GVR

GREEN VALLEY RECREATION

2027 BUDGETS

Approved and Adopted

October 28, 2026

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BUDGET MESSAGE
Fiscal Year 2027

Board of Directors and Members of Green Valley Recreation:

In accordance with the Bylaws and Corporate Policy Manual (CPM) of Green Valley Recreation, Inc. (GVR), we are pleased to submit the Fiscal Year 2027 (FY2027) Budget. Included in this Total Budget are the Operating Budget, Fee Schedule, Capital Budget, and the Five-Year Capital Improvement Plan for fiscal years 2027-2031.

We believe this budget advances GVR's Strategic Plan, Mission, and Vision by providing excellent facilities, programs, and services that create opportunities for recreation, social engagement, and leisure education. These investments enhance the overall member experience and quality of life while supporting a sound financial foundation and delivering strong value to our members.

Department directors remain committed to managing operations responsibly within budget parameters while ensuring the continued delivery of a broad range of essential services and programs. This budget supports quality recreation programming, proactive maintenance, and necessary infrastructure improvements, while balancing these priorities with the realities of limited resources and responsible financial stewardship.

With a continued focus on exceptional member service, staff is actively seeking opportunities to modernize processes, increase operational efficiencies, and enhance service delivery. Through these efforts, we strive to improve the member experience, maximize the value of available resources, and ensure GVR remains responsive to the evolving needs and expectations of our members.

THE BUDGET PROCESS

GVR operates on a fiscal year running from January 1 to December 31. The budget process begins in August with guidelines issued to department directors and managers by the Chief Executive Officer (CEO). Departmental requests are prepared and submitted in August. The CEO and Chief Financial Officer (CFO) meet with each department manager to discuss their requests. Changes and revisions to the requests and revenue projections are incorporated into the budget, which is submitted to the Board of Directors in October for consideration.

The CEO and CFO meet with the Fiscal Affairs Committee and Board of Directors in August, September, and October to assist with budget preparation and development. Per the CPM, the Board shall have an approved budget available for execution no later than November 15 of any given year.

The basis of budgeting conforms to Generally Accepted Accounting Principles (GAAP) as required by Bylaws Article VII, Section 4. D. The 2026 projected income and expenses are included for comparison purposes (page 26) and are the staff's best estimates. Included with the 2027 Budget is a three-year revenue and expenditure projection for years 2028 through 2030 (page 30).

The 2027 Budget presented includes the following functional areas:

Administrative Services: Board of Directors, administration, finance, membership services, human resources, communications and information technology.
Field Services: Center customer service, including custodial.
Facilities Maintenance: Maintenance, aquatics, landscaping, project management.
Recreation: Events and entertainment, movies, trips and tours, clubs, classes, fitness, drop-in opportunities.

INTRODUCTION

Despite ongoing declines in the real estate market, GVR remains financially sound. Through prudent fiscal management, we are well positioned to prepare responsibly for the future while maintaining the high-value services and facilities our members expect.

Over the past five years, GVR has successfully completed approximately 13.7 million dollars' worth of projects, including Maintenance, Repair, and Replacement (MRR) planned projects, Non-Reserve Capital projects, and Initiatives projects. These investments reflect our ongoing commitment to maintaining and enhancing our facilities while meeting the evolving needs of our members.

FY2027 OPERATING BUDGET

Revenue

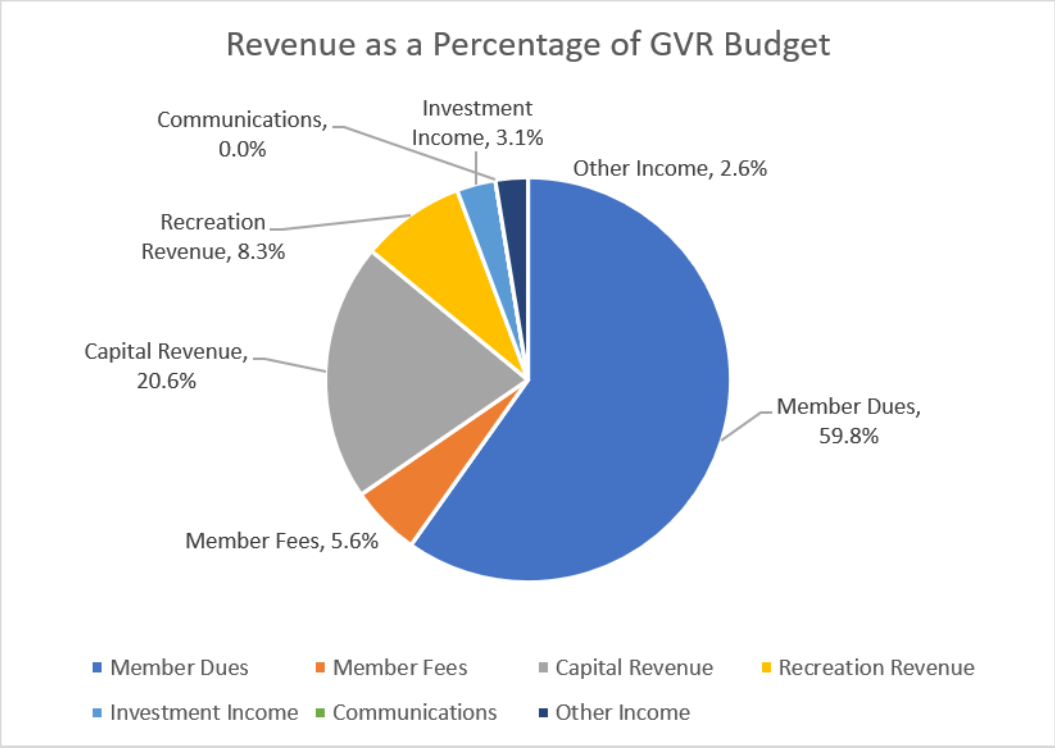
In consideration of the economic climate, we believe GVR's anticipated revenue assumptions for FY2027 are appropriate, especially when viewed considering the solid revenue performance over recent years, as illustrated in Figure 1:

Figure 1 **Total Revenue: Fiscal Year 2022-2027**

Total Revenue Fiscal Years 2022 - 2027

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budgeted	FY 2026 Projected	FY 2027 Adopted
Member Dues	$ 6,947,340	$ 7,051,390	$ 7,134,340	$ 7,366,506	$ 7,568,960	$ 7,578,564	$ 8,001,700
Member Fees	$ 785,602	$ 740,844	$ 685,399	$ 759,426	$ 800,700	$ 828,194	$ 750,730
Capital Revenue	$ 3,099,400	$ 2,753,060	$ 2,428,476	$ 2,835,806	$ 2,860,800	$ 2,524,416	$ 2,752,200
Recreation Revenue	$ 401,553	$ 514,095	$ 774,073	$ 868,769	$ 1,069,456	$ 1,111,300	$ 1,115,622
Investment Income	$ 372,078	$ 456,354	$ 426,501	$ 457,320	$ 435,000	$ 534,478	$ 415,000
Communications	$ 43,105	$ 47,478	$ 49,004	$ 50,583	$ 48,919	$ 51,804	$ -
Other Income	$ 112,273	$ 107,844	$ 139,275	$ 159,775	$ 139,970	$ 286,829	$ 345,820
Total Revenue	$ 11,761,351	$ 11,671,065	$ 11,637,068	$ 12,498,184	$ 12,923,805	$ 12,915,585	$ 13,381,072

***Figure 2* Revenue Budgeted Highlights, Fiscal Year 2027**



A summary of the fee changes:

- Member dues: 2026 rate of $545 increases $30 to $575 for 2027 (5.5%).
- Life Care Fees: 2026 rate of $545 increases $30 to $575 for 2027 (5.5%).
- Initial Fee: 2026 rate of $3,200 increases to $3,300 for 2027 (3.125%).
- Membership Change Fee (MCF): 2026 rate of $3,200 increases to $3,300 for 2027 (3.125%).
- Transfer Fee: 2026 rate of $470 increases $10 to $480 (2.125%)
- Tenant Fees:
    - 1 – 7 Days rate increase from $40 to $45
    - 2 Weeks rate increase from $50 to $55
    - 1 Month rate increase from $65 to $70
    - 2 Months rate increase from $100 to $105
    - 3 Months rate increase from $140 to $145
    - Tenant Fee 4 months 2027 rate is $185
    - Tenant Fee 5 months 2027 rate is $220
    - Tenant Fee 6-12 months 2027 rate is $255
- Additional Card Fee rate increases from $140 to $170
- GVR Card Issuance Fee: 2027 rate is $5

