AGENDA

Fiscal Affairs Committee

Tuesday, November 17, 2026
1:30pm – 3:00pm MST
West Center Room 2 / Zoom

GVR's Mission Statement: "To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives."

Committee: Lanny Smith (Chair), Bob Fillion, Dale Howard, Bob Quast, Pat Reynolds, Priscilla Spurgeon, Barry Stock, Candy English (ex-officio), Scott Somers (CEO), Dave Dixon (CFO/Liaison)

Agenda Topic

1. **Call to Order / Roll Call - Establish Quorum**
2. **Approve or Amend the Agenda**
3. **Approve Meeting Minutes**: October 20, 2026
4. **Chair Comments**
5. **Business**
   A. Review October 2026 Financials
   B. Rename "MRR-B" to the "Pools and Spas Fund"
   C. Pools and Spas Fund Funding Options
   D. Discussion on Issuing an RFP for Reserve Study Services
6. **Member Comments**
7. **Adjournment**

Next Meeting: Tuesday, January 19, 2027, 1:30-3:00pm, WC-Rm 2/Zoom

Upcoming Potential Topics:

- CPM Amend CPI Language
- Amend CPM 5.3.3.C.3.b Language
- Section 4 Reserve Study Language

MINUTES

Fiscal Affairs Committee

Tuesday, October 20, 2026
1:30pm – 3:00pm MST
West Center Room 2 / Zoom

Committee: Lanny Smith (Chair), Bob Fillion, Dale Howard, Bob Quast, Pat Reynolds, Priscilla Spurgeon, Barry Stock, Candy English (ex-officio), Scott Somers (CEO), Dave Dixon (CFO/Liaison)

Absent: Bob Quast

Agenda Topic

1. **Call to Order / Roll Call - Establish Quorum**

2. Approve or Amend Agenda
   MOTION: Howard moved / Spurgeon seconded to amend the Agenda to include B for Reserve Study under Business.
   Passed: unanimous

3. **Approve Meeting Minutes**: September 29, 2026
   MOTION: Howard moved / Reynolds seconded to approve September 29, 2026, Meeting Minutes as presented.
   Passed: 5 yes / 1 abstain (Stock)

4. **Chair Comments**
   - Thanked Pat Reynolds for bringing up the Reserve Study and for asking for clarification.
   - Thanked all the FAC members for their input on the budget over the past few months. Thanked Dave Dixon and his team for a reasonable budget for 2027.

5. **Business**
   A. Review September 2026 Financials
      1. Statement of Financial Position
         a. YTD Operating Cash and Undesignated JP Morgan investments decreased by $2,456,345 with total Days Cash on hand at 102 versus September 2025 at 85.
         b. Net Assets have increased Year to Date by $1,285,268 and include $256,251 of unrealized gains.

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2. Statement of Financial Activities
   a. YTD total revenue is under budget (unfavorable) 0.7% or $64,357.
   b. September Capital Revenue (MCF) is over budget (favorable) 33%, 76 paid MCF compared to 57 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 10.5% or $237,447. HB 2119 home resales are excluded in the monthly resales total. GVR has welcomed 14 new Member Households through September with our annual goal of 18.
   c. YTD Recreation Revenue is over budget (favorable) by 7.0% or $50,285.
   d. YTD Total Expenses under budget (favorable) 1.2% or $104,911.
   e. YTD Facilities & Equipment are slightly over budget (unfavorable) by 1.9% or $46,919.
   f. YTD Personnel is slightly over budget (unfavorable) by 0.4% YTD or $19,215.
   g. YTD Program expenses are over budget (unfavorable) by 4.3% or $24,712.
   h. Gross Operating Surplus is $1,028,884 which is 4.1% or $40,554 better than budgeted (favorable).
   i. October home sales for the first half of the month are 38 total and estimated to be close to the budget of 65.
   j. Last three months of the Clubhouse Café has shown an increase in sales.

MOTION: Reynolds moved / Fillion seconded to approve the September Financials.
Passed: unanimous

B. Reserve Study Clarification
Staff met with Browning in May 2026. Facilities staff has continued updates with Browning over the summer. In late September Browning sent a contract which was signed on September 28. After the contract was signed Browning said it would provide the Study in seven days. After other contact with Browning, GVR has still not received the study to date. GVR staff has worked on numbers using the 2025 study and projections to provide for the recommended budget. It is important to be adequately funded for the MRR-A.

6. **Member Comments:** 1 comment

7. **Adjournment**
No objections to adjourn. Meeting adjourned at 2:33 MST
Smith/Howard unanimous

Next Meeting: Tuesday, November 17, 2026, 1:30-3:00pm, WC-Rm 2/Zoom

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Fiscal Affairs Committee Report

October 2026 Financial Highlights

Prepared By: Dave Dixon, CFO **Date:** November 17, 2026

Presented By: Dave Dixon, CFO

Originating Committee / Department:
Administration

Strategic Plan Goal:
Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.

Background Justification:
The Board has requested a separate staff report stating the highlights for each month.

Key Points/Highlights for October 2026:

1. Statement of Financial Position
    a. YTD Operating Cash and Undesignated JP Morgan investments decreased by $2,043,907 with total Days Cash on hand at 115 with the cell tower buyout funds received at the end of October.
    b. Net Assets have increased Year to Date by $2,448,993 and include $438,525 of unrealized gains.
2. Statement of Financial Activities
    a. YTD total revenue is over budget (favorable) 7.7% or $832,301.
    b. October Capital Revenue (MCF) is slightly under budget (unfavorable), 64 paid MCF compared to 65 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 9.8% or $242,096. HB 2119 home resales are excluded in the monthly resales total. GVR has welcomed 15 new Member Households through October with our annual goal of 18.
    c. YTD Recreation Revenue is over budget (favorable) by 5.6% or $47,523.
    d. YTD Total Expenses under budget (favorable) 1.6% or $161,010.
    e. YTD Facilities & Equipment are slightly over budget (unfavorable) by 0.7% or $19,884.
    f. YTD Personnel is slightly over budget (unfavorable) by 0.7% YTD or $33,288.
    g. YTD Program expenses are over budget (unfavorable) by 8.5% or $55,666.
    h. Gross Operating Surplus is $2,010,467 which is 97.7% or $993,312 better than budgeted (favorable).
    i. November home sales through the 11/11 are 23 total and estimated to be close to the budget of 51.

- The following table summarizes the October 31, 2026 total year to date change in Net Assets month over month based on GVR's 2026 Financial Statements:

			GVR 2026		Budget Variance	
Month	Operating Increase Net Assets	Unrealized Gains on Investments	Total Increase in Net Assets		Income Variance Favorable (Unfavorable)	Expense Variance Favorable (Unfavorable)
Jan-26	$114,385	$161,218	$275,603		($39,746)	$48,390
Feb-26	$227,078	$115,864	$342,942		$84,933	$83,519
Mar-26	$168,147	($383,025)	($214,878)		($8,441)	$14,355
Apr-26	$182,521	$413,311	$595,832		($62,168)	$63,179
May-26	$138,650	$154,371	$293,021		($54,100)	$3,905
Jun-26	$99,855	($14,574)	$85,281		$47,429	($54,518)
Jul-26	($47,988)	$24,005	($23,983)		($3,222)	($111,864)
Aug-26	$70,541	$87,545	$158,086		($99,552)	$46,148
Sep-26	$75,695	($302,464)	($226,768)		$70,510	$11,797
Oct-26	$981,583	$182,274	$1,163,857		$896,658	$56,099
Nov-26			$0			
Dec-26	$0	$0	$0		$0	$0
Total YTD '26	**$2,010,467**	**$438,525**	**$2,448,993**		**$832,301**	**$161,010**

While the preceding table illustrates the performance for the year 2026 according to the Financial Statements, it does not include any reduction for the necessary funding from Operations for Reserve Funds included in GVR's 2026 budget.

- The Net Fixed Assets are $26,790,541 as of October 31, 2026. Total net Capital Purchases for the year to date are $2,462,037.
- Total Current Liabilities are $2,242,655. This includes 2 months of deferred revenue for 2026 dues.
- Designated Net Assets equal $11,257,160 for the month of October, 2026.

Green Valley Recreation, Inc.

