



AGENDA

BOARD OF DIRECTORS / FISCAL AFFAIRS COMMITTEE WORK SESSION

Wednesday, October 13, 2021, 2:00pm
West Center Auditorium / Zoom

Directors: Mike Zelenak (President), Nina Campfield (Vice President), Ted Boyett (Secretary), Donna Coon (Treasurer), Mark McIntosh (Assistant Secretary), Randy Howard (Assistant Treasurer), Kathi Bachelor, Carol Crothers, Christine Gallegos, Connie Griffin, Bart Hillyer, Bev Lawless, Scott Somers (non-voting)

AGENDA TOPIC

1. Proposed Operations and Capital Budget



Green Valley Recreation, Inc.

Board of Directors/FAC Work Session

Prepared By: David Webster, CFO

Meeting Date: October 13, 2021

Presented By: David Webster & Donna Coon, FAC Chair Consent Agenda: No

Originating Committee / Department: FAC/Finance
Action Requested: Review and discuss the Fiscal Year 2022 Annual Budget
Strategic Plan Goal: Goal 4: Cultivate and maintain a sound financial base that generates good value for our members
Background Justification: GVR Staff developed and presented the 2022 Budget Proposal to the Fiscal Affairs Committee (FAC) at an open work session on September 27, 2021. During that meeting, the Proposed Budget received positive responses from the FAC. The FAC discussed a potential recommendation to adjust the Budget and it is described in a September 28, 2021 memorandum that is included in the Board of Directors work session packet. The Board of Directors will be asked to consider approving the Proposed or Amended Budget at the October 27 Board of Directors meeting. FAC members and staff are available at the work session to answer questions.
Fiscal Impact: The Proposed 2022 Budget recommends no dues or fees increases except for the possible FAC proposed \$100 increase to PACF and Initial Fees and \$50 increase to Transfer Fees on page 2 of the September 28, 2021 memo. The Budget also provides for the funding of MRR, Initiatives, and Non-Reserve Capital projects. This budget allows for increases for wages and benefits costs for staff along with general inflationary increases for commercial insurance and other expenses.
Board Options: The Board is asked to review and discuss the Fiscal Year 2022 Annual Budget.
Staff Recommendation: NA

Recommended Motion:

NA

Attachments:

- GVR 2022 Budget Message
- Proposed Budget for Fiscal Year 2022
- September 28, 2021 memo regarding FAC recommendations for adjustments to the 2022 Budget



BUDGET MESSAGE

Fiscal 2022

October 13, 2021

Board of Directors and Members of Green Valley Recreation:

In accordance with the Bylaws and Corporate Policy Manual of Green Valley Recreation, Inc. (GVR), we are pleased to submit the GVR Fiscal Year 2022 (FY2022) Proposed Budget. Included are GVR's Operating Budget, Capital Budget and the Five-Year Capital Projects Plan for Fiscal Years 2022-2026.

We believe this budget meets the mission of providing excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives, while cultivating and maintaining a sound financial base that generates good value for our members. The department directors work diligently to manage the services within budget constraints and provide a wide array of vital services to our members. This budget provides for a high level of services, planned maintenance, and necessary improvements to GVR's infrastructure, while staying within the constraints of limited resources.

With a focus on providing excellent member service, GVR continues to look for opportunities to update processes, implement efficiencies, seek alternative sources of revenue, and improve service delivery and the quality of life to and for our members.

THE BUDGET PROCESS

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

The CEO and CFO hold meetings with the Fiscal Affairs Committee and Board of Directors in September and October to assist with budget preparation. In accordance with GVR's Corporate Policy Manual (CPM), the Budget must be available to the Board for approval no later than November 15.

The basis of budgeting conforms to generally accepted accounting principles (GAAP). The 2021 projected income and expenses are included for comparison purposes and are GVR's best estimates at this time. Included with the 2022 Budget is a 3-year projection for the years 2023 through 2025 that is for analytical purposes only and is not approved by the Board of Directors.

The 2022 Budget is being presented grouped by services as follows:

GVR Administrative Services: Information Technology, Finance, Membership, Board of Directors, Nominations and Elections, Administration, Human Resources, Communications.

GVR Recreation Services: Recreation, Concerts, Special Events, Movies, Tours, Classes, Volunteers, Sound and Lighting.

GVR Facilities Services: Maintenance, Aquatics, Landscaping, Custodial.

GVR Summary: All Services

INTRODUCTION

GVR has been able to keep many of its facilities open and provide limited services for its members despite the difficult pandemic climate of the last two years. GVR is financially sound, and with continued prudent fiscal management, we are confident GVR is in a position to proactively, effectively, and responsibly plan and prepare for the future, and will continue providing the services its members expect and depend upon, and at a good value. During the past 2 years, GVR has been able to complete approximately 2.7 Million Dollars' worth of projects including Maintenance Repair and Replacement planned projects, Non-Reserve Capital projects, and Initiatives projects. Additionally, GVR closed out the Pickleball Center major project and purchased the Canoa Hills Clubhouse facility.

THE PROPOSED BUDGET FY 2022 BUDGET

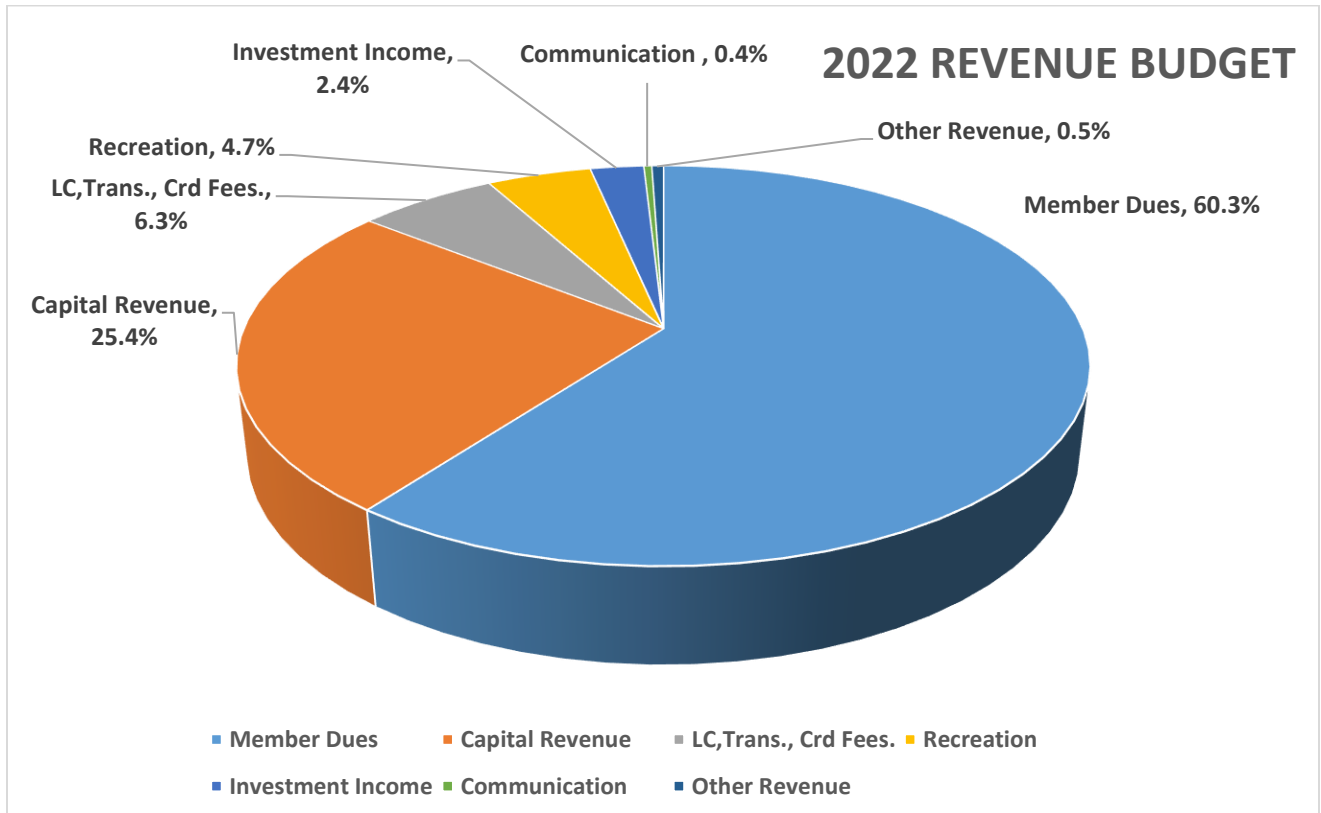
REVENUE

In consideration of the economic climate and the effects and uncertainty of the COVID pandemic, we believe GVR's anticipate revenue assumptions for FY2022 are realistic. When viewed in light of the solid revenue performance over recent years, this approach is illustrated below:

GVR Revenue

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Budget
Member Dues	6,690,385	6,712,673	6,748,910	6,936,512	6,946,780
Member Fees	746,853	777,911	611,398	669,255	725,215
Capital Revenue	2,345,508	2,423,079	2,533,963	2,873,864	2,930,270
Recreational Rev.	736,508	659,997	378,574	147,793	543,575
Investment Income	239,173	355,625	288,038	279,432	279,432
Communication	152,220	167,937	163,952	61,711	41,368
Other Income*	131,894	522,896	141,487	71,008	61,573
Total Revenue	11,042,542	11,620,118	10,866,321	11,039,575	11,528,213

*Other Income includes \$359,387 in In-Kind Income for the Pickleball Center in FY2019 and \$63,913 in In-kind Income for the Pickleball Center in 2020.



The CEO, CFO, and GVR staff worked painstakingly at balancing the FY 2022 Budget. We believe the fees calculated on page 16 are reasonable and sustainable. This position is supported with the comparison of GVR dues to other communities similar to GVR found on page 23. This analysis shows that GVR's dues rates average approximately 23% to comparable communities.

