



## **AGENDA**

### **Board Affairs Committee**

Monday, June 12, 2023

1:30-3:00pm MST

West Center Room 2 / Zoom

GVR's Mission Statement: "To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives."

**Committee:** Carol Crothers (Chair), Barbara Blake, Bart Hillyer, Ed Knop, Pat Reynolds, Dick Sutherland, Gail Vanderhoof, Jodie Walker, Marge Garneau (ex-officio), Scott Somers (CEO), Nanci Moyo (Administrative Supervisor/Liaison)

### **Agenda Topic**

- 1. Call to Order / Roll Call – Establish Quorum**
- 2. Approve Meeting Minutes:** May 9, 2023
- 3. Chair Comments**
- 4. Business**
  - a. CPM Part 3 Committees - BAC Charge
  - b. CPM Part 6 Clubs - Changes due to Part 3 Committee BAC Charge
  - c. CPM Appendix – Section 3: 1.3.5.B.e Removal
  - d. CPM Part 2 – Section 3 Meetings: 2.3.3.C. Suggested Changes
  - e. Bylaws – Attorney and Staff Report, and BAC Top 5 Suggestions
- 5. Member Comments**
- 6. Adjournment**

**Next Meeting:** Tuesday, July 11, 2023, West Center, Room 2/Zoom, 1:30-3:00pm



## MINUTES

### Board Affairs Committee

Tuesday, May 9, 2023  
1:30-3:00pm MST  
West Center Room 2 / Zoom

GVR's Mission Statement: "To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives."

**Committee:** Carol Crothers (Chair), Ed Knop, Pat Reynolds, Dick Sutherland, Gail Vanderhoof, Jodie Walker, Marge Garneau (ex-officio), Scott Somers (CEO), Nanci Moyo (Administrative Supervisor/Liaison)

**Absent:** Barbara Blake, Bart Hillyer

**Visitors:** 1

### Agenda Topic

**1. Call to Order / Roll Call – Establish Quorum**

Chair Crothers called the meeting to order at 1:30 pm.

**2. Approve Meeting Minutes: March 14, 2023**

**MOTION: Crothers moved / Sutherland seconded to approve the March 14, 2023, Minutes**

**Passed: 5 yes / 1 abstain (Reynolds)**

**3. Chair Comments**

Welcome and introductions regarding Orientation folder information: website, Strategic Plan and Work Plan for the year.

Introductions of Committee members: Pat Reynolds, Dick Sutherland and Gail Vanderhoof new to the BAC this year. Ed Knop and Jodie Walker were on the BAC last year. Bart Hillyer and Barbara Blake are Directors on the Board.

**4. Business**

a. Welcome, Introductions, and Orientation – Completed under Chair Comments.

b. Review Year-End Report and Discuss 2023-24 BAC Objectives

Code of Conduct: GVR encourages members to voice concerns and comments in a professional, business-like, and respectful manner.

Highlights include:

- CPM Part 3 Committees: Definition of each Committee's responsibilities. Asking each Committee to look at their responsibilities and make recommended changes to the CPM.
- Bylaws: last year a subcommittee reviewed the Bylaws and the BAC and Board chose not to move it forward to the members. 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.
- The Attorney has provided a report on the Arizona Statute and GVR Bylaws and clearing up some issues. Nanci Moyo will send the BAC the Attorney's reports. Have BAC identify the top ten things to focus on for the Bylaws.

c. Review BAC CPM Description and Discuss Possible Changes

BAC objectives:

- Section 2: 3.2.1.D and E: Look at the long application for Club Status and discuss with staff if it can be cut back. Attorney is working on who can be in a club. Members and non-members? Or members only? Staff will be asked what role BAC plays in Club applications and policy of Clubs. Does BAC need to be in the loop of Clubs.
- Section 2: 3.2.1.C Ask staff the reason for this BAC charge.
- Section 2: 3.2.1.H: Should this be to ask members to write pro/con statements for ballot proposals? The Bylaw work was done by the BAC and proposed to the Board to accept/approve so the BAC statement would only be pro.
- Section 2: 3.2.1.I: BAC is requesting staff input into this process. Do Committee changes need to go to the BAC and follow this process? Or rewrite this section to be functional and not on a long timeline of approvals. Possibly change to once Legal Counsel has reviewed it goes to the Board for approval and not back to the Committee requesting the change. Does staff or BAC forward to Legal Counsel?

d. Discuss Possible Bylaw Changes: Discussed in 4.b.

e. Discuss Possible CPM Changes to CPM:

- Section 1: 3.1.1.D: Add committee members to choose to serve 1, 2, or 3 years.