Statement of Financial Position

As of Date: October 31, 2026 and Dec 31, 2025

	October 31, 2026		Total	Dec 31, 2025		Total
ASSETS						
Current Assets						
Cash/Cash Equivalents			1,554,439			1,528,231
Accounts Receivable			441,350			404,170
Prepaid Expenses			221,285			267,712
Maintenance Inventory			61,927			61,927
Designated Investments (Charles S./SBH)						
Emergency - Fund	617,650	(1)		573,244	(18)	
MRR - Fund	7,463,107	(2)		7,385,186	(19)	
Initiatives - Fund	1,148,911	(3)		1,339,862	(20)	
Pools & Spas - Fund	2,027,491	(4)		1,697,677	(21)	
Total Designated Investments (CS/SBH)	11,257,160	(5)		10,995,969	(22)	
Undesignated Invest. (JP Morgan Long Term)	1,876,241	(6)		1,609,852	(23)	
Undesignated Invest. (JP Morgan)	268,598	(7)		2,605,102	(24)	
Investments			13,401,999 (8)			15,210,923 (25)
Total Current Assets			**15,680,999**			**17,472,962**
Fixed Assets						
Contributed Fixed Assets			18,017,085			18,017,085
Purchased Fixed Assets			37,865,073			35,403,036
Sub-Total			55,882,158			53,420,121
Less - Accumulated Depreciation			(31,246,801)			(30,085,549)
Net Fixed Assets			**24,635,357** (9)			**23,334,572** (26)
Operating Lease ROU, Net of Accum. Amortization			13,679			13,679
Finance Lease ROU, Net of Accum. Amortization			8,470			8,470
Total Assets			**40,338,505**			**40,829,683**
LIABILITIES						
Current Liabilities						
Accounts Payable			503,645			436,933
Deferred Dues Fees & Programs			1,376,786			4,524,612
Accrued Payroll			201,018			58,200
Compensation Liability			-			-
MCF Refund Liability			141,000			141,000
In-Kind Lease Liability -Current			4,375			2,250
Operating ROU Liability - Current			5,510			5,510
Financing ROU Liability - Curent			10,321			10,321
Total Current Liabilities			**2,242,655**			**5,178,826**
In-Kind Lease Liability - LT			37,149			41,149
Notes Payable			11,000			11,000
Financing ROU Laibility - LT			-			-
Total Long Term Liabilities			**48,149**			**52,149**
TOTAL NET ASSETS			**38,047,701** (10)			**35,598,709** (27)
NET ASSETS						
Temporarily Designated:						
Board Designated:						
Emergency			617,650 (11)			573,244 (28)
Maint - Repair - Replacement			7,463,107 (12)			7,385,186 (29)
Initiatives			1,148,911 (13)			1,339,862 (30)
Pools & Spas			2,027,491 (14)			1,697,677 (31)
Sub-Total			**11,257,160** (15)			**10,995,969**
Unrestricted Net Assets			24,341,549			24,602,740
Net change Year-to-Date			2,448,993 (16)			-
Unrestricted Net Assets			**26,790,541** (17)			**24,602,740**
TOTAL NET ASSETS			**38,047,701**			**35,598,709**
TOTAL LIABILITIES & NET ASSETS			**40,338,505**			**40,829,683**

Green Valley Recreation, Inc.

Summary Statement of Activities

YTD Period: 10 month period ending October 31, 2026

FY Budget Period: Jan 1, 2026 - Dec 31, 2026

	PRIOR YEAR COMPARISON				BUDGET COMPARISON					
	2025 YTD Actual	2026 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%	Fiscal Year Budget	Remaining FY Budget
Revenue										
Member Dues	6,136,024	6,313,786	177,761	2.9%	6,313,786	6,307,467	6,319	0.1%	7,568,960	1,255,174
LC,Trans., Crd Fees.	608,147	600,351	(7,796)	(1.3%)	600,351	674,164	(73,813)	(10.9%)	800,700	200,349
Capital Revenue	2,359,006	2,238,046	(120,960)	(5.1%)	2,238,046	2,480,142	(242,096)	(9.8%)	2,860,800	622,754
Programs	284,215	425,424	141,209	49.7%	425,424	442,699	(17,274)	(3.9%)	571,456	146,032
Instructional	434,976	473,790	38,815	8.9%	473,790	408,993	64,797	15.8%	498,000	24,210
Recreational Revenue	***719,191***	***899,215***	***180,024***	**25.0%**	***899,215***	***851,692***	***47,523***	**5.6%**	***1,069,456***	***170,241***
Investment Income	***386,230***	***409,698***	***23,468***	**6.1%**	***409,698***	***362,500***	***47,198***	**13.0%**	***435,000***	***25,302***
Advertising Income	-	-	-	0.0%	-	-	-	0.0%	-	-
Cell Tower Lease Inc.	42,068	43,435	1,367	3.2%	43,435	40,766	2,669	6.5%	48,919	5,484
Comm. Revenue	***42,068***	***43,435***	***1,367***	**3.2%**	***43,435***	***40,766***	***2,669***	**6.5%**	***48,919***	***5,484***
Other Income	94,836	1,091,082	996,246	1,050.5%	1,091,082	100,546	990,536	985.2%	117,350	(973,732)
Facility Rent	13,065	9,490	(3,575)	(27.4%)	9,490	15,517	(6,027)	(38.8%)	18,620	9,130
Marketing Events	-	-	-	0.0%	-	-	-	0.0%	-	-
In-Kind Contributions	3,333	1,875	(1,458)	(43.7%)	1,875	3,333	(1,458)	(43.7%)	4,000	2,125
Del Sol Café Revenue	6	61,451	61,445	%	61,451	-	61,451	0.0%	-	(61,451)
Other Revenue	***111,240***	***1,163,898***	***1,052,657***	**946.3%**	***1,163,898***	***119,396***	***1,044,502***	**874.8%**	***139,970***	***(1,023,928)***
Total Revenue	***10,361,905***	***11,668,428***	***1,306,522***	**12.6%**	***11,668,428***	***10,836,126***	***832,301***	**7.7%**	***12,923,805***	***1,255,377***
Expenses										
Major Proj.-Rep. & Maint.	175,879	146,750	29,130	16.6%	146,750	199,142	52,392	26.3%	238,970	92,220
Facility Maintenance	362,623	254,413	108,210	29.8%	254,413	351,333	96,920	27.6%	421,600	167,187
Fees & Assessments	476	3,962	(3,486)	(732.4%)	3,962	833	(3,129)	(375.5%)	1,000	(2,962)
Utilities	787,440	747,675	39,766	5.0%	747,675	849,939	102,265	12.0%	1,084,093	336,418
Depreciation	1,135,092	1,177,753	(42,661)	(3.8%)	1,177,753	1,057,100	(120,653)	(11.4%)	1,268,520	90,767
Furniture & Equipment	216,890	304,703	(87,813)	(40.5%)	304,703	190,989	(113,713)	(59.5%)	229,874	(74,829)
Vehicles	72,766	100,632	(27,866)	(38.3%)	100,632	66,667	(33,966)	(50.9%)	80,000	(20,632)
Facilities & Equipment	***2,751,167***	***2,735,887***	***15,280***	**0.6%**	***2,735,887***	***2,716,004***	***(19,884)***	**(0.7%)**	***3,324,057***	***588,170***
Wages	3,699,837	3,794,063	(94,226)	(2.5%)	3,794,063	3,820,246	26,182	0.7%	4,584,295	790,231
Payroll Taxes	288,187	300,902	(12,715)	(4.4%)	300,902	304,368	3,466	1.1%	355,699	54,797
Benefits	749,630	812,913	(63,284)	(8.4%)	812,913	749,977	(62,936)	(8.4%)	897,672	84,759
Personnel	***4,737,654***	***4,907,879***	***(170,225)***	**(3.6%)**	***4,907,879***	***4,874,590***	***(33,288)***	**(0.7%)**	***5,837,665***	***929,787***
Food & Catering	28,035	53,899	(25,865)	(92.3%)	53,899	71,211	17,312	24.3%	78,698	24,799
Recreation Contracts	510,183	602,689	(92,506)	(18.1%)	602,689	520,668	(82,021)	(15.8%)	651,787	49,098
Bank & Credit Card Fees	45,641	52,826	(7,185)	(15.7%)	52,826	61,870	9,043	14.6%	67,895	15,069
Program	***583,859***	***709,415***	***(125,555)***	**(21.5%)**	***709,415***	***653,749***	***(55,666)***	**(8.5%)**	***798,380***	***88,966***
Communications	89,702	87,374	2,328	2.6%	87,374	89,641	2,267	2.5%	107,569	20,195
Printing	70,864	68,288	2,577	3.6%	68,288	109,166	40,878	37.4%	129,500	61,212
Advertising	6,088	32,052	(25,964)	(426.5%)	32,052	9,167	(22,885)	(249.7%)	11,000	(21,052)
Communications	***166,654***	***187,713***	***(21,060)***	**(12.6%)**	***187,713***	***207,973***	***20,260***	**9.7%**	***248,069***	***60,356***
Supplies	428,358	343,398	84,960	19.8%	343,398	473,255	129,857	27.4%	570,906	227,508
Postage	14,838	10,557	4,281	28.9%	10,557	19,104	8,547	44.7%	21,125	10,568
Dues & Subscriptions	24,155	18,856	5,299	21.9%	18,856	11,406	(7,450)	(65.3%)	13,687	(5,169)
Travel & Entertainment	2,455	-	2,455	100.0%	-	2,000	2,000	100.0%	2,400	2,400
Other Operating Expense	93,253	84,133	9,121	9.8%	84,133	83,890	(243)	(0.3%)	107,672	23,539
Operations	***563,060***	***456,943***	***106,116***	**18.8%**	***456,943***	***589,655***	***132,712***	**22.5%**	***715,790***	***258,847***
Information Technology	97,427	72,926	24,501	25.1%	72,926	118,981	46,055	38.7%	142,777	69,851
Professional Fees	181,578	198,695	(17,117)	(9.4%)	198,695	200,934	2,239	1.1%	234,350	35,655
Commercial Insurance	359,602	356,641	2,961	0.8%	356,641	372,553	15,912	4.3%	447,064	90,423
Taxes	44,563	12,771	31,791	71.3%	12,771	53,532	40,761	76.1%	53,532	40,761
Conferences & Training	8,313	7,224	1,089	13.1%	7,224	20,167	12,943	64.2%	24,200	16,976
Employee Recognition	12,723	11,866	858	6.7%	11,866	10,833	(1,032)	(9.5%)	13,000	1,134
Provision for Bad Debt	-	-	-	0.0%	-	-	-	0.0%	-	-
Corporate Expenses	**704,205**	**660,123**	**44,082**	**6.3%**	**660,123**	**777,000**	**116,877**	**15.0%**	**914,923**	**254,800**
Expenses	***9,506,599***	***9,657,961***	***(151,362)***	**(1.6%)**	***9,657,961***	***9,818,971***	***161,010***	**1.6%**	***11,838,884***	***2,180,924***
										-
Gross Surplus(Rev-Exp)	855,306	2,010,467	1,155,161	**135.1%**	2,010,467	1,017,155	993,312	**97.7%**	1,084,921	(925,547)
Net. Gain/Loss on Invest.	769,863	438,525	(331,338)		438,525	-	438,525		-	(438,525)
Net from Operations	1,625,169	2,448,993	823,823	**50.7%**	2,448,993	1,017,155	1,431,837		1,084,921	(1,364,072)

