



A regular meeting of the GREEN VALLEY RECREATION, INC. BOARD OF DIRECTORS held Tuesday, June 26, 2018 at East Center, the President being in the chair and the Secretary being present.

Directors Present: Carol Crothers (President), Donna Coon (Vice-President), Roger Myers (Treasurer), Nina Campfield, Sandra Thornton, Gail Vanderhoof, Kent Blumenthal (CEO)

Directors Present Electronically: Lynne Chalmers, Tom Sadowski, Charles Sieck, Denise Nichols, Carol Lambert

Directors Absent: Tim Stewart

Staff: Jen Morningstar (Executive Office Manager), George Rushing II (Recreation Director), Karen Miars (Administrative Assistant), Randy Cheatham (IT Director), Payton Snider (System Administrator), Conal Ward (IT Technician / Webmaster)

Visitors: 82

I. Call to Order / Establish Quorum

President Crothers called the meeting to order at 1:32pm MST.
Roll call by Vice President Coon; Quorum established.

II. Adopt Agenda

MOTION: Vanderhoof / Seconded. Adopt Agenda as amended.
Passed: unanimous

III. Approve Minutes

MOTION: Vanderhoof / Seconded. Approve minutes as amended.
Passed: 11 yes / 1 abstain (Nichols)

IV. President's Report

First, I want to bring you up to date on board member Tim Stewart. Word travels fast in our small town so I'm sure most of you know that Tim had a very serious biking accident about two weeks ago in northern Michigan. He spent about a week in the hospital and now he is home recuperating. (I'd hoped he would be able to join us today - our thoughts and prayers are with him).

Your board had two planning sessions this spring and identified two major goals: improved communications and creating a new 5-year strategy. Communications objectives were broken down into 4 areas: communication to and from our members, communication within the board, communication between committees and communication with our CEO.

A key objective that supports most of these areas is getting timely agendas and meeting notes up on our GVR website. We are making progress and our timeliness should improve as we get additional administrative support.

Our board has lots of good ideas including holding informal member forums, posting FAQ's on our website and providing printed eBlast materials for those who don't have access to the internet. We want to integrate our ideas with the input from our member survey.

A team of directors is working on recommendations for responses to member emails. All board members receive every email that is addressed to the board. board@gvrec.org.

Emails expressing an opinion are acknowledged and forwarded on to the board. Emails to be handled by the staff are forwarded on for an answer. Some emails deal with issues that are being investigated by the various committees. These might be forwarded on to the committee chair or answered with the suggestion that the member attend the committee meetings. A few might require a policy decision. Those will be considered by the board and an answer will be provided to the individual or the general membership as is appropriate. Our board Secretary will be the point person on this.

I'd like to address board training. Last year's board decided there could be better ways to conduct board training and orientation. We have tried a number of things like holding a training session with potential candidates before they were elected. This covered board member expectations, how our committee system works, our governing documents, and the Carver policy governance model. After the election we heard from our CEO on the state of GVR and had two sessions with our attorney to understand our legal responsibilities. We agreed to space additional training out through the year. For example, earlier this month we spent 4 hours touring our facilities and getting a solid orientation on capital projects including those in the 3-5 year plan. We are not completely happy with our training approach, so the Nominations and Elections committee is busy working on improvements.

The heart of our business takes place in our committees. I've asked each of our committee chairs to give you an update on our progress and key items they are working on.

V. CEO Report

I will briefly address two items in my CEO report to the Board.

- GVR operations, programs and services, activities and progress since the last regular session of the Board held on May 24.
 - Provide a quick tour of expanded GVR communications via the GVR website and eBlast, provided by Executive Office Manager, Jen Morningstar and IT Specialist, Payton Snyder.
1. Solar Panel Installation Project - as you are aware, the board will today consider accepting terms of agreement that will lead to installation of solar panels on either rooftops or as carports at 10 GVR sites. Special thanks to director Nina Campfield for her leadership over the past year to move this significant initiative forward.

