



VOLLMER & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountants' Review Report

February 16, 2021
To the Board of Directors
Green Valley Mutual Water Company
Green Valley Lake, California

We have reviewed the accompanying financial statements of Green Valley Mutual Water Company (a California non-profit mutual benefit corporation) which comprise the consolidated balance sheet as of December 31, 2020 and the related consolidated statements of income and retained earnings and cash flows for the twelve months then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Vollmer & Associates CPA's

Vollmer and Associates, CPAs
Certified Public Accountants

Green Valley Mutual Water Company and Subsidiary
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December 31, 2020 and 2019

Independent Accountants' Review Report

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Green Valley Mutual Water Company and Subsidiary
Consolidated Balance Sheet
Exhibit A
December 31, 2020 and 2019

ASSETS

	2020	2019
Current assets		
Cash and equivalents	\$ 1,710,212	\$ 1,727,805
Accounts receivable	163,211	134,477
Inventory	24,884	23,489
Prepaid expense	13,187	10,026
	1,911,494	1,895,797
Investments		
Certificate of deposit	10,000	10,000
	10,000	10,000
Property and equipment		
Land	19,124	19,124
Building and improvements	377,177	377,177
Wells and pumps	335,242	320,540
Tanks, main lines and improvements	5,327,448	4,971,801
Furniture and equipment	284,369	278,890
Vehicles	153,887	153,887
Work in progress	196,431	21,872
Accumulated depreciation	(2,531,646)	(2,365,276)
	4,162,032	3,778,015
Noncurrent assets		
Noncurrent accounts receivable	98,091	97,947
	98,091	97,947
Total assets	\$ 6,181,617	\$ 5,781,759

Green Valley Mutual Water Company and Subsidiary
Consolidated Balance Sheet

Exhibit A

December 31, 2020 and 2019

LIABILITIES AND STOCKHOLDERS' EQUITY

	2020	2019
Current liabilities		
Accounts payable	\$ 4,217	\$ 9,176
Accrued payroll costs	11,126	6,413
Income tax payable	800	-
	<hr/>	<hr/>
Total liabilities	16,143	15,589
	<hr/>	<hr/>
STOCKHOLDERS' EQUITY		
Capital stock - 2500 shares authorized, 1673 shares issued and outstanding	14,173	14,173
Additional paid in capital	19,036	19,036
Retained earnings	6,132,265	5,732,961
	<hr/>	<hr/>
Total stockholders' equity	6,165,474	5,766,170
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$ 6,181,617	\$ 5,781,759
	<hr/> <hr/>	<hr/> <hr/>

**Green Valley Mutual Water Company and Subsidiary
Consolidated Statement of Income and Retained Earnings**

Exhibit B

For the Year Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Competitive event revenue	\$ -	\$ -
Competitive event expense	-	(269)
	<hr/>	<hr/>
	-	(269)
Monthly connection charges	499,274	449,412
Recreation income	145,733	157,590
Overage charges	74,745	64,420
Stock transfer fees	61,450	34,750
Other service charges	18,867	59,201
Rental income	15,090	24,671
Investment income	3,389	2,586
Miscellaneous income	1,141	-
Total revenue	<hr/>	<hr/>
	819,689	792,361
Expenses		
Payroll and related costs		
Salaries and wages	267,772	346,913
Workers compensation insurance	9,761	24,311
Payroll taxes	24,227	34,388
Retirement plan	6,247	12,660
Total payroll and related costs	<hr/>	<hr/>
	308,007	418,272
Depreciation	166,330	166,878
Insurance	70,116	71,035
Repairs and maintenance	22,757	46,660
Lake stocking	25,440	40,934
Taxes and licenses	35,816	42,874
Office administration	27,066	25,229
Utilities and telephone	13,755	15,117
Water testing and treatment	41,739	29,186
Professional services	29,268	65,380
Operating supplies	6,477	22,450
California franchise tax	2,304	1,265
	<hr/>	<hr/>
	749,075	945,280
Income (loss) from operations	<hr/>	<hr/>
	70,614	(152,919)
Water share assessment	<hr/>	<hr/>
	328,690	334,295
Net income (loss)	<hr/>	<hr/>
	399,304	181,376
Retained earnings, beginning	<hr/>	<hr/>
	5,732,961	5,551,585
Retained earnings, ending	<hr/>	<hr/>
	6,132,265	5,732,961

