



## **AGENDA**

### **BOARD OF DIRECTORS WORK SESSION**

Wednesday, September 13, 2023, 2:00pm  
WC Auditorium / Zoom

**Directors:** Marge Garneau (President), Carol Crothers (Vice President), Bart Hillyer (Secretary), Jim Carden (Treasurer), Barbara Blake (Assistant Secretary), Joe Magliola (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Beth Dingman, Steve Gilbert, Bev Lawless, Richard Sutherland, Scott Somers (non-voting)

#### **AGENDA TOPIC**

- 2:00 **1. Call to Order / Roll Call**
- 2:05 **2. Amend / Approve Agenda**
- 2:10 **3. BAC Proposed Bylaws Change**
- 2:50 **4. Capital Improvement Policy Process**
- 3:30 **5. Committee Action Plans**
- 4:00 **6. Adjournment**

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



Green Valley Recreation, Inc.  
**Board of Directors Work Session**  
**BAC Proposed Bylaws Change**

**Prepared By:** Nanci Moyo, Admin. Sup.

**Meeting Date:** September 13, 2023

**Presented By:** Carol Crothers, BAC Chair

**Consent Agenda:** No

<b>Originating Committee / Department:</b> Board Affairs Committee
<b>Action Requested:</b> Review the proposed changes to the Bylaws recommended by the BAC.
<b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation
<b>Background Justification:</b> Board Affairs Committee (BAC) has identified five specific areas of the Bylaws for wording changes for review at the Work Session. This will come before the Board at the Regular Meeting of September 27, 2023, for Board approval on the five changes and an approval for a Special Election for the Bylaws.  The goal from the BAC was discussed at the May 9, 2023, meeting as follows: The Bylaws will be tackled this year by considering possible discrete areas such as conflicts in AZ law being clearly expressed so it matches the law; have nine Board Directors instead of twelve; clarity of who can run for the Board; define a member; and change time of elections.  From this goal the BAC narrowed the scope to five areas which are in the attachment.  The BAC would like to hold a Special Election in November or December to vote on these changes to the Bylaws.
<b>Fiscal Impact:</b> Special Election cost is \$33,554.42.
<b>Board Options:</b> 1) Direct BAC to deliver the proposed changes to the Bylaws as drafted to the next regular Board meeting for approval. 2) Provide amendments to the proposed changes to the Bylaws and ask the BAC to bring the amended Bylaws to the next regular Board meeting for approval. 3) Provide alternative direction to the BAC.
<b>Staff Recommendation:</b> Option #1 or #2
<b>Recommended Motion:</b> N/A
<b>Attachments:</b> 1) Proposed Changes to the Bylaws

**Proposed Action #1:**

To amend GVR's Bylaws Article VI POWERS, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS, Section 2 – AUTHORITY AND INDEBTEDNESS as follows:

***Proposed Bylaws Language:*** The Board of Directors is not authorized to enter into any contract for new or initiative-type Capital projects that exceeds twelve percent (12%) of the latest audited approved annual revenue. Any contract for new or initiative-type Capital projects that exceeds twelve percent (12%) of the latest audited approved annual revenue, shall only be valid if approved, in advance, by the affirmative vote of regular members representing a majority of the total votes cast, provided that the total number of votes cast equals at least twenty percent (20%) of the total votes in The Corporation. Contracts for unique projects may not be broken up so as to avoid the requirements of this section.

***Current Bylaws states:*** The Board of Directors is not authorized to enter into any contract that requires an annual payment that exceeds ten percent (10%) of the annual budget. Any contract requiring an annual payment that exceeds ten percent (10%) of the annual budget shall only be valid if approved, in advance, by the affirmative vote of regular members representing a majority of the total votes cast, provided that the total number of votes cast equals at least twenty percent (20%) of the total votes in The Corporation.

**Proposed Action #2:**

To amend GVR's Bylaws Article XII MISCELLANEOUS, Section 2 - AVAILABILITY OF RECORDS as follows:

***Proposed Bylaws Language:*** The books, records and papers of The Corporation shall, for specific and proper purpose and consistent with the applicable provisions of the Arizona Nonprofit Act, at all reasonable times during business hours be subject to examination by any GVR Member or any Assigned Member that has been given voting rights, upon written demand to The Corporation at least five (5) business days before the requested examination date.