2. Update on Architectural & Engineering Projects - VP and chair of the P&E Committee, Donna Coon will provide a status report of several outstanding architectural and engineering activities involving WSM Architects, including design and engineering for the 24 Court Pickleball Ctr.
3. Summer 2018 Reserve Study Projects - staff have initiated work on approximately \$1.4 million worth of repair and maintenance activities. The work is ongoing. Look to eBlasts for an update on specific projects.
4. Reserve Study Updates - GVR Facilities staff have completed their review of all of our centers and other facilities and this week has submitted to the consultant Browning Group updates for the next edition of the GVR reserve study.
5. 2019 Budget Worksheets - The GVR accounting department has provided department heads and supervisors with budget worksheets to begin cobbling together an operating budget for FY 2019. Staff is working closely with the Fiscal Affairs Committee in this regard. The target date for submission of a Fiscal Affairs-approved proposed budget to the GVR Board is at the September 25, 2018 Board meeting.
6. Transition to New GVR Member Database System - work on the new member database system is progressing. We hope to complete a transition to the new database system by the end of the year.
7. GVR Now! Newsletter - we are able to reduce production costs for our monthly newsletter by completing virtually all design in-house, which not only reduces expenses but shortens the production schedule for each issue. Also, GVR has received permission from several commercial and retail outlets in Green Valley to offer our newsletter to their patrons. Newspaper-type stands are expected to be in place at Continental shopping Center and other retail sites by the end of July.
8. Facility Reservations - staff has addressed HOA issues pertaining to facility space reservations. A focus group of representatives from five GVR-member HOAs provided assistance in improving reservation procedures for recurring HOA meetings. Staff expects to present to the GVR Board updated facility space reservation guidelines for consideration in fall, 2018.
9. GVR Performing Arts - the schedule for the 2018-2019 GVR Performing Arts Season has been set and the new Performing Arts booklet is in production.
10. GVR Continuing Education Classes - the catalog for GVR fall 2018 classes has been compiled and is in production.
11. Paws in the Pool III - Friday, July 13 will host the third annual Paws in the Pool event at East Center beginning at 7 AM. For the third year in a row, GVR is taking advantage of the need to close and drain one of its pools for maintenance and repair. This affords us the opportunity to have some fun with the local pups the day before the pool is drained. All are welcome,

whether you have a pup or not! The event is hysterical! A \$5 donation per person or per pup is appreciated.

12. Post-GVR Board Meeting eBlasts –During a recent Board work session, there was consensus among Directors to send post-Board meeting information to members via eBlast on the Friday following regular Board meetings held on a Tuesday.

VI. New Business

1. Solar Gain Contract

MOTION: Campfield / Seconded. Approve terms of the Solar Services Agreement with Solaris Energy as described in the Solar Services Agreement Overview; further, authorize President Crothers to execute the formal Agreement with Solaris Energy.

Passed: unanimous

2. Appointment of Audit Committee Chair

MOTION: Crothers / Seconded. I recommend that the board approve the appointment of Charlie Sieck as Chairman of the Audit committee. He will appoint Ted as a committee member and look for one or two additional committee members.

Passed: 8 yes / 2 no (Campfield, Lambert) / 1 abstain (Sieck)

3. CPM Update: Life Care Membership

MOTION: Vanderhoof / Seconded. Amend the CPM as follows to remove the conflict:

SECTION II – MEMBERSHIP

SUBSECTION 2. GENERAL

C. Life Care Privilege

7. Life Care Users are subject to the following:

- a) May not serve on the Board of Directors or be a member of a Committee of the Board.
- b) May not vote for any ~~governance~~ membership issues.
- c) ~~Life Care Users may purchase guest cards following the same guidelines established for guests of any GVR Member.~~

MOTION TO AMEND: Myers / Seconded. Leave paragraph S-II SS-2 C. 7. c) intact in the Corporate Policy Manual

Passed: unanimous

Amended Motion passed: unanimous

SECTION II – MEMBERSHIP

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VII. Committee Reports

- A. **Board Affairs** – Chair Vanderhoof gave a brief update on the recent activities of BA Committee.
- B. **Fiscal Affairs** – Chair Myers gave an update on 2019 budget development
- C. **Nominations & Elections** – Nichols reported on recent actions of the committee.
- D. **Planning & Evaluation** – Chair Coon gave a report on the proceedings of P&E Committee
- E. **Survey Ad Hoc** – Lambert & Thornton presented updates on their various sub-committees
- F. **Investments Ad Hoc** – Chair Sadowski gave an update on the workings of the Investment Committee

