



AGENDA

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, October 26, 2022 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Kathi Bachelor (President), Donna Coon (Vice President), Bart Hillyer (Secretary), Carol Crothers (Treasurer), Laurel Dean (Assistant Secretary), Jim Carden (Assistant Treasurer), Nancy Austin, Barbara Blake, Ted Boyett, Beth Dingman, Steve Gilbert, Bev Lawless, Scott Somers (non-voting)

AGENDA TOPIC

1. **Call to Order / Roll Call – Establish Quorum**
2. **Amend/Adopt Agenda**
3. **President’s Report**
4. **CEO Report**
5. **Member Comments** – regarding Consent Agenda and/or Non-Agenda Items – Speakers are asked to provide their name and GVR member number. Please limit comments to two (2) minutes.
6. **Consent Agenda** – Consent Agenda items are routine items of business that are collectively presented for approval through a single motion. A Board member may request that an item be pulled from the Consent Agenda and placed under Action Items for separate discussion and action.
 - A. Set Record Date
 - B. Minutes:
 - 1) BOD Regular Meeting Minutes: September 28, 2022
 - 2) BOD Work Session: October 19, 2022
 - C. Financial Statements:
 - 1) September Financial Report
7. **Action Items**
 - A. 2023 Budget Approval (Webster/Crothers)
 - B. CPM Part 1 Guest Policy (Somers/Coon)
 - C. Bylaws Recommendation for 2023 Ballot (Coon)
 - D. CPM Part 3 Committees (Coon)
8. **Committee Reports**
 - A. Audit (Austin)
 - B. Board Affairs (Coon)
 - C. Fiscal Affairs (Crothers)
 - D. Investments (Lawless)
 - E. Nominations & Elections (Dingman)
 - F. Planning & Evaluation (Hillyer)
9. **Member Comments** - Please limit comments to two (2) minutes.
10. **Adjournment**

* GVR encourages members to voice concerns and comments in a professional, business-like, and respectful manner.



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Record Date

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: October 26, 2022

Presented By: Scott Somers

Consent Agenda: Yes

<p>Originating Committee / Department: N&E</p>
<p>Action Requested: Set the Record Date for January 30, 2023.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: Every year the Board of Directors needs to approve the Record Date provided by the N&E Committee or choose another date to be approved. The CPM states: Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.</p>
<p>Fiscal Impact: None</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Approve the Record Date submitted by the N&E Committee. 2) Change the Record Date
<p>Staff Recommendation: #1</p>
<p>Recommended Motion: Move to approve January 30, 2023, as the Record Date to determine the eligible roster of voting members.</p>
<p>Attachments: None</p>



MINUTES

BOARD OF DIRECTORS MEETING

Wednesday, September 28, 2022 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Kathi Bachelor (President), Donna Coon (Vice President), Carol Crothers (Treasurer), Laurel Dean (Assistant Secretary), Jim Carden (Assistant Treasurer), Barbara Blake, Ted Boyett, Beth Dingman, Steve Gilbert, Bev Lawless, Scott Somers (non-voting)

Directors Absent: Nancy Austin, Bart Hillyer (Secretary)

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

Visitors: 33 including support staff

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

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

President Bachelor called the meeting to order at 2:00pm MST. Barbara Blake called the roll; quorum established.

2. Amend/Adopt Agenda

MOTION: Director Boyett moved, seconded to adopt the amended Agenda with one change to the Consent Agenda adding 7.B.2 May and June Financial Reports.

Passed: unanimous

3. President Report

Kudos to the GVR staff for preparing the GVR Clubs insert for the Home, Health and Life paper from KGVY. This is sent to every home in Green Valley and some available in the centers.

4. CEO Report

- Employee compensation and classification study is moving forward. Once finalized it will go to the Fiscal Affairs Committee to develop and recommend a compensation philosophy to the Board of Directors.
- A new GVR website is underway, and will be completed and published this spring.
- A survey will be mailed to 5000 members through the mail and emails. Those who submit the survey by the deadline will be entered to win a variety of prizes. The prizes consist of one 2023 dues waiver and five \$100 credits to Activenet. GVR staff encourages all GVR members to take the survey online or request a paper survey at a center if they are not part of the random 5000 receiving it in the mail. The survey

closes October 31, 2022, with mail in surveys and random selection group being accepted through November 4, 2022. The results will be available to the Board and members in January.

- East Center pool project moving forward. Permitting for the umbrella structures has been approved by the County. Construction will begin shortly and the deck will be poured following the cure time of the footings of the umbrella structures to dry.
- Arts and Crafts room at Santa Rita Springs received new flooring, paint and lights. The Arts and Crafts Club can move into the new space this October.
- Ceramics has begun to use the current Arts and Crafts room at Desert Hills. Staff is exploring the feasibility of expanding the Ceramics Club space into the walkway to the outside railings.
- Desert Hills fitness project cost estimate was received and the construction documents have been submitted to the County for permitting. Permitting takes 4 – 6 weeks and once complete the contractor will move forward on the project.
- The Computer Club relocation to the Kino Room at Santa Rita Springs is moving forward with a target completion date of October 24.
- The future Glass Arts space at Santa Rita Springs has the preliminary design done by the Glass Arts leadership and in the architect's hands to update the design. Waiting for a solid cost estimate on this project.
- Del Sol Clubhouse architectural construction documents are being completed for the upper-level restrooms, working on a parking lot redesign, as well as a design for the lower level to accommodate billiard tables, potential indoor/outdoor restrooms for the lower level, an indoor stairwell and a possible elevator lift. A tour of Del Sol Clubhouse for the Directors is scheduled for November 2.
- Architectural space and possible cost estimate for a potential Art Center at West Center is moving forward. The architect has met with lapidary and metal arts club. The final cost estimates, design and space requirements will be brought to Planning and Evaluation Committee, and then to the Board.
- Both (small and large) parking lots at Del Sol Clubhouse will be improved and an improved redesign for the driveway.
- The upper level of the Del Sol Clubhouse maybe open for uses this winter.
- If a coffee/sandwich shop goes into Del Sol Clubhouse the vendor will provide all licenses and insurances.
- Suggestion to ask Pima County to help with the outdoor rest room at Del Sol Clubhouse since it is mainly for the walkers on the Pima County trail.

5. Member Comments topics: *Del Sol Clubhouse – keep SW corner of clubhouse as a link to the trail.

6. Presentation

A. GVR Foundation (Stewart)

Tim Stewart and Beverly Tobiason (GVR Foundation Directors) shared a PowerPoint on the GVR Foundation campaign for the Member Assistance Program (MAP). MAP is available for those who cannot pay their GVR annual dues. GVR Clubs have received a challenge from GVR Foundation to hold fundraisers within their club for MAP. This is a challenge between clubs and winning clubs will be announced in January for the club that donated the most money and another prize for money donated pro-rated per club members. The

challenge goes from November 1 through December 31. The GVR Foundation Directors will match up to \$10,000 in donations and they encouraged the GVR Board of Directors to match a dollar amount if they choose. MAP applications are available online or at the GVR Customer Service desks in the main facilities.

7. Consent Agenda

MOTION: Director Bachelor moved, seconded to approve Consent Agenda.

Passed: unanimous

A. Minutes:

- 1) BOD Regular Meeting Minutes: May 25, 2022
- 2) BOD Special Meeting Minutes: July 13, 2022 and August 24, 2022
- 3) BOD Information Meeting Minutes: September 21, 2022

B. Financial Statements:

- 1) July and August Financial Reports
- 2) May and June Financial Reports

8. Action Items

A. CPM Recommendations: Part 3 Committees: Section 6 – 3.6.2.A.2

MOTION: Director Coon moved, seconded to change CPM Part 3 Committee, Section 6 Nominations & Elections Committee – 3.6.2.A.2 from at least 120 days to at least 90 days prior to the Annual Meeting to submit slate of candidates to the Board of Directors

Passed: unanimous

B. CPM Part 2

Board Affairs Committee has approved a recommendation to the Board of Directors to approve all the submitted changes to CPM Part 2.

MOTION: Director Coon moved, seconded to approve the additions and amended portions of Part 2 to the CPM.

Suggestion for the wording in Section 5 – Legal Counsel: 2.5.1.A regarding “The President or Vice President shall make initial contact...” leaves it open ended that other Directors may continue the conversation with the Legal Counsel. It was suggested the wording should be looked at by the Board Affairs Committee.

AMENDED MOTION: Director Carden moved, seconded to keep 2.4.1.A.6.b in the CPM and to change the word “support” to “uphold” in 2.4.1.A.6.d to read “Directors are expected to uphold duly-adopted Board decisions despite any personal disagreement therewith.”

Passed: unanimous

Passed: unanimous

APPROVED AMENDED MOTION: Approve the additions and amended portions of Part 2 of the CPM, including the two amendments in Code of Conduct 1) keeping 2.4.1.A.6.b and 2) 2.4.1.A.6.d changing “support” to “uphold” to read “Directors are expected to uphold duly-adopted Board decisions despite any personal disagreement therewith.”

9. Committee Reports

- A. Audit – No report.
- B. Board Affairs – Received and placed on file.
- C. Fiscal Affairs – No report.
- D. Investments – No report.
- E. Nominations & Elections – Received and place on file.
- F. Planning & Evaluation – No report.

10. Member Comments - (Limited to two (2) minutes)

11. Adjournment

MOTION: Director Crothers moved, seconded to adjourn the meeting at 3:36pm MST.

Passed: unanimous

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MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, October 19, 2022, 2pm

WC Auditorium / Zoom

Directors Present: Kathi Bachelor (President), Donna Coon (Vice President), Bart Hillyer (Secretary), Carol Crothers (Treasurer), Laurel Dean (Assistant Secretary), Jim Carden (Assistant Treasurer), Nancy Austin, Barbara Blake, Ted Boyett, Beth Dingman, Steve Gilbert, Bev Lawless, Scott Somers (non-voting)

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

Visitors: 12

AGENDA TOPIC

1. Call to Order / Roll Call

President Bachelor called the Work Session to Order at 2:00pm. Secretary Hillyer called the role and established a quorum.

2. Amend / Approve Agenda

MOTION: Coon moved / Boyett seconded to amend the Agenda by adding a review of the changes to CPM Part 3 Committees to help the Board be prepared for the topic at the Regular Meeting of October 26.

Passed: unanimous

3. Budget (Webster/Crothers)

CEO Scott Somers introduced the budget process that is informed by the Strategic Plan, the Mission and Vision of GVR, and priority goals established by the Board.

CFO David Webster gave an overview of the 2023 Proposed Budget. Highlights include:

- The total Budgeted Revenue Budget for 2023 reflects a \$446,453 increase from prior budget, which is a 3.8 percent increase. Most of the revenue is coming from the increase in the Property Acquisition Capital Fee (PACF).
- Proposed Annual Dues increase of \$7 from \$505 to \$512; proposed PACF increase is \$84 from \$2,816 to \$2,900; and the Initial Fee increase is \$257 from \$2,643 to \$2,900.
- The Budget allows for \$1,207,611 Funding for Maintenance Repair and Replacement (MRR) Fund which is 6.7 percent (\$75,564) increase from prior year. The MRR-B Pools and Spas Replacement Fund has a 7 percent increase at \$289,405 allowed funding. The 2023 Proposed Budget includes \$308,000 for Non-Reserve Capital Projects at a 41 percent increase from prior year Budget.
- The 2023 Proposed Budget includes \$670,625 of funding into the Initiative Reserve in accordance with the CPM formula. This is a \$58,872, 9.6 percent increase from prior year.

- Decrease in facility and equipment due mostly to older assets being fully depreciated. Decrease in Corporate Expenses due to professional fees and better efficiencies.
- Increases are in personnel and operation expenses. Inflation does affect the GVR budget due to supply costs for operations.
- GVR is in the process of reorganizing the Recreation Services/Facilities personnel with part-time custodial staff, focusing only on cleaning facilities, and new positions - Recreation Services Lead and Recreation Services Assistant. This will allow for improved customer service to the members.
- The Fiscal Affairs Committee (FAC) recommends the operating budget, capital budget, and fee increases be approved by the Board of Directors at the Regular Meeting of the Board on October 26, 2022.

The full presentation, along with questions and answers from the Board of Directors and staff can be seen on the meeting video found on the GVR website.

4. **CPM Part 3**

The Board Affairs Committee (BAC) will ask the Board of Directors to approve the CPM changes to Part 3 Committees at the Regular Meeting of the Board on October 26, 2022. An overview of the changes was provided at this meeting to inform the Board for consideration at the Regular Meeting. Recommendations include:

- The standard size of the committees be minimum of five and maximum of nine members.
- Each Board of Director serves on at least one committee.
- The Chair of the Committee, the Board President and the CEO appoint the committee members based on applications submitted and approved by the Board of Directors. This would require a Bylaws change slated for next year Bylaw changes.
- Committee members will be appointed for three-year terms and may serve up to six years.
- An end-of-year report for committees will be required to recap what was done and what work needs to continue for the next committee.
- Year-end recognition events are requested to be held for volunteers in all of these positions.

Adjournment:

MOTION: Boyett moved/ Lawless seconded to adjourn the meeting at 3:59pm.

Passed: unanimous



Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

The accompanying pages are the Financial Reports for September 30, 2022. The four

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.

