



AGENDA

BOARD OF DIRECTORS MEETING
Wednesday, June 23, 2021; 2pm
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, Bart Hillyer, Bev Lawless, Don Weaver Scott Somers (non-voting)

AGENDA TOPIC	PRESENTER	EXHIBIT	ACTION
1. Call to Order / Roll Call – Establish Quorum	Zelenak	Y	
2. Adopt Agenda	Zelenak	Y	Y
3. CEO Report	Somers		
4. Consent Agenda	Zelenak	Y	Y
A. Minutes – May 26, 2021			
B. Financial Statements – May 2021			
5. New Business			
A. East Center African Daisies	Jund	Y	Y
B. Amended and Restated Bylaws	Campfield	Y	Y
C. GVR Clubs: EIN Numbers update to CPM	Campfield	Y	Y
6. Committee Reports			
A. Audit	Weaver		
B. Board Affairs	Campfield		
C. Fiscal Affairs	Coon		
D. Investments	Lawless		
E. Nominations & Elections	McIntosh		
F. Planning & Evaluation	Boyett / Campfield		
7. Member Comments			
8. Adjournment			



A regular meeting of the GREEN VALLEY RECREATION, INC. BOARD OF DIRECTORS was held Wednesday, May 26, 2021 in the West Center Auditorium. The President being in the chair and the Secretary being present.

Directors Present: 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, Bart Hillyer, Bev Lawless, Don Weaver, Scott Somers (CEO, non-voting)

Staff Present: Cheryl Moose (CFO), David Webster (Director of Accounting), David Jund (Facilities Director), Kris Zubicki (Recreation Services Director), Randy Cheatham (IT Director), Shelley Freeman (Arts & Entertainment Supervisor), Natalie Whitman (Communications Manager), Payton Snider (IT Administrator), Karen Miars (AO Administrative Assistant), Marie Seixas (Meeting Scribe)

Guests: Debra Edwards (Parliamentarian), 19 in-house/17 electronically (both include additional staff)

1. Call to Order/Roll Call – Establish Quorum

President Zelenak called the meeting to order at 2:00pm MST. Secretary Boyett called the roll and a quorum was established.

2. Adopt Agenda

Director Campfield requested that the agenda be amended to add one item to New Business 5F) Bike Lane Support Letter to County.

MOTION: Campfield/2nd. Amend the agenda to add one item to New Business 5F) Bike Lane Support Letter to County.

Passed: unanimously

MOTION: Campfield/2nd. Adopt agenda as amended.

Passed: unanimously

3. CEO Report

CEO Somers reported:

- Survey mailings were sent to approximately 23,000 members. 1,600 responses have been returned to date. Deadline to receive return surveys is June 6, 2021.
- On June 3rd at 7:00pm, Jason Love, comedian, will perform at the West Center
- GVR Pool Flicks will be held each during the month of June at 7:00pm. Entry is free of charge. Capacity of pool area is 240. Films will include: June 10 – Jaws; June 17 – Splash; June 24 – NL’s Vacation; July 1 – Weekend at Bernie’s
- Indoor movies will be held at 2:00 and 7:00 pm on May 27 – News of the World; June 8 – Call of the Wild; and June 22 – Blinded by the Light at the West Center Auditorium. Entry is free of charge. Capacity is limited.

- He introduced parliamentarian, Debra Edwards, a GVR member who agreed to sit in on BOD meetings to provide meeting conduct support.

4. Consent Agenda

A. Minutes – April 28, 2021

B. Financial Statements – April 2021

MOTION: McIntosh/2nd. Approve minutes of April 28, 2021 and Financial Statements of April 2021 as presented.

Passed: unanimously

5. New Business

A. Annual Surplus Calculation – David Webster presented, with staff recommending that the Board accept and approve Susan Vos's recommendations for calculating the year end surplus/loss as presented.

MOTION: Coon/2nd. Move to approve Susan Vos's recommendations for calculating the year end surplus/loss as presented. – Discussion followed.

Director Crothers requested that the following comments be added to the minutes:

"Because this has been a point of discussion, and I very much appreciate Susan's comments this morning, she stated very clearly, and I think we all agreed, that her previous calculations were as valid as this new calculation. What's changed is that we are now paying for capital expenditures directly out of our reserve account. So, what we agreed this morning was that we are going to show a transition from the way we had calculated in the past for 2019 and 2020 to this new calculation, that should be valid as long as we pay for our capital expenditures out of our reserve."

Director McIntosh requested that the following comments be added to the minutes:

"I would like to put in the record that we also agreed to put this to bed after Susan Vos looks at 2019 and 2020 and brings it back to the Board Affairs Committee and to the Board."

VOTE ON MOTION – Passed: unanimously

B. Create Major Asset Replacement Reserve Fund – David Webster presented, with staff recommending that the Board approve the creation of a Major Asset Replacement Reserve Fund.

MOTION: Coon/2nd. Move the Board of Directors approve the creation of a Major Asset Replacement Reserve Fund. – Discussion followed.

Passed: Yes – 8; No – 4 (Bachelor, Crothers, Gallegos, Hillyer)

Director Crothers requested that the following comment be added to the minutes:

"I would like it noted that the motion that was just passed was not the motion that came out of the Fiscal Affairs Committee."

**Debra Edwards left the meeting at 3:15pm.

C. East Center Pool Design – David Jund presented, with staff recommending that the Board move to direct staff to pursue finalizing construction/bid documents and seek proposals for the construction of Option #1 of the East Center Pool Replacement Project.

MOTION: Bachelor/2nd. Move that staff be directed to pursue finalizing construction/bid documents and seek proposals for the construction for Option #1 of the East Center Pool Replacement Project and to seek competing bids from three (3) qualified commercial swimming pool contractors and present submitted proposals to the Board of Directors for consideration and award.

Passed: Yes – 11; No – 1 (McIntosh)

D. Pickleball Center Shade Structure Reimbursement – CEO Somers presented, asking the Board to consider reimbursement of \$17,324.73 to the GVR Pickleball Club for a shade structure at the GVR Pickleball Center as originally noted in the meeting minutes of August 26, 2020.

MOTION: Campfield/2nd. Move to reimburse the GVR Pickleball Club \$17,324.73 for the cost and installation of a shade structure at the GVR Pickleball Center. –

Discussion followed.

Passed: Yes – 7; No – 5 (Bachelor, Coon, Crothers, Hillyer, Weaver)

E. Square and Round Dance Club Guest Fee Reduction – Vice President Campfield presented, noting that it is in the CPM that this type of request be made every year to the Board. The Board Affairs Committee will be looking at modifying this language.

MOTION: Campfield/2nd. Move that the Board of Directors approve guest fees for Square and Round Dance Club from \$4 to \$2 for the remainder of 2021.

Passed: Yes – 11; No -1 (Weaver)

F. Bike Lane Support Letter to County – CEO Somers presented, asking for approval from the Board to send the presented support letter to the County.

MOTION: Crothers/2nd. Move that Board President Zelenak and CEO Somers sign the letter presented, urging the County to add bike lanes on Camino de la Canoa, the busy road to the Pickleball Center and ballpark. – Discussion followed.

Director Weaver asked that the following be added to the letter – "We are requesting that additional funds be allocated for this project. Please find funds to add to this project from another budget."

VOTE ON MOTION: Passed: unanimously

6. Committee Reports

A. Audit Committee – Chair Weaver noted this committee's first meeting will be in July.

- B. Board Affairs Committee** – Chair Campfield stated the committee has met and has subcommittees working on protocol for communications and CPM wordings on various topics.
- C. Fiscal Affairs Committee** – Chair Coon announced that financials are available on the website for member review and gave a brief overview of said financials.
- D. Investments Committee** – Chair Lawless announced that this committee will be meeting quarterly, unless otherwise necessary. The summary of investments is posted on the website.
- E. Nominations & Elections Committee** – Chair McIntosh announced the committee set to begin work and will determine how they will go forward. He plans to schedule a meeting for next month.
- F. Planning & Evaluation Committee** – Co-Chair Boyett stated that the big topic for discussion at the last meeting was a dog park proposal. The Facilities Department will be looking at this. A sub-committee was formed to review and assess project evaluation criteria.

President Zelenak made a request of Board members that, going forward at future meetings, each individual let the President know when they have finished speaking and relinquish the floor.

- 7. Member Comments** – on-line comments were addressed during the meeting and two individuals were heard on the floor of the meeting.

Director Lawless noted that there were a couple of comments made during the meeting that were not necessary and that we should be doing better on respecting each other's opinions.

8. Adjournment

MOTION: Campfield/2nd. Motion to adjourn at 4:17pm MST.
Passed: unanimously



Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

The accompanying pages are the Financial Reports for May 31, 2021. 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: May 31, 2021 and Dec 31, 2020

	May 31, 2021	Dec 31, 2020
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	1,385,880	4,558,345
Accounts Receivable	516,729	244,976
Prepaid Expenses	158,911	267,187
Designated Investments (Charles S./SBH)		
Emergency - Fund	1,063,127 (1)	993,416 (15)
MRR - Fund	8,840,052 (2)	7,874,717 (16)
Initiatives - Fund	1,355,379 (3)	1,114,873 (17)
Total Designated Investments (CS/SBH)	11,258,558 (4)	9,983,006 (18)
Undesignated Invest. (JP Morgan)	5,320,471 (5)	2,309,471 (19)
Investments	16,579,030 (6)	12,292,477 (20)
Total Current Assets	18,640,549	17,362,985
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	23,752,742	23,455,093
Sub-Total	41,769,827	41,472,178
Less - Accumulated Depreciation	(24,270,160)	(23,587,197)
Net Fixed Assets	17,499,667 (7)	17,884,981 (21)
Total Assets	36,140,216	35,247,966
LIABILITIES		
Current Liabilities		
Accounts Payable	645,940	781,728
Deferred Dues & Fees	4,056,862	3,685,092
Deferred Programs	10,754	43,933
Compensation Liability	121,884	188,920
Total Current Liabilities	4,835,440	4,699,673
TOTAL NET ASSETS	31,304,776 (8)	30,548,293 (22)
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	1,063,127 (9)	993,416 (23)
Maint - Repair - Replacement	8,840,052 (10)	7,874,717 (24)
Initiatives	1,355,379 (11)	1,114,873 (25)
Sub-Total	11,258,558 (12)	9,983,006
Unrestricted Net Assets	19,289,734	20,565,287
Net change Year-to-Date	756,483 (13)	-
Unrestricted Net Assets	20,046,217 (14)	20,565,287
TOTAL NET ASSETS	31,304,776	30,548,293



Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 5 month period ending May 31, 2021

FY Budget Period: Jan 1, 2021 - Dec 31, 2021

	PRIOR YEAR COMPARISON				BUDGET COMPARISON				Fiscal Year Budget	Remaining FY Budget
	2020 YTD Actual	2021 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%		
Revenue										
Member Dues	2,814,290	2,895,419	81,129	3%	2,895,419	2,887,548	7,872	0.3%	6,930,115	4,034,696
LC, Trans., Crd Fees.	320,344	319,164	(1,180)	(0%)	319,164	425,015	(105,851)	(25%)	789,835	470,671
Capital Revenue	1,011,494	1,380,727	369,233	37%	1,380,727	1,310,247	70,480	5%	2,518,147	1,137,420
Programs	122,184	2,904	(119,280)	(98%)	2,904	148,965	(146,061)	(98%)	260,953	258,049
Instructional	208,562	68,195	(140,366)	(67%)	68,195	57,019	11,176	20%	206,133	137,938
Recreational Revenue	330,745	71,099	(259,647)	(79%)	71,099	205,984	(134,885)	(65%)	467,086	395,987
Investment Income	132,801	117,262	(15,539)	(12%)	117,262	95,376	21,886	23%	286,746	169,484
Advertising Income	65,449	23,945	(41,504)	(63%)	23,945	22,727	1,219	5%	71,257	47,312
Cell Tower Lease Inc.	17,016	17,237	221	1%	17,237	14,643	2,594	18%	38,378	21,141
Comm. Revenue	82,465	41,182	(41,283)	(50%)	41,182	37,369	3,813	10%	109,635	68,453
Other Income	47,777	32,114	(15,663)	(33%)	32,114	74,679	(42,564)	(57%)	91,433	59,319
Facility Rent	23,002	160	(22,842)	(99%)	160	6,800	(6,640)	(98%)	16,000	15,840
Marketing Events	-	-	-	0%	-	-	-	0%	-	-
In-Kind Contributions	58,473	-	(58,473)	(100%)	-	-	-	0%	-	-
Other Revenue	129,251	32,274	(96,977)	(75%)	32,274	81,479	(49,204)	(60%)	107,433	75,159
Total Revenue	4,821,391	4,857,128	35,737	1%	4,857,128	5,043,018	(185,890)	(4%)	11,208,997	6,351,869
Expenses										
Major Proj.-Rep. & Maint.	103,263	210,288	(107,025)	(104%)	210,288	356,492	146,204	41%	598,359	388,071
Facility Maintenance	207,801	86,390	121,411	58%	86,390	145,319	58,929	41%	254,620	168,230
Fees & Assessments	(1,730)	13,112	(14,842)	858%	13,112	11,634	(1,478)	(13%)	42,919	29,807
Utilities	359,175	326,040	33,135	9%	326,040	424,374	98,334	23%	865,734	539,694
Depreciation	708,105	693,397	14,708	2%	693,397	751,505	58,107	8%	1,810,173	1,116,776
Furniture & Equipment	41,155	63,988	(22,834)	(55%)	63,988	90,610	26,621	29%	189,667	125,678
Vehicles	20,423	29,189	(8,766)	(43%)	29,189	41,115	11,925	29%	70,112	40,923
Facilities & Equipment	1,438,193	1,422,405	15,787	1%	1,422,405	1,821,048	398,643	22%	3,831,584	2,409,178
Wages, Benfts., PR Exp.	1,883,909	2,265,041	(381,132)	(20%)	2,265,041	2,242,190	(22,851)	(1%)	5,384,349	3,119,308
Conferences & Training	9,705	4,510	5,195	54%	4,510	27,510	23,000	84%	45,563	41,053
Personnel	1,893,614	2,269,551	(375,937)	(20%)	2,269,551	2,269,701	150	0.0%	5,429,912	3,160,361
Food & Catering	12,146	5,602	6,544	54%	5,602	17,097	11,495	67%	50,621	45,019
Recreation Contracts	303,684	65,373	238,312	78%	65,373	184,749	119,377	65%	391,912	326,540
Bank & Credit Card Fees	66,482	40,196	26,286	40%	40,196	69,436	29,240	42%	94,119	53,923
Program	382,312	111,171	271,142	71%	111,171	271,283	160,112	59%	536,652	425,482
Communications	39,081	43,070	(3,989)	(10%)	43,070	46,200	3,130	7%	107,185	64,115
Printing	31,167	36,961	(5,793)	(19%)	36,961	33,897	(3,063)	(9%)	105,170	68,209
Advertising	630	-	630	100%	-	-	-	0%	-	-
Communications	70,878	80,031	(9,152)	(13%)	80,031	80,097	67	0%	212,355	132,324
Supplies	69,241	110,542	(41,301)	(60%)	110,542	113,796	3,254	3%	264,531	153,989
Postage	8,253	10,779	(2,526)	(31%)	10,779	9,603	(1,176)	(12%)	18,258	7,479
Dues & Subscriptions	4,269	3,604	664	16%	3,604	6,710	3,105	46%	15,558	11,953
Travel & Entertainment	4,768	-	4,768	100%	-	2,257	2,257	100%	14,912	14,912
Other Operating Expense	112,797	58,409	54,388	48%	58,409	80,765	22,356	28%	249,238	190,829
Operations	199,327	183,334	15,993	8%	183,334	213,130	29,796	14%	562,496	379,162
Information Technology	21,629	12,446	9,182	42%	12,446	51,574	39,127	76%	86,509	74,063
Professional Fees	100,309	60,290	40,019	40%	60,290	88,860	28,570	32%	229,577	169,287
Commercial Insurance	130,039	129,717	322	0%	129,717	123,467	(6,250)	(5%)	287,000	157,283
Taxes	-	9,826	(9,826)	0%	9,826	10,000	174	2%	20,367	10,541
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-
Corporate Expenses	251,976	212,279	39,697	16%	212,279	273,901	61,622	22%	623,454	411,174
Expenses	4,236,301	4,278,771	(42,470)	(1%)	4,278,771	4,929,160	650,389	13%	11,196,452	6,917,681
Gross surplus(Rev-Exp)	585,090	578,357	(6,733)	(1%)	578,357	113,858	464,499	408%	12,544	(565,813)
Net. Gain/Loss on Invest.	(164,078)	178,050	342,128		178,050	-	178,050		-	(178,050)
Net from Operations	421,012	756,407	335,395	80%	756,407	113,858	642,549	564%	12,544	(743,863)



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: May 31, 2021 and Dec 31, 2020

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund
		Unrestricted	Fixed Assets			
Net change in net assets-GVR	756,483 (13)	756,483	-	-	-	-
Transfers between unrestricted and reserves:						
Reserve Study Allocation	-	-	-	-	-	-
Principal Transfers	-	(1,310,711)	-	-	1,048,192	262,519
Depreciation	-	693,397	(693,397)	-	-	-
Disposal of Fixed Assets	-	(10,435)	10,435	-	-	-
Purchase & Contributed Fixed Assets	-	(223,310)	297,649	-	(157,548)	83,209
Withdrawals	-	213,663	-	-	(101,113)	(112,550)
Allocations of Net Change components:						
Investment income	-	(104,181)	-	4,946	85,186	14,049
Investment Expenses	-	33,836	-	(2,705)	(27,473)	(3,658)
Net Gains (Losses) in Investments	-	(182,497)	-	67,471	118,090	(3,064)
Repairs and replacements	-	-	-	-	-	-
Net Change to May 31, 2021	756,483 (13)	(133,756)	(385,314)	69,712	965,335	240,506
Net Assets at, Dec 31, 2020	30,548,293 (22)	2,680,306	17,884,981 (21)	993,416 (23)	7,874,717 (24)	1,114,873 (25)
Net Assets as at, May 31, 2021	31,304,776 (8)	2,546,550	17,499,667 (7)	1,063,127 (9)	8,840,052 (10)	1,355,379 (11)
		20,046,217 (14)			11,258,558 (12)	

Footnotes refer to Statement of Financial Position and Statement of Activities

4



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

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund
Balance Dec 31, 2020 (at Market)	12,292,477 ⁽²⁰⁾	2,309,471 ⁽¹⁹⁾	993,416 ⁽¹⁵⁾	7,874,717 ⁽¹⁶⁾	1,114,873 ⁽¹⁷⁾
Changes since Jan 1, 2020:					
Principal additions	4,310,711	3,000,000	-	1,048,192	262,519
Investment income	119,629	15,447	4,946	85,186	14,049
Withdrawals	(288,001)	-	-	(258,661)	(29,340)
Investment Expenses	(33,836)	-	(2,705)	(27,473)	(3,658)
Net Change for 5 Months	4,108,503	3,015,447	2,240	847,245	243,570
Balance before Market Change at May 31, 2021	16,400,980	5,324,918	995,656	8,721,962	1,358,443
5 Months Net Change in Investments Gain/(Loss)	178,050	(4,447)	67,471	118,090	(3,064)
Balance at May 31, 2021 (at Market)	\$ 16,579,030 ⁽⁶⁾	5,320,471 ⁽⁵⁾	1,063,127.25 ⁽¹⁾	8,840,052 ⁽²⁾	1,355,379 ⁽³⁾

11,258,558 ⁽¹²⁾

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.
Board of Directors Meeting

Prepared By: David Jund, Facilities Director **Meeting Date:** June 23, 2021

Presented By: David Jund, Facilities Director **Consent Agenda:** No

Originating Committee / Department: Facilities Department

Action Requested: Direct staff to decrease the African daisy coverage area at East Center and substitute with xeriscape landscaping.

Strategic Plan Focus Area: GVR Services

Background Justification:

For 3-4 weeks in late spring every year, the African daisies at East Center are in full bloom and span at least 80% of the center's landscaping. For the remaining 11 months, after the blooming season concludes, the center becomes visually unappealing (example #1 and example #2).

This is due to several factors:

- Once the blooming season is over, the daisies go dormant and their appearance becomes dry and stick-like. (Example #1)
- Supporting the daisies means that 80% of the center cannot be treated by a re-emergent to prevent weed growth.
- Hand-picking the weeds and dead or dormant daisies is incredibly labor intensive. *Example: it takes the entire Landscape crew 2-3 full workdays to hand-pick, remove, and cleanup the daisy coverage areas.*
- The current gravel and landscape cloth prevent removal of dead stems and weeds by use of tools.
- Within two weeks of completely weeding the daisy areas new weed growth becomes visibly noticeable again.

