



A regular meeting of the GREEN VALLEY RECREATION, INC. BOARD OF DIRECTORS held Tuesday, September 25, 2018 at West Center, the President being in the chair and the Secretary being present.

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

Directors Present Electronically: Lynne Chalmers, Tom Sadowski (Assistant Treasurer), Charles Sieck

Directors Absent: Tim Stewart

Staff: Cheryl Moose (CFO), David Jund (Facilities Director), George Rushing II (Recreation Director), Karen Miars (Administrative Assistant), Kathy Edwards (Program Coordinator), Payton Snider (System Administrator), Conal Ward (IT Technician), Miles Waterbury (Communications Specialist)

Visitors: 39 (plus additional staff)

I. Call to Order / Establish Quorum

President Crothers called the meeting to order at 1:30pm MST
Roll call by Vice President Coon; Quorum established.

II. Adopt Agenda

MOTION: Campfield / Seconded. Amend the Agenda to include a recommendation to have a summary of the legal opinion regarding GVR President Authority made public and to include it in the Corporate Policy Manual (CPM).

Failed: 5 yes (Campfield, Coon, Lambert, Myers, Nichols) / 6 no

III. Consent Calendar

MOTION: Lambert / Seconded. Approve August 28, 2018 Meeting Minutes as amended.

Passed: unanimous

IV. President Report

Good afternoon,

As I've said several times, most of our board policy activities flow through our committees.

After months of going back and forth with our WSM consultants and finally getting county approval, our Planning & Evaluation Committee has approved going ahead with additional lights for Pickleball, improving three courts and adding an 8th court at East Center. Fiscal Affairs committee held a special session to find and approve the money for the project. It will cost over \$188K, and with board approval this afternoon, will be done as quickly as possible. We are still waiting on WSM to get design and cost figures for the new pickleball complex.

Our Board Affairs Committee has been working on updating the CPM so that it is in compliance with our bylaws and state and federal statutes. At our last board meeting, a legal review of their recommendations was requested. Two of the remaining 4 recommendations are fine. The one on Life Care Members and guest cards was once again questioned by our attorney. BAC had

attempted to bring this into compliance with a recommendation at our June meeting, but was asked by our CEO and board to make changes. Now with the 2nd legal opinion on this, I believe we must comply with our bylaws. If it is the right thing to do, we can change our bylaws, but that will have to go to a vote of the membership.

Fiscal Affairs: it is budget time and the fiscal affairs committee is working with the administration to be sure we have a fair and equitable budget. Our expenses have climbed significantly since 2014. With the positive upswing in the housing market we have consistently received more revenue than budgeted for housing turnover. We now have very healthy sized reserves. In the same period, our dues have increased faster than Social Security cost of living increases and based on our survey, many of our members are living on limited incomes. At the board's direction, Fiscal Affairs is looking at the possibility of giving some relief to our membership by keeping dues flat. I encourage our member to make your views know to the FAC and to the board.

Nominations and Elections Committee asked me to note that elections will be coming up before we know it and we need good candidates to run for the board. So, if you are interested in supporting your membership and willing to put in a considerable amount of time, I urge you to consider running for the board.

Our other committees, Investments, and the ad hoc survey, foundation and bylaws committees have also been hard at work. I will ask each of them to give you a brief update later in the meeting.

Before I turn it over to Kent, I'd like to respond to Director Campfield's concern that the board or our members may not understand the role of the board president. The board president is one of 12 voting members of the board and his or her vote has no more power than any of the other 11. The president is elected into office by the board and can be removed from office by the board. The specific responsibilities of the president are listed in the governing documents and include setting up meeting agendas, running the board meetings, and being a focal point for questions directed to the administration or to legal.

Assuming the recommendation to establish FAQ's (frequently asked questions) passes later in the meeting, this kind of question can be answered and posted so we don't have to spend board time with requests like this.

V. CEO Report

Good afternoon.

There's been a lot of operational activity lately, but not necessarily a lot of results since our last Board meeting as of today, on the path to an 'Envisioned Future' for GVR.

By comparison, the August 28 meeting was chock-full:

- A comprehensive Work Plan for this governance year that expires in just six months was adopted. Three work plan activities identified in August are still require further refinement by me and the Board Officers. Now that several Director Snowbirds are headed back to Green Valley, I'm confident that this will be soon accomplished.
- The GVR and GVR Foundation Ad Hoc Committee continues to meet. A Member Forum about the relationship was pushed to two (2) meetings, one in October and the other in November.

- The Fiscal Affairs Committee will revisit the proposed FY 2019 budget before it comes to the Board, possibly on October 30 at the next Board meeting.
According to our Bylaws, the schedule of dues and the operating and capital budget must be approved by the Board no later than December 10. In real terms, December 10 is much too late to be fair to our members. When a budget is approved this close to the start of the new the fiscal year, staff will necessarily send out dues invoices late, since the notices cannot be sent until the annual dues amount is set. Also, according to our governing documents, annual dues must be paid by January 1. We're already getting requests from members to send out 2019 invoices, as many are travelling or won't be arriving in Green Valley until January. Perhaps the Board should consider proposing amending GVR Bylaws with earlier dates required to approve an annual operating and capital budget.

FY2019 budget-related review meetings include:

- A Fiscal Affairs Committee (FAC) review of proposed FY 2019 fees occurred on August 30;
- The September 18 regular FAC committee meeting focused on non-reserve capital projects.
- A September 20 Board work session examined the entire FY 2019 budget proposal.
- More meetings and review sessions are planned.

It is clear that the GVR budget development process and all that must be considered as part of our \$11M+ budget is not universally understood. I remain hopeful that the Fiscal Affairs Committee and staff can soon host a 'GVR budget primer' to describe the budget development process to members and answer questions about GVR budget.

Last Sunday's Arizona Daily Star newspaper had a lead Business Section story about the shortage of construction contractors and skilled labor in Tucson and the surrounding area. At last week's Fiscal Affairs Meeting, staff shared this as a problem that GVR currently faces. A shortage of available contractors has negatively impacted our ability to complete both Maintenance, Repair, Replacement (MRR) Reserve-funded projects and Non-reserve funded capital projects in a timely manner.

Meanwhile:

1. The first three GVR Solar Panel installation projects were approved by the Green Valley Council's (GVC) Transportation and Architectural Committee on September 13.
2. Two lightly-attended Member Forums were conducted at CPI and Abrego South on September 18 where a few trees will have to be removed to accommodate Solar Panel installations.
3. The new GVR SOS Volunteer initiative was launched just after Labor Day, but member participation so far has been disappointing. Staff will reevaluate the program after the initial series of SOS presentations and lectures is completed.

Thank you for being here today. Let's have a productive and success-driven afternoon.

VI. Committee Reports

1. Planning & Evaluation

MOTION: Coon / Seconded. Recommend to proceed with \$98,270 supplemental funding for East Center Pickleball Courts' safety and improvements as described within the exhibit.