MRR-B Pools and Spas - Board designated reserve for end of life replacement of Pools and Spas

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: September 30, 2022 and Dec 31, 2021

	September 30, 2022	Dec 31, 2021
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	901,894	3,759,784
Accounts Receivable	272,841	237,269
Prepaid Expenses	345,747	310,603
Maintenance Inventory	23,044	-
Designated Investments (Charles S./SBH)		
Emergency - Fund	468,080 (1)	1,170,653 (18)
MRR - Fund	7,310,308 (2)	8,025,718 (19)
Initiatives - Fund	2,748,288 (3)	2,166,737 (20)
Pools & Spas - Fund	960,951 (4)	1,083,705 (21)
Total Designated Investments (CS/SBH)	11,487,627 (5)	12,446,813 (22)
Undesignated Invest. (JP Morgan Long Term)	1,357,503 (6)	-
Undesignated Invest. (JP Morgan)	922,493 (7)	2,809,726 (24)
Investments	13,767,623 (8)	15,256,539 (25)
Total Current Assets	15,311,149	19,564,194
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	26,599,797	25,169,228
Sub-Total	44,616,881	43,186,312
Less - Accumulated Depreciation	(26,386,285)	(25,196,228)
Net Fixed Assets	18,230,596 (9)	17,990,084 (26)
Total Assets	33,541,745	37,554,278
LIABILITIES		
Current Liabilities		
Accounts Payable	473,162	436,962
Deferred Dues Fees & Programs	1,820,793	4,673,666
Accrued Payroll	74,359	169,633
Compensation Liability	-	30,471
Notes Payable	88,000	99,000
MCF Refund Liability	233,728	293,328
Total Current Liabilities	2,690,043	5,703,060
TOTAL NET ASSETS	30,851,703 (10)	31,851,218 (27)
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	468,080 (11)	1,170,653 (28)
Maint - Repair - Replacement	7,310,308 (12)	8,025,718 (29)
Initiatives	2,748,288 (13)	2,166,737 (30)
Pools & Spas	960,951 (14)	1,083,705 (31)
Sub-Total	11,487,627 (15)	12,446,813
Unrestricted Net Assets	20,363,591	19,404,405
Net change Year-to-Date	(999,515) (16)	-
Unrestricted Net Assets	19,364,076 (17)	19,404,405
TOTAL NET ASSETS	30,851,703	31,851,218



Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 9 month period ending September 30, 2022

FY Budget Period: Jan 1, 2022 - Dec 31, 2022

	PRIOR YEAR COMPARISON				BUDGET COMPARISON				Fiscal Year Budget	Remaining FY Budget
	2021 YTD Actual	2022 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%		
Revenue										
Member Dues	5,203,995	5,229,715	25,719	0%	5,229,715	5,210,085	19,630	0.4%	6,946,780	1,717,065
LC, Trans., Crd Fees.	523,031	620,626	97,595	19%	620,626	533,541	87,085	16%	725,215	104,589
Capital Revenue	2,397,278	2,495,271	97,993	4%	2,495,271	2,423,649	71,622	3%	3,094,570	599,299
Programs	10,613	71,228	60,615	571%	71,228	146,734	(75,506)	(51%)	203,246	132,018
Instructional	90,694	220,793	130,100	143%	220,793	247,870	(27,077)	(11%)	340,329	119,536
Recreational Revenue	101,306	292,021	190,715	188%	292,021	394,604	(102,583)	(26%)	543,575	251,554
Investment Income	203,496	280,797	77,302	38%	280,797	202,098	78,699	39%	279,432	(1,365)
Advertising Income	22,705	-	(22,705)	(100%)	-	-	-	0%	-	-
Cell Tower Lease Inc.	31,116	31,944	827	3%	31,944	29,541	2,403	8%	41,368	9,424
Comm. Revenue	53,822	31,944	(21,878)	(41%)	31,944	29,541	2,403	8%	41,368	9,424
Other Income	61,099	73,869	12,770	21%	73,869	53,858	20,010	37%	55,573	(18,296)
Facility Rent	2,380	12,060	9,680	407%	12,060	4,333	7,727	178%	6,000	(6,060)
Marketing Events	-	-	-	0%	-	-	-	0%	-	-
In-Kind Contributions	-	3,000	3,000	0%	3,000	-	3,000	0%	-	(3,000)
Contributed Income	-	-	-	0%	-	-	-	0%	-	-
Other Revenue	63,479	88,929	25,450	40%	88,929	58,191	30,737	53%	61,573	(27,356)
Total Revenue	8,546,407	9,039,302	492,895	6%	9,039,302	8,851,710	187,592	2.1%	11,692,513	2,653,211
Expenses										
Major Proj.-Rep. & Maint.	384,532	191,715	192,817	50%	191,715	486,575	294,861	61%	542,035	350,320
Facility Maintenance	167,043	189,351	(22,308)	(13%)	189,351	131,786	(57,565)	(44%)	170,994	(18,357)
Fees & Assessments	13,749	12,272	1,477	11%	12,272	33,461	21,189	63%	38,134	25,862
Utilities	586,996	663,767	(76,771)	(13%)	663,767	690,483	26,716	4%	871,224	207,457
Depreciation	1,245,111	1,190,057	55,054	4%	1,190,057	1,331,895	141,837	11%	1,706,610	516,553
Furniture & Equipment	164,815	227,427	(62,612)	(38%)	227,427	194,025	(33,402)	(17%)	248,684	21,257
Vehicles	56,287	69,160	(12,872)	(23%)	69,160	60,772	(8,387)	(14%)	76,620	7,460
Facilities & Equipment	2,618,532	2,543,748	74,784	3%	2,543,748	2,928,997	385,249	13%	3,654,301	1,110,553
Wages	3,004,588	2,914,484	90,104	3%	2,914,484	3,157,195	242,711	8%	4,210,760	1,296,277
Payroll Taxes	240,922	226,474	14,448	6%	226,474	254,609	28,135	11%	337,618	111,145
Benefits	725,626	735,333	(9,707)	(1%)	735,333	746,617	11,284	2%	993,020	257,688
Personnel	3,971,136	3,876,290	94,845	2%	3,876,290	4,158,421	282,131	6.8%	5,541,399	1,665,109
Food & Catering	13,421	19,929	(6,508)	(48%)	19,929	27,932	8,003	29%	40,319	20,390
Recreation Contracts	146,592	268,619	(122,027)	(83%)	268,619	300,253	31,634	11%	422,853	154,234
Bank & Credit Card Fees	41,676	56,335	(14,659)	(35%)	56,335	63,253	6,918	11%	73,900	17,565
Program	201,688	344,883	(143,195)	(71%)	344,883	391,437	46,554	12%	537,072	192,189
Communications	77,461	81,844	(4,383)	(6%)	81,844	85,556	3,712	4%	114,090	32,246
Printing	50,863	81,330	(30,466)	(60%)	81,330	62,673	(18,657)	(30%)	82,200	871
Advertising	-	13,869	(13,869)	0%	13,869	22,625	8,756	39%	33,500	19,631
Communications	128,324	177,043	(48,718)	(38%)	177,043	170,854	(6,188)	(4%)	229,790	52,747
Supplies	201,736	317,864	(116,128)	(58%)	317,864	228,190	(89,674)	(39%)	289,808	(28,056)
Postage	11,454	8,691	2,763	24%	8,691	10,756	2,066	19%	15,087	6,396
Dues & Subscriptions	6,542	9,373	(2,831)	(43%)	9,373	10,176	803	8%	12,045	2,672
Travel & Entertainment	1,114	1,071	44	4%	1,071	8,000	6,929	87%	11,320	10,249
Other Operating Expense	90,198	58,655	31,543	35%	58,655	138,639	79,984	58%	152,944	94,289
Operations	311,044	395,653	(84,609)	(27%)	395,653	395,761	109	0%	481,204	85,551
Information Technology	56,180	59,287	(3,107)	(6%)	59,287	89,098	29,811	33%	123,798	64,511
Professional Fees	220,735	186,226	34,509	16%	186,226	228,842	42,616	19%	304,200	117,974
Commercial Insurance	236,711	231,497	5,214	2%	231,497	262,043	30,546	12%	329,075	97,578
Taxes	10,157	28,630	(18,473)	(182%)	28,630	10,033	(18,597)	(185%)	18,566	(10,064)
Conferences & Training	8,553	22,541	(13,987)	(164%)	22,541	23,435	895	4%	43,100	20,559
Employee Recognition	(5,892)	4,090	(9,982)	169%	4,090	15,000	10,910	73%	20,000	15,910
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-
Corporate Expenses	526,444	532,271	(5,826)	(1%)	532,271	628,451	96,180	15.3%	838,739	306,468
Expenses	7,757,169	7,869,887	(112,718)	(1%)	7,869,887	8,673,921	804,034	9%	11,282,505	3,412,618
Gross surplus(Rev-Exp)	789,238	1,169,415	380,177	48%	1,169,415	177,788	991,627	558%	410,008	(759,407)
Net Gain/Loss on Invest.	315,059	(2,168,930)	(2,483,989)		(2,168,930)	-	(2,168,930)		-	2,168,930
Net from Operations	1,104,297	(999,515)	(2,103,812)	(191%)	(999,515)	177,788	(1,177,304)		410,008	1,409,524



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
 As of Date: September 30, 2022 and Dec 31, 2021

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	(999,515) ⁽¹⁶⁾	(999,515)	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(1,938,653)	-	-	1,132,047	536,134	270,472
Transfers PY Surplus	-	(12,559)	-	-	-	12,559	-
Transfers CY Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	16,486	-	(467,156)	(15,350)	466,020	-
Depreciation	-	1,190,057	(1,190,057)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	-	(161,547)	1,430,569	-	(648,874)	(26,429)	(593,719)
Withdrawals	-	(50,687)	-	-	(20,090)	(147,698)	218,475
		-					
Allocations of Net Change components:							
Investment income	-	(221,771)	-	9,210	156,810	42,614	13,137
Investment Expenses	-	63,397	-	(4,159)	(42,852)	(10,332)	(6,054)
Net Gains (Losses) in Investments	-	1,833,951	-	(240,469)	(1,277,100)	(291,316)	(25,066)
Net Change to September 30, 2022	(999,515) ⁽¹⁶⁾	(280,841)	240,512	(702,574)	(715,409)	581,551	(122,754)
Net Assets at, Dec 31, 2021	31,851,218 ⁽²⁷⁾	1,414,321	17,990,084 ⁽²⁶⁾	1,170,653 ⁽²⁸⁾	8,025,718 ⁽²⁹⁾	2,166,737 ⁽³⁰⁾	1,083,705 ⁽³¹⁾
Net Assets as at, September 30, 2022	30,851,703 ⁽¹⁰⁾	1,133,480	18,230,596 ⁽⁹⁾	468,080 ⁽¹¹⁾	7,310,308 ⁽¹²⁾	2,748,288 ⁽¹³⁾	960,951 ⁽¹⁴⁾
		19,364,076 ⁽¹⁷⁾		11,487,627 ⁽¹⁵⁾			

Footnotes refer to Statement of Financial Position and Statement of Activities

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

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2021 (at Market)	15,256,539 ⁽²⁵⁾	2,809,726 ⁽²⁴⁾	1,170,653 ⁽¹⁸⁾	8,025,718 ⁽¹⁹⁾	2,166,737 ⁽²⁰⁾	1,083,705 ⁽²¹⁾
Changes since Jan 1, 2021:						
Principal Transfers	5,534,726	3,600,000	(467,156)	1,116,697	1,014,713	270,472
Investment income	267,020	45,249	9,210	156,810	42,614	13,137
Withdrawals	(5,058,335)	(3,840,000)	-	(668,963)	(174,128)	(375,244)
Investment Expenses	(63,397)	-	(4,159)	(42,852)	(10,332)	(6,054)
Net Change for 9 Months	680,014	(194,751)	(462,104)	561,691	872,867	(97,689)
Balance before Market Change at September 30, 2022	15,936,553	2,614,975	708,549	8,587,408	3,039,604	986,017
9 Months Net Change in Investments Gain/(Loss)	(2,168,930)	(334,979)	(240,469)	(1,277,100)	(291,316)	(25,066)
Balance at September 30, 2022 (at Market)	\$ 13,767,623 ⁽⁸⁾	2,279,996 ⁽⁶⁾ ⁽⁷⁾	468,079.74 ⁽¹⁾	7,310,308 ⁽²⁾	2,748,288 ⁽³⁾	960,951 ⁽⁴⁾

11,487,627 ⁽¹⁵⁾

Footnotes refer to Statement of Financial Position and Statement of Activities

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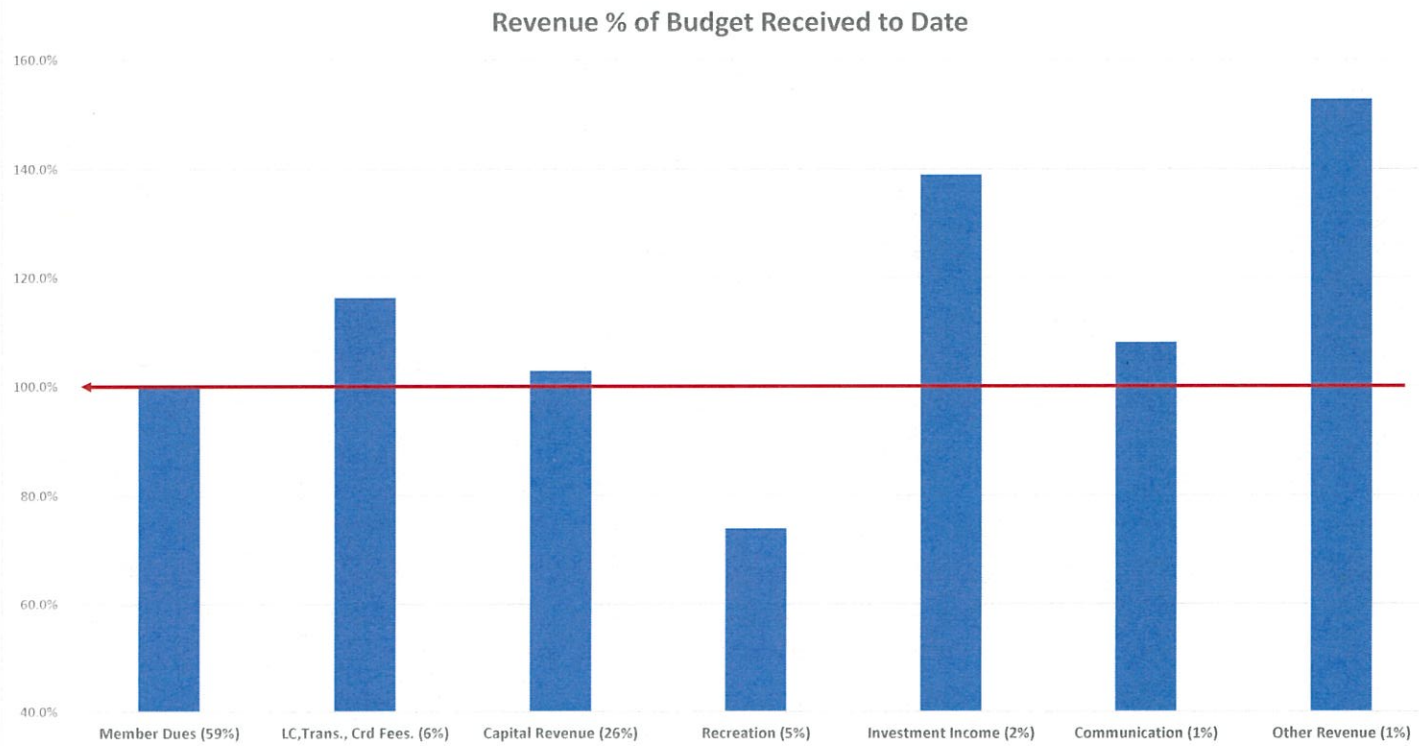
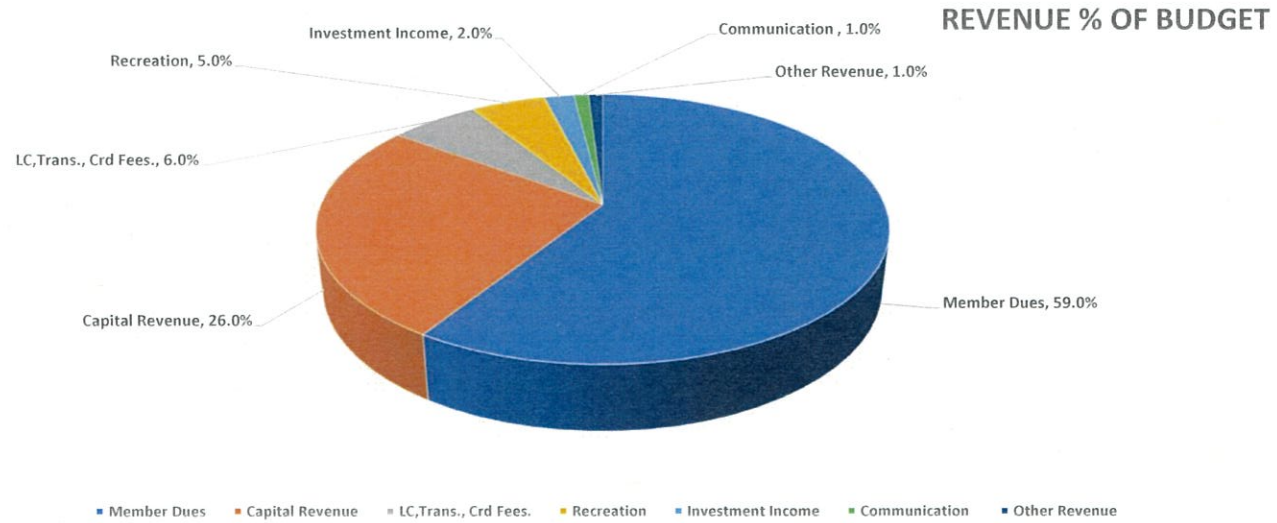
Green Valley Recreation, Inc
Summary of Revenue & Expenditures - Budget to Actual
For Fiscal Year Ending Dec 31, 2022