For the past couple of years, in order to stay ahead of the rapid regrowth of weeds, GVR has contracted for weed removal and cleanup of the daisy areas during the four monsoon months (July -October). This contracted service costs GVR \$17,000.

Background Justification: *continued*

Staff has been implored by members to increase the monthly weeding and clean up by an additional 3 months per year. This would bring the contracted costs close to \$40,000 annually.

An additional annual cost of \$1200 - \$1500 for seed and fresh soils are part of supporting the African Daisies at their current status.

GVR plans to continue supporting the African daisies at East Center for their annual visual impact. However, we wish to do so in designated areas and within a narrower scope of coverage area. Designated areas will be intentionally located to maintain the traditional springtime ambiance of East Center.

With designated areas for the daisies, GVR can greatly reduce annual costs, water consumption and the labor it takes to maintain the center.

Consciously planning and installing xeriscape landscaping similar to neighboring properties in place of the large areas of daisies will drastically reduce water usage. These changes will also allow the landscaping to be manageable by GVR staff and contracted services for weeding and cleanup will no longer be needed.

Fiscal Impact:

It is estimated that by reducing the coverage of African Daisies to a supported 15% of total area, the annual costs will be reduced to \$3100 annually. This is \$38,000 less than supporting the current 80% total area annually.

Board Options:

1. Direct staff to reduce the African daisy area at East Center to a more cost effective and manageable area
2. Direct staff to continue supporting the African Daisies at 80% of total landscape area at East Center.
3. Provide alternative direction to staff.

Staff Recommendation:

Option #1

Recommended Motion:

I move to direct staff to pursue reducing the African daisies coverage area at East Center and plant water conservative vegetation and ground cover.

Attachments:

- Example #1
- Example #2
- East Center Current Coverage of African Daisies
- East Center Purposed Reduced Coverage Area of African Daisies

Example #1



African daisies in full bloom



Dropped daisy seed ready for cleanup

Example #2

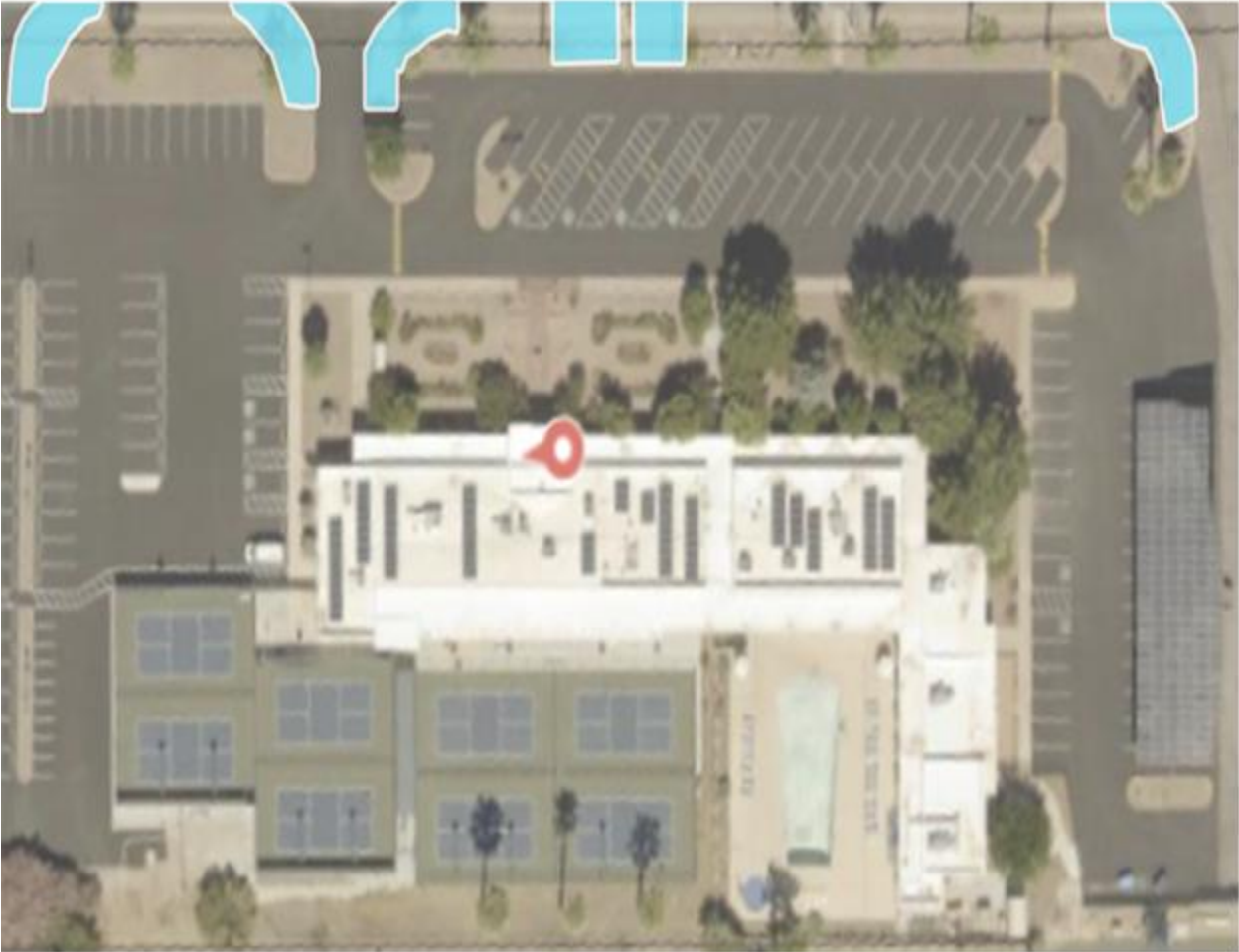


Weeds that grow in between the daisies

Current Coverage Area of African Daisies



Purposed Reduced Coverage Area of African Daisies



April 15, 2020

Attn: Eddie Preciado
eddie@gvrec.org

Property: 7 S Abrego Drive
Green Valley, Arizona, 85614

Re: Green Valley Recreation – Weed Removal



We Beautify the World

We hereby submit the following proposal per your request to complete a one-time cleanup of all the weeds on site. All wild flowers will not be removed and all debris will be hauled off site. Included in this proposal is labor, equipment, materials and clean up to complete the project, as stated herein, and in the following table. Upon acceptance, this proposal must be included as an exhibit in any contract issued to AAA Landscape for this work.

Quantity	Unit	Description	Unit Price	Extended Price
5	days	3 Man Crew	\$ 840.00	\$ 4,200.00
1	load	Haul Off and Dump Fee	\$ 50.00	\$ 50.00
Not to Exceed Total Lsum				\$ 4,250.00

Clarifications

- As of January 1st Retail Sales Tax will no longer be listed on your proposal as a separate line item, but will be included in the Material Unit Cost as defined in Item 2 by the Arizona Department of Revenue. When applicable, this change will be added to "Schedule A" pricing unit costs. *Effective January 1, 2015, non-construction, or service contractors, are exempted from prime contracting on both the state and city levels. Contractors who only enter into contracts with owners of real property to maintain, repair, replace, or alter their property will be subject to tax at the point of purchase on the building materials used in those projects.* (www.azdor.gov)
- This Proposal MUST be made an exhibit in any contract awarded to AAA LANDSCAPE.
- Owner requested increases or decreases in the quantities of the unit priced items (if applicable) will be re-priced in accordance with current pricing at the time of the contract change order.
- Proposal pricing reflects AAA Landscape's compliance with the new Proposition 206 Law approved by the State of Arizona taking effect on January 1, 2017.
- Proposal pricing is based on scheduled work being completed during one mobilization. Should any of this work be approved and scheduled in part, current proposal pricing is subject to change.
- Changes to the above scope of work, materials, and/or proposal pricing must be approved prior to project scheduling by AAA Landscaping's Enhancements and Tree Division Manager.
- Dust control Permits and Traffic Control Permits are not included in this proposal. If needed, either or both will be provided at an additional cost.
- Plant Material Species and Sizes may change depending on market availability at time of planting.
- An effort will be made for granite colors to "match existing" but colors may not match exactly due to length of time existing materials have been on the ground and the change in blasting locations at the rock quarries.
- AAA Landscaping is not responsible for Damages to Sidewalks, Driveways, Curbing that may occur during construction process.

AAA Landscape Warranty:

AAA LANDSCAPE will replace – upon notice by Owner in writing – any material installed which is defective due to poor quality material or workmanship. This Warranty takes effect upon substantial completion of areas when accepted and continues for the period listed below. This Warranty does not cover damage caused by others, or damage or loss beyond the control of AAA LANDSCAPE. AAA Landscape is not responsible for damage due to poor soil conditions, rodents, vandalism, and/or 'ACTS OF NATURE' to include frost damage. AAA Landscape will only guarantee plants for the specified period as long as they are maintained per known "professional practices".

Exclusions:

- Removal of any debris or concrete left by other trades.
- Protection of existing plants during construction by others.
- Sand bedding of laterals / mainline.
- Overtime or Accelerated schedule
- Repair of existing landscape, lighting and irrigation in surrounding areas.
- Permits and Bonds
- Clearing/Grubbing/Weed Eradication.
- Excavation in hard-pan/caliche/bed rock.
- Import/Export soil/rock
- Traffic Control
- Mold and Water Intrusion
- Damage to Wiring during Demolition Phase

If you have any questions and/or need additional information, contact Joe Marseglia at 520-461-2936. Upon acceptance of this proposal, please sign below where indicated below and return the signed copy to me via email at tucsonenhancements@aaalandscape.com. When your signed acceptance is received your project will be scheduled for installation.

Thank you,
Joe Marseglia
Enhancements Division Manager

Note: This proposal expires in 30 calendar days.

Acceptance of this proposal - The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. *Pursuant to Arizona law we are required to inform you of your right to file a written complaint with the Registrar of Contractors for an alleged violation of Arizona Revised Statutes section 32-1154, subsection A. Any complaints must be made within the applicable time period as set forth in section 32-1155, Subsection "A". The ROC can be contacted at (602) 542-1525 or emailed to <http://www.azroc.gov>. We request that if any portion of our work is unsatisfactory that you notify us prior to filing a complaint so we can attempt to resolve any concerns.*

Authorized Signature _____ Date Of Acceptance _____
Client Representative

Phoenix Office
3747 E. Southern Ave.
Phoenix, AZ 85040
P 602.437.2930

Tucson Office
4742 N. Romero Rd.
Tucson, AZ 85705
P 520.686.3223

aaalandscape.com



Green Valley Recreation, Inc.