***Current Bylaws state:*** The books, records and papers of The Corporation shall, for specific and proper purpose, at all reasonable times during business hours be subject to examination by any regular member of The Corporation upon written demand to The Corporation.

**Proposed Action #3:**

To amend GVR's Bylaws Article IV BOARD OF DIRECTORS, Section 1 NUMBER OF DIRECTORS and Article V ELECTION OF DIRECTORS, Section 1 TERM OF OFFICE as follows:

**Proposed Bylaw Language:** 1) Article IV Section 1: The affairs of GVR shall be governed by a Board of Directors consisting of nine (9) voting members who shall be elected from the members of The Corporation who have voting rights as defined in Article II Section 6.

And

2) Article V Section 1: The term of office of a Director elected by the membership shall be for three (3) years. Each year the term of office of three (3) Directors shall expire and three (3) Directors shall be elected for a term of three (3) years to succeed those Directors whose terms expire. No Director may serve more than two (2) consecutive terms including time served as an appointed Director. A former Director may be re-elected after one (1) or more years' absence from the Board.

**Current Bylaws state:** 1) Article IV Section 1: The affairs of GVR shall be governed by a Board of Directors consisting of twelve (12) voting members who shall be elected from the members of The Corporation residing within the jurisdiction of GVR.

And

2) Article V Section 1: The term of office of a Director elected by the membership shall be for three (3) years. Each year the term of office of four (4) Directors shall expire and four (4) Directors shall be elected for a term of three (3) years to succeed those Directors whose terms expire. No Director may serve more than two (2) consecutive terms including time served as an appointed Director. A former Director may be re-elected after one (1) or more years' absence from the Board.

**Proposed Action #4:**

To amend GVR's Bylaws Article II MEMBERSHIP PROPERTY AND MEMBERS, Section 6.D VOTING RIGHTS as follows:

**Proposed Bylaw Language:** Section 6: Voting Rights  
A. A GVR Member in good standing is entitled to one (1) vote for each GVR Property owned; provided, however, that there shall be only one (1) vote per GVR Property. If any GVR Member casts a vote representing a certain GVR Property, it will thereafter be conclusively presumed for all purposes that such individual was acting with the authority and consent of all other owners of the same GVR Property. In the event that more than one (1) vote is cast for a particular GVR Property, none of the votes shall be

counted and all of the votes for such GVR Property shall be deemed void.

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

C. All voting by GVR Members shall be by written ballot.

D. The right to vote and serve on the Board of Directors on behalf of a GVR Property may be assigned to one (1) or more Assigned Members occupying such GVR Property in writing and signed by all owners of such property. Additional rights may be determined by the Board of Directors.

E. A Tenant shall not have the right to vote or serve on the Board of Directors.

F. A GVR Member in good standing has the right to serve on the Board of Directors provided no other member of their household (whether related by marriage, cohabitation, or otherwise) is on the board during the same time period.

***Current Bylaws state: Section 6: Voting Rights***

*A. A GVR Member in good standing is entitled to one (1) vote for each GVR Property owned; provided, however, that there shall be only one (1) vote per GVR Property. If any GVR Member casts a vote representing a certain GVR Property, it will thereafter be conclusively presumed for all purposes that such individual was acting with the authority and consent of all other owners of the same GVR Property. In the event that more than one (1) vote is cast for a particular GVR Property, none of the votes shall be counted and all of the votes for such GVR Property shall be deemed void.*

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

*C. All voting by GVR Members shall be by written ballot.*

*D. The right to vote and serve on the Board of Directors on behalf of a GVR Property may be assigned to one (1) or more Assigned Members occupying such GVR Property in writing and signed by all owners of such property. Additional rights may be determined by the Board of Directors.*

*E. A Tenant shall not have the right to vote or serve on the Board of Directors.*

**Proposed Action #5:**

To amend GVR's Bylaws Article XI MEMBERSHIP VOTING, Section 1 VOTING AT A MEETING and Article II MEMBERSHIP PROPERTY AND MEMBERS, Section 6.C VOTING RIGHTS as follows:

***Proposed Bylaw Language:*** Article XI, Section 1: The election of Directors, the amendment of Bylaws and any matter that requires approval of the members, and any action, including proposed amendments to these Bylaws or the election of

Directors, which can be taken by the members of GVR at an Annual or Special meeting of said members, shall be taken by written ballot communicated to and received from every GVR member entitled to vote by either mail, Email, or other written form of communication as the Board of Directors shall determine from time to time, including online electronic voting, with the same force and effect as though acted up on at an Annual or Special meeting.