Quarterly Board Report January - September 2022

PROJECTION FOR TOTAL YEAR 2022

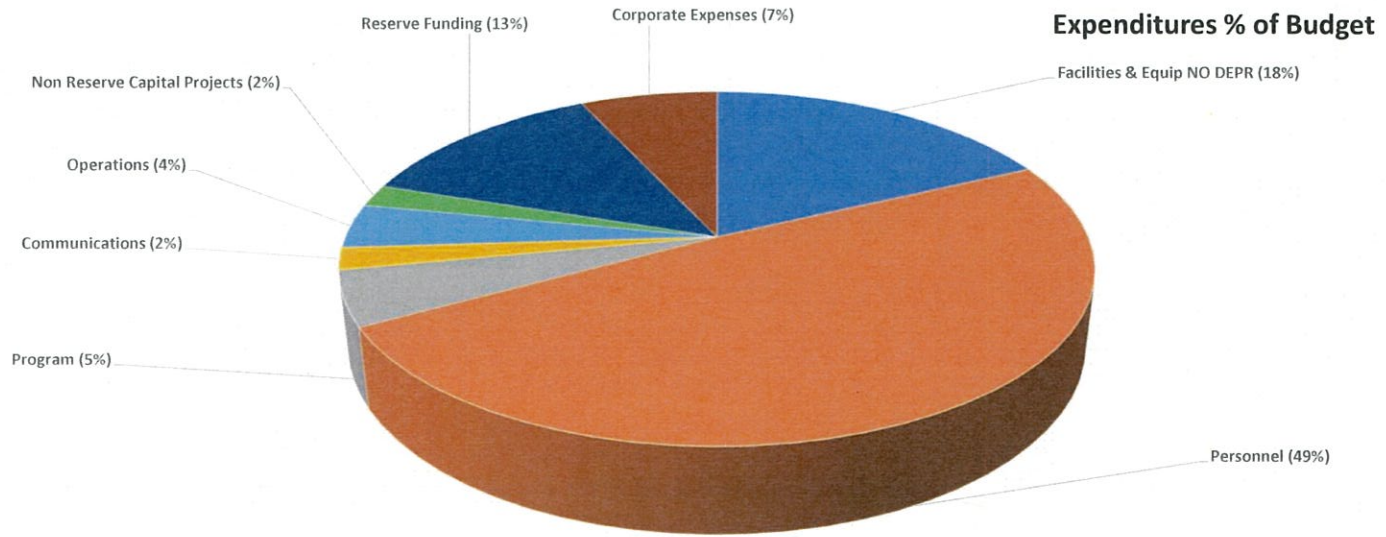
	2022 Annual Budget	January - September 2022			Prior Year			Projected Oct - Dec 2022	Total Jan- Dec 2022 Projected	Approved Budget 2022	Total Projected Variance	% of Budget Variance
		YTD Budget	Actual 3Q YTD	% of Variance	FY 2021 3Q YTD	Var. from Prior Year						
						%	\$					
Revenue:												
Member Dues	\$ 6,946,780	\$ 5,210,085	\$ 5,229,715	0.4%	\$ 5,203,995	0.5%	\$ 25,719	\$ 1,745,650	\$ 6,975,365	\$ 6,946,780	\$ 28,585	0.4%
LC, Trans., Crd Fees.	725,215	533,541	620,626	16.3%	523,031	18.7%	97,595	\$ 139,019	\$ 759,645	\$ 725,215	\$ 34,430	4.5%
Capital Revenue	3,094,570	2,423,649	2,495,271	3.0%	2,397,278	4.1%	97,993	\$ 654,566	\$ 3,149,837	\$ 3,094,570	\$ 55,267	1.8%
Recreation	543,575	394,604	292,021	(26.0%)	101,306	188.3%	190,715	\$ 172,032	\$ 464,053	\$ 543,575	\$ (79,522)	(17.1%)
Investment Income	279,432	202,098	280,797	38.9%	203,496	38.0%	77,302	\$ 20,726	\$ 301,523	\$ 279,432	\$ 22,091	7.3%
Communication	41,368	29,541	31,944	8.1%	53,822	(40.6%)	(21,878)	\$ 6,730	\$ 38,674	\$ 41,368	\$ (2,694)	(7.0%)
Other Revenue	61,573	58,191	88,929	52.8%	63,479	40.1%	25,450	\$ 6,311	\$ 95,240	\$ 61,573	\$ 33,667	35.3%
Total Revenue	11,692,513	8,851,710	9,039,302	2.1%	\$ 8,546,407	5.8%	\$ 492,895	\$ 2,745,034	\$ 11,784,336	\$ 11,692,513	\$ 91,823	0.8%
Expenditures:												
Facilities & Equipment NO DEPRECIATION	\$ 1,947,691	\$ 1,597,102	\$ 1,353,691	13.2%	\$ 1,373,421	1.4%	\$ 19,731	\$ 568,539	\$ 1,922,230	\$ 1,947,691	\$ 25,461	1.3%
Personnel	5,541,399	4,158,421	3,876,290	6.8%	3,971,136	2.4%	\$ 94,845	\$ 1,347,573	\$ 5,223,863	\$ 5,541,399	\$ 317,536	5.7%
Program	537,072	391,437	344,883	11.9%	201,688	(71.0%)	\$ (143,195)	\$ 141,393	\$ 486,276	\$ 537,072	\$ 50,796	9.5%
Communications	229,745	170,854	177,043	(3.6%)	128,324	(38.0%)	\$ (48,718)	\$ 49,082	\$ 226,125	\$ 229,745	\$ 3,620	1.6%
Operations	481,204	395,761	395,653	0.0%	311,044	(27.2%)	\$ (84,609)	\$ 134,699	\$ 530,352	\$ 481,204	\$ (49,148)	(10.2%)
Corporate Expenses	838,739	628,451	532,271	15.3%	526,444	(1.1%)	\$ (5,826)	\$ 206,832	\$ 739,103	\$ 838,739	\$ 99,636	11.9%
Total Expenditures	9,575,850	7,342,027	6,679,830	9.3%	6,512,058	(2.6%)	\$ (167,772)	2,448,118	9,127,948	9,575,850	447,902	4.7%
Excess Revenues Over Exp.	\$ 2,116,663	\$ 1,509,683	\$ 2,359,472		\$ 2,034,349		\$ 325,123	\$ 296,916	\$ 2,656,388	\$ 2,116,663	\$ 539,725	
Transfers and Adjustments:												
Non Reserve Capital Projects	(218,000)	(109,000)	(144,485)					\$ (217,694)	\$ (362,179)	\$ (218,000)	\$ (144,179)	66.1%
Remove Income From Reserves	(243,051)	(121,526)	(221,771)					\$ (49,600)	\$ (271,371)	\$ (243,051)	\$ (28,320)	11.7%
Reserve Funding Initiatives	(611,752)	(305,876)	(402,531)					\$ (221,392)	\$ (623,923)	\$ (611,752)	\$ (12,171)	2.0%
Reserve Funding MRR & MRR-B	(1,402,520)	(1,402,520)	(1,402,519)					\$ -	\$ (1,402,519)	\$ (1,402,520)	\$ 1	0.0%
MRR Expenses paid by Reserve	269,920	134,960	33,560					\$ 181,937	\$ 215,497	\$ 269,920	\$ (54,423)	-20.2%
Deduct Reserve Investment Exp.	88,740	44,370	63,397					\$ 25,343	\$ 88,740	\$ 88,740	\$ (0)	0.0%
Modified Accrual Basis Surplus	-	(249,909)	285,122					15,510	300,632	-	300,632	

This report is not a GAAP compliant statement. Non cash adjustments such as Depreciation of Fixed Assets have been removed to establish a Modified Accrual report. The purpose of this report is to give a high level summary of GVRs performance for comparison to the Zero Surplus Budget goal for the fiscal year.

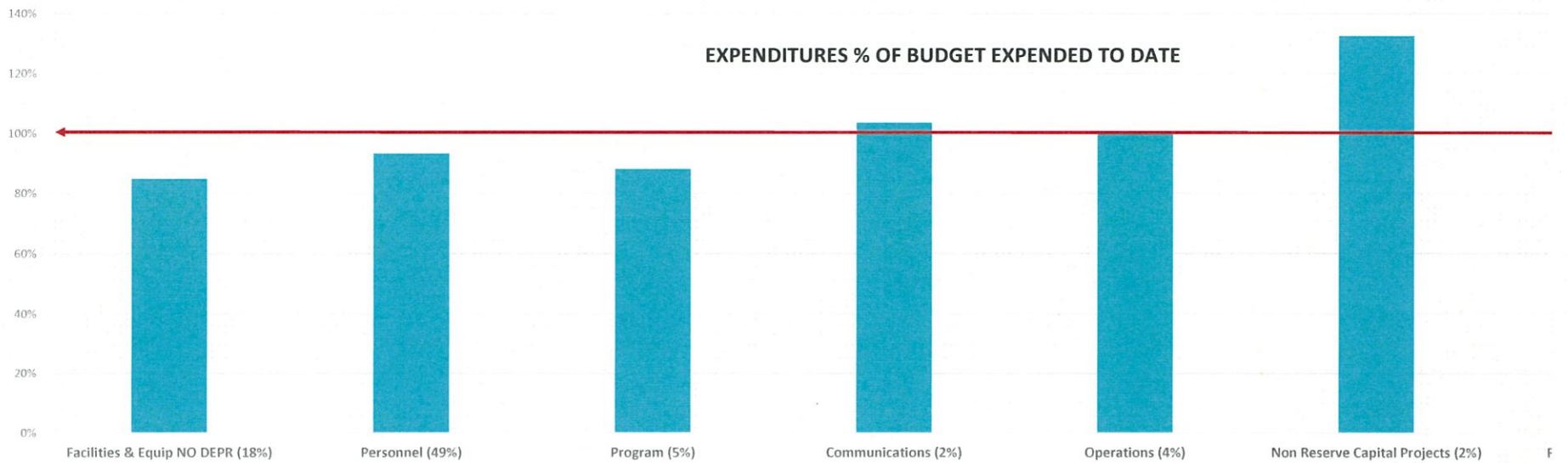


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Green Valley Recreation
Quarterly Board Report January - September 2022



■ Facilities & Equip NO DEPR (18%) ■ Personnel (49%) ■ Program (5%) ■ Communications (2%) ■ Operations (4%) ■ Non Reserve Capital Projects (2%) ■ Reserve Funding (13%) ■ Corporate Expenses (7%)



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Green Valley Recreation, Inc
Statement of Financial Position
September 30, 2022

	Current September 30, 2022	Prior Year September 30, 2021	Increase (Decrease)	
Assets				
Total Operating Cash	3,181,890	4,385,363	(1,203,474)	(27%)
Accounts Receivable (net)	272,841	289,957	(17,116)	(6%)
Designated Investments	11,487,627	11,369,628	117,999	1%
Prepaid Expenses & Inventory	368,792	327,991	40,800	12%
Total Current Assets	15,311,149	16,372,940	(1,061,791)	(6%)
Fixed Assets				
Net Fixed Assets	18,230,596	18,004,858	225,739	1%
Total Assets	33,541,745	34,377,797	(836,052)	(2%)
Liabilities				
Accounts Payables	473,162	825,011	(351,849)	(43%)
Deffered Dues & Fees	2,216,880	1,734,161	482,719	28%
Compensation Liability	-	166,036	(166,036)	(100%)
Total Liabilities	2,690,043	2,725,208	(35,165)	(1%)
Total Net Assets	30,851,703	31,652,589	(800,887)	(3%)
Net Assets				
Board Designated Net Assets	11,487,627	11,369,628	117,999	1%
Unrestricted Net Assetes	20,363,591	19,178,665	1,184,926	6%
Net Change Year-To-Date	(999,515)	1,104,296	(2,103,811)	(191%)
Total Net Assets	30,851,703	31,652,589	(800,887)	(3%)

BOD Quarterly Report

Green Valley Recreation, Inc.
Investments Performance
Quarterly Board Report January - September 2022

Fund	September 30, 2022	December 31, 2021	RETURN ON INVESTMENT			
			Year To Date		One Year (12 months)	
			Actual	Benchmark *	Actual	Benchmark *
Maintenance Repair & Replacement (SBH)	\$ 7,310,308	\$ 8,025,718	-13.4%	-13.1%	-11.8%	-11.8%
MRR - Part B Pools and Spas (SBH) **	\$ 960,951	\$ 1,083,705	** -1.3%	-1.3%	n/a	n/a
Initiatives (SBH)	\$ 2,748,288	\$ 2,166,737	-10.2%	-10.3%	-9.3%	-10.1%
Emergency (SBH)	<u>\$ 468,080</u>	<u>\$ 1,170,653</u>	-22.0%	-20.4%	-17.4%	-16.1%
Total Designated Reserves	<u>\$ 11,487,627</u>	<u>\$ 12,446,813</u>				
Operating Investment Fund Part A Short Term - JP Morgan	\$ 922,493	\$ 2,809,726	-1.4%	-1.4%	-1.8%	-1.8%
Operating Investment Fund Part B Long Term - JP Morgan	\$ 1,357,503	\$ -	-4.5%	-4.6%	-5.1%	-5.1%
Total Invested Operating Cash	<u>\$ 2,279,996</u>	<u>\$ 2,809,726</u>				

** MRR B using cash / bond benchmark

* Benchmarks = standards established by the Investments Committee in the Investment Policy Statement to compare the performance of a GVR Fund to a blend of Investment Indexes that match the risk tolerance and investment horizon of each fund. These benchmarks can be found in Subsection 3. GVR Investment Policy Statement in the Appendix of the CPM.