Approve Amended & Restated Bylaws

Prepared By: Nina Campfield, Board Director

Meeting Date: 6/23/21

Jen Morningstar, Director of Administrative Services

Presented By: Nina Campfield, Board Director

Consent Agenda: No

Originating Committee: Board Affairs Committee
Action Requested: Approve Amended and Restated Bylaws Version 3 for inclusion on the 2022 ballot
Strategic Plan Focus Area: n/a
Background Justification: Several sections of GVR Bylaws do not comply with state statutes. Additionally, GVR's current Bylaws are not well organized. GVR Members must approve all changes to GVR Bylaws, and the Board Affairs Committee would like the Board of Directors to place the (attached) annotated and restated bylaws on the 2022 ballot for member approval.
Impact: If this motion is approved, GVR members will have an opportunity to bring GVR's bylaws into conformance with Arizona Revised Statutes. In addition, the bylaws will be easier to read and interpret.
Recommended Motion: Move to approve placing Amended and Restated Bylaws on the 2022 ballot.
Attachments: 2021 FINAL Amended and Restated Bylaws – Exhibit A 2021 FINAL Annotated Amended and Restated Bylaws

EXHIBIT A

**Amended and Restated Bylaws of
Green Valley Recreation, Inc.**

**ARTICLE 1
DEFINITIONS**

- 1.1 Additional Card Holder.** "Additional Card Holder" is an individual who shares a common household with a GVR Member.
- 1.2 Assigned Member.** "Assigned Member" is an individual who has been assigned the right to use GVR's facilities, vote and serve on the Board pursuant to Article 3, Section 3.3(A).
- 1.3 Board.** "Board" shall mean the board of directors of Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.4 Commercial Residential Care Facility (CRCF); CRCF Resident.** "Commercial Residential Care Facility" or "CRCF" shall mean a commercial property within The Corporation's jurisdictional boundaries that leases residential units and/or provides its residents with care-related services. A CRCF Resident is an individual residing in a CRCF.
- 1.5 Corporate Policy Manual.** The "Corporate Policy Manual" is the document containing the rules, policies and procedures of The Corporation as established by the Board.
- 1.6 Corporation or GVR.** "The Corporation" or "GVR" shall mean and refer to Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.7 Guest.** "Guest" is a temporary visitor of a GVR Member, CRCF Resident, Life Care Member or Tenant who lives more than twenty (20) miles outside The Corporation's jurisdictional boundaries who may use GVR's recreational facilities upon payment of such a fee as established by the Board.
- 1.8 GVR Member; GVR Membership.** "GVR Member" shall mean and refer to an Owner or Assigned Member. "GVR Membership" shall mean and refer to all Owners and Assigned Members, collectively.
- 1.9 GVR Property.** "GVR Property" shall mean and refer to real property within The Corporation's Jurisdictional Boundaries as set forth in Article 3, Section 3.1.

1.10 Life Care Member. "Life Care Member" is a former GVR Member who resides in a residential care facility in the greater Green Valley area and has been extended privileges to use GVR's recreational facilities by the Board.

1.11 Master Deed Restriction. "Master Deed Restriction" shall mean the Green Valley Recreation, Inc. Amended Master Deed Restriction recorded in Docket 11371 at page 2595 of the official records of Pima County, Arizona.

1.12 Owner. "Owner" is the record holder of legal title to the fee interest of a GVR Property, including each person who has legal title of a GVR Property in joint tenancy, tenancy in common, or as community property. When a GVR Property is held in a trust, the trustee is the Owner unless otherwise stated in the trust.

1.13 Tenant. "Tenant" shall mean an individual leasing a GVR Property who is assigned the right to use GVR's facilities pursuant to Article 3, Section 3.3(B).

ARTICLE 2 BUSINESS AND JURISDICTION OF THE CORPORATION

2.1 Business of The Corporation. The Corporation shall provide recreational, cultural and educational programs for the enjoyment of GVR Members and their Guests. The Corporation shall purchase, lease, own and maintain recreational facilities in support of the programs stated above.

2.2 Jurisdiction of The Corporation. The jurisdiction of The Corporation shall include the real property designated within the Corporate Boundary Document kept on file at the office of The Corporation.

2.3 Expansion of Jurisdiction. Real property that is not within The Corporation's jurisdiction may be brought within the jurisdiction of The Corporation with the approval of a majority of those GVR Members voting on the matter. Any such expansion of The Corporation's boundaries shall be certified by the President or Secretary and entered into the Corporate Boundary Document.

2.4 New Housing Developments. Any expansion of The Corporation's jurisdictional boundaries for new subdivision development pursuant to Section 2.2 above shall conform to the following criteria: (a) The developer of the subdivision shall agree to place a restriction in the subdivision's covenants, conditions and restrictions requiring perpetual membership in The Corporation for each property.

(b) The developer of the subdivision shall place an “age restriction” with regard to familial status exemptions as outlined by Housing and Urban Development (HUD).

(c) Each developer must give guaranty through financial assurances that it will make contributions to GVR in terms of front-end cash or donation of land and contribution of recreational and social facilities to be built and dedicated to GVR free of encumbrances, whichever serves the best interest of the GVR Membership as determined by the Board. Both cash contributions and donations of land and improvements shall be based, at a minimum, upon the grand total of GVR fees charged in connection with potential homes in each development. In the case of the donation of land and improvements, adequate security shall first be furnished to GVR in the form of a letter of credit, certificate of deposit, bond, or other commercially reasonable and adequate security.

(d) The Board shall negotiate on behalf of the GVR Membership with respect to the new development and bind each developer with independent contracts.

(e) Each new development must be adjacent/contiguous to the existing GVR boundaries at the time of entry.

ARTICLE 3 MEMBERSHIP AND USE OF FACILITIES

3.1 GVR Property. A GVR Property is any of the following:

(a) Residential real estate located within The Corporation's jurisdiction against which a voluntary deed restriction agreement has been recorded requiring perpetual membership in GVR;

(b) Residential real estate located within a subdivision that requires membership in GVR by virtue of recorded covenants, conditions and restrictions; or

(c) Commercial residential property within The Corporation's jurisdiction ("CRCF").

3.2 Membership Rights. Subject to the provisions of Section 3.5 of this Article III, an Owner shall be entitled to all of the rights of membership in The Corporation which shall include the right to use GVR's facilities, vote in GVR Membership matters, and serve on the Board.

3.3 Assignment of Membership Rights. Upon payment of a fee established by the Board, an Owner may do either of the following:

A. Surrender the right to use GVR's facilities, vote in GVR Membership matters, and serve on the Board and assign such rights to an individual who occupies his/her GVR Property without payment of rent ("Assigned Member"); or

B. Surrender the right to use GVR's facilities and assign such right to an individual who leases his/her GVR Property ("Tenant").

3.4 Use of Recreational Facilities. GVR Members, CRCF residents, Tenants, Additional Card Holders, Life Care Members and Guests may use GVR's recreational facilities subject to the then current rules and regulations established by the Board.

3.5 Suspension of Rights.

A. The right of an individual to use GVR's recreational facilities may be suspended for any infraction of these Amended and Restated Bylaws, policies, and/or rules and regulations of The Corporation in conformance with procedures adopted by the Board. The suspension of an individual's right to use GVR's facilities shall not affect such individual's obligation to pay dues or any other amounts owed to GVR during the period of suspension.

B. The right of a GVR Member to use GVR facilities, vote in GVR Membership matters, and be nominated in an election of directors shall be suspended during any period in which such GVR member is delinquent in the payment of dues, fees, or special assessments.

3.6 Membership Responsibility. It shall be the duty of each GVR Member to keep The Corporation advised of his/her current mailing address.

**ARTICLE 4
MEMBERSHIP FEES AND DUES**

4.1 Fees. GVR Members shall be required to pay admission fees, transfer fees, and such administrative fees as established by the Board.

4.2 Dues. Annual dues shall be levied against each GVR Property each calendar year in such amounts as determined by the Board; provided, however, that annual dues shall be prorated for the year in which a GVR Property is acquired by an Owner. In establishing the amount of the annual dues, the Board shall be guided by the expense of operating The Corporation and a reasonable reserve for capital replacements with the objective of operating the facilities on a self-sustaining basis. On or before December 10th of each year, the Board shall announce the schedule of dues and the operating and capital budgets for the next calendar year.

4.3 Special Assessments. The Board may levy a special assessment against each GVR Property; provided, however, that such assessment is approved by a majority of GVR Members voting on the matter.

4.4. Delinquencies. Annual dues, fees or special assessments that remain unpaid more than thirty (30) days after their due date shall be subject to a late fee as determined by the Board. All attorney's fees and costs incurred by The Corporation in collecting dues, fees or special

assessments shall be the personal obligation of the delinquent Owner and a charge upon such Owner's GVR Property pursuant to the Master Deed Restriction.

ARTICLE 5 MEMBERSHIP MEETINGS AND VOTING

5.1 Annual Meeting. The annual meeting of The Corporation shall be held within ninety days (90) after the end of the fiscal year and shall include a report of The Corporation's most recent financial audit.

5.2 Special Meetings. Special meetings of The Corporation may be called at any time by either the President, a majority of directors, or upon a petition signed by GVR Members representing at least ten percent (10%) of GVR Properties. Special Meetings called as a result of a petition shall be held within ninety days (90) of delivery of same upon The Corporation.

5.3 Notice of Meetings. Written notice of the date, time and place of the annual meeting or any special meeting shall be given to each eligible GVR Member no less than thirty (30) days nor more than sixty (60) days prior to the meeting, and in the case of a special meeting, the notice shall set forth the nature of the business to be transacted.

5.4 Record Date. The record date for determining a GVR Member's eligibility to vote in any matter shall be thirty (30) days prior to the first day that votes may be cast in such matter.

5.5 Voting Rights. GVR Members who are eligible to vote may cast one (1) vote in any matter put to a vote of the GVR Membership; provided, however, there shall be no more than one (1) vote cast for each GVR Property. The vote for each GVR Property must be cast as a unit and fractional votes shall not be permitted. If a vote is cast on behalf of a GVR Property, it will thereafter be conclusively presumed for all purposes that the individual casting such vote was acting with the authority and consent of all co-owners of such GVR Property. In the event that more than one (1) vote is cast for a particular GVR Property, none of the votes shall be counted and all of the votes for such GVR Property shall be deemed void.

5.6 Voting Procedure; Quorum Requirement. All action by GVR Members shall be taken by written ballot in conformance with the procedures and requirements set forth in A.R.S. §10-3708. Except as otherwise specified in these Amended and Restated Bylaws, the quorum requirement for a vote on any matter shall be ballots cast by GVR Members representing ten percent (10%) of the total eligible votes in The Corporation.