- Challenge Nominations and Elections Committee to have election done by February. This would overlap the Board of Directors for one month. The purpose would be to organize for Committees and learn from the current Board.
- Only have Policy within the CPM. Staff will be reviewing the CPM for Policy only and bring forth a report to the BAC.
- Capital Project Policy: Capital project planning and decision making will come to the Board in a Work Session in May and then a Regular Meeting. The BAC will need a place to put this in the CPM.

f. Discuss Work Schedule and Summer Meetings:

- June 12 1:30pm, Monday Room 2 and Zoom.
- Decide at each meeting the need for the next meeting.

**5. Member Comments - 0**

**6. Adjournment**

**MOTION: Walker moved / Sutherland seconded to adjourn the meeting at 3:08pm MST.**

**Passed: unanimous**

**Next Meeting:** Monday, June 12, 2023, West Center, Room 2/Zoom, 1:30-3:00pm



Green Valley Recreation, Inc.  
**Board Affairs Committee**

**CPM Part 3 – Section 2 Board Affairs Committee**

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

**Meeting Date:** June 12, 2023

**Presented By:** Carol Crothers, Chair

<p><b>Originating Committee / Department:</b> Board Affairs</p>
<p><b>Action Requested:</b> Review suggested staff changes to Part 3 Committees – Section 2 Board Affairs Committee.</p>
<p><b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p><b>Background Justification:</b>  All Committee staff liaisons and Committee Chairs have been asked to review the specific Committee Charge in Part 3 of the CPM. The staff liaison will meet with CEO Somers in mid-June to review staff suggestions for change to the Committee Charge. The liaison, Committee Chair, and CEO Somers will meet at end of June to finalize suggestions for Committee Charge. The Chair will provide the Committee with suggested changes for input and approval. The BAC will review changes at the August meeting and recommend for approval by the Board at the September 27 Regular Meeting.   CEO Somers and BAC liaison, Nanci Moyo, have met, and have received comments from the Chair to be able to present the BAC section to the BAC at the June meeting.   Section 2 BAC suggested changes are before the BAC at this meeting for discussion and recommended approval to the Board in September.</p>
<p><b>Fiscal Impact:</b> None</p>
<p><b>Committee Options:</b>  1) Review CEO/Liaison/Chair suggestions for recommended Board approval at the September 27 Regular Meeting.  2) Review staff suggestions and make changes for recommended Board approval at September 27 Regular Meeting.</p>
<p><b>Staff Recommendation:</b> Option #1</p>
<p><b>Recommended Motion:</b> Move to approve Section 2 BAC Charge and forward to the Board for approval.</p>
<p><b>Attachments:</b>  1) Board Affairs Committee Section 2 Redlined  2) Board Affairs Committee Section 2 Clean</p>

## SECTION 2 - BOARD AFFAIRS COMMITTEE

### 3.1.1 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 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. CEO function – Part 4, 4.1.1.D~~
- D. ~~Review and recommend Board action on group applications for GVR "Club Status."~~
- E. Where appropriate, recommend modification to GVR Club policies, in keeping with the best interest of The Corporation.
- F. ~~Review the Articles of Incorporation, 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. Forward all BAC proposed revisions ~~to~~ of governing documents the ~~Articles of Incorporation and Bylaws~~ to legal counsel for legal review, editing and opinion, including particular concerning the any 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. 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. ~~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 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.~~
- F. 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

**Commented [NM1]:** Carol would like A, B, F, and G combined into one. I already eliminated F and rewrote G to combine F and G. A and B could be rewritten into one or B could be added into G. ie: BAC reviews and recommends revisions, then forwards all BAC proposed revisions....

**Commented [NM2]:** Per staff – thoroughly vetted by staff and CEO – staff will recommend to the Board for approval.

**Commented [NM3]:** Club staff said this was important to keep in the CPM here.

**Commented [NM4]:** Maybe this means to submit a statement regarding what is being proposed whether pro or con by the BAC or by the members.

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**Commented [NM5]:** Scott and Carol said to eliminate I

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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.