VIII. Member Comments: 6

IX. Adjournment

**MOTION: Campfield / Seconded. Meeting Adjourned at 3:17pm MST.
Passed: unanimous**



Donna Coon
Vice President

Date

Jen Morningstar
Manager, Executive Office

Date



A special meeting of the GREEN VALLEY RECREATION, INC. BOARD OF DIRECTORS held Friday, August 10, 2018 at Santa Rita Springs Center, the Vice President being in the chair and the Secretary being present.

Directors Present: Donna Coon (Vice-President), Roger Myers (Treasurer), Nina Campfield, Carol Lambert (Assistant Secretary), Sandra Thornton, Gail Vanderhoof, Kent Blumenthal (CEO)

Directors Present Electronically: Carol Crothers (President), Lynne Chalmers, Denise Nichols (Secretary), Tom Sadowski (Assistant Treasurer), Charles Sieck, Tim Stewart

Staff: Jen Morningstar (Director of Administrative Services), Cheryl Moose (CFO), George Rushing II (Recreation Director), David Jund (Facilities Director), Karen Miars (Administrative Assistant), Randy Cheatham (IT Director), Payton Snider (System Administrator), Conal Ward (Webmaster, IT Technician)

Visitors: 85 (plus additional staff)

I. Call to Order / Establish Quorum

Vice President Coon called the meeting to order at 9:15am MST.
Roll call by Vice President Coon; Quorum established.

II. MOTION: Lambert / Seconded. I move the Board resolve itself into Committee of the Whole
Passed: 9 yes / 2 No (Sadowski, Sieck)

III. Recess Committee of the Whole (by acclimation)

Director Roger Myers joined the meeting

IV. Release of legal opinion

MOTION: Campfield / Seconded. I move the Board of Directors direct the CEO to prepare a statement based on the July 26, 2018 legal opinion that defines the following: the rules and procedures to recall directors; rules and procedures to call a special meeting of members; and determination of who would chair such a meeting.

Further, direct the CEO distribute the statement as follows:

1. Provide to GVR Board;
2. Provide to GVR Member who originally requested the information;
3. Provide to general GVR Membership; and
4. Provide to Board Affairs Committee for its recommendation on where to place the information within the Corporate Policy Manual

Call the question: Lambert / Seconded.

Passed: unanimous

Motion Passed: 8 yes / 3 no (Chalmers, Crothers, Sadowski) / 1 abstain (Sieck)

Director Tom Sadowski left the meeting

V. Reconvene in Committee of the Whole by acclamation

**VI. Motion: Lambert / Second Adjourn Committee of the Whole
By acclamation**

VII. GVR Board response to GVR Foundation Board correspondence of July 23, 2018

MOTION: Myers / Seconded. Move that President Crothers appoint an ad hoc committee of three (3) directors to accomplish the following:

- 1) Write a response to the July 23, 2018 letter received from the GVR Foundation based on the discussion and guidance of the 'Committee of the Whole' meeting, and present the proposed letter for Board approval via an email Unanimous Consent Resolution before the August 28, 2018 regular Board meeting.
- 2) Compile and provide an exhaustive, finite list of GVR Board/Member questions regarding the GVR Foundation to the GVR Board of Directors for approval.

MOTION TO AMEND: Campfield / Seconded. The ad hoc committee letter written in response to the July 23, 2018 letter received from the GVR Foundation will be presented for GVR Board approval via an email Unanimous Consent Resolution, or at the August 28, 2018 regular Board meeting, if not ready beforehand. Further, the ad hoc committee will make a 'good faith' effort to present a finite list of questions regarding the GVR Foundation at the regular GVR Board meeting on September 25, 2018, but no later than at the October 30, 2018 regular GVR Board meeting.

