	Investments	Accrued interest	Brokerage account total
Board designated net assets:				
Emergency	\$ 16,920	\$ 543,275	\$ 1,363	\$ 561,558
Initiatives	137,568	1,612,487	10,722	1,760,777
Repairs and replacements	122,540	7,867,827	44,269	8,034,636
Total board designated assets	277,028	10,023,589	56,354	10,356,971
Undesignated - operations	34,338	3,432,940	3,267	3,470,545
Total assets held	\$ 311,366	\$ 13,456,529	\$ 59,621	\$ 13,827,516

Assets held in the brokerage accounts, by type of assets and board designation, were as follows at December 31, 2022:

	Cash and cash equivalents	Investments	Accrued interest	Brokerage account total
Board designated net assets:				
Emergency	\$ 93,869	\$ 396,832	\$ 541	\$ 491,242
Initiatives	319,814	2,211,743	15,032	2,546,589
Repairs and replacements	168,672	7,451,499	41,835	7,662,006
Total board designated	582,355	10,060,074	57,408	10,699,837
Undesignated - operations	502,939	4,424,564	6,026	4,933,529
Total assets held	<u>\$ 1,085,294</u>	<u>\$ 14,484,638</u>	<u>\$ 63,434</u>	<u>\$ 15,633,366</u>

NOTE D. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Management regularly monitors the availability of financial resources required to meet current operating needs. GVR generally maintains financial resources as cash and cash equivalents and as investments in marketable securities. GVR utilizes a one-year time horizon to assess its immediate liquidity needs and maintains a minimum cash balance of no less than 90 days of annual operating expenses. This period of time was established based on management's understanding of the typical cycle of payables in the normal course of business. GVR invests cash in excess of immediate projected requirements in short-term, liquid investments that may be used to fulfill liquidity needs resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. In the event of a significant, unanticipated liquidity need, GVR has the ability to raise additional funds through increased annual membership dues. Additionally, GVR may impose a special assessment, if such an assessment is approved in advance, by a majority of the members voting.

The following reflects GVR's financial assets, and limitations on those assets as of December 31, 2023 and 2022, available for use for general expenditures within one year of the date of the statement of financial position:

	2023	2022
Financial assets:		
Cash and cash equivalents	\$ 2,843,922	\$ 2,951,396
Accounts receivable, net	301,605	49,711
Interest receivable	59,621	63,434
Investment in marketable securities	13,456,529	14,484,638
Total financial assets	16,661,677	17,549,179
Less board designated amounts:		
Emergency operations	561,557	491,242
Initiatives	1,760,779	2,546,589
Repairs and replacements	8,034,635	7,662,006
Total board designated amounts	10,356,971	10,699,837
Net financial assets available to meet cash needs for general expenditures within one year	<u>\$ 6,304,706</u>	<u>\$ 6,849,342</u>

NOTE E. OPERATING AND FINANCE LEASES

GVR leases office equipment and a mobile storage unit under non-cancelable leases expiring at various times through 2026.

OPERATING LEASES

GVR leased a postage meter under an agreement that required \$55 monthly payments and expired in September 2023. For the years ended December 31, 2023 and 2022, total operating lease costs were \$468 and \$1,665, respectively.

FINANCE LEASES

GVR leases office equipment under non-cancelable leases expiring at various times through 2026 and requiring monthly payments cumulatively totaling \$4,554. The economic substance of these leases is financing the acquisition of the assets through the leases and, accordingly, they have been recorded as finance lease obligations in the accompanying financial statements.

The following is a schedule of future minimum payments as of December 31:

2024	\$ 49,462
2025	37,688
2026	<u>10,735</u>
Total undiscounted lease payments	97,885
Less interest	<u>(13,624)</u>
Total finance lease liabilities	84,261
Less current portion	<u>(40,307)</u>
Finance lease liabilities, long-term portion	<u>\$ 43,954</u>

As of December 31, 2023, the weighted average remaining lease term is 2.12 years for finance leases and the weighted average discount rate is 16.32%.