Green Valley Recreation, Inc.
Board of Directors Meeting
2023 Budget

Prepared By: David Webster, CFO

Meeting Date: October 26, 2022

Presented By: David Webster, CFO

Consent Agenda: No

Originating Committee / Department:

Fiscal Affairs Committee

Action Requested:

Approve the Proposed 2023 Operations and Capital Budget, Five -Year Plan , and 2023 Fee Schedule.

Strategic Plan Goal:

Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.

Background Justification:

GVR Staff developed and presented the 2023 Budget Proposal to the Fiscal Affairs Committee (FAC) at open meetings and a work session on September 20, September 29, and October 14. During those meetings, the Budget was revised to a proposed \$7 increase in dues and increasing both the PACF and Initial Fees to \$2,900. This FAC recommendation is being presented today to the Board of Directors and being referred to as the FAC 2023 Budget recommendation. Alternatively, Staff has prepared an alternative Budget with two changes to the FAC Budget recommendation. This alternative, which is referred to as the Staff Alternative, includes raising Dues by only \$5 to \$510 rather than \$512, which is a \$27,670 decrease to the FAC recommendation. To offset this decrease in revenue, the contribution to the Maintenance Repair and Replacement (MRR) is reduced by the same amount. This is justified by increasing the expected rate of return that the MRR Fund is projected to earn in 2023. The MRR study projected a rate of 1.5% for a Fund that can reasonably return 4% on a long-term basis. Both of these proposed budgets include the Operating Budget, Capital Budget, Five Year Plan, and Fee Schedule and are included in the Board of Directors work session packet. The Board is being asked to consider approving the Proposed 2023 Budget.

Staff supports the work and careful consideration that FAC put into their decisions. The reason for the Staff Alternate with only a \$5 Dues increase is a compromise for the board to establish a Budget that all Directors can unanimously support. Staff is very interested is seeing the benefits of a unified Board of Directors be seen in the approval process of implementing the 2023 Budget.

Fiscal Impact:

The proposed Budget alternatives recommend the following rate increases:

- FAC Recommended Budget
 - Dues, 2022 rate of \$505 increased \$7 to \$512 for CY 2023 (1.4% increase).
 - Initial Fee, 2022 rate of \$2,643 increased \$257 to \$2,900 for 2023 (9.7% increase).
 - Property Acquisition Capital Fee, 2022 rate of \$2,816 increased \$84 to \$2,900 for \$2023 (3.0% increase).
- Staff Alternate Budget
 - Dues, 2022 rate of \$505 increased \$5 to \$510 for CY 2023 (0.9% increase).
 - Initial Fee, 2022 rate of \$2,643 increased \$257 to \$2,900 for 2023 (9.7% increase).
 - Property Acquisition Capital Fee, 2022 rate of \$2,816 increased \$84 to \$2,900 for \$2023 (3.0% increase).

Both options also provide for funding of MRR, MRR-B Pools & Spas, Initiatives, and Non-Reserve Capital Projects. This budget also allows for increases to wages and operating costs to keep up with inflationary pressures.

Board Options:

The Board may:

1. Approve the Staff alternate 2023 Operational Budget with \$5 Dues increases, Capital Budget, Five Year Plan. And corresponding Fee Schedule with \$510 Dues rate.
2. Approve the proposed FAC Recommended 2023 Operational Budget with \$7 Dues increases, Capital Budget, Five Year Plan, and corresponding Fee Schedule with \$512 Dues rate..
3. Recommend an alternative 2023 Budget and Fee Schedule.
4. Reject the proposals and provide instructions for developing an alternative Budget and Fee Schedule.

Staff Recommendation:

Option 1.

Attachments:

- 2023 Proposed Summary Operating Budget Staff Alternative.
- 2023 Proposed Summary Operating Budget FAC Recommended
- 2023 Fees Schedule Staff Alternative.
- 2023 Fees Schedule FAC Recommended.
- 2023 Proposed Capital Budget.
- 2023 Five-year Plan.
- 2023 Budgeted Wages memorandum.

		2023 Total Budget	
		STAFF ALTERNATE	
		2023 Budget	
Revenue	Member Dues		7,055,850
	Member Fees (Tenant, Guest, Transfer)		757,041
	Capital Revenue		3,328,040
	Membership Revenue		11,168,601
	Programs		225,310
	Instructional		333,997
	Recreational Revenue		559,307
	Investment Income		286,884
	Cell Tower Lease Inc.		34,195
	Comm. Revenue		34,195
	Other Income		83,979
	Facility Rent/Leases		6,000
	Other Revenue		89,979
	Total Operating Revenue		12,138,966
	Expenses	Major Proj.-Rep. & Maint.	
Facility Maintenance			228,478
Fees & Assessments			30,725
Utilities			927,331
Depreciation			1,409,492
Furniture & Equipment			268,444
Vehicles			101,012
Facilities & Equipment			3,443,761
Wages			4,336,945
Payroll Taxes			347,276
Benefits			1,039,668
Personnel			5,723,890
Food & Catering			32,211
Recreation Contracts			413,188
Bank & Credit Card Fees			71,896
Program			517,295
Communications			107,974
Printing			104,407
Advertising			22,524
Communications			234,905
Supplies			424,090
Postage			20,909
Dues & Subscriptions			16,710
Travel			24,258
Other Operating Expense			115,064
Operations			601,031
Information Technology			115,638
Professional Fees			148,393
Commercial Insurance			321,601
Taxes			30,026
Conferences & Training			39,515
Employee Recognition			20,731
Corporate Expenses			675,904
Total Operating Expenses		11,196,785	
Net	Gross surplus(Rev-Exp) Net Cash Flow		942,181
	Unrea. Gain/Loss on Invest.		-
	Accrual Basis Net from Operations		942,181
Adj. to Cash Basis	Subtract:		
	Non-Reserve Capital Projecs		(308,000)
	Income From Reserve Funds		(247,772)
	Reserved Funding/Initiatives		(670,625)
	MRR B (Pools & Spas)		(289,405)
	Reserved Funding/MRR		(1,179,941)
	Changes in Net Assets Net of Reserves		(1,781,232)
	Add Back:		
	MRR Operating Expenses.		285,239
	Depreciation		1,409,492
Expenses from Reserve Funds		86,501	
Cash Basis Net Surplus (Deficit)		-	



2023 Total Budget
FAC PROPOSED

2023
Budget

Revenue	Member Dues	7,083,520
	Member Fees (Tenant, Guest, Transfer)	757,041
	Capital Revenue	3,328,040
	Membership Revenue	11,168,601
	Programs	225,310
	Instructional	333,997
	Recreational Revenue	559,307
	Investment Income	286,884
	Cell Tower Lease Inc.	34,195
	Comm. Revenue	34,195
	Other Income	83,979
	Facility Rent/Leases	6,000
	Other Revenue	89,979
	Total Operating Revenue	12,138,966
Expenses	Major Proj.-Rep. & Maint.	478,280
	Facility Maintenance	228,478
	Fees & Assessments	30,725
	Utilities	927,331
	Depreciation	1,409,492
	Furniture & Equipment	268,444
	Vehicles	101,012
	Facilities & Equipment	3,443,761
	Wages	4,336,945
	Payroll Taxes	347,276
	Benefits	1,039,668
	Personnel	5,723,890
	Food & Catering	32,211
	Recreation Contracts	413,188
	Bank & Credit Card Fees	71,896
	Program	517,295
	Communications	107,974
	Printing	104,407
	Advertising	22,524
	Communications	234,905
	Supplies	424,090
	Postage	20,909
	Dues & Subscriptions	16,710
	Travel	24,258
	Other Operating Expense	115,064
	Operations	601,031
	Information Technology	115,638
	Professional Fees	148,393
	Commercial Insurance	321,601
	Taxes	30,026
	Conferences & Training	39,515
	Employee Recognition	20,731
	Corporate Expenses	675,904
	Total Operating Expenses	11,196,785
Net	Gross surplus(Rev-Exp) Net Cash Flow	942,181
	Unrea. Gain/Loss on Invest.	-
	Accrual Basis Net from Operations	942,181
Adj. to Cash Basis	Subtract:	
	Non-Reserve Capital Projecs	(308,000)
	Income From Reserve Funds	(247,772)
	Reserved Funding/Initiatives	(670,625)
	MRR B (Pools & Spas)	(289,405)
	Reserved Funding/MRR	(1,207,611)
	Changes in Net Assets Net of Reserves	(1,781,232)
	Add Back:	
	MRR Operating Expenses.	285,239
	Depreciation	1,409,492
	Expenses from Reserve Funds	86,501
Cash Basis Net Surplus (Deficit)	-	

Fee Schedule

2023

STAFF ALTERNATE

		Fee
4000 - Annual Dues per Household	\$	510
Life Care, Transfer, Tenant & Addl Card Fees		
4004 - Annual Life Care Member Dues	\$	510
4005 - Transfer Fee	\$	450
4007 - Guest Card Fees	\$	70
Tenant Fees:		
1-7 Days	\$	25
2 Weeks	\$	35
1 Month	\$	50
2 Months	\$	85
3 Months	\$	125
4-12 Months	\$	155
4102 - Card Replacement	\$	15
4103 - Additional Card Fees	\$	100
4206 - PACF	\$	2,900
4204 - Initial Fee	\$	2,900
Late Fees	\$	20

Fee Schedule

2023

FAC RECOMMENDED

		Fee
4000 - Annual Dues per Household	\$	512
Life Care, Transfer, Tenant & Addl Card Fees		
4004 - Annual Life Care Member Dues	\$	512
4005 - Transfer Fee	\$	450
4007 - Guest Card Fees	\$	70
Tenant Fees:		
1-7 Days	\$	25
2 Weeks	\$	35
1 Month	\$	50
2 Months	\$	85
3 Months	\$	125
4-12 Months	\$	155
4102 - Card Replacement	\$	15
4103 - Additional Card Fees	\$	100
4206 - PACF	\$	2,900
4204 - Initial Fee	\$	2,900
Late Fees	\$	20

GVR
CAPITAL PROJECTS

BUDGET 2023

Non Reserve Capital Projects Budget 2023 \$ 308,000

West Center Arts Center	\$	50,000
Del Sol Club House	\$	881,915
Canoa Hill Parking Lot Note	\$	11,000
Santa Rita Springs Glass Arts	\$	700,000
Social Gathering Place		
Desert Hills Fitness Expansion	\$	595,385
Desert Hills Ceramics Expansion	\$	150,000

TOTAL BUDGETED INITIATIVES
CAPITAL PROJECTS \$ 2,388,300

MRR-B Pools & Spas:

East Center Pool Projected 2023
Budget \$ -

MRR Study - Capital Projects
Budgeted 2023 \$ 1,367,399

GRAND TOTAL CAPITAL BUDGETS 2023 \$ 4,063,699

GVR Budget Worksheet 2023 Summary

GVR
Long Term Capital Project Plan
Funding Projections

All Amounts Are Projections

	2022	2023	2024	2025	2026	2027
Initiatives						
Beginning Balance	\$ 2,166,737	\$ 2,009,632	\$ 496,780	\$ 1,087,419	\$ 1,275,850	\$ 1,954,217
Funding From Operations Revenue	\$ 661,034	\$ 643,584	\$ 626,088	\$ 635,987	\$ 664,930	\$ 646,325
Additional GVR Funding (Surplus)	\$ 12,559	\$ 114,616	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Additional Funding / Emergency Fund	\$ 467,156					
Loan Payments						
Net Investment Earnings	\$ (139,201)	\$ 117,248	\$ 28,984	\$ 63,443	\$ 74,437	\$ 114,015
Projects:						
West Center Arts Center	\$ (50,000)	\$ (50,000)				
Del Sol Club House	\$ (318,085)	\$ (881,915)				
Canoa Hill Parking Lot Note	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)
Santa Rita Springs Glass Arts	\$ (200,000)	\$ (700,000)				
SRS Kino Room / Computer Lab	\$ (117,000)					
Social Gathering Place	\$ (45,000)					
Desert Hills Fitness Expansion	\$ (366,001)	\$ (595,385)				
Desert Hills Ceramics Expansion						
Expand Ceramics	\$ (50,000)	\$ (150,000)				
ABS Shuffleboard Courts	\$ (1,567)		\$ (123,433)			
Woodworking Expansion			\$ (30,000)	\$ (600,000)		
LC Third Tennis Courts					\$ (150,000)	
CAPITAL PURCHASES TOTAL	\$ (1,158,653)	\$ (2,388,300)	\$ (164,433)	\$ (611,000)	\$ (161,000)	\$ (11,000)
Ending Balance	\$ 2,009,632	\$ 496,780	\$ 1,087,419	\$ 1,275,850	\$ 1,954,217	\$ 2,803,556
Maintenance Repair & Replacement						
Beginning Balance	\$ 8,025,718	\$ 6,769,357	\$ 6,616,061	\$ 7,093,359	\$ 8,069,141	\$ 8,524,772
Annual Funding (per Reserve Study)	\$ 1,132,047	\$ 1,222,611	\$ 1,320,420	\$ 1,426,054	\$ 1,540,138	\$ 1,540,138
Additional Funding						
Net Investment Earnings (actual IPS rate)	\$ (719,702)	\$ 608,563	\$ 570,347	\$ 582,695	\$ 694,697	\$ 347,320
Projects:						
Per Reserve Study	\$ (1,668,706)	\$ (1,984,470)	\$ (1,413,469)	\$ (1,032,967)	\$ (1,779,204)	\$ (1,575,763)
Ending Balance	\$ 6,769,357	\$ 6,616,061	\$ 7,093,359	\$ 8,069,141	\$ 8,524,772	\$ 8,836,467
MRR Part B - Pools and Spas						
Beginning Balance	\$ 1,083,705	\$ 387,457	\$ 916,352	\$ 1,291,419	\$ 1,704,449	\$ 296,956
Funding	\$ 270,472	\$ 289,405	\$ 303,875	\$ 319,069	\$ 335,022	\$ 351,774
Additional Funding (2022 Surplus allocation)		\$ 200,000				
Net Investment Earnings	\$ (5,485)	\$ 39,490	\$ 71,192	\$ 93,961	\$ 118,989	\$ 37,849
East Center Pool	\$ (961,235)					
Casa Paloma 1					\$ (1,861,503)	
Ending Balance	\$ 387,457	\$ 916,352	\$ 1,291,419	\$ 1,704,449	\$ 296,956	\$ 686,579
Subtotal Capital Projects Reserves	\$ 9,166,446	\$ 8,029,193	\$ 9,472,197	\$ 11,049,439	\$ 10,775,946	\$ 12,326,603