Motion: Vanderhoof / Seconded. Call the question

Passed: unanimous

Amendment: passed unanimous

MOTION TO AMEND: Chalmers / Seconded. I move this motion be split into two parts:

1. President Crothers appoint an ad-hoc committee of three directors to craft a response to the July 23 letter from GVR Foundation, present the letter for Board approval via Unanimous Consent or at the August 2018 meeting.
2. The ad hoc committee will make a 'good faith' effort to present a finite list of questions regarding the GVR Foundation at the regular GVR Board meeting on September 25, 2018, but no later than at the October 30, 2018 regular GVR Board meeting.

Failed: 1 yes (Chalmers) / 10 no

AMENDED MOTION: Move that President Crothers appoint an ad hoc committee of three (3) Directors to accomplish the following:

- 1) Prepare a response to the July 23, 2018 letter received from the GVR Foundation based on the discussion and guidance of the 'Committee of the Whole' meeting, and present the proposed letter for Board approval via an email Unanimous Consent Resolution before the

August 28, 2018 regular Board meeting or at the August 28, 2018 regular Board meeting, if not ready beforehand.

2) Compile and provide to the GVR Board of Directors an exhaustive, finite list of GVR Board/Member questions regarding the GVR Foundation for approval. Further, the ad hoc committee will make a 'good faith' effort to present the finite list of questions at the regular GVR Board meeting on September 25, 2018, but no later than at the October 30, 2018 regular GVR Board meeting.

Amended motion passed: 11 yes / 1 no (Chalmers)

Director Tim Stewart left the meeting

MOTION: Myers / Seconded. Do not print, publish or otherwise distribute the letter intended as a communication from the GVR Board President that was sent to the GVR Board on Thursday, August 9, 2018 written by President Carol Crothers entitled, "*President's comments for the eBlast and GVR Now*" that she intended to release in eBlast and *GVR Now!*

MOTION TO AMEND: Myers / Second. The letter written by President Crothers on August 9, 2018 shall not be published in any GVR publication or submitted to any other media outlet for publication as a communication from the GVR Board President.

Amendment passed: 5 yes / 4 no (Crothers, Sieck, Thornton, Vanderhoof)

AMENDED MOTION: The letter written by President Carol Crothers and sent to the GVR Board on Thursday, August 9, 2018 as a communication from the GVR Board President, entitled "*President's comments for the eBlast and GVR Now!*" for release in eBlast and *GVR Now!* shall not be published in any GVR publication or submitted to any other media outlet for publication.

Amended Motion passed: 5 yes / 3 no (Sieck, Thornton, Vanderhoof) / 1 abstain (Crothers)

VIII. Member Comments: 8

IX. Adjournment

MOTION: Lambert / Seconded. Meeting Adjourned at 11:58am MST.

Passed: unanimous

Denise Nichols Date
Secretary

Jen Morningstar Date
Director of Administrative Services

REPORT

GVR Board of Directors Committee of the Whole discussion and responses to GVR Foundation terms

August 10, 2018

1. Affirmation by vote of the GVR Board at an open board meeting that the list of questions submitted to the GVR Foundation is a finite list (e.g., will not be revised or changed once submitted). Each question will be read aloud at the open GVR Board meeting.
6 yes / 4 no (Chalmers, Crothers, Thornton, Vanderhoof) / 1 abstain (Sieck)
2. Attribute to its author each GVR Board question submitted to the GVR Foundation.
11 no
3. Questions posed to the GVR Foundation Board will refer only to legal or procedural matters. No individual opinions or items pertaining to personal matters will be considered.
5 yes (Campfield, Coon, Lambert, Myers, Stewart) / 6 no
4. A GVR Board officer other than the current GVR Board president will serve as liaison to the GVR Foundation Board on all matters pertaining to the submitted list of GVR Board questions and the GVR Foundation Board's response to same.
4 yes (Campfield, Coon, Lambert, Nichols) / 6 no / 1 abstain (Stewart)
5. The GVR Foundation Board and the GVR Board will jointly obtain independent legal counsel who is expert in nonprofit and foundation law to answer all legal-related questions submitted by the GVR Board.
6 yes / 5 no (Chalmers, Crothers, Myers, Thornton, Vanderhoof)
6. The GVR Board agrees to pay all legal fees associated with answering questions submitted by the GVR Board to the GVR Foundation.
6 yes / 5 no (Chalmers, Crothers, Sieck, Thornton, Vanderhoof)
7. The GVR Foundation will present answers to the list of questions submitted by the GVR Board at a regularly scheduled, open meeting of the GVR Board, whereby:
 - a. Notice of the GVR Foundation presentation will be given in advance to all GVR members and to the local Green Valley News newspaper;
7 yes / 4 no (Chalmers, Sieck, Thornton, Vanderhoof)
 - b. The GVR Foundation presentation to the GVR Board will be videotaped at GVR's expense and placed on the GVR and GVR Foundation websites;
5 yes (Campfield, Coon, Lambert, Myers, Stewart) / 6 no
 - c. The complete list of questions and answers will be published in GVR's eBlast and in the GVR Now! newsletter.
10 yes / 1 no (Chalmers)