NOTE F. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 consisted of the following:

	Contributed	Purchased	Total
Land and improvements	\$ 4,166,276	\$ 2,114,525	\$ 6,280,801
Buildings and improvement	12,852,422	15,413,620	28,266,042
Tennis, shuffleboard, and sports courts	324,958	2,042,193	2,367,151
Pools, spas, and equipment	412,588	2,991,609	3,404,197
Recreational equipment	230,841	1,441,191	1,672,032
Vehicles	-	1,039,291	1,039,291
Furniture	30,000	2,460,081	2,490,081
Total property and equipment	18,017,085	27,502,510	45,519,595
Less accumulated depreciation	(11,000,125)	(16,464,313)	(27,464,438)
Construction-in-progress	-	3,388,354	3,388,354
Property and equipment, net	<u>\$ 7,016,960</u>	<u>\$ 14,426,551</u>	<u>\$ 21,443,511</u>

Property and equipment at December 31, 2022 consisted of the following:

	Contributed	Purchased	Total
Land and improvements	\$ 4,166,276	\$ 2,126,636	\$ 6,292,912
Buildings and improvement	12,852,422	14,125,121	26,977,543
Tennis, shuffleboard, and sports courts	324,958	1,990,614	2,315,572
Pools, spas, and equipment	412,588	2,971,493	3,384,081
Recreational equipment	230,841	1,295,394	1,526,235
Vehicles	-	877,198	877,198
Furniture	30,000	2,547,718	2,577,718
Total property and equipment	18,017,085	25,934,174	43,951,259
Less accumulated depreciation	(10,691,609)	(16,056,558)	(26,748,167)
Construction-in-progress	-	1,974,022	1,974,022
Property and equipment, net	\$ 7,325,476	\$ 11,851,638	\$ 19,177,114

NOTE G. REFUNDABLE CAPITAL FEE LIABILITY

For the years ended December 31, 2023 and 2022, PACF revenue recognized, net of the change in the estimated obligation for fees to be refunded, and actual refunds pursuant to waivers were as follows:

	2023	2022
Property acquisition capital fees collected	\$ 2,718,340	\$ 2,929,188
Less change in estimated obligation for refundable fees	(14,580)	96,208
PACF revenue recognized, included in new member capital and initial fees on the statement of activities	\$ 2,703,760	\$ 3,025,396
Actual PACF fee refunds	\$ 237,800	\$ 205,568

NOTE H. NOTES PAYABLE AND DEFERRED LEASE REVENUE

During the year ended December 31, 2021, GVR purchased a parking lot from GVR Foundation (the "Foundation") for a purchase price of \$170,000. The purchase price was effected through a note payable to the Foundation totaling \$110,000 and an agreement to provide office space to the Foundation at no charge for 15 years.

The note payable is non-interest bearing and requires annual principal payments of \$11,000 through 2031 until the note is paid in full. GVR made the first annual payment at the time of closing in August 2021.

The value of the office space to be provided is estimated at \$4,000 per year. During the years ended December 31, 2023 and 2022, GVR recognized \$4,000 of lease revenue and reduction of deferred lease revenue. Management has determined that the effect of imputed interest on the net present value of the note payable and the deferred lease revenue is immaterial.

Liabilities related to the property acquisition were as follows at December 31, 2023:

	Note payable	Deferred lease revenue	Total
Payable to GVR Foundation	\$ 77,000	\$ 50,667	\$ 127,667
Less current portion	(11,000)	(4,000)	(15,000)
Long-term portion	\$ 66,000	\$ 46,667	\$ 112,667

Liabilities related to the property acquisition were as follows at December 31, 2022:

	Note payable	Deferred lease revenue	Total
Payable to GVR Foundation	\$ 88,000	\$ 54,667	\$ 142,667
Less current portion	(11,000)	(4,000)	(15,000)
Long-term portion	\$ 77,000	\$ 50,667	\$ 127,667

Future minimum payments on the note payable and fair value of office space to be provided to the Foundation at no cost for each of the next five years and thereafter consists of the following at December 31, 2023:

	Note payable	Deferred lease revenue	Total
2024	\$ 11,000	\$ 4,000	\$ 15,000
2025	11,000	4,000	15,000
2026	11,000	4,000	15,000
2027	11,000	4,000	15,000
2028	11,000	4,000	15,000
Thereafter	22,000	30,667	52,667
Total minimum future payments	\$ 77,000	\$ 50,667	\$ 127,667

NOTE I. BOARD DESIGNATED NET ASSETS

The board of directors for GVR has designated portions of total net assets without donor restrictions to be used for emergency funding of operations, replacement and repair of major capital assets, and new projects.