**Commented [NM6]:** Suggestion from Chair Crothers to replace "I"

## **SECTION 2 - BOARD AFFAIRS COMMITTEE**

### **3.1.1 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.

### **3.2.1 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. Where appropriate, recommend modification to GVR Club policies, in keeping with the best interest of The Corporation.
- D. Forward all BAC proposed revisions of governing documents to legal counsel for legal review, editing and, opinion, particularly concerning any 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. GVR Members are strongly encouraged to present their positions to the Committee for inclusion in the pro and con statements.
- F. 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.





Green Valley Recreation, Inc.  
**Board Affairs Committee**

**CPM Part 6 – Section 2 GVR Clubs**

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

**Meeting Date:** June 12, 2023

**Presented By:** Carol Crothers, Chair

<p><b>Originating Committee / Department:</b> Board Affairs Committee (BAC)</p>
<p><b>Action Requested:</b> Review CPM Part 6 – Section 2 GVR Clubs: 6.2.1.F.G.H and 6.2.2.C after reviewing the CPM Part 3 – Section 2 Board Affairs Committee changes to the BAC Charge to make sure the CPM is consistent.</p>
<p><b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p><b>Background Justification:</b> To keep the CPM document consistent, when changes are made that affect another Part the changes need to be made at the same time, if possible. The changes in Part 3 – Section 2 Board Affairs Committee may affect Part 6 GVR Programs and Clubs – Section 2 GVR Clubs.  The BAC can review Part 6 and make the necessary changes to be consistent with Part 3 – Section 2.</p>
<p><b>Fiscal Impact:</b> None</p>
<p><b>Committee Options:</b> 1) Review and discuss suggested changes to CPM Part 6 – Section 2 GVR Clubs: 6.2.1.F.G.H and 6.2.2.C for recommended Board approval at the September 27 Regular Meeting. 2) Review and discuss staff suggestions, and make changes for recommended Board approval at September 27 Regular Meeting.</p>
<p><b>Staff Recommendation:</b> Option #1</p>
<p><b>Recommended Motion:</b> Move to approve Part 6 - Section 2 BAC changes and forward to the Board for approval.</p>
<p><b>Attachments:</b> 1) Board Affairs Committee Part 6 - Section 2 Redlined 2) Board Affairs Committee Part 6 - Section 2 Clean</p>

## SECTION 2 - GVR CLUBS

### 6.2.1 Organization

- A. Any group with thirty-five (35) or more GVR Members, interested in pursuing a particular field of interest, consistent with the mission of GVR, may join together and form a GVR Club, as long as a similar club doesn't already exist within GVR.
- B. All members of a group requesting "Club Status" must be members of GVR.
- C. The group may formally request that the Board grant them GVR "Club Status," which entitles the group to a scheduling priority for reserving GVR facilities on an annual basis.
- D. A club application, available online and at the Administrative Offices, must be submitted to the GVR Club Liaison.
- E. The Club Liaison shall review the completed application and submit a written recommendation to the CEO or designee.
- ~~F. If the CEO agrees that the club request is in order, a copy of the club's information is given to the BAC Chairperson, for inclusion in the next scheduled Committee meeting, agenda permitting.~~
- ~~G.F. Representatives of the prospective club shall be invited to the Committee meeting to speak on behalf of the club.~~
- ~~H.G. If the BAC When the CEO or designee~~ approves the prospective club for recommendation to the Board, representatives from the club shall be invited to attend the next meeting of the Board to speak on behalf of the club.
- ~~I.H. If the Board approves the request for club status, the Club Liaison will notify the Club President.~~
- ~~J.I. If a prospective club request is denied the CEO shall notify the Club Representative in writing.~~
- ~~K.J. The newly established club will operate independently of GVR but will be required to follow all rules and guidelines set forth by the Board.~~
- ~~L.K. The Club Liaison will retain a club file in his/her office.~~

### 6.2.2 Membership/Guests/Monitoring

- ~~M.A. Club membership shall be open to all GVR Members and they shall be entitled to participate in any meeting or activity. Clubs may not grant honorary membership, or their equivalent, to anyone who is not a GVR Member. Any GVR Member who is refused admission to a club shall notify the Club Liaison at once. All Club Officers shall be club members.~~
- ~~N.B. Clubs may establish prerequisites for joining their activity such as training or an orientation.~~
- ~~O.C. Clubs that fail to maintain at least twenty-five (25) active members jeopardize their "Club Status." If a club's membership falls below 25, the Club Liaison will contact the Club President and offer suggestions on ways to increase membership. If efforts to increase membership are not successful, the Club Liaison will advise the CEO. If~~

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necessary, the CEO ~~will bring the issue to the BAC, who~~ shall make a recommendation to the Board as to whether Club Status should be revoked.

