



MINUTES

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, December 15, 2021 - 2pm
West Center Auditorium / Zoom

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, Connie Griffin, Bart Hillyer, Bev Lawless, Scott Somers (non-voting)

Director Absent: Christine Gallegos

Staff Present: David Jund (Facilities Director), Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (Communications Manager), Kris Zubicki (Recreation Services Director)

Visitors: 32

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

The President being in the chair and the Secretary being present.

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

2. Adopt Agenda

MOTION: Director Griffin moved, seconded to adopt the Agenda.

MOTIONS TO AMEND: Director Coon moved, seconded to amend the Agenda and add to the Consent Agenda the October Financials as Item H. Director Zelenak moved, seconded to amend the New Business recommending a formation of an Ad-Hoc Committee as Item G in New Business.

Motions to Amend Passed: 8 yes / 3 no (Bachelor, Crothers, Hillyer)

- Correct 10/27/2021 Regular Meeting Minutes: 6.A. under New Business, correct to seven no votes and no abstentions.
- Correct 12/6/2021 Special Meeting Minutes: 3.A. New Business, change yes votes to 3 and no votes to 9 as the motion failed.
- Pull four items from Consent Agenda to address separately under New Business:
 - Consent Agenda B. Approve Record Date
 - Consent Agenda C. Rescind Telephone Voting Motion
 - Consent Agenda F. Approve Fraud Policy
 - Consent Agenda G. Appointment of N&E Chair – Ted Boyett.

3. CEO Report

- Membership Assistance Program (MAP) is receiving donations to help GVR members who are unable to pay their dues. Donations can be made by: 1) GVR members paying their dues can

include another check for MAP donations, 2) GVR website link for MAP donations, 3) delivering a check to the Administrative Offices, or 4) through the GVR Foundation.

- East Center pool is moving forward. A ribbon cutting is set for September.
- Free movie, Christmas Story, at West Center Auditorium, December 16, 7pm.

4. Consent Agenda

Consent Agenda Items B, C, F, G pulled for separate discussion under New Business.

MOTION: Director Bachelor moved, seconded to approve the four Minutes be adopted as amended, and Consent Agenda items D, E, and H.

A. Minutes:

- BOD Special Meeting: October 20, 2021
- BOD Regular Meeting Minutes: October 27, 2021
- BOD Special Meeting: December 6, 2021
- BOD Work Session: December 6, 2021

~~B. Approve Record Date~~

~~C. Rescind Telephone Voting Motion~~

D. IPS Policy for Operating Cash

E. IPS Policy for MRR-B Pools & Spas

~~F. Approve Fraud Policy~~

~~G. Appointment of N&E Chair – Director Ted Boyett~~

H. October Financials - added

Passed: unanimous

5. New Business

A. Approve Funding and Transfers to MRR-B Pools and Spas Account

MOTION: Director Coon moved, seconded for the Board to authorize staff to complete the following fund transfers to the Maintenance, Repair, Replace part B. 1) Transfer \$169,553 from Operating Cash to MRR-B. 2) Transfer \$117,616 from MRR-A to MRR-B. 3) Transfer \$1,013,038 from Initiative Reserves to MRR-B.

Passed: unanimous

B. CPM Amendment to Section II, Subsection 3 and 4

MOTION: Director Campfield moved, seconded to approve the revision of CPM Section II, Subsections 3 and 4 as per the attached.

Passed: 8 yes / 3 no (Bachelor, Crothers, Hillyer)

C. Recommend Amended and Restated Bylaws Motion

MOTION: Director Campfield moved, seconded to recommend the amended and restated Bylaws, version 3 to the members.