The accompanying pages are the Financial Reports for June 30, 2018. 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: June 30, 2018 and December 31, 2017



	<u>June 30, 2018</u>	<u>December 31, 2017</u>
	Total	Total
ASSETS		
Cash/Cash Equivalents	\$ 422,041	4,539,157
Accounts Receivable	254,021	123,604
Edward Jones Investments (@ Market)	13,656,777	10,274,921
Prepaid Expenses	187,331	173,447
Property and Equipment:		
Contributed Fixed Assets	17,593,785	17,593,785
Purchased fixed Assets	18,530,197	17,939,723
Sub-Total	<u>36,123,982</u>	<u>35,533,507</u>
Less - Accumulated Depreciation	(19,546,861)	(18,846,580)
Property and Equipment - net	<u>16,577,120</u>	<u>16,686,927</u>
Total Assets	<u>31,097,290</u>	<u>31,798,057</u>
LIABILITIES		
Accounts Payable	172,939	409,923
Deferred Dues & Fees	3,305,737	4,230,453
Deferred Programs	69,430	329,352
Total Liabilities	<u>3,548,107</u>	<u>4,969,728</u>
TOTAL NET ASSETS	<u>\$27,549,183</u>	<u>26,828,329</u>
NET ASSETS		
Temporarily Restricted:		
Board Designated:		
Emergency	\$ 928,426	930,342
Maint - Repair - Replacement Initiatives	5,775,065	6,264,272
Unrestricted Net Assets	2,005,254	1,531,549
	<u>18,840,438</u>	<u>18,102,166</u>
TOTAL NET ASSETS	<u>\$27,549,183</u>	<u>26,828,329</u>