Passed: unanimous

2. Fiscal Affairs

A. MOTION: Myers / Seconded. Accept the Fiscal Affairs Committee recommendation of Reserves funding sources and amounts for the Planning and Evaluation Committee's revised East Center Pickleball Courts and Lighting Project supplemental funding of \$98,270 dated 9/18/2018:

Maintenance, Repair and Replace Reserve ¹	\$ 16,891
Initiatives Reserve	\$ 66,379
Emergency Reserve	<u>\$ 15,000</u>
Total	<u>\$ 98,270</u>

**Note 1 – Reserve Study line items:
Center 00030-East Center**

		<u>FFB</u>
Category 17000-Tennis Courts	Line 700-Pickleball wind screen	1,000
Category 17500-Basketball/Sport Courts	Line 210-Seal & Striping Pickleball	3,105
Category 17500-Basketball/Sport Courts	Line 430-Overlay [3] Pickleball Courts	8,929
Category 19000-Fencing	Line 130-Chain link 10', Pickleball portion	3,857
		16,891

Passed: unanimous

**B. MOTION: Myers / Seconded. Post on the GVR website the “draft” August Financial Statements that are pending Fiscal Affairs Committee approval.
Passed: unanimous**

3. Board Affairs

MOTION: Chalmers / Seconded. Based on the attorney’s review and approval of Exhibit C on Dues Assessments and Exhibit D Code of Conduct, I move approval of these two exhibits as they were proposed and presented by the Board Affairs Committee at the August 28 Board meeting.

SECOND MOTION: Campfield / Seconded. Table the Motion to go into Executive Session immediately following the Board meeting to discuss legal opinion on Board Affairs Committee’s proposed Corporate Policy Manual (CPM) recommendations.

Failed: 5 yes (Campfield, Coon, Lambert, Myers, Nichols) / 6 no

Call the question: Vanderhoof / Seconded.

Passed: 6 yes / 3 no (Campfield, Lambert, Myers)

CEO Blumenthal asked that the meeting minutes reflect his concern that Attorney-Client Privileged Legal Opinions were being discussed in an open meeting. He strongly urged the Board to go into an Executive Session to discuss legal matters, as is appropriate.

Passed: 7 yes / 4 no (Campfield, Coon, Lambert, Myers)

**MOTION: Sieck / Seconded. Going forward, the Board Affairs Committee will interact on appropriate issues with legal counsel to address changes to the Corporate Policy Manual (CPM) in a timely fashion, pending approval of the CEO.
Passed: unanimous**

4. Survey Ad Hoc

A. MOTION: Lambert / Seconded. Secure a legal opinion on a range of appropriate sanctions for Directors who violate the Board Code of Conduct, consistent with GVR Bylaws and Arizona statutes.

Failed: 3 yes (Campfield, Coon, Lambert) / 8 no

B. MOTION: Lambert / Seconded. Form an FAQ Ad Hoc Committee, chaired by the Board Secretary. The purpose of the FAQ Ad Hoc Committee is to prioritize, answer and publish responses to questions asked by members about GVR and its governance.

Passed: unanimous

5. GVR-GVR Foundation Relationship Ad Hoc - Director Sieck gave an update on the committee's progress.

6. Nominations & Elections - Chair Denise Nichols reported on the upcoming 2019 election with four, three-year term positions open.

7. Investments Ad Hoc - Chair Tom Sadowski reported on GVR Reserve accounts.

8. Bylaws Ad Hoc – Chair Lynne Chalmers announced committee members; the committee held two meetings.

9. Audit – Chair Charles Sieck reported on recent activities of the committee.

VII. New Business

1. MOTION: Blumenthal / Seconded. Refer the attorney's rewrite of the Corporate Policy Manual (CPM) section related to electioneering on GVR property to Board Affairs Committee to "rip and replace" the incorrect section within the CPM with the attorney-provided language.

Passed: unanimous

2. MOTION: Blumenthal / Seconded. Move that the Board of Directors affirm that it desires "draft" Board meeting minutes, not yet approved, be posted for public viewing prior to formal Board of Directors' meeting approval.

Passed: unanimous

VIII. Member Comments: 2

IX. Adjournment

MOTION: Sadowski / Seconded. Adjourn meeting at 4:10pm MST.

Passed: unanimous

Denise Nichols
Secretary

Date

Karen Miars
Administrative Assistant

Date

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



	<u>August 31, 2018</u>	<u>December 31, 2017</u>
	<u>Total</u>	<u>Total</u>
ASSETS		
Cash/Cash Equivalents	\$ 1,315,182	4,539,157
Accounts Receivable	209,263	123,604
Edward Jones Investments (@ Market)	11,964,896	10,274,921
Prepaid Expenses	268,420	173,447
Property and Equipment:		
Contributed Fixed Assets	17,593,785	17,593,785
Purchased fixed Assets	18,808,785	17,939,723
Sub-Total	<u>36,402,570</u>	<u>35,533,507</u>
Less - Accumulated Depreciation	<u>(19,774,273)</u>	<u>(18,846,580)</u>
Property and Equipment - net	<u>16,628,297</u>	<u>16,686,927</u>
Total Assets	<u>30,386,057</u>	<u>31,798,057</u>
LIABILITIES		
Accounts Payable	182,269	409,923
Deferred Dues & Fees	2,203,811	4,230,453
Deferred Programs	109,798	329,352
Total Liabilities	<u>2,495,878</u>	<u>4,969,728</u>
TOTAL NET ASSETS	<u><u>\$27,890,179</u></u>	<u><u>26,828,329</u></u>
NET ASSETS		
Temporarily Restricted:		
Board Designated:		
Emergency	\$ 951,327	930,342
Maint - Repair - Replacement	6,020,938	6,264,272
Initiatives	2,031,971	1,531,549
Unrestricted Net Assets	<u>18,885,943</u>	<u>18,102,166</u>
TOTAL NET ASSETS	<u><u>\$27,890,179</u></u>	<u><u>26,828,329</u></u>

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

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Fiscal Year Budget	Remaining FY Budget
Revenue					
Member Dues	4,416,958	4,448,504	(31,546)	6,672,756	2,255,798
Life Care, Transfer, Tenant & Add'l Card Fees	545,948	464,019	81,929	696,017	150,069
Capital Revenue	1,799,264	1,585,587	213,677	2,378,383	579,119
Programs	274,508	260,767	13,741	391,149	116,641
Instructional	263,630	287,636	(24,006)	431,450	167,820
Recreation Income	538,137	548,403	(10,266)	822,599	284,462
Advertising Income	60,945	50,000	10,945	75,000	14,055
Communication	27,752	38,000	(10,248)	57,000	29,248
Communication Income	88,697	88,000	697	132,000	43,303
Investment Income	207,960	186,664	21,296	280,000	72,040
Other Income	20,652	13,400	7,252	20,100	(552)
Facility Rent	15,464	15,336	128	23,000	7,536
Marketing Events	-	4,000	(4,000)	6,000	6,000
Other Income	36,116	32,736	3,380	49,100	12,984
Total Revenue	7,633,080	7,353,913	279,167	11,030,855	3,397,775
Expenses					
Major Projects-Repair & Maintenance	311,390	194,877	(116,514)	292,315	(19,075)
Facility Maintenance	138,397	342,913	204,517	514,370	375,974
Fees & Assessments	8,714	59,400	50,686	89,100	80,386
Utilities	653,157	765,414	112,257	1,148,121	494,964
Depreciation	933,672	830,667	(103,006)	1,246,000	312,328
Furniture & Equipment	164,563	161,216	(3,347)	241,824	77,261
Vehicles	37,958	53,336	15,378	80,004	42,046
Facilities & Equipment	2,247,851	2,407,823	159,972	3,611,734	1,363,883
Wages, Benefits, Payroll Expenses	2,966,338	3,217,205	250,868	4,825,808	1,859,471
Conferences & Training	39,396	58,000	18,604	87,000	47,604
Personnel	3,005,734	3,275,205	269,472	4,912,808	1,907,074
Food & Catering	28,093	34,067	5,974	51,100	23,007
Recreation Contracts	420,869	429,024	8,155	643,536	222,667
Bank & Credit Card Fees	62,654	70,000	7,346	105,000	42,346
Program	511,615	533,091	21,475	799,636	288,020
Communications	64,163	65,187	1,024	97,780	33,617
Printing	48,331	39,560	(8,771)	59,340	11,009
Advertising	3,734	10,000	6,266	15,000	11,266
Communications	116,227	114,747	(1,481)	172,120	55,893
Supplies	207,678	302,827	95,149	454,240	246,562
Postage	8,565	21,160	12,595	31,740	23,175
Dues & Subscriptions	6,960	4,067	(2,893)	6,100	(860)
Travel & Entertainment	1,477	12,960	11,483	19,440	17,963
Other Operating Expense	15,676	44,725	29,049	67,087	51,411
Operations	240,356	385,738	145,382	578,607	338,252
Information Technology	43,227	76,500	39,799	114,750	71,523
Professional Fees	188,907	202,333	13,426	303,500	114,593
Commercial Insurance	130,990	136,667	5,677	205,000	74,010
Taxes	638	9,800	9,162	14,700	14,062
Provision for Bad Debt	9,895	16,000	6,105	24,000	14,105
Corporate Expenses	373,658	441,300	74,167	661,950	288,292
Expenses	6,495,441	7,157,904	668,988	10,736,855	4,241,414
Net surplus (Deficit)	1,137,639	196,009	948,155	294,000	(843,640)
Unrealized Gain/Loss on Investment	(75,789)	-	(75,789)	-	(75,789)
Net change in Net Assets-GVR	1,061,851	196,009	872,366	294,000	(767,851)