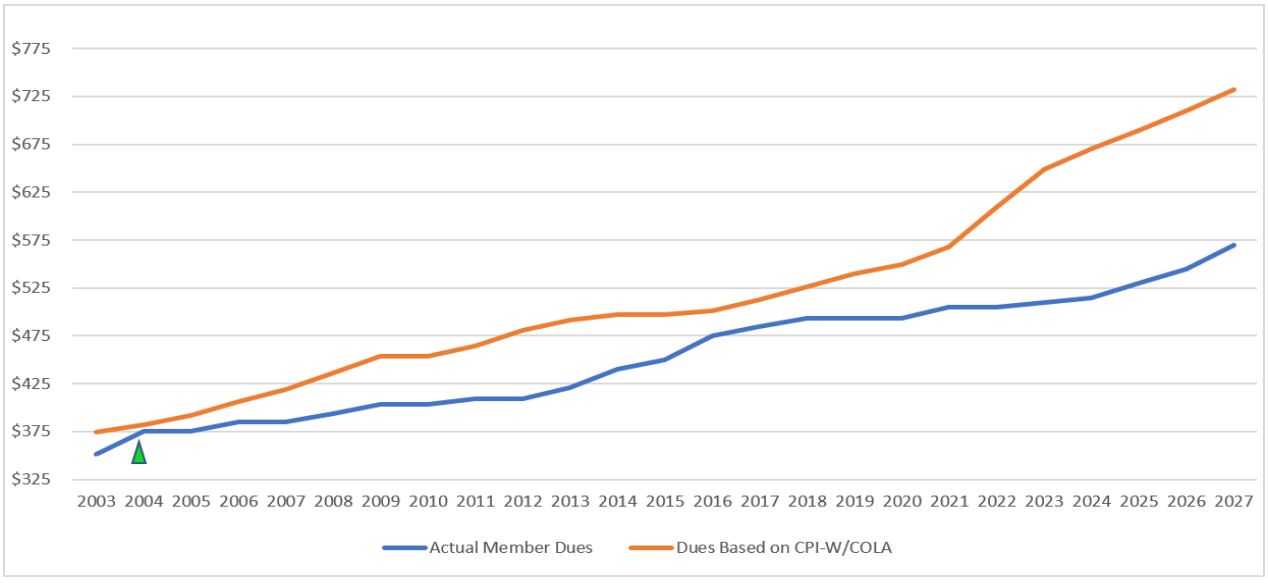
- GVR Card Replacement Fee: 2027 rate is $5
- Late Fees remain $25
- Estate Planning Fees remain at $105

Guest card fees remain the same, including a daily guest card pass for $5 per pass, a weekly guest card pass for $15 per pass, and an annual guest card pass for $85 per card.

The calculation of revenue is as follows:

Total member dues are based on 13,916 properties at $575 per member household. The dues rate reflects a **$30 increase** in the annual dues rate effective January 1, 2027. Figure 3 illustrates how GVR has kept our dues rates below the rates indicated by the CPM. The CPM (Section 1 MEMBERSHIP & FACILITIES Subsection 1.1.2) states, "In establishing annual dues, the Fiscal Affairs Committee (FAC) and the Board shall use the following formula as a starting point: The sum of 50% of the CPI (W) percentage increase/decrease through September of the current year and 50% of the Social Security percentage increases / decrease for the current year." Per the formula, the starting point is 3.15% (50% of 3.5% plus 50% of 2.8%). The dues increase of $30, or 5.5%, is above the 3.15% starting point guided by the CPM. The rate recognizes that the CPM formula serves as a starting point for establishing annual dues and that additional consideration must be given to GVR's actual operating environment, financial requirements to fund reserves, and anticipated costs. The increase will provide the resources necessary to sustain operations, meet financial obligations, and maintain the level of services expected by the membership.

***Figure 3* Actual Member Dues vs. Dues based on CPI-W/COLA per CPM**



The last time the annual member dues were close to matching GVR policy was in 2004. Since that time, the divergence has widened from a $7 difference in 2004 to a $165 difference in 2026 and a projected $157 difference in 2027. See Figure 4 for past years' dues rates.

Figure 4

GVR	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actual Member Dues	$ 375	$ 375	$ 385	$ 385	$ 394	$ 403	$ 403	$ 409	$ 409	$ 421	$ 440	$ 450
Dues Based on CPI-W/COLA	$ 382	$ 392	$ 406	$ 419	$ 436	$ 454	$ 454	$ 464	$ 481	$ 491	$ 497	$ 497

GVR	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Actual Member Dues	$ 475	$ 485	$ 493	$ 493	$ 493	$ 505	$ 505	$ 510	$ 515	$ 530	$ 545	$ 575
Dues Based on CPI-W/COLA	$ 501	$ 513	$ 526	$ 540	$ 549	$ 568	$ 609	$ 649	$ 670	$ 690	$ 710	$ 732

The Membership Change Fee (MCF) rate reflects a $100 increase to $3,300. The 2027 MCF assumption is based on an estimated 822 total property transactions, along with 12 new voluntary deed-restricted properties charged the Initial Fee of $3,300. Staff is projecting 789 home sales in 2026. The local real estate market has declined over the past three years. Below is a summary of home sales for the past ten years:

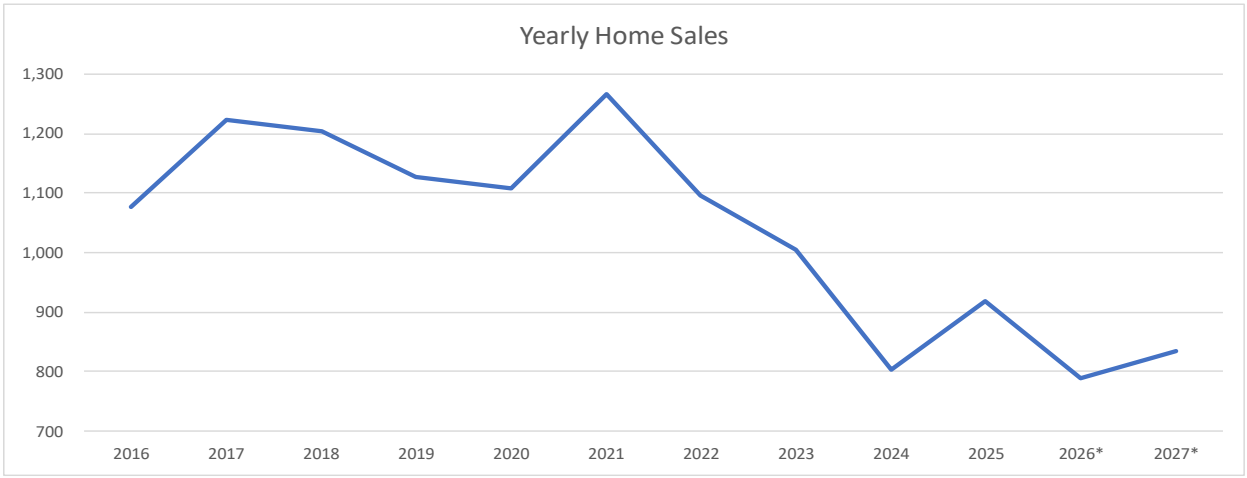
Figure 5

Home Sales 2016 - 2027													
Home Sales													
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2026	**2027**
Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Projected	**Budget**
1,076	1,222	1,204	1,126	1,109	1,267	1,095	1,005	803	918	876	789	**834**

From 2016 to 2025, GVR collected fees associated with 1,083 home sales per year. In 2025, there were 918 GVR home sales and in 2026 we are forecasting to be about 10% unfavorable to our budgeted amount of 876 home sales. For the 2027 budget, staff used an average of just under 69 home sales per month along with adding 12 new households in the new year for voluntary deed-restricted or newly built properties. Therefore, the 2027 budget for collecting MCF/Initial Fees is 834, a 4.8% decrease to the 2026 budget.

Figure 6 illustrates the long-term trend for Membership Change Fees and includes the 789 homes projected for 2026.

Figure 6 Home Sales: Long-Term Trend, 2016-2027



*Projected/**Budgeted**

Figures 7 and 8 depict how MCF rate increases have outpaced increases in dues since 2019.

Figure 7 Cumulative Dues Rate Increases vs. Cumulative MCF Rate Increases

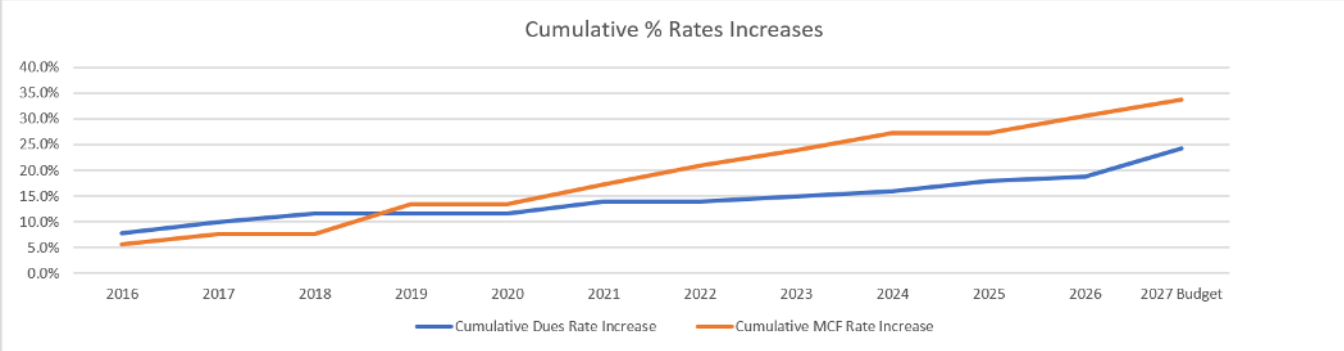


Figure 8 Historical Increases in GVR Dues and Member Change Fees, 2016-2027

GVR Dues and Member Change Fees Historical Increases												
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Budget	2027 Budget
Dues Rate	$475	$485	$493	$493	$493	$505	$505	$510	$515	$530	$545	$575
Membership Change Fee	$2,425	$2,474	$2,474	$2,616	$2,616	$2,716	$2,816	$2,900	$3,000	$3,100	$3,200	$3,300
Dues Rate Increase %	5.6%	2.1%	1.6%	0.0%	0.0%	2.4%	0.0%	1.0%	1.0%	2.9%	2.8%	5.5%
MCF Rate Increase %	5.6%	2.0%	0.0%	5.7%	0.0%	3.8%	3.7%	3.0%	3.4%	3.3%	3.2%	3.1%
Dues Revenue	$6,402,286	$6,627,415	$6,690,385	$6,712,673	$6,748,910	$6,942,771	$6,947,340	$7,051,930	$7,134,340	$7,257,326	$7,568,960	$8,001,700
MCF Revenue	$2,007,135	$2,439,129	$2,345,508	$2,423,079	$2,533,963	$3,147,953	$3,099,400	$2,753,060	$3,039,780	$2,868,541	$2,860,800	$2,752,200
Cumulative **Dues** Rate Increas	5.6%	7.7%	9.3%	9.3%	9.3%	11.7%	11.7%	12.7%	13.7%	15.6%	16.5%	22.0%
Cumulative **MCF** Rate Increase	5.6%	7.6%	7.6%	13.4%	13.4%	17.2%	20.9%	23.9%	27.3%	27.2%	30.5%	33.7%