Statement of Activities
Current Year - January to June 30, 2018

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Fiscal Year Budget	Remaining FY Budget
Revenue					
Member Dues	3,314,287	3,336,378	(22,091)	6,672,756	3,358,469
Life Care, Transfer, Tenant & Add'l Card Fees	468,845	348,020	120,825	696,017	227,172
Capital Revenue	1,460,632	1,189,189	271,443	2,378,383	917,751
Programs	267,519	195,576	71,943	391,149	123,630
Instructional	247,100	215,729	31,371	431,450	184,350
Recreation Income	514,619	411,305	103,314	822,599	307,980
Advertising Income	39,782	37,500	2,282	75,000	35,218
Communication	23,199	28,500	(5,301)	57,000	33,801
Communication Income	62,981	66,000	(3,019)	132,000	69,019
Investment Income	159,676	139,996	19,680	280,000	120,324
Other Income	16,264	10,050	6,214	20,100	3,836
Facility Rent	11,669	11,504	165	23,000	11,331
Marketing Events	-	3,000	(3,000)	6,000	6,000
Other Income	27,933	24,554	3,379	49,100	21,167
Total Revenue	6,008,972	5,515,442	493,530	11,030,855	5,021,883
Expenses					
Major Projects-Repair & Maintenance	215,273	146,158	(69,115)	292,315	77,042
Facility Maintenance	114,672	257,185	142,513	514,370	399,698
Fees & Assessments	6,335	44,550	38,215	89,100	82,765
Utilities	520,961	574,060	53,100	1,148,121	627,160
Depreciation	700,281	623,000	(77,281)	1,246,000	545,719
Furniture & Equipment	133,619	120,912	(12,707)	241,824	108,205
Vehicles	29,341	40,002	10,661	80,004	50,663
Facilities & Equipment	1,720,482	1,805,867	85,385	3,611,734	1,891,252
Wages, Benefits, Payroll Expenses	2,298,618	2,412,904	114,286	4,825,808	2,527,190
Conferences & Training	28,467	43,500	15,033	87,000	58,533
Personnel	2,327,085	2,456,404	129,319	4,912,808	2,585,723
Food & Catering	22,068	25,550	3,482	51,100	29,032
Recreation Contracts	402,159	321,768	(80,391)	643,536	241,377
Bank & Credit Card Fees	59,821	52,500	(7,321)	105,000	45,179
Program	484,048	399,818	(84,230)	799,636	315,588
Communications	49,455	48,890	(565)	97,780	48,325
Printing	35,884	29,670	(6,214)	59,340	23,456
Advertising	3,734	7,500	3,766	15,000	11,266
Communications	89,074	86,060	(3,014)	172,120	83,046
Supplies	174,293	227,120	52,827	454,240	279,948
Postage	7,747	15,870	8,123	31,740	23,993
Dues & Subscriptions	6,387	3,050	(3,337)	6,100	(287)
Travel & Entertainment	907	9,720	8,813	19,440	18,532
Other Operating Expense	20,580	33,544	12,964	67,087	46,508
Operations	209,914	289,304	79,390	578,607	368,693
Information Technology	24,350	57,375	39,260	114,750	90,400
Professional Fees	126,728	151,750	25,022	303,500	176,772
Commercial Insurance	99,768	102,500	2,732	205,000	105,232
Taxes	54	7,350	7,296	14,700	14,646
Provision for Bad Debt	17,109	12,000	(5,109)	24,000	6,891
Corporate Expenses	268,010	330,975	69,200	661,950	393,940
Expenses	5,098,613	5,368,428	276,050	10,736,855	5,638,242
Net surplus (Deficit)	910,359	147,014	769,580	294,000	(616,360)
Unrealized Gain/Loss on Investment	(189,505)	-	(189,505)	-	(189,505)
Net change in Net Assets-GVR	720,854	147,014	580,075	294,000	(426,855)



GREEN VALLEY RECREATION, INC.
STATEMENT OF CHANGES IN NET ASSETS

As of Date: June 30, 2018 and December 31, 2017

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund
		Unrestricted	Fixed Assets			
Net change in Net Assets-GVR	\$ 720,854	720,854				
Transfers between unrestricted and reserves:						
Reserve Study Allocation	-	(470,001)			470,001	
Principal Transfers		888,626			(888,626)	-
Depreciation		700,281	(700,281)			
Purchase of Fixed Assets		(399,545)	399,545			
Transfer For Fixed Asset Purchase		(500,000)				500,000
Allocations of Net Change components:						
Investment income	-	(84,721)		8,836	58,230	17,655
Investment Expenses	-	3,609		(3,435)	(174)	-
Unrealized Gains (Losses) on Market	-	179,905		(7,317)	(128,638)	(43,951)
Repairs and replacements	-	-				
Net change to June 30, 2018	720,854	1,039,008	(300,736)	(1,916)	(489,206)	473,704
NET ASSETS, December 31, 2017	26,828,329	1,415,239	16,686,927	930,341	6,264,272	1,531,550
Net Assets as at June 30, 2018	\$27,549,183	2,454,247	16,386,191	928,426	5,775,066	2,005,254