GREEN VALLEY RECREATION, INC.
STATEMENT OF CHANGES IN NET ASSETS
As of Date: August 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	\$ 1,061,851	1,061,851				
Transfers between unrestricted and reserves:						
Reserve Study Allocation	-	(626,669)			626,669	
Principal Transfers		388,626			(888,626)	500,000
Depreciation		933,672	(933,672)			
Purchase of Fixed Assets		-	-			
Transfer For Fixed Asset Purchase		-				-
Allocations of Net Change components:						
Investment income	-	(115,065)		11,075	73,088	30,902
Investment Expenses	-	5,022		(4,782)	(240)	-
Unrealized Gains (Losses) on Market Repairs and replacements	-	70,012		14,693	(54,224)	(30,481)
Net change to August 31, 2018	1,061,851	1,717,450	(933,672)	20,986	(243,334)	500,421
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 August 31, 2018	\$27,890,179	3,132,689	15,753,255	951,327	6,020,939	2,031,971



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	1,626,669	500,000	-	626,669	500,000
Rebalance Transactions	-	-	-	-	-
Investment income	144,118	29,053	11,075	73,088	30,902
Withdrawals	-	888,626	-	(888,626)	-
Investment Expenses	(5,022)	-	(4,782)	(240)	-
Net Change for 8 Months	<u>1,765,764</u>	<u>1,417,679</u>	<u>6,293</u>	<u>(189,109)</u>	<u>530,902</u>
Balance before Market Change at August 31, 2018	12,040,685	2,966,437	936,634	6,075,163	2,062,452
8 month Change in Unrealized Gain (Loss)	(75,789)	(5,776)	14,693	(54,224)	(30,481)
Balance at August 31, 2018 (at Market)	<u>\$ 11,964,897</u>	<u>2,960,660</u>	<u>951,327</u>	<u>6,020,938</u>	<u>2,031,971</u>



Green Valley Recreation, Inc.

Variance Report

Monthly Report: 8/1/2018-8/31/2018

var vs budget

Revenue	Year-to-Date	Budget	Variance	% Variance	
Transfer Fees	335,200	279,715	55,485	19.84%	More property transactions than budgeted
Guest Card Fees	65,200	50,000	15,200	30.40%	More Guest Cards purchased than budgeted
Concerts	152,620	200,000	(47,380)	-23.69%	Seasonal
Special Events/Dances	34,400	16,668	17,732	106.38%	Seasonal
Tours	79,786	39,299	40,487	103.02%	More tour participation
New Member Capital Fees	1,759,014	1,535,587	223,427	14.55%	More home sales closed than budgeted
Expense	Actual	Budget	Variance	% Variance	
Wages	2,240,287	2,503,816	263,529	11%	More open positions than budgeted
Insurance-Medical	300,123	291,763	(8,360)	-3%	Higher Medical insurance usage
Conferences & Training	39,395	58,000	18,605	32%	Fewer staff attending conferences due to workload.
Supplies	207,678	302,827	95,149	31%	Computer Hardware for Perfect Mind
Professional Fees	188,907	202,333	13,426	7%	Lower than budgeted PR expense
Utilities	653,157	765,414	112,257	15%	Electric & Water Below, Gas above budget
Information Technology	36,701	76,500	39,799	52%	Less IT expense Perfect Mind
Facility Maintenance	138,397	342,913	204,516	60%	Offset by Major Projects
Major Projects	311,390	194,877	(116,513)	-60%	Offset by Facility Maintenance

The accompanying pages are the Financial Reports for September 30, 2018. The four statements

Statement of Financial Position.

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

Statement of Activities

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

Statement of Changes in Net Assets

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

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

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

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

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: September 30, 2018 and December 31, 2017



DRAFT

	September 30, 2018	December 31, 2017
	Total	Total
ASSETS		
Cash/Cash Equivalents	\$ 726,152	4,539,157
Accounts Receivable	181,072	123,604
Edward Jones Investments (@ Market)	12,032,267	10,274,921
Prepaid Expenses	318,963	173,447
Property and Equipment:		
Contributed Fixed Assets	17,593,785	17,593,785
Purchased fixed Assets	18,842,655	17,939,723
Sub-Total	36,436,440	35,533,507
Less - Accumulated Depreciation	(19,890,969)	(18,846,580)
Property and Equipment - net	16,545,471	16,686,927
Total Assets	29,803,925	31,798,057
LIABILITIES		
Accounts Payable	182,070	409,923
Deferred Dues & Fees	1,652,848	4,230,453
Deferred Programs	165,634	329,352
Total Liabilities	2,000,552	4,969,728
TOTAL NET ASSETS	\$27,803,373	26,828,329
NET ASSETS		
Temporarily Restricted:		
Board Designated:		
Emergency	\$ 947,138	930,342
Maint - Repair - Replacement	6,093,751	6,264,272
Initiatives	2,029,027	1,531,549
Unrestricted Net Assets	18,733,457	18,102,166
TOTAL NET ASSETS	\$27,803,373	26,828,329