Passed: 8 yes / 3 no (Bachelor, Crothers, Hillyer)

D. Revised CPM Organizational Structure

MOTION: Director Campfield moved, seconded the Board of Directors accept the organization structure for GVR's Corporate Policy Manual:

Part 1: Membership

Part 2: Board of Directors

Part 3: Committees

Part 4: Chief Executive Officer

Part 5: Fiscal/Accounting

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Part 6: GVR Programs and Clubs

Part 7: Communications

Part 8: Risk Management

Part 9: Human Resources

Part 10: Miscellaneous

Appendix – Board Policies

Passed: 9 yes / 2 no (Crothers, Hillyer)

- E. Facility Operation/Organization (Canoa Hills Clubhouse/WC & Desert Hills Shuffleboard), P&E Recommendations, and Survey Results

MOTION: Director Boyett moved, seconded to direct staff to pursue the recommendation made by the P&E Committee to pursue the Plan A capital plan, as presented and attached, which includes Phase 1 design services, the costs of which shall not exceed \$50,000, for an Arts Center at West Center and a fitness center expansion at the Desert Hills Center shuffleboard location, with the understanding that staff will present the results of the Phase 1 design to the Board once completed, at which time, the Board will provide direction to staff on how and if to proceed.

Passed: unanimous

- F. Potential future GVR policy seeking to fund non-philanthropic capital projects

MOTION: Director Griffin moved, seconded the Board of Directors direct the Board Affairs Committee to research, discuss, and evaluate options for a potential future GVR policy with regards to seeking donations and contributions from GVR members, Green Valley Residents and/or other interested parties or stakeholders when GVR is seeking to fund non-philanthropic capital projects.

PREVIOUS QUESTION CALLED: Director Boyett moved, seconded.

Passed: unanimous

Motion Passed: 10 yes / 1 no (Bachelor)

- G. Formation of Ad Hoc Committee (*added by President Zelenak under Adopt Agenda*)

MOTION: President Zelenak moved, seconded to establish an Ad Hoc Committee entitled, 'Non-Dues Revenue Production & Community Engagement.' The general purpose of the Committee is to consider advertising and other revenue-producing opportunities to expand non-dues revenue streams that will reduce GVR's reliance on membership dues and will enhance GVR's relationship with area community groups and nonprofit organizations, and make recommendations to the Board.

Passed: 9 yes / 2 no (Bachelor, Crothers)

PULLED ITEMS FROM THE CONSENT AGENDA:

- B. Approve Record Date

MOTION: Director Boyett moved, seconded to authorize the GVR to set the Record Date for 2022 Election as January 28, 2022. Members who are not in good standing as of 4pm (MST) on this date will not be eligible to vote in the 2022 election.

Passed: 10 yes / 1 no (Bachelor)

- C. Rescind Telephone Voting Motion
MOTION: Director Boyett moved, seconded to rescind telephone voting that was approved at October 27, 2021, Regular Board Meeting for GVR members.
Passed: unanimous

- F. Approve Fraud Policy
MOTION: Director Griffin moved, seconded to approve the proposed Green Valley Recreation, Inc. (GVR) Fraud Risk Policy.
Passed: unanimous

- G. Appointment of N&E Chair – Director Ted Boyett
MOTION: President Zelenak moved, seconded to appoint Ted Boyett the N&E Chair.
Passed: 10 yes / 1 no (Crothers)

6. Committee Reports

- A. **Audit** - Committee Chair Griffin reported (received and placed on file).
- B. **Board Affairs** - Committee Chair Campfield stated no report.
- C. **Fiscal Affairs** - Committee Chair Coon reported (received and placed on file).
- D. **Investments** - Committee Chair Lawless reported (received and placed on file).
- E. **Nominations & Elections** - Committee Chair Boyett reported (received and placed on file).
- F. **Planning & Evaluation** - Committee Chair Boyett reported (received and placed on file).

7. Member Comments - 5

8. Adjournment

MOTION: Director Campfield moved, seconded to adjourn the meeting at 4:20pm MST.
Passed: unanimous

NOTICE OF ACTION WITHOUT MEETING: The Board of Directors approved the corrected Tenant Fees on the Fee Schedule via email unanimous consent on October 28, 2021.