P-D. If it is determined by the Club Liaison that there is a fifty-percent (50%) or more crossover in activities and/or interests in two or more clubs of the same type, those clubs may be consolidated.

Q-E. Clubs may not affiliate with any national, state, or regional organization that requires GVR members to join its external organization. Optional membership in such organizations is allowed.

R-F. Clubs may grant guest privileges, at their discretion, to guests of GVR Members and, if authorized by the Board, other non-GVR members upon payment of a guest fee to GVR.

S-G. GVR Clubs shall establish an effective monitoring system to ensure that only GVR Members and eligible guests attend meetings and activities of the club.

T-H. GVR Clubs that present performances to the membership and general public will be permitted to use non-GVR individuals in performing or production roles under the following circumstances:

1. Club members with the necessary qualifications are not available.
2. Approval must be obtained from the GVR Club Liaison on a case-by-case basis.
3. Each non-GVR individual must sign an agreement acknowledging that he/she will not be covered by GVR Corporate Worker's Compensation nor listed as an additional insured in any GVR commercial insurance policy.
4. The agreement will note the terms and conditions of their involvement in the production and will not last beyond the specified performance(s).
5. Should the individual be a minor, then the parent/guardian must sign the agreement on his/her behalf.
6. GVR will permit student participation in a production with the acknowledgment and sponsorship of the student's school administration.

U-I. GVR teams participating in competitive events must be comprised solely of GVR Members.

V-J. The non-GVR guest policy for competition or participation in clubs is as follows:

1. GVR Clubs may host competitive events and allow non-GVR members or guests to participate. The club must notify GVR's Club Liaison prior to the scheduled event. Documentation outlining the nature of the competition(s) will be required for each event. Non-GVR members or guests are only authorized to use GVR facilities associated with the event, including warm-ups/practice time.
2. League play may occur if there is a reciprocal agreement to play at each other's facilities.
3. Outside of league play, Clubs may grant participation to guests at their discretion, as long as those individuals are eligible guests as defined in Part 1 Section 2: 1.2.2.

W.K. Non-GVR Member Club Participant Policy:

1. Clubs listed as Social or Dance Clubs on GVR's website may allow non-GVR members to attend their events.
2. Non-members must sign a waiver.
3. Non-members will pay an event fee of no more than one half of the daily guest fee approved by the Board. Staff will work with the Clubs to establish the event fee if requested.
4. Clubs will remit fee and record of attendance to GVR Club Liaison.

## **SECTION 2 - GVR CLUBS**

### **6.2.1 Organization**

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- B. All members of a group requesting "Club Status" must be members of GVR.
- C. The group may formally request that the Board grant them GVR "Club Status," which entitles the group to a scheduling priority for reserving GVR facilities on an annual basis.
- D. A club application, available online and at the Administrative Offices, must be submitted to the GVR Club Liaison.
- E. The Club Liaison shall review the completed application and submit a written recommendation to the CEO or designee.
- F. When the CEO or designee approves the prospective club for recommendation to the Board, representatives from the club shall be invited to attend the next meeting of the Board to speak on behalf of the club.
- G. If the Board approves the request for club status, the Club Liaison will notify the Club President.
- H. If a prospective club request is denied the CEO shall notify the Club Representative in writing.
- I. The newly established club will operate independently of GVR but will be required to follow all rules and guidelines set forth by the Board.
- J. The Club Liaison will retain a club file in his/her office.

### **6.2.2 Membership/Guests/Monitoring**

- A. Club membership shall be open to all GVR Members and they shall be entitled to participate in any meeting or activity. Clubs may not grant honorary membership, or their equivalent, to anyone who is not a GVR Member. Any GVR Member who is refused admission to a club shall notify the Club Liaison at once. All Club Officers shall be club members.
- B. Clubs may establish prerequisites for joining their activity such as training or an orientation.
- C. Clubs that fail to maintain at least twenty-five (25) active members jeopardize their "Club Status." If a club's membership falls below 25, the Club Liaison will contact the Club President and offer suggestions on ways to increase membership. If efforts to increase membership are not successful, the Club Liaison will advise the CEO. If necessary, the CEO shall make a recommendation to the Board as to whether Club Status should be revoked.
- D. If it is determined by the Club Liaison that there is a fifty-percent (50%) or more crossover in activities and/or interests in two or more clubs of the same type, those clubs may be consolidated.

