



MINUTES

BOARD OF DIRECTORS MEETING

Wednesday, October 25, 2023 - 2pm

West Center Auditorium / Zoom

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

Director Absent: Barbara Blake, Beth Dingman

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

Visitors: 11

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

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

President Garneau called the meeting to order at 2pm MST. Secretary Hillyer called the roll; quorum established.

2. Amend/Adopt Agenda

MOTION: Director Sutherland moved, Director Magliola seconded to adopt the Agenda.

Passed: unanimous

3. President Report

- Public Censure of Director Lawless' behavior which violated the GVR Board of Directors' Code of Conduct as set forth in the Corporate Policy Manual (CPM).

4. CEO Report

- Santa Rita Springs Glass Arts space: major construction phase is completed; anticipating a December opening date.
- Del Sol Clubhouse and parking lot: Clubhouse project is in the preconstruction phase; civil and engineering drawings, and architectural drawings have been submitted to Pima County for permit. The project has been sent to six general contractors, and posted publicly with bids due November 1, 2023. The Board will be asked to award a contract at the November 15 meeting. Construction could begin in early December.
- Canoa Hills Center: contractor estimates the end of November for completion of the locker rooms; other remodel work will continue through the end of the year; hoping for an opening in December; pool decks have been resurfaced and pool deck furniture has been received; and tennis courts scheduled to be resurfaced in November.
- West Center expansion for Lapidary, Woodworking, and Artisans: concept drawings will be finished in November, along with estimated costs.

- Club Funding Requests for 2023: upgrade of the vacuum system for the Woodshop construction documents has been approved by Pima County, building permit was issued, and a mechanical contractor is scheduled to begin work the end of October.

5. Member Comments: 2

6. Presentations:

A. Quarterly Financial Report

CFO David Webster presented the 3rd Quarter Financial Report with these highlights:

- Revenue received through the 3rd Quarter was \$8,712,281 which is 5.3 percent under what was budgeted for this period. Capital Revenue is primarily the money received when homes are sold which is 18.6 percent under budget.
- Expense side of GVR is under budget by four percent.
- Projection for the year is to end with a \$163,000 surplus. Due to home sales still being low the surplus might be cut in half to roughly \$80,000.
- Due to projects at GVR, there has been a decline in Designated Investments. This money is being spent on the projects, as designed, and is not a loss.
- Investment performance is performing in the positive but not quite to the benchmark.

B. Form 990

Ralph Gigliotti, R&A CPAs, introduced David Samer, Tax Manager, to review Form 990:

- Form 990 is audited by the IRS at a rate less than one percent. Form 990 is not an audit trigger.
- Focus on the Form 990 is in regards to Self-Dealing (any transaction that results in an excess benefit), Unrelated Business Income (a business unrelated to the exempt purpose), and Statement of Revenue by Function (exempt function income and exempt investment income).

7. Committee Reports - All reports received and placed on file.

- Audit
- Board Affairs
- Fiscal Affairs
- Investments
- Nominations & Elections
- Planning & Evaluation

8. Consent Agenda

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

Director Sutherland stated there is a minor correction to the October 18, 2023, Minutes: under Agenda Topic 3, third bullet point the number needs to read \$14,657,789 not 780.

Passed: unanimous

A. Minutes:

- BOD Regular Meeting Minutes: September 27, 2023
- BOD Work Session Minutes: October 18, 2023

B. Financial Statements:

- September Financials

9. Action Items

A. Set Record Date

MOTION: Director Garneau moved, Director Bachelor seconded to approve the Record Date of January 30, 2024.

Passed: unanimous

B. Investment Committee Change to Initiatives Benchmark

MOTION: Director Gilbert moved, Director Lawless seconded to approve change to Initiatives Account as follows: ML 91-Day T-Bill 70 percent, Bloomberg Intermediate 20 percent, Average Term 1.0 year.

Passed: unanimous

10. Member Comments – 0

11. Adjournment

MOTION: Director Hillyer moved, Director Sutherland seconded to adjourn the meeting at 2:43pm.

Passed: unanimous