Initial Fees are charged when a property first enters GVR, either through a Voluntary Deed Restriction or a new build in a new or expanding development. As with the MCF, the 2027 budget includes a $100 rate change for Initial Fees. This rate will increase to $3,300, and the budget is based on 12 anticipated net property transactions in 2027. There are currently 18 projected transactions for 2026.

Guest Card fees and Annual Guest Pass fees remain unchanged for 2027. We believe the number of projected guest and tenant card transactions is conservative.

Transfer Fees will increase from $470 to $480. The 2027 budget includes a projected 915 properties at the rate of $480 per transfer for a total of $439,200.

Recreation Revenue. Program revenue in 2027 is offset by recreation expense contracts that generally equal 70% of the recreation revenue.

The total budgeted revenue for 2027 is $13,381,072, which is an increase of $457,267 (3.5%) from the 2026 Budget.

Expenditures

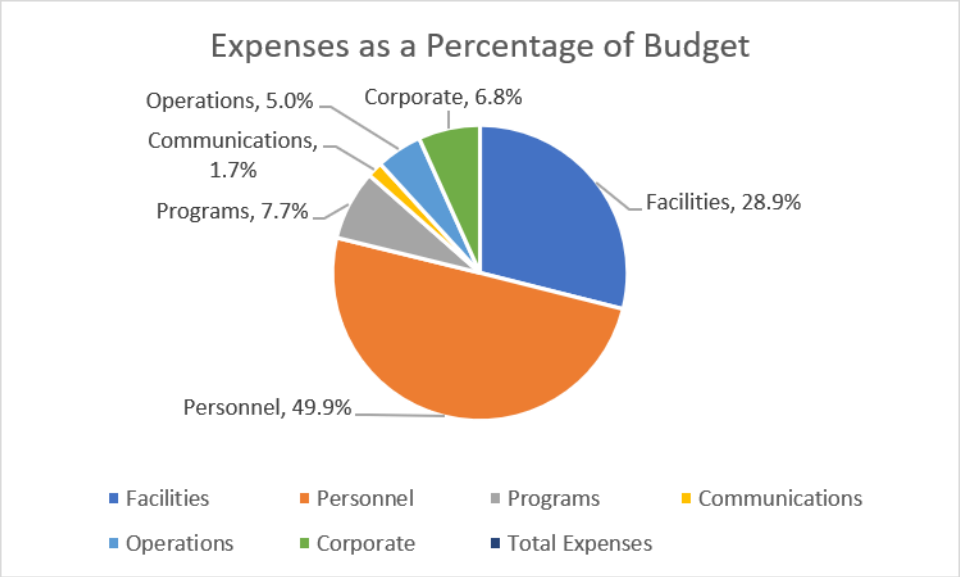
The FY2027 budget provides for all salaries and wages, employee benefits, operating expenditures, and non-reserve capital outlays. It also provides for significant funding to capital reserve funds.

Figure 9

Total Expenses Fiscal Years 2022 - 2027

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budgeted	FY 2026 Projected	FY 2027 Adopted
Facilities	$ 3,343,227	$ 3,689,031	$ 3,475,794	$ 3,340,032	$ 3,324,057	$ 3,352,005	$ 3,594,731
Personnel	$ 5,143,126	$ 5,015,239	$ 5,565,775	$ 5,696,073	$ 5,837,662	$ 5,802,314	$ 6,198,654
Programs	$ 463,890	$ 472,846	$ 642,435	$ 708,330	$ 798,380	$ 893,959	$ 952,175
Communications	$ 209,141	$ 214,478	$ 231,646	$ 212,108	$ 248,069	$ 238,750	$ 210,985
Operations	$ 592,522	$ 705,331	$ 628,020	$ 665,202	$ 715,792	$ 589,494	$ 625,744
Corporate	$ 759,851	$ 913,377	$ 749,742	$ 828,928	$ 914,925	$ 816,956	$ 840,991
Total Expenses	$ 10,511,757	$ 11,010,302	$ 11,293,412	$ 11,450,673	$ 11,838,885	$ 11,693,478	$ 12,423,281

Figure 10 **Budgeted Expenditures by Category**



Personnel

The 2027 personnel costs include a 2.5% aggregate increase in wages. Over the course of 2026, we have added 4.0 full-time equivalents (FTE) with the addition of a pool operator and 3.0 FTEs for the Del Sol Café. This brings our total FTEs to 92.45, which we have budgeted to stay the same for 2027. The personnel costs for 2027 reflect a $370,956 total increase and include wage increases per the compensation plan. These personnel costs also include taxes, health and dental insurance, workers' compensation insurance, and other personnel-related expenditures. GVR anticipates a 5% mid-year increase in benefits cost rates for 2027. The total changes from 2026 budgeted costs are:

Figure 11 **Historical Summary of GVR Full-Time Equivalents (FTEs), 2016-2027**

GVR
FTEs

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Information Technology	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	4.0	4.0
Administration	11.0	11.0	11.0	12.0	13.0	12.0	14.0	11.0	9.0	8.0	7.0	7.0
Membership Services								9.0	7.0	6.0	5.4	5.4
Administrative Services	14.0	14.0	14.0	16.0	17.0	16.0	18.0	24.0	21.0	19.0	16.4	16.4
Field Services										36.2	38.35	38.35
Recreation Services	23.0	23.0	23.0	23.0	23.0	23.0	23.0	34.4	28.2	8.6	8.7	8.7
Maintenance	13.0	13.0	13.0	14.0	13.0	13.0	13.0	12.0	15.0	15.0	13.0	13.0
Aquatics	6.0	6.0	6.0	6.0	6.0	7.0	5.0	5.0	6.0	6.0	7.0	7.0
Landscaping	5.0	5.0	5.0	6.0	6.0	6.0	7.0	8.0	6.0	6.0	6.0	6.0
Custodial	31.0	31.0	31.0	31.0	30.0	30.0	31.0	10.0	20.0			
Facility Services	55.0	55.0	55.0	57.0	55.0	56.0	56.0	35.0	47.0	27.0	26.0	26.0
Del Sol Clubhouse	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
Total GVR	92.0	92.0	92.0	96.0	95.0	95.0	97.0	93.4	96.2	90.8	92.45	92.45

Corporate Expenses

The corporate expenses budget reflects a decrease of $73,934 (-8.1%) compared to the 2026 budget.

- Information Technology has continued to value engineer our internal structure while maintaining controls and mitigating risk, and will be reducing expenses by over $6,000.
- Conferences and training reflect a $679 (2.8%) decrease from budgeted 2026 expenses.
- Commercial insurance includes a $10,993 (5.0%) mid-year increase due to rising insurance costs.
- GVR is not budgeting any additional allowance for doubtful accounts. The current allowance is $104,000, a $14,000 decrease during the 2026 fiscal year. This will be re-evaluated prior to the end of the year to determine if the allowance is sufficient based on our outstanding receivables.
- Investment expenses account for $90,000 of the operations expenses. These expenses are paid directly from the reserve accounts.

RESERVE FUNDING

The Capital Improvement Plan is summarized and included on page 29. Reserve funds include:

- Maintenance, Repair, and Replacement (MRR) capital budget is $2,774,653 and is detailed below. The 2026 MRR capital budget was $2,532,877.
- MRR-B is for replacement of pools and spas. The budget is listed on page 15 and includes funding in the amount of $366,778. The only expenditure out of this pool fund is for the replacement of Abrego South, in the amount of $1,238,600.
- The Non-Reserve Capital projects amount for the 2027 budget equals a total of $20,000 in capital projects for accessibility solutions.
- The Initiatives Fund Capital Projects budgeted for 2027 are on pages 16-17.
- The Emergency Fund has no budgeted expenditures in 2027.