DRAFT

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

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Fiscal Year Budget	Remaining FY Budget
Revenue					
Member Dues	4,968,192	5,004,567	(36,375)	6,672,756	1,704,564
Life Care, Transfer, Tenant & Add'l Card Fees	573,795	522,019	51,777	696,017	122,222
Capital Revenue	1,898,224	1,783,786	114,438	2,378,383	480,159
Programs	293,970	293,363	608	391,149	97,179
Instructional	270,857	323,590	(52,733)	431,450	160,593
Recreation Income	564,827	616,952	(52,125)	822,599	257,772
Advertising Income	83,789	56,250	27,539	75,000	(8,789)
Communication	31,112	42,750	(11,638)	57,000	25,888
Communication Income	114,901	99,000	15,901	132,000	17,099
Investment Income	225,791	209,998	15,793	280,000	54,209
Other Income	20,665	15,075	5,590	20,100	(565)
Facility Rent	16,197	17,252	(1,055)	23,000	6,803
Marketing Events	-	4,500	(4,500)	6,000	6,000
Other Income	36,862	36,827	35	49,100	12,238
Total Revenue	8,382,592	8,273,149	109,443	11,030,855	2,648,263
Expenses					
Major Projects-Repair & Maintenance	345,690	219,236	(126,453)	292,315	(53,375)
Facility Maintenance	169,098	385,778	216,680	514,370	345,272
Fees & Assessments	13,232	66,825	53,594	89,100	75,869
Utilities	718,685	861,091	142,405	1,148,121	429,436
Depreciation	1,050,368	934,500	(115,868)	1,246,000	195,632
Furniture & Equipment	177,176	181,368	4,192	241,824	64,648
Vehicles	44,802	60,003	15,201	80,004	35,202
Facilities & Equipment	2,519,050	2,708,800	189,750	3,611,734	1,092,684
Wages, Benefits, Payroll Expenses	3,356,101	3,619,356	263,255	4,825,808	1,469,707
Conferences & Training	39,746	65,250	25,504	87,000	47,254
Personnel	3,395,847	3,684,606	288,759	4,912,808	1,516,961
Food & Catering	30,904	38,325	7,421	51,100	20,196
Recreation Contracts	444,617	482,652	38,035	643,536	198,919
Bank & Credit Card Fees	64,032	78,750	14,718	105,000	40,968
Program	539,552	599,727	60,174	799,636	260,083
Communications	70,533	73,335	2,802	97,780	27,247
Printing	56,789	44,505	(12,284)	59,340	2,551
Advertising	3,734	11,250	7,516	15,000	11,266
Communications	131,056	129,090	(1,966)	172,120	41,064
Supplies	230,150	340,680	110,530	454,240	224,090
Postage	8,739	23,805	15,066	31,740	23,001
Dues & Subscriptions	8,365	4,575	(3,790)	6,100	(2,265)
Travel & Entertainment	1,485	14,580	13,095	19,440	17,955
Other Operating Expense	27,417	50,315	22,898	67,087	39,670
Operations	276,156	433,956	157,800	578,607	302,452
Information Technology	56,915	86,063	35,673	114,750	57,835
Professional Fees	206,132	227,625	21,493	303,500	97,368
Commercial Insurance	162,834	153,750	(9,084)	205,000	42,166
Taxes	1,764	11,025	9,261	14,700	12,936
Provision for Bad Debt	16,711	18,000	1,289	24,000	7,289
Corporate Expenses	444,355	496,463	58,633	661,950	217,595
Expenses	7,306,016	8,052,642	753,151	10,736,855	3,430,839
Net surplus (Deficit)	1,076,576	220,507	862,594	294,000	(782,576)
Unrealized Gain/Loss on Investment	(101,530)	-	(101,530)	-	(101,530)
Net change in Net Assets-GVR	975,046	220,507	761,064	294,000	(681,046)

Green Valley Recreation, Inc.
Summary Statement of Activities

9 month period ending September 30, 2018

DRAFT

	Actual	Annual Budget	%
REVENUES:			
Member Dues	\$ 4,968,192	6,672,756	74.5%
Life Care, Transfer, Tenant & Add'l Card Fees	573,795	696,017	82.4%
New Member Capital/Initial Fees	1,898,224	2,378,383	79.8%
Recreation Income	564,827	822,599	68.7%
Communication Income	114,901	132,000	87.0%
Investment Income/Realized Gains	225,791	280,000	80.6%
Other Income	36,862	49,100	75.1%
Total Revenues	8,382,592	11,030,855	76.0%
EXPENSES:			
Facilities & Equipment	2,519,050	3,611,734	69.7%
Personnel	3,395,847	4,912,808	69.1%
Program	539,552	799,636	67.5%
Communications	131,056	172,120	76.1%
Operations	276,156	578,607	47.7%
Corporate Expenses	444,355	661,950	67.1%
Total Expenses	7,306,016	10,736,855	68.0%
Net Change in Net Assets from Operations	1,076,576		
From Investment Activity:			
Net Unrealized Market Value Change	(101,530)		
Net Excess (Deficiency) GVR (All Reserves)	\$ 975,046		

MRR Funding - 705,002
INVESTMENT EARNINGS - 129,463

140,581



GREEN VALLEY RECREATION, INC.

DRAFT

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

As of Date: September 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	\$ 975,046	975,046				
Transfers between unrestricted and reserves:						
Reserve Study Allocation	-	(705,002)			705,002	
Principal Transfers		388,626			(888,626)	500,000
Depreciation		1,050,368	(1,050,368)			
Purchase of Fixed Assets		-	-			
Transfer For Fixed Asset Purchase		-				-
Allocations of Net Change components:						
Investment income	-	(129,463)		12,149	83,690	33,624
Investment Expenses	-	5,855		(5,571)	(284)	-
Unrealized Gains (Losses) on Market	-	96,231		10,218	(70,303)	(36,147)
Repairs and replacements	-	-				
Net change to September 30, 2018	975,046	1,681,660	(1,050,368)	16,797	(170,520)	497,477
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 September 30, 2018	\$27,803,374	3,096,898	15,636,559	947,138	6,093,752	2,029,027



DRAFT

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	1,705,002	500,000	-	705,002	500,000
Rebalance Transactions	-	-	-	-	-
Investment income	159,729	30,265	12,149	83,690	33,624
Withdrawals	-	888,626	-	(888,626)	-
Investment Expenses	(5,855)	-	(5,571)	(284)	-
Net Change for 9 Months	1,858,876	1,418,891	6,579	(100,217)	533,624
Balance before Market Change at September 30, 2018	12,133,798	2,967,649	936,920	6,164,055	2,065,174
9 month Change in Unrealized Gain (Loss)	(101,530)	(5,299)	10,218	(70,303)	(36,147)
Balance at September 30, 2018 (at Market)	\$ 12,032,268	2,962,351	947,138	6,093,752	2,029,027



GREEN VALLEY RECREATION, INC.

DRAFT

Green Valley Recreation, Inc.
Variance Report
Monthly Report: 9/1/2018-9/30/2018

var vs budget

Revenue	Year-to-Date	Budget	Variance	% Variance	
Transfer Fees	358,050	314,678	43,372	13.78%	More property transactions than budgeted
Guest Card Fees	66,315	56,250	10,065	17.89%	More Guest Cards purchased than budgeted
Concerts	152,620	225,000	(72,380)	-32.17%	Seasonal
Special Events/Dances	34,400	18,751	15,649	83.46%	Seasonal
Tours	98,914	44,212	54,702	123.73%	More tour participation
New Member Capital Fees	1,857,974	1,727,536	130,438	7.55%	More home sales closed than budgeted
Expense	Actual	Budget	Variance	% Variance	
Wages	2,506,939	2,816,794	309,855	11%	More open positions than budgeted
Insurance-Medical	376,466	328,234	(48,232)	-15%	Higher Medical insurance usage
Conferences & Training	39,746	65,250	25,504	39%	Fewer staff attending conferences due to workload.
Supplies	230,150	340,680	110,530	32%	Computer Hardware for Perfect Mind
Professional Fees	193,613	135,000	(58,613)	-43%	Higher than budgeted legal/professional fees
Utilities	718,685	861,091	142,406	17%	Electric & Water Below, Gas above budget
Information Technology	50,390	86,063	35,673	41%	Less IT expense Perfect Mind
Facility Maintenance	169,098	385,778	216,680	56%	Offset by Major Projects
Major Projects	345,690	219,236	(126,454)	-58%	Offset by Facility Maintenance



APPROVED BY FISCAL AFFAIRS COMMITTEE, OCTOBER 16, 2018

Proposal B: FY2019 Budget – Recalculated Inflation Factor

Overview

At the Special Fiscal Affairs Committee Meeting held on October 10, 2018, several suggestions were made by Board Directors and committee members to adjust the initial proposed FY 2019 budget and break the budget impasse.