GVR MEMBER PROPERTIES MONTHLY REPORT

2026	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	*YTD*
NEW MEMBERS	-	5	2	1	-	3	2	1	-	1			*15*
Total Members (2026)	13,902	13,907	13,909	13,910	13,910	13,913	13,915	13,916	13,916	13,917	13,917	13,917	13,917
Members Last Year (2025)	13,873	13,875	13,877	13,879	13,880	13,881	13,883	13,886	13,887	13,890	13,892	13,902	13,902
Members Before Last Year (2024)	13,852	13,853	13,857	13,858	13,862	13,862	13,863	13,864	13,866	13,871	13,872	13,872	13,872
Initial Fee	-	5	2	1	-	1	1	-	-	1	-	-	11
Transfer Fee (New Build, no Initial fee)	-	-	-	-	-	2	1	1	-	1	-	-	5
Transfer Fee (Voluntary Deed Restriction w/Initial fee)	-	5	2	1	-	1	1	-	-	1	-	-	11
Transfer Fee (Estate Planning)	-	-	-	-	1	1	-	1	-	3	-	-	6
Transfer Fee (Resale)	55	68	94	96	77	76	74	40	67	65	-	-	712
Transfer Fee Non-Resale	3	4	2	9	2	5	7	7	10	6	-	-	55
Budget Monthly MCF/Resales (2026)	66	56	96	103	102	75	73	66	57	65	51	66	876
Monthly MCF/Resales (Gross) (2026)	55	68	94	96	77	95	79	45	76	72	-	-	757
Monthly MCF/Resales less Refunds (Net) (2026)	51	64	82	81	74	88	72	41	76	64	-	-	693
Monthly Delta Actual (Net) Paid vs Budget (2026)	(15)	8	(14)	(22)	(28)	13	(1)	(25)	19	(1)			(66)
Monthly Resales Last Year (2025)	68	61	105	94	93	78	65	73	68	67	59	67	898
Monthly Resales 2 Years Prior (2024)	62	55	100	98	94	64	69	58	62	61	43	67	833
	7.5%	6.7%	11.8%	11.1%	10.8%	8.2%	7.7%	7.6%	7.5%	7.4%	5.9%	7.7%	100.0%
YTD Budget (2026)	66	122	218	321	423	498	571	637	694	759	810	876	876
YTD MCF/Resales less Refunds (2026)	51	115	197	278	352	440	512	553	629	693	-	-	693
YTD Over/(Under) Budget	(15)	(7)	(21)	(43)	(71)	(58)	(59)	(84)	(65)	(66)			(183)
YTD Over/(Under) Budget %	(22%)	(6%)	(10%)	(13%)	(17%)	(12%)	(10%)	(13%)	(9%)	(9%)			(21%)
YTD Resales Last Year (2025)	68	129	234	328	421	499	564	637	705	772	831	898	898
YTD Resales Before 2 years prior (2024)	62	117	217	315	409	473	542	600	662	723	766	833	833
Total Sales (New and Resale) (2026)	55	73	96	97	77	98	81	46	76	73	-	-	772
Total Sales (New and Resale) Last Year (2025)	69	63	107	96	94	79	67	76	69	70	61	97	948
Total Sales (New and Resale) 2 Years Prior (2024)	64	56	104	99	98	64	70	59	64	66	44	67	855
MCF Refund	4	4	12	15	3	7	7	4	-	8	-	-	64
HB 2119 (No MCF Assessed, Not Included in Resales)	10	3	4	5	1	2	2	1	2	3	-	-	33
HB 2119 Resales	1	-	1	2	-	-	1	-	1	-			6
	Refunds	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Refunds**	**Total**
$ Total	**$12,500**	**$12,400**	**$37,800**	**$47,600**	**$9,600**	**$22,300**	**$22,200**	**$10,520**	**$0**				$174,920

Project Name	Center Location	Scope of Work	Estimated Construct. Start	Estimated Construct. Finish	Status- Complete	Summary Notes/Next Steps	Funding Sources	Budget Total	Expenses To Date	Balance
Abrego South Pool and Locker Rooms	Abrego South	Demolish existing pool facilities. Design and construct new pool, spa, and locker rooms.	Nov-26	Apr-27	Design- 99%	Design in process to achieve 100% construction documents by early October, then submit for permitting. Durazo Construction contract approved for $1,577,520. Plans are at 99% completion. Waiting on Pima County Permit approval.	Initia. $250k MRR-B $1.651k	$ 1,901,539	$ 84,560	$ 1,816,979
West Center Lapidary Club Expansion	West Center	Expand Lapidary Club building to the west. Renovate existing space, including Billiards Room space.	Mar-26	Dec-26	Construction- 80%	Construction activities continue to progress, with HVAC, drywall, and electrical work advancing over the past week. Both rooftop HVAC units have been delivered and installed on their curbs. The mini-split outdoor condenser has also been delivered and will be installed following completion of additional roofing work. Drywall top-out work is nearing completion in the Kiln Room and at the trough area, and wall texturing has been completed throughout the project. Above-ceiling electrical layout and piping work continues and is expected to take approximately another week. Interior painting is scheduled to begin next week, followed by acoustical ceiling grid installation the following week. The plumber is also expected to complete the floor sawcut at the Utility Room mop sink prior to interior painting.	Initia. $991k Initia. $43k	$ 1,034,000	$ 690,193	$ 343,807
West Center Membership Services Expansion	West Center	Expand Membership Services offices in Auditorium lobby. Add lobby counters for staff and events.	May-26	Aug-26	Completed- 99%	GVR staff has moved in and is operational. Still waiting for final work on a fire exit window.	Initiatives	$ 190,000	$ 142,094	$ 47,906