ARTICLE 6 BOARD OF DIRECTORS

6.1 Number of Directors; Qualifications. The Board shall consist of twelve (12) directors who shall be GVR Members residing within the jurisdiction of The Corporation, and the chief executive officer who shall serve as an ex-officio, non-voting member of the Board.

6.2 Term of Directors. The term of a director elected by the GVR Membership shall be three (3) years. The terms of directors shall be staggered such that each year, the term of four (4) directors shall expire. No Director may serve more than two (2) consecutive terms, with any part of a term served as an appointed director constituting a term for this purpose. A former director may be re-elected after one (1) or more years' absence from the Board.

6.3 Nomination of Directors.

A. By Committee. The Nominations & Elections Committee shall compile a list of eligible GVR Members who are qualified to serve on the Board and have submitted a candidate application. The slate of candidates shall be made available to the GVR Membership at least ninety (90) days before the annual meeting.

B. By GVR Members. Additional nominations may be made by a nomination petition delivered to The Corporation no less than sixty (60) days before the annual meeting and which contains the signed consent of the nominee and the signatures of eligible GVR Members representing not less than two-hundred (200) GVR Properties. The names of nominees submitted through such a petition shall be added to the slate of candidates compiled by the Nominations and Elections Committee.

6.4 Vacancies. Any vacancy on the Board created by the resignation, removal, or death of a director, shall be filled by the unsuccessful candidate of the last election, who received the greatest number of votes and is qualified and willing to serve. If none of said unsuccessful candidates is qualified and willing to serve, a majority of the remaining directors shall appoint a director to serve for the unexpired term of his/her predecessor.

6.5 Compensation; GVR Employment. Directors shall not receive compensation for their services on the Board but may be reimbursed by The Corporation for authorized expenses and disbursements made on its behalf. Directors and members of their immediate families may not provide services to The Corporation in exchange for financial compensation except for ancillary services related to instruction or the arts.

6.6 Powers. In addition to exercising all the powers of The Corporation as set forth in A.R.S. §10-3302 and GVR's Amended and Restated Articles of Incorporation, the Board shall have the authority to do the following:

(1) Adopt rules and regulations governing the use of GVR's facilities and the personal conduct of all persons thereon which shall be published in the Corporate Policy Manual.

(2) Adopt policies and procedures in order to carry out the provisions of these Amended and Restated Bylaws which shall be published in the Corporate Policy Manual.

(3) Declare a vacancy on the Board should any director miss three (3) regularly scheduled Board meetings in any twelve-month period without good cause.

6.7 Limitations on Powers.

A. The following actions shall require the prior approval of a majority of GVR Members voting on the matter:

(1) A contract requiring an annual payment that exceeds ten percent (10%) of the annual budgets for that fiscal year; provided, however, that a vote on any such matter shall have a quorum requirement of twenty percent (20%); or

(2) A change in services which would result in either an increase or decrease of five percent (5%) or more of the current operating budget; provided, however, that increases in services relating to new facilities provided by and at the expense of a developer or funded by existing reserves intended for such purposes shall not require the approval of GVR members.

B. The following actions shall require the approval of a majority of directors in office:

(1) Appointing and removing the chief executive officer and fixing his/her compensation;

(2) Establishing the amount of admission fees, dues, and special assessments;
or

(3) Adopting operating and capital budgets, which shall include a contribution to reserves.

**ARTICLE 7
BOARD MEETINGS**

7.1 Regular Meetings. Regular meetings of the Board shall be held at least four (4) times per fiscal year and shall be fixed on a schedule determined by the Board and published to the GVR Membership.

7.2 Special Meetings. Special meetings of the Board may be called by the President, the Vice President, or at the request of any two (2) directors.

7.3 Notice of Meetings.

A. Regular Meetings. Regular meetings of the Board may be held without additional notice to directors or GVR Members.

B. **Special Meetings.** Written notice of the date, time and place of a special meeting shall be provided to each director at least two days prior to the meeting and if any portion of the meeting is to be open to GVR Members, such notice shall also be provided electronically to the GVR Membership.

C. **Waiver of Notice.** A director may waive any notice in writing before or after the date and time stated in the notice. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting or promptly on the director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

7.4 Quorum. The presence, in person, by video conference, or by telephone conference, of a majority of the number of directors in office shall constitute a quorum for the transaction of business at a meeting. Except as otherwise specified in these Amended and Restated Bylaws, the vote of a majority of directors present at any meeting at which a quorum is present shall be the act of the Board.

7.5 Open Meetings. Meetings of the Board at which official business of The Corporation is transacted shall be open to GVR Members; provided, however, that the Board, at the discretion of the President, may hold a meeting or any portion thereof in executive session to address any of the following:

- (1) Personnel matters; or
- (2) Legal matters.

7.6 Conduct of Meetings. Roberts Rules of Order shall prevail unless otherwise determined by the Board.

ARTICLE 8 OFFICERS AND CHIEF EXECUTIVE OFFICER

8.1 Enumeration of Officers. The officers of The Corporation shall be the President, Vice President, Secretary, Treasurer, Assistant Secretary and Assistant Treasurer, the sequence of which determines their seniority.

8.2 Election and Term. Within thirty (30) days after the annual meeting of the GVR Membership, the officers shall be elected from among the directors by a majority vote of the Board and each such officer shall serve, at the pleasure of the Board, for a term of one (1) year or until the successor is elected.

8.3 Resignation and Removal; Vacancies. An officer may resign at any time by delivering notice to The Corporation and an officer may be removed from office by the Board at any time,

with or without cause. An officer elected by the Board to fill a vacancy caused by resignation, removal or death shall serve for the unexpired term of his/her predecessor.

8.4 Duties of Officers.

A. President. The President shall preside at all meetings of the Board and at meetings of the GVR Membership and shall carry out all orders and resolutions of the Board and shall sign all formal written instruments such as notes, leases, mortgages, deeds, and contracts other than recurring operational contracts which the Board by appropriate resolution has exempted from this requirement. Contracts signed by the President shall receive prior legal review and Board approval. In the absence of the President, the Vice President shall perform all the duties of the President. Should the Vice President also be absent, the duties of the President shall be performed by the most senior officer present and when so acting, shall have all the powers of the President.

B. Vice President. The Vice President shall carry out duties as assigned by the President. In the absence of the President, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of the President.

C. Secretary. The Secretary shall ensure that minutes are kept of meetings of the GVR Membership and the Board. The Secretary shall cause to be given all notices in accordance with provisions of these Amended and Restated Bylaws or as required by law. The Secretary shall see that all records of The Corporation are properly kept and preserved and that the names and addresses of all GVR members are on file in the office of The Corporation. In the absence of the Secretary, the Assistant Secretary shall perform all the duties of the Secretary.

D. Treasurer. The Treasurer shall exercise an oversight role of the financial affairs of The Corporation to ensure that financial records are kept in accordance with generally accepted accounting standards. The Treasurer shall ensure that timely, accurate financial statements are presented to the Board and that the financial records of The Corporation are audited. In the absence of the Treasurer, the Assistant Treasurer shall perform all the duties of the Treasurer.

8.5 Chief Executive Officer. The chief executive officer shall be accountable to the Board and shall serve as the chief operating officer of The Corporation responsible for the management of the day-to-day operations of GVR. The chief executive officer shall work cooperatively with the Board to ensure that GVR's policies are carried out effectively without exceeding the limits of authority delegated by the Board and shall ensure that operations are in conformance with these Amended and Restated Bylaws and the CPM.

8.6 Signing of Checks. Any check in the amount of \$2,500.00 or more shall be signed by two (2) officers of The Corporation or by one (1) officer and the chief executive officer. Any check in an amount of less than \$2,500.00 may be signed by the CEO with the stipulation that a log is kept reflecting the two (2) department heads that reviewed the checks prior to its execution. Month-

end statements shall be reviewed by two (2) officers of The Corporation as soon as practicable after their completion.

ARTICLE 9 COMMITTEES

9.1 Standing Committees. The Board shall establish the following committees which shall make policy recommendations to the Board, and have such duties as set forth in the Corporate Policy Manual:

- (1) Board Affairs;
- (2) Fiscal Affairs;
- (3) Nominations & Elections;
- (4) Planning and Evaluation;
- (5) Audit; and
- (6) Investment.

9.2 Special Committees. The President may establish special or ad hoc committees to assume specific, short-term responsibilities. The duties and responsibilities of such committees shall be approved by the Board.

9.3 Composition of Committees.

A. Chairperson. The chairperson of each committee shall be a director selected by the President subject to Board approval; provided, however, that the chairperson of the Audit Committee shall not be an officer of The Corporation or a member of the Fiscal Affairs Committee.

B. Members. Committee members shall be selected by the chairperson of the committee from among GVR Members and operations staff. The President shall be an ex-officio member of all committees except the Nominations & Elections and Audit Committees.

9.4 Subcommittees. Except for the Nominations & Elections and Audit Committees, each committee shall have the power to establish subcommittees and may delegate to such subcommittees any of its duties and powers.

9.5 Meetings. Meetings of committees and subcommittees shall be open to GVR Members at the discretion of each committee or subcommittee.

ARTICLE X MISCELLANEOUS

10.1 Amendments.

A. Proposed by GVR Members. Amendments to these Amended and Restated Bylaws may be proposed by a petition containing the signatures of GVR Members representing at least ten percent (10%) of the total eligible votes in The Corporation submitted to the Secretary no less than sixty (60) days before the Annual or Special Meeting. Amendments proposed by GVR members shall be submitted to a vote of the GVR Membership within sixty (60) days of submission of such a petition.

B. Proposed by Board. The Board may propose amendments to these Amended and Restated Bylaws with the approval of two-thirds (2/3) of the directors in office.

C. Approval of Amendments. Any amendment to these Amended and Restated Bylaws shall be approved by GVR Members representing a majority of the total eligible votes in The Corporation or two-thirds (2/3) of those GVR Members voting on the matter, whichever is less.

10.2 GVR Clubs. Any group of GVR Members interested in pursuing a particular field of interest may join together for the purpose of pursuing such interest and may request that the Board grant them status as a GVR club. The Board shall establish **the following: (i)** policies and procedures for creating and revoking club status; and **(ii)** the rules and regulations governing the operation of GVR clubs.

10.3 Fiscal Year. The fiscal year and GVR Membership year of The Corporation shall be January 1 through December 31.

10.4 Annual Audit. The financial records of The Corporation shall be audited following the close of each fiscal year by an independent auditing firm.