Proposal B

Proposal B recalculated inflation indices based upon recently released CPI-W and Social Security COLA. This results in a 2.2% inflation factor, reduced from the earlier CPI-W 3.1% from July 2018 and would reduce the proposed FY 2019 budget by \$78,362

Proposal B would result in the following dues and fees reductions from the initial budget proposal:

- Annual member dues increase reduced to \$504.
- Life Care Member dues increase reduced to \$504.
- New Member Capital Fee increase reduced to \$2,528.

To compensate for reduced revenue in Proposal B, staff made the following adjustments to the original FY 2019 budget proposal:

- Increase Tenant Cards for 1-7/days rental through 2-month rental by \$5/each.
- Increase Tenant Cards for 3-month rental by \$10/each.
- Increase Tenant Cards for 4-month rental through 12-month rental by \$15/each.
- Increase Guest Fees Annual Card by \$5.
- Increase Daily Guest Card by \$5.
- Increase Additional Cardholder Card by \$15.
- Decrease 2019 Club Requests by \$13,612.



GREEN VALLEY RECREATION, INC.

Proposal B: 2019 Fee Schedule
APPROVED BY FISCAL AFFAIRS COMMITTEE, OCTOBER 16, 2018

		Difference 2018-2019
ANNUAL DUES	\$504	(+\$11)
Annual assessment-(CPI-W 2.3% + SS 2%)/2 = 2.2% \$503.84 rounded = \$504		
LIFE CARE MEMBER Annual Fee	\$504	(+\$11)
Annual assessment for former GVR members residing in a residential care facility in the greater Green Valley area.		
INITIAL FEE	\$2,427	(+\$55)
CPI-U All Items 2.3% =\$2,426.56 rounded up =\$2,427 Charged when a voluntary GVR deed restriction is placed on a property or when a developer sells a property in a mandatory GVR deed-restricted subdivision.		
NEW MEMBER CAPITAL FEE (NMCF)	\$2,528	(+\$54)
Charged when there is a change in title of a GVR property. 2.2% = \$2,528.43 rounded down = \$2,528. If after the change in title, more than 50% of the new owners are currently or have been GVR members in the last 365 days, the New Member Capital Fee will not apply.		
TRANSFER FEES		
Charged whenever title to a GVR property is changed in addition to the Initial Fee or the NMCF.		
• With NMCF or Initial Fee	\$350	(+\$ 0)
• Estate Planning	\$100	(+\$ 0)
TENANT FEES (per person)		
Charged when an individual leases and pays rent to a GVR member for use of a GVR property.		
• 1-7 day tenant card	\$20	(+\$5)
• 2 week tenant card	\$30	(+\$5)
• 1 month tenant card	\$40	(+\$5)
• 2 month tenant card	\$75	(+\$5)
• 3 month tenant card	\$115	(+\$10)
• 4-12 month tenant card	\$150	(+\$15)

GUEST FEES (under 18 years old no card required)

Charged for temporary visitors of a member, assigned member, Continuing Residential Care Facility member or tenant, who lives more than 20 miles outside GVR's corporate jurisdiction. Tenants may only purchase the daily guest pass.

- Annual card for the year with unlimited guests and unlimited visits \$65 (+\$5)
- Guest card-unlimited guests per day \$10 (+\$5)

ADDITIONAL CARDHOLDER CARD \$100 (+\$15)

Charged to an individual who shares a common household with a GVR member to have the right to use GVR's facilities. Proof of residency is required.

PLAN B
Dues Increase Revised
to \$504. Capital Fees
Revised & Tenant Cards
Incr., Non Mbr. Incr.

Account	Budget		Revised Budget
REVENUES			
Member Dues Total	6,905,244	(54,372)	6,850,872
Life Care, Transfer & Tenant Fe	669,640	24,198	693,838
Guest Card Fees	60,000	10,000	70,000
Facility Rent Total	23,000		23,000
Program Revenues Total	427,000	15,000	442,000
Instructional Revenues Total	431,450	10,000	441,450
Advertising Income Total	75,000		75,000
Miscellaneous Income Total	123,500		123,500
Communication Income Total	57,000		57,000
New Member Capital Fee Incon	2,546,000	(23,000)	2,523,000
Initial Fees Revenue Total	75,000	(990)	74,010
Investment Income Total	200,000		200,000
TOTAL REVENUES	11,592,834	(19,164)	11,573,670
EXPENSES			
Wages	3,814,733		3,814,733
Holiday - Recreation	47,433		47,433
Payroll Taxes	316,282		316,282
Workers Compensation	36,411		36,411
401k Plan Contributions	133,411		133,411
Insurance - Medical/Dental	460,322		460,322
Insurance - Std. Ltd & Life	44,217		44,217
Dues Waiver Benefit	20,000		20,000
Volunteer Program Comp	1,200		1,200
Employee Recognition	28,100		28,100
HR Procurement	6,000		6,000
CPR, AED and FIRST AID Trai	15,000		15,000
Conferences & Seminars - Recl	43,000		43,000
Insurance Auto/Property	215,000		215,000
Contracts - Special Events/Dan	700,731		700,731
Event Supplies - Concerts	8,175		8,175
Advertising-Other	15,000		15,000
Bank Fees	5,000		5,000
Credit Card Fees	95,000		95,000
Payroll/HR Fees	35,000		35,000
Fees & Assessments - Concert:	34,600		34,600
Permits & Inspections - Mainten	16,500		16,500
Signage - Maintenance	4,400		4,400
Professional & Legal - Board	181,400		181,400
Planning & Development	13,109		13,109
Dues & Subscriptions - Recreat	6,550		6,550
Real Estate Taxes	2,500		2,500
Personal Property Taxes	7,200		7,200
Food & Catering - Maintenance	51,600		51,600
Rentals - Recreation	27,254		27,254
Uniforms - COAs	40,680		40,680
Computer Repair	3,600		3,600
Telephone Repair	480		480
Lines & Service	68,000		68,000
Mobile Phones - Maintenance	25,000		25,000
Wireless Communications-Boar	9,000		9,000
Maintenance Contracts - Mainte	39,000		39,000
Contract Labor - Recreation	207,620		207,620
Maintenance - Software Recrea	137,550		137,550
Postage - Recreation	37,240		37,240
Printing - Instructional	81,853		81,853
Public Relations - Recreation	124,500		124,500
Leased Equip/Maint - Recreatio	65,000		65,000
Repair & Maint - Equip - Sound	21,440		21,440
Repair & Maint - Card Access	12,000		12,000
Repair/Maint/Fuel - Member Sv:	80,604		80,604
Repair & Maint-Facility-FMB	409,139		409,139
Office Supplies - Recreation	23,800		23,800
Operating Supplies-FMB	391,298		391,298
Operating Supplies - Volunteer	1,200		1,200
Recreation Supplies - Indoor &	950		950
Sales Tax - Purchasing	5,000		5,000
Travel, Lodging & Meals-Perfon	23,400		23,400
Auto Mileage Reimbursement	20,640		20,640
Furniture/Fixtures - New - Adm	85,250		85,250
Equipment - New - Adm	47,285		47,285
Tools - New - Custodial	15,180		15,180
Util/Water/FMB	151,344		151,344
Electric	491,350		491,350
Util/Gas/EC	427,390		427,390
Waste Management - Maintena	31,140		31,140
Energy Conservation-Solar	(75,000)		(75,000)
Other Operating Expenses	30,500		30,500
Provision for Bad Debt	24,000		24,000
Depreciation - Contrib - Capital	346,000		346,000
Depreciation - Purch - Capital	963,109		963,109
Interest Expense Total	18,000		18,000
Total Operating Expenses	10,769,670	0	10,769,670
Revenue Less Expenses	823,164	(19,164)	804,000
Depreciation	1,309,109		1,309,109
Non-Reserve Capital Purchase:	(408,000)		(408,000)
P&E Capital Budget- Clubs	(80,000)	13,612	(66,388)
Repair & Maint. Reserve Contri	(966,323)		(966,323)
Initiatives Funding	(527,950)	5,552	(522,398)
Net (Revenue) / Expense	150,000	0	150,000
Interest to Investments	(150,000)		(150,000)
Operating Net	0	0	0
Budget		PLAN B	



EXHIBIT

**Board of Directors
October 30, 2018**

Calendar Postings for Closed Committee Meetings

Overview: GVR Bylaws Article VIII – Committees of the Board of Directors; Section 5: Open Meetings; Committee meetings, subcommittee meetings and working session meetings are closed or open meetings at the discretion of each such Committee.

