

The accompanying pages are the Financial Reports for August 31, 2017. The four statements are:

### **Statement of Financial Position.**

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

### **Statement of Activities**

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

### **Statement of Changes in Net Assets**

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

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

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

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

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

### **Investment Portfolios**

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

Green Valley Recreation, Inc.  
**Statement of Financial Position**



As of Date: August 31, 2017 and December 31, 2016

|                                     | <u>August 31,</u><br><u>2017</u> | <u>December 31,</u><br><u>2016</u> |
|-------------------------------------|----------------------------------|------------------------------------|
| <b>ASSETS</b>                       |                                  |                                    |
| <b>Current Assets</b>               |                                  |                                    |
| Cash/Cash Equivalents               | \$ 980,441                       | 3,391,664                          |
| Accounts Receivable                 | 174,439                          | 101,599                            |
| Prepaid Expenses                    | 236,096                          | 155,699                            |
| Edward Jones Investments (@ Market) | 11,179,192                       | 8,155,208                          |
| <b>Total Current Assets</b>         | <b><u>12,570,168</u></b>         | <b><u>11,804,170</u></b>           |
| <b>Fixed Assets</b>                 |                                  |                                    |
| Contributed Fixed Assets            | 17,593,785                       | 17,593,785                         |
| Purchased fixed Assets              | 17,278,153                       | 16,346,148                         |
| Sub-Total                           | <u>34,871,937</u>                | <u>33,939,933</u>                  |
| Less - Accumulated Depreciation     | (18,472,900)                     | (17,591,625)                       |
| <b>Net Fixed Assets</b>             | <b><u>16,399,037</u></b>         | <b><u>16,348,308</u></b>           |
| <b>Total Assets</b>                 | <b><u>28,969,205</u></b>         | <b><u>28,152,478</u></b>           |
| <b>LIABILITIES</b>                  |                                  |                                    |
| <b>Current Liabilities</b>          |                                  |                                    |
| Accounts Payable                    | 242,469                          | 298,985                            |
| Deferred Dues & Fees                | 2,183,862                        | 2,818,640                          |
| Deferred Programs                   | 124,804                          | 287,896                            |
| <b>Total Current Liabilities</b>    | <b><u>2,551,135</u></b>          | <b><u>3,405,521</u></b>            |
| <b>TOTAL NET ASSETS</b>             | <b><u>\$26,418,070</u></b>       | <b><u>24,746,957</u></b>           |
| <b>NET ASSETS</b>                   |                                  |                                    |
| Temporarily Restricted:             |                                  |                                    |
| Board Designated:                   |                                  |                                    |
| Emergency                           | \$ 882,069                       | 814,203                            |
| Maint - Repair - Replacement        | 5,815,361                        | 4,984,427                          |
| Initiatives                         | 1,541,485                        | 1,933,302                          |
| Sub-Total                           | <u>8,238,914</u>                 | <u>7,731,931</u>                   |
| Unrestricted Net Assets             | <u>18,179,156</u>                | <u>17,015,026</u>                  |
| <b>TOTAL NET ASSETS</b>             | <b><u>\$26,418,070</u></b>       | <b><u>24,746,957</u></b>           |



GREEN VALLEY RECREATION, INC.