Maintenance Repair & Replacement

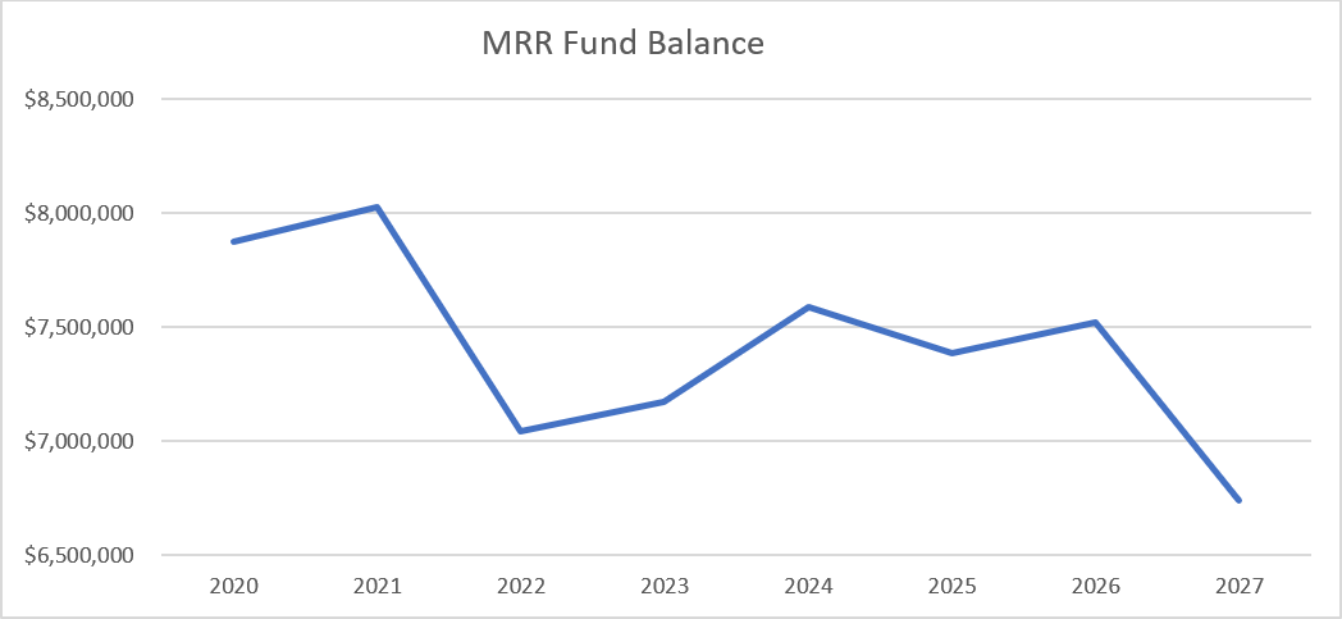
A major component of the 2027 budget is funding and execution of the Maintenance, Repair, and Replacement reserve (MRR). This reserve account is funded annually in January as determined by the reserve study. The MRR reserve study is a budgetary tool that establishes the annual contribution and schedules work components such as replacing floors and HVAC equipment, painting, pool maintenance, etc. The study provides a 30-year financial plan for maintaining and replacing components. The Browning Reserve Group, the consulting company that manages the study, states, "Based on the 30-year cash flow projection, GVR's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years."

The MRR Fund is a reserve fund invested in a separate investment account. This account has a unique Board-approved Investment Policy Statement (IPS) that allows GVR to achieve the best return on investment while minimizing the investment risk over the long term.

The MRR-A Reserve Study provides a structured framework for long-term forecasting, but the assumptions are established and continually refined by staff based on actual operating experience, market conditions, and anticipated costs. The Reserve Study allows staff to project two, three, and four years out while adjusting for what we are actually seeing in the marketplace. If pool furniture is lasting five years rather than seven, or recent bids are materially higher than projected, we adjust the assumptions accordingly. It is a collaborative

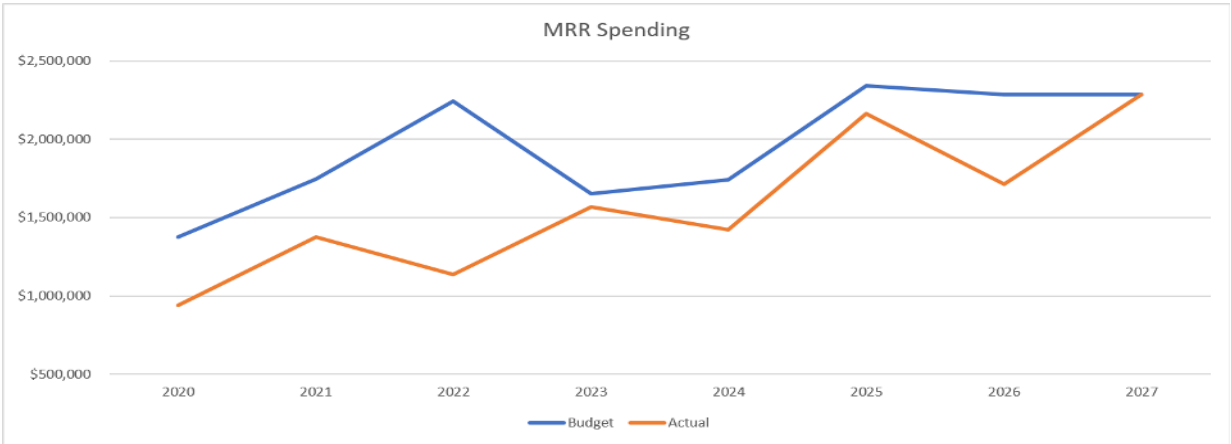
process with the consultant. The Reserve Study provides the framework; staff provides the operational knowledge and judgment necessary to keep the projections realistic. The Reserve Study does not dictate the budget—it informs it. Over the past several years, our experience with the consultant has enabled us to use the tool more effectively and make it a valuable resource for long-term budgeting and capital planning.

Figure 13 **GVR MRR Fund Balance Trend 2020-2027**



The budgeted MRR contribution equates to $108.37 per household and constitutes 18.8% of the annual dues rate ($108.37 / $575.00). The fund contribution for January 2027 is $1,508,102, which equals 9.9% of the 2027 Total Operating and Capital Budget. GVR anticipates spending $2,774,653 on MRR components in 2027. GVR's commitment to maintaining its assets is reflected in the growth of actual expenditures out of the MRR Fund:

Figure 14 **GVR MRR Components Spending Trend, 2020-2027**



MRR funding is budgeted at $1,508,102 as presented by the Browning Reserve Group, which is $108,000 more than 2026. The third draft 2026 reserve study report has calculated the MRR reserve funding level to be 47.1% for 2027. The prior year funding level was 50.4%. The MRR funding increased $7.55 to approximately $108.37 per member household. These percentages will change once we receive the first draft and then after the final draft is received prior to the audit.

Figure 15

Maintenance Repair and Replacement (MRR - A) Fund Budgeted Expenditures for 2027	Total Amount	Percent of Total MRR - A Budget
Roofing	$650,000	23.43%
Sports Courts	$429,276	15.47%
Pool Equipment and Decks	$374,247	13.49%
Kitchen, Restroom & Locker Room Rehab	$366,534	13.21%
Vehicles	$135,962	4.90%
Painting Exterior	$127,187	4.58%
Structural Repairs	$105,302	3.80%
Furnishings	$94,548	3.41%
Recreation	$92,296	3.33%
Flooring	$91,814	3.31%
Outdoor Equipment	$61,161	2.20%
Mechanical Equipment	$47,362	1.71%
Office Equipment	$46,161	1.66%
Safety	$36,772	1.33%
Painting Interior	$36,236	1.31%
Appliances	$35,253	1.27%
Water System	$19,542	0.70%
Audio / Visual	$10,000	0.36%
Maintenance Equipment	$10,000	0.36%
Fencing	$5,000	0.18%
Total 2027 MRR - A Budget	**$2,774,653**	**100%**

MRR-B (Pools and Spas Replacement)

The funding of MRR-B is budgeted at $366,778 and is $23,995 (7.0%) more than in 2026. The construction of Abrego South Pool will start by the end of 2026, concluding in the late spring of 2027. The project estimate is $1,238,600, split between 2026 and 2027.

Non-Reserve Capital

The 2026 Non-Reserve Capital Budget was $20,000. Due to 2027 budget constraints, this budget does not include the $100,000 allocation for non-budgeted, unplanned items, per the Capital Improvement Policy and Process. However, the 2027 Budget does include $20,000 for accessibility projects.