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

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund
Balance December 31, 2017 (at Market)	\$ 10,274,921	1,548,758	930,342	6,264,272	1,531,550
Changes since January 1, 2018					
Principal additions	4,470,001	4,000,000	-	470,001	-
Rebalance Transactions	-	-	-	-	-
Investment income	104,969	20,248	8,836	58,230	17,655
Withdrawals	(1,000,000)	(611,374)	-	(888,626)	500,000
Investment Expenses	(3,609)	-	(3,435)	(174)	-
Net Change for 6 Months	<u>3,571,361</u>	<u>3,408,874</u>	<u>5,402</u>	<u>(360,569)</u>	<u>517,655</u>
Balance before Market Change at June 30, 2018	13,846,283	4,957,632	935,743	5,903,703	2,049,205
6 month Change in Unrealized Gain (Loss)	(189,505)	(9,599)	(7,317)	(128,638)	(43,951)
Balance at June 30, 2018 (at Market)	<u>\$ 13,656,778</u>	<u>4,948,032</u>	<u>928,426</u>	<u>5,775,065</u>	<u>2,005,254</u>

The accompanying pages are the Financial Reports for July 31, 2018. 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: July 31, 2018 and December 31, 2017



	July 31, 2018	December 31, 2017
	Total	Total
ASSETS		
Cash/Cash Equivalents	\$ 925,140	4,539,157
Accounts Receivable	221,629	123,604
Edward Jones Investments (@ Market)	12,802,697	10,274,921
Prepaid Expenses	201,583	173,447
Property and Equipment:		
Contributed Fixed Assets	17,593,785	17,593,785
Purchased fixed Assets	18,722,350	17,939,723
Sub-Total	36,316,134	35,533,507
Less - Accumulated Depreciation	(19,663,557)	(18,846,580)
Property and Equipment - net	16,652,578	16,686,927
Total Assets	30,803,626	31,798,057
LIABILITIES		
Accounts Payable	216,251	409,923
Deferred Dues & Fees	2,754,774	4,230,453
Deferred Programs	88,943	329,352
Total Liabilities	3,059,969	4,969,728
TOTAL NET ASSETS	\$27,743,657	26,828,329
NET ASSETS		
Temporarily Restricted:		
Board Designated:		
Emergency	\$ 945,200	930,342
Maint - Repair - Replacement	5,888,959	6,264,272
Initiatives	2,016,182	1,531,549
Unrestricted Net Assets	18,893,317	18,102,166
TOTAL NET ASSETS	\$27,743,657	26,828,329

Statement of Activities
Current Year - January to July 31, 2018

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Fiscal Year Budget	Remaining FY Budget
Revenue					
Member Dues	3,865,692	3,892,441	(26,749)	6,672,756	2,807,064
Life Care, Transfer, Tenant & Add'l Card Fees	511,523	406,020	105,503	696,017	184,494
Capital Revenue	1,660,822	1,387,388	273,434	2,378,383	717,561
Programs	272,198	228,172	44,027	391,149	118,951
Instructional	252,155	251,683	472	431,450	179,295
Recreation Income	524,353	479,854	44,499	822,599	298,246
Advertising Income	51,010	43,750	7,260	75,000	23,990
Communication	26,559	33,250	(6,691)	57,000	30,441
Communication Income	77,570	77,000	570	132,000	54,430
Investment Income	172,928	163,330	9,598	280,000	107,072
Other Income	16,780	11,725	5,055	20,100	3,320
Facility Rent	11,644	13,420	(1,776)	23,000	11,356
Marketing Events	-	3,500	(3,500)	6,000	6,000
Other Income	28,424	28,645	(221)	49,100	20,676
Total Revenue	6,841,311	6,434,678	406,633	11,030,855	4,189,544
Expenses					
Major Projects-Repair & Maintenance	262,441	170,517	(91,924)	292,315	29,874
Facility Maintenance	123,941	300,049	176,108	514,370	390,429
Fees & Assessments	7,183	51,975	44,792	89,100	81,917
Utilities	591,485	669,737	78,252	1,148,121	556,635
Depreciation	816,977	726,833	(90,143)	1,246,000	429,023
Furniture & Equipment	146,918	141,064	(5,854)	241,824	94,906
Vehicles	30,595	46,669	16,074	80,004	49,409
Facilities & Equipment	1,979,540	2,106,845	127,305	3,611,734	1,632,194
Wages, Benefits, Payroll Expenses	2,653,207	2,815,055	161,848	4,825,808	2,172,601
Conferences & Training	29,595	50,750	21,155	87,000	57,405
Personnel	2,682,802	2,865,805	183,003	4,912,808	2,230,006
Food & Catering	24,490	29,808	5,318	51,100	26,609
Recreation Contracts	411,135	375,396	(35,739)	643,536	232,401
Bank & Credit Card Fees	61,194	61,250	56	105,000	43,806
Program	496,820	466,454	(30,366)	799,636	302,816
Communications	56,659	57,038	380	97,780	41,121
Printing	46,137	34,615	(11,522)	59,340	13,203
Advertising	3,734	8,750	5,016	15,000	11,266
Communications	106,529	100,403	(6,126)	172,120	65,591
Supplies	184,292	264,974	80,682	454,240	269,949
Postage	8,211	18,515	10,304	31,740	23,530
Dues & Subscriptions	6,779	3,558	(3,220)	6,100	(678)
Travel & Entertainment	1,015	11,340	10,325	19,440	18,425
Other Operating Expense	22,474	39,134	16,660	67,087	44,613
Operations	222,770	337,521	114,751	578,607	355,838
Information Technology	33,887	66,938	39,576	114,750	80,863
Professional Fees	130,254	177,042	46,788	303,500	173,246
Commercial Insurance	125,531	119,583	(5,947)	205,000	79,469
Taxes	54	8,575	8,521	14,700	14,646
Provision for Bad Debt	17,109	14,000	(3,109)	24,000	6,891
Corporate Expenses	306,835	386,138	85,828	661,950	355,115
Expenses	5,795,296	6,263,166	474,395	10,736,855	4,941,560
Net surplus (Deficit)	1,046,015	171,512	881,029	294,000	(752,015)
Unrealized Gain/Loss on Investment	(130,687)	-	(130,687)	-	(130,687)
Net change in Net Assets-GVR	915,329	171,512	750,342	294,000	(621,329)