GVR Cash Requirements Report
FY 2026

ACTUAL / PROJECTED	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Actual Jul-26	Actual Aug-26	Actual Sep-26	Actual Oct-26	Projected Nov-26	Projected Dec-26
Operating Cash at CHASE (GL 1005)												
Beginning of Month Balance	**1,525,682**	**734,666**	**614,317**	**670,693**	**681,488**	**598,560**	**767,160**	**773,898**	**735,372**	**806,563**	1,554,439	1,643,064
Transfer In	-	-	300,000	400,000	400,000	450,000	650,000	500,000	550,000	450,000	200,000	-
Transfer Out	(1,300,000)	-	-	-	-	-	-	-				(1,500,000)
Cash Receipts	2,966,929	737,376	600,796	621,306	342,763	402,911	392,589	366,211	398,845	1,254,797	775,428	4,146,427
Cash Disbursements	(2,457,945)	(857,725)	(844,420)	(1,010,511)	(825,691)	(684,311)	(1,035,851)	(904,737)	(877,654)	(956,921)	(886,803)	(1,063,121)
Net Operating Cash Flow	508,984	(120,349)	(243,624)	(389,205)	(482,928)	(281,400)	(643,262)	(538,526)	(478,809)	297,876	(111,374)	3,083,306
Ending of Month Balance	**734,666**	**614,317**	**670,693**	**681,488**	**598,560**	**767,160**	**773,898**	**735,372**	**806,563**	**1,554,439**	1,643,064	3,226,370
Operating Investment Accounts (A&B) (GL 1028/1029)												
Beginning of Month Balance	**4,214,954**	**5,579,234**	**5,641,707**	**5,281,770**	**4,971,228**	**4,610,452**	**4,159,033**	**3,561,577**	**3,103,705**	**2,480,278**	2,144,839	1,944,839
Transfer In	1,300,000	-	-	-	-	-	-	-	-	-	-	1,500,000
Transfer Out	-	-	(300,000)	(400,000)	(400,000)	(450,000)	(650,000)	(500,000)	(550,000)	(450,000)	(200,000)	-
Earned Income on Investments	64,280	62,473	(59,937)	89,458	39,224	(1,420)	52,544	42,128	(73,427)	114,562	-	-
Ending of Month Balance	**5,579,234**	**5,641,707**	**5,281,770**	**4,971,228**	**4,610,452**	**4,159,033**	**3,561,577**	**3,103,705**	**2,480,278**	**2,144,839**	1,944,839	3,444,839
MRR Reserve (GL 1007)												
Beginning of Month Balance	**7,387,735**	**8,750,175**	**8,739,815**	**8,437,991**	**8,569,918**	**8,464,156**	**8,328,786**	**8,264,457**	**7,924,896**	**7,695,223**	7,463,107	7,268,418
Transfer In MRR Funding	1,400,102	-	-	-	-	-	-	-	-	-	-	-
Transfer Out	(95,282)	(73,588)	(105,120)	(118,687)	(194,998)	(167,970)	(79,891)	(379,497)	(75,593)	(328,187)	(211,073)	(211,073)
Net Earned Income on Investments	57,620	63,229	(196,705)	250,615	89,236	32,600	15,561	39,935	(154,080)	96,072	16,384	16,384
Ending of Month Balance	**8,750,175**	**8,739,815**	**8,437,991**	**8,569,918**	**8,464,156**	**8,328,786**	**8,264,457**	**7,924,896**	**7,695,223**	**7,463,107**	7,268,418	7,073,728
MRR - B Pool and Spa Replacement Reserve (GL 1009)												
Beginning of Month Balance	**1,697,677**	**2,064,383**	**2,070,957**	**1,963,680**	**2,012,455**	**2,049,095**	**2,049,881**	**2,046,455**	**2,043,892**	**2,030,574**	2,027,491	1,851,393
Transfer In MRR B Pool & Spa Funding	342,783	-	-	-	-	-	-	-	-	-	-	-
Transfer Out	(500)	(700)	(61,909)	(20,771)	-	-	-	(23,200)	-	(4,050)	(177,400)	(177,400)
Net Earned Income on Investments	24,423	7,274	(45,367)	69,545	36,640	786	(3,427)	20,637	(13,317)	967	1,302	1,302
Ending of Month Balance	**2,064,383**	**2,070,957**	**1,963,680**	**2,012,455**	**2,049,095**	**2,049,881**	**2,046,455**	**2,043,892**	**2,030,574**	**2,027,491**	1,851,393	1,675,295
Initiatives Reserve (GL 1008)												
Beginning of Month Balance	**1,339,862**	**1,403,092**	**1,435,095**	**1,448,522**	**1,490,795**	**1,463,832**	**1,569,760**	**1,451,448**	**1,311,768**	**1,373,377**	1,148,911	1,068,946
Transfer In	60,950	34,440	46,823	55,460	52,720	51,840	49,560	45,640	25,396	46,080	47,920	47,920
Other Funding	-	-	-	-	-	-	-	-	-		-	-
Net Earned Income on Investments	3,580	5,631	(10,998)	16,669	3,071	6,609	2,930	(42,077)	38,799	8,359	2,409	2,409
Transfer Out	(1,300)	(8,068)	(22,399)	(29,855)	(82,754)	47,480	(170,802)	(143,243)	(2,586)	(278,905)	(130,294)	(130,294)
Ending of Month Balance	**1,403,092**	**1,435,095**	**1,448,522**	**1,490,795**	**1,463,832**	**1,569,760**	**1,451,448**	**1,311,768**	**1,373,377**	**1,148,911**	1,068,946	988,981
Emergency Reserve (GL 1006)												
Beginning of Month Balance	**573,244**	**583,198**	**587,945**	**562,645**	**601,798**	**620,744**	**618,939**	**615,934**	**626,447**	**618,001**	617,650	619,066
Transfer In												
Transfer Out	-	-	-	-								
Net Earned Income on Investments	9,954	4,747	(25,300)	39,152	18,947	(1,805)	(3,005)	10,514	(8,446)	(351)	1,417	1,417
Ending of Month Balance	**583,198**	**587,945**	**562,645**	**601,798**	**620,744**	**618,939**	**615,934**	**626,447**	**618,001**	**617,650**	619,066	620,483
Total Reserve Accounts	12,800,848	12,833,813	12,412,838	12,674,966	12,597,827	12,567,367	12,378,294	11,907,003	11,717,176	11,257,160	10,807,824	10,358,488
Total Operating Cash	6,313,900	6,256,024	5,952,462	5,652,716	5,209,013	4,926,193	4,335,475	3,839,077	3,286,840	3,699,278	3,587,903	6,671,209
Grand Total Cash & Investments	19,114,748	19,089,836	18,365,301	18,327,682	17,806,840	17,493,559	16,713,769	15,746,080	15,004,016	14,956,437	14,395,727	17,029,697

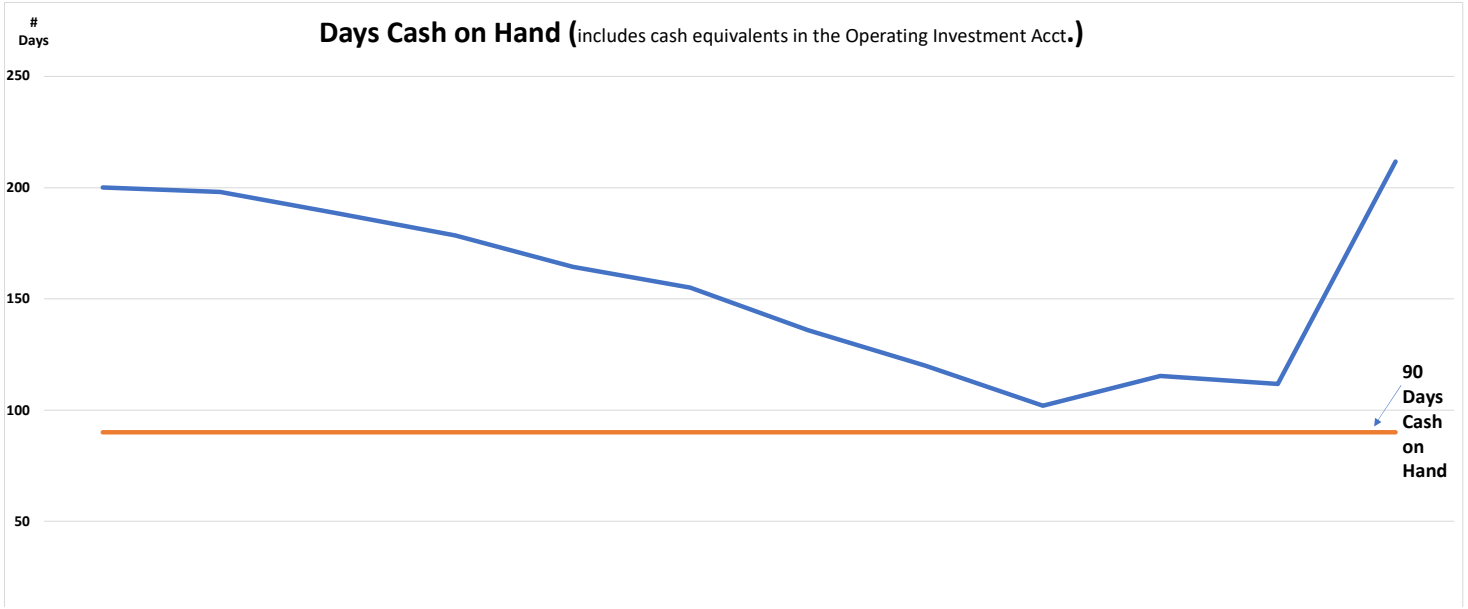
GVR Cash Requirements Report
FY 2026

ACTUAL / PROJECTED	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Actual Jul-26	Actual Aug-26	Actual Sep-26	Actual Oct-26	Projected Nov-26	Projected Dec-26
Actual Days Oper. Cash on Hand (net of MCF Allowance)	200	198	188	178	164	155	136	120	102	115	112	212

January 1, 2026 Beg. Balance:	
Total Reserve Accounts	10,995,969
Total Operating Cash	5,743,185
Grand Total Cash & Investments	$ 16,739,154

Projected Ending Balance 2026	
Total Reserve Accounts	10,358,488
Total Operating Cash	6,671,209
Grand Total Cash & Investments	$ 17,029,697

The Cash Requirements Report is for projecting cash balances of the Operating and Designated Cash Accounts only. This report is exclusively for the purpose of determining cash requirements and short term investment planning.



Café 2026		Last Three Months			
		Aug	Sept	Oct	YTD 10-31-2026
Revenue	**Sales**	**$9,785**	**$11,843**	**$11,568**	**$61,451**
Operating Expenses					
	Personnel/Wages	$5,785	$8,025	$11,924	$47,372
	Supplies for sale	$4,230	$7,270	$5,328	$35,696
	Credit Card Fees	$235	$407	$479	$1,552
		$10,250	$15,702	$17,731	$84,620
Operating Net Income		**($465)**	**($3,859)**	**($6,163)**	**($23,169)**
Start-up Expenses					
	Training	$0	$0	$0	$270
	Start-up Supplies	$0	$0	$0	$2,098
	Contract Labor	$0	$0	$0	$1,726
	Equipment	$0	$4,068	$186	$14,084
		$0	$4,068	$186	$18,178
Net Income		**($465)**	**($7,927)**	**($6,349)**	**($41,347)**

***Café Officially Opened April 21,2026**

Green Valley Recreation, Inc.

Fiscal Affairs Committee

Renaming MRR-B to Pools and Spas

Prepared By: Scott Somers, CEO **Meeting Date:** November 17, 2026

Presented By: Scott Somers, CEO

Originating Department:
Administration & Finance Departments

Action Requested:
Amend the Corporate Policy Manual (CPM) by changing the official name and references of the "MRR-B Fund" to the "Pools and Spas Fund"; and changing any reference of "MRR-A" to "MRR" and or "Maintenance Repair and Replacement"

Strategic Plan:
Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.

Background Justification:
The MRR-B Fund was created in 2021 to fund the replacement of pools and spas since no reserve account existed specifically for pools and spas. The Initiatives Fund served this purpose at that time. Since this newly created account was a reserve account, similar to the Maintenance Repair and Replacement Fund (MRR), it became known as the MRR-B Fund and the MRR Fund became known as the MRR-A Fund.

Over the years, this has created confusion since the MRR-A Fund is used to maintain and repair pools and spas, but the MRR-B Fund is used to replace pools and spas; and yet, MRR-B is an acronym for Maintenance, Repair, and Replacement. Staff therefore recommends these name and reference changes in the CPM.