FY 2022 REVENUE BUDGET HIGHLIGHTS

1. There are no proposed changes in fee rates and dues rates that are reflected in the Dues and Fees Income Section in the Membership Revenue Section of the Revenue Section. The rates are identified in the Fees Schedule found on page 16. The calculation of revenue is as follows:
 - A. Member Dues is based on dues for 13,756 properties at the rate of \$505 / per member household. GVR currently has 13,751 properties and the 2022 budget conservatively adds only 5 new properties. This rate does not reflect any increase in the annual dues rate. A multi-year analysis and projection of Members' Dues is included on page 17.
 - B. New Member Capital Fees:
 - The preliminary proposed Property Acquisition Capital Fee (PACF) is not proposed to be increased from the current rate of \$2,716.
 - The 2022 PACF assumption is based on an estimated 1,050 total property transactions with no change in current policy. The average home sales for the three-year period between 2018 – 2020 was 1,146 annually. We estimate that there will be 1,200 sales for the current 2021 year and we have based the 2022 Budget on a projected and conservative 1,050 homes being sold in 2022.
 - C. There is no rate change proposed for Initial Fees. The budget is based on 20 anticipated property transactions.
 - D. Guest Card and Tenant Fees remain unchanged in this proposed budget. However, the number of guest and tenant cards are somewhat conservative due to the existing pandemic situation.
2. There is no rate change proposed in Transfer Fees.
 - A. The budget includes a projected 1,204 properties at the current rate of \$400 per transfer.
3. Recreational Revenue is assumed to increase \$395,782 more than projected in 2021 and \$76,489 more than was budgeted in 2021. While the 2022 Budget

does not assume GVR Members will begin 2022 participating in programs at the level experienced in 2019, we do expect to see increased participation throughout the year and based the 2022 Budget on higher utilization by members in 2022. The Program Revenue increase in 2022 is offset by a \$282,330 increase in Recreation expense contracts compared to 2021 projected, and a \$30,941 increase compared to the 2021 Budget.

The total anticipated Revenue for 2022 is \$11,528,213, which is an increase of \$319,216 (2.8%) from the 2021 Budget.

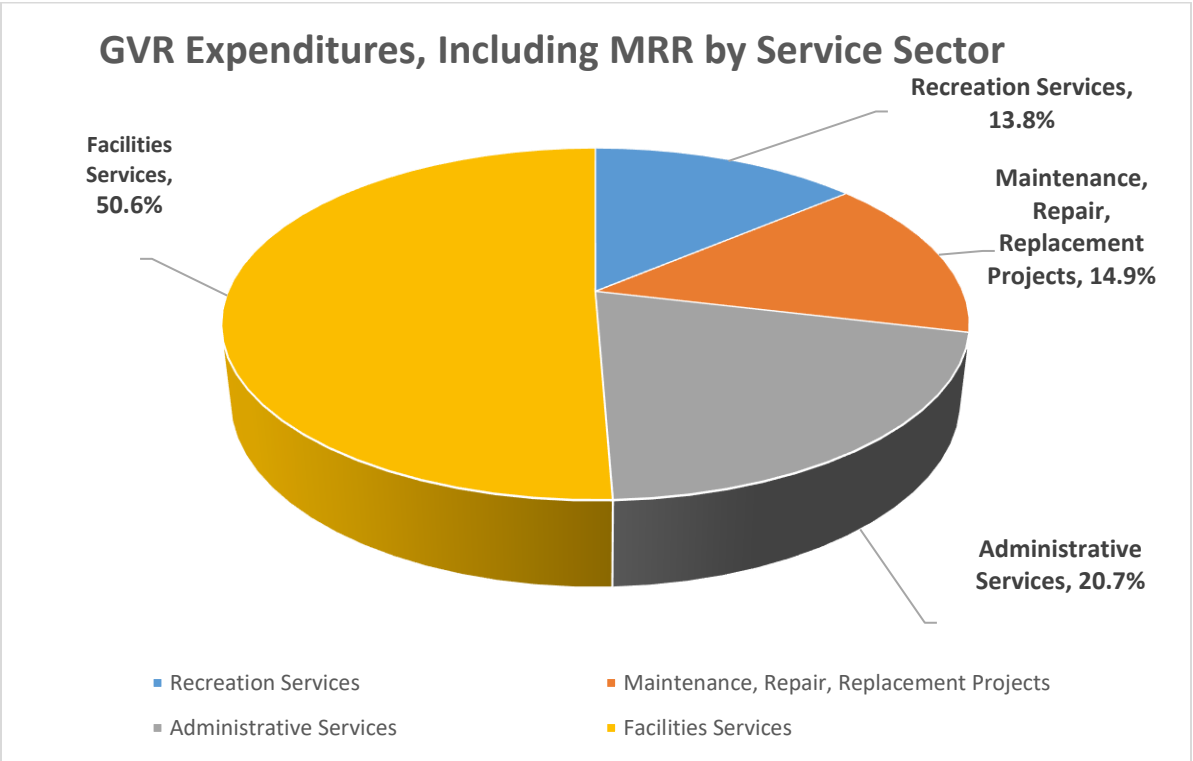
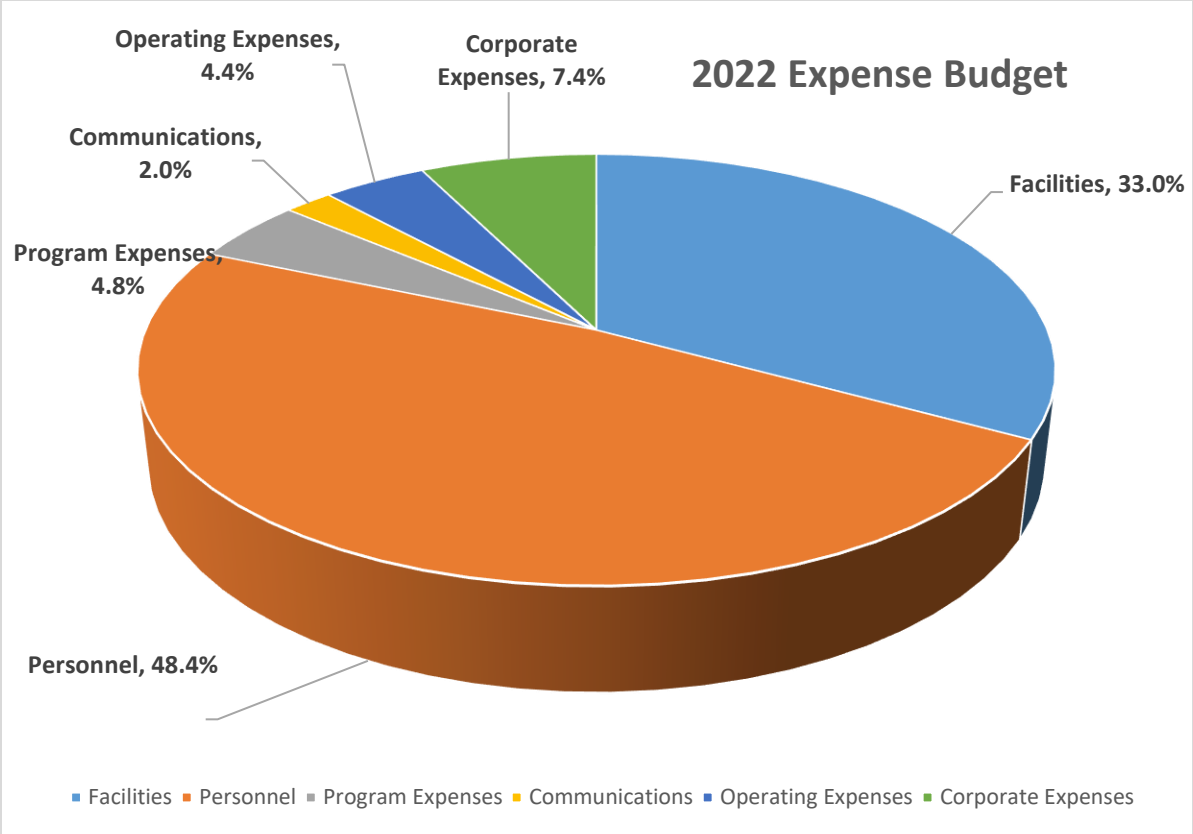
EXPENSES

GVR Expenses

Expense Classification	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Budget	Percent Increase
Facilities	3,483,235	3,594,036	3,339,819	3,519,517	3,719,304	5.4%
Personnel	4,517,630	4,657,208	5,060,293	5,353,838	5,464,054	2.0%
Program	737,143	687,614	450,120	237,210	537,072	126.4%
Communications	190,575	189,526	177,731	190,694	229,745	17.0%
Operations	336,110	391,182	540,379	483,069	493,549	2.1%
Corporate	1,017,222	769,698	693,242	725,992	838,739	13.4%
Total Expenses	10,281,915	10,289,264	10,261,584	10,510,320	11,282,460	6.8%

The FY 2022 budget provides for all salaries and wages, employee benefits, operating expenditures, and non-reserve capital outlays. It also provides for significant funding to Board-designated reserves.

The graphs on the following page illustrate GVR's expenditures by categories and Service Sectors.



The largest increase in expenditures in the 2022 Budget is for Program related expenses. This increase assumes that members will be able to fully utilize the facilities during 2022. These costs are offset by anticipated increases in Program Revenue.

1. The total Personnel cost increases are \$100,216 (2.0%) in the Total Wages Taxes & Benefits compared to 2021 projected costs. The 2022 Proposed Budget reflects a \$147,664 (2.7%) increase from the 2021 Budget. The 2022 Budget includes a total of 115 Personnel with a Full Time Equivalent staff level of 96.

The total increase from 2021 projected costs are as follows:

- A. 1.3% - Net increased wages.
- B. 0.8% - Taxes on wages and prior CEO Buyout.
- C. 5.3% - Benefits increase of 10% mid-year (Medical, Dental, Life, Disability, 401k, Workers Comp)

GVR Personnel Summary

	Jan-2021		Jan-2021		FY 2022		FY 2022	
	FTE	HC	FT	PT	FTE	HC	FT	PT
Information Technology	4	4	4	0	4	4	4	0
Administration	14	14	14	0	13	13	13	0
Administrative Services	18	18	18	0	17	17	17	0
Recreation Services	24	31	22	9	23	31	20	11
Maintenance	13	13	13	0	13	13	13	0
Aquatics	5	6	6	0	5	6	6	0
Landscaping	7	7	7	0	7	7	7	0
Custodial	29	39	19	20	31	37	19	18
Facility Services	54	65	45	20	56	63	45	18
Total GVR	96	114	85	29	96	111	82	29

FTE = Full Time Equivalents

HC = Head Count

FT = Full Time

PT = Part Time

The 2022 Budget for Full Time Equivalents (FTE) is 96 FTEs compared to 96 FTEs for 2021.

