



**Endorsed by Fiscal Affairs Committee  
Thursday, August 20, 2015**

**EXHIBIT**

**Board of Directors  
Tuesday, August 25, 2015**

**GVR Guest Cards & Fees**

**Overview**

- Under the GVR Bylaws, Article II, Section 4(A)(3), guests may use GVR facilities “subject to the then current....fees established by the Board.”
- Under the Bylaws Article II, Section 3: Definitions, (vi), a ‘Guest is a temporary visitor of a GVR Member, Assigned Member, CRCF Residents, or Tenant who lives more than twenty (20) miles outside GVR’s Corporate Jurisdiction.’
- The Guest Policy set forth in the CPM (Section II, Subsection 2(A)) also states that guest fees shall be as “determined by the Board of Directors.”
- A recent legal opinion (Attorney W. Ehrlich, July 7, 2015) states that, ‘*Since the Board has the discretion to set guest fees, the Board is free to modify those fees ...*’

**GVR Member Guest Cards**

Availability of Guest Cards for nonmembers of commercial, private and public recreation centers and facilities on a fee-for-service basis is commonplace. Green Valley Recreation, Inc. (GVR) has made Guest Cards available to members on a fee basis for many years.

GVR Members may purchase Guest Cards on a daily or annual basis. Each annual GVR Guest Card may be used for an unlimited number of guests and an unlimited number of visits. Tenants may only purchase daily Guest Cards. Fees received from the sale of Guest Cards are applied toward maintenance, capital improvement and safety needs of GVR facilities. They may also be used to help fund GVR reserves to support future facility and maintenance-related projects.

**2015 GVR Guest Card Fees**

- |                                |  |
|--------------------------------|--|
| • Annual (12-month) Guest Card | \$50 (unlimited guests/unlimited visits) |
| • Second Annual Guest Card     | \$25 (unlimited guests/unlimited visits) |
| • Daily Guest Card             | \$ 5 (unlimited guests/ per day)         |

### Current Variable GVR Guest Card Situations

In recent years, GVR has provided Guest Cards for individuals to access GVR facilities beyond just accommodating members' guests. These include:

- Realtors (2014 Memorandum of Understanding with GVSAR)
- Two-day complimentary passes for people looking to purchase or rent GVR property
- Vendors & contractors
- VIP Guests
- Single GVR Members
- Active duty military servicemen and women who visit their parents or grandparents who are GVR members (this program has been deactivated pending Board authorization)

### Board Authorization for Guest Card Fees Required

In accordance with GVR Bylaws, the Board of Directors must authorize Guest Card programs. This applies to all Guest Card programs, even those where fees are waived.

### Budget Implications for Guest Card Programs

With two exceptions (e.g., active duty military & single GVR members), all Guest Card programs are intended to increase revenue to GVR through exposure to GVR properties for sale or rent; to provide access to individuals who are providing services to GVR (i.e., vendors & contractors); or to promote GVR (i.e., VIP guests).

In the case of Active Duty Military, the estimated economic impact to GVR is negligible. Staff forecasts that a maximum of five active duty servicemen and women will take advantage of a special guest card program for a maximum of two days each. Based on this estimate, the cost to GVR is \$50\year (2015 rates).

### **Recommendation**

Authorize the CEO to offer variable GVR Guest Card programs on a complimentary basis (e.g., no fees assessed) that furthers the interests of the Corporation and are consistent with GVR Bylaws, including a good faith effort to enforce the Bylaws requirement that defines guests as individuals who live more than twenty (20) miles outside GVR's Corporate Boundary Jurisdiction. CEO will notify Board of Directors when new guest card programs are implemented as described in this exhibit.