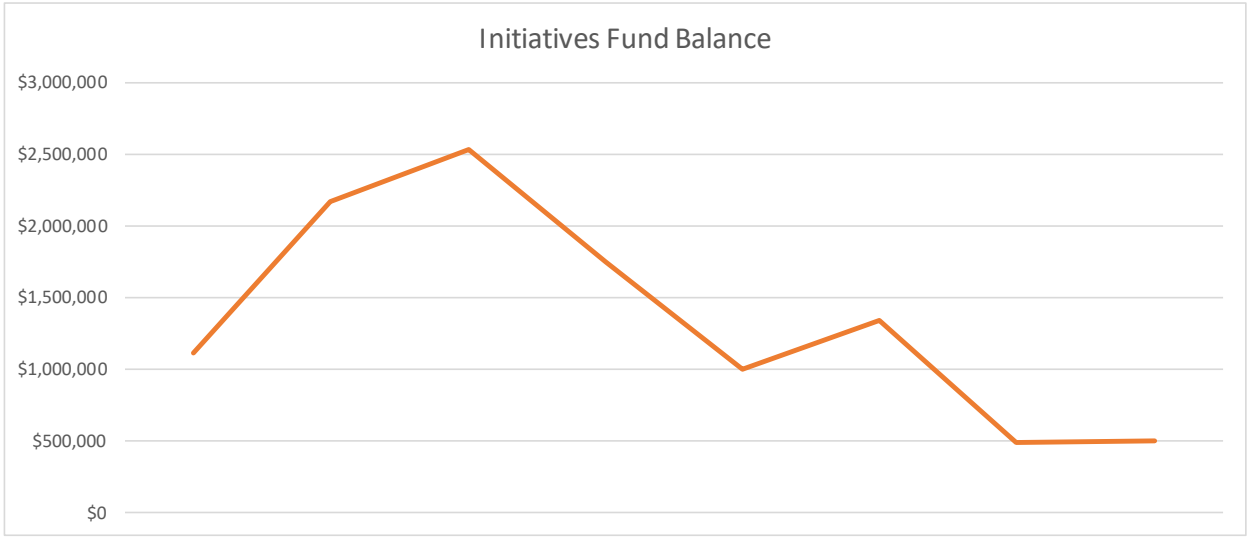
Initiatives Reserve Fund

The Initiatives Reserve Fund is funded as prescribed by CPM Section 5.3.5 where 20% of the Membership Change Fee and 25% of Initial Fees assessed on each GVR member property sold is transferred to the Initiatives Reserve Fund on a monthly basis. Figure 16 illustrates the balance of this fund over the past five years:

Figure 16 **GVR Initiatives Reserve Fund Balances 2020-2027**

GVR Initiative Reserve Fund Balance (2020 - 2027)

2020	2021	2022	2023	2024	2025	2026*	2027*
$ 1,114,873	$ 2,166,737	$ 2,531,557	$ 1,750,056	$ 993,706	$ 1,339,862	$ 484,488	$ 498,897



*Estimated

GVR has invested over $5.5 million in Initiatives projects since 2020, including the Pickleball Center, Del Sol Clubhouse, Glass Arts, Desert Hills Fitness Center, Artisan Shop, Metal Arts, West Center Lobby, Las Campanas Fitness Center Expansion, Santa Rita Springs Fitness Center Expansion and West Center Lapidary Expansion.

Figure 17

GVR
Budget
FY 2027

	2027
INITIATIVES CAPITAL IMPROVEMENT PLAN:	
Del Sol Clubhouse Parking Lot Note	$ 11,000
Woodshop Expansion	$ 300,000
Abrego South Locker Room Building	$ 175,000
EC Tennis Court ($150,000)	$ 60,000
Infrared Sauna	$ 11,000
Shade Structures-Pools	$ 47,000
TOTAL BUDGETED INITIATIVES CAPITAL	**$ 604,000**

Based on current revenue projections, the Initiatives Reserve Fund is anticipated to have enough cash to fund all these projects. See Five-Year Capital Improvement Plan on page 29.

BUDGET SUMMARY

The 2027 budget is based on a net zero surplus approach. Adjustments to the net consolidated accrual basis surplus can be seen below:

Adjustments to the Net Consolidated Accrual Basis Surplus

Total Budgeted Income	$13,381,072
Total Budgeted Expenses	($12,423,281)
Gross Surplus	$ 957,791
Less Non-Cash In-Kind Revenue	($ 2,250)
Less Non-Reserve Capital Projects	($ 20,000)
Less Income from Reserves	($ 290,500)
Initiatives Reserve Funding	($ 552,420)
MRR-B Pools & Spas Reserve Funding	($ 366,778)
MRR Reserve Funding	($ 1,508,102)
MRR Operating Expenses paid by MRR Fund	$ 115,054
Depreciation	$ 1,577,204
Management expenses of Reserve Funds	$ 90,000
Net Surplus (Deficit)	$ 0

The amounts to determine the zero-balance budget are also listed at the bottom of page 26.

The total budgeted expenditures for 2027 are $12,423,281 which is an increase of $584,395 (4.9%) from the 2026 Budget.

DEPARTMENT DETAILS

Facilities Maintenance Department

The Facilities Department is responsible for maintaining and improving GVR's physical infrastructure, ensuring that all facilities are safe and fully operational. The department oversees the planning and execution of maintenance, repair, and capital improvement projects to enhance the quality of services for members.

Significant 2026 Accomplishments

- Completed approximately two million dollars' worth of maintenance, repair, and replacement projects, including:
    - Renovations at Las Campanas including new flooring, new paint, and a lobby redesign to provide a new space for drop-in use.
    - Rehabilitation of the West Center locker rooms, pool, spa, and pool deck
    - Exterior paint at Las Campanas (pending), the Pickleball Center, Continental Vistas, Abrego North, and Casa Paloma II
    - Structural repairs in four locations
    - Pool equipment upgrades at Las Campanas (pending)
    - Roofing repairs and recoating in seven locations
    - Paving repair and maintenance in five locations
    - HVAC and water heater replacement in six locations
    - Updated fire suppression systems in two locations
    - Updated flooring at Canoa Ranch and East Center
- Completed five capital improvement projects:
    - Expansion of kiln room at Desert Hills Ceramics Studio
    - West Center lobby renovation to consolidate member services and customer services
    - Las Campanas fitness expansion
    - Santa Rita Springs fitness expansion
    - Pickleball Center fencing
- Completed landscaping overhaul projects at West Center and Las Campanas.
- Completed on-demand and preventive work orders at an average rate of 309 per month, up from 247 in 2026.

Budget Highlights

- Despite the unpredictable market and rising cost of gasoline, the Facilities Department is pleased to be on budget for 2026. Improved preventive maintenance systems implemented in 2026 contributed to this outcome.

Figure 18 **GVR Facilities Maintenance Personnel 2023-2027**

Positions	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Maintenance	12	15	15	13	13
Landscaping	8	6	6	6	6
Aquatics	5	6	6	7	7
Total Personnel	**25**	**27**	**27**	**26**	**26**

Figure 19 **Facilities Maintenance Summary of Expenditures, 2023-2027**

Type	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Salaries & Wages	1,016,388	1,212,042	1,198,895	1,213,895	1,319,895
Taxes	75,736	86,182	87,501	92,863	100,925
Benefits	283,614	333,598	219,572	228,119	260,831
Other Operating Costs	2,518,778	2,201,879	2,189,732	2,252,333	2,065,344
Total Expenditures	**$3,894,101**	**$3,833,702**	**$3,695,700**	**$3,787,210**	**$3,746,995**

Administrative Services

GVR's Administrative Services Department encompasses a range of critical functions, including member services, human resources, finance, administration, governance, communications, information technology, and risk management. These departments ensure efficient operations, support organizational governance, and provide essential services that enhance our member experience and internal operations.

Significant 2026 Accomplishments

- Reduction in Property Taxes by $28k.
- Enhanced our employee review process.

- Surveyed employees for feedback on areas of opportunity.
- Continue to manage our vendor relationships to maximize value for our members:
    - New copier lease with an annual savings of over $14,000.
    - Negotiated a lump sum buyout of our cell towers for over $900k.
    - Managed our outgoing cash to maximize vendor terms and increase our interest earned.
    - New Cell Tower Agreement at East Center to generate future revenue starting in 2028.
    - Increased usage of our corporate credit card program to increase rebates and reduce our bank fees.

Figure 20 **Administrative Services Personnel, 2023-2027**

Positions	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Information Technology	4	5	5	4	4
Administration (Finance, HR, Communications, Admin)	11	9	8	7	7
Membership Services	9	7	6	5.4	5.4
Total Personnel	**24**	**21**	**19**	**16.4**	**16.4**

Figure 21 **Administrative Services Summary of Expenditures, 2023-2027**

Type	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Salaries & Wages	$1,234,350	$1,285,524	$1,327,521	$1,353,373	$1,241,786
Taxes	$91,242	$100,419	$98,536	$108,533	$100,693
Benefits	$289,536	$303,933	$333,741	$333,243	$285,837
Other Operating Costs	$1,412,762	$1,295,703	$1,201,110	$1,250,709	$1,392,221
Total Expenditures	**$3,027,890**	**$2,985,579**	**$2,960,908**	**$3,045,858**	**$3,020,537**

Field Services

In 2025, Field Services became GVR's largest department, including Custodial, Recreation Services Attendant (RSA), and Center Operations Assistant (COA), and

Procurement/Inventory Control staff members. Field Services staff provide on-site customer service and perform various roles, maximizing efficiency and quality.

Budget Highlights

In 2026, the diligent work of the Procurement/Inventory Control team resulted in a budget surplus for this department.

Figure 22 **Field Services Personnel 2023-2027**

Positions	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Field Services	0	0	36.2	38.35	38.35
Custodial	10	20	0	0	0
Total Personnel	**10**	**20**	**36.2**	**38.35**	**38.35**

Figure 23 **Field Services, Summary of Expenditures 2023-2027**

Type	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Salaries & Wages	$200,001	$131,198	$1,484,041	$1,557,975	$1,670,667
Taxes	$16,107	$10,727	$121,189	$119,185	$127,806
Benefits	$19,421	$36,066	$241,403	$241,471	$317,292
Other Operating Costs	$175,296	$341,402	$148,764	$176,740	$157,682
Total Expenditures	**$410,825**	**$519,393**	**$1,995,397**	**$2,095,371**	**$2,273,447**

Recreation Services Department

Recreation Services is responsible for supporting clubs and delivering all programs and events, including concerts, dances, leisure education, personal training, tours, movies, and various free activities. Additionally, the Clubhouse Café falls under Recreation Services.