2. The Facilities & Equipment budget for 2022 reflects a \$199,784 (5.4%) increase from 2021 projections and a \$99,624 decrease (2.7%) from the 2021 budget.
 - A. The increase in expense is spread throughout the Facilities and Equipment categories. However, one unique item is \$40,000 in new fitness equipment included in the budget that is not part of MRR.
 - B. Facilities Maintenance expenses includes \$269,920 of 2020 Maintenance Repair & Replace (MRR) expenses which is a \$10,886 increase from the prior year.
3. Communications:
 - A. The Communications budget includes \$33,500 of Advertising. \$20,000 of this is radio public messaging.
4. Corporate Expenses:
 - A. The Corporate Expenses budget includes a full year of TEI and Active Net software which manages our Member Database, billing, scheduling, and other member activities.
 - B. Conference and Training reflects a \$31,941 (34.1%) increase from projected 2021 expenses due to a commitment in staff professional training.
 - C. Commercial Insurance includes a \$31,941 (9.7%) increase to account for additional facilities and rising insurance costs.
 - D. GVR is not budgeting any additional allowance for bad debt. The current allowance is about \$175,000.
5. Program Expenses are \$299,862 (126.4%) more than projected 2021 and \$420,000 more than budgeted (0.1%) in 2021. This is directly offset with a \$395,782 increase in Recreation Revenue.
6. The Operations Expenses budget includes an increase of \$10,480 (2.1%) from projected 2021.
 - A. COVID Expenses budgeted for 2022 are nominal. GVR has some supplies in stock.
 - B. Investment Expenses account for \$88,740 of the Operations Expenses. These expenses are paid directly from the Reserve Accounts.

7. Capital Budget - page 18
 - A. Maintenance, Repair, and Replacement (MRR) Capital Budget is \$1,971,128 and is detailed on page 20. The prior 2021 MRR Capital budget was \$1,488,373.
 - B. A list of Non-Reserve Capital (NRC) activities listed on page 19 are included in the FY2022 Budget for a total of \$218,000 in Capital Projects.
 - C. The Initiatives Capital Projects on page 18 include the East Center Pool project that is split between fiscal years 2021 and 2022 and is still an estimate pending bids that are coming in now with the MRR portion deducted. Also, this budget includes a rough estimate of awarding contracts for the Canoa Hills Clubhouse in 2022. It is currently projected that the project will start in 2022 and be completed in 2023. Currently, based on revenue projections, the Initiatives Reserve Fund is anticipated to have enough cash to fund these two projects. This is illustrated on page 21. Staff has other projection scenarios dependent on different timing, funding, and priorities for Initiatives-related projects.

8. Maintenance Repair & Replacement Reserve (MRR) funding is budgeted at \$1,132,047 as presented by the Browning Reserve Group, and is \$83,855 more than 2021.
 - A. The 2021 Reserve Study report has calculated the MRR Reserve funding level to be 73.8%. The prior year funding level was 76.4%.
 - B. The MRR expenses increase of \$6.16 to approximately \$83.18 per member property, with no dues increase proposed, (\$83,855 total aggregate additional contribution) for 2022 MRR Reserve Designated Account.
 - C. The MRR-B Replacement of Pools and Spas are budgeted at \$127,947 which is the calculated funding amount of \$297,500 less the December 2021 funding amount of 169,553.

Total Expenditures increase from 2021 projections are \$772,139 (6.8%). Much of this increase is in Recreation Contracts which is offset by revenue. The increase in expenditures from the 2021 Budget is \$98,666 (0.9%). The total Expenses anticipated for the 2022 Budget is \$11,282,460.

The 2022 Draft Budget is based on a Net Zero Surplus Approach. Adjustments to the Net Consolidated Accrual Basis Surplus are as follows:

1. Deduct Capital Purchases for Non-Reserve Capital Projects (\$218,000). Non-Reserve Capital purchases are listed on page 19 and are Capital purchases not identified for purchase in the Maintenance Repair and Replacement Study, MRR-B Pools and Spa Replacement, or Initiatives. These Capital items are purchased with Operating funds.
2. Deduct Investment Income from Reserve Funds (\$243,051). Reserve income remains with the Reserve Fund and is removed from the Operating Budget Revenue (page 12).
3. Deduct Initiatives Funding required based on the CPM Formula (\$589,977). The CPM Subsection 2. F. requires that 20% of Property Acquisition Capital Fee and 25% of the Initial Fee be used to fund the Initiatives Fund (page 12).
4. Deduct any additional Reserve Funding such as MRR and MRR-B (\$1,259,994). The MRR Reserve Study performed by Browning and Associates determined that \$1,132,047 should be the 2022 contribution to the MRR Reserve. Additionally, GVR has calculated that an additional \$127,947 is to be funded in 2022 for the MRR-B Pools and Spas Replacement Reserve (page 12).
5. Add back Depreciation Non-Cash expenses (\$1,706,610). This is added back to determine the Operating Zero Surplus budget balance (page 12).
6. Add back Reserve Fund expenses paid for by the reserve accounts (\$88,740). Reserve expenses remains with the Reserve Fund and are removed from the Operating Budget Expenses (page 12).
7. Add back Operating Expenses that are paid directly out of the MRR Reserve Fund (\$269,920). To determine the Operating Zero Surplus balance, these expenses are eliminated due to the fact that they are paid for by the MRR Reserve fund (page 12).

The adjusting amounts to determine the Zero Balance budget are listed at the bottom of page 12.

CLOSING

GVR provides important services to the unique population of approximately 23,756 Members in Green Valley Arizona. Our lean ratio of 1 staff position to every 247 Members demonstrates how we strive to make every dollar count. The pandemic has presented a number of challenges over the past two years but has also provided opportunities to look at GVR operations and push for efficiencies. GVR continues to look for opportunities to minimize costs and improve service delivery, while at the same time focusing on providing excellent customer service. The past year has again been challenging to balance and prioritize the needs our community with the amount of resources available. In developing the FY 2022 Budget, we have made every attempt to find savings while keeping our 2022-26 Five-Year Strategic Plan as our guide. As we enter the next fiscal year, we will again need to closely monitor revenues and expenditures to ensure that revenues are coming in as budgeted and make any necessary expenditure adjustments throughout the year. We are confident that GVR's staff will continue to meet this challenge. The budget process is a team effort and reflects many hours of hard work on the part of staff, Fiscal Affairs Committee members, and the Board. We extend special thanks for the hard work of staff and the GVR management team, particularly David Webster, CFO, in developing the FY 2022 budget. In summary, this 2022 Budget accomplishes the Bylaws requirement that GVR "shall be guided by the actual expense of operating the recreational facilities of The Corporation, including a reasonable reserve for Capital Replacements with the objective of operating the facilities on a self-sustaining basis". This budget is a solid foundation to keep GVR fiscally strong and responsive to its Members.