Activity in board designated net assets was as follows for the year ended December 31, 2023:

	Emergency	Initiatives	Repairs and replacements	Total
Beginning balance	\$ 491,242	\$ 2,546,589	\$ 7,662,006	\$ 10,699,837
Board designations:				
Capital fees	-	553,077	-	553,077
Other designations	-	428,596	1,469,346	1,897,942
Expended for projects	-	(1,901,267)	(1,773,221)	(3,674,488)
Investment income	69,493	138,093	674,070	881,656
Change in accrued interest	822	(4,309)	2,434	(1,053)
Total board designated net assets	\$ 561,557	\$ 1,760,779	\$ 8,034,635	\$ 10,356,971

Activity in board designated net assets was as follows for the year ended December 31, 2022:

	Emergency	Initiatives	Repairs and replacements	Total
Beginning balance	\$ 1,155,668	\$ 2,190,524	\$ 9,148,893	\$ 12,495,085
Board designations:				
Capital fees	-	649,825	-	649,825
Other designations	(467,156)	479,715	1,402,519	1,415,078
Expended for projects	-	(551,901)	(1,920,638)	(2,472,539)
Investment income	(212,796)	(212,818)	(971,133)	(1,396,747)
Change in accrued interest	15,526	(8,756)	2,365	9,135
Total board designated net assets	\$ 491,242	\$ 2,546,589	\$ 7,662,006	\$ 10,699,837

NOTE J. NET ASSETS WITH DONOR RESTRICTIONS

There was no activity in net assets with donor restrictions as of and for the year ended December 31, 2023. Activity in net assets with donor restrictions for the year ended December 31, 2022, and balances of net assets with donor restrictions as of the year then ended, were as follows:

	Beginning balance	Contributions	Releases	Ending balance
Subject to purpose restrictions:				
Monument sign	\$ 30,000	\$ -	\$ 30,000	\$ -

NOTE K. REVENUE FROM CONTRACTS WITH CUSTOMERS

During the years ended December 31, 2023 and 2022, GVR recognized \$4,684,821 and \$4,673,666, respectively, in previously deferred revenue for member dues, program revenue, and access card fees.

GVR had no contract assets at either December 31, 2023 or 2022. Although there are no outstanding performance obligations related to new member capital and initial fees, GVR has recorded a liability for estimated refunds of these fees totaling \$212,826 and \$202,757 at December 31, 2023 and 2022, respectively.

Disaggregated revenue from contracts with customers and allocated performance obligations as of and for the year ended December 31, 2023 was as follows:

Revenue recognition method	Revenue recognized	Outstanding performance obligation
Point in time:		
New member capital and initial fees	\$ 3,234,560	\$ -
Late fees	70,281	-
Over time:		
Membership dues	7,051,930	4,357,257
Member, tenant and guest fees	259,344	-
Facility rental	16,822	-
Lease income	51,478	-
Performance activity:		
Program revenue	514,095	176,499
Total Revenue	\$ 11,198,510	\$ 4,533,756

Disaggregated revenue from contracts with customers and allocated performance obligations as of and for the year ended December 31, 2022 was as follows:

Revenue recognition method	Revenue recognized	Outstanding performance obligation
<i>Point in time:</i>		
New member capital and initial fees	\$ 3,637,550	\$ -
Late fees	87,044	-
<i>Over time:</i>		
Membership dues	6,947,340	4,554,800
Member, tenant and guest fees	247,452	-
Facility rental	21,163	-
Lease income	47,105	-
<i>Performance activity:</i>		
Program revenue	401,554	130,021
<i>Total Revenue</i>	\$ 11,389,208	\$ 4,684,821