Fiscal Impact:
No fiscal impact.

Committee Options:
1) Recommend amending the Corporate Policy Manual (CPM) by changing the official name and references of the "MRR-B Fund" to the "Pools and Spas Fund"; and changing any reference of "MRR-A" to "MRR" and or "Maintenance Repair and Replacement"
2) Recommend maintaining the fund names as they currently exist.
3) Ask staff to conduct additional research.

Staff Recommendation:
Option #1

Recommended Motion:
I move to recommend the Board of Directors amend the Corporate Policy Manual (CPM) by changing the official name and references of the "MRR-B Fund" to the "Pools and Spas Fund"; and changing any reference of "MRR-A" to "MRR" and or "Maintenance Repair and Replacement."

Green Valley Recreation, Inc.

Fiscal Affairs Committee

Pools and Spas Fund Funding Options

Prepared By: Scott Somers, CEO **Meeting Date:** November 17, 2026

Presented By: Scott Somers, CEO

Originating Department:
Administration & Finance Departments

Action Requested:
Review and recommend funding options for the Pools and Spas Fund

Strategic Plan:
Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.

Background Information:
The Pools and Spas Fund (also known as MRR-B) is a relatively new fund and therefore doesn't have a higher fund balance like the MRR-A Fund. Per the CPM, the fund shall be used to fund the replacement of pools and spas; the target total balance of the Pools and Spas Fund shall be at or about 25 percent of the total replacement cost with a target of at or about 70 percent of the fully funded balance. The fund is at 11.2 percent of total replacement cost and at 11.04 percent of the fully funded balance.

Staff recently provide an updated analysis of the Pools and Spas Fund to both the FAC and the Board of Directors during the 2027 budget development process. The updated analysis is based on cost per square foot and assumes the following:

- Life expectancy of a pool is assumed to be 50 years except if a pool has been replastered within the last 12 years, in which case, 12 years was added to the life expectancy of a pool from the date of replaster. This currently applies to CP1, DH, and WC.
- Analysis assumes a 3 percent inflation escalation beginning with a cost per square foot of $550 in 2027.
- Cash flow assumes a 7 percent additional contribution through 2033 and then decreases to 3 percent in 2034.
- Cash flow assumes first payment for ABS to occur in 2027.

While the cash flow analysis shows negative balances for certain years, recall that the analysis is based on certain assumptions such as a life expectancy of 50 years for a pool, which, in many cases, may be extended with proper maintenance and upkeep, including replastering of the vessel. For example, CP2, CP1, and CV will all need to be replaced on or before 2029 and MV by 2033 based on these assumptions. Yet, staff have no reason to believe these mentioned pools will fail anytime soon. This doesn't mean they won't and that GVR shouldn't plan for a worst-case scenario, but it appears unlikely at this time that any of them will fail within the next five years.

There are several options available for increasing funding to the Pools and Spas Fund to support and maintain existing GVR pools.

Immediate one-time options:

1. Transfer cell tower lease buy-out funding of $910,000 to the Pools and Spas Fund. With cell tower lease buy out revenue, the total replacement cost increases to 15.83 percent and the fully funded balance increases to 15.61 percent. The attached cash flow analysis includes this funding.

2. Use of a portion or all the Emergency Fund.
   The attached cash flow analysis includes approximately $160,000 in funding from the Emergency Fund, which maintains approximately $500,000 in the Emergency Fund.

3. Amend CPM Sections 5.3.4 and 5.3.5 Funding Source.
   This recommended amendment to the CPM allows use of the capital funding formula dollars (Members Change Fee and Initial Fee) to be appropriated to either or both the Pools and Spas Fund and the Initiatives Fund. Please see the attached redlined draft.

On going annual options:

4. Any annual surplus could be deposited into the Pools and Spas Fund.
   The FAC is charged with recommending distribution of any surplus once the annual audit is complete, generally in February.

5. The 7 percent contribution rate from the Operations Fund could be extended past 2033, which is scheduled to decrease 3 percent. No specific policy exists to increase the annual contribution rate by 7 percent through 2033, but this has been the practice for several years. The proposed language in Section 5.3.4. allows this annual budgetary practice to continue, but does not require it.

Fiscal Impact:

Board approval of the recommended funding options will greatly improve the sustainability of the Pools and Spas Fund.

Committee Options:

1. Recommend to the Board of Directors funding options 1-5 for the Pools and Spas Fund.
2. Recommend to the Board of Directors any variations of funding options 1-5 for the Pools and Spas Fund.
3. Ask staff to conduct additional research before developing a recommendation to the Board.

Staff Recommendation:

Option #1

Recommended Motion:

I move to recommend to the Board of Directors funding options 1-5 for the Pools and Spas Fund.

Attachments:

1) Redlined amendments to Sections 5.3.4 and 5.3.5 of the CPM
2) Cash Flow Analysis

5.3.4 ~~Maintenance, Repair and Replacement Fund (MRR-B)~~Pools and Spas Fund

A. Purpose:
The fund shall be used to fund the replacement of pools and spas.

B. Target Balance:
This ~~component of the MRR~~fund shall be of sufficient size as determined by the Board to fund replacements of GVR pools and spas. Section 5.3.1 requires the Board to establish a desired target range. For the ~~MRR-B~~Pools and Spas F~~f~~und, it is defined as follows: The target total balance ~~of the MRR-B fund~~ shall be at or about 25 percent of the total replacement cost with a target of at or about 70 percent of the fully funded balance calculated with the Annual Reserve Report completed by staff. The targeted balance shall be based on GVR's staff estimate and GVR shall strive to reach the desired target range over the years.

C. Funding Source:

1. As part of the annual budgeting process, the Board shall establish the percentage allocation of the Capital Funding Formula between the Pools and Spas Fund and the Initiatives Fund for the ensuing fiscal year. The allocations to both funds shall collectively represent 100% of the Capital Funding Formula.

Once established, GVR shall transfer to the Pools and Spas Fund each month of the ensuing fiscal year the amount attributable to its approved percentage allocation under the Capital Funding Formula, as follows:

a. Twenty percent (20%) of the Membership Change Fee assessed on each GVR Member property sold, rounded up to the next $5.00 increment; and

b. Twenty-five percent (25%) of the Initial Fee assessed on each GVR Member property sold, rounded up to the next $5.00 increment.

2. The Board may make additional contributions to the Pools and Spas Fund through annual budget allocations.

3. The Board may allocate contributions to the Pools and Spas Fund from the annual net surplus.

~~The Board may make contributions to MRR-B from the annual net surplus or budget a specific amount of funds of the annual budget process.~~

D. Authorization: Part 5 Section 4, Procurement Policy shall apply.

E. Investment Parameters:
Monies contributed to MRR-B shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

5.3..5 Initiatives Reserve Fund

A. Purpose:
The fund shall be used to support new initiatives that contribute to meeting GVR Ends.

B. Target Balance:

This fund reserve shall be of sufficient size as determined by the Board to make value-added investments in real property, facilities and infrastructure.

C. Funding Source:

1. As part of the annual budgeting process, the Board shall establish the percentage allocation of the Capital Funding Formula between the Pools and Spas Fund and the Initiatives Fund for the ensuing fiscal year. The allocations to both funds shall collectively represent 100% of the Capital Funding Formula.

Once established, GVR shall transfer to the Initiatives Fund each month of the ensuing fiscal year the amount attributable to its approved percentage allocation under the Capital Funding Formula, as follows:

a. Twenty percent (20%) of the Membership Change Fee assessed on each GVR Member property sold, rounded up to the next $5.00 increment; and

b. Twenty-five percent (25%) of the Initial Fee assessed on each GVR Member property sold, rounded up to the next $5.00 increment.

2. The Board may allocate contributions to the Initiatives Fund from the annual net surplus.

~~1. Within 10 business days after the end of each month, GVR shall transfer the following to the Initiatives Reserve Fund based on the applicable fee ("Initiatives Reserve Funding Formula"):~~

~~a. Twenty percent (20%) of the Membership Change Fee assessed on each GVR Member property sold rounded up to the next $5.00, and~~

~~b. Twenty five percent (25%) of the Initial Fee assessed on each GVR Member property sold rounded up to the next $5.00. At its discretion, the Board may make an additional Initiatives Reserve contribution from the annual net surplus.~~

D. Authorization: Part 5 Section 4, Procurement Policy shall apply.

E. Investment Parameters:

Monies contributed to this fund shall be invested in accordance with GVR's IPS.