Scott Somers, CEO

GVR Budget Worksheet BOD GVR Summary

2022 Total Budget		2020	2021	2021	2021	2022	2022 Bud.	2022 Bud.		
		1..12	1..7	1..12	1..12	Budget	vs	vs		
		Actuals	Actuals	Projection	Budget	Budget	2021 Proj.	2021 Bud.		
Revenue	Full Time Equivalents	83	95	95	99	96				
	Head Count	103	113	113	117	115				
	Member Dues	6,748,910	4,046,299	6,936,512	6,930,115	6,946,780				
	LC,Trans., Crd Fees.	611,398	442,636	669,255	789,835	725,215				
	Capital Revenue	2,533,963	1,964,202	2,873,864	2,518,147	2,930,270				
	Membership Revenue	9,894,271	6,453,137	10,479,631	10,238,097	10,602,265	122,634	1.2%	364,168	3.6%
	Programs	124,728	7,373	12,639	260,953	203,246				
	Instructional	253,846	78,840	135,155	206,133	340,329				
	Recreational Revenue	378,573	86,213	147,793	467,086	543,575	395,782	267.8%	76,489	16.4%
	Investment Income	288,038	163,002	279,432	286,746	279,432	(7,314)	(2.6%)	(7,314)	(2.6%)
	Advertising Income	122,893	23,335	23,333	71,257	-				
	Cell Tower Lease Inc.	41,059	24,132	38,378	38,378	41,368				
	Comm. Revenue	163,952	47,467	61,711	109,635	41,368	(20,343)	(33.0%)	(68,267)	(62.3%)
	Other Income	113,060	48,098	68,591	91,433	55,573				
Facility Rent/Leases	28,427	1,410	2,417	16,000	6,000					
Marketing Events	-	-	-	-	-					
Other Revenue	141,486	49,508	71,008	107,433	61,573	(9,435)	(13.3%)	(45,860)	(42.7%)	
Total Operating Revenue	10,866,321	6,799,327	11,039,575	11,208,997	11,528,213	488,637	4.4%	319,216	2.8%	
Expenses	Major Proj.-Rep. & Maint.	299,982	291,953	498,490	598,359	607,035	(108,544)	(17.9%)	(8,676)	(1.4%)
	Facility Maintenance	371,289	114,205	197,030	254,620	170,994	26,036	15.2%	83,626	48.9%
	Fees & Assessments	23,011	13,324	22,841	42,919	38,134	(15,293)	(40.1%)	4,785	12.5%
	Utilities	719,908	495,500	849,428	865,734	871,224	(21,796)	(2.5%)	(5,490)	(0.6%)
	Depreciation	1,668,559	969,144	1,686,389	1,810,173	1,706,610	(20,221)	(1.2%)	103,563	6.1%
	Furniture & Equipment	190,685	114,646	193,136	177,008	248,684	(55,549)	(22.3%)	(71,676)	(28.8%)
	Vehicles	66,385	42,118	72,203	70,112	76,620	(4,417)	(5.8%)	(6,508)	(8.5%)
	Facilities & Equipment	3,339,819	2,040,889	3,519,517	3,818,925	3,719,301	(199,784)	(5.4%)	99,624	2.7%
	Wages	3,928,846	2,345,633	4,086,164	4,153,407	4,141,797	(55,633)	(1.3%)	11,610	0.3%
	Payroll Taxes	268,812	190,729	329,707	325,212	332,250	(2,544)	(0.8%)	(7,039)	(2.1%)
	Benefits	862,636	556,049	937,967	837,771	990,007	(52,040)	(5.3%)	(152,235)	(15.4%)
	Personnel	5,060,293	3,092,411	5,353,838	5,316,390	5,464,054	(110,216)	(2.0%)	(147,664)	(2.7%)
	Food & Catering	24,689	9,980	23,109	50,621	40,319	(17,210)	(42.7%)	10,302	25.6%
	Recreation Contracts	351,530	81,914	140,523	391,912	422,853	(282,330)	(66.8%)	(30,941)	(7.3%)
	Bank & Credit Card Fees	73,900	41,754	73,577	94,119	73,900	(322)	(0.4%)	20,219	27.4%
	Program	450,120	133,648	237,210	536,652	537,072	(299,862)	(126.4%)	(420)	(0.1%)
	Communications	110,007	60,062	107,563	107,185	114,045	(6,482)	(5.7%)	(6,860)	(6.0%)
	Printing	67,094	37,993	83,131	105,170	82,200	931	1.1%	22,970	27.9%
	Advertising	630	-	-	-	33,500	(33,500)	(100.0%)	(33,500)	(100.0%)
	Communications	177,731	98,055	190,694	212,355	229,745	(39,051)	(17.0%)	(17,390)	(7.6%)
	Supplies	212,688	146,248	257,911	264,531	289,808	(31,897)	(11.0%)	(25,277)	(8.7%)
	Postage	14,300	11,212	26,220	18,258	15,087	11,133	73.8%	3,171	21.0%
	Dues & Subscriptions	14,318	5,003	9,327	15,558	12,045	(2,718)	(22.6%)	3,513	29.2%
	Travel & Entertainment	15,934	4,348	9,704	26,610	16,000	(6,296)	(39.3%)	10,610	66.3%
	Other Operating Expense	287,530	77,471	179,907	251,948	160,609	19,298	12.0%	91,339	56.9%
	Operations	544,771	244,282	483,069	576,904	493,549	(10,480)	(2.1%)	83,355	16.9%
	Information Technology	81,983	42,386	96,662	86,509	123,798	(27,136)	(21.9%)	(37,289)	(30.1%)
	Professional Fees	250,780	186,664	283,995	272,286	304,200	(20,205)	(6.6%)	(31,914)	(10.5%)
	Commercial Insurance	304,699	182,078	297,134	287,000	329,075	(31,941)	(9.7%)	(42,075)	(12.8%)
	Taxes	11,870	10,157	17,412	20,367	18,566	(1,154)	(6.2%)	1,801	9.7%
Conferences & Training	30,028	5,481	28,397	45,563	43,100	(14,703)	(34.1%)	2,463	5.7%	
Employee Recognition	13,882	(5,922)	2,392	10,842	20,000	(17,608)	(88.0%)	(9,158)	(45.8%)	
Provision for Bad Debt	-	-	-	-	-	-	0.0%	-	0.0%	
Corporate Expenses	693,242	420,845	725,992	722,567	838,739	(112,747)	(13.4%)	(116,172)	(13.9%)	
Total Operating Expenses	10,265,976	6,030,129	10,510,320	11,183,794	11,282,460	(772,139)	(6.8%)	(98,666)	(0.9%)	
Net	Gross surplus(Rev-Exp)/ Net Cash Flow	600,346	769,198	529,255	25,203	245,753				
	Unrea. Gain/Loss on Invest.	632,921	430,305	737,666	-	-				
	Accrual Basis Net from Operations	1,233,266	1,199,503	1,266,921	25,203	245,753				
Adj. to Cash Basis	Subtract:									
	Non-Reserve Capital Projcs					(218,000)				
	Income From Reserve Funds					(243,051)				
	Reserved Funding/Initiatives					(589,977)				
	MRR B (Pools & Spas)					(127,947)				
	Reserved Funding/MRR					(1,132,047)				
	Cash Basis Changed in Net Assets Net of Reserved					(2,065,269)				
	Add Back:									
	MRR Operating Expenses.					269,920				
	Depreciation					1,706,610				
Expenses from Reserve Funds					88,740					
Cash Basis Net Surplus (Deficit)					0	<-- Oper. Surplus				

GVR Budget Worksheet BOD Admin Serv.

	2022 Budget Admin. Serv.	2020	2021	2021	2021	2022	2022 Bud.		2022 Bud.	
		1..12	1..7	1..12	1..12	Budget	vs	vs	2021 Proj.	2021 Bud.
		Actuals	Actuals	Projection	Budget	Budget				
	Full Time Equivalents	18	17	17	18	17				
	Head Count	18	18	18	19	17				
Revenue	Member Dues	6,748,910	4,046,299	6,936,512	6,930,115	6,946,780				
	LC,Trans., Crd Fees.	611,398	442,636	669,255	789,835	725,215				
	Capital Revenue	2,533,963	1,964,202	2,873,864	2,518,147	2,930,270				
	Membership Revenue	9,894,271	6,453,137	10,479,631	10,238,097	10,602,265	122,634	1.2%	364,168	3.6%
	Programs	10,457	1,191	2,042	1,094	2,042				
	Instructional	-	1,374	2,355	-	-				
	Recreational Revenue	10,457	2,565	4,397	1,094	2,042	(2,355)	(53.6%)	948	86.7%
	Investment Income	288,038	163,002	279,432	286,746	279,432	-	0.0%	(7,314)	(2.6%)
	Advertising Income	122,893	23,335	23,333	71,257	-				
	Cell Tower Lease Inc.	41,059	24,132	38,378	38,378	41,368				
	Comm. Revenue	163,952	47,467	61,711	109,635	41,368	(20,343)	(33.0%)	(68,267)	(62.3%)
	Other Income	113,044	48,084	68,567	91,433	55,573				
	Facility Rent/Leases	12,500	-	-	-	-				
	Marketing Events	-	-	-	-	-				
	Other Revenue	125,544	48,084	68,567	91,433	55,573	(12,994)	(19.0%)	(35,860)	(39.2%)
	Total Operating Revenue	10,482,262	6,714,255	10,893,738	10,727,005	10,980,680	86,941	0.8%	253,675	2.4%
Expenses	Major Proj.-Rep. & Maint.	(9,277)	-	-	-	-				
	Facility Maintenance	986	566	1,219	2,078	1,219				
	Fees & Assessments	4,112	517	886	5,859	1,000				
	Utilities	33,088	(38,696)	(66,335)	-	-				
	Depreciation	-	-	-	-	-				
	Furniture & Equipment	22,830	39,829	64,878	53,255	70,398				
	Vehicles	-	-	-	32	-				
	Facilities & Equipment	51,740	2,215	648	61,224	72,617	(71,970)	(99.1%)	(11,393)	(15.7%)
	Wages	1,424,058	638,597	1,093,604	1,307,694	1,089,339				
	Payroll Taxes	81,592	55,589	95,465	102,392	85,122				
	Benefits	328,414	167,022	262,776	202,760	283,163				
	Personnel	1,834,063	861,208	1,451,845	1,612,846	1,457,624	(5,779)	(0.4%)	155,222	10.6%
	Food & Catering	860	536	4,918	12,221	2,569				
	Recreation Contracts	-	-	-	-	-				
	Bank & Credit Card Fees	73,900	41,524	73,184	94,119	73,900				
	Program	74,760	42,059	78,102	106,340	76,469	1,633	2.1%	29,871	39.1%
	Communications	86,671	45,544	82,675	107,185	110,340				
	Printing	56,973	25,717	62,086	72,170	57,000				
	Advertising	630	-	-	-	13,500				
	Communications	144,274	71,261	144,761	179,355	180,840	(36,079)	(20.0%)	(1,485)	(0.8%)
	Supplies	37,047	34,565	63,255	22,021	40,380				
	Postage	12,897	8,383	21,371	16,183	13,012				
	Dues & Subscriptions	10,266	2,103	4,355	11,538	7,495				
	Travel & Entertainment	5,644	926	3,837	12,516	8,300				
	Other Operating Expense	110,149	35,028	72,648	112,088	94,927				
	Operations	176,003	81,005	165,466	174,345	164,114	1,352	0.8%	10,231	6.2%
	Information Technology	77,833	32,486	79,691	86,509	119,598				
	Professional Fees	238,532	178,423	265,868	247,630	271,700				
	Commercial Insurance	304,699	182,078	297,134	287,000	329,075				
	Taxes	11,870	10,157	17,412	20,367	18,566				
Conferences & Training	18,644	1,594	11,732	24,011	27,900					
Employee Recognition	4,704	(6,148)	2,000	2,600	20,000					
Provision for Bad Debt	-	-	-	-	-					
Corporate Expenses	656,283	398,590	673,836	668,117	786,839	(113,003)	(14.4%)	(118,722)	(15.1%)	
	Total Operating Expenses	2,937,124	1,456,339	2,514,657	2,802,227	2,738,503	(223,846)	(8.2%)	63,724	2.3%
Net	Gross surplus(Rev-Exp)/ Net Cash Flow	7,545,139	5,257,917	8,379,082	7,924,778	8,242,177				
	Unrea. Gain/Loss on Invest.	-	-	-	-	-				
	Accrual Basis Net from Operations	7,545,139	5,257,917	8,379,082	7,924,778	8,242,177				

GVR Budget Worksheet BOD Rec. Serv.