## Statement of Activities Current Year - January to August 31, 2017

|   | Year-to-Date<br>Actual | Year-to-Date<br>Budget | Year-to-Date<br>Variance | Fiscal Year<br>Budget | Remaining<br>FY Budget |
|---|------------------------|------------------------|--------------------------|-----------------------|------------------------|
| <b>Revenue</b>                                |                        |                        |                          |                       |                        |
| Member Dues                                   | 4,373,787              | 4,361,768              | 12,019                   | 6,541,680             | 2,167,893              |
| Life Care, Transfer, Tenant & Add'l Card Fees | 541,727                | 447,720                | 94,007                   | 671,580               | 129,853                |
| Capital Revenue                               | 1,748,772              | 1,421,088              | 327,684                  | 2,130,632             | 381,860                |
| Programs                                      | 240,335                | 217,734                | 22,601                   | 341,401               | 101,066                |
| Instructional                                 | 281,207                | 256,605                | 24,602                   | 352,165               | 70,958                 |
| Recreation Income                             | 521,542                | 474,339                | 47,203                   | 693,566               | 172,024                |
| Advertising Income                            | 39,425                 | 32,000                 | 7,425                    | 48,000                | 8,575                  |
| Communication                                 | 41,015                 | 27,252                 | 13,763                   | 54,504                | 13,489                 |
| Communication Income                          | 80,439                 | 59,252                 | 21,187                   | 102,504               | 22,065                 |
| Investment Income                             | 189,466                | 143,400                | 46,066                   | 215,100               | 25,634                 |
| Other Income                                  | 18,083                 | 17,000                 | 1,083                    | 24,000                | 5,917                  |
| Facility Rent                                 | 8,743                  | 13,800                 | (5,058)                  | 21,000                | 12,258                 |
| Marketing Events                              | 275                    | -                      | 275                      | -                     | (275)                  |
| Other Income                                  | 27,101                 | 30,800                 | (3,699)                  | 45,000                | 17,899                 |
| <b>Total Revenue</b>                          | <b>7,482,835</b>       | <b>6,938,367</b>       | <b>544,468</b>           | <b>10,400,062</b>     | <b>2,917,227</b>       |
| <b>Expenses</b>                               |                        |                        |                          |                       |                        |
| Major Projects-Repair & Maintenance           | 196,967                | 402,557                | 205,590                  | 459,252               | 262,285                |
| Facility Maintenance                          | 152,473                | 408,546                | 256,073                  | 562,134               | 409,661                |
| Fees & Assessments                            | 12,018                 | 47,650                 | 35,632                   | 75,150                | 63,132                 |
| Utilities                                     | 613,564                | 720,456                | 106,892                  | 1,080,684             | 467,120                |
| Depreciation                                  | 881,276                | 892,000                | 10,724                   | 1,338,000             | 456,724                |
| Furniture & Equipment                         | 119,049                | 123,241                | 4,192                    | 143,049               | 24,000                 |
| Vehicles                                      | 48,005                 | 50,000                 | 1,995                    | 75,000                | 26,995                 |
| Facilities & Equipment                        | 2,023,351              | 2,644,450              | 621,099                  | 3,733,269             | 1,709,918              |
| Wages, Benefits, Payroll Expenses             | 2,864,835              | 2,970,748              | 105,913                  | 4,560,134             | 1,695,299              |
| Conferences & Training                        | 23,417                 | 50,380                 | 26,963                   | 79,053                | 55,636                 |
| Personnel                                     | 2,888,252              | 3,021,128              | 132,876                  | 4,639,187             | 1,750,935              |
| Food & Catering                               | 24,342                 | 33,933                 | 9,592                    | 52,500                | 28,158                 |
| Recreation Contracts                          | 414,930                | 484,684                | 69,754                   | 688,429               | 273,499                |
| Bank & Credit Card Fees                       | 71,905                 | 38,336                 | (33,569)                 | 81,004                | 9,099                  |
| Program                                       | 511,177                | 556,953                | 45,777                   | 821,933               | 310,756                |
| Communications                                | 59,862                 | 5,656                  | (54,206)                 | 96,280                | 36,418                 |
| Printing                                      | 26,968                 | 40,710                 | 13,742                   | 68,990                | 42,022                 |
| Advertising                                   | 3,508                  | 10,000                 | 6,492                    | 15,000                | 11,492                 |
| Communications                                | 90,339                 | 56,366                 | (33,973)                 | 180,270               | 89,931                 |
| Supplies                                      | 193,874                | 252,218                | 58,344                   | 375,325               | 181,451                |
| Postage                                       | 9,352                  | 12,160                 | 2,808                    | 38,240                | 28,888                 |
| Dues & Subscriptions                          | 7,687                  | 6,700                  | (987)                    | 9,200                 | 1,513                  |
| Travel & Entertainment                        | 18,316                 | 11,500                 | (6,816)                  | 24,000                | 5,684                  |
| Other Operating Expense                       | 28,552                 | 49,812                 | 21,260                   | 77,854                | 49,302                 |
| Operations                                    | 257,781                | 332,390                | 74,610                   | 524,619               | 266,839                |
| Information Technology                        | 21,633                 | 127,350                | 106,257                  | 134,750               | 113,117                |
| Professional Fees                             | 96,315                 | 190,503                | 94,188                   | 285,504               | 189,189                |
| Commercial Insurance                          | 129,062                | 133,600                | 4,538                    | 200,400               | 71,338                 |
| Taxes   | -                      | 5,000                  | 5,000                    | 14,700                | 14,700                 |
| Provision for Bad Debt                        | 48,530                 | 16,000                 | (32,530)                 | 24,000                | (24,530)               |
| Corporate Expenses                            | 295,539                | 472,453                | 177,453                  | 659,354               | 363,815                |
| Expenses                                      | 6,066,438              | 7,083,740              | 1,017,841                | 10,558,632            | 4,492,194              |
| Net surplus (Deficit)                         | 1,416,397              | (145,373)              | 1,562,309                | (158,570)             | (1,574,967)            |
| Unrealized Gain/Loss on Investment            | 254,717                | (4,000)                | 258,717                  | (4,000)               | 258,717                |
| Net change in Net Assets-GVR                  | 1,671,114              | (149,373)              | 1,821,026                | (162,570)             | (1,833,684)            |