Significant 2026 Accomplishments

Thanks to a staff commitment to steadily grow and diversify programs and events, the Recreation Department will complete 2026 swimmingly and continue into 2027 with very favorable numbers.

- Leisure Education class attendance, through August of each year, is up 2% in 2026 over 2025. This follows increases of 12% and 34% in the prior two years.
- Event/Tour attendance is up 44% through August of each year. We have increased the number of tours and smaller, free events associated with the Clubhouse Café.
- The Clubhouse Café began serving coffee/espresso drinks and baked goods in April, 2026. Recently, a sandwich menu was added during lunch hours, to be followed by additions of soup, salads and desserts.

Figure 24 **Recreation Services Personnel 2023-2027**

Positions	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Recreation Services	34.4	28.2	8.6	8.7	8.7
Del Sol Café	0	0	0	0.0	3.0
Total Personnel	**34.4**	**28.2**	**8.6**	**8.7**	**11.7**

Figure 25 **Recreation Services, Summary of Expenditures, 2023-2027**

Type	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Budget
Salaries & Wages	$1,386,893	$1,419,049	$435,931	$459,052	$473,985
Taxes	$105,600	$126,304	$35,730	$35,117	$36,260
Benefits	$296,350	$290,858	$112,013	$94,835	$91,404
Other Operating Costs	$581,988	$567,613	$751,882	$874,121	$1,129,800
Total Expenditures	**$2,370,831**	**$2,403,824**	**$1,335,556**	**$1,463,125**	**$1,731,449**

CLOSING

Special thanks to the members of the Fiscal Affairs Committee, chaired by Director Lanny Smith, the clubs who participated in the early Initiative projects planning session, and our board members who contributed throughout the FY2027 budget process.

GVR provides important services to a unique population of approximately **22,300** members in Green Valley, Arizona. With a lean staffing ratio of **one** staff position for every **241** members, our team continues to demonstrate a strong commitment to stewardship and to making every dollar count. Through careful planning, thoughtful decision-making, and a shared commitment to fiscal responsibility, GVR staff work diligently to provide a high level of service and quality facilities our members expect and deserve.

Developing the FY2027 Budget required us to carefully balance organizational priorities with available resources while completing the 2022-2026 Five-Year Strategic Plan. As we enter the next fiscal year, we will continue to closely monitor revenues and expenditures, ensuring that revenues are tracking as budgeted and making thoughtful adjustments when necessary. We are confident that our dedicated staff will continue to meet these challenges with the resourcefulness, dedication, and commitment they have demonstrated throughout the budget process.

The FY2027 Budget is the result of many hours of collaboration among staff, the Fiscal Affairs Committee, and the Board of Directors. We extend our sincere appreciation to everyone involved, with special thanks to our staff and management team for their hard work.

In summary, the FY2027 Budget fulfills the Bylaws requirement that GVR "shall be guided by the actual expense of operating the recreational facilities of the corporation, including a reasonable reserve for capital replacements with the objective of operating the facilities on a self-sustaining basis." It continues to provide a solid foundation for keeping GVR fiscally strong, responsive to our members, and focused on you!

Scott Somers, CEO

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	2027 Budget	2027 1..12 Budget
	Full Time Equivalents	92.45
	Head Count	116
Revenue	Member Dues	8,001,700
	Life Care, Transfer Fees, Card Fees	750,730
	Capital Revenue	2,752,200
	Membership Revenue	11,504,630
	Programs	563,574
	Instructional	552,048
	Recreational Revenue	1,115,622
	Investment Income	415,000
	Advertising Income	-
	Cell Tower Lease Income	-
	Communication Revenue	-
	Other Income	109,750
	Facility Rent/Leases	14,520
	Café Sales Income	216,550
	Contributed Income	5,000
	Other Revenue	345,820
	Total Operating Revenue	13,381,072
Expenses	Major Proj.-Rep. & Maint.	244,724
	Facility Maintenance	387,763
	Fees & Assessments	-
	Utilities	1,042,493
	Depreciation	1,577,204
	Furniture & Equipment	252,546
	Vehicle Expenses	90,000
	Facilities & Equipment	3,594,731
	Wages	4,825,093
	Payroll Taxes	374,120
	Benefits	999,442
	Personnel	6,198,654
	Food & Catering	105,003
	Recreation Contracts	760,049
	Bank & Credit Card Fees	87,123
	Program	952,175
	Communications	92,020
	Printing	103,965
	Advertising	15,000
	Communications	210,985
	Supplies	465,049
	Postage	22,800
	Dues & Subscriptions	19,770
	Travel	8,575
	Other Operating Expense	109,550
	Operations	625,744
	Information Technology	136,508
	Professional Fees	191,250
	Commercial Insurance	458,057
	Taxes	18,654
	Conferences & Training	23,522
	Employee Recognition	13,000
	Corporate Expenses	840,991
	Total Operating Expenses	12,423,281
Net	Gross Surplus (Rev-Exp)/Net Cash Flow	957,791
	Accrual Basis Net from Operations	957,791
Adj. to Cash Basis	Subtract:	
	Non-Reserve Capital Projects	(20,000)
	Income From Reserve Funds	(290,500)
	Reserved Funding/Initiatives	(552,420)
	MRR B (Pools & Spas)	(366,778)
	Deduct Non-Cash In Kind Revenue	(2,250)
	Reserve Funding/MRR A	(1,508,102)
	Cash Basis Change in Net Assets Net of Reserve	(1,782,259)
	Add Back:	
	MRR Operating Expenses	115,054
	Depreciation	1,577,204
	Expenses from Reserve Funds	90,000
	Cash Basis Net Surplus (Deficit)	-

	2027 Budget	2026 1..12 Budget	2026 1..12 Projected	2027 1..12 Budget	2027 Budget v. 2026 Projected		2027 Budget v 2026 Budgeted	
	Full Time Equivalents	88.45	92.45	92.45				
	Head Count	111	116	116				
Revenue	Member Dues	7,568,960	7,578,564	8,001,700	423,136	5.6%	432,740	5.7%
	Life Care, Transfer Fees, Card Fees	800,700	828,194	750,730	(77,464)	-9.4%	(49,970)	-6.2%
	Capital Revenue	2,860,800	2,524,416	2,752,200	227,784	9.0%	(108,600)	-3.8%
	Membership Revenue	11,230,460	10,931,174	11,504,630	573,456	5.2%	274,170	2.4%
	Programs	571,456	559,227	563,574	4,347	0.8%	(7,882)	-1.4%
	Instructional	498,000	552,073	552,048	(25)	0.0%	54,048	10.9%
	Recreational Revenue	1,069,456	1,111,300	1,115,622	4,322	0.4%	46,166	4.3%
	Investment Income	435,000	534,478	415,000	(119,478)	-22.4%	(20,000)	-4.6%
	Advertising Income	-		-			-	
	Cell Tower Lease Income	48,919	51,804	-	(51,804)	-100.0%	(48,919)	-100.0%
	Communication Revenue	48,919	51,804	-	(51,804)	-100.0%	(48,919)	-100.0%
	Other Income	121,350	120,910	109,750	(11,160)	-9.2%	(11,600)	-9.6%
	Facility Rent/Leases	18,620	23,296	14,520	(8,776)	-37.7%	(4,100)	-22.0%
	Café Sales Income	-	90,935	216,550	125,615	138.1%	216,550	N/A
	Contributed Income	-	51,687	5,000	(46,687)	-90.3%	5,000	N/A
	Other Revenue	139,970	286,829	345,820	58,991	20.6%	205,850	147.1%
							-	
	Total Operating Revenue	12,923,805	12,915,585	13,381,072	465,487	3.6%	457,267	3.5%
Expenses	Major Proj.-Rep. & Maint.	238,970	246,801	244,724	(2,077)	-0.8%	5,754	2.4%
	Facility Maintenance	421,600	366,849	387,763	20,914	5.7%	(33,837)	-8.0%
	Fees & Assessments	1,000	317	-	(317)	-100.0%	(1,000)	-100.0%
	Utilities	1,084,093	987,796	1,042,493	54,697	5.5%	(41,600)	-3.8%
	Depreciation	1,268,520	1,433,822	1,577,204	143,382	10.0%	308,684	24.3%
	Furniture & Equipment	229,874	209,270	252,546	43,276	20.7%	22,672	9.9%
	Vehicle Expenses	80,000	107,150	90,000	(17,150)	-16.0%	10,000	12.5%
	Facilities & Equipment	3,324,057	3,352,005	3,594,731	242,726	7.2%	270,674	8.1%
	Wages	4,584,295	4,513,999	4,825,093	311,094	6.9%	240,798	5.3%
	Payroll Taxes	355,698	361,463	374,120	12,657	3.5%	18,422	5.2%
	Benefits	897,670	926,852	999,442	72,589	7.8%	101,772	11.3%
	Personnel	5,837,662	5,802,314	6,198,654	396,340	6.8%	360,992	6.2%
	Food & Catering	78,698	72,122	105,003	32,881	45.6%	26,305	33.4%
	Recreation Contracts	651,787	740,133	760,049	19,916	2.7%	108,262	16.6%
	Bank & Credit Card Fees	67,895	81,704	87,123	5,420	6.6%	19,228	28.3%
	Program	798,380	893,959	952,175	58,217	6.5%	153,795	19.3%
	Communications	107,569	110,219	92,020	(18,199)	-16.5%	(15,549)	-14.5%
	Printing	129,500	98,531	103,965	5,434	5.5%	(25,535)	-19.7%
	Advertising	11,000	30,000	15,000	(15,000)	-50.0%	4,000	36.4%
	Communications	248,069	238,750	210,985	(27,765)	-11.6%	(37,084)	-14.9%
	Supplies	570,906	432,585	465,049	32,464	7.5%	(105,857)	-18.5%
	Postage	21,125	25,025	22,800	(2,225)	-8.9%	1,675	7.9%
	Dues & Subscriptions	13,687	12,408	19,770	7,362	59.3%	6,083	44.4%
	Travel	8,623	9,139	8,575	(564)	-6.2%	(48)	-0.6%
	Other Operating Expense	101,451	110,337	109,550	(787)	-0.7%	8,099	8.0%
	Operations	715,792	589,494	625,744	36,250	6.1%	(90,048)	-12.6%
	Information Technology	142,777	118,422	136,508	18,086	15.3%	(6,269)	-4.4%
	Professional Fees	234,350	213,595	191,250	(22,345)	-10.5%	(43,100)	-18.4%
	Commercial Insurance	447,064	450,464	458,057	7,593	1.7%	10,993	2.5%
	Taxes	53,533	17,771	18,654	883	5.0%	(34,878)	-65.2%
	Conferences & Training	24,201	4,649	23,522	18,873	406.0%	(679)	-2.8%
	Employee Recognition	13,000	12,055	13,000	945	7.8%	-	0.0%
	Corporate Expenses	914,925	816,956	840,991	24,036	2.9%	(73,934)	-8.1%
	Total Operating Expenses	11,838,885	11,693,478	12,423,281	729,803	6.2%	584,395	4.9%
Net	Gross Surplus (Rev-Exp)/Net Cash Flow	1,084,920	1,222,107	957,791				
	Accrual Basis Net from Operations	1,084,920	1,222,107	957,791				
Adj. to Cash Basis	Subtract:							
	Non-Reserve Capital Projects	(20,000)	(22,486)	(20,000)				
	Income From Reserve Funds	(260,400)	(340,533)	(290,500)				
	Reserved Funding/Initiatives	(575,040)	(507,763)	(552,420)				
	MRR B (Pools & Spas)	(342,783)	(342,783)	(366,778)				
	Deduct Non-Cash In Kind Revenue	(4,000)	(2,250)	(2,250)				
	Reserve Funding/MRR A	(1,400,102)	(1,400,102)	(1,508,102)				
	Cash Basis Change in Net Assets Net of Reserves	(1,517,405)	(1,393,810)	(1,782,259)				
	Add Back:							
	MRR Operating Expenses	172,885	172,885	115,054				
	Depreciation	1,268,520	1,433,822	1,577,204				
	Expenses from Reserve Funds	76,000	92,860	90,000				
	Cash Basis Net Surplus (Deficit)	-	305,757	-				