NOTE L. FUTURE MAJOR REPAIRS AND REPLACEMENTS

GVR's governing documents allow funds to be accumulated for future major repairs and replacements. The capital replacement reserves aggregated \$8,034,635 and \$7,662,006 as of December 31, 2023 and 2022. GVR funds such major repairs and replacements over the estimated useful lives of the components based on estimates of current replacement costs and the consideration of amounts previously accumulated. A full reserve study by an outside consultant was obtained in October of 2022 and was updated in October 2023. The most recent study concluded that the fully funded reserve balance at December 31, 2023 would be \$9,830,329 of which GVR had funded \$8,034,635 or 82% at December 31, 2023. The reserve study is based on a recommended annual contribution of \$1,220,295 for 2024 to the replacement reserve, to be increased annually at a rate of 6.50%, inclusive of an assumed inflation factor of 2.5% on the costs of replacement items.

Actual expenditures may vary from the estimated amounts and variances may be material. Therefore, amounts accumulated in the future major repairs and replacement fund may not be adequate to meet future needs. If additional funds are needed, GVR has the right to levy increased regular assessments or to delay major repairs and replacements until funds are available. Additionally, GVR may impose a special assessment, if such an assessment is approved in advance, by a majority of the members voting.

NOTE M. RETIREMENT PLAN

All GVR employees that are 20.5 years of age or older and have attained at least 1,000 annual working hours are eligible to participate in GVR's 401(k) retirement plan. Employees may contribute an amount up to the annual IRS limit. GVR matches the percentage the employee contributes per pay period up to 5% of compensation. Retirement plan contributions made by GVR were \$98,660 and \$105,293 for the years ended December 31, 2023 and 2022, respectively.

NOTE N. RELATED PARTY TRANSACTIONS

Many of GVR's members also participate in special interest clubs that utilize meeting space in recreational buildings at no charge. GVR also provides these clubs with minor administrative services at no charge. Several employees of GVR are also GVR members. During the years ended December 31, 2023 and 2022, GVR received no in-kind revenue subject to recognition.

During the years ended December 31, 2023 and 2022, the Foundation's Member Assistance Program provided \$26,733 and \$21,900, respectively, to GVR on behalf of specific members for membership dues. The Foundation was an entity under common control until 2020. Amounts collected on behalf of the Foundation are included in other liabilities in the accompanying statements of financial position.

NOTE O. CONTINGENCIES

GVR is involved from time-to-time in various claims and legal actions in the ordinary course of business. Management does not believe that the impact of such matters will have a material adverse effect on their financial position or results of operations when resolved.

NOTE P. SUBSEQUENT EVENTS

The preparation of financial statements to conform with US GAAP requires management to disclose the date through which the subsequent events (i.e., an event or transaction that occurs after the balance sheet date but before the financial statements are issued) were evaluated when determining whether adjustment or disclosure in the financial statements is required. Management of GVR evaluated subsequent events through **DATE**, which represents the date the accompanying financial statements were available to be issued.

DRAFT

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**GREEN VALLEY
RECREATION, INC.**

REPORT TO MANAGEMENT

DECEMBER 31, 2023

DATE

To the Board of Directors and Management
Green Valley Recreation, Inc.
Tucson, Arizona

In planning and performing our audit of the financial statements of Green Valley Recreation, Inc. (“GVR”) as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered GVR’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GVR’s internal controls. Accordingly, we do not express an opinion on the effectiveness of GVR’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of GVR’s financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did identify one deficiency in internal control that we consider to be a significant deficiency.

This communication is intended solely for the information and use of management, the Board of Directors, and others within GVR, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A Professional Corporation

Tucson, Arizona

Significant Deficiency

1. IMPROVE OVERSIGHT AND REVIEW OF NEW RESPONSIBILITIES DURING PERSONNEL TRANSITION

During audit procedures we noted the following that resulted from the transition of monthly reconciliation and close responsibilities to new personnel:

- a. The liability for accrued payroll was overstated due to incorrect inclusion of the employee withholdings and 401k deductions in addition to the employees' gross pay for the period;
- b. Several outstanding checks were older than 3 months and had not been investigated, reissued, or voided;
- c. The December PACF fees were not transferred to the Initiatives Reserve Fund within 10 business days after the end of the month as required by the Corporate Policy Manual.