	2022 Budget Recreation Serv.	2020	2021	2021	2021	2022	2022 Bud.	2022 Bud.
		1..12 Actuals	1..7 Actuals	1..12 Projection	1..12 Budget	Budget Budget	vs 2021 Proj.	vs 2021 Bud.
	Full Time Equivalents	15	22	22	22	23		
	Head Count	24	28	28	28	31		
Revenue	Member Dues	-	-	-	-	-		
	LC,Trans., Crd Fees.	-	-	-	-	-		
	Capital Revenue	-	-	-	-	-		
	Membership Revenue	-	-	-	-	-	- 0.0%	- 0.0%
	Programs	114,271	6,182	10,597	259,859	201,204		
	Instructional	253,846	77,466	132,799	206,133	340,329		
	Recreational Revenue	368,116	83,648	143,396	465,992	541,533	398,137 277.6%	75,541 16.2%
	Investment Income	-	-	-	-	-	- 0.0%	- 0.0%
	Advertising Income	-	-	-	-	-		
	Cell Tower Lease Inc.	-	-	-	-	-		
	Comm. Revenue	-	-	-	-	-	- 0.0%	- 0.0%
	Other Income	-	-	-	-	-		
	Facility Rent/Leases	15,927	1,410	2,417	16,000	6,000		
	Marketing Events	-	-	-	-	-		
Other Revenue	15,927	1,410	2,417	16,000	6,000	3,583 148.2%	(10,000) (62.5%)	
Total Operating Revenue	384,043	85,058	145,813	481,992	547,533	401,720 275.5%	65,541 13.6%	
Expenses	Major Proj.-Rep. & Maint.	-	-	-	-	13,000		
	Facility Maintenance	1,218	546	1,936	2,650	3,300		
	Fees & Assessments	1,374	17	29	4,000	7,134		
	Utilities	-	-	-	-	-		
	Depreciation	-	-	-	-	-		
	Furniture & Equipment	98,845	50,583	86,713	76,713	126,466		
	Vehicles	-	-	-	-	-		
	Facilities & Equipment	101,437	51,145	88,678	83,363	149,900	(61,222) (40.8%)	(66,537) (44.4%)
	Wages	635,953	493,905	876,624	748,739	902,607		
	Payroll Taxes	48,749	39,518	68,498	58,626	76,722		
	Benefits	97,403	71,120	124,677	117,654	130,345		
	Personnel	782,104	604,543	1,069,798	925,019	1,109,674	(39,876) (3.6%)	(184,655) (16.6%)
	Food & Catering	17,656	6,251	12,715	34,300	36,250		
	Recreation Contracts	351,530	81,914	140,523	391,912	422,853		
	Bank & Credit Card Fees	-	-	-	-	-		
	Program	369,186	88,164	153,239	426,212	459,103	(305,864) (66.6%)	(32,891) (7.2%)
	Communications	4,613	2,906	4,983	-	3,705		
	Printing	10,121	12,276	21,045	33,000	25,200		
	Advertising	-	-	-	-	20,000		
	Communications	14,733	15,183	26,027	33,000	48,905	(22,878) (46.8%)	(15,905) (32.5%)
	Supplies	-	-	-	-	42,630		
	Postage	1,403	2,828	4,849	2,075	2,075		
	Dues & Subscriptions	171	1,153	1,976	-	1,250		
	Travel & Entertainment	4,575	2,893	4,960	9,391	5,000		
Other Operating Expense	6,587	119	1,204	9,620	8,982			
Operations	12,737	6,993	12,988	21,086	59,937	(46,949) (78.3%)	(38,851) (64.8%)	
Information Technology	-	-	-	-	-			
Professional Fees	12,251	6,443	15,045	24,500	4,500			
Commercial Insurance	-	-	-	-	-			
Taxes	-	-	-	-	-			
Conferences & Training	185	13	22	1,220	3,200			
Employee Recognition	5,087	20	35	4,281	-			
Provision for Bad Debt	-	-	-	-	-			
Corporate Expenses	17,523	6,476	15,102	30,001	7,700	7,402 96.1%	22,301 289.6%	
Total Operating Expenses	1,297,720	772,504	1,365,833	1,518,682	1,835,219	(469,386) (25.6%)	(316,537) (17.2%)	
Net	Gross surplus(Rev-Exp)/ Net Cash Flow	(913,677)	(687,447)	(1,220,020)	(1,036,690)	(1,287,686)		
	Unrea. Gain/Loss on Invest.	-	-	-	-	-		
	Accrual Basis Net from Operations	(913,677)	(687,447)	(1,220,020)	(1,036,690)	(1,287,686)		

GVR Budget Worksheet BOD Fac. Serv.

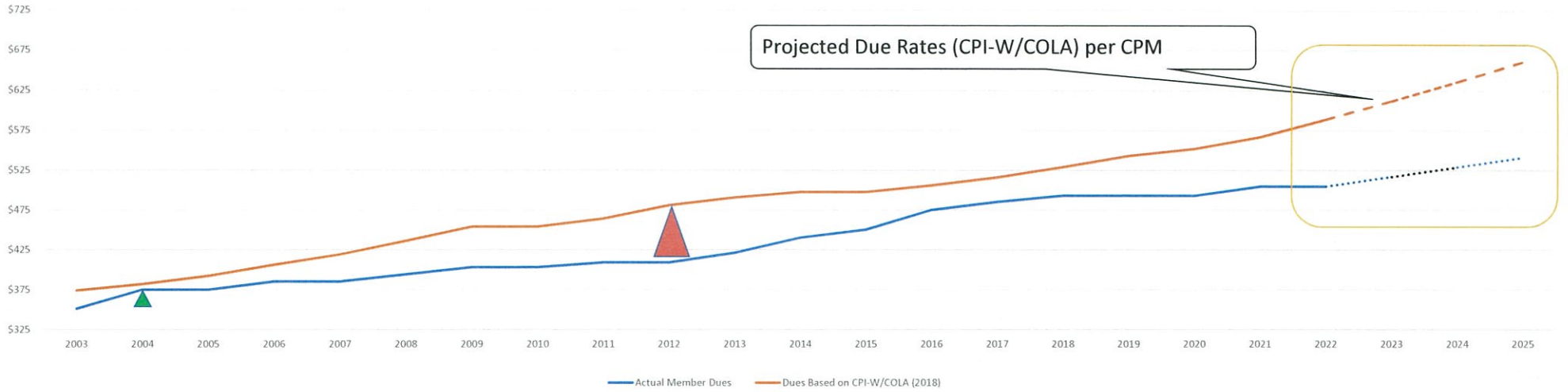
2022 Budget Facilities Serv.		2020	2021	2021	2021	2022	2022 Bud.	2022 Bud.
		1..12	1..7	1..12	1..12	Budget	vs	vs
		Actuals	Actuals	Projection	Budget	Budget	2021 Proj.	2021 Bud.
	Full Time Equivalents	50	56	56	59	56		
	Head Count	61	67	67	70	67		
Revenue	Member Dues	-	-	-	-	-		
	LC,Trans., Crd Fees.	-	-	-	-	-		
	Capital Revenue	-	-	-	-	-		
	Membership Revenue	-	-	-	-	-	- 0.0%	- 0.0%
	Programs	-	-	-	-	-		
	Instructional	-	-	-	-	-		
	Recreational Revenue	-	-	-	-	-	- 0.0%	- 0.0%
	Investment Income	-	-	-	-	-	- 0.0%	- 0.0%
	Advertising Income	-	-	-	-	-		
	Cell Tower Lease Inc.	-	-	-	-	-		
	Comm. Revenue	-	-	-	-	-	- 0.0%	- 0.0%
	Other Income	16	14	24	-	-		
	Facility Rent/Leases	-	-	-	-	-		
	Marketing Events	-	-	-	-	-		
Other Revenue	16	14	24	-	-	(24) (100.0%)	- 0.0%	
	Total Operating Revenue	16	14	24	-	-	(24) (100.0%)	- 0.0%
Expenses	Major Proj.-Rep. & Maint.	309,259	291,953	498,490	598,359	594,035		
	Facility Maintenance	369,086	113,094	193,875	249,892	166,475		
	Fees & Assessments	17,525	12,790	21,926	33,060	30,000		
	Utilities	686,819	534,195	915,764	865,734	871,224		
	Depreciation	1,668,559	969,144	1,686,389	1,810,173	1,706,610		
	Furniture & Equipment	69,009	24,234	41,545	47,040	51,820		
	Vehicles	66,385	42,118	72,203	70,080	76,620		
	Facilities & Equipment	3,186,643	1,987,528	3,430,191	3,674,338	3,496,783	(66,592) (1.9%)	177,554 5.1%
	Wages	1,868,835	1,213,131	2,115,936	2,096,974	2,149,851		
	Payroll Taxes	138,471	95,622	165,744	164,193	170,407		
	Benefits	436,819	317,907	550,515	517,358	576,499		
	Personnel	2,444,126	1,626,660	2,832,195	2,778,525	2,896,756	(64,561) (2.2%)	(118,231) (4.1%)
	Food & Catering	6,174	3,194	5,476	4,100	1,500		
	Recreation Contracts	-	-	-	-	-		
	Bank & Credit Card Fees	-	230	394	-	-		
	Program	6,174	3,424	5,870	4,100	1,500	4,370 291.3%	2,600 173.3%
	Communications	18,723	11,612	19,906	-	-		
	Printing	-	-	-	-	-		
	Advertising	-	-	-	-	-		
	Communications	18,723	11,612	19,906	-	-	19,906 0.0%	- 0.0%
	Supplies	159,395	102,537	175,777	215,520	206,798		
	Postage	-	-	-	-	-		
	Dues & Subscriptions	3,881	1,747	2,996	4,020	3,300		
	Travel & Entertainment	5,715	529	908	4,703	2,700		
	Other Operating Expense	170,794	42,324	106,055	130,240	56,700		
	Operations	339,785	147,138	285,736	354,483	269,498	16,238 6.0%	84,985 31.5%
	Information Technology	4,150	9,900	16,971	-	4,200		
Professional Fees	(4)	1,798	3,083	156	28,000			
Commercial Insurance	-	-	-	-	-			
Taxes	-	-	-	-	-			
Conferences & Training	11,199	3,875	16,643	20,332	12,000			
Employee Recognition	4,091	206	357	3,961	-			
Provision for Bad Debt	-	-	-	-	-			
Corporate Expenses	19,435	15,779	37,054	24,449	44,200	(7,146) (16.2%)	(19,751) (44.7%)	
	Total Operating Expenses	6,014,885	3,792,140	6,610,952	6,835,895	6,708,738	(97,786) (1.5%)	127,157 1.9%
Net	Gross surplus(Rev-Exp)/ Net Cash Flow	(6,014,869)	(3,792,126)	(6,610,928)	(6,835,895)	(6,708,738)		
	Unrea. Gain/Loss on Invest.	-	-	-	-	-		
	Accrual Basis Net from Operations	(6,014,869)	(3,792,126)	(6,610,928)	(6,835,895)	(6,708,738)		