GREEN VALLEY RECREATION, INC.
STATEMENT OF CHANGES IN NET ASSETS

As of Date: July 31, 2018 and December 31, 2017

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund
		Unrestricted	Fixed Assets			
Net change in Net Assets-GVR	\$ 915,329	915,329				
Transfers between unrestricted and reserves:						
Reserve Study Allocation	-	(548,335)			548,335	
Principal Transfers		388,626			(888,626)	500,000
Depreciation		816,977	(816,977)			
Purchase of Fixed Assets		(254,333)	254,333			
Transfer For Fixed Asset Purchase		-				-
Allocations of Net Change components:						
Investment income	-	(91,639)		10,277	60,658	20,704
Investment Expenses	-	4,238		(3,998)	(240)	-
Unrealized Gains (Losses) on Market	-	122,932		8,580	(95,439)	(36,073)
Repairs and replacements	-	-				
Net change to July 31, 2018	915,329	1,353,795	(562,644)	14,858	(375,313)	484,632
NET ASSETS, December 31, 2017	26,828,329	1,415,239	16,686,927	930,341	6,264,272	1,531,550
Net Assets as at July 31, 2018	\$27,743,657	2,769,034	16,124,283	945,200	5,888,960	2,016,182



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

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund
Balance December 31, 2017 (at Market)	\$ 10,274,921	1,548,758	930,342	6,264,272	1,531,550
Changes since January 1, 2018					
Principal additions	2,548,335	1,500,000	-	548,335	500,000
Rebalance Transactions	-	-	-	-	-
Investment income	114,366	22,726	10,277	60,658	20,704
Withdrawals	-	888,626	-	(888,626)	-
Investment Expenses	(4,238)	-	(3,998)	(240)	-
Net Change for 7 Months	<u>2,658,462</u>	<u>2,411,352</u>	<u>6,279</u>	<u>(279,873)</u>	<u>520,704</u>
Balance before Market Change at July 31, 2018	12,933,384	3,960,111	936,620	5,984,399	2,052,254
7 month Change in Unrealized Gain (Loss)	(130,687)	(7,754)	8,580	(95,439)	(36,073)
Balance at July 31, 2018 (at Market)	<u><u>\$ 12,802,697</u></u>	<u><u>3,952,356</u></u>	<u><u>945,200</u></u>	<u><u>5,888,959</u></u>	<u><u>2,016,182</u></u>