GVR Budget Worksheet 2023 Summary

GVR
Long Term Capital Project Plan
Funding Projections

All Amounts Are Projections

	2022	2023	2024	2025	2026	2027
Emergency						
Beginning Balance	\$ 1,170,653	\$ 716,588	\$ 765,037	\$ 816,761	\$ 857,761	\$ 900,761
Annual Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to Initiative	\$ (467,156)					
Net Investment Earnings	\$ 13,091	\$ 48,449	\$ 51,724	\$ 41,000	\$ 43,000	\$ 45,000
Projects:						
East Center (2019)						
Ending Balance	\$ 716,588	\$ 765,037	\$ 816,761	\$ 857,761	\$ 900,761	\$ 945,761
Total Board Designated Funds	\$ 9,883,034	\$ 8,794,230	\$ 10,288,957	\$ 11,907,200	\$ 11,676,706	\$ 13,272,363

MEMO

TO: Scott Somers, CEO
 FROM: David Webster, CFO
 CC: Carol Crothers, Treasurer
 DATE: October 14, 2022
 RE: **2023 Wages Budget Clarification**

The following information is provided to gain clarification on the Wages budget for 2023.

GVR Historical Wage Summary								
FISCAL YEAR	BUDGETED WAGES	BUDGETED INCR/DECR	% Change	ACTUAL WAGES	ACTUAL INCR/DECR	% Change	FTE* BUDGET	FTE ACTUAL
2014	2,835,381			2,764,422			89	87
2015	3,068,200	232,819	8.2%	3,012,323	247,901	9.0%	92	90
2016	3,387,008	318,808	10.4%	3,311,834	299,511	9.9%	94	92
2017	3,427,564	40,556	1.2%	3,486,307	174,473	5.3%	95	92
2018	3,755,725	328,161	9.6%	3,579,757	93,450	2.7%	97	92
2019	3,902,414	146,689	3.9%	3,651,837	72,080	2.0%	99	96
2020	3,475,823	(426,591)	-10.9%	3,928,846	277,009	7.6%	91	95
2021	4,153,407	677,584	19.5%	4,078,614	149,768	3.8%	97	95
2022	4,210,760	57,353	1.4%	3,914,721	(163,893)	-4.0%	97	91
2023	4,336,945	126,185	2.9%	4,336,945	422,224	9.7%	93	93

*Some of the prior year FTE Budget numbers are based on historical documents

Scott, by focusing on the methodology of how we determined the budget for 2023, I may have confused the FAC in thinking that we are giving 8% raises. This is absolutely not the case. When you compare our 2023 budget to prior years, you can see that the proposed 2023 budgeted wage amounts are very reasonable.

The reason that the 2023 budget is substantially (9.7%) higher than the 2022 projected wages is the fact that we had several positions open in 2022. They include normal vacancies experienced in staff turnover in addition to 3 mid-level positions that we did not fill due to the fact that we were evaluating the need and specific requirements and duties that the positions called for. One of the positions was my assistant. The other two were in Recreation and Membership. In addition, we had a position that was on

disability for a large part of the year and paid through a third-party insurance plan rather than wages in 2022.

These factors easily reconcile the 2.9% increase in 2023 budgeted wages to the 2022 projected wages. In fact, due to reorganization, we have eliminated several Full Time Equivalent positions. We believe when you consider all these factors, we have a good plan to address the salary survey with minimal aggregate wage increases from the 2022 Budget to the 2023 Budget (\$126,185, 2.9%). This budget line item should allow the Board to adopt a compensation philosophy and implement the recommendations of the compensation and classification study. Unspent funds from this line item would contribute to any 2023 budget surplus.



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Guest Card Policy

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: October 26, 2022

Presented By: Scott Somers, CEO

Consent Agenda: No

Originating Committee / Department:

Administration/Recreation

Action Requested:

Review and approve the Guest Policy amendments recommended by the Board Affairs Committee (BAC).

Strategic Plan Goal:

Goal 3: Promote increased involvement of members in GVR.

Background Justification:

GVR is a private membership organization and our goal is to ensure we protect our members' interests which include members having proper accessibility to the facilities and amenities they pay for. Non-eligible guests add additional wear and tear on our equipment and facilities and can negatively impact the accessibility for our members.

GVR has long faced challenges with Guest Card misuse. While a large portion of our membership is aware of the policy and adheres to it, there is an increasing number that do not. This misuse has continued to intensify with improperly using a Guest Card for tenants, Airbnb and VRBO rentals, and local friends.

In recent years, we have seen a Guest Card Task Force make recommendations to attempt to address these issues. On September 27, 2016, the Board of Directors accepted a Fiscal Affairs Committee recommendation to eliminate the Annual Guest Card:

- Mirror Tenant Cards option
- Allow limited use per card – one guest per pass
- Charge the following rates: One Day - \$5; One Week - \$15; Two Weeks - \$25; One Month - \$35
- Maintain requirement that adults obtain Guest Card

This was not implemented and we continue to experience similar issues.

The Board Affairs Committee (BAC) reviewed and discussed this matter on September 13. The Board of Directors held an Informational Meeting with members on September 21. The BAC considered the input received from members and staff and developed an updated policy recommendation for Board consideration.

Fiscal Impact:

None anticipated at this time.

Board Options:

- 1) Review and approve the recommendation from the BAC to improve the Guest Policy.
- 2) Make changes to the recommendations.

Staff Recommendation:

#1

Recommended Motion:

Approve the recommendations from the BAC for the Guest Policy as provided in the clean copy of the CPM in the attachments.

Attachments:

- 1) Discussion and decision points
- 2) Guest Card Policy Redlined
- 3) Guest Card Policy Clean

Discussion and Decision Points

1. Eliminate or Maintain the Annual Guest Pass?
 - a. If maintaining the Annual Guest Pass, should the number of guests be unlimited or limited? If limited, by how many guests per visit? 2? 4? More?
 - b. If limited, may the member purchase additional passes for additional guests beyond the limit?
 - c. If maintaining the Annual Guest Pass, should guests using the pass be accompanied by the member?
2. Should Guest Passes be limited to Daily, Weekly, Biweekly, or Monthly?
 - a. If Guest Passes are limited to Daily, Weekly, Biweekly, or Monthly, should they be tied directly to a specific guest or be generic as they are now?
 - b. If Guest Passes are generic, is there a limit to the number of guests per pass? 2? 4? More?
 - c. What fee should be charged for Daily, Weekly, Biweekly, and Monthly passes? *FAC*?
 - d. Should the number of Guest Passes a member may purchase annually be limited? To what?
 - e. Should the number of visits be limited by specific guest?
3. Should the 20-mile radius limitation from the GVR boundary to qualify as a Guest be maintained, eliminated or extended? If extended, to what?
4. Should the 20-mile radius limitation be based on the GVR boundary or a central point such as West Center? *See map illustration.*
5. Should the requirement remain or be eliminated that guests should be staying in a GVR household with the member or in a local hotel?
6. Currently, guest cards are only required for, and may only be used by, guests who are age 18 or older. Should this age limit be changed to 16 or 17?
7. Other?

SECTION 2 - USE OF GVR FACILITIES

1.2.1 Guest Policy (effective 1/1/2020)

- A. Guest privileges are intended for temporary visitors of a Regular Member, Assigned Member, Tenant, CRCF Resident, or Life Care Member of GVR and who live outside a twenty (20) mile radius of established GVR boundaries. ~~In general, guest cards are provided for visitors who are staying in a GVR household with the member or who are staying in a local commercial hotel as a guest of the member.~~
- B. GVR Members, Assigned Members, Life Care Members and CRCF Residents may purchase one (1) annual guest card which allows for four (4) adults per visit with unlimited visits. ~~an unlimited number of guests and guest visits.~~ Annual guest cards are valid through the end of the calendar year and fees are not prorated. No more than one (1) annual guest card may be purchased by a GVR Member regardless of the number of properties owned and may not be purchased for tenant-occupied properties.
- C. GVR Members, Assigned Members, Life Care Members, CRCF Residents, and Tenants may purchase daily guest cards which allow for four (4) adults an unlimited number of guests on a specific day.
- D. Adult guests 18 years of age and older are required to have a valid guest card when visiting GVR facilities. ~~Multiple guests visiting the same facility may use the same annual guest card.~~
- E. Guests under the age of 18 do not require guest cards and must be accompanied by an adult with privileges to use GVR facilities.
- F. Replacement of a lost or damaged annual guest card must be obtained at a customer service office for a fee established by the Board. Lost cards will be deactivated to prevent future use of the card. Damaged cards must be returned to a customer service office before a replacement card will be issued.
- G. Guest cards are required for all general facility use and club activities. However, guest cards are not required for ticketed GVR events where guests pay a higher ticket price than the member price.
- H. At management's discretion, guest usage of GVR facilities may be limited to non-primetime hours. Signage will be added to all facility gates reminding individuals that each person must swipe (or 'tap' for proximity cards) a GVR-issued ID card.

SECTION 2 - USE OF GVR FACILITIES

1.2.1 Guest Policy (effective 1/1/2020)

- A. Guest privileges are intended for temporary visitors of a Regular Member, Assigned Member, Tenant, CRCF Resident, or Life Care Member of GVR and who live outside a twenty (20) mile radius of established GVR boundaries.
- B. GVR Members, Assigned Members, Life Care Members and CRCF Residents may purchase one (1) annual guest card which allows for four (4) adults per visit with unlimited visits. Annual guest cards are valid through the end of the calendar year and fees are not prorated. No more than one (1) annual guest card may be purchased by a GVR Member regardless of the number of properties owned and may not be purchased for tenant-occupied properties.
- C. GVR Members, Assigned Members, Life Care Members, CRCF Residents, and Tenants may purchase daily guest cards which allow for four (4) adults on a specific day.
- D. Adult guests 18 years of age and older are required to have a valid guest card when visiting GVR facilities.
- E. Guests under the age of 18 do not require guest cards and must be accompanied by an adult with privileges to use GVR facilities.
- F. Replacement of a lost or damaged annual guest card must be obtained at a customer service office for a fee established by the Board. Lost cards will be deactivated to prevent future use of the card. Damaged cards must be returned to a customer service office before a replacement card will be issued.
- G. Guest cards are required for all general facility use and club activities. However, guest cards are not required for ticketed GVR events where guests pay a higher ticket price than the member price.
- H. At management's discretion, guest usage of GVR facilities may be limited to non-primetime hours. Signage will be added to all facility gates reminding individuals that each person must swipe (or 'tap' for proximity cards) a GVR-issued ID card.



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Proposed Restated Bylaws

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: October 26, 2022

Presented By: Donna Coon, BAC Chair

Consent Agenda: No

<p>Originating Committee / Department: Board of Affairs Committee (BAC)</p>
<p>Action Requested: Board of Directors review the proposed restated Bylaws.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: This effort to reorganize the Bylaws began over six years ago. Presently, the GVR Bylaws do not conform to Arizona law in some areas. The purpose of this reorganization of the Bylaws was to make a more logical flow of the document, with no changes to the present Bylaws excepting ensuring compliance to Arizona law and noting within the Bylaws some articles of Arizona law. During the BAC meeting there were four amendments made to the motion to approve the Bylaws. The four amendments were:</p> <ol style="list-style-type: none"> 1) Include in Article 2 Business and Jurisdiction of the Corporation: 2.4.a - the paragraph from the current Bylaws stating “Each subdivision must agree to place a Master Deed Restriction to GVR within their CCRs requiring perpetual membership in The Corporation.” 2) Replace in Article 4 Membership Fees and Dues: 4.2 Dues – the statement “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.” with the current Bylaws statement from Article III Dues and Assessments: Section 2 Procedure – “In establishing membership dues and the Operating and Capital Budgets, the Board of Directors shall be guided by the actual expense of operating the recreational facilities of The Corporation, including a reasonable reserve for Capital Replacements with the objective of operating the facilities on a self-sustaining basis.” 3) In Article 4 Membership Fees and Dues: 4.1 change “admission” to “initial.” 4) Add in Miscellaneous 10.2 GVR Club: to the last sentence what is in the current Bylaws “including a club's relationship with The Corporation.”
<p>Fiscal Impact: None</p>

Board Options:

- 1) Review and Approve the proposed restated Bylaws and include on the Annual GVR Ballot for a membership vote.
- 2) Make changes to the proposed restated Bylaws and return to BAC for a rewrite.
- 3) Reject the proposed restated Bylaws.

Staff Recommendation:

#1

Recommended Motion:

Approve the proposed restated Bylaws and Amendments outlined above, for inclusion on the Annual GVR Ballot for a membership vote.