GVR Budget Worksheet Fees Tables

Fee Schedule	2020/2021			2022		
	2021	2020	Rough		#	
	Fee	# Transact. Projected	Estimate of Revenue	Fee	Transact.	Revenue
4000 - Annual Dues per Household	\$ 505	13,735	\$ 6,936,175	\$ 505	13,756	\$ 6,946,780
Life Care, Transfer, Tenant & Addl Card Fees						
4004 - Annual Life Care Member Dues	\$ 505	53	\$ 26,765	\$ 505	53	\$ 26,765
4005 - Transfer Fee	\$ 400	1,266	\$ 506,400	\$ 400	1,204	\$ 481,600
4007 - Guest Card Fees	\$ 70	1,763	\$ 123,410	\$ 70	1,200	\$ 84,000
1-7 Days	\$ 25	48	\$ 1,200	\$ 25	48	\$ 1,200
2 Weeks	\$ 35	58	\$ 2,030	\$ 35	58	\$ 2,030
1 Month	\$ 50	261	\$ 13,050	\$ 50	261	\$ 13,050
2 Months	\$ 85	235	\$ 19,975	\$ 85	235	\$ 19,975
3 Months	\$ 125	315	\$ 39,375	\$ 125	315	\$ 39,375
4-12 Months	\$ 155	214	\$ 33,170	\$ 155	214	\$ 33,170
4009 - Tenant Fees			\$ 108,800			\$ 108,800
4102 - Card Replacement	\$ 15	230	\$ 3,450	\$ 15	230	\$ 3,450
4103 - Additional Card Fees	\$ 100	206	\$ 20,600	\$ 100	206	\$ 20,600
4206 - PACF	\$ 2,716	1,109	\$ 3,012,044	\$ 2,716	1,050	\$ 2,851,800
4204 - Initial Fee	\$ 2,543	46	\$ 116,978	\$ 2,543	31	\$ 78,470
Capital Revenue			\$ 3,129,022			\$ 2,930,270
Late Fees	\$ 20	1,896	\$ 37,920	\$ 20	1,896	\$ 37,920



Actual Member Dues vs Dues Based on CPI-W/COLA (per CPM)



GVR	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actual Member Dues	\$ 351	\$ 375	\$ 375	\$ 385	\$ 385	\$ 394	\$ 403	\$ 403	\$ 409	\$ 409	\$ 421	\$ 440	\$ 450	\$ 475	\$ 485	\$ 493	\$ 493	\$ 493	\$ 505	\$ 505	\$ 517	\$ 529	\$ 541
Dues Based on CPI-W/COLA (2018)	\$ 374	\$ 382	\$ 392	\$ 406	\$ 419	\$ 436	\$ 454	\$ 454	\$ 464	\$ 481	\$ 491	\$ 498	\$ 498	\$ 506	\$ 516	\$ 529	\$ 543	\$ 552	\$ 567	\$ 589	\$ 612	\$ 636	\$ 661

Notes:

Change in Calculation by CPM (Avg CPI-W & COLA)	
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GVR Budget Worksheet Capital Projects
 Green Valley Recreation
 Capital Projects Summary
 Budget 2022

		FY 2020			
	Actual 2020	Budget 2021	Projected 2021	Budget 2022	
Non Reserve Capital Projects	\$ 271,591	\$ 205,000	\$ 333,622	\$ 218,000	See NRC Schedule
MRR Capital Projects	\$ 494,589	\$ 1,488,373	\$ 1,220,000	\$ 1,971,128	See MRR Schedule
Initiatives Capital Projects					
Canoa Hills Clubhouse	\$506,741		\$16,940	\$ 950,000	Pending Bids (major contracts likely in 2023)
East Center Pool			\$ 485,885	\$ 420,705	Pending Bids
PBC Shade Structure			\$ 17,325		
Clay Studio Expansion	\$ 66,213		\$ 98,976		
Canoa Hills Clubhouse Parking West Center				\$ 11,000	
Desert Hills Fitness Expansion					
Abrego South Field House & S				\$ 125,000	
Social Gathering Place West C				\$ 95,000	
EC Art Classroom expansion					
Expand Art Classroom					
Expand Ceramics					
TOTAL	<u>\$ 1,339,134</u>	<u>\$ 1,693,373</u>	<u>\$ 2,172,748</u>	<u>\$ 3,790,833</u>	

Non-reserve Capital FY2022

Budgeted Amount

1	Mini skid steer w/ attachments	\$	-	NOT BUDGETED
2	Accessibility initiatives	\$	80,000	
3	Social spaces – furniture & amenities	\$	40,000	
4	Clear Comfort Systems (ABN & ABS pool and spa)	\$	27,000	
5	Fence and gates for PBC	\$	11,000	
6	Proximity readers - campus wide	\$	35,000	
	Parking lot Sweeper	\$	25,000	
	Total	\$	218,000	

1 Mini Skid may be utilized by multiple divisions. Attachments include: sweeper for parking lots, pallet forks for loading and for off-loading deliveries. Auger bits for boring into soil for planting trees, installing parking bollards, light and fence poles.

2 Continue addressing accessibility issues identified by the Ad Hoc Facility Access Committee (9/12/2019). Items such as ramps, hand rails, and door access controls.

3 Furniture and amenities needed in order to develop social gathering spots throughout GVR.

4 Hydroxyl-based advanced oxidation treatment systems for pools and spas. These systems minimize chlorine use, destroy chlorine-resistant contaminants like Cryptosporidium and minimize combined chlorine.

5 Additional fencing and gates to better control access, security and monitor usage of this remote center.

6 Additional proximity readers to control access, monitor usage of rooms and spaces, and to reduce reliance on assigned keys to staff.

GVR Budget 2022 MRR Planned Capital Purchases

Level	Major	Sub w/Description	Qty	U-M	\$/U	U/L	Capital
010-Administrative Offices	22000-Office Equipment	200 - Computers, Misc. 5 IT Servers (20%)	5	Itm	12,764.324	1	13,083
030-East Social Center (EC)	08000-Rehab	206 - Locker Rooms 2 Men's, Women's & Outdoor Shower	2	Rm	57,784.371	20	118,458
030-East Social Center (EC)	12000-Pool	606 - Deck: Re-Surface 5,661 sf Pool/Spa Deck Coating	5,661	SqFt	7.730	15	44,853
030-East Social Center (EC)	12000-Pool	106 - Resurface 165 lf Pool	165	l.f.	131.539	12	22,247
030-East Social Center (EC)	12000-Pool	734 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	40,524.000	5	20,769
030-East Social Center (EC)	20000-Lighting	510 - Parking Lot 7 Parking Lot Lights	7	Itm	2,828.524	30	20,295
030-East Social Center (EC)	13000-Spa	114 - Resurface Spa	1	Itm	5,407.000	8	5,542
030-East Social Center (EC)	02000-Concrete	406 - Pool Deck 5,661 sf Pool/Spa Area Concrete Repair (4%)	5661	SqFt	22.630	2	5,408
030-East Social Center (EC)	27000-Appliances	720 - Miscellaneous 12 Kitchen Appliances (33%)	12	Itm	2,337.641	5	9,584
140-Abrego North (AN)	12000-Pool	778 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	40,081.344	5	20,542
140-Abrego North (AN)	12000-Pool	964 - Furniture: Misc Pool Area Furniture	1	LS	7,354.375	6	7,538
090-Abrego South (AS)	12000-Pool	758 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	35,260.000	5	18,071
090-Abrego South (AS)	13000-Spa	138 - Resurface Spa	1	Itm	5,043.000	8	5,169
020-West Social Center (WC)	17000-Tennis Court	600 - Lighting 20 Court Lights	20	Itm	4,195.122	30	86,000
020-West Social Center (WC)	12000-Pool	730 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	53,671.176	5	27,506
020-West Social Center (WC)	24500-Audio / Visual	400 - Stage Lights Stage Lighting	1	LS	10,182.678	20	10,437
020-West Social Center (WC)	24600-Safety / Access	200 - Fire Control Misc Fire Alarm System	1	LS	43,075.621	20	44,153
020-West Social Center (WC)	23000-Mechanical Equipm	420 - HVAC Tennis Ramada Carrier Unit #15- 2007	1	Itm	5,673.375	15	5,815
120-Casa Paloma I (CPI)	12000-Pool	660 - Deck: Re-Surface 6,128 sf Pool/Spa Deck Coating	6,128	SqFt	8.489	15	53,321
130-Casa Paloma II (CPII)	08000-Rehab	260 - Locker Rooms 2 Men's & Women's	2	Rm	36,771.875	20	75,382
130-Casa Paloma II (CPII)	12000-Pool	666 - Deck: Re-Surface 4,933 sf Pool/Spa Deck Coating	4,933	SqFt	8.489	15	42,923
130-Casa Paloma II (CPII)	12000-Pool	774 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	40,081.344	5	20,542
050-Desert Hills (DH)	08000-Rehab	218 - Locker Rooms 2 Men's & Women's	2	Rm	64,455.840	28	132,134
050-Desert Hills (DH)	12000-Pool	742 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	54,669.270	5	28,018
050-Desert Hills (DH)	08000-Rehab	222 - Bathrooms Add Companion Bathroom	1	Rm	16,557.191	20	16,971
050-Desert Hills (DH)	13000-Spa	122 - Resurface Spa	1	Itm	8,704.428	8	8,922
050-Desert Hills (DH)	14000-Recreation	140 - Sauna: Wood Kit Sauna	1	Rm	6,461.343	25	6,623
050-Desert Hills (DH)	23000-Mechanical Equipm	216 - HVAC 4 Rooftop Carrier Units- 2005	4	Itm	13,999.577	15	57,398
050-Desert Hills (DH)	23000-Mechanical Equipm	296 - HVAC 3 Rooftop Carrier Units- 2007	3	Itm	12,274.802	15	37,745
050-Desert Hills (DH)	25000-Flooring	440 - Tile 975 sf Clubhouse Walls & Floors	975	SqFt	29.822	20	29,803
050-Desert Hills (DH)	24600-Safety / Access	220 - Fire Control Misc Fire Alarm System	1	LS	19,384.031	20	19,869
050-Desert Hills (DH)	14000-Recreation	220 - Exercise: Cardio Equipment 13 Fitness Center Cardio Machine	13	Itm	5,673.375	3	18,899
110-Madera Vista (MV)	08000-Rehab	480 - Shower Outdoor Pool Shower	1	LS	8,615.125	15	8,831
100-Continental Vistas (CV)	12000-Pool	762 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	36,651.051	5	18,784
100-Continental Vistas (CV)	12000-Pool	948 - Furniture: Misc Pool Area Furniture	1	LS	7,354.375	6	7,538
060-Canoa Hills (CH)	08000-Rehab	224 - Locker Rooms 2 Men's, Women's & Outdoor Shower	2	Rm	82,894.313	20	169,933
060-Canoa Hills (CH)	08000-Rehab	330 - Restrooms 2 Restrooms	2	Rm	36,850.672	20	75,544
060-Canoa Hills (CH)	25000-Flooring	450 - Tile 6,475 sf Clubhouse Walls & Floors	6475	SqFt	13.658	20	90,647
060-Canoa Hills (CH)	24000-Furnishings	620 - Miscellaneous Lobby Furniture	1	LS	9,051.260	12	9,278
040-Las Campanas (LC)	12000-Pool	112 - Resurface 264 lf Pool	264	l.f.	158.397	12	42,862
040-Las Campanas (LC)	12000-Pool	738 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	48,890.832	5	25,057
040-Las Campanas (LC)	25000-Flooring	620 - Vinyl 540 Sq. Yds. Clubhouse	540	SqYd	155.174	15	85,889
070-Santa Rita Springs (SRS)	01000-Paving	336 - Asphalt: Overlay w/ Interlayer 58,386 sf North & East Parking	58,386	SqFt	1.807	25	108,146
070-Santa Rita Springs (SRS)	01000-Paving	340 - Asphalt: Overlay w/ Interlayer 22,250 sf South Parking Lot	22,250	SqFt	1.807	25	41,213
070-Santa Rita Springs (SRS)	04000-Structural Repairs	600 - Metal Railings 1,410 lf Deck, Stair & Bridge Railings (50%)	1410	l.f.	33.946	10	24,530
070-Santa Rita Springs (SRS)	03000-Painting: Exterior	400 - Wrought Iron 1,758 lf Pool Fence, Metal Railings	1758	l.f.	7.134	4	12,855
070-Santa Rita Springs (SRS)	01000-Paving	228 - Asphalt: Ongoing Repairs 80,636 sf Parking Lots (3%)	80,636	SqFt	3.677	5	7,598
070-Santa Rita Springs (SRS)	25000-Flooring	260 - Carpeting 1,400 Sq. Yds. Anza, Fiesta, Computer, Office	1400	SqYd	39.975	10	57,364
070-Santa Rita Springs (SRS)	23000-Mechanical Equipm	452 - HVAC 2 Carrier Units- 2007	2	Itm	15,142.132	15	31,041
070-Santa Rita Springs (SRS)	25000-Flooring	460 - Tile 1,825 sf Clubhouse Walls & Floors	1825	SqFt	13.658	20	25,549
070-Santa Rita Springs (SRS)	25000-Flooring	270 - Carpeting 400 Sq. Yds. Kino, Fitness, Office Areas	400	SqYd	39.975	10	16,390
080-Canoa Ranch (CR)	12000-Pool	636 - Deck: Re-Surface 2,650 sf Pool Area Decking	2650	SqFt	15.370	15	41,749
080-Canoa Ranch (CR)	12000-Pool	754 - Equipment: Replacement Pool & Spa Equipment (50%)	1	LS	43,742.770	5	22,418
700-Facility Maintenance Shop	03000-Painting: Exterior	412 - Wrought Iron 835 lf Perimeter Fence	835	l.f.	9.456	4	8,093
800-General	30000-Miscellaneous	710 - Trailer Big Tex	1	Itm	5,657.041	15	5,798
						TOTAL	<u>1,971,128</u>