MRR-B Pool & Spa Cash Flow

Interest	6.00%	
Annual Inc. Contr. T	7.0%	through '33
Annual Inc. Contr. T	3.0%	beginning in '34

Year	Beginning Balance	Annual Contributions	Income	Available	Expenditure	Ending Balance	Location
2026	1,697,677	342,783	122,428	3,232,888	-	3,232,888	
2027	3,232,888	366,778	215,980	3,815,645	(2,258,300)	1,557,345	ABS & CP2
2028	1,557,345	392,452	116,988	2,066,785	(1,307,029)	759,757	CP1
2029	759,757	419,924	70,781	1,250,461	(1,081,800)	168,662	CV
2030	168,662	449,319	37,079	655,059	-	655,059	
2031	655,059	480,771	68,150	1,203,980	-	1,203,980	
2032	1,203,980	514,425	103,104	1,821,509	-	1,821,509	
2033	1,821,509	550,435	142,317	2,514,260	(1,014,646)	1,499,614	MV
2034	1,499,614	566,948	123,994	2,190,555	-	2,190,555	
2035	2,190,555	583,956	166,471	2,940,982	-	2,940,982	
2036	2,940,982	601,475	212,547	3,755,004	-	3,755,004	
2037	3,755,004	619,519	262,471	4,636,995	-	4,636,995	
2038	4,636,995	638,105	316,506	5,591,605	(2,940,632)	2,650,973	WC
2039	2,650,973	657,248	198,493	3,506,714	-	3,506,714	
2040	3,506,714	676,965	251,021	4,434,700	(6,672,033)	(2,237,333)	DH & CH
2041	(2,237,333)	697,274	(92,404)	(1,632,462)	-	(1,632,462)	
2042	(1,632,462)	718,192	(54,856)	(969,126)	-	(969,126)	
2043	(969,126)	739,738	(13,763)	(243,152)	-	(243,152)	
2044	(243,152)	761,930	31,127	549,905	-	549,905	
2045	549,905	784,788	80,082	1,414,775	-	1,414,775	
2046	1,414,775	808,332	133,386	2,356,493	(2,831,079)	(474,586)	SRS
2047	(474,586)	832,582	21,480	379,475	(4,194,964)	(3,815,489)	LC
2048	(3,815,489)	857,559	(177,476)	(3,135,406)	-	(3,135,406)	
2049	(3,135,406)	883,286	(135,127)	(2,387,247)	-	(2,387,247)	
2050	(2,387,247)	909,785	(88,648)	(1,566,110)	-	(1,566,110)	
2051	(1,566,110)	937,078	(37,742)	(666,774)	-	(666,774)	
2052	(666,774)	965,190	17,905	316,321	-	316,321	
2053	316,321	994,146	78,628	1,389,096	-	1,389,096	
2054	1,389,096	1,023,970	144,784	2,557,850	-	2,557,850	
2055	2,557,850	1,054,690	216,752	3,829,292	-	3,829,292	
2056	3,829,292	1,086,330	294,937	5,210,560	-	5,210,560	
2057	5,210,560	1,118,920	379,769	6,709,249	(4,100,382)	2,608,867	CR
2058	2,608,867	1,152,488	225,681	3,987,036	-	3,987,036	
2059	3,987,036	1,187,062	310,446	5,484,544	-	5,484,544	
2060	5,484,544	1,222,674	402,433	7,109,652	-	7,109,652	
2061	7,109,652	1,259,355	502,140	8,871,147	-	8,871,147	
2062	8,871,147	1,297,135	610,097	10,778,379	-	10,778,379	
2063	10,778,379	1,336,049	726,866	12,841,294	-	12,841,294	
2064	12,841,294	1,376,131	853,045	15,070,470	-	15,070,470	
2065	15,070,470	1,417,415	989,273	17,477,157	-	17,477,157	
2066	17,477,157	1,459,937	1,136,226	20,073,320	(3,939,889)	16,133,431	ABN
2067	16,133,431	1,503,735	1,058,230	18,695,396	-	18,695,396	
2068	18,695,396	1,548,847	1,214,655	21,458,898	-	21,458,898	
2069	21,458,898	1,595,313	1,383,253	24,437,463	-	24,437,463	
2070	24,437,463	1,643,172	1,564,838	27,645,473	-	27,645,473	
2071	27,645,473	1,692,467	1,760,276	31,098,217	-	31,098,217	
2072	31,098,217	1,743,241	1,970,487	34,811,946	-	34,811,946	
2073	34,811,946	1,795,538	2,196,449	38,803,933	(4,964,720)	33,839,213	EC
2074	33,839,213	1,849,405	2,141,317	37,829,935	-	37,829,935	
2075	37,829,935	1,904,887	2,384,089	42,118,911	-	42,118,911	
2076	42,118,911	1,962,033	2,644,857	46,725,801	-	46,725,801	
2077	46,725,801	2,020,894	2,924,802	51,671,497	(5,592,803)	46,078,694	ABS

Green Valley Recreation, Inc.

Fiscal Affairs Committee

Reserve Study Services

Prepared By: Scott Somers, CEO **Meeting Date:** November 17, 2026

Presented By: Scott Somers, CEO

Originating Committee / Department:
Administration

Action Requested:
Hold discussion on interest in recommending to the Board issuing a Request for Proposal (RFP) for Reserve Study Services and discuss possible scope

Strategic Plan:
Goal 4 Cultivate and maintain a sound financial base that generates good value for our members.

Background Justification:
GVR has contracted with Browning Reserve Group (BRG) since 2016. At the direction of the Board, BRG conducts site visits to verify components every three years and off-site verification and updates every one and two years.

BRG sold to Reserve Advisors in December 2024. Reserve Advisors is the largest reserve study company in the country. The transition hasn't been entirely smooth and caused delays in providing GVR with the annual reserve study contract and the first reserve study draft in 2026. BRG was terribly apologetic for the delay.

In terms of scope, BRG has included pool and spa components such as resurfacing, tile and equipment replacement, and deck repair or replacement, but does not include total pool replacement in the reserve study. Discussions have previously occurred with BRG about including pools and spas in the study. BRG has indicated that pools and spas replacement isn't their primary area, but could subcontract to add this component. This option was previously brought to the GVR Board for discussion and consideration. At that time, the Board provided direction to keep the replacement study of pools and spas separate from the MRR Reserve Study and to be managed and updated by staff.

Fiscal Impact:
On site visits every three years cost GVR approximately $30,000, while off-site verification and updates cost GVR approximately $1,500.

Committee Options:

1) Recommend the Board of Directors maintain the status quo by: 1) continuing to contract with Browning Reserve Group to perform the annual reserve study, rather than issuing and request for proposal (RFP) for such services; and 2) continuing to rely on GVR staff to manage and update the replacement study for pools and spas.
2) Recommend the Board of Directors issue an RFP for reserve study services to include or not to include complete pool and spa replacement as a component of the study.

3) Provide an alternate recommendation to the Board of Directors.

Staff Recommendation:
Option #1

Recommended Motion:
A move to recommend the Board of Directors maintain the status quo by: 1) continuing to contract with Browning Reserve Group to perform the annual reserve study, rather than issuing and request for proposal (RFP) for such services; and 2) continuing to rely on GVR staff to manage and update the replacement study for pools and spas.

Attachments:
1) 2026 Contract with BRG

Reserve Study Proposal

Level III Reserve Study

Browning
RESERVE GROUP
A Division of Reserve Advisors

Green Valley Recreation Inc
Green Valley, AZ

Christian Colunga, RS
West Coast Division Manager
(916) 856-1251
christian@browningrg.com



Introducing BRG SureStart™

Want to fast-track next year's reserve study update? Enroll in our SureStart™ program when authorizing your reserve study - no additional contract authorization needed. Prior to starting your update, we'll send a brief email to confirm that the board is ready to proceed. **No contracts. No paperwork. No delays.**

Browning Reserve Group

Clarity From Complexity

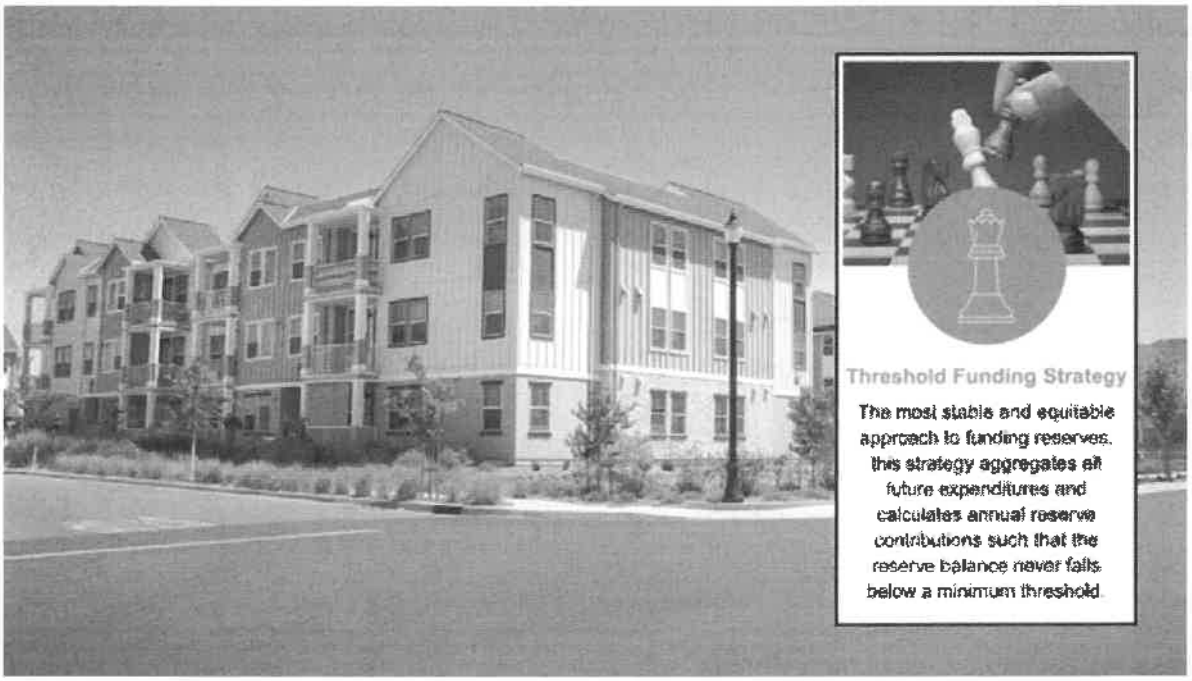


Our Reserve Study Program

Your home is the most expensive personal property you will ever own. The responsibility for preserving its value reaches beyond your home to include the spaces you share with your neighbors. Structures, systems, streets and amenities must be maintained to protect the value of your investment. But the required responsibility often stretches beyond individual knowledge and expertise. That's why associations turn to Browning Reserve Group. As your consultants, our reserve study helps you understand your assets, expected lifespans, and both the budgets and maintenance needed to keep them in great working order.