Attachments:

- 1) Current vs. restated Bylaws Chart
- 2) Proposed 2022 Bylaws - Redlined
- 3) Proposed 2022 Bylaws - Clean

GREEN VALLEY RECREATION, INC. BYLAWS		
EXISTING BYLAW		RESTATED BYLAW
Article I, Section 1		Article 1, Definitions
Article I, Section 2		In Articles of Incorporation
Article I, Section 3		Article 6.1 and Article 8.4
Article I, Section 4		Article 10.2
Article I, Section 5A		Article 2.1
Article I, Section 5B		Article 2.2
Article I, Section 6A		Article 2.3a
Article I, Section 6B		Article 2.3b
Article I, Section 6C		Article 2.3c
Article I, Section 6D		Article 2.3d
Article I, Section 6E		Article 2.3e
Article I, Section 6F		Article 2.3
Article I, Section 7		Article 10.3
Article II, Section 1		Article 3.1a, 3.1b, and 3.1c
Article II, Section 2		Article 1.12
Article II, Section 3(i)		Article 1.1
Article II, Section 3(ii)		Article 1.2
Article II, Section 3(iii)		Article 1.13
Article II, Section 3(iv)		Article 1.4
Article II, Section 3(v)		Article 1.4
Article II, Section 3(vi)		Article 1.7
Article II, Section 3(vii)		Article 1.8
Article II, Section 3(viii)		Article 1.9
Article II, Section 3 (ix)		Article 1.10
Article II, Section 4A1		Article 3.2
Article II, Section 4A2		Article 3.4
Article II Section 4A3		Article 3.4
Article II, Section 4B		Article 3.4
Article II, Section 5		Article 3,.5
Article II, Section 6.1		Article 5.5

GREEN VALLEY RECREATION, INC. BYLAWS

EXISTING BYLAW	RESTATED BYLAW
Article II, Section 6.2	Article 3
Article II, Section 6.3	Defined in AZ Statutes
Article II, Section 6.4	Article 3.3
Article II, Section 6.5	Article 3.3
Article II, Section 7A	Article 4.1
Article II, Section 7B	Article 3.5
Article III, Section 1	Article 4.2
Article III, Section 2	Article 4.2
Article III, Section 3	Article 6.7A(2)
Article III, Section 4	Article 4.2
Article III, Section 5	Article 4.3
Article IV, Section 1	Article 6.1 and Article 8.4
Article IV, Section 2	Article 7.1
Article IV, Section 3	Article 5.2
Article IV, Section 4	Article 7.4
Article IV, Section 5	Article 7.5
Article IV, Section 6	In Articles of Incorporation
Article IV, Section 7	Article 6.5
Article IV, Section 8	Article 6.5
Article V, Section 1	Article 6.2
Article V, Section 2A	Article 6.3A
Article V, Section 2B	Article 6.3B
Article V, Section 3	Article 5.7
Article VI, Section 1A	Article 5.2
Article VI, Section 1B1	Article 6.7B1
Article VI, Section 1B2	Article 6.7B2
Article VI, Section 1B3	Article 6.7B3
Article VI, Section 1C	Article 6.6(1)
Article VI, Section 1D	Article 6.6(2)
Article VI, Section 1E	Article 6.6(3)
Article VI, Section 1F	Article 6.4

GREEN VALLEY RECREATION, INC. BYLAWS

EXISTING BYLAW	RESTATED BYLAW
Article VI, Section 2	Article 6.7A1
Article VII, Section 1	Article 8.1 and 6.1
Article VII, Section 2	Article 8.2
Article VII, Section 3	Article 8.2
Article VII, Section 4A	Article 8.3A
Article VII, Section 4B	Article 8.3B
Article VII, Section 4C	Article 8.3C
Article VII, Section 4D	Article 8.3D
Article VII, Section 4E	Article 8.5
Article VII, Section 5	Article 8.4
Article VIII, Section 1	Article 9.1
Article VIII, Section 2A	Article 9.2
Article VIII, Section 2B	Out -- Existing bylaws do not describe duties of other committees
Article VIII, Section 3	Article 9.3A and 9.3B
Article VIII, Section 4	Article 9.4
Article VIII, Section 5	Article 9.5
Article IX, Section 1	Article 5.1
Article IX, Section 2	Article 5.2
Article IX, Section 3	Article 5.3
Article IX, Section 4	Article 5.7
Article X	Article 10.1A, 10.1B, and 10.1C
Article XI, Section 1	Article 5.7
Article XI, Section 2	Article 5.7
Article XII, Section 1	Article 10.5
Article XII, Section 2	Article 10.5
Article XII, Section 3	Article 10.6

**Proposed Restated Bylaws
of Green Valley Recreation, Inc.
as of August 14, 2022**

**ARTICLE 1
DEFINITIONS**

- 1.1 Corporation or GVR.** “The Corporation or “GVR” shall mean and refer to Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.2 Board.** “Board” shall mean the board of directors of Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.3 Corporate Policy Manual.** The “Corporate Policy Manual” is the document containing the rules, policies and procedures of the Corporation as established by the Board.
- 1.4 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.
- 1.5 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.
- 1.6 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.
- 1.7 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 trust, the trustee is the Owner unless otherwise stated in the trust.
- 1.8 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).
- 1.9 Additional Card Holder.** “Additional Card Holder” is an individual who shares a common household with a GVR Member.
- 1.10 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.

1.11 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.

1.12 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).

1.13 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 a fee.

**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. 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. Each subdivision must agree to place a Master Deed Restriction to GVR within their CCRs requiring perpetual membership in The Corporation.

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a-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).

b-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.

~~e-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-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 or Assigned 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 or Assigned 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~~ initial 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. In establishing membership dues and the Operating and Capital Budgets, the Board of Directors shall be guided by the actual expense of operating the recreational facilities of The Corporation, including a reasonable reserve for Capital Replacements with the objective of operating the facilities on a self-sustaining basis.~~ 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 ten (10) 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 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. 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. The vote for each GVR Property must be cast as a unit and fractional votes shall not be permitted.

5.5 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 or part of any term served as an appointed director; provided, however, that 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:

a. 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.

b. 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.

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

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 budget 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 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:

- a. Personnel matters; or
- b. 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.

84 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.

85 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.

86 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 shall be signed by the chief executive officer in conformance with procedures as shall be set forth in the Corporate Policy Manual.

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:

- a. Board Affairs;
- b. Fiscal Affairs;
- c. Nominations & Elections;
- d. Planning and Evaluation;
- e. Audit; and
- f. 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. Subcommittee members shall be selected by the chairperson of the committee overseeing such subcommittee from among GVR members.

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 policies and procedures for creating and revoking club status and the rules and regulations governing the operation of GVR clubs including a club's relationship with The Corporation.-

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 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.

**Proposed Restated Bylaws
of Green Valley Recreation, Inc.
as of August 14, 2022**

**ARTICLE 1
DEFINITIONS**

- 1.1 Corporation or GVR.** “The Corporation or “GVR” shall mean and refer to Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.2 Board.** “Board” shall mean the board of directors of Green Valley Recreation, Inc., an Arizona nonprofit corporation.
- 1.3 Corporate Policy Manual.** The “Corporate Policy Manual” is the document containing t the rules, policies and procedures of the Corporation as established by the Board.
- 1.4 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.
- 1.5 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.
- 1.6 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.
- 1.7 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 trust, the trustee is the Owner unless otherwise stated in the trust.
- 1.8 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).
- 1.9 Additional Card Holder.** “Additional Card Holder” is an individual who shares a common household with a GVR Member.
- 1.10 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.

1.11 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.

1.12 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).

1.13 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 a fee.

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. 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. Each subdivision must agree to place a Master Deed Restriction to GVR within their CCRs requiring perpetual membership in The Corporation.

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 or Assigned 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 or Assigned 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 initial 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 membership dues and the Operating and Capital Budgets, the Board of Directors shall be guided by the actual expense of operating the recreational facilities of The Corporation, including a reasonable reserve for Capital Replacements with the objective of operating the facilities on a self-sustaining basis. 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 ten (10) 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 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. 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. The vote for each GVR Property must be cast as a unit and fractional votes shall not be permitted.

5.5 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.

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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.

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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.

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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.

85 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.

86 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 shall be signed by the chief executive officer in conformance with procedures as shall be set forth in the Corporate Policy Manual.

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:

- a. Board Affairs;
- b. Fiscal Affairs;
- c. Nominations & Elections;
- d. Planning and Evaluation;
- e. Audit; and
- f. 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. Subcommittee members shall be selected by the chairperson of the committee overseeing such subcommittee from among GVR members.

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 policies and procedures for creating and revoking club status and the rules and regulations governing the operation of GVR clubs including a club's relationship with The Corporation.

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 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.



Green Valley Recreation, Inc.
Board of Directors Regular Meeting
CPM Part 3 Committees

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: October 26, 2022

Presented By: Donna Coon, BAC Chair

Consent Agenda: No

<p>Originating Committee / Department: Board Affairs Committee (BAC)</p>
<p>Action Requested: Review CPM Part 3 Committees recommendations from the BAC.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: Staff, Committee Continuity work group, and BAC have reviewed CPM Part 3 Committees, and are recommending changes for the Board of Directors review and approval. The redlined version shows the changes and changes in the flow of Part 3.</p>
<p>Fiscal Impact: None</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Review the BAC recommendations for the changes in CPM Part 3 Committees and approve the recommendations. 2) Review the BAC recommendations and make changes to any of the recommendations. 3) Reject the BAC recommendations and send back to BAC for a rewrite.
<p>Staff Recommendation: #1</p>
<p>Recommended Motion: Approve the BAC recommendations for CPM Part 3 Committees.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Recommendations of Committee Continuity 2) Continuity Committee Research 3) Redline and Clean Version of Part 3 Committees

Recommendations

Improving the Effectiveness of Committee Structure

Review of Current Practice/ Recommendations

Item	Current	Recommendation	Change to Bylaws and/or CPM
# of Standing Committees and Ad Hoc/Special Committees	5 Standing Committees 2 Ad hoc /Special	No change; minor refinement to CPM to make it in sync with Bylaws	CPM – yes clarify Audit Committee is a special committee
Role of Committee	Advise and Recommend ; Board doesn't delegate any authority to Committee	No change; important to reinforce to Committees;	None
Size of Committee	No requirement for minimum or max. Size has varied each year depending on Chair Currently, Committee size ranges from 4 to 11	Require a minimum of 5 and suggested maxi of 9	CPM yes.
Are Board Directors required to serve on Committee	No: Currently 8 of the 12 serve on committees; 4 do not; but this varies by year because Committee chairs do not need to include Board of Directors on committee	A Board Director should serve on at least one committee but no more than two; except for Board President, who is ex officio on all committees	CPM – yes
Should there be a certain # of Board Directors on a Committee	Board Affairs and Fiscal Affairs have 2 board members per agreement of these two members;	no more than 2 Directors on a Committee ; Other Directors are able to attend meetings; Committee members should not serve on more than 2 committees	CPM yes

Item	Current	Recommendation	Change to Bylaws and/or CPM
Appointment of Committee Chair	Board President appoints chairs with approval by Board	No change;	None
Appointment of Committee members	Appointed by Chair for one year	<ol style="list-style-type: none"> 1. GVR Members must submit an application for a Committee appointment. 2. The President, Chairperson, and CEO will review applications. After review of the applications the Chairperson will select Committee members and submit the appointments to the Board for approval at the April Meeting. 3. Staff members, as liaisons to the Committees will be selected by the CEO. 4. Two-thirds of the Directors (8) is needed to overrule a selection. 5. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President. Committee members may be removed from a Committee by the Chairperson or the Board 	<p>Change CPM</p> <p>Request Change in Bylaws: to read:</p> <p>Amend Article VIII Section 3: Insert 'nominated by President with Board approval'.</p>

Item	Current	Recommendation	Change to Bylaws and/or CPM
Terms Limits	None: 3 members serve on three different committees	<ol style="list-style-type: none"> 1. Recommend 3-year term; Member can resign, if unable to fulfill three years; 2. during the transition, appoint 1-, 2-, and 3-year members and phase in requirement. ; 3. Limited to 6 years (two 3-year terms); 4. Committee members are limited to two committees, if approved by Board. 	Change in CPM only;
How is the work of Committee continued between fiscal years .	No requirement	<ol style="list-style-type: none"> 1. Responsibilities of Committee Chairperson, in conjunction with committee members is to identify goals in conjunction with the Strategic Plan; 2. provide action plans to the Board for approval; provide quarterly updates to the Board; 3. and at year-end identify accomplishments of the committee and continuing tasks for the next year. 	CPM

Item	Current	Recommendation	Change to Bylaws and/or CPM
Recruitment	No mention of topic	1. Look at promoting membership recruitment; promote committee membership	Staff to work with N/E in coordinating events; communications in newsletters
Orientation/Education	No mention of topic Last year, manual was provided to Committee members (is this an annual occurrence?)	1. Schedule orientation in April for all committee members;	Staff to handle it
Recognition	No mention	1. Celebrate committee involvement thru annual celebration party; celebrate achievements;	Staff

<p>Consolidated Information</p>	<p>Information from: SCW - Sun City West SCOV – Sun City Oro Valley ACC – Anthem Coordinating Council RCSC – Recreation Centers of Sun City SB1 – Saddlebrooke #1</p>	<p>Does this change require a change to Bylaws and/or CPM?</p>
<p>Board makeup</p>	<p>SCW - 9 Board members + Governing Board Executive Assistant – to run for director you must submit 200 signatures of owner members and resume (up to 500 words)</p> <p>SCOV - 7 Board members. Directors serve a 3 year term. Directors cannot run for consecutive terms (they must have a 2 year absence before running again). Three directors are elected every third year and two directors are elected in the intervening years.</p> <p>ACC - 7 Board members.</p> <p>RCSC - 9 Board members. Directors serve a 3 year term. Directors may serve up to 6 years (2 consecutive terms).</p> <p>SB3 – 7 board members. Term of office is 2 years.</p>	
<p>Board Committees Directive</p>	<p>SCW -Committees have no direct decision making authority and are limited to presenting options and recommendations to the Governing Board and/or General manager.</p> <p>SCOV - Committees have no direct decision making authority and are limited to presenting options and recommendations to the Governing Board and/or General manager.</p> <p>ACC - Board committees are not created to advise or exercise authority over staff, but rather to serve in an advisory role to the Board in concert with staff input and support. They speak “to the Board’ and not “for the Board”.</p> <p>RCSC - Committees are limited to presenting ideas and recommendations to the Board or Senior Management</p>	