Recommendation: The Board of Directors determine whether meetings closed at the discretion of the Committee may be omitted from the GVR Calendar of Events.



October 18, 2018

TO: Board of Directors
Green Valley Recreation, Inc.
1070 S Calle de las Casitas
Green Valley, AZ 85614

RE: **Re-Reconciliation of Shared Resources between Green Valley Recreation, Inc. and GVR Foundation**

The following report is a re-reconciliation of the Shared Resources Report previously provided to and accepted by the GVR Board on March 27, 2018. The re-reconciliation report was prepared by Accounting Manager, David Webster, with assistance of CFO Cheryl Moose.

The re-reconciliation schedule provides detailed information and recalculates costs relating to shared services between GVR, Inc. and GVR Foundation as authorized by the Resource Sharing Agreement (RSA). These resulting calculations revise the amount owed to GVR by GVR Foundation from the original calculation of \$200.00 to a net amount of \$740.00.

The re-reconciliation includes detailed budget data on the 2018 Senior Games and the 2018 SoAz CultureFest (jointly hosted by GVR Foundation and the Greater Green Valley Community Foundation). This budget detail was not included in the original March 27, 2018 shared Resources report.

Kent J. Blumenthal, Ph.D., CAE
Chief Executive Officer

**Reconciliation of Shared Resources between Green Valley Recreation and Green Valley Foundation
Green Valley Recreation, Inc. (GVR) and GVR Foundation (GVRF)
Activities January 2017 through March 2018 (15 months)**

<u>Description of Services Rendered by GVR to the Foundation</u>	<u>Cost</u>	<u>Total</u>
Communication Specialist support July-August 2017 @25% FTE Initial RetireArizona.org website development. \$24.88 hourly rate with fringes for 2 hours per day for 2 months (Jul-Aug 2017)	\$ 2,190	
Communication Specialist ongoing support Posting GVRF information in <i>GVR Now!</i> , eBlasts. \$27.99 hourly rate with fringes for 1/2 hour per day for 13 months (excluding Jul-Aug 2017)	\$ 788	
Administrative Support (staff wages) Meeting agendas; minutes; donor letters, etc. \$25.89 hourly rate with fringes for 2.75 hours per day for 15 months (Jan 2017 - Mar 2018)	\$ 4,628	
Information Technology (IT) staff GVR IT staff actual time charged to RetireAZ.com through March 31, 2018 equaling 25.8% of FTE and funded through Freeport-McMoRan Grants	\$ 5,350	
Accounting Services Staff (weekly bookkeeping, monthly financial stmts.) Bookkeeping services and monthly financial statements. \$25.05 hourly rate with fringes for 1.5 hours per week for 15 months (Jan 2017 - Mar 2018)	\$ 3,123	
Annual Audit Expenses (paid directly) Paid \$300 directly to CPA by GVRF for Audit and Tax Return 990EZ	\$ -	
Administrative Support staff office space required for GVRF Administrative physical office cost for 91 sq. ft. cost at \$13.07 per sq. ft. per year for 2.75 hours per day for 15 months	\$ 511	
GVR Meeting Space provided to GVR Foundation All Members of GVR are provided meeting facilities for free	\$ -	
Insurance Expense Director & Officers coverage issued through GVR policy for cost savings	<u>\$ 600</u>	
Sub-Total (direct costs paid by GVR)		\$ 17,190

**Reconciliation of Shared Resources between Green Valley Recreation and Green Valley Foundation
Green Valley Recreation, Inc. (GVR) and GVR Foundation (GVRF)
Activities January 2017 through March 2018 (15 months)**

Description of Services Rendered by GVR Foundation to GVR

RetireArizona.org		
Category Sponsorship - 15 months Jan. 1, 2018 through Mar. 31, 2019	\$	(3,600)
Information Technology		
Payments by GVRF to GVR for IT staff services for RetireAZ.com	\$	(5,350)
SoAz CultureFest 2017 and 2018		
Presenting Sponsorship (\$5,000 per yr. less \$2,000 per yr. maintenance and custodial staff facility support)	\$	(6,000)
Senior Games 2018		
Presenting Sponsorship	<u>\$</u>	<u>(1,500)</u>
Sub-Total (direct costs paid by GVR)		<u>\$ (16,450)</u>
Reconciliation Total (GVR Foundation reimbursement to GVR)		<u>\$ 740</u>

GVR, with the authorization of the GVR Board of Directors allocates staff for the effort of planning, promoting and executing the Senior Games. The combined GVR and GVR Foundation cost which include administrative staff efforts net of revenues generated by this project is as follows:

\$ (3,301) page 6

GVR, with the approval of the GVR Board of Directors the GVR Foundation jointly hosts the Southern Arizona CultureFest with the Greater Green Valley Community Foundation as a joint fundraiser. The GVR Administrative costs to support this program are estimated to be \$5,549. The Direct Revenue less Direct Expenses for the GVR Foundation for the 2018 CultureFest is as follows:

\$ 5,749 page 9

GVR sponsors the annual Member Assistance Program (MAP) to assist members in financial need. According to protocol established through the GVR/GVR Foundation-approved Resource Sharing Agreement, GVR will request a grant annually from the GVR Foundation for MAP. GVR staff involved in facilitating the MAP program include Accounting Department staff (CFO, Accounting Manager, A/P, A/R); Communications Specialist; Marketing Assistant; Accounting/Membership Coordinators; Administrative Assistant; IT Specialist.. The total MAP awards issued for 2018 is as follows:

\$ 19,967

Labor Services Rendered by GVR to the Foundation

Labor Expenses:

COMMUNICATION SPECIALIST

Hourly loaded rate	\$	24.88
hours per day		2.0
2 month total	\$	<u>2,189.70</u>

COMMUNICATION SPECIALIST ONGOING

Hourly loaded rate	\$	27.99
hours per week		0.5
13 month total	\$	<u>788.48</u>

ADMINISTRATION SUPPORT

Hourly loaded rate	\$	25.89
hours per week		2.75
15 month total	\$	<u>4,628.07</u>

ACCOUNTING SERVICES

Hourly loaded rate	\$	32.04
hours per week		1.5
15 month total	\$	<u>3,123.48</u>

Fringe Rate Applied		<u>29.4%</u>
---------------------	--	--------------

Information Technology
Wages for RetireAZ.com
 NOVEMBER 2017 - MARCH 2018

	<u>ADMIN</u>	
Payroll	11/16/2017	\$ 72.53
Payroll	11/30/2017	\$ 108.79
Payroll	12/14/2017	\$ 543.94
Payroll	12/28/2017	<u>\$ 580.20</u>
4th Quarter 2017	12/31/2017	\$ 1,305.46
1st Quarter 2018	3/31/2018	\$ 2,824.67
<hr/>		
TOTAL WAGES	\$	4,130.13
FRINGE	\$	1,213.92
OVERTIME	<u>\$</u>	<u>5.50</u>
TOTAL COST	<u>\$</u>	<u>5,349.55</u>