None of the items discussed above resulted in a material misstatement to the overall financial statements. However, we recommend management implement enhanced review over month-end and closing processing procedures, at least on a probationary basis, whenever there are changes in responsible personnel. The oversight process should include a specific review of the accrued payroll allocations between wages, payroll taxes and deductions for each period that payroll is accrued at month end. We also recommend creating or enhancing month-end closing checklists to include reminders to review outstanding checks and ensure interfund transfers are made timely.



Green Valley Recreation, Inc.
Board of Directors Meeting

Approval of Tentative Annual Meeting Schedule

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: April 24, 2024

Presented By: Nanci Moyo, Admin. Sup.

Consent Agenda: No

<p>Originating Committee / Department: Administration</p>
<p>Action Requested: Review and approve the tentative Annual Meeting Schedule.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: The Corporate Policy Manual (CPM) states in Part 2 Board of Directors, Section 3 Meetings – 2.3.1.D.5 A tentative annual meeting schedule shall be approved by the Board at its first Regular Meeting following the Annual Meeting. Note: No meeting scheduled for July and December. The November meeting is moved to the second Wednesday due to the Thanksgiving holiday at the end of the month. The March meeting is moved to the third Wednesday due to the Annual Meeting on the fourth Wednesday. All Work Sessions are tentative.</p>
<p>Fiscal Impact: None</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Approve the tentative Annual Meeting Schedule as presented in the Board Calendar. 2) Make changes to the tentative Annual Meeting Schedule and approve the changes. 3) Do not take action on the tentative Annual Meeting Schedule.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: Move to approve the tentative Annual Meeting Schedule as presented in the Board Calendar.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Board Calendar



BOARD OF DIRECTORS

Friday, April 19, 2024

2024-2025 MEETING SCHEDULE (Tentative)

BOD Work Sessions / BOD Meetings

Date	Time	Loc	Type	Agenda Items	Presenter
Wednesday, April 24, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, May 8, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, May 22, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, June 12, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, June 26, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, July 10, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, July 24, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting - Tentative		
Wednesday, August 14, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, August 28, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, September 11, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, September 25, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, October 9, 2024	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, October 23, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, November 13, 2024	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, January 8, 2025	2pm	WC/Auditorium	Board of Directors Work Session - Tentative Or Executive Session Below		
Wednesday, January 8, 2025	2pm	WC Room 2	Board of Directors Executive Session		
Wednesday, January 22, 2025	2pm	WC/Auditorium	Board of Directors Regular Meeting		

BOD Work Sessions / BOD Meetings

Date	Time	Loc	Type	Agenda Items	Presenter
Wednesday, February 12, 2025	2pm	WC/Auditorium	Board of Directors Work Session - Tentative		
Wednesday, February 26, 2025	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, March 19, 2025	2pm	WC/Auditorium	Board of Directors Regular Meeting		
Wednesday, March 26, 2025	9am	WC/Auditorium	Annual Meeting		



Green Valley Recreation, Inc.
Board of Directors Meeting
Desert Hills Locker Room Expansion