10.5 Records. The books, records and papers of The Corporation shall be available to GVR Members for inspection and copying pursuant to the provisions of A.R.S. §§10-11602 and 10-11603.

10.6 Conflict. In the event of any conflict between these Amended and Restated Bylaws and GVR's Amended and Restated Articles of Incorporation, or between these Amended and Restated Bylaws and the Arizona Nonprofit Corporation Act (A.R.S. §10-3101, *et seq.*), the latter of the two shall control. In the event of any conflict between these Amended and Restated Bylaws and the Corporate Policy Manual, the former shall control.

10.7 Topical Headings. The topical headings of the paragraphs contained in these Amended and Restated Bylaws are for convenience only and do not define, limit or construe the content of the paragraphs or of this document.

This annotated document includes notes and cross-references to current Bylaw provisions (in brackets at the end of each provision where applicable) which appear in red. A copy of the proposed Amended and Restated Bylaws without annotations is available on GVR's website. The Arizona Revised Statutes referenced in this document by the letters "A.R.S." are in the Arizona Nonprofit Corporation Act which is available online at: <https://www.azleg.gov/arsDetail/?title=10>. If the Amended and Restated Bylaws are approved by GVR members, a table of contents will be added.

**Amended and Restated Bylaws of
Green Valley Recreation, Inc.**

**ARTICLE 1
DEFINITIONS**

- 1.1 Additional Card Holder.** "Additional Card Holder" is an individual who shares a common household with a GVR Member. [Art. II, Sec. 3(A)]

- 1.2 Assigned Member.** "Assigned Member" is an individual who has been assigned the right to use GVR's facilities, vote and serve on the Board pursuant to Article 3, Section 3.3(A). [Art. II, Sec. 3(B)]

- 1.3 Board.** "Board" shall mean the board of directors of Green Valley Recreation, Inc., an Arizona nonprofit corporation.

- 1.4 Commercial Residential Care Facility (CRCF); CRCF Resident.** "Commercial Residential Care Facility" or "CRCF" shall mean a commercial property within The Corporation's jurisdictional boundaries that leases residential units and/or provides its residents with care-related services. A CRCF Resident is an individual residing in a CRCF. [Art. II, Sec. 3(D) and (E)]

- 1.5 Corporate Policy Manual.** The "Corporate Policy Manual" is the document containing the rules, policies and procedures of The Corporation as established by the Board. [Art. XII, Sect. 1]

- 1.6 Corporation or GVR.** "The Corporation" or "GVR" shall mean and refer to Green Valley Recreation, Inc., an Arizona nonprofit corporation.

- 1.7 Guest.** "Guest" is a temporary visitor of a GVR Member, CRCF Resident, Life Care Member or Tenant who lives more than twenty (20) miles outside The Corporation's jurisdictional boundaries who may use GVR's recreational facilities upon payment of such a fee as established by the Board. [Art. II, Sec. 3(F) and Art. II, Sec. 4(A)(3)]

- 1.8 GVR Member; GVR Membership.** "GVR Member" shall mean and refer to an Owner or Assigned Member. "GVR Membership" shall mean and refer to all Owners and Assigned Members, collectively.

1.9 GVR Property. "GVR Property" shall mean and refer to real property within The Corporation's Jurisdictional Boundaries as set forth in Article 3, Section 3.1. [Art. II, Sec. 1]

1.10 Life Care Member. "Life Care Member" is a former GVR Member who resides in a residential care facility in the greater Green Valley area and has been extended privileges to use GVR's recreational facilities by the Board. [Art. II, Sec. 3(I) and Art. II, Sec. 4(B)]

1.11 Master Deed Restriction. "Master Deed Restriction" shall mean the Green Valley Recreation, Inc. Amended Master Deed Restriction recorded in Docket 11371 at page 2595 of the official records of Pima County, Arizona.

1.12 Owner. "Owner" is the record holder of legal title to the fee interest of a GVR Property, including each person who has legal title of a GVR Property in joint tenancy, tenancy in common, or as community property. When a GVR Property is held in a trust, the trustee is the Owner unless otherwise stated in the trust. [Art. II, Sec. 2(A)]

1.13 Tenant. "Tenant" shall mean an individual leasing a GVR Property who is assigned the right to use GVR's facilities pursuant to Article 3, Section 3.3(B). [Art. II, Sec. 3(C)]

This first Article provides definitions for all of the capitalized terms used in the document. A new term, "Owner," has been added to distinguish between individuals who are members by virtue of their ownership of a GVR property, as opposed to Assigned Members. The term "GVR Member" includes both Owners and Assigned Members.

Article I, Section 1 of the current Bylaws has been removed as it is addressed in the Amended and Restated Articles of Incorporation. Article 1, Sections 4 (GVR Clubs) and 7 (Fiscal Year) of the current Bylaws have been moved to Article X (Miscellaneous). Sections 5 and 6 of the current Bylaws (addressing the jurisdiction of GVR) are now in Article 2.

ARTICLE 2 BUSINESS AND JURISDICTION OF THE CORPORATION

2.1 Business of The Corporation. The Corporation shall provide recreational, cultural and educational programs for the enjoyment of GVR Members and their Guests. The Corporation shall purchase, lease, own and maintain recreational facilities in support of the programs stated above. [Art. I, Sec. 2]

2.2 Jurisdiction of The Corporation. The jurisdiction of The Corporation shall include the real property designated within the Corporate Boundary Document kept on file at the office of The Corporation. [Art. I, Sec. 5(A)]

2.3 Expansion of Jurisdiction. Real property that is not within The Corporation's jurisdiction may be brought within the jurisdiction of The Corporation with the approval of a majority of those GVR Members voting on the matter. Any such expansion of The Corporation's boundaries shall be certified by the President or Secretary and entered into the Corporate Boundary Document. [Art. I, Sec. 5(B)]

2.4 New Housing Developments. Any expansion of The Corporation's jurisdictional boundaries for new subdivision development pursuant to Section 2.2 above shall conform to the following criteria:

(a) The developer of the subdivision shall agree to place a restriction in the subdivision's covenants, conditions and restrictions requiring perpetual membership in The Corporation for each property.

(b) The developer of the subdivision shall place an "age restriction" with regard to familial status exemptions as outlined by Housing and Urban Development (HUD).

(c) Each developer must give guaranty through financial assurances that it will make contributions to GVR in terms of front-end cash or donation of land and contribution of recreational and social facilities to be built and dedicated to GVR free of encumbrances, whichever serves the best interest of the GVR Membership as determined by the Board. Both cash contributions and donations of land and improvements shall be based, at a minimum, upon the grand total of GVR fees charged in connection with potential homes in each development. In the case of the donation of land and improvements, adequate security shall first be furnished to GVR in the form of a letter of credit, certificate of deposit, bond, or other commercially reasonable and adequate security.

(d) The Board shall negotiate on behalf of the GVR Membership with respect to the new development and bind each developer with independent contracts.

(e) Each new development must be adjacent/contiguous to the existing GVR boundaries at the time of entry.

[Art. I, Sec. 6]

ARTICLE 3 MEMBERSHIP AND USE OF FACILITIES

3.1 GVR Property. A GVR Property is any of the following:

(a) Residential real estate located within The Corporation's jurisdiction against which a voluntary deed restriction agreement has been recorded requiring perpetual membership in GVR;

(b) Residential real estate located within a subdivision that requires membership in GVR by virtue of recorded covenants, conditions and restrictions; or

(c) Commercial residential property within The Corporation's jurisdiction ("CRCF").
[Art. II, Sec. 1]

3.2 Membership Rights. Subject to the provisions of Section 3.5 of this Article III, an Owner shall be entitled to all of the rights of membership in The Corporation which shall include the right to use GVR's facilities, vote in GVR Membership matters, and serve on the Board.

3.3 Assignment of Membership Rights. Upon payment of a fee established by the Board, an Owner may do either of the following:

A. Surrender the right to use GVR's facilities, vote in GVR Membership matters, and serve on the Board and assign such rights to an individual who occupies his/her GVR Property without payment of rent ("Assigned Member"); or

B. Surrender the right to use GVR's facilities and assign such right to an individual who leases his/her GVR Property ("Tenant").

[Art. II, Sec. 2(B) and Sec. 6(D)]

3.4 Use of Recreational Facilities. GVR Members, CRCF residents, Tenants, Additional Card Holders, Life Care Members and Guests may use GVR's recreational facilities subject to the then current rules and regulations established by the Board. [Art. II, Sec. 4(A) and (B)]

3.5 Suspension of Rights.

A. The right of an individual to use GVR's recreational facilities may be suspended for any infraction of these Amended and Restated Bylaws, policies, and/or rules and regulations of The Corporation in conformance with procedures adopted by the Board. The suspension of an individual's right to use GVR's facilities shall not affect such individual's obligation to pay dues or any other amounts owed to GVR during the period of suspension. [Art. II, Sec. 5]

B. The right of a GVR Member to use GVR facilities, vote in GVR Membership matters, and be nominated in an election of directors shall be suspended during any period in which such GVR Member is delinquent in the payment of dues, fees, or special assessments. [Art. II, Sec. 7(B)]

3.6 Membership Responsibility. It shall be the duty of each GVR Member to keep The Corporation advised of his/her current mailing address. [Art. II, Sec. 6(B)]

ARTICLE 4
MEMBERSHIP FEES AND DUES

4.1 Fees. GVR Members shall be required to pay admission fees, transfer fees, and such administrative fees as established by the Board. [Art. II, Sec. 7(A) and Article III]. The specific types of fees that have been approved by the Board are set forth in the CPM and fall within these three categories: admission fees are Initial Fees and Property Acquisition Capital Fees; transfer fees are the fees charged for resale of GVR Properties; and administrative fees are guest fees, tenant fees, etc.

4.2 Dues. Annual dues shall be levied against each GVR Property each calendar year in such amounts as determined by the Board; provided, however, that annual dues shall be prorated for the year in which a GVR Property is acquired by an Owner. In establishing the amount of the annual dues, the Board shall be guided by the expense of operating The Corporation and a reasonable reserve for capital replacements with the objective of operating the facilities on a self-sustaining basis. On or before December 10th of each year, the Board shall announce the schedule of dues and the operating and capital budgets for the next calendar year. [Art. III, Sec. 1, 2 and 4]. The word “facilities” has been changed to “The Corporation” in the second sentence for clarification purposes.