	<p>SB1 – Committees are advisory in nature. Committees may take no actions without prior permission of the Board of Directors other than those provided in the Association’s Bylaws.</p>	
<p>1. How many Committees that meet on regular basis</p>	<p>1. SCW - Five Standing Committees:</p> <ul style="list-style-type: none"> a. Sports Pavilions & Bowling b. Budget and Finance c. Chartered Clubs d. Golf e. Properties <p>SCOV - Six Standing Committees:</p> <ul style="list-style-type: none"> a. Finance and Budget Committee b. Golf Advisory Committee c. Properties Committee d. Election Committee e. Nominations Committee f. Architecture Committee <p>ACC - Two Standing Committees:</p> <ul style="list-style-type: none"> a. Finance Committee b. Business Support and Advocacy Committee <p>RCSC - Eleven Standing Committees:</p> <ul style="list-style-type: none"> a. Bowling Committee b. Club Organization Committee c. Election Committee d. Finance and Budget Committee e. Golf Advisory Committee f. Insurance Committee g. Lawn Bowling Advisory Committee h. Long Range Planning Committee i. Sun City in Focus Committee j. Properties Committee k. Technology Committee 	

	SB1 - ??	
2. Size of each Committee	<p>2. SCW - Each committee shall have no less than 5 members. Committees run from July 1 to June 30?? A chair is appointed for not more than one year.</p> <p>SCOV - Each committee will have at least 3 members - except Elections Committee and Nominations Committee which must have at least 5 members.</p> <p>ACC - Each Standing committee will have 5 members (unless otherwise approved by the Board).</p> <p>RCSC - Each committee will have at least 5 members.</p> <p>SB1 - Each committee will have at least 5 members, except Architectural may have 3.</p>	
3. How are Ad hoc/task forces created? How many?	<p>3. SCW - President, with consent of Board, can establish special committees for a specific purpose for a defined period of time (must be less than 1 year)</p> <p>SCOV - President, with consent of Board, can establish special committees for a specific purpose for a defined period of time (must be less than 1 year)</p> <p>ACC - For a limited time and for a specific purpose.</p> <p>RCSC - Ad hoc committees are formed for a specific task and dissolved after completion of the task.</p> <p>SB1 - ??</p>	
4. Function of the Committee	<p>4. SCW - See Sun City West Policy statement C 03 (below)</p> <p>SCOV - See Sun City Oro Valley ARTICLE 9 – COMMITTEES (below)</p> <p>ACC - See Anthem Coordinating Council 4.1.2 and 4.1.3 (below)</p>	

	<p>RCSC – See Recreation Centers of Sun City (below)</p> <p>SB1 – see Saddlebrooke HOA 1 – Committee Guidelines (below)</p>	
<p>5. Appointment of Committee Chair</p>	<p>5. SCW - Bylaws: The Chairperson of each Standing and other Special Committee(s) of the Board shall be a director of the Board nominated by the President with Board approval.</p> <p>SCOV - The Chairperson of each Standing and other Special Committee(s) of the Board shall be nominated by the President with Board approval. Chairs do not have to be Directors. The board President shall designate one board member as liaison to each committee, subject to board approval.</p> <p>ACC - Committee Chairs are appointed by the President with advice and consent of the Board.</p> <p>RCSC - All committees shall have a Board Director as Chair and Co-Chair who shall be approved by the Board of Directors. Each Committee will select a secretary who summarizes each meeting and sends report to the Corporate Office within 3 days of the meeting.</p>	
<p>6. Are Board members required to serve on a committee?</p>	<p>6. SCW - There is no current policy that requires a board member also serve on a committee – See 8. Below</p> <p>SCOV - There is no current policy that requires a board member to serve on a committee</p> <p>ACC – Not required to serve on a committee. Board directors can only serve on one standing committee</p> <p>RCSC – No.</p> <p>SB1 – No. Also, directors can not be Chairs of any committee except Architecture.</p>	

<p>7. Appointment of Committee members</p>	<p>7. SCW - Chair selects committee members. Board approves. Directors may serve concurrently on no more than 2 standing committees.</p> <p>SCOV - Chair selects committee members, subject to Board approval.</p> <p>ACC - Committee member appointments are made by the Board President with advice and consent of the remainder of the Board. Committee members and Board members can make recommendations for Committee members. Interested Anthem residents can apply. The CEO presents the applicants to the Board President after reviewing the potential member’s qualifications.</p> <p>RCSC – Not explained.</p> <p>SB1 – Committee members are recommended by the Chairperson and approved by the Board. NO member can serve on more than 2 committees at the same time.</p>	
<p>8. Composition (ie. # of board members versus selected members</p>	<p>8. SCW - All Directors are ex officio comm members of all committees but can not vote unless they are appointed members. Directors may serve concurrently on no more than 2 standing committees.</p> <p>SCOV - There is no current policy about how many committee members can be board members vs regular members. From #5 above – at least one member will be a Director.</p> <p>ACC - There is no current policy about how many committee members can be board directors vs regular members.</p> <p>RCSC - There is no current policy about how many committee members can be board directors vs regular members. From #5 above – at least 2 members will be a Directors.</p> <p>SB1 – Composition not stated. The Board shall appoint on Director to serve a non-voting liaison to each committee. Every committee must appoint a secretary to keep minutes.</p>	

<p>9. Terms of Office for members : Are they staggered:</p>	<p>9. SCW - Appointment is for one year. May be reappointed the next year.</p> <p>SCOV - No term lengths for members or Chair.</p> <p>ACC - Committee members are appointed for two-year staggered renewable terms. Committee Chairs are appointed for one-year, renewable terms.</p> <p>RCSC - No term lengths for members or Chair.</p> <p>SB1 – Appoinments are for 1 year.</p>	
<p>10. Are there term limit for members?</p>	<p>10. SCW – No</p> <p>SCOV - Committee members shall serve no more than 3 consecutive terms. A Chair shall serve no more than 2 consecutive terms on the same committee.</p> <p>ACC - See #9</p> <p>RCSC – No.</p>	

PART 3: COMMITTEES

Approved January 28, 2014 except as amended

SECTION 1 – GENERAL

3.1.1

Chairpersons

Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.

3.1.1.C Terms of Board Committee

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3.1.2

Directors (updated 9/30/2020)

3.1.1 Committees of The Board of

A. Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. Each committee will have a staff liaison selected by the CEO.

B. Each Director shall serve on at least one committee, and not more than two (2). The Board President is ex officio to all committees, except for Audit Committee and Nominations & Elections Committee. Within three (3) day of Annual Meeting, Directors shall inform the Board President of committee preference and the Board President shall forward the requests to the Committee Chair for assignment and approval at April Board meeting.

A. D. Committee Terms are for three (3) years with a limit of six (6) consecutive years; two (2) term limit. Committee members are limited to two committees, if approved by the Board. Committee members can resign by notifying the Committee Chair during the term if unable to fulfill the full term.

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E. The Board will establish the duties and responsibilities of the Committees. Each Committee shall make policy recommendations to the Board for consideration.

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F. Standing Committees require a minimum of five (5) members including the Chairperson and one other Director, and a maximum of nine (9) members.

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B. G. Responsibilities of Committee Chairpersons, along with committee members and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide committee action plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the committee and continuing tasks for the next year.

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C. N. Committee meetings will normally be open to all GVR Members, but may be held in closed session, at the discretion of the Committee or Subcommittee Chairperson.

D. H. The President may establish Special or Ad Hoc Committees comprised of Members/Assigned Members in good standing, Directors and administrative staff as assigned by the CEO.

E. I. Committees are not required to follow Robert's Rules of Order.

F. J. Meetings shall be set by the Chairperson and shall be conducted as needed, but not less than quarterly.

G. K. Committee members shall be GVR Members in good standing and must

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~~submit an application for a Committee appointment. appointed by the Chairperson, and The President, Chairperson, and CEO will review applications. After review of the applications the Chairperson will select Committee members and submit the appointments to the Board for approval at the April Meeting. sStaff members, as liaisons to the Committees will be selected by the CEO. ~~To the extent possible, Committees will include members knowledgeable about the functionality of that specific Committee.~~ Two-thirds of the Directors (8) is needed to overrule a selection. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President. Committee members may be removed from a Committee by the Chairperson or the Board by a vote of two-thirds (8) Directors.~~

~~L. Directors may attend any GVR Committee meeting, whether open or closed. To attend a meeting from a remote site, a request shall be made by email to the Committee Chairperson at least three business days prior to the meeting. Directors will be provided with all materials otherwise provided to Committee members.~~

~~H.M. All materials for the Committee meeting will be available online three (3) business days before the meeting. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.~~

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SECTION 2 3 - BOARD AFFAIRS COMMITTEE

3.3.1 Committee Members

~~The Board Affairs Committee shall consist of the Chairperson, who shall be a Director, and GVR members who should have knowledge of Corporate Bylaws and Policies.~~

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3.2.1

3.3.2 Duties and Responsibilities

- A. Recommend modifications in organizational policies and governing values to help guide the Board in achieving its strategic goals. Assist the Board in effectively carrying out its governing functions in such a manner so as to clearly delineate the roles and responsibilities between governance and management.
- B. Review and recommend revisions, when appropriate, to the governing documents of The Corporation.
- C. ~~Endeavor to maintain a community link with residents of the greater Green Valley community.~~

~~D. H. Review and recommend Board action on group applications for GVR "Club Status."~~

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~~E. I. Where appropriate, recommend modification to GVR Club policies, in keeping with the best interest of The Corporation.~~

~~F. C. Review the Articles of Incorporation, the Bylaws and the CPM, and the Bylaws for updates and revisions. Changes may be editorial, necessary for continuity between governing documents, necessary due to changes made in Board or Committee meetings, or proposed by member input.~~

~~G.D. Forward all proposed revisions to the Articles of Incorporation and Bylaws to legal counsel for opinion, including the effect on tax-exempt status. After consultation, the specific wording of the recommended modifications shall be forwarded to the Board for their review and~~

appropriate action.

H.E. Develop pro and/or con statements for ballot proposals being submitted to the membership for a vote. GVR Members are strongly encouraged to present their positions to the Committee for consideration, and possible inclusion, in the pro and con statements.

I.F. Meet with Club Officers to adjudicate any disputes concerning the Annual Club Agreement. ~~(SHOULD THIS BE REMOVED - STAFF FUNCTION)~~

- J. G. If a Committee wishes to make changes to the CPM:
 1. The Committee will provide a paragraph stating the purpose and goal of the proposed changes to the Board Affairs Committee (BAC).
 2. If the BAC approves the purpose and intent, BAC will forward to GVR's Legal Counsel to ~~draft~~ review proposed changes.
 3. The draft changes will be presented to BAC and the Committee submitting the request.
 4. If approved by both the BAC and the Committee, the draft will be forwarded as a recommendation to GVR Board for approval.

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SECTION 3.4 – FISCAL AFFAIRS COMMITTEE

3.3.1 Committee Members

3.4.1 Membership Considerations

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~~The Fiscal Affairs Committee shall consist of the Chairperson, who shall be a Director, and to the extent possible, GVR members who shall be To the extent possible, the Committee will include members~~ knowledgeable about capital projects, ~~and/or~~ with experience in financial management, ~~and~~ Generally Accepted Accounting Principles (GAAP).

3.3.2

3.4.2 Responsibilities

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- A. Review and assist in presenting the annual budgets to the Board. Such review will consist of recommending Reserve ~~any Surplus and the transfers of Operating Cash. the Revenue/Expense Adjustment, and the amount of the Capital Fund Cash Account.~~ funding, the disposition of
- B. Monitor progress toward achievement of annual ~~financial fiscal~~ objectives.
- C. Review financial statements ~~including, but not limited to, (operations, capital analysis, Statement of Financial Position, Summary Statement of Activities, Statement of Changes in Net Assets, Investment Portfolios, and balance sheet),~~ and report to the Board, as appropriate.
- D. Coordinate with the GVR Audit Committee ~~and GVR Investment Committee.~~
- E. Review and recommend policy to assure financial control.
- F. ~~Recommend After reviewing staff input, recommend~~ the establishment and the amount of ~~Tenant Fees, membership dues, Initial Fees, Transfer Fees,~~ and assessments.

G. ~~H. Recommend After reviewing staff input, recommend~~ the financing method to be adopted for specific major projects recommended by the Planning and Evaluation Committee. ~~(P&E) for Board approval. (See Appendix 1 - Section 1.1.2.B.5.c)~~

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H. G. Coordinate with the Planning & Evaluation Committee as it relates to proposed expenditures for capital improvements. (See Appendix 1 – Section 1 1.1.2.B.5.d)

SECTION 4 7 – PLANNING & EVALUATION COMMITTEE (updated 9/27/2016)

3.4.1

Considerations Committee Members

The Planning and Evaluation Committee (P&E) shall consist of the P&E Chairperson, who shall be a Director, and GVR members who shall be to the extent possible, the Committee will include members knowledgeable about capital projects and/or experience in financial management.

3.7.1 Membership

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3.4.2

3.7.2 Responsibilities

- A. To review and discuss on an annual basis, the capital evaluation requirements, and any documents required for club and miscellaneous capital funding requests submitted to the P&E Committee. (See Appendix 1 – Section 1 1.1.2.B.2.a)
- B. To be knowledgeable of the Strategic Plan, and Long-term Capital Plan, and ~~Center Assessment Survey~~ to ensure that all capital-funding recommendations comply with these plans. (See Appendix 1 – Section 1 1.1.2.B.5.b)
- C. To identify issues and trends that could contribute to the update of aforementioned plans.

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SECTION 5 2 - AUDIT COMMITTEE (SPECIAL) (updated 10/28/2014)

3.5.1 Membership Committee Members

The Audit Committee shall consist of the Audit Chairperson, who shall be a Director, and two or more GVR members who should have knowledge of financial reporting and internal control procedures.

3.5.2 Responsibilities

- A. The Audit Committee functions in the capacity of an overseer of GVR's financial reporting process and internal controls. The ~~e~~Committee is the conduit between GVR and the independent auditing firm. The Committee is not involved in the Corporation's daily accounting functions.
- B. The principal functions of the Audit Committee are:
 1. To recommend a CPA firm to the GVR Board to act as The Corporation's independent auditor.
 2. To review the independent auditor's terms of engagement.
 3. To review the results of each audit including opinion qualifications or expectations.
 4. To review the auditor's management letter and GVR management's response.
 5. To review issues and disputes that may arise between GVR management and the independent auditor during an audit.