GVR
Long Term Capital Project Plan
Funding Projections

All Amounts Are Projections

	2021	2022	2023	2024	2025	2026	
Initiatives							
Beginning Balance	\$ 1,114,873	\$ 2,057,524	\$ 1,146,299	\$ 733,309	\$ 1,296,067	\$ 1,555,943	
Funding From Operations Revenue	\$ 757,958	\$ 589,977	\$ 534,316	\$ 555,820	\$ 585,869	\$ 604,788	
Additional GVR Funding (Estimate)	\$ 737,620						
Additional Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Loan
Loan Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Loan Payment (20 year Amortization)
Net Investment Earnings	\$ 66,200	\$ 100,503	\$ 53,277	\$ 57,522	\$ 80,839	\$ 105,620	
Projects:							
Clay Studio Expansion	\$ (98,976)						Complete approved expansion into Fiesta room
Canoa Hills Club House & Pk Lot	\$ (16,941)	\$ (961,000)	\$ (961,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$1.8 - \$2.1 MM estimate
East Center Pool Replacement	\$ (485,885)	\$ (420,705)					Total \$750,000 less \$93,410 funding available from MRR
PBC Shade Structure	\$ (17,325)						Approved by BOD
Abrego So. Field House & Shuffle West Center		\$ (125,000)					Architectural & Engineering Design & Construction Restrooms, 12 shuffleboard courts, 6 horseshoe pits, 2 sand vo
Social Gathering Place		\$ (95,000)					\$95K West Center / Coffee / Shade Redesign courtyards for casual social seating shade garden coffee shop and out
Desert Hills Fitness Expansion			\$ (39,583)	\$ (39,583)	\$ (395,833)		\$475KDH Shuffleboard location
EC Art Classroom expansion						\$ (35,000)	\$35K Relocate current EC Art Classroom to the former EC Lapidary buildings
Expand Art Classroom						\$ (35,000)	\$35K Relocate current Art Classroom to the larger former DH Lapidary space
Expand Ceramics						\$ (15,000)	\$15K Repurpose the former DH Art Classroom to expand the current Ceramics Shop
LC Ph2 Classroom parking tennis							\$750K LC Phase 2 classrooms, expanded parking, 3rd tennis court
Potential Projects							
GVR Dog Park							Possible shared project with GVRF
LC - Fitness Room Expansion							Identified by P&E on the Proposed GVR Capital Project Plan
Woodshop Expansion							Club requested new construction for additional square footage
Ending Balance	<u>\$ 2,057,524</u>	<u>\$ 1,146,299</u>	<u>\$ 733,309</u>	<u>\$ 1,296,067</u>	<u>\$ 1,555,943</u>	<u>\$ 2,170,351</u>	

GVR
Long Term Capital Project Plan
Funding Projections

All Amounts Are Projections

	2021	2022	2023	2024	2025	2026
Emergency						
Beginning Balance	\$ 993,416	\$ 1,144,705	\$ 1,222,099	\$ 1,304,725	\$ 1,392,937	\$ 1,462,937
Annual Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Funding						
Net Investment Earnings	\$ 151,289	\$ 77,394	\$ 82,626	\$ 88,212	\$ 70,000	\$ 73,000
Projects:						
East Center (2019)						
Ending Balance	\$ 1,144,705	\$ 1,222,099	\$ 1,304,725	\$ 1,392,937	\$ 1,462,937	\$ 1,535,937
Maintenance Repair & Replacement						
Beginning Balance	\$ 7,874,716	\$ 7,618,444	\$ 7,179,928	\$ 7,051,676	\$ 7,555,547	\$ 8,559,522
Annual Funding (per Reserve Study)	\$ 1,048,192	\$ 1,132,047	\$ 1,222,611	\$ 1,320,420	\$ 1,426,054	\$ 1,540,138
Additional Funding						
Net Investment Earnings (actual IPS rate)	\$ 578,740	\$ 670,484	\$ 633,608	\$ 596,919	\$ 610,889	\$ 724,611
Projects:						
Per Reserve Study	\$ (1,883,204)	\$ (2,241,047)	\$ (1,984,470)	\$ (1,413,469)	\$ (1,032,967)	\$ (1,779,204)
Ending Balance	\$ 7,618,444	\$ 7,179,928	\$ 7,051,676	\$ 7,555,547	\$ 8,559,522	\$ 9,045,067
MRR Part B - Pools and Spas						
Beginning Balance	\$ -	\$ 170,373	\$ 315,725	\$ 656,874	\$ 1,025,995	\$ 1,424,921
Funding	\$ 169,553	\$ 127,947	\$ 304,938	\$ 312,561	\$ 320,375	\$ 328,384
Net Investment Earnings	\$ 820	\$ 17,405	\$ 36,211	\$ 56,560	\$ 78,551	\$ 102,293
Projects: (1st pool CP 1 2033)						
Ending Balance	\$ 170,373	\$ 315,725	\$ 656,874	\$ 1,025,995	\$ 1,424,921	\$ 1,855,598
Total Board Designated Funds	\$ 10,991,046	\$ 9,864,050	\$ 9,746,584	\$ 11,270,546	\$ 13,003,323	\$ 14,606,954

GVR
Rates Comparison

	Dues Rates						Capital Fees
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Saddlebrook Ranch	\$ 1,680	\$ 1,980	\$ 2,700	\$ 2,710			
Pebble Creek	\$ 2,310	\$ 2,448	\$ 2,572	\$ 2,728			
Quail Creek	\$ 2,136	\$ 2,316	\$ 2,556	\$ 2,676	\$ 2,520		\$ 3,006
Highlands at Dove Mtn	\$ 2,316	\$ 2,376	\$ 2,448	\$ 1,520			
Saddlebrook HOA #1	\$ 2,383	\$ 2,383	\$ 2,433	\$ 2,483	\$ 2,714		\$ 2,790
Saddlebrook HOA #2	\$ 1,980	\$ 2,225	\$ 2,160	\$ 2,484	\$ 2,714		\$ 2,790
Sun City West					\$ 960		\$ 3,775
Sun City Oro Valley	\$ 1,790	\$ 1,865	\$ 1,875	\$ 2,075			
Sun City Anthem #	\$ 1,210	\$ 1,210	\$ 1,788	\$ 1,210			
Sun City Festival	\$ 1,748	\$ 1,596	\$ 1,668	\$ 1,740			
Average	\$ 1,950	\$ 2,044	\$ 2,244	\$ 2,181			
Green Valley Recreation	\$ 485	\$ 493	\$ 493	\$ 493	\$ 505	\$ 505	\$ 2,716

Association had a special assessment

Green Valley Recreation's dues rates average is approximately 23% of above comparable communities



MEMO

TO: Scott Somers
 FROM: David Webster
 DATE: September 28, 2021
 CC: Donna Coon, Treasurer GVR BOD
 RE: 2022 Budget – FAC recommendations

The following discussion of the 2022 budget is based on the outcome of the September 27, 2021 FAC work session to review the staff proposed 2022 GVR budget:

2022 Budget	Staff Proposed Budget Amount	FAC Recommendations	Revised Budget for Board to consider	Description of FAC Recommendations
Operating Revenue	11,528,213	164,300	11,692,513	Transfer, PACF, and Initial fees increases less refund allowance increase
Operating Expenses	-11,282,461		-11,282,461	No change
Non-Reserve Capital Projects	-218,000		-218,000	No change
Reserve Funding Initiatives & MRR - A	-1,965,075	-21,775	-1,986,850	Additional funding for Initiatives due to increased fees (CPM formula)
Reserve Funding MRR-B Pools / Spas	-127,947	-142,525	-270,472	Net of increase allocated to MRR part B Pools & Spas
MRR Operating Exp / Depreciation / Reserve Exp	2,065,270		2,065,270	No change
TOTAL SURPLUS	0	0	0	No net change