**Current Bylaws state:** Article XI, Section 1: The election of Directors, the amendment of Bylaws and any matter that requires approval of the members shall be taken by written ballot.

Section 2: Alternative Voting Methods

Any action, including proposed amendments to these Bylaws or the election of Directors, which can be properly taken by the members of GVR at an Annual or Special meeting of said members, may be taken by written ballot communicated to every GVR member entitled to vote by either mail, facsimile, Email, or other written form of communication as the Board of Directors shall determine from time to time with the same force and effect as though acted upon at an Annual or Special Meeting.

And

**Proposed Bylaw Language:** Article II, Section 6.C: Voting Rights

C. All voting by GVR Members shall be by written ballot or electronic voting, consistent with Arizona Nonprofit Corporation Act. See Article XI. No proxies are permitted.

**Current Bylaw states:** Article II, Section 6: Voting Rights  
C. All voting by GVR Members shall be by written ballot.



Green Valley Recreation, Inc.  
**Board of Directors Work Session**  
**Capital Projects Policy and Process**

**Prepared By:** Scott Somers, CEO

**Meeting Date:** September 13, 2023

**Presented By:** Scott Somers, CEO

<p><b>Originating Committee / Department:</b> Administration</p>
<p><b>Action Requested:</b> Review and discuss the draft Capital Improvement Project Process</p>
<p><b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p><b>Background Justification:</b>                      At the May 17, 2023, and June 21, 2023, Work Sessions the Board discussed the draft of the Capital Improvement Project Process. Before this discussion there was no policy that describes the roles and responsibilities of staff, committees, and the Board in completing Capital Improvement Projects. This has led to confusion, assumptions, unnecessary expense, and most important to members, project delays.                       GVR is currently lacking policy describing the Board’s responsibilities to advance projects initiated by previous Boards. Projects have been abandoned mid-stream or been subject to significant changes when a new Board is seated. This has contributed to low member confidence in the Board’s ability to make important decisions in a timely manner, advance the best interests of the general membership, and work collaboratively in a professional and productive manner (see 2022 Member Survey).                       The attached draft proposed process and has been updated based on Board feedback during the June 21, 2023, Work Session, and identifies the general scope of work each participating entity can anticipate and establishes a process flow on which members can rely.                       Once the Board is ready to adopt this policy, staff recommends the motion to adopt include creating this policy as a pilot program for one year, in which all capital projects will be assessed based on the policy, to allow for modifications and amendments to the policy prior to inclusion in the Corporate Policy Manual (CPM).</p>
<p><b>Fiscal Impact:</b> N/A</p>
<p><b>Board Options:</b></p> <ol style="list-style-type: none"> <li>1) Direct staff to deliver the proposed process as drafted to the next regular Board meeting for approval.</li> <li>2) Provide amendments to the existing draft proposal and ask staff to bring the amended policy to the next regular Board meeting for approval.</li> <li>3) Provide alternative direction to staff.</li> </ol>

**Staff Recommendation:**

Option #1 or #2

**Recommended Motion:**

N/A

**Attachments:**

- 1) Draft Capital Improvement Project Process clean copy
- 2) Draft Capital Improvement Project Process redlined copy
- 3) Capital Improvement Proposal Assessment
- 4) June 21, 2023, Board Work Session Minutes



## GVR Capital Improvement Project Policy and Process

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### Definition

Capital improvement: Any equipment and other fixed asset costing \$5,000 or more with a useful life of greater than one year.

### Policy

Any member in good standing may submit a proposal for a capital improvement. There are two paths to fund capital improvements:

**Type I: CURRENT YEAR UNPLANNED/UNBUDGETED CAPITAL PROJECTS** - Each year, GVR will earmark \$100,000 in the Non-Reserve Capital Budget solely for the purpose of funding unplanned and unbudgeted non-reserve capital projects. Funding and inception of these projects begin in the current year. These projects tend to be smaller in scope and do not generally require much planning or lead time. Proposal rounds for these funds open twice each year, given funds remain available for Round 2.