A Proactive Approach

Our Project Managers provide a thorough evaluation of your property and shared assets, and create a strong, informed plan to maximize your community's physical and financial wellness for the long haul. Because proactive care ensures that your shared property is cared for the way you would care for your home. We have been helping communities thrive for over 25 years. But the job we are obsessed with is making sure you and your neighbors have what you need to protect your property today and prevent costly and avoidable repairs tomorrow. It is the best way to care for the place that makes you feel welcome, safe, secure and proud.



Helping Communities Thrive for Over 25 Years

With a team of 9 Sacramento-based Project Managers and 60+ national engineers, we have over 450 years of combined experience conducting reserve studies for common interest communities, recreation centers, places of worship, resorts, golf courses and beyond. Our service area is one of the largest in the industry, and we pride ourselves on delivering unbiased recommendations that give communities the plans they need to ensure the future well-being of the property.

30,000+

RESERVE STUDIES CONDUCTED

2,500+

CLIENTS SERVED

Industry Leadership

We were instrumental in pioneering the Community Association Institute's (CAI) Reserve Study Standards, and were influential in revising these standards in 2023 through our participation in an industry task force. This diverse group included reserve specialists, professional managers, community board members, attorneys, and accountants. Additionally, we continue to shape best practices in the field through active involvement with the Foundation for Community Association Research (FCAR), including chairing the Reserve Study Best Practices Report.

As a national member of CAI, APRA, ECHO and CACM we are actively involved in over 30 chapters nationwide, regularly supporting the organization's members through structured education, speaking engagements, and publications for managers and board members. In addition to complying with legislative requirements specific to reserve studies, we are compliant with and/or accredited by:

- Association of Professional Reserve Analysts (APRA)
- Community Associations Institute (CAI)
- American Institute of Certified Public Accountants (AICPA)
- Nevada Real Estate Division (NRED)

Trusted by Condos and HOAs Throughout Your Neighborhood





Trusted by over 2,500 clients across California and Nevada



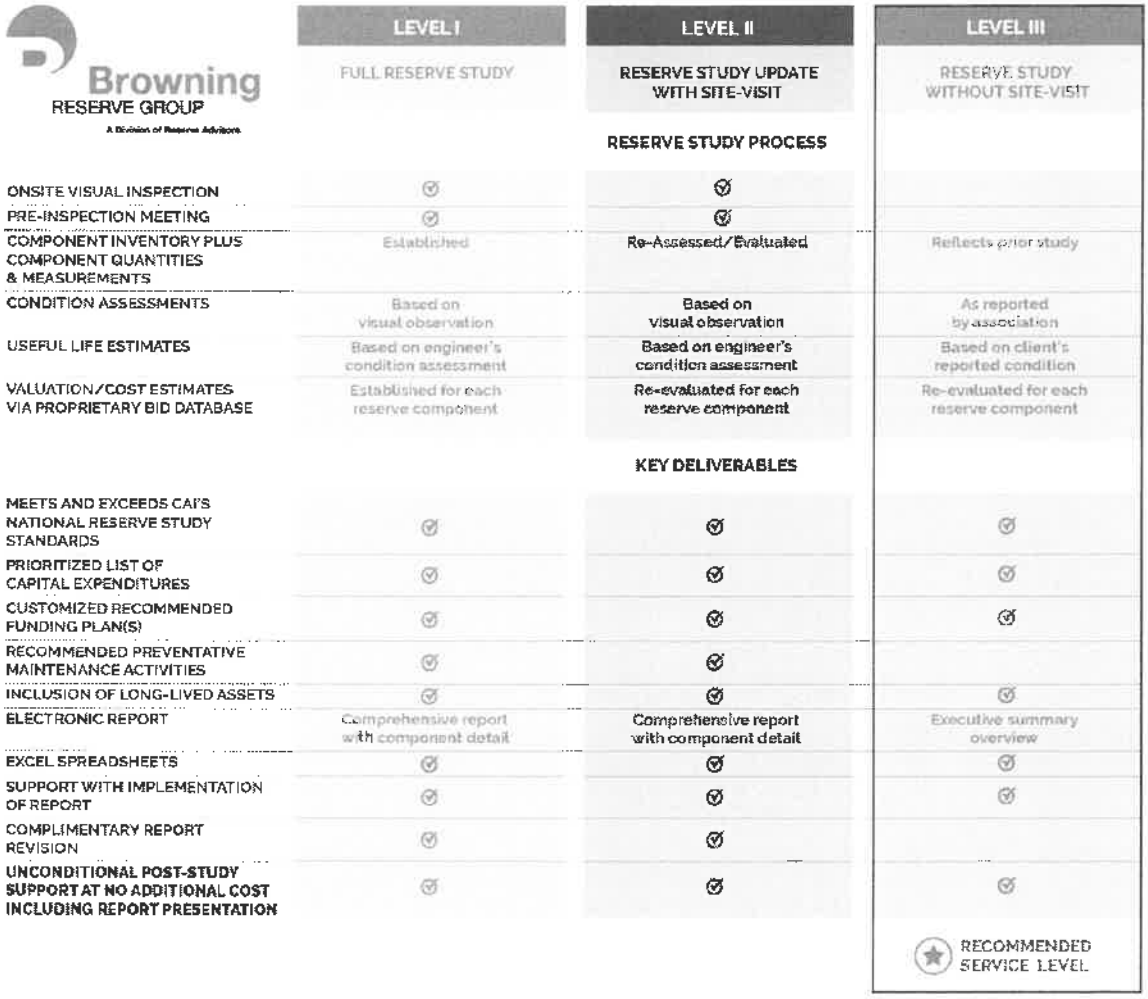








Level III Full Reserve Study



Browning RESERVE GROUP	LEVEL I	LEVEL II	LEVEL III
	FULL RESERVE STUDY	RESERVE STUDY UPDATE WITH SITE-VISIT	RESERVE STUDY WITHOUT SITE-VISIT
RESERVE STUDY PROCESS			
ONSITE VISUAL INSPECTION	✓	✓	
PRE-INSPECTION MEETING	✓	✓	
COMPONENT INVENTORY PLUS COMPONENT QUANTITIES & MEASUREMENTS	Established	Re-Assessed/Evaluated	Reflects prior study
CONDITION ASSESSMENTS	Based on visual observation	Based on visual observation	As reported by association
USEFUL LIFE ESTIMATES	Based on engineer's condition assessment	Based on engineer's condition assessment	Based on client's reported condition
VALUATION/COST ESTIMATES VIA PROPRIETARY BID DATABASE	Established for each reserve component	Re-evaluated for each reserve component	Re-evaluated for each reserve component
KEY DELIVERABLES			
MEETS AND EXCEEDS CAI'S NATIONAL RESERVE STUDY STANDARDS	✓	✓	✓
PRIORITIZED LIST OF CAPITAL EXPENDITURES	✓	✓	✓
CUSTOMIZED RECOMMENDED FUNDING PLAN(S)	✓	✓	✓
RECOMMENDED PREVENTATIVE MAINTENANCE ACTIVITIES	✓	✓	
INCLUSION OF LONG-LIVED ASSETS	✓	✓	✓
ELECTRONIC REPORT	Comprehensive report with component detail	Comprehensive report with component detail	Executive summary overview
EXCEL SPREADSHEETS	✓	✓	✓
SUPPORT WITH IMPLEMENTATION OF REPORT	✓	✓	✓
COMPLIMENTARY REPORT REVISION	✓	✓	
UNCONDITIONAL POST-STUDY SUPPORT AT NO ADDITIONAL COST INCLUDING REPORT PRESENTATION	✓	✓	✓
			RECOMMENDED SERVICE LEVEL

We are proposing a Level III Reserve Study Update without Site Visit. With consideration of the limited time that has elapsed since our last study and the capital projects undertaken since our on-site visit, a site inspection is not necessary to update your schedule of expenditures and recommended funding plan. This service is the most cost effective way to take into account current economic conditions and prevailing costs. It ensures that your association is well-prepared for upcoming major projects and that funding remains on track long-term.

Reserve Study Program

Browning Reserve Group will perform a Level III Reserve Study in accordance with Community Associations Institute (CAI) National Reserve Study Standards. Your reserve study is comprised of the following:

Physical Analysis: A Level III Reserve Study Update Without Site-Visit does not include a physical inspection or visit to your property. The component inventory and related quantities reflects your prior study and condition assessments and useful life estimates will be based on the conditions you report to us as part of the update.

Financial Analysis: The reserve study consultant will identify the current reserve fund status in terms of cash value and prepare a customized funding plan. The funding plan outlines recommended annual reserve contributions to offset the future cost of capital projects over the next 30 years.

Key Elements of Your Reserve Study

Browning Reserve Group's exclusive tools allow you to make informed decisions to maintain your association's long-term physical and financial health.



Reserve Expenditures
View your community's entire schedule of prioritized expenditures for the next 30 years on one easy-to-read spreadsheet.



Funding Plan
Establishes the most stable and equitable recommended annual reserve contributions necessary to meet your future project needs.