SECTION II - MEMBERSHIP

SUBSECTION 3. ANNUAL DUES, ANNUAL DUES INSTALLMENT PAYMENT PLAN, INITIAL FEES, FEES FOR SERVICES (updated 9/25/2018)

A. General

Annual dues and fees shall be established each year by the approval of a majority of Directors in office, provided that should the Board fail to establish the amount of a particular fee, it shall remain unchanged from the previous year.

B. Annual Dues

1. The Board shall establish membership dues for each fiscal year on or before December 10. In establishing annual dues, the Fiscal Affairs Committee and the Board of Directors shall use the following formula as a starting point. The sum of 50% of the CPI (W) percentage increase/decrease through September of the current year and 50% of the Social Security percentage increase/decrease for the current year. To the extent permitted by law, the Committee and Board may deviate from this formula in establishing the dues after taking into consideration all relevant factors including, but not limited to, projected operating costs, maintenance projects, and appropriate reserves. These dues are payable on or before January 1 of that same fiscal year.
2. Upon the initial purchase of a property in a deed-restricted subdivision, the annual dues shall be prorated as of the date of closing. When an owner of property in a subdivision which is not master deed restricted subjects his property to a GVR deed restriction, the annual dues shall be prorated as of the date the property is made subject to the voluntary deed restriction.
3. Commercial Residential/Care Facility (CRCF) membership properties shall pay annual dues in an amount equal to the then-current annual dues multiplied by the number of units in the facility, regardless of whether or not such units are occupied.

C. Annual Dues Installment Payment Plan

1. Payment plans are available to Members who prefer to pay annual dues in monthly installments rather than in one lump sum, subject to the limitation in (3) below.
2. The fees for setup and administrative costs associated with a payment plan will be established by the Board.
3. A GVR property must be owner-occupied in order to qualify for a payment plan.
4. The past and current month's payments will be charged and must be paid at the time the plan is set up.

5. If a member requests a payment plan, his/her account may be subject to all applicable finance charges.
6. Members will only be able to use the payment plan with an Automatic Clearing House (ACH) Debit.
7. At the time of the request, future finance charges will stop unless the member defaults on payments. If the account is defaulted, all past applicable finance charges that would have been charged will become due.
8. Members may continue to use GVR facilities and attend programs if they are current with their payments.

D. Due Date and Effect of Nonpayment of Annual Dues.

1. Annual dues are due and payable on or before January 1st.
2. Any dues, fees, or assessments that are not paid in full ten (10) days after their due dates shall be deemed delinquent and subject to a late fee as determined by the Board.
3. If a member's account remains delinquent as of May 1, the account will be referred to counsel for collection, including, but not limited to, the recording of a notice of lien against the member's property and the initiation of legal proceedings against the delinquent member and/or his property. Collection costs, including, but not limited to, attorney's fees and court costs, shall be the responsibility of the delinquent members.
4. A member who has entered into an approved payment plan with GVR and is in compliance with the terms thereof shall not be considered delinquent.

E. Initial Fees

1. The Initial Fee may be adjusted annually by the Board based on the Department of Labor CPI (Consumer Price Index), "all items, Western Urban Region," rounded to the nearest dollar amount.
2. The initial fee applies upon the sale of a deed-restricted GVR property from a developer to a third party or upon an owner electing to voluntarily deed-restrict property for GVR membership.
3. An owner paying an Initial Fee shall be exempt from paying the Membership Change Fee on that property.
4. A portion of the revenue from Initial Fees is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.

F. Membership Change Fee

1. Upon transfer of title of a GVR membership property, the new owner shall pay a Membership Change Fee.
2. The Membership Change Fee shall be refunded if the new owner was a GVR member within 365 days prior to the transfer of title and owns no other GVR property.
3. Revenue from the Membership Change Fees may be used as will most effectively further the general purpose of the Corporation to provide for current and future needs. A portion of the revenue from Membership

Change Fee is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.