6. To review the adequacy of internal financial controls with GVR management and the audit firm.

SECTION 6 - NOMINATIONS & ELECTIONS COMMITTEE (updated 5/22/2018)

3.6.1 Membership Committee Members

~~A. The Nominations & Elections Committee shall consist of the N&E Chairperson, who shall be a Director, recommended by the President and approved by the Board.~~

~~B. There shall be at least one (1) other Director on the Committee, and a minimum of two (2) GVR Members who do not serve on the Board selected by the Committee Chairperson. Committee members shall be GVR Members, selected by the Committee Chairperson. The Committee members selected by the Chairperson shall represent various geographic areas to the extent possible. Committee members will serve a one (1) year term, provided however, any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately. (Part 3 Section 1: 3.1.2.A.G)~~

~~C. An administrative staff person will serve on the Committee and will be selected by the CEO. (Part 3 Section 1: 3.1.2.G)~~

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3.6.2 Responsibilities

A. Nominations

1. ~~Determine the qualifications and eligibility of each candidate. (Staff)~~
2. Submit a slate of qualified candidates to the Board at least one hundred and twenty (120) days prior to the Annual Meeting. (Possibly 90 days when approved by the Board – APPROVED BY THE BOARD ON 9/28/2022 MEETING).
3. Post the slate of candidates to the membership no less than ninety (90) days prior to the Annual Meeting and determine how candidates shall be presented to the membership.
4. Obtain names of candidates submitted by nomination petition to the Secretary, within the deadline of sixty (60) days prior to the Annual Meeting, ~~if any, and determine the qualifications and eligibility of same. (Staff)~~

B. Election Process

1. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
2. Submit the final slate of candidates for the ballot to the CEO.
3. ~~Establish a list of members eligible to vote as of the record date and provide this list to any outside agency conducting the election, if necessary. (Staff)~~
4. Establish the deadline for the return of ballots which shall be no later than 4:00pm on a date at least five (5) days before the Annual Meeting.
5. ~~Verify that the final ballot and ballot materials have been reviewed and approved by GVR's General Counsel. (Staff)~~
6. ~~The ballot reply shall display all information deemed necessary for~~

- validation purposes for use by the Committee. ~~(Staff)~~
7. ~~Each candidate shall appoint two (2) GVR Members, who are in good standing, to participate in the validation and counting of paper ballots.~~
 8. ~~The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the Nominations and Elections (N&E) Chairperson or their representative. (Bylaws Article V Section 3)~~
- C. Election Results
1. The Committee shall have the validation/counting process completed at least two (2) business days prior to the date of the Annual Meeting or Special Meeting. ~~(Staff?)~~
 2. ~~At the conclusion of the election, obtain the results of the election, including the establishment of a quorum. (Staff)~~
 3. The Chairperson shall notify the Board Secretary of the results of the election.
 4. In the election of Directors, if there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.
 5. The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.
- D. Post-Election
- ~~At the conclusion of the election, the ballot materials and the results thereof shall be submitted to the CEO. The CEO will maintain these records for a period not less than three (3) years in accordance with the Arizona Nonprofit Corporation Act. (Staff)~~
- E. Board Orientation & Training
- Arrange appropriate in-service training, as required, for the Board. Ensure that Board orientation programs are held annually.

Commented [NM4]: Move to Board Affairs maybe 3.3.2.A

SECTION 7.5 - INVESTMENTS COMMITTEE (updated 2/24/2021)

~~3.7.1~~ 3.5.1 Membership Committee Members

The Investments Committee (IC) shall consist of ~~the Chairperson, who shall be a Director, and at least two three (3) GVR Members who in addition to the IC Chairperson who shall be a Director. The IC Chairperson shall be nominated by the President with Board approval. The IC chairperson and IC Members~~ should ~~have be~~ knowledgeable in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.

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~~3.7.2~~ 3.5.2 Responsibilities

- A. The IC has the following specific responsibilities ~~and duties~~ with respect to the Investment Advisors (IAs):
1. Make timely recommendations to the Board concerning:
 - a. The hiring, termination, and replacement of the Investment Manager and/or Investment Adviser (collectively, the IM/IA) for each of the accounts that comprise the IAs.
 - b. The terms and wording for any contract between GVR and an IM/IA.
 - c. The specific wording and specifications for the Investment Policy Statement (IPS) set forth in *Appendix 1, Section 3* that governs each of the accounts that comprise the IAs and any changes thereto.
 2. Perform the following ongoing functions:
 - a. Complete due diligence and evaluation of each IM/IA at the end of each quarter or more frequently if required.
 - b. Monitor the IM/IAs to confirm compliance with the applicable IPS.
 3. Make timely reports, in accordance with the IPS, to the CFO, CEO, and the Board of the following:
 - a. A serious and meaningful violation of the IPS.
 - b. A potential replacement of an existing IM/IA.
 - c. Any update requested by the Board.
 4. Collaborate with the CEO/CFO concerning the following:
 - a. What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.
 - b. The specific actions required by the CEO/CFO in order to bring an IM/IA back into compliance with its applicable IPS.
 5. In the process of completing its duties, the IC will generate the following documents:
 - a. An IPS for each of the accounts that comprise the IAs.
 - b. An Investment Management Contract for each IM/IA hired by GVR.
 - c. Minutes of each meeting of the IC.

PART 3: COMMITTEES

Approved January 28, 2014 except as amended

SECTION 1 – GENERAL

3.1.1 Committees of The Board of Directors (updated 9/30/2020)

- A. Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. Each Committee will have a staff liaison selected by the CEO.
- B. Each Director shall serve on at least one Committee, and not more than two (2). The Board President is ex officio to all Committees, except for Audit Committee and Nominations & Elections Committee. Within three (3) days of Annual Meeting, Directors shall inform the Board President of Committee preference and the Board President shall forward the requests to the Committee Chair for assignment and approval at April Board meeting.
- C. Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.
- D. Committee terms are for three (3) years with a limit of six (6) consecutive years; two (2) term limit. Committee members are limited to two Committees, if approved by the Board. Committee members can resign by notifying the Committee Chair during the term if unable to fulfill the full term.
- E. The Board will establish the responsibilities of the Committees. Each Committee shall make policy recommendations to the Board for consideration.
- F. Standing Committees require a minimum of five (5) members including the Chairperson and one other Director, and a maximum of nine (9) members.
- G. Committee members shall be GVR members in good standing and must submit an application for a Committee appointment. The President, Chairperson, and CEO will review applications. After review of the applications the Chairperson will select Committee members and submit the appointments to the Board for approval at the April meeting. Staff, as liaisons to the Committees, will be selected by the CEO. Two-thirds of the Directors (8) is needed to overrule a selection. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President. Committee members may be removed from a Committee by the Chairperson or the Board by a vote of two-thirds (8) Directors.
- H. Responsibilities of Committee Chairpersons, along with Committee members and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee action plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.
- I. The President may establish Special or Ad Hoc Committees comprised

- of members/assigned members in good standing, Directors and administrative staff as assigned by the CEO.
- J. Committees are not required to follow Robert's Rules of Order.
 - K. Meetings shall be set by the Chairperson and shall be conducted as needed, but not less than quarterly.
 - L. Directors may attend any Committee meeting, whether open or closed.
 - M. All materials for the Committee meeting will be available online three (3) business days before the meeting. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.
 - N. Committee meetings will be open to all members, but may be held in closed session, at the discretion of the Committee or Subcommittee Chairperson.

SECTION 2 - AUDIT COMMITTEE (SPECIAL) (updated 10/28/2014)

3.2.1 Committee Members

The Audit Committee shall consist of the Chairperson, who shall be a Director, and two or more members who should have knowledge of financial reporting and internal control procedures.

3.2.2 Responsibilities

- A. The Audit Committee functions in the capacity of an overseer of GVR's financial reporting process and internal controls. The Committee is the conduit between GVR and the independent auditing firm. The Committee is not involved in the Corporation's daily accounting functions.
- B. The principal functions of the Audit Committee are:
 - 1. To recommend a CPA firm to the Board to act as The Corporation's independent auditor.
 - 2. To review the independent auditor's terms of engagement.
 - 3. To review the results of each audit including opinion qualifications or expectations.
 - 4. To review the auditor's management letter and GVR management's response.
 - 5. To review issues and disputes that may arise between GVR management and the independent auditor during an audit.
 - 6. To review the adequacy of internal financial controls with GVR management and the audit firm.

SECTION 3 - BOARD AFFAIRS COMMITTEE

3.3.1 Committee Members

The Board Affairs Committee shall consist of the Chairperson, who shall be a Director, and members who should have knowledge of Corporate Bylaws and Policies.

3.3.2 Responsibilities

- A. Recommend modifications in organizational policies and governing

- values to help guide the Board in achieving its strategic goals. Assist the Board in effectively carrying out its governing functions in such a manner so as to clearly delineate the roles and responsibilities between governance and management.
- B. Review and recommend revisions, when appropriate, to the governing documents of The Corporation.
 - C. Review the Bylaws and the CPM, for updates and revisions. Changes may be necessary for continuity between governing documents, necessary due to changes made in Board or Committee meetings, or proposed by member input.
 - D. Forward all proposed revisions to the Bylaws to legal counsel for opinion, including the effect on tax-exempt status. After consultation, the specific wording of the recommended modifications shall be forwarded to the Board for their review and appropriate action.
 - E. Develop pro and/or con statements for ballot proposals being submitted to the membership for a vote. Members are strongly encouraged to present their positions to the Committee for consideration, and possible inclusion, in the pro and con statements.
 - F. If a Committee wishes to make changes to the CPM:
 - 1. The Committee will provide a paragraph stating the purpose and goal of the proposed changes to the Board Affairs Committee (BAC).
 - 2. If the BAC approves the purpose and intent, BAC will forward to legal counsel to review proposed changes.
 - 3. The draft changes will be presented to BAC and the Committee submitting the request.
 - 4. If approved by both the BAC and the Committee, the draft will be forwarded as a recommendation to the Board for approval.
 - G. Arrange appropriate in-service training, as required, for the Board. Ensure that Board orientation programs are held annually.
 - H. Review and recommend Board action on group applications for GVR club status.
 - I. Where appropriate, recommend modification to GVR Club policies, in keeping with the best interest of The Corporation.

SECTION 4 – FISCAL AFFAIRS COMMITTEE

3.4.1 Committee Members

The Fiscal Affairs Committee shall consist of the Chairperson, who shall be a Director, and to the extent possible, members who shall be knowledgeable about capital projects, with experience in financial management, and Generally Accepted Accounting Principles (GAAP).

3.4.2 Responsibilities

- A. Review and assist in presenting the annual budgets to the Board. Such review will consist of recommending Reserve funding, the disposition of any Surplus and the transfers of Operating Cash.
- B. Monitor progress toward achievement of annual financial objectives.
- C. Review financial statements including, but not limited to, operations, capital analysis, Statement of Financial Position, Summary Statement of

- Activities, Statement of Changes in Net Assets, Investment Portfolios, and report to the Board, as appropriate.
- D. Coordinate with Audit Committee and Investment Committee.
 - E. Review and recommend policy to assure financial control.
 - F. After reviewing staff input, recommend the establishment of the amount of dues, fees, and assessments.
 - G. After reviewing staff input, recommend the financing method to be adopted for specific major projects recommended by the Planning and Evaluation Committee. (See Appendix 1 Section 1: 1.1.2.B.5.c)
 - H. Coordinate with the Planning & Evaluation Committee as it relates to proposed expenditures for capital improvements. (See Appendix 1 Section 1: 1.1.2.B.5.d)

SECTION 5 - INVESTMENTS COMMITTEE (updated 2/24/2021)

3.5.1 Committee Members

The Investments Committee (IC) shall consist of the Chairperson, who shall be a Director, and at least three (3) members who should have knowledge in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.

3.5.2 Responsibilities

- A. The IC has the following specific responsibilities with respect to the Investment Advisors (IAs):
 - 1. Make timely recommendations to the Board concerning:
 - a. The hiring, termination, and replacement of the Investment Manager and/or Investment Advisor (collectively, the IM/IA) for each of the accounts that comprise the IAs.
 - b. The terms and wording for any contract between GVR and an IM/IA.
 - c. The specific wording and specifications for the Investment Policy Statement (IPS) set forth in Appendix 1 Section 3 that governs each of the accounts that comprise the IAs and any changes thereto.
 - 2. Perform the following ongoing functions:
 - a. Complete due diligence and evaluation of each IM/IA at the end of each quarter or more frequently if required.
 - b. Monitor the IM/IAs to confirm compliance with the applicable IPS.
 - 3. Make timely reports, in accordance with the IPS, to the CFO, CEO, and the Board of the following:
 - a. A serious and meaningful violation of the IPS.
 - b. A potential replacement of an existing IM/IA.
 - c. Any update requested by the Board.
 - 4. Collaborate with the CEO/CFO concerning the following:
 - a. What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.
 - b. The specific actions required by the CEO/CFO in order to bring an IM/IA back into compliance with its applicable IPS.

5. In the process of completing its duties, the IC will generate the following documents:
 - a. An IPS for each of the accounts that comprise the IAs.
 - b. An Investment Management Contract for each IM/IA hired by GVR.
 - c. Minutes of each meeting of the IC.

SECTION 6 - NOMINATIONS & ELECTIONS COMMITTEE (updated 5/22/2018)

3.6.1 Committee Members

The Nominations & Elections Committee (N&E) shall consist of the Chairperson, who shall be a Director, at least one (1) other Director on the Committee, and a minimum of two (2) members who shall represent various geographic areas to the extent possible.

3.6.2 Responsibilities

A. Nominations

1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
2. Post the slate of candidates to the membership no less than ninety (90) days prior to the Annual Meeting and determine how candidates shall be presented to the membership.
3. Obtain names of candidates submitted by nomination petition to the Secretary, within the deadline of sixty (60) days prior to the Annual Meeting. (Staff)

B. Election Process

1. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
2. Submit the final slate of candidates for the ballot to the CEO.
3. Establish the deadline for the return of ballots which shall be no later than 4:00pm on a date at least five (5) days before the Annual Meeting.

C. Election Results

1. The Committee shall have the validation/counting process completed at least two (2) business days prior to the date of the Annual Meeting or Special Meeting. (Staff?)
2. The Chairperson shall notify the Board Secretary of the results of the election.
3. In the election of Directors, if there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.
4. The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be

announced in the order in which the items appeared on the ballot.

SECTION 7 – PLANNING & EVALUATION COMMITTEE (updated 9/27/2016)

3.7.1 Committee Members

The Planning and Evaluation Committee (P&E) shall consist of the Chairperson, who shall be a Director, and members who shall be knowledgeable about capital projects and/or experience in financial management.

3.7.2 Responsibilities

- A. To review and discuss on an annual basis, the capital evaluation requirements, and any documents required for club and miscellaneous capital funding requests submitted to the Committee. (See Appendix 1 Section 1: 1.1.2.B.2.a)
- B. To be knowledgeable of the Strategic Plan and Long-term Capital Plan to ensure that all capital-funding recommendations comply with these plans. (See Appendix 1 Section 1: 1.1.2.B.5.b)
- C. To identify issues and trends that could contribute to the update of aforementioned plans.