Revisions recommended:

- Transfer Fees – increase from \$400 to \$450 for projected 1,204 transactions (\$50 X 1,204 = \$60,200)
- PACF – increase from \$2,716 to \$2,816 for 1,050 projected transactions (\$100 X 1,050 = \$105,000)
- Initial Fee – increase from \$2,543 to \$2,643 for 31 transactions (\$100 X 31 = \$3,100)

Summary:	<u>Revenue</u>	<u>Initiatives Funding</u>
Transfer Fees increase	\$ 60,200	= \$ 0
PACF increase	\$105,000	X 20% = \$21,000
Initial Fees increase	<u>\$ 3,100</u>	X 25% = <u>\$ 775</u>
Total Gross Revenue Increase	\$168,300	<u>\$21,775</u>
Additional PACF Liability for refunds	\$ -4,000	
Net Revenue Increase	<u>\$164,300</u>	

The net balance of the increase to revenue less the required funding to the Board Designated Initiatives Fund is to be allocated to the MRR Part B Pools and Spas Designated Fund:

Total Revenue Increase	\$168,300
Initiatives Funding	<u>\$ -21,775</u>
Balance Transfer to MRR Part B	<u>\$146,525</u>

The Transfer fees history is as follows:

FY1999 – 2007	(9 years)	\$100
FY2008 – 2015	(8 years)	\$250
FY2016 – 2020	(5 years)	\$350
FY2021	(1 year)	\$400
FY 2022 FAC proposed		\$450

PACF/NMCF and Initial fees history is as follows:

	<u>PACF/NMCF</u>	<u>Initial Fee</u>
FY2016	\$2,425	\$2,296
FY2017	\$2,474	\$2,335
FY2018	\$2,474	\$2,372
FY2019	\$2,616	\$2,427
FY2020	\$2,616	\$2,427
FY2021	\$2,716	\$2,543
FY 2022 FAC proposed	\$2,816	\$2,643

GVR Budget Worksheet BOD GVR Summary

2022 Budget		2020	2021	2021	2022	2022 Bud.		2022 Bud.		2023	2024	2025
		1..12	1..12	1..12	Budget	vs		vs		Projected	Projected	Projected
		Actuals	Projection	Budget	Budget	2021 Proj.		2021 Bud.		Budget	Budget	Budget
Revenue	FTE	83	95	97	96					97	97	97
	HC	103	117	117	115					116	116	116
	Member Dues	6,748,910	6,936,512	6,930,115	6,946,780					7,114,437	7,279,569	7,444,701
	LC,Trans., Crd Fees.	611,398	669,255	789,835	725,215					746,971	769,381	792,462
	Capital Revenue	2,533,963	2,873,864	2,518,147	2,930,270					3,018,178	3,108,723	3,201,985
	Membership Revenue	9,894,271	10,479,631	10,238,097	10,602,265	122,634	1.2%	364,168	3.6%	10,879,586	11,157,673	11,439,148
	Programs	124,728	12,639	260,953	203,246					209,343	215,623	222,092
	Instructional	253,846	135,155	206,133	340,329					350,539	361,055	371,887
	Recreational Revenue	378,573	147,793	467,086	543,575	395,782	267.8%	76,489	16.4%	559,882	576,678	593,979
	Investment Income	288,038	279,432	286,746	279,432	(7,314)	(2.6%)	(7,314)	(2.6%)	279,432	279,432	279,432
	Advertising Income	122,893	23,333	71,257	-					-	-	-
	Cell Tower Lease Inc.	41,059	38,378	38,378	41,368					42,609	43,887	45,204
	Comm. Revenue	163,952	61,711	109,635	41,368	(20,343)	(33.0%)	(68,267)	(62.3%)	42,609	43,887	45,204
	Other Income	113,060	68,591	91,433	55,573					57,240	58,957	60,726
Facility Rent/Leases	28,427	2,417	16,000	6,000					6,180	6,365	6,556	
Marketing Events	-	-	-	-					-	-	-	
Other Revenue	141,486	71,008	107,433	61,573	(9,435)	(13.3%)	(45,860)	(42.7%)	63,420	65,323	67,282	
Total Operating Revenue		10,866,321	11,039,575	11,208,997	11,528,213	488,637	4.4%	319,216	2.8%	11,824,930	12,122,994	12,425,045
Expenses	Major Proj.-Rep. & Maint.	299,982	498,490	598,359	607,035	(108,544)	(17.9%)	(8,676)	(1.4%)	625,246	644,003	663,323
	Facility Maintenance	371,289	197,030	254,620	170,994	26,036	15.2%	83,626	48.9%	176,124	181,408	186,850
	Fees & Assessments	23,011	22,841	42,919	38,134	(15,293)	(40.1%)	4,785	12.5%	39,278	40,456	41,670
	Utilities	719,908	849,428	865,734	871,224	(21,796)	(2.5%)	(5,490)	(0.6%)	897,361	924,282	952,010
	Depreciation	1,668,559	1,686,389	1,810,173	1,706,610	(20,221)	(1.2%)	103,563	6.1%	1,757,808	1,810,542	1,864,859
	Furniture & Equipment	190,685	193,136	177,008	248,684	(55,549)	(22.3%)	(71,676)	(28.8%)	256,145	263,829	271,744
	Vehicles	66,385	72,203	70,112	76,620	(4,417)	(5.8%)	(6,508)	(8.5%)	78,919	81,286	83,725
	Facilities & Equipment	3,339,819	3,519,517	3,818,925	3,719,301	(199,784)	(5.4%)	99,624	2.7%	3,830,880	3,945,806	4,064,181
	Wages	3,928,846	4,086,164	4,153,407	4,141,797	(55,633)	(1.3%)	11,610	0.3%	4,266,051	4,394,032	4,525,853
	Payroll Taxes	268,812	329,707	325,212	332,250	(2,544)	(0.8%)	(7,039)	(2.1%)	342,218	352,484	363,059
	Benefits	862,636	937,967	837,771	990,007	(52,040)	(5.3%)	(152,235)	(15.4%)	1,039,507	1,091,483	1,146,057
	Personnel	5,060,293	5,353,838	5,316,390	5,464,054	(110,216)	(2.0%)	(147,664)	(2.7%)	5,647,776	5,837,999	6,034,969
	Food & Catering	24,689	23,109	50,621	40,319	(17,210)	(42.7%)	10,302	25.6%	41,529	42,775	44,058
	Recreation Contracts	351,530	140,523	391,912	422,853	(282,330)	(66.8%)	(30,941)	(7.3%)	435,539	448,605	462,063
	Bank & Credit Card Fees	73,900	73,577	94,119	73,900	(322)	(0.4%)	20,219	27.4%	76,117	78,400	80,752
	Program	450,120	237,210	536,652	537,072	(299,862)	(126.4%)	(420)	(0.1%)	553,184	569,780	586,873
	Communications	110,007	107,563	107,185	114,045	(6,482)	(5.7%)	(6,860)	(6.0%)	117,466	120,990	124,620
	Printing	67,094	83,131	105,170	82,200	931	1.1%	22,970	27.9%	84,666	87,206	89,822
	Advertising	630	-	-	33,500	(33,500)	(100.0%)	(33,500)	(100.0%)	34,505	35,540	36,606
	Communications	177,731	190,694	212,355	229,745	(39,051)	(17.0%)	(17,390)	(7.6%)	236,637	243,736	251,049
	Supplies	212,688	257,911	264,531	289,808	(31,897)	(11.0%)	(25,277)	(8.7%)	298,502	307,457	316,681
	Postage	14,300	26,220	18,258	15,087	11,133	73.8%	3,171	21.0%	15,540	16,006	16,486
	Dues & Subscriptions	14,318	9,327	15,558	12,045	(2,718)	(22.6%)	3,513	29.2%	12,406	12,779	13,162
	Travel & Entertainment	15,934	9,704	26,610	16,000	(6,296)	(39.3%)	10,610	66.3%	16,480	16,974	17,484
	Other Operating Expense	287,530	179,907	251,948	160,609	19,298	12.0%	91,339	56.9%	165,427	170,390	175,502
	Operations	544,771	483,069	576,904	493,549	(10,480)	(2.1%)	83,355	16.9%	508,355	523,606	539,314
	Information Technology	81,983	96,662	86,509	123,798	(27,136)	(21.9%)	(37,289)	(30.1%)	127,512	131,337	135,277
	Professional Fees	250,780	283,995	272,286	304,200	(20,205)	(6.6%)	(31,914)	(10.5%)	313,326	322,726	332,408
Commercial Insurance	304,699	297,134	287,000	329,075	(31,941)	(9.7%)	(42,075)	(12.8%)	348,819	369,749	391,933	
Taxes	11,870	17,412	20,367	18,566	(1,154)	(6.2%)	1,801	9.7%	19,123	19,697	20,288	
Conferences & Training	30,028	28,397	45,563	43,100	(14,703)	(34.1%)	2,463	5.7%	44,393	45,725	47,097	
Employee Recognition	13,882	2,392	10,842	20,000	(17,608)	(88.0%)	(9,158)	(45.8%)	20,600	21,218	21,855	
Provision for Bad Debt	-	-	-	-	-	0.0%	-	0.0%	-	-	-	
Corporate Expenses	693,242	725,992	722,567	838,739	(112,747)	(13.4%)	(116,172)	(13.9%)	873,773	910,451	948,857	
Total Operating Expenses		10,265,976	10,510,320	11,183,794	11,282,460	(772,139)	(6.8%)	(98,666)	(0.9%)	11,650,606	12,031,379	12,425,242
Net	Gross surplus(Rev-Exp)/ Net Cash Flow	600,346	529,255	25,203	245,753							
	Unrea. Gain/Loss on Invest.	632,921	737,666	-	-							
	Accrual Basis Net from Operations	1,233,266	1,266,921	25,203	245,753							
Adj. to Cash Basis	Subtract:											
	Non-Reserve Capital Projects				(218,000)							
	Income From Reserve Funds				(243,051)							
	Reserved Funding/Initiatives				(589,977)							
	MRR B (Pools & Spas)				(127,947)							
	Reserved Funding/MRR				(1,132,047)							
	Cash Basis Changed in Net Assets Net of Reserved				(2,065,269)							
	Add Back:											
	MRR Operating Expenses.				269,920							
	Depreciation				1,706,610							
Expenses from Reserve Funds				88,740								
Cash Basis Net Surplus (Deficit)					0							<-- Oper. Surplus