AVERAGE PERCENTAGE OF IT TIME
 CHARGED TO RetireAZ.com 25.8% FTE

GVR Foundation
Statement of Revenue and Expense
Year-to-Date: 5/1/2017 - 4/30/2018
SENIOR GAMES

	2018 Senior Games
Revenue	
Sr Games Sponsorship	6,300.00
Sr Games Event Registration	27,348.14
Sr Games T Shirts	3,892.00
Sr. Games Donation Generated by GVR Foundation	2,750.00
Total Revenue	40,290.14
Expenses	
Contracts	1,421.89
Event Supplies	10,329.08
Credit Card Fees	359.86
Professional Fees	8,562.64
Food & Catering	877.50
United States Postal Service	77.40
Printing	40.50
Office Supplies	183.83
Total Expenses	21,852.70
Revenue Less Direct Expenses	18,437.44

Indirect Expenses

GVR Staff Supervision & Coordination:

Hours	568
Rate	\$ 27.24
Staff Wages	\$ 15,470.97
Staff Fringes	\$ 4,547.19

GVR Custodial Staff:

Hours	94
Average Rate	\$ 14.14
Custodial Wages	\$ 1,329.16
Staff Fringes	\$ 390.66

Total Indirect Expenses \$ 21,737.98

Net Senior Games Revenue Less Expenses \$ (3,300.54)

Volunteers:

Total Number of Volunteers	585
Hours - Community Volunteers	1,000
Pickleball Volunteer Hours	1,104
Grand Total Volunteer hours	2,104

Rate*	\$ 24.69
Value of Volunteer Time	\$ 51,947.76

* Volunteer Rate based on Independent Sector report published Rate, April 11, 2018

Senior Games - 2018

Hours Worked

Staff Supervisor / Coordinator

<u>Month</u>	<u>Days</u>	<u>Hours Per Day</u>	<u>Total Hours</u>
October	20	4	80
November	19	4	76
December	20	4	80
January	20	4	80
February	19	4	76
March	22	8	176
TOTAL SUPERVISORY HOURS			<u>568</u>

Custodial and Landscaping Staff:

Total Hours per time log maintained by Karen Rans

TOTAL CUSTODIAL HOURS	<u>94</u>
-----------------------	-----------

Volunteer Summary:

TOTAL VOLUNTEER HOURS	<u>2,104</u>
NUMBER OF COMMUNITY VOLUNTEERS	309
PICKLEBALL VOLUNTEERS	<u>276</u>
GRAND TOTAL NUMBER OF VOLUNTEERS	<u>585</u>

GVR Foundation
 General Ledger Detail by Acct
 Fiscal Year: 4/1/2017 - 3/31/2018
 SENIOR GAMES

Post Date	Journal	Control #	Name	Memo	Debit	Credit	Total
5040 - Contracts							
1/18/2018	APIN	01172018	Ajax Barricades	Signs for Bike events SASG	79.58	0.00	79.58
3/31/2018	APIN	MARCH	Petty Cash	March Petty Cash Senior Games			
3/1/2018	APIN	402837-2	PROEM Party And Even Rentals	Sr Games tent, toilet, hand washing station rental	1,342.31	0.00	1,342.31
5045 - Event Supplies							
2/8/2018	APIN	15257605	4imprint, Inc.	SASG Grab Bags	260.77	0.00	260.77
2/8/2018	APIN	41135	Starbuck Design	SASG Sponsor Banners	373.58	0.00	373.58
2/12/2018	APIN	33980	Starbuck Design	Sr. Games shirts deposit	3,600.00	0.00	3,600.00
2/12/2018	APIN	472539	COSTCO	Sr Games Supplies	13.50	0.00	13.50
2/13/2018	APIN	6075220	4imprint, Inc.	1,000 GRAB BAGS 104566-129-W	260.77	0.00	260.77
2/22/2018	APIN	PCASH JAN	Petty Cash-Cheryl Moose	PCASH GVRFB FEB 2018 BARRICADES	91.65	0.00	91.65
2/22/2018	APIN	PCASH JAN	Petty Cash-Cheryl Moose	PCASH GVRFB FEB 2018 EVENT SUPPLIES	80.59	0.00	80.59
3/1/2018	APIN	1079 COSTCO	Rans, Karen	Sr Games - snacks, juice, coffee - COSTCO	120.88	0.00	120.88
3/1/2018	APIN	41235	Starbuck Design	Senior Games participant shirts	3,575.07	0.00	3,575.07
3/2/2018	GLGJ	003	Petty Cash	GVRFB PCash K Rans batteries Sr. Games	61.92	0.00	61.92
3/2/2018	GLGJ	003	Petty Cash	GVRFB PCash K Rans batteries Sr. Games	7.95	0.00	7.95
3/2/2018	GLGJ	003	Petty Cash	GVRFB PCash K Rans pump needles Sr. Games	2.42	0.00	2.42
3/2/2018	GLGJ	003	Petty Cash	GVRFB PCash K Rans Volleyball Sr. Games	40.30	0.00	40.30
3/2/2018	GLGJ	003	Petty Cash	GVRFB PCash K Rans Volleyballs Sr Games	32.41	0.00	32.41
3/5/2018	APIN	23797	GVR Pickleball Club	Senior Games Pickleball Tournament	133.58	0.00	133.58
3/13/2018	APIN	2038	Pickleball Station, Inc.	Tournament Mgt. System Usage and Support for	972.00	0.00	972.00
3/5/2018	APIN	SR GAMES	Taylor, Mike	Equipment for Sr. Games bicycling event	231.04	0.00	231.04
3/14/2018	GLGJ	SR	Uhaul USA Flooring	Uhaul USA Flooring	383.21	0.00	383.21
3/15/2018	GLGJ	SR	Zoro Tools	Sr games supplies	182.11	0.00	182.11
3/19/2018	APIN	SR GAMES	Gomez, Joyce A.	Senior Games Lifeguard Fee	100.00	0.00	100.00
3/31/2018	APIN	MARCH	Petty Cash	March Petty Cash Senior Games	66.10	0.00	66.10
3/30/2018	GLGJ	008		Deposit 4 Imprint reimbursement	0.00	260.77	(260.77)
5058 - Credit Card Fees							
1/10/2018	GLGJ	002	Paypal	Record Paypal fees - SASG	359.86	0.00	359.86
5063 - Professional Fees							
12/31/2017	APIN	198	NUTHOUSE GRAPHICS	SASG Catalogue	332.50	0.00	332.50
1/4/2018	APIN	57249	ARIZONA LITHOGRAPHERS	2018 SASG Registration Book	2,477.68	0.00	2,477.68
3/1/2018	APIN	SEIM MEET	GILLIES, JUDY	Honorarium for Sr Games swimming event	100.00	0.00	100.00
3/31/2018	GLGJ	009		Sr. Games Prepaid Exp from 2017	5,652.46	0.00	5,652.46
5070 - Food & Catering							
2/22/2018	APIN	PCASH JAN	Petty Cash-Cheryl Moose	PCASH GVRFB FEB 2018 FOOD/SUPPLIES	400.00	0.00	400.00
2/22/2018	APIN	PCASH JAN	Petty Cash-Cheryl Moose	PCASH GVRFB FEB 2018 SR GAMES ICE CREAM	90.86	0.00	90.86
3/31/2018	APIN	MARCH	Petty Cash	March Petty Cash Senior Games	343.99	0.00	343.99
3/2/2018	GLGJ	003	Petty cash	GVRFB PCash K Rans food Sr. Games	42.65	0.00	42.65
5135 - Postage							
3/31/2018	APIN	MARCH	Petty Cash	March Petty Cash Senior Games	9.85	0.00	9.85
2/22/2018	APIN	PCASH JAN	Petty Cash-Cheryl Moose	PCASH GVRFB FEB 2018 SR GAMES RERESHMENTS	67.55	0.00	67.55
5140 - Printing							
2/6/2018	APIN	202	NUTHOUSE GRAPHICS	Sr. Games results book graphic design	40.50	0.00	40.50
5165 - Office Supplies							
1/4/2018	APIN	3722398	Quill.com	Envelopes-SASG	183.83	0.00	183.83
TOTAL							21,852.70