Prepared By: Natalie Whitman, COO

Meeting Date: April 24, 2024

Presented By: Natalie Whitman, COO

Consent Agenda: No

<p>Originating Committee / Department: Recreation & Facilities</p>
<p>Action Requested: Approve Desert Hills locker room expansion concept drawings and direct staff to move forward with developing construction documents, obtain permits, and go out for bids.</p>
<p>Strategic Plan Goals 1 & 2: Goal 1: Provide excellent facilities for members to participate in a variety of active and social opportunities Goal 2: Provide quality services and programs that effectively meet the recreational, social, and leisure education needs of our membership, allocating resources to support those programs Initiatives 1.2.1, 1.2.2, 2.1.1</p>
<p>Background Justification: The locker rooms at Desert Hills are due for rehabilitation. The locker rooms are smaller than those of other major centers. They have a similar number of showers but few restroom fixtures and the dressing areas accommodate just three or four friendly people at a time. The lockers are narrow. With the former weight room vacated, there is an opportunity to expand the locker rooms into that space. In March, 2024, our busiest month of the season, approximately 8,600 people used the lower-level sports amenities. This is an approximate number derived from gate access totals minus the access counts for lapidary, ceramics, and poker. Since a number of service technicians visited the site to address HVAC issues and prep for roofing work, that count reflects an additional reduction of 200 access swipes. By comparison, 6,245 people used entrances associated with sports facilities at Las Campanas and 6,188 people used entrances associated with the pool and fitness center at Canoa Hills. In March, 2024, an informal survey of the membership resulted in a tepid response to the proposal to expand the locker rooms and a cool response to the steam room possibility. 26% of respondents were frequent users of the facility. <i>See poll results, attached.</i> At the 4/10/24 work session, a Director asked about the feasibility of expanding the men’s locker room around the existing sauna. Our architect reports it would not be possible to expand the size of the room. Fixtures could be added within the existing area, but the changing area would be significantly reduced.</p>

At that same work session, a majority of the Board expressed support for eliminating a proposed steam room and expanding the proposed dry sauna to ensure it is at least as large as the current sauna. The current sauna is approximately 114 SF and seats 8-9 people. Creating a sauna of that size is readily accomplished by merging the proposed steam room and sauna and shifting the planned entrance wall to the east.

See the attached floor plan.

Fiscal Impact:

The 2024 budget includes \$445,000 of initiatives funding for this project. Because the MRR allocates \$145,665 for a simple renovation, only \$299,335 is needed from the initiatives fund.

Of that \$299,335, ~\$90k will be used to complete required ventilation system upgrades. The current system is underperforming and out of code compliance.

	Fund	Fund	Total ESTIMATE
Option 1: Described expansion with required ventilation upgrade	MRR \$145,665	Initiatives \$299,335	\$445,000
Option 2: Renovate within the existing footprint, with the required ventilation upgrade	MRR \$145,665	Initiatives \$90,000	\$235,665

Several MRR and CIP projects are in the planning or scheduling phases at Desert Hills. These include ceramics studio/kiln room enhancements, renovation of the lobby restrooms, the potential removal of the stage, and new flooring throughout all common areas including the balcony decking. Project management staff suggest going out for bid on a base bid contract-- a sort of “a la carte” contract. Interested contractors would bid on the base scope (in this case, the locker room renovation) and then provide bids on the other jobs as additional line items. GVR could accept the bids on any of the additional jobs on a case-by-case basis. The goal of this approach would be to get as many of these jobs as feasible under the purview of a single general contractor for the sake of efficiency.

Board Options:

- 1) Approve moving forward with the revised plans as indicated in the attached annotated floorplan, via a base bid contract with additional alternative scopes.
- 2) Approve a rehab within the current footprint with required ventilation upgrades.
- 3) Provide alternate directions for staff.

Staff Recommendation:

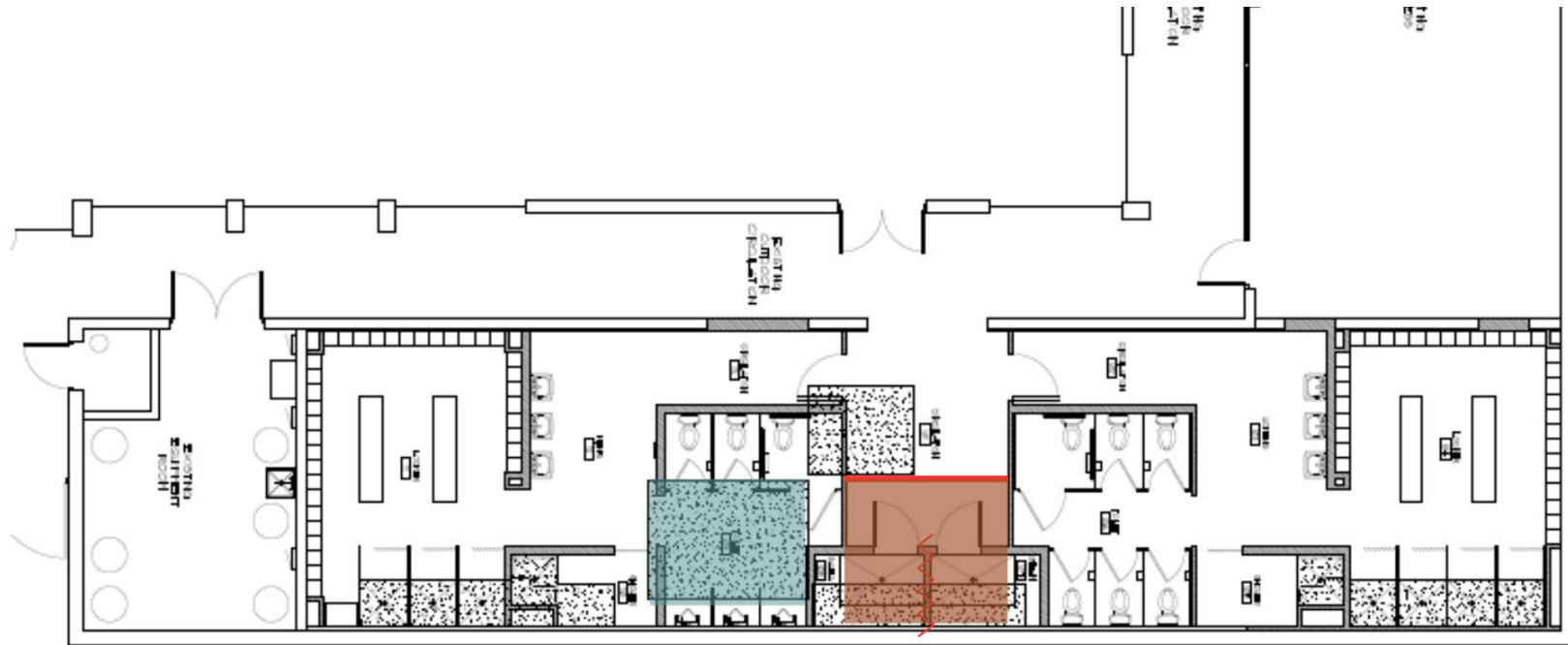
Option 1

Recommended Motion:

Move to approve the Desert Hills locker room expansion as indicated and direct staff to move forward with developing construction documents, obtain permits, and go out for bids.

Attachments:

- 1) Floor plan on next page
- 2) Poll results



Current Sauna:



New proposed sauna:



Survey Results - Use and Possibilities of Desert Hills and Canoa Hills

		<u>Total All Responses *</u>		<u>Do Not Use DH</u>		<u>Infrequent DH Use</u>		<u>DH Use At Least Monthly</u>		<u>Use DH Multiple Times/Wk</u>		
Total Responses		817		324	40%	163	20%	121	15%	209	26%	
Expand DH LockerRooms:	Yes	313	38%	91	28%	68	42%	53	44%	101	48%	Yes
	No	505	62%	234	72%	95	58%	68	56%	108	52%	No
Would you use a steam room?	Yes	239	29%	53	16%	49	30%	48	40%	89	43%	Yes
	No	418	51%	208	64%	79	48%	47	39%	84	40%	No
	Maybe	163	20%	64	20%	35	21%	27	22%	37	18%	Maybe
Steam room increase DH visits?	Yes	211	26%	54	17%	44	27%	39	32%	74	35%	Yes
	No	461	56%	213	66%	87	53%	55	45%	106	51%	No
	Maybe	148	18%	58	18%	33	20%	28	23%	29	14%	Maybe
Gym at Canoa Hills a good idea?	Yes	369	45%	131	40%	70	43%	55	45%	113	54%	Yes
	No	310	38%	145	45%	65	40%	45	37%	55	26%	No
	Maybe	139	17%	49	15%	28	17%	21	17%	41	20%	Maybe
Would use CH gym for:	Table Tennis	150	18%	43	13%	34	21%	26	21%	47	22%	Table Tennis
	Basketball	73	9%	18	6%	18	11%	9	7%	28	13%	Basketball
	Badminton	98	12%	24	7%	26	16%	17	14%	31	15%	Badminton
	Volleyball	73	9%	21	6%	18	11%	10	8%	24	11%	Volleyball
	Indoor Walking	356	44%	141	44%	68	42%	56	46%	91	44%	Indoor Walking
	Dance	248	30%	101	31%	65	40%	36	30%	46	22%	Dance
	Comp Yoga	307	38%	104	32%	60	37%	51	42%	92	44%	Comp Yoga
	None of Above	183	22%	79	24%	33	20%	26	21%	45	22%	None of Above