Round 1: January 1, with funding allocated and scheduled April 1

Round 2: June 1, with funding allocated and scheduled September 1

Staff provides an initial review by following the listed process:

1. Does the proposed capital improvement meet the definition of a capital improvement? If yes, then proceed to #2.
2. Is the proposed capital improvement:
  - i. unplanned and unbudgeted?
  - ii. under an estimated cost of \$50,000?
  - iii. anticipated to begin in current year?
  - iv. not included in the MRR study?
  - v. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type I capital project. Proceed to Assessment Phase.

**Type II: FUTURE AND LONG-TERM CAPITAL PROJECTS** - Each year, GVR staff will develop a five-year Capital Improvement Plan (CIP) and budget accordingly for such capital improvements from Capital Reserve

Funds and Capital Non-Reserve Funds. Funding and inception of these projects begins in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

1. Does the proposed capital improvement meet the definition of a capital improvement? If yes, then proceed to #2.
2. Is the proposed capital improvement:
  - vi. unplanned and unbudgeted?
  - vii. anticipated to begin in a future year?
  - viii. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital project. Proceed to Assessment Phase.

## **Assessment Phase**

Staff completes the Capital Improvement Proposal Assessment for all completed and timely applications.

**Score <9** The proposal will not be considered at this time. Notify source party.

**Score =>9** Follow Type I or Type II steps below for all other proposals.

### **The following applies only to Type I Capital Projects:**

1. Staff evaluates requests and notifies the Board of the approved proposals. Project moves forward with no further review or approval required.
2. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

### **The following applies only to Type II Capital Projects:**

1. Upon annual staff reassessment and recommendation of projects and plans, Planning and Evaluation Committee (P&E) recommends Five-Year Capital Plan (CIP) to the Board of Directors for consideration during the annual budget approval process.
2. Board approves the Capital Improvement Plan and Capital Improvement Budget as part of the annual budget approval process.

## **Project Planning**

1. Begins in January of the project inception year.
2. Staff conducts member/user groups outreach, if necessary.
3. If necessary, staff works with an architect to develop high-level concept drawings and cost estimates.
4. Staff presents concept drawings and associated cost estimates to the Board for approval.
5. If rejected, staff repeats steps 3 and 4 until a concept is approved by the Board, or until the Board provides alternative direction.
6. Once and if approved, staff pursues construction documents and permits and goes out for bid per policy.
7. Staff reviews bids or proposals and brings a recommendation to the Board for consideration.
8. Board awards a contract.

## GVR Capital Improvement Project Policy and Process

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### Definition

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Capital improvement: Any equipment and other fixed assets costing \$5,000 or more with a useful life of greater than one year.

### Policy

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Any member in good standing may submit a proposal for a capital improvement. There are two paths to fund capital improvements:

**Type I: CURRENT YEAR UNPLANNED/UNBUDGETED CAPITAL PROJECTS** - Each year, GVR will earmark \$100,000 in the Non-Reserve Capital Budget solely for the purpose of funding unplanned and unbudgeted non-reserve capital projects. Funding and inception of these projects begin in the current year. These projects tend to be smaller in scope and do not generally require much planning or lead time. Proposal rounds for these funds open twice each year, given funds remain available for Round 2.

Round 1: January 1, with funding allocated and scheduled April 1

Round 2: June 1, with funding allocated and scheduled September 1

Staff provides an initial review by following the listed process:

1. Does the proposed capital improvement meet the definition of a capital improvement? If yes, then proceed to #2.
2. Is the proposed capital improvement:
  - i. unplanned and unbudgeted?
  - ii. under an estimated cost of ~~\$100~~50,000?
  - iii. anticipated to begin in current year?
  - iv. not included in the MRR study?
  - v. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type I capital project. Proceed to Assessment Phase.

**Type II: FUTURE AND LONG-TERM CAPITAL PROJECTS** - Each year, GVR staff will develop a five-year Capital Improvement Plan (CIP) and budget accordingly for such capital improvements from Capital Reserve

Funds and Capital Non-Reserve Funds. Funding and inception of these projects begins in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

1. Does the proposed capital improvement meet the definition of a capital improvement? If yes, then proceed to #2.
2. Is the proposed capital improvement:
  - vi. unplanned and unbudgeted?
  - vii. anticipated to begin in a future year?
  - viii. not a club responsibility per the CPM and Club Agreement?