- E. Clubs may not affiliate with any national, state, or regional organization that requires GVR members to join its external organization. Optional membership in such organizations is allowed.
- F. Clubs may grant guest privileges, at their discretion, to guests of GVR Members and, if authorized by the Board, other non-GVR members upon payment of a guest fee to GVR.
- G. GVR Clubs shall establish an effective monitoring system to ensure that only GVR Members and eligible guests attend meetings and activities of the club.
- H. GVR Clubs that present performances to the membership and general public will be permitted to use non-GVR individuals in performing or production roles under the following circumstances:
  - 1. Club members with the necessary qualifications are not available.
  - 2. Approval must be obtained from the GVR Club Liaison on a case-by-case basis.
  - 3. Each non-GVR individual must sign an agreement acknowledging that he/she will not be covered by GVR Corporate Worker's Compensation nor listed as an additional insured in any GVR commercial insurance policy.
  - 4. The agreement will note the terms and conditions of their involvement in the production and will not last beyond the specified performance(s).
  - 5. Should the individual be a minor, then the parent/guardian must sign the agreement on his/her behalf.
  - 6. GVR will permit student participation in a production with the acknowledgment and sponsorship of the student's school administration.
- I. GVR teams participating in competitive events must be comprised solely of GVR Members.
- J. The non-GVR guest policy for competition or participation in clubs is as follows:
  - 1. GVR Clubs may host competitive events and allow non-GVR members or guests to participate. The club must notify GVR's Club Liaison prior to the scheduled event. Documentation outlining the nature of the competition(s) will be required for each event. Non-GVR members or guests are only authorized to use GVR facilities associated with the event, including warm-ups/practice time.
  - 2. League play may occur if there is a reciprocal agreement to play at each other's facilities.
  - 3. Outside of league play, Clubs may grant participation to guests at their discretion, as long as those individuals are eligible guests as defined in Part 1 Section 2: 1.2.2.
- K. Non-GVR Member Club Participant Policy:
  - 1. Clubs listed as Social or Dance Clubs on GVR's website may allow non-GVR members to attend their events.
  - 2. Non-members must sign a waiver.
  - 3. Non-members will pay an event fee of no more than one half of the daily guest fee approved by the Board. Staff will work with the

- Clubs to establish the event fee if requested.
4. Clubs will remit fee and record of attendance to GVR Club Liaison.



Green Valley Recreation, Inc.  
**Board Affairs Committee**  
**CPM Appendix 1.3.5.B.e Remove**

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

**Meeting Date:** June 12, 2023

**Presented By:** Carol Crothers, Chair

<p><b>Originating Committee / Department:</b> Board Affairs Committee (BAC)</p>
<p><b>Action Requested:</b> Review and discuss removal of Appendix 1.3.5.B.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> Director Lawless suggested CPM Appendix - Section 3 – 1.3.5.B.e should be removed and asked if this needs to be a Committee or Board vote.  As stated in Section 3 – 1.3.5.B.e the GVR CFO will promptly notify the Investment Advisor when this has occurred to authorize the reallocation of these funds as shown in the table below. This was done in January 2023.</p>
<p><b>Fiscal Impact:</b> None</p>
<p><b>Committee Options:</b> 1) Review and discuss suggested removal to CPM Appendix – Section 3: 1.3.5.B.e for recommended Board approval at the September 27 Regular Meeting. 2) Review and discuss staff suggestions, and make changes for recommended Board approval at September 27 Regular Meeting.</p>
<p><b>Staff Recommendation:</b> Option #1</p>
<p><b>Recommended Motion:</b> Move to approve removal from CPM Appendix – Section 3: 1.3.5.B.e and forward to the Board for approval.</p>
<p><b>Attachments:</b> 1) CPM Appendix – Section 3: 1.3.5.B.e Redlined 2) CPM Appendix – Section 3: 1.3.5.B.e Clean</p>



## APPENDIX 1 – BOARD POLICIES

### SECTION 3 - GVR INVESTMENT POLICY STATEMENT

#### 1.3.1 Introduction

In making investment decisions, the GVR Board, Investments Committee, GVR's CEO and CFO, and GVR's financial advisor(s), if any, shall act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner they reasonably believe to be in the best interests of GVR and manage the assets of GVR in accordance with the Arizona Prudent Investor Act (AZ Rev Stat § 14-10901 et. seq.) and the Arizona Management of Institutional Funds Act (AZ Rev Stat § 10-11801 et. seq.)