* 3 completely duplicate responses (including GVR number) removed.



Green Valley Recreation, Inc.
Board of Directors Meeting
Removal of Desert Hills stage

Prepared By: Natalie Whitman, COO

Meeting Date: April 24, 2024

Presented By: Natalie Whitman, COO

Consent Agenda: No

<p>Originating Committee / Department: Recreation and Facilities</p>
<p>Action Requested: Remove the stage in the auditorium at Desert Hills to improve the room’s capacity and functionality.</p>
<p>Strategic Plan Goals: Goal 1: Provide excellent facilities for members to participate in a variety of active and social opportunities Goal 2: Provide quality services and programs that effectively meet the recreational, social, and leisure education needs of our membership, allocating resources to support those programs Initiatives 1.2.1, 1.2.2, 2.1.1</p>
<p>Background Justification: The auditorium at Desert Hills is a popular venue for socials, large meetings, and presentations. It is 2400 square feet with an occupancy limit of 290. It includes a stage that is rarely used as a stage. Field staff reports that presenters tend to stand at a podium on the floor in front of the stage and use the stage to hold their handbags or boxes of handouts. Removing the stage would increase the useful area by 500 square feet or 20%. With this additional space, we can further enhance the room for socials and large meetings with a counter and cabinets, and electrical outlets along the counter backsplash for crockpots, hot plates, coffee urns, waffle irons, and the like. Adjacent to the auditorium is Room B which can be separated via an accordion wall. Groups often reserve both rooms to gain the space they need for their events. Combined, Room B and an auditorium without a stage would be 3380 square feet. By comparison, the full auditorium plus Juniper Room at Las Campanas is 3714 square feet, and the Anza Room at Santa Rita Springs is 3528. Per GVR’s Procurement Policy 5.4.2 (page 42 of the CPM), Board authorization is not required for this project:</p>

AMOUNT OF PURCHASE	BIDDING REQUIREMENT	PURCHASE APPROVAL/SIGNATURE
Under \$10,000	None Required.	Authorized Department Director or Manager/Supervisor
\$10,000 to \$99,999	Quotes/Bids required. No posting on GVR website required. Scope of Work developed by staff and sent to vendors with the goal of receiving at least 3 responses.	CEO or CFO Approves. CEO Signs Contract.
\$100,000+	Sealed Bidding Process. Open to all vendors that choose to submit a response to an Invitation to Bid or an RFP developed by staff. Invitation to Bid/RFP is posted on GVR Website and other relevant websites. Staff and CEO review submittals and make recommendations. All bids/proposals received are posted on the Board-secured website.	Board Approves. President Signs Contract.

However, staff recognize that members grow attached to facilities and features within those facilities and feel it appropriate to seek the Board’s approval of this change to the Desert Hills auditorium.

Fiscal Impact:

We have a quote from Building Excellence (Del Sol renovation) for \$14,500. We have solicited a second quote and should receive it before the Board meeting. If this project is combined with the locker room renovation, kiln room enhancements, and other MRR tasks, the cost may be reduced.

Funding source: Initiatives

Board Options:

- 1) Approve enhancements to the Desert Hills Auditorium, including removal of the stage
- 2) Provide alternative direction to staff

Staff Recommendation:

Option 1

Recommended Motion:

Move to approve the removal of the Desert Hills auditorium stage and enhance the room for socials and large meetings.

Attachments:

Photos of the auditorium and stage on next page