If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital project. Proceed to Assessment Phase.

## Assessment Phase

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Staff completes the Capital Improvement Proposal Assessment for all completed and timely applications.

**Score <9** The proposal will not be considered at this time. Notify source party.

**Score =>9** Follow Type I or Type II steps below for all other proposals.

### The following applies only to Type I Capital Projects:

1. ~~Proposals under \$50k estimated cost:~~ Staff evaluates requests and notifies the Board of the approved proposals. Project moves forward with no further review or approval required.

~~2. Proposals over \$50k estimated cost: Staff and P&E Committee evaluate requests and notifies the Board of the approved proposals. Project moves forward with no further review or approval required.~~

~~3-2.~~ If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

### The following applies only to Type II Capital Projects:

1. Upon annual staff reassessment and recommendation of projects and plans, Planning and Evaluation Committee (P&E) Committee

recommends Five-Year Capital Plan (CIP) to the Board of Directors for consideration during the aAnnual bBudget approval process.

1-2. Board approves the Capital Improvement Plan and Capital Improvement Budget as part of the annual budget approval process.

#### **BOARD APPROVES THE BUDGET**

*This is the first point of no return. Once a capital project receives Board approval, future Boards are committed to pursuing the project as generally described unless there are unexpected significant changes to the financial standing of GVR.*

### **Project Planning**

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1. Begins in January of the project inception year.
2. Staff conducts member/user groups outreach, if necessary.
3. If necessary, staff works with an architect to develop high-level concept drawings and cost estimates, if needed.
4. Staff presents concept drawings and associated cost estimates to the Board for approval.
5. If rejected, staff will repeats steps 3 and 4 until an acceptable concept is developed approved by the Board, or until the Board provides alternative direction. Once the concept is approved, this is the second point of no return for the Board.
6. Once and if approved, Sstaff pursues construction documents and permits and goes out for bid per policy.
7. Staff reviews bids or proposals and brings a recommendation to the Board for consideration.
- 4.8. Board awards a contract.

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#### **BOARD CONSIDERS CONCEPT**

*If rejected, staff will repeat steps 3 and 4 until an acceptable concept is developed. Once the concept is approved, this is the second point of no return for the Board.*

- ~~1. Staff pursues construction documents and permits and goes out for bid per policy.~~

~~2.1. Staff reviews bids or proposals and brings a recommendation to the Board.~~

**BOARD CONSIDERS AWARDED A CONTRACT**

*Once a contract is awarded, this is the third and final point of no return for the Board.*

DRAFT

Draft outline for Board work session [6.24.13](#).23

## Capital Improvement Proposal Assessment

Project Name: \_\_\_\_\_ Proposed by: \_\_\_\_\_  
 Proposed Inception Year: \_\_\_\_\_ Proposed Completion Year: \_\_\_\_\_

Criteria/Assessment	Rating		Details
If this is a request for new or expanded club space, has the Club taken steps to maximize utilization?	Yes No		If No, stop assessment. Club should take appropriate steps and reapply in the future.
Does the request conform to the CPM?	Yes No		If No, stop assessment and re-categorize request (ex. Club responsibility)
Does this request support GVR's mission and vision and align with the 5-year strategic plan?	No Yes		If No, project will not be considered at this time without extenuating circumstances.
Are there health & safety impact/benefits tied to this project/request?	Yes No		If Yes, stop assessment and reallocate request (ex. Operations) for alternative resolution
Would the project improve member accessibility?	No Yes		If Yes, stop assessment and reallocation request for alternative resolution
What are the 3-5 year participation trends related to the recreation amenity affected by this proposal?	Unknown Decreasing No change Increasing N/A	0 0 2 4	Consider in-house attendance data or research of national/regional trends.
Does this project improve GVR's marketability and/or competitive advantage?	No Moderately Yes	0 3 6	Consider: growing trends, what is offered elsewhere, etc.
Estimated additional annual maintenance costs (E.g., Long-term costs? Annual replacements? Additional staff required?)	Decrease or 0 1-5% increase 5-10% increase 10-15% increase	4 3 2 1	If proposal would add or remove services that exceed 5% of operating budget, a vote of the membership is required.
Rate the interest level of this improvement to the general membership	Limited Moderate Broad	1 2 3	Examples: <i>Limited:</i> Enhances a smaller club with modest anticipated growth trends <i>Moderate:</i> An emerging sport <i>Broad:</i> A pool or fitness center
Would this request have an adverse effect on another group or GVR members?	Yes No	0 1	
	<b>Total Score</b>		