#### 1.3.2 Purpose and Scope

- A. The purpose of this IPS is to provide a framework for ensuring that GVR investments are managed consistently with GVR's short- and long-term financial objectives. At the same time, this IPS is intended to provide for sufficient investment flexibility to adjust to operational and market changes. Appendix 1 Section 3: 1.3.5 includes the detailed investment strategy and financial objectives for each Fund.
- B. The Investment funds include the following:
  - 1. Operating Cash Investments Account
  - 2. Initiatives Reserve Fund (IRF)
  - 3. Maintenance Repair/Replace Reserve Fund (MRR)
  - 4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B)
  - 5. Emergency Reserve Fund (ERF)
- C. This IPS applies to all investments of GVR's excess operating cash and **Reserve Funds** and supersedes Appendix 1 Section 3 of the CPM concerning investments.

#### 1.3.3 Definitions

- A. Defined words used in this IPS are capitalized and written in Bold typeface.
- B. See Appendix 1 Section 3: 1.3.12 for definitions of defined words.

#### 1.3.4 Management of Investments

- A. GVR's Board has fiduciary responsibility for GVR's investments.
- B. The Board, Investments Committee, GVR's CEO and CFO and financial advisor(s), if any, are bound by (1) this IPS unless changed or amended by Board resolution and (2) all federal and state laws and regulations.
- C. The responsible parties for day-to-day management of each investment account are as follows:
  - 1. Operating Cash Investments Acct: GVR's CEO and CFO.
  - 2. Initiatives Reserve Fund (IRF): The Investment Advisor.
  - 3. Maintenance Repair/Replace Reserve Fund (MRR): The Investment

- Advisor.
- 4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B): The Investment Advisor.
- 5. Emergency Reserve Fund (ERF): The Investment Advisor.

**1.3.5 Operating Cash Investment Objectives**

A. Investment Objectives

The primary investment principle is to maintain the safety of GVR’s assets. The secondary investment principle is to have invested operating cash and **Reserve Funds** available when needed by GVR’s operations without incurring an unwarranted loss of value or costs. The maturity horizon for each **Fund** shall be determined by each **Fund’s** purpose, use, and needs. The third investment principle is to achieve return on investments exceeding benchmarks, while meeting safety and liquidity principles.

B. Asset Allocations

- 1. The target Asset Allocations and anticipated allocation ranges for each Fund are below:

a. Operating Cash Investment Account – Part "A" Short-Term

Investment Type	Target	Range
Cash	25%	20% to 40%
Fixed Income	75%	60% to 80%
Equities	0%	Not Allowed

b. Operating Cash Investment Account – Part "B" Long-Term

Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%

NOTE: Staff are authorized to transfer funds between Part A and B Operating Cash Funds to maximize returns while maintaining sufficient cash consistent with operating cash policy.

c. Initiatives Reserve Fund

Investment Type	Target	Range
Cash	5%	0% to 10%
Fixed Income	85%	75% to 95%
Equities	10%	0% to 20%

d. Maintenance Repair/Replace Reserve Fund

Investment Type	Target	Range
Cash	5%	0% to 10%
Fixed Income	60%	50% to 70%

Equities	35%	25% to 45%
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~~e. Maintenance Repair/Replace Reserve Fund Part "B"~~  
~~1) NOTE: The below asset allocation for this fund shall not be effective until the eligible East Center Pool expenses have been paid out from this fund. The GVR CFO will promptly notify the Investment Advisor when this has occurred to authorize the reallocation of these funds as shown in the table below. Until such time, these Reserve Funds shall be invested in cash or short term fixed income investments that allows GVR access to these funds in a timely manner.~~

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~~Allocation after eligible East Side Pool expenses have been paid:~~

<del>Investment Type</del>	<del>Target</del>	<del>Range</del>
<del>Cash</del>	<del>0%</del>	<del>0% to 10%</del>
<del>Fixed Income</del>	<del>40%</del>	<del>30% to 50%</del>
<del>Equities</del>	<del>60%</del>	<del>50% to 70%</del>