**GREEN VALLEY RECREATION, INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**As of Date: August 31, 2017 and December 31, 2016**

|  | <b>Totals</b>       | <b>Unrestricted</b> | <b>Emergency Reserve Fund</b> | <b>Maint - Repair - Replace Reserve Fund</b> | <b>Initiatives Reserve Fund</b> |
|--|---------------------|---------------------|-------------------------------|--|---------------------------------|
| <b>Net change in net assets-GVR</b>          | \$ 1,671,114        | 1,671,114           |                               |  |                                 |
| Transfers between unrestricted and reserves: |                     |                     |                               |  |                                 |
| Reserve Study Allocation                     | -                   | (609,600)           |                               | 609,600                                      |                                 |
| Principal Transfers                          |                     | (34,764)            |                               |  | 34,764                          |
| Allocations of Net Change components:        |                     |                     |                               |  |                                 |
| Investment income                            | -                   | (111,165)           | 6,204                         | 71,778                                       | 33,183                          |
| Investment Expenses                          | -                   | 502,829             | (3,872)                       | (4,291)                                      | (494,665)                       |
| Unrealized Gains (Losses) on Market          | -                   | (254,283)           | 65,534                        | 153,847                                      | 34,903                          |
| Repairs and replacements                     | -                   | -                   |                               |  |                                 |
| <b>Net change to August 31, 2017</b>         | <b>1,671,114</b>    | <b>1,164,130</b>    | <b>67,866</b>                 | <b>830,934</b>                               | <b>(391,816)</b>                |
| NET ASSETS, December 31, 2016                | 24,746,957          | 16,814,509          | 789,899                       | 5,137,266                                    | 2,005,283                       |
| Allocation of Unrealized @ 12/31/16          | -                   | 200,517             | 24,304                        | (152,839)                                    | (71,981.45)                     |
| Adjusted NET ASSETS, December 31, 2016       | 24,746,957          | 17,015,025          | 814,203                       | 4,984,427                                    | 1,933,302                       |
| <b>Net Assets as at August 31, 2017</b>      | <b>\$26,418,070</b> | <b>18,179,155</b>   | <b>882,068</b>                | <b>5,815,361</b>                             | <b>1,541,485</b>                |

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



|   | <b>Totals</b>        | <b>Unrestricted</b> | <b>Emergency<br/>Reserve Fund</b> | <b>Maint -<br/>Repair -<br/>Replace<br/>Reserve Fund</b> | <b>Initiatives<br/>Reserve<br/>Fund</b> |
|---|----------------------|---------------------|-----------------------------------|--|---|
| <b>Balance December 31, 2016 (at Market)</b>    | \$ 8,155,208         | 349,409             | 828,800                           | 4,956,623  | 2,020,377                               |
| <b>Changes since January 1, 2017:</b>           |                      |                     |                                   |  |   |
| Principal additions                             | 4,109,600            | 3,465,236           | -                                 | 609,600  | 34,764                                  |
| Rebalance Transactions                          | -                    | 73,868              | (14,597)                          | 27,805   | (87,076)                                |
| Investment income                               | 121,016              | 9,851               | 6,204                             | 71,778   | 33,183                                  |
| Withdrawals                                     | (1,461,349)          | (958,520)           | (3,872)                           | (4,291)  | (494,665)                               |
| <b>Net Change for 8 Months</b>                  | <b>2,769,267</b>     | <b>2,590,435</b>    | <b>(12,265)</b>                   | <b>704,892</b>   | <b>(513,795)</b>                        |
| <b>2017</b>                                     | <b>10,924,475</b>    | <b>2,939,844</b>    | <b>816,534</b>                    | <b>5,661,514</b>   | <b>1,506,583</b>                        |
| <b>8 month Change in Unrealized Gain (Loss)</b> | <b>254,717</b>       | <b>433</b>          | <b>65,534</b>                     | <b>153,847</b>   | <b>34,903</b>                           |
| <b>Balance at August 31, 2017 (at Market)</b>   | <b>\$ 11,179,192</b> | <b>2,940,277</b>    | <b>882,068</b>                    | <b>5,815,361</b>   | <b>1,541,485</b>                        |