Fee Schedule

	2026			2027		
	Fee	Quantity	Revenue	**Fee**	**Quantity**	**Revenue**
Annual Dues per Household	$545	13,888	$7,568,960	**$575**	**13,916**	**$8,001,700**
Life Care, Transfer, Tenant & Addl Card Fees						
Annual Life Care Member Dues	$545	42	$22,890	**$575**	**42**	**$24,150**
Transfer Fee (Resale)	$470	1,040	$488,800	**$480**	**915**	**$439,200**
Guest Card Fees Annual Pass						
Guest Card Daily Pass	$5	550	$2,750	**$5**	**550**	**$2,750**
Guest Card Weekly Pass	$15	450	$6,755	**$15**	**450**	**$6,750**
Guest Card Annual Pass (60 Day Punch Pass)	$85	1,400	$119,000	**$85**	**1,400**	**$119,000**
1-7 Days	$40	60	$2,400	**$45**	**54**	**$2,430**
2 Weeks	$50	72	$3,600	**$55**	**65**	**$3,575**
1 Month	$65	282	$18,330	**$70**	**254**	**$17,780**
2 Months	$100	220	$22,000	**$105**	**198**	**$20,790**
3 Months	$140	258	$36,120	**$145**	**233**	**$33,785**
4 Months	$180	95	$17,100	**$185**	**86**	**$15,910**
5 Months	$215	95	$20,425	**$220**	**86**	**$18,920**
6-12 Month Pass	$250	195	$48,540	**$255**	**176**	**$44,670**
Tenant Fees		1,277	$168,515		**1,152**	**$157,860**
Additional Card Fees	$140	4	$560	**$170**	**6**	**$1,020**
Membership Change Fee	$3,200	876	$2,803,200	**$3,300**	**822**	**$2,712,600**
Initial Fee	$3,200	18	$57,600	**$3,300**	**12**	**$39,600**
Capital Revenue			$2,860,800			**$2,752,200**
Late Fees	$25	3,200	$80,000	**$25**	**3,200**	**$80,000**
Estate Planning Fee	$105			**$105**		
GVR Card Issuance Fee	$5	1,400	$7,000	**$5**	**1,400**	**$7,000**
Card Replacement Fee	$5	250	$1,250	**$5**	**250**	**$1,250**

GVR
Budget
FY 2027

		2027
INITIATIVES CAPITAL IMPROVEMENT PLAN:		
Del Sol Clubhouse Parking Lot Note	$	11,000
Woodshop Expansion	$	300,000
Abrego South Locker Room Building	$	175,000
EC Tennis Court ($150,000)	$	60,000
Infrared Sauna	$	11,000
Shade Structures-Pools	$	47,000
TOTAL BUDGETED INITIATIVES CAPITAL	**$**	**604,000**
NON RESERVE CAPITAL PROJECTS	**$**	**20,000**
MRR-A CAPITAL PROJECTS	**$**	**2,774,653**
MRR-B - POOLS AND SPAS - ABREGO SOUTH	**$**	**1,238,600**
GRAND TOTAL CAPITAL BUDGET	**$**	**4,637,253**
2027 OPERATING BUDGET	$	12,423,281
GRAND TOTAL 2027 BUDGETS	$	17,060,534

Five-year Capital Improvement Plan

Capital Improvement Plan (CIP)
Cash Funding Projections

	2027	2028	2029	2030	2031
Initiatives					
Beginning Balance	$ 484,488	$ 451,897	$ 348,145	$ 860,698	$ 844,350
Funding From Operations Revenue	$ 552,420	$ 571,200	$ 588,000	$ 604,800	$ 604,800
Additional Funding (Surplus)					
Transfer from Emergency					
Net Investment Earnings	$ 13,989	$ 13,048	$ 10,053	$ 24,852	$ 24,380
Club Contributions	$ 5,000				
Total Revenue	**$ 571,409**	**$ 584,248**	**$ 598,053**	**$ 629,652**	**$ 629,180**
Expenditures					
Current Projects:					
Del Sol Clubhouse Parking Lot Note	$ (11,000)	$ (11,000)	$ (11,000)	$ (11,000)	
Woodshop Expansion	$ (300,000)	$ (600,000)			
LC Third Tennis Court				$ (200,000)	
SRAL Lower Level Expansion				$ (400,000)	
Abrego South Locker Room Building	$ (175,000)				
Metal Arts Shop & Yard				$ (35,000)	
Proposed Projects:					
EC Tennis Court ($150,000)	$ (60,000)				
DH Steam Room			$ (60,000)		
Infrared Sauna	$ (11,000)				
Sidewalk at SRS			$ (14,500)		
Shade Structures-Pools	$ (47,000)	$ (77,000)			
Total Expenditures	**$ (604,000)**	**$ (688,000)**	**$ (85,500)**	**$ (646,000)**	**$ -**
Ending Balance	**$ 451,897**	**$ 348,145**	**$ 860,698**	**$ 844,350**	**$ 1,473,531**
Maintenance Repair & Replacement					
Beginning Balance	$ 7,522,214	$ 6,739,667	$ 6,691,540	$ 6,498,781	$ 6,747,175
Annual Funding (per Reserve Study)	$ 1,508,102	$ 1,616,102	$ 1,724,102	$ 1,832,102	$ 1,940,102
Additional Funding					
Net Investment Earnings	$ 484,004	$ 428,384	$ 441,744	$ 423,877	$ 447,148
Projects:					
Per Reserve Study (Third Draft 2026 for 2028+)	$ (2,774,653)	$ (2,092,613)	$ (2,358,605)	$ (2,007,585)	$ (2,218,780)
Ending Balance	**$ 6,739,667**	**$ 6,691,540**	**$ 6,498,781**	**$ 6,747,175**	**$ 6,915,645**
MRR Part B - Pools and Spas					
Beginning Balance	$ 2,201,512	$ 1,434,990	$ 1,902,367	$ 2,417,505	$ 2,984,364
Funding	$ 366,778	$ 392,452	$ 419,924	$ 449,319	$ 480,771
Additional Funding					
Net Investment Earnings	$ 105,300	$ 74,925	$ 95,214	$ 117,540	$ 142,071
Abrego South Pool	$ (1,238,600)				
Ending Balance	**$ 1,434,990**	**$ 1,902,367**	**$ 2,417,505**	**$ 2,984,364**	**$ 3,607,205**
Subtotal Capital Projects Reserves	**$ 8,626,554**	**$ 8,942,052**	**$ 9,776,984**	**$ 10,575,889**	**$ 11,996,381**
Emergency					
Beginning Balance	$ 641,272	$ 667,564	$ 694,934	$ 723,426	$ 753,087
Annual Funding	$ -	$ -	$ -	$ -	$ -
Transfer to Initiative					
Net Investment Earnings	$ 26,292	$ 27,370	$ 28,492	$ 29,660	$ 30,877
Projects:					
Ending Balance	**$ 667,564**	**$ 694,934**	**$ 723,426**	**$ 753,087**	**$ 783,964**
Total Board Designated Funds	**$ 9,294,118**	**$ 9,636,986**	**$ 10,500,410**	**$ 11,328,976**	**$ 12,780,345**