# Capital Improvement Proposal Assessment

Scoring Range	
Will not be considered at this time	<9
Will be considered this round	= or >9

Aggregate Score

**Notes:**

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**Additional Considerations:**

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- Club's history of Capital Funding Requests reviewed and included?**  
Review data sheet of previous requests and awards, include in report



## MINUTES

### BOARD OF DIRECTORS WORK SESSION

Wednesday, June 21, 2023, 2pm

WC Room 2 / Zoom

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

**Absent:** Ted Boyett

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

**Visitors:** 12

### AGENDA TOPIC

**1. Call to Order / Roll Call**

Work Session Called to Order at 2:00pm by President Garneau. Secretary Hillyer called the role.

**2. Amend / Approve Agenda**

**MOTION: Director Austin moved, Director Blake seconded to approve the Agenda.**

**Passed: unanimous**

**3. Capital Improvement Projects Process**

CEO Somers reviewed the Capital Improvement Projects Process. Highlights of the review and discussion include:

- Capital Improvement definition is all equipment and other fixed assets costing \$5,000 or more with a useful life of greater than one year.
- Type I: The Board will budget, each year, \$100,000 in the Non-Reserve Capital Budget for the current year unplanned/unbudgeted capital projects.
- Type I: Round 1 funding would begin in January 1 with allocations in April. If money is left over from the first round, the second round will begin in June for another set of requests. Staff will provide initial review using a determined process.
- There was consensus from the Board at the last Work Session in May to allow Type 1 to be for all members and not specifically for clubs, though club requests can be submitted.
- Type II: Future and Long-term Capital Projects. This includes major capital projects and comes from a different pool of money based on the five-year Capital Improvement Plan (CIP).
- Assessment Phase: This is a suggested plan, but can be improved on. Assessment is for both Type I and Type II. The Board approves the budget every year and assessments can be repeated for Type II projects to make sure it is still relevant and needed.

- Type I Assessment does not need to go to the P&E Committee if it is under \$50,000. Staff will assess the request and inform the Board on what projects were approved and will move forward.
- Board consensus during the meeting is to remove #2 of the Assessment Phase and remove “Proposals under \$50K estimated cost:” in #1.
- Type II: 5-Year Capital Plan is recommended by the P&E Committee to the Board for consideration during the Annual Budget approval process. The change in the document is to have each one of the projects go through the assessment or reassessment process annually by staff before the P&E reviews the projects. Then P&E would recommend to the Board the projects.
- Change the title at the top of page 5 from Board Approves the Budget to the Board Approves the 5-Year Capital Plan.
- Staff was asked to make the changes discussed during the meeting and send out to the Board for review. The Capital Projects Policy will be scheduled for a Board meeting to be determined.

#### **4. Membership Change Fee**

President Garneau withdrew the Membership Change Fee from the Agenda.

#### **Adjournment:**

**MOTION: Director Hillyer moved, Director Austin seconded to adjourn the meeting at 3:49pm.**

**Passed: unanimous**



Green Valley Recreation, Inc.  
**Board of Directors Work Session**  
**Committee Action Plan**

**Prepared By:** Nanci Moyo, Admin. Sup.

**Meeting Date:** September 13, 2023

**Presented By:** Marge Garneau, President

**Consent Agenda:** No

<p><b>Originating Committee / Department:</b> Board of Directors</p>
<p><b>Action Requested:</b> Review the Committee Action Plans from the Board Affairs Committee (BAC), Audit Committee, Fiscal Affairs Committee (FAC), Investment Committee, Nominations and Elections Committee (N&amp;E), and Planning and Evaluation Committee (P&amp;E).</p>
<p><b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p><b>Background Justification:</b> The Corporation Policy Manual (CPM) in Part 3 Committees, Section 1 General – 3.1.1.H it states: 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.  Part 3 Committees, Section 1 General changed under last year’s BAC and H was added as stated above. The procedure of the Chairperson, Committee members, and staff liaison to provide a Committee action plan needs to be completed soon after the Committee is formed. This year it was put later on the calendar due to other priority topics before the Board.</p>
<p><b>Fiscal Impact:</b> N/A</p>
<p><b>Board Options:</b></p> <ol style="list-style-type: none"> <li>1) Direct Committee Chairpersons to deliver the proposed Committee Action Plan as drafted to the next regular Board meeting for approval.</li> <li>2) Provide amendments to the proposed Committee Action Plan and ask the Committee Chairperson to bring the amended policy to the next regular Board meeting for approval.</li> <li>3) Provide alternative direction to Committee Chairpersons.</li> </ol>
<p><b>Staff Recommendation:</b> Option #1 or #2</p>
<p><b>Recommended Motion:</b> N/A</p>