Green Valley Mutual Water Company and Subsidiary
Consolidated Statement of Income and Retained Earnings

Exhibit C

For the Year Ended December 31, 2020

	<u>Water</u>	<u>Recreation</u>	<u>Total</u>
Revenues			
Monthly connection charges	\$ 499,274	\$ -	\$ 499,274
Recreation income	-	145,733	145,733
Overage charges	74,745	-	74,745
Stock transfer fees	61,450	-	61,450
Other service charges	18,867	-	18,867
Rental income	15,090	-	15,090
Investment income	3,345	44	3,389
Miscellaneous income	1,141	-	1,141
Total revenue	673,912	145,777	819,689
Expenses			
Payroll and related costs			
Salaries and wages	219,479	48,293	267,772
Workers compensation insurance	5,527	4,234	9,761
Payroll taxes	18,519	5,708	24,227
Retirement plan	6,080	167	6,247
Total payroll and related costs	249,605	58,402	308,007
Depreciation	162,437	3,893	166,330
Insurance	62,658	7,458	70,116
Repairs and maintenance	15,998	6,759	22,757
Lake stocking	-	25,440	25,440
Taxes and licenses	34,460	1,356	35,816
Office administration	24,618	2,448	27,066
Utilities and telephone	7,220	6,535	13,755
Water testing and treatment	30,699	11,040	41,739
Professional services	26,598	2,670	29,268
Operating supplies	3,659	2,818	6,477
California franchise tax	1,504	800	2,304
	619,456	129,619	749,075
Income (loss) from operations	54,456	16,158	70,614
Water share assessment	328,690	-	328,690
Net income (loss)	383,146	16,158	399,304
Retained earnings, beginning			5,732,961
Retained earnings, ending			\$ 6,132,265

Green Valley Mutual Water Company and Subsidiary
Consolidated Statement of Income and Retained Earnings

Exhibit D

For the Year Ended December 31, 2019

	<u>Water</u>	<u>Recreation</u>	<u>Total</u>
Revenues			
Competitive event revenue	\$ -	\$ -	\$ -
Competitive event expense	-	(269)	(269)
	-	(269)	(269)
Monthly connection charges	449,412	-	449,412
Recreation income	-	157,590	157,590
Overage charges	64,420	-	64,420
Stock transfer fees	34,750	-	34,750
Other service charges	21,995	37,206	59,201
Rental income	24,671	-	24,671
Investment income	2,515	71	2,586
Total revenue	<u>597,763</u>	<u>194,598</u>	<u>792,361</u>
Expenses			
Payroll and related costs			
Salaries and wages	264,221	82,692	346,913
Workers compensation insurance	10,597	13,714	24,311
Payroll taxes	24,331	10,057	34,388
Retirement plan	12,660	-	12,660
Total payroll and related costs	<u>311,809</u>	<u>106,463</u>	<u>418,272</u>
Depreciation	160,400	6,478	166,878
Insurance	62,565	8,470	71,035
Repairs and maintenance	35,670	10,990	46,660
Lake stocking	-	40,934	40,934
Taxes and licenses	36,852	6,022	42,874
Office administration	24,305	924	25,229
Utilities and telephone	7,936	7,181	15,117
Water testing and treatment	16,011	13,175	29,186
Professional services	62,510	2,870	65,380
Operating supplies	18,877	3,573	22,450
California franchise tax	1,263	2	1,265
	<u>738,198</u>	<u>207,082</u>	<u>945,280</u>
Income (loss) from operations	<u>(140,435)</u>	<u>(12,484)</u>	<u>(152,919)</u>
Water share assessment	334,295	-	334,295
Net income (loss)	<u>193,860</u>	<u>(12,484)</u>	<u>181,376</u>
Retained earnings, beginning			<u>5,551,585</u>
Retained earnings, ending			<u>\$ 5,732,961</u>