Reserve Funding Graph
Highlights your community's current financial health and provides visibility to your projected cash flow over the next 30 years.



Component Specific Details
Including photographic documentation of conditions and project specific best practices outlining the scope of future projects.

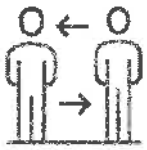
For Confidence in All Decisions



Personalized Experience Guarantee

As your trusted advisor, we are committed to providing clarity on the true cost of property ownership through a comprehensive capital planning solution and unmatched advisory services. If the experience we provide fails to live up to your expectations, contact us at any time for a refund.

Your property is your biggest investment. **Here's why we're the right partner to protect it.**



Full Engagement

It's our job to understand your specific concerns and to discuss your priorities in order to ensure your experience exceeds expectations.



Detailed Understanding

We will do whatever it takes to ensure you have complete confidence in interpreting and putting into practice our findings and recommendations.



Ongoing Support

Unlike other firms, we provide current and future boards with additional insight, availability to answer questions and guidance well beyond report delivery.

> This year, I had the pleasure of working with BRG updating many of my community studies. On two occasions, BRG did such a great job focusing on a few changes. I just wanted to let you know I am very happy with your service and professionalism.
>
> **Stan Stray | Community Manager**

The Time to Protect Your Property's Long-Term Health is Now

This proposal, dated 9/21/2026, for a Reserve Study, is valid for 90 days.

To Start Your Property Wellness Reserve Study Program Today:

1. Select the service options below to confirm scope of engagement

Name	Price
Reserve Study Update Without Site Visit (Level III)	$ 1,950.00
Your Reserve Study Includes: • **Pre-project Collaboration:** Meeting with management and the board on community priorities and goals. • **Unlimited Virtual Support:** Free Study Presentation after report delivery. Available for the lifetime of your community. • **Revision Period:** One revision free of charge within 6 months of the first draft. Requests must be made prior to the start of the Fiscal year for which the Reserve Study was created. • **Dedicated Expertise:** Your community is supported by a full-time Browning Reserve Group Consultant, backed by our quality assurance team to ensure accuracy and peace of mind. • We provide ongoing, tailored support - at no additional cost. We'll meet with you to walk through your study, explain key recommendations, and answer any questions, ensuring you have the knowledge and confidence to make informed decisions for your community's long-term success.	
BRG SureStart™	
☐ Check here to enroll in SureStart™ Streamline next year's reserve study update. There is no contractual obligation to proceed — you'll simply receive an email reminder, and your response is all we will need to get started. **No contracts. No paperwork. No delays.**	$ 0.00
Total	**$ 1,950.00**

2. Sign below

Signature: _____ Title: CEO

Name: Scott Somers Date: 9/28/26

For: Green Valley Recreation Inc Ref: 927178

3. Pay 50% retainer. An invoice will be

Mailing Address
Reserve Advisors, LLC

ACH
Send Remittances to 'accounting@reserveadvisors.com' at time of payment

emailed to you upon project authorization.

PO Box 88955

Milwaukee, WI 53288-8926

Checking Account Number: 151391168
Routing Number: 075905787
Financial Institution: First Business Bank
17335 Golf Parkway, Suite 150 | Brookfield, WI 53045

You will receive your electronic report approximately four (4) weeks after our inspection, based on timely receipt of all necessary information from you. Authorization to inspection time varies depending on demand for our services. This proposal, dated 9/21/2026, is valid for 90 days, and may be executed and delivered by facsimile, portable document format (.pdf) or other electronic signature pages, and in any number of counterparts, which taken together shall be deemed one and the same instrument. One complimentary hard copy report is available upon request.

Professional Service Conditions

Our Services - Reserve Advisors ("RA" or "us" or "we" or "BRG") performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our reserve study is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan, to create reserves for anticipated future replacement expenditures of the subject property.

BRG's inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. BRG inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. The reserve report (including any subsequent revisions thereto pursuant to the terms hereof, collectively, the "Report") are based upon a "snapshot in time" at the moment of inspection. BRG may note visible physical defects in the Report. The inspection is made by employees generally familiar with real estate and building construction. Except to the extent readily apparent to BRG, BRG cannot and shall not opine on the structural integrity of or other physical defects in the property under any circumstances. Without limitation to the foregoing, BRG cannot and shall not opine on, nor is BRG responsible for, the property's conformity to specific governmental code requirements for fire, building, earthquake, occupancy or otherwise.

BRG is not responsible for conditions that have changed between the time of inspection and the issuance of the Report. BRG does not provide invasive testing on any systems, nor can BRG opine on any system components that are not easily accessible during the inspection. BRG does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, lead, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. BRG does not make any soil analysis or geological study as part of its services, nor does BRG investigate vapor, water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions, and BRG assumes no responsibility for any such conditions. The Report contains opinions of estimated replacement costs or deferred maintenance expenses and remaining useful lives, which are neither a guarantee of the actual costs or expenses of replacement or deferred maintenance nor a guarantee of remaining useful lives of any property element.

Indemnification & Disclaimer

BRG assumes, without independent verification, the accuracy of all data provided to it. Except to the extent resulting from BRG's willful misconduct in connection with the performance of its obligations under this agreement, you agree to indemnify, defend, and hold BRG and its affiliates, officers, managers, employees, agents, successors and assigns (each, an "BRG Party") harmless from and against (and promptly reimburse each BRG Party for) any and all losses, claims, actions, demands, judgments, orders, damages, expenses or liabilities, including, without limitation, reasonable attorneys' fees, asserted against or to which any BRG Party may become subject in connection with this engagement, including, without limitation, as a result of any false, misleading or incomplete information which BRG relied upon that was supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties

Indemnification & Disclaimer - Continued

under your control or direction or to whom you provided the Report. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, THE AGGREGATE LIABILITY (IF ANY) OF BRG WITH RESPECT TO THIS AGREEMENT AND BRG'S OBLIGATIONS HEREUNDER IS LIMITED TO THE AMOUNT OF THE FEES ACTUALLY RECEIVED BY BRG FROM YOU FOR THE SERVICES AND REPORT PERFORMED BY BRG UNDER THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. YOUR REMEDIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE YOUR SOLE REMEDIES FOR ANY FAILURE OF BRG TO COMPLY WITH ITS OBLIGATIONS HEREUNDER OR OTHERWISE. BRG SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS AND LOST SAVINGS, LOSS OF USE OR INTERRUPTION OF BUSINESS, HOWEVER CAUSED, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY, STRICT LIABILITY OR OTHERWISE, EVEN IF BRG HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL BRG BE LIABLE FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES. BRG DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED OR OF ANY NATURE, WITH REGARD TO THE SERVICES AND THE REPORT, INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Compensation

BRG will provide the services outlined in this proposed contract. The retainer payment is due upon execution of this agreement and prior to the inspection by BRG, and any balance is due net 30 days from the Report shipment date. Any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Unless this agreement is earlier terminated by BRG in the event you breach or otherwise fail to comply with your obligations under this agreement, BRG's obligations under this agreement shall commence on the date you execute and deliver this agreement and terminate on the date that is 6 months from the date of delivery of the Report by BRG. Notwithstanding anything herein to the contrary, each provision that by its context and nature should survive the expiration or early termination of this agreement shall so survive, including, without limitation, any provisions with respect to payment, intellectual property rights, limitations of liability and governing law.

Deliverables

It is anticipated it will take 60 days from the receipt of this accepted proposal, including checklist items, to deliver the first draft to the Board of Directors.

BRG will provide a reasonable quantity of report drafts, options, and "what if" scenarios at no additional cost during the client's current fiscal year. A "Final" reserve study will be provided, when requested, at no additional cost. All full reserve study reports will be delivered as electronic PDF documents. Hardcopy reports are available for an additional $0.12 per page plus postage.

Attorneys' Fees and Costs

In the event a dispute arises under, or is related to, this contract and whether or not a lawsuit is filed or commenced, the prevailing party shall be entitled to all fees and costs, including attorneys' fees, incurred to enforce the terms of this contract.

Insurance

BRG shall procure and maintain, at its cost and expense, the following insurance policies: Commercial General Liability Insurance; Workman's Compensation Insurance; Automobile Liability Insurance; and Errors and Omission Insurance. Proof of the preceding insurance coverage will be provided to the Association's Board of Directors upon request by the Association to BRG.

Miscellaneous

Neither party shall be liable for any failures or delays in performance due to fire, flood, strike or other labor difficulty, act of God, act of any governmental authority, riot, embargo, fuel or energy shortage, pandemic, wrecks or delays in transportation, or due to any other cause beyond such party's reasonable control; provided, however, that you shall not be relieved from your obligations to make any payment(s) to BRG as and when due hereunder. In the event of a delay in performance due to any such cause, the time for completion or date of delivery will be extended by a period of time reasonably necessary to overcome the effect of such delay. You may not assign or otherwise transfer this agreement, in whole or in part, without the prior written consent of BRG. BRG may freely assign or otherwise transfer this agreement, in whole or in part, without your prior consent. This agreement shall be governed by the laws of the State of Wisconsin without regard to any principles of conflicts of law that would apply the laws of another jurisdiction. Any dispute with respect to this agreement shall be exclusively venued in Milwaukee County Circuit Court or in the United States District Court for the Eastern District of Wisconsin. Each party hereto agrees and hereby waives the right to a trial by jury in any action, proceeding or claim brought by or on behalf of the parties hereto with respect to any matter related to this agreement. BRG reserves the right to limit or decline refunds in our sole discretion. Refunds vary based on the applicable facts and circumstances.