	2027 Budget & 3-Year Forecast	2027 1..12 Budget	2028 Forecast	2029 Forecast	2030 Forecast
	Full Time Equivalents	92.45	92.45	92.45	92.45
	Head Count	116	116	116	116
Revenue	Member Dues	8,001,700	8,287,160	8,642,800	8,999,040
	Life Care, Transfer Fees, Card Fees	750,730	782,540	783,590	789,240
	Capital Revenue	2,752,200	2,845,800	2,929,500	3,013,200
	Membership Revenue	11,504,630	11,915,500	12,355,890	12,801,480
	Programs	563,574	591,753	633,175	677,498
	Instructional	552,048	568,609	597,040	629,877
	Recreational Revenue	1,115,622	1,160,362	1,230,215	1,307,375
	Investment Income	415,000	423,300	431,766	440,401
	Cell Tower Lease Income	-	-	-	-
	Communication Revenue	-	-	-	-
	Other Income	109,750	111,945	114,744	118,186
	Facility Rent/Leases	14,520	14,956	15,404	15,866
	Café Sales Income	216,550	225,212	234,220	243,589
	Contributed Income	5,000	-	-	-
	Other Revenue	345,820	352,113	364,368	377,642
	Total Operating Revenue	13,381,072	13,851,275	14,382,240	14,926,898
Expenses	Major Proj.-Rep. & Maint.	244,724	249,618	254,611	259,703
	Facility Maintenance	387,763	395,518	403,429	411,497
	Fees & Assessments	-	-	-	-
	Utilities	1,042,493	1,101,205	1,136,727	1,174,751
	Depreciation	1,577,204	1,608,748	1,640,923	1,673,742
	Furniture & Equipment	252,546	257,597	262,749	268,004
	Vehicle Expenses	90,000	91,800	93,636	95,509
	Facilities & Equipment	3,594,731	3,704,487	3,792,075	3,883,206
	Wages	4,825,093	5,018,097	5,218,821	5,427,573
	Payroll Taxes	374,120	389,084	404,648	420,834
	Benefits	999,442	1,049,414	1,091,390	1,135,046
	Personnel	6,198,654	6,456,595	6,714,859	6,983,453
	Food & Catering	105,003	107,103	109,245	111,430
	Recreation Contracts	760,049	790,451	829,973	871,472
	Bank & Credit Card Fees	87,123	88,866	90,643	92,456
	Program	952,175	986,420	1,029,862	1,075,358
	Communications	92,020	93,860	95,738	97,652
	Printing	103,965	106,044	108,165	110,328
	Advertising	15,000	15,300	15,606	15,918
	Communications	210,985	215,204	219,509	223,899
	Supplies	465,049	471,638	474,590	474,064
	Postage	22,800	23,256	23,721	24,196
	Dues & Subscriptions	19,770	20,165	20,569	20,980
	Travel	8,575	8,661	8,747	8,835
	Other Operating Expense	109,550	110,646	111,752	112,869
	Operations	625,744	634,366	639,380	640,944
	Information Technology	136,508	139,238	142,022	144,863
	Professional Fees	191,250	193,589	197,461	201,410
	Commercial Insurance	458,057	480,960	495,389	510,251
	Taxes	18,654	19,028	19,408	19,796
	Conferences & Training	23,522	23,522	23,757	23,995
	Employee Recognition	13,000	13,000	13,130	13,261
	Corporate Expenses	840,991	869,337	891,168	913,576
	Total Operating Expenses	12,423,281	12,866,409	13,286,851	13,720,436
Net	Gross Surplus (Rev-Exp)/Net Cash Flow	957,791	984,866	1,095,388	1,206,462
	Unrealized Gain/(Loss) on Investments		-	-	-
	Accrual Basis Net from Operations	957,791	984,866	1,095,388	1,206,462
Adj. to Cash Basis	Subtract: In Kind	(2,250)	(2,250)	(2,250)	(2,250)
	Non-Reserve Capital Projects	(20,000)	(20,000)	(20,000)	(20,000)
	Income From Reserve Funds	(290,500)	(296,310)	(302,236)	(308,281)
	Reserved Funding/Initiatives	(552,420)	(571,200)	(588,000)	(604,800)
	MRR B (Pools & Spas)	(366,778)	(392,452)	(419,924)	(449,319)
	Reserve Funding/MRR A	(1,508,102)	(1,616,102)	(1,724,102)	(1,832,102)
	Cash Basis Change in Net Assets Net of Reserve	(1,782,259)	(1,913,448)	(1,961,124)	(2,010,290)
	Add Back:				
	MRR Operating Expenses	115,054	212,000	224,720	238,203
	Depreciation	1,577,204	1,608,748	1,640,923	1,673,742
	Expenses from Reserve Funds	90,000	92,700	95,481	98,345
	Cash Basis Net Surplus (Deficit)	-	-	-	-

Fee Schedule

	2027			2028			2029			2030		
	Fee	**Quantity**	**Revenue**	Fee	Quantity	Revenue	Fee	Quantity	Revenue	Fee	Quantity	Revenue
Annual Dues per Household	**$575**	**13,916**	**$8,001,700**	$595	13,928	$8,287,160	$620	13,940	$8,642,800	$645	13,952	$8,999,040
Life Care, Transfer, Tenant & Addl Card Fees												
Annual Life Care Member Dues	**$575**	**42**	**$24,150**	$595	42	$24,990	$620	42	$26,040	$645	42	$27,090
Transfer Fee (Resale)	**$480**	**915**	**$439,200**	$485	920	$446,200	$485	920	$446,200	$490	920	$450,800
Guest Card Fees Annual Pass												
Guest Card Daily Pass	**$5**	**550**	**$2,750**	$10	550	$5,500	$10	550	$5,500	$10	550	$5,500
Guest Card Weekly Pass	**$15**	**450**	**$6,750**	$30	450	$13,500	$30	450	$13,500	$30	450	$13,500
Guest Card Annual Pass (60 Day Punch Pass)	**$85**	**1,400**	**$119,000**	$90	1,400	$126,000	$90	1,400	$126,000	$90	1,400	$126,000
1-7 Days	**$45**	**54**	**$2,430**	$45	54	$2,430	$45	54	$2,430	$45	54	$2,430
2 Weeks	**$55**	**65**	**$3,575**	$55	65	$3,575	$55	65	$3,575	$55	65	$3,575
1 Month	**$70**	**254**	**$17,780**	$70	254	$17,780	$70	254	$17,780	$70	254	$17,780
2 Months	**$105**	**198**	**$20,790**	$105	198	$20,790	$105	198	$20,790	$105	198	$20,790
3 Months	**$145**	**233**	**$33,785**	$145	233	$33,785	$145	233	$33,785	$145	233	$33,785
4 Months	**$185**	**86**	**$15,910**	$185	95	$17,575	$185	95	$17,575	$185	95	$17,575
5 Months	**$220**	**86**	**$18,920**	$220	95	$20,900	$220	95	$20,900	$220	95	$20,900
6-12 Month Pass	**$255**	**176**	**$44,670**	$255	195	$49,515	$255	195	$49,515	$255	195	$49,515
Tenant Fees		**1,152**	**$157,860**		1,152	$166,350		1,152	$166,350		1,152	$78,360
Additional Card Fees	**$170**	**6**	**$1,020**	$200	6	$1,200	$230	6	$1,380	$260	6	$1,560
Membership Change Fee	**$3,300**	**822**	**$2,712,600**	$3,400	825	$2,805,000	$3,500	825	$2,887,500	$3,600	825	$2,970,000
Initial Fee	**$3,300**	**12**	**$39,600**	$3,400	12	$40,800	$3,500	12	$42,000	$3,600	12	$43,200
Capital Revenue			**$2,752,200**			$2,845,800			$2,929,500			$3,013,200
Late Fees	**$25**	**3,200**	**$80,000**	$25	3,200	$80,000	$25	3,200	$80,000	$25	3,200	$80,000
Estate Planning Fee	**$105**			$105			$105			$105		
GVR Card Issuance Fee	**$5**	**1,400**	**$7,000**	$5	1,400	$7,000	$5	1,400	$7,000	$5	1,400	$7,000
Card Replacement Fee	**$5**	**250**	**$1,250**	$5	250	$1,250	$5	250	$1,250	$5	250	$1,250