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f.e. Emergency Reserve Fund

Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%

# APPENDIX 1 – BOARD POLICIES

## SECTION 3 - GVR INVESTMENT POLICY STATEMENT

### 1.3.1 Introduction

In making investment decisions, the GVR Board, Investments Committee, GVR's CEO and CFO, and GVR's financial advisor(s), if any, shall act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner they reasonably believe to be in the best interests of GVR and manage the assets of GVR in accordance with the Arizona Prudent Investor Act (AZ Rev Stat § 14-10901 et. seq.) and the Arizona Management of Institutional Funds Act (AZ Rev Stat § 10-11801 et. seq.)

### 1.3.2 Purpose and Scope

- A. The purpose of this IPS is to provide a framework for ensuring that GVR investments are managed consistently with GVR's short- and long-term financial objectives. At the same time, this IPS is intended to provide for sufficient investment flexibility to adjust to operational and market changes. Appendix 1 Section 3: 1.3.5 includes the detailed investment strategy and financial objectives for each Fund.
- B. The Investment funds include the following:
  1. Operating Cash Investments Account
  2. Initiatives Reserve Fund (IRF)
  3. Maintenance Repair/Replace Reserve Fund (MRR)
  4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B)
  5. Emergency Reserve Fund (ERF)
- C. This IPS applies to all investments of GVR's excess operating cash and **Reserve Funds** and supersedes Appendix 1 Section 3 of the CPM concerning investments.

### 1.3.3 Definitions

- A. Defined words used in this IPS are capitalized and written in Bold typeface.
- B. See Appendix 1 Section 3: 1.3.12 for definitions of defined words.

### 1.3.4 Management of Investments

- A. GVR's Board has fiduciary responsibility for GVR's investments.
- B. The Board, Investments Committee, GVR's CEO and CFO and financial advisor(s), if any, are bound by (1) this IPS unless changed or amended by Board resolution and (2) all federal and state laws and regulations.
- C. The responsible parties for day-to-day management of each investment account are as follows:
  1. Operating Cash Investments Acct: GVR's CEO and CFO.
  2. Initiatives Reserve Fund (IRF): The Investment Advisor.
  3. Maintenance Repair/Replace Reserve Fund (MRR): The Investment

- Advisor.
- 4. Maintenance Repair/Replace Reserve Fund Part "B" (MRR-B): The Investment Advisor.
- 5. Emergency Reserve Fund (ERF): The Investment Advisor.

**1.3.5 Operating Cash Investment Objectives**

A. Investment Objectives

The primary investment principle is to maintain the safety of GVR's assets. The secondary investment principle is to have invested operating cash and **Reserve Funds** available when needed by GVR's operations without incurring an unwarranted loss of value or costs. The maturity horizon for each **Fund** shall be determined by each **Fund's** purpose, use, and needs. The third investment principle is to achieve return on investments exceeding benchmarks, while meeting safety and liquidity principles.

B. Asset Allocations

- 1. The target Asset Allocations and anticipated allocation ranges for each Fund are below:

a. Operating Cash Investment Account – Part "A" Short-Term

Investment Type	Target	Range
Cash	25%	20% to 40%
Fixed Income	75%	60% to 80%
Equities	0%	Not Allowed

b. Operating Cash Investment Account – Part "B" Long-Term

Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%

NOTE: Staff are authorized to transfer funds between Part A and B Operating Cash Funds to maximize returns while maintaining sufficient cash consistent with operating cash policy.

c. Initiatives Reserve Fund

Investment Type	Target	Range
Cash	5%	0% to 10%
Fixed Income	85%	75% to 95%
Equities	10%	0% to 20%

d. Maintenance Repair/Replace Reserve Fund

Investment Type	Target	Range
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e. Emergency Reserve Fund

Investment Type	Target	Range
Cash	0%	0% to 10%
Fixed Income	30%	20% to 40%
Equities	70%	60% to 80%



Green Valley Recreation, Inc.  
**Board Affairs Committee**

**CPM Part 2 – Section 3: 2.3.3.C Change**

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

**Meeting Date:** June 12, 2023

**Presented By:** Carol Crothers, Chair

<p><b>Originating Committee / Department:</b> Board Affairs Committee (