**Attachments:**

- 1) Board Affairs Committee Action Plan
- 2) Audit Committee Action Plan
- 3) Fiscal Affairs Committee Action Plan
- 4) Investment Committee Action Plan
- 5) Nominations and Elections Committee
- 6) Planning and Evaluation Committee



## Committee Work Plan

**2023-2024**

### Board Affairs Committee

**Chair:** Carol Crothers

**Staff Liaison:** Nanci Moyo

**Committee Members:** Barbara Blake, Bart Hillyer, Ed Knop, Pat Reynolds, Dick Sutherland, Gail Vanderhoof, Jodie Walker, Marge Garneau (ex-officio), Scott Somers (CEO)

#### Committee Responsibilities:

##### 3.2.2 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. Forward all BAC proposed revisions of the Articles of Incorporation or Bylaws to staff for submission to legal counsel for appropriate action. Any BAC approved change to the CPM which staff determines needs legal review will also be submitted. Should legal counsel recommend a revision to a governing document, it will be returned to the Committee for final review before being presented to the Board for appropriate action.
- D. If a committee, member or staff would like to have the BAC review a change to the CPM or other governing documents before it is taken to the Board, the requested change and rationale should be sent to the chair and staff liaison of BAC at least a week prior to the next BAC meeting.

#### **Priorities Established for 2023-2024:**

- Propose revisions to the Bylaws for the Board for a possible membership vote.
- Review and propose to the Board revisions to the CPM

#### **Timeline for Established Priorities:**

- Bylaws revision: Present to the Board at September 2023 meeting BAC top five for a Membership Special Election.
- Continue work on more comprehensive changes.
- CPM revisions: continue work on more comprehensive changes for 2023-2024

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**Resources Needed:**

- Attorney approval for possible Bylaw Changes
- Attorney review of other policy proposals

**Communication Plan:**

- Bylaw revisions: Work with staff on education and member feedback for recommended Bylaws changes.
- “Get out the vote” activities.



## Committee Action Plan

### 2023-2024 Audit Committee

**Chair:** Nancy Austin

**Staff Liaison:** David Webster, CFO

**Committee Members:** Mark Kelley, Dale Sprinkle, Gail Vanderhoof

#### Committee Purpose:

##### 3.5.2 Responsibilities

- A. The Audit Committee functions in the capacity of an overseer of GVR's financial reporting process and internal controls. This oversight is conducted by review of the reporting and communication from a qualified 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.
  7. Items explicitly authorized by the Board of Directors.

#### **Priorities Established for 2023-2024:**

- Review the Audit

#### **Timeline for Established Priorities:**

- March 2024





**Committee Action Plan**  
**2023-2024**  
**Fiscal Affairs Committee**

**Chair:** Jim Carden

**Staff Liaison:** David Webster, CFO

**Committee Members:** Carl Charette, Nellie Johnson, Joe Magliola, Pat Reynolds, Steve Reynolds, Lanny Smith, Eric Sullwold, Dick Sutherland

**Committee Purpose:**

**3.3.2 Responsibilities**

- A. Review and assist in presenting the annual budgets to the Board. Such review will consist of recommending Reserve, the disposition of the Revenue/Expense Adjustment, and the amount of the Capital Fund Cash Account.
- B. Monitor progress toward achievement of annual fiscal objectives.
- C. Review financial statements (operations, capital analysis and balance sheet), and report to the Board, as appropriate.
- D. Coordinate with the GVR Audit Committee.
- E. Review and recommend policy to assure financial control.
- F. Recommend the establishment and the amount of Tenant Fees, membership dues, Initial Fees, Transfer Fees, and assessments.
- G. Recommend the financing method to be adopted for specific major projects recommended by the Planning and Evaluation Committee (P&E) for Board approval.
- H. Coordinate with the P&E Committee as it relates to proposed expenditures for capital improvements.