GVR Foundation
 General Ledger Detail Report
 Report Period: 10/1/2017 - 3/31/2018
CULTUREFEST

Post Date	Name	Memo	Amount
1 - 4066 CULTUREFEST INCOME			
10/25/2017	AZ Oncology	AZ Oncology-culturefest	50.00
12/8/2017	Tomacacori	SQ Culture Fest Booth	35.00
12/8/2017	Ambos Tours	SQ Culture Fest Booth	35.00
12/21/2017	Nature Cure Clinic	SQ Culture Fest Booth	35.00
1/4/2018	Angel Heart Pajama Proj	SQ Culture Fest Booth	35.00
1/4/2018	Tri Tip	SQ Culture Fest Booth	35.00
1/19/2018	Water of Life	Record Culturefest Booth-Water of Life	35.00
1/30/2018	Accra	SQ-CULTURE FEST SPONSOR (Kimberly Reynolds)	250.00
3/6/2018	Food & Root	GV Found. Culturefest Vendor Receipts Food & Root	550.00
3/9/2018	Old Tucson	Pmt from GVRCulturefest Sq Pmt Old Tucson	50.00
	GVR	TICKET SALES	2,580.00
3/13/2018	Brown Paper	GVR Found. Deposit Culturefest Tickets Brown Paper	370.00
	GGCF	GREATER GREEN VALLEY COMMUNITY FOUNDATION RECEIVABLE	<u>1,929.40</u>
Income Total			5,989.40
1/4/2018	Engman Designs	CultureFest Design	240.00
Expenses Total			<u>240.00</u>
2018 Culturefest Revenue Less Direct Expenses			<u><u>5,749.40</u></u>

GVR Foundation
Calculation of Shared Office Space Expense

Administrative Facility Expense

	Expenses Jan 2017 - March 2018
Electric	\$ 48,572.28
Telephones	\$ 13,012.14
Telephone Service	\$ 15,484.50
Water	\$ 8,941.68
TOTAL EXPENSES	\$ 86,010.60
 Total Square Feet	 5,265
 Cost Per Square Foot for 15 months	 \$ 16.34
 GVR Foundation Administrative Office Square Feet (13' X 7')	 91
 Total Cost of Office Space for 15 month period	 \$ 1,486.60
 Foundation usage of office space 2.75 hours per day for 15 months - Foundation Ratio	 34.38%
 Total Foundation Cost for Office Space	 \$ 511.02
 Annual Cost per square foot	 \$ 13.07



EXHIBIT

**Board of Directors
October 30, 2018**

Establish Ad Hoc Committee

Recommendation: The Board of Directors create an Ad Hoc Committee to evaluate GVR facilities to ensure ease of access for GVR members with physical limitations, and appoint Suzan Curtin as chair.

The committee would be charged with identifying possible deficiencies, and would be expected to present a report of their findings to the Board of Directors no later than February 28, 2019, with the expectation that the committee's recommendations would be incorporated into the 2019 Center Assessment report.



**REQUEST FOR FUNDING
FROM
GVR FOUNDATION**

DATE: _____

GRANT APPLICANT: _____

ORGANIZATION TAX ID NUMBER: _____

TOTAL AMOUNT OF REQUEST: \$_____

PROJECT SCHEDULE: START DATE _____ **END DATE** _____

PURPOSE OF THE PROJECT:

Describe project in detail, including expected fund needs over time, identity and qualifications of personnel involved, cost of entire project, other sources of funding, and any other relevant information:

ATTACH ITEMIZED BUDGET AND BUDGET JUSTIFICATION FORM FOR GRANT REQUEST

The budget should correspond to the nature of the project listed above.

PROVIDE ADDITIONAL RELEVANT INFORMATION ABOUT THE ORGANIZATION'S HISTORY AND ACTIVITIES:

SUBMITTED BY:

NAME (please print)

TITLE (please print)

SIGNATURE

PHONE: () _____

EMAIL: _____



**ITEMIZED BUDGET AND BUDGET JUSTIFICATION
FOR GRANT REQUEST**

GRANT APPLICANT: _____

PROJECT TITLE: _____

BRIEF DESCRIPTION OF PROJECT: _____

PROJECT SCHEDULE: START DATE _____ **END DATE** _____

TOTAL AMOUNT REQUESTED: \$ _____

BUDGET ITEMS

SALARIES	\$
EQUIPMENT AND SUPPLIES	\$
TRAVEL AND TRANSPORTATION	\$
CONSULTANTS	\$
_____	\$
_____	\$
_____	\$
_____	\$
TOTAL	\$



BUDGET JUSTIFICATION

The purpose of the budget justification is to enable GVR Foundation's Board of Directors to understand the basis for and examine the reasonableness of the costs listed in the proposed budget. Sufficient explanation and detail should be provided for each budget category.

BUDGET CATEGORIES:

SALARIES

For each employee, independent contractor, fellow, etc., who will take part in this project, list the person's name, title, general duties or function as it relates to this project, and the average annual percentage of time included in this budget request. If this proposal is a request for partial support for a project, list the total percentage of time the person will work on the project, and the percentage of time for which funding from GVR Foundation is requested. Specify the nature and the amount, if any, of fringe benefits included in the salary listed for each person.

1. _____
2. _____
3. _____
4. _____
5. _____

EQUIPMENT

List any equipment purchases and explain how the equipment will be used in the proposed project. Describe the quantity and unit cost of each item.

1. _____
2. _____
3. _____



TRAVEL AND TRANSPORTATION

Explain the purpose and list the applicable costs for all travel and transportation-related expenses for this project. For travel, list the number of trips; the individuals who will be traveling; the purpose for each trip or categories of trips; and the estimated duration and average cost per trip for each category of travel (e.g., attend conferences; 3 trips for 2 days per trip; \$1,000 per trip). For transportation, list the purpose of each item and the associated costs.

CONSULTANTS

For each consultant, explain how the consultant will further this project and list the consultant's rate and the time involved (e.g., number of hours or days). To the extent possible, list each consultant by name and describe his/her qualifications.

OTHER

Explain all costs associated for other direct project costs and describe how they further the proposal (e.g., direct costs for postage, photocopying, supplies, etc.).



EXHIBIT

**Board of Directors
October 30, 2018**

Distribute Summary of Legal Opinion: Scope of President's Authority

Overview:

In October, I presented a motion to obtain a legal opinion regarding the Scope of the President's Authority and to publish a summary of that opinion for the benefit of GVR members and include it in the CPM.

I rescinded the motion when it was determined that such legal opinion had already been obtained. However, the Board did not vote on making the opinion public nor including it in the CPM.

Recommendation:

Direct the CEO to obtain a summary of the legal opinion entitled Scope of the President's Authority (dated August 15, 2018).

When the summary has been received and shared with the BOD, direct the Board Affairs Committee to prepare a statement for inclusion in the CPM and distribution to all GVR Members.