4. The Membership Change Fee does not apply to the transfer of title for estate purposes (e.g., into a trust).

G. Other Fees (updated 12/17/2015)

A fee for service is payment for the work involved in an operation that benefits individual members, as distinct from the entire membership.

1. The Board has established fees for services:
 - a) **Disclosure Fees:** There shall be a charge for the processing of disclosure documents upon the transfer of title of a membership property.
 - b) **Tenant Fees:** Upon application, tenant cards shall be issued to a person leasing GVR membership property. There will be a charge for a tenant card.
2. The authority to establish and modify operational fees is delegated to GVR Administration as part of the ongoing day-to-day management of the organization. Such fees fall in the following broad categories.
 - a) **Programmatic Fees:** These fees are established to provide cost recovery of direct expenses related to entertainment, participation, and instructional programs.
 - b) **Facility Fees:** These fees are established to provide cost recovery related exclusively to the use of facility space and/or equipment by outside groups and member usage beyond the basic services of GVR. Such fees include, but are not limited to, reservation fees, time incremental facility usage fees, equipment fees, custodial and technician fees, catering. Damage deposits are required.
 - c) **Administrative Fees:** These fees are established to provide cost recovery for miscellaneous services provided to members and outside parties. Such fees include but are not limited to, photocopying, facsimile, computer, facility keys, card replacement and publications.
 - d) **Processing Fees:** These fees are established to provide cost recovery for labor and overhead generated through business transaction to members and outside parties. Such fees will be attached to all transactional business including, but not limited to, member dues, programs, instructional courses, and rentals.

Attachment: 5.E. Motion

GVR Budget Worksheet with EMR 600K (A) (Financed)
GVR

Long Term Capital Funding Projection

Funding Projections

PLAN A WITH FINANCING

	All Amounts Are Projections				
	2022	2023	2024	2025	2026
Initiatives					
Beginning Balance	\$ 2,173,284	\$ 1,997,633	\$ 1,121,846	\$ 928,134	\$ 937,617
Funding From Operations Revenue	\$ 611,752	\$ 534,316	\$ 555,820	\$ 564,237	\$ 578,830
Additional GVR Funding (EMR Fund Trans.)	\$ 600,000				
Projected Surplus	\$ 190,000				
Debt Service: Loan Proceeds (20 yr., 3%)	\$ 2,000,000	\$ 2,000,000			
Debt Service: Annual Payments (20 yr., 3%)	\$ (85,356)	\$ (237,569)	\$ (253,832)	\$ (253,832)	\$ (253,832)
Transfer to MRR-B for EC Pool					
Net Investment Earnings	\$ 63,953	\$ 38,465	\$ 65,301	\$ 60,079	\$ 63,829
Projects:					
Clay Studio Expansion					
Canoa Hills Club House & Pk Lot	\$ (50,000)	\$ (150,000)	\$ (550,000)	\$ (350,000)	
Canoa Hill Note Payment	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)
East Center Pool Replacement					
PBC Shade Structure					
Abrego So. Field House & Shuffle	\$ (125,000)				
West Center Arts Complex - 17.5K Sq Ft	\$ (2,750,000)	\$ (2,750,000)			
Social Gathering Place	\$ (95,000)				
Desert Hills Fitness Expansion	\$ (300,000)	\$ (300,000)			
EC Art Classroom expansion					\$ (35,000)
Woodshop Expands into Lapidary					\$ (50,000)
Expand Ceramics into Lapidary at DH	\$ (130,000)				\$ (50,000)
LC Third Tennis Court					\$ (120,000)
Potential Projects	\$ (95,000)	\$ -			
GVR Dog Park				\$ -	
LC - Fitness Room Expansion				\$ -	
Ending Balance	\$ 1,997,633	\$ 1,121,846	\$ 928,134	\$ 937,617	\$ 1,060,443

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