**Priorities Established for 2023-2024:**

- Update objectives for FAC (review CPM and relationship to other committees)
- Update and recommend financial policies (provide in put for the 10% rule and recommend a Surplus policy)
- Develop a plan for economic downturns (As part of the annual budget development process with staff, develop contingency plans, such as decreasing expenditures by 10%, 20%, etc. – include in CPM 4.3.1 as a section in Financial Policies)
- Clarify capital budgeting process and reporting

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- Identify options and tradeoffs for revenue diversification
- Provide continuous education for Board, and FAC about GVR financial management to make decisions to monitor effectively.



## Committee Action Plan

### 2023-2024 Investment Committee

**Chair:** Bev Lawless

**Staff Liaison:** David Webster, CFO

**Committee Members:** Nellie Johnson, Robert Quast, Eric Sullwold, Jack Van Den Beldt

#### Committee Purpose:

##### 3.7.2 Responsibilities

- A. The IC has the following specific responsibilities and duties with respect to the GVR Reserve and Operational Investment Accounts:
  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 Reserve and Operational Investment Accounts.
    - 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 Reserve and Operational Investment Accounts.
  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 desired/needed.
    - 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. The invested Operational Funds regarding

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- compliance with the applicable IPS and performance.
- b. What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.
  - c. 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 Reserve and Operational Investment Accounts.
  - b. An Investment Management Contract for each IM/IA hired by GVR as signed and implemented by the GVR Board President.
  - c. Minutes of each meeting of the IC.

**Priorities Established for 2023-2024:**

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**Committee Action Plan**  
**2023-2024**  
**Nominations and Elections Committee**

**Chair:** Beth Dingman

**Staff Liaison:** Nanci Moyo

**Committee Members:** Bev Lawless, Marilyn Querciagrossa, Lou Sampson, Sandra Thornton

**Committee Purpose:**

**3.6.1 Responsibilities**

- A. Nominations
  1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
  2. Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.
- 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. 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*)
  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.
- C. Election Forums for Members
 

Arrange two (2) election forums for members to attend to hear the candidates answer questions arranged by the N&E Committee and questions from the members.
- D. Election Results
  1. The Chairperson shall notify the Board Secretary of the

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- results of the election.
2. 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.

**Priorities Established for 2023-2024:**

- Provide a Record Date for the Elections to the Board for Approval
- Hold Informational Meeting for possible Candidates
- Provide the Board with Candidate and Petitioner Information
- Hold an Orientation for Candidates
- Hold Interviews of Candidates for the Website
- Hold two Forums for Candidates for Question and Answer for Members

**Timeline for Established Priorities:**

- Record Date set at September N&E Meeting
- Candidates running for election will be provided to the Board in December
- Petitioners running for election will be provided to the Board in January.



**Committee Action Plan**  
**2023-2024**  
**Planning & Evaluation Committee**

**Chair:** Kathi Bachelor

**Staff Liaison:** David Jund

**Committee Members:** Beth Dingman, Christine Gallegos, Ed Knop, Robert Quast, Lanny Smith, Kathy Zollinger, Marge Garneau (ex officio), Scott Somers (CEO)

**Committee Responsibilities:**

**3.4.2 Responsibilities**

- A. Meet quarterly, or as necessary, to review and recommend the capital projects for the Capital Improvement Plan to the Board, per the CPM.
- B. To be knowledgeable of the Strategic Plan and Five-Year Capital Plan to ensure that all planned capital projects comply with these plans.

**Priorities Established for 2023-2024:**

- Review and recommend to the Board of Directors the adoption of the GVR Capital Improvement Project Policy and Process.
- Upon annual staff assessment and recommendation of projects and plans, Committee (P&E) recommends Five-Year Capital Plan (CIP) to the Board of Directors for consideration during the annual budget approval process.

**Timeline for Established Priorities:**

- GVR Capital Improvement Project Policy and Process: Present to the Board at the September meeting.
- Five-Year Capital Plan (CIP): Present to the Board at the October 2023 meeting.

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**Resources Needed:**

- Updated GVR Capital Improvement Project Policy and Process.
- Staff recommended Five-Year Capital Plan (CIP) FY2024-2028.