4.3 Special Assessments. The Board may levy a special assessment against each GVR Property; provided, however, that such assessment is approved by a majority of GVR Members voting on the matter. [Art. III, Sec. 5]

4.4. Delinquencies. Annual dues, fees or special assessments that remain unpaid more than thirty (30) days after their due date shall be subject to a late fee as determined by the Board. All attorney's fees and costs incurred by The Corporation in collecting dues, fees or special assessments shall be the personal obligation of the delinquent Owner and a charge upon such Owner's GVR Property pursuant to the Master Deed Restriction. This provision was added to address the penalties for late payment of dues, fees and assessments addressed in the Master Deed Restriction recorded against all GVR Properties.

ARTICLE 5
MEMBERSHIP MEETINGS AND VOTING

5.1 Annual Meeting. The annual meeting of The Corporation shall be held within ninety days (90) after the end of the fiscal year and shall include a report of The Corporation's most recent financial audit. [Art. IX, Sec. 1]

5.2 Special Meetings. Special meetings of The Corporation may be called at any time by either the President, a majority of directors, or upon a petition signed by GVR Members representing at least ten percent (10%) of GVR Properties. Special Meetings called as a result of a petition shall be held within ninety days (90) of delivery of same upon The Corporation. [Art. IX, Sec. 2 and Art. VI, Sec. 1(A)]

5.3 Notice of Meetings. Written notice of the date, time and place of the annual meeting or any special meeting shall be given to each eligible GVR Member no less than thirty (30) days nor more than sixty (60) days prior to the meeting, and in the case of a special meeting, the notice shall set forth the nature of the business to be transacted. [Art. IX, Sec. 3]. The maximum notice of 60 days was added to meet the requirements of A.R.S. 10-3705(A).

5.4 Record Date. The record date for determining a GVR Member's eligibility to vote in any matter shall be thirty (30) days prior to the first day that votes may be cast in such matter. A record date is the date upon which members must be current in the payment of their dues, fees and assessments in order to qualify for notice of the annual meeting and to vote. This provision was added (as permitted under A.R.S. §10-3707) so that the Board will not have to fix a record date each year.

5.5 Voting Rights. GVR Members who are eligible to vote may cast one (1) vote in any matter put to a vote of the GVR Membership; provided, however, there shall be no more than one (1) vote cast for each GVR Property. The vote for each GVR Property must be cast as a unit and fractional votes shall not be permitted. If a vote is cast on behalf of a GVR Property, it will thereafter be conclusively presumed for all purposes that the individual casting such vote was acting with the authority and consent of all co-owners of such GVR Property. In the event that more than one (1) vote is cast for a particular GVR Property, none of the votes shall be counted and all of the votes for such GVR Property shall be deemed void. [Art. II, Sec. 6(A)]. The last sentence was added to prohibit fractional voting pursuant to A.R.S. 10-3721(B).

5.6 Voting Procedure; Quorum Requirement. All action by GVR Members shall be taken by written ballot in conformance with the procedures and requirements set forth in A.R.S. §10-3708. Except as otherwise specified in these Amended and Restated Bylaws, the quorum requirement for a vote on any matter shall be ballots cast by GVR Members representing ten percent (10%) of the total eligible votes in The Corporation. [Art. II, Sec. 6(C) and Art. XI, Sec. 1 and 2]. A quorum requirement - the minimum number of members who must participate in a vote in order for the vote to be valid - has been added. Ten percent (10%) has been the default quorum requirement used to date pursuant to A.R.S. §10-3722.

ARTICLE 6 BOARD OF DIRECTORS

6.1 Number of Directors; Qualifications. The Board shall consist of twelve (12) directors who shall be GVR Members residing within the jurisdiction of The Corporation, and the chief executive officer who shall serve as an ex-officio, non-voting member of the Board. . [Art. IV, Sec. 1 and Art. VII, Sec. 1]

6.2 Term of Directors. The term of a director elected by the GVR Membership shall be three (3) years. The terms of directors shall be staggered such that each year, the term of four (4) directors shall expire. No Director may serve more than two (2) consecutive terms, with any part of a term served as an appointed director constituting a term for this purpose. A former director may be re-elected after one (1) or more years' absence from the Board. [Art. V, Sec. 1(A)]

6.3 Nomination of Directors.

A. By Committee. The Nominations & Elections Committee shall compile a list of eligible GVR Members who are qualified to serve on the Board and have submitted a candidate application. The slate of candidates shall be made available to the GVR Membership at least ninety (90) days before the annual meeting. [Art. V, Sec. 2 and Art. II, Sec. 7(B)]. This provision was changed to clarify that the Committee's duty is to produce a slate of *candidates* (not "directors") and that nominees must be eligible GVR Members which includes Owners and Assigned Members who are current in the payment of their dues and fees pursuant to Section 3.5(B).

B. By GVR Members. Additional nominations may be made by a nomination petition delivered to The Corporation no less than sixty (60) days before the annual meeting and which contains the signed consent of the nominee and the signatures of eligible GVR Members representing not less than two-hundred (200) GVR Properties. The names of nominees submitted through such a petition shall be added to the slate of candidates compiled by the Nominations and Elections Committee.

Provisions related to the election of directors (Art. V, Sec. 3 of the current Bylaws) was removed as the voting procedure for elections is the same as it is for any other matter. The provision related to "cumulative voting" was unnecessary, as A.R.S. §10-3725 states that cumulative voting is prohibited unless specifically authorized in the Bylaws.

6.4 Vacancies. Any vacancy on the Board created by the resignation, removal, or death of a director, shall be filled by the unsuccessful candidate of the last election, who received the greatest number of votes and is qualified and willing to serve. If none of said unsuccessful candidates is qualified and willing to serve, a majority of the remaining directors shall appoint a director to serve for the unexpired term of his/her predecessor. [Art. VI, Sec.1(F)].

6.5 Compensation; GVR Employment. Directors shall not receive compensation for their services on the Board but may be reimbursed by The Corporation for authorized expenses and disbursements made on its behalf. Directors and members of their immediate families may not provide services to The Corporation in exchange for financial compensation except for ancillary services related to instruction or the arts. [Art. IV, Sec. 7 and 8]. This provision has been modified to allow directors and their family members to teach classes and provide entertainment at events.

6.6 Powers. In addition to exercising all the powers of The Corporation as set forth in A.R.S. §10-3302 and GVR's Amended and Restated Articles of Incorporation, the Board shall have the authority to do the following:

(1) Adopt rules and regulations governing the use of GVR's facilities and the personal conduct of all persons thereon which shall be published in the Corporate Policy Manual.

(2) Adopt policies and procedures in order to carry out the provisions of these Amended and Restated Bylaws which shall be published in the Corporate Policy Manual.

(3) Declare a vacancy on the Board should any director miss three (3) regularly scheduled Board meetings in any twelve-month period without good cause.

[Art. VI, Sec. 1(B),(C), and (D)]. The phrase "without good cause" was added in subsection (3) to prevent the removal of directors who miss meetings due to health issues or other similar reasons.

6.7 Limitations on Powers.

A. The following actions shall require the prior approval of a majority of GVR Members voting on the matter:

(1) A contract requiring an annual payment that exceeds ten percent (10%) of the annual budgets for that fiscal year; provided, however, that a vote on any such matter shall have a quorum requirement of twenty percent (20%); or

(2) A change in services which would result in either an increase or decrease of five percent (5%) or more of the current operating budget; provided, however, that increases in services relating to new facilities provided by and at the expense of a developer or funded by existing reserves intended for such purposes shall not require the approval of GVR members.

[Art. VI, Sec. 2 and Art. III, Sec. 3]

Subsection (1) was modified: "operating budget" was changed to "annual budgets" so as to include reserve budgets.

Subsection (2) was modified to resolve ambiguities and add an exception for services funded by existing reserves.

B. The following actions shall require the approval of a majority of directors in office:

(1) Appointing and removing the chief executive officer and fixing his/her compensation;

(2) Establishing the amount of admission fees, dues, and special assessments;
or

(3) Adopting operating and capital budgets, which shall include a contribution to reserves.

[Art. VI, Sec. 1(B)]

**ARTICLE 7
BOARD MEETINGS**

7.1 Regular Meetings. Regular meetings of the Board shall be held at least four (4) times per fiscal year and shall be fixed on a schedule determined by the Board and published to the GVR Membership. [Article IV, Sec. 2]. Publication of the schedule was added to provide notice to members.

7.2 Special Meetings. Special meetings of the Board may be called by the President, the Vice President, or at the request of any two (2) directors. [Art. IV, Sec. 3]

7.3 Notice of Meetings.

A. Regular Meetings. Regular meetings of the Board may be held without additional notice to directors or GVR Members.

B. Special Meetings. Written notice of the date, time and place of a special meeting shall be provided to each director at least two days prior to the meeting and if any portion of the meeting is to be open to GVR Members, such notice shall also be provided electronically to the GVR Membership.

C. Waiver of Notice. A director may waive any notice in writing before or after the date and time stated in the notice. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting or promptly on the director's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Notice provisions were added as required by A.R.S. §§10-3822 and 10-3823.

7.4 Quorum. The presence, in person, by video conference, or by telephone conference, of a majority of the number of directors in office shall constitute a quorum for the transaction of business at a meeting. Except as otherwise specified in these Amended and Restated Bylaws, the vote of a majority of directors present at any meeting at which a quorum is present shall be the act of the Board. [Art. IV, Sec. 4]

7.5 Open Meetings. Meetings of the Board at which official business of The Corporation is transacted shall be open to GVR Members; provided, however, that the Board, at the discretion of the President, may hold a meeting or any portion thereof in executive session to address any of the following:

- (1) Personnel matters; or
- (2) Legal matters.

[Art. IV, Sec. 5]

7.6 Conduct of Meetings. Roberts Rules of Order shall prevail unless otherwise determined by the Board. [Art. XII, Sec. 3]

ARTICLE 8 OFFICERS AND CHIEF EXECUTIVE OFFICER

8.1 Enumeration of Officers. The officers of The Corporation shall be the President, Vice President, Secretary, Treasurer, Assistant Secretary and Assistant Treasurer, the sequence of which determines their seniority. [Art. VII, Sec. 1]

8.2 Election and Term. Within thirty (30) days after the annual meeting of the GVR Membership, the officers shall be elected from among the directors by a majority vote of the Board and each such officer shall serve, at the pleasure of the Board, for a term of one (1) year or until the successor is elected. [Art. VII, Sec. 2 and 3]

8.3 Resignation and Removal; Vacancies. An officer may resign at any time by delivering notice to The Corporation and an officer may be removed from office by the Board at any time, with or without cause. An officer elected by the Board to fill a vacancy caused by resignation, removal or death shall serve for the unexpired term of his/her predecessor. **This provision was added in conformance with A.R.S. §10-3843.**

8.4 Duties of Officers.

A. **President.** The President shall preside at all meetings of the Board and at meetings of the GVR Membership and shall carry out all orders and resolutions of the Board and shall sign all formal written instruments such as notes, leases, mortgages, deeds, and contracts other than recurring operational contracts which the Board by appropriate resolution has exempted from this requirement. Contracts signed by the President shall receive prior legal review and Board approval. In the absence of the President, the Vice President shall perform all the duties of the President. Should the Vice President also be absent, the duties of the President shall be performed by the most senior officer present and when so acting, shall have all the powers of the President.

B. **Vice President.** The Vice President shall carry out duties as assigned by the President. In the absence of the President, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of the President.

C. **Secretary.** The Secretary shall ensure that minutes are kept of meetings of the GVR Membership and the Board. The Secretary shall cause to be given all notices in accordance with provisions of these Amended and Restated Bylaws or as required by law. The Secretary shall see that all records of The Corporation are properly kept and preserved and that the names and addresses of all GVR members are on file in the office of The Corporation. In the absence of the Secretary, the Assistant Secretary shall perform all the duties of the Secretary.

D. Treasurer. The Treasurer shall exercise an oversight role of the financial affairs of The Corporation to ensure that financial records are kept in accordance with generally accepted accounting standards. The Treasurer shall ensure that timely, accurate financial statements are presented to the Board and that the financial records of The Corporation are audited. In the absence of the Treasurer, the Assistant Treasurer shall perform all the duties of the Treasurer.

[Art. VII, Sec. 4]

8.5 Chief Executive Officer. The chief executive officer shall be accountable to the Board and shall serve as the chief operating officer of The Corporation responsible for the management of the day-to-day operations of GVR. The chief executive officer shall work cooperatively with the Board to ensure that GVR's policies are carried out effectively without exceeding the limits of authority delegated by the Board and shall ensure that operations are in conformance with these Amended and Restated Bylaws and the CPM. [Art. VII, Sec. 5]

8.6 Signing of Checks. Any check in the amount of \$2,500.00 or more shall be signed by two (2) officers of The Corporation or by one (1) officer and the chief executive officer. Any check in an amount of less than \$2,500.00 may be signed by the CEO with the stipulation that a log is kept reflecting the two (2) department heads that reviewed the checks prior to its execution. Month-end statements shall be reviewed by two (2) officers of The Corporation as soon as practicable after their completion. [Art. VII, Sec. 4(E)]

ARTICLE 9 COMMITTEES

9.1 Standing Committees. The Board shall establish the following committees which shall make policy recommendations to the Board, and have such duties as set forth in the Corporate Policy Manual:

- (1) Board Affairs;
- (2) Fiscal Affairs;
- (3) Nominations & Elections;
- (4) Planning and Evaluation;
- (5) Audit; and
- (6) Investment.

[Art. VIII, Sec. 1]

9.2 Special Committees. The President may establish special or ad hoc committees to assume specific, short-term responsibilities. The duties and responsibilities of such committees shall be approved by the Board. [Art. VIII, Sec. 2(A)]

9.3 Composition of Committees.

A. Chairperson. The chairperson of each committee shall be a director selected by the President subject to Board approval; provided, however, that the chairperson of the Audit

Committee shall not be an officer of The Corporation or a member of the Fiscal Affairs Committee. [Art. VIII, Sec. 2(B) and Sec. 3]

B. Members. Committee members shall be selected by the chairperson of the committee from among GVR Members and operations staff. The President shall be an ex-officio member of all committees except the Nominations & Elections and Audit Committees. [Art. VIII, Sec. 3]

9.4 Subcommittees. Except for the Nominations & Elections and Audit Committees, each committee shall have the power to establish subcommittees and may delegate to such subcommittees any of its duties and powers. [Art. VIII, Sec. 4]

9.5 Meetings. Meetings of committees and subcommittees shall be open to GVR Members at the discretion of each committee or subcommittee. [Art. VIII, Sec. 5]

ARTICLE X MISCELLANEOUS

10.1 Amendments

A. Proposed by GVR Members. Amendments to these Amended and Restated Bylaws may be proposed by a petition containing the signatures of GVR Members representing at least ten percent (10%) of the total eligible votes in The Corporation submitted to the Secretary no less than sixty (60) days before the Annual or Special Meeting. Amendments proposed by GVR members shall be submitted to a vote of the GVR Membership within sixty (60) days of submission of such a petition.

B. Proposed by Board. The Board may propose amendments to these Amended and Restated Bylaws with the approval of two-thirds (2/3) of the directors in office.

C. Approval of Amendments. Any amendment to these Amended and Restated Bylaws shall be approved by GVR Members representing a majority of the total eligible votes in The Corporation or two-thirds (2/3) of those GVR Members voting on the matter, whichever is less.

[Art. X]

10.2 GVR Clubs. Any group of GVR Members interested in pursuing a particular field of interest may join together for the purpose of pursuing such interest and may request that the Board grant them status as a GVR club. The Board shall establish the following: (i) policies and procedures for creating and revoking club status; and (ii) the rules and regulations governing the operation of GVR clubs. [Art. I, Sec. 4]

10.3 Fiscal Year. The fiscal year and GVR Membership year of The Corporation shall be January 1 through December 31.

10.4 Annual Audit. The financial records of The Corporation shall be audited following the close of each fiscal year by an independent auditing firm. [Art. I, Sec. 7]

10.5 Records. The books, records and papers of The Corporation shall be available to GVR Members for inspection and copying pursuant to the provisions of A.R.S. §§10-11602 and 10-11603. The current Bylaw provision (Art. XII, Sec. 2) is inconsistent with Arizona law. It has been changed to reference the applicable statutes.

10.6 Conflict. In the event of any conflict between these Amended and Restated Bylaws and GVR's Amended and Restated Articles of Incorporation, or between these Amended and Restated Bylaws and the Arizona Nonprofit Corporation Act (A.R.S. §10-3101, *et seq.*), the latter of the two shall control. In the event of any conflict between these Amended and Restated Bylaws and the Corporate Policy Manual, the former shall control. [Art. XII, Sec. 3]. This provision was changed to comply with A.R.S. §10-3206(B).

10.7 Topical Headings. The topical headings of the paragraphs contained in these Amended and Restated Bylaws are for convenience only and do not define, limit or construe the content of the paragraphs or of this document. This provision was added.



Green Valley Recreation, Inc.

Board of Directors Meeting

Prepared By: Kris Zubicki,
Director of Recreation Services

Meeting Date: 6/23/21

Presented By: Nina Campfield

Consent Agenda: No

Originating Committee/Department: Board Affairs Committee

Action Requested:

At their June 8 meeting, the Board Affairs Committee voted to authorize staff to rewrite the GVR Club EIN Number Policy based on updated IRS regulations, and for the staff recommendation to be presented to the Board of Directors.

Legal counsel has reviewed the recommended changes.

Strategic Plan Focus Area:

Background Justification:

The IRS changed the method to obtain an Employer Identification Number (EIN). The IRS now requires a contact name and information of a club representative. The IRS website states, "All EIN applications must disclose the name and Taxpayer Identification Number (SSN, TIN, or EIN) of the true principal officer, general partner, grantor, owner or trustor. This individual or entity, which the IRS will call the 'responsible party,' controls, manages, or directs the applicant entity and the disposition of its funds and assets. Unless the applicant is a government entity, the responsible party must be an individual (i.e., a natural person), not an entity."

The following section in GVR's Corporate Policy Manual (CPM) should be updated to be in compliance with IRS regulations:

Section VIII – GVR Programs / Clubs

Subsection 2. GVR Clubs

A. Organization

9. If the Board approves the request for club status, the Club Liaison will file for an Employers Identification Number (EIN) on behalf of the club, if the club has not already filed for an EIN.

Fiscal Impact:

N/A, IRS tax code for GVR clubs

Staff Recommended Motion:

I move the Board approve the following change to the CPM verbiage located in **Section VIII – GVR Programs/Clubs, Subsection 2. GVR Clubs, A. Organization, #9**

If the Board approves the request for club status the Club Liaison will notify the applicant so they will file for a club EIN number. ~~file for an Employers Identification Number (EIN) on behalf of the club, if the club has not already filed for an EIN.~~

Attachments:

Excerpt from IRS.gov website

Excerpt from IRS.GOV:

[Home](#) / [File](#) / [Businesses and Self-Employed](#) / [Small Business and Self-Employed](#) / [Employer ID Numbers](#) / Responsible Parties and Nominee

Responsible Parties and Nominees

English | [Español](#) | [中文](#)

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

Employer ID Numbers

Business Taxes

Reporting Information Returns

Self-Employed

Starting a Business

Operating a Business

Closing a Business

Industries/Professions

Small Business Events

Online Learning

Large Business

Corporations

Partnerships

Responsible Parties

All EIN applications (mail, fax, electronic) must disclose the name and Taxpayer Identification Number (SSN, ITIN, or EIN) of the true principal officer, general partner, grantor, owner or trustor. This individual or entity, which the IRS will call the "responsible party," controls, manages, or directs the applicant entity and the disposition of its funds and assets. Unless the applicant is a government entity, the responsible party must be an individual (i.e., a natural person), not an entity. If there is more than one responsible party, the entity may list whichever party the entity wants the IRS to recognize as the responsible party. Additionally, entities must report any changes to the responsible party to the IRS within 60 days by using [Form 8822-B](#), [PDF](#), Change of Address or Responsible Party – Business.

According to the Instructions for the current revision of the application, the "responsible party" is defined as follows:

For entities with shares or interests traded on a public exchange, or which are registered with the Securities and Exchange Commission, "responsible party" is (a) the principal officer, if the business is a corporation, (b) a general partner, if a partnership, the general requirement that the responsible party be an individual applies to these entities. For example, (c) if a corporation is the general partner of a publicly traded partnership for which Form SS-4 is filed, then the responsible party of the partnership is the principal officer of the corporation. or (d) a grantor, owner, or trustor if a trust.

For all other entities, "responsible party" is the person who has a level of control over, or entitlement to, the funds or assets in the entity that, as a practical matter, enables the individual, directly or indirectly, to control, manage or direct the entity and the disposition of its funds and assets. The ability to fund the entity or the entitlement to the property of the entity alone, however, without any corresponding authority to control, manage, or direct the entity (such as in the case of a minor child beneficiary), does not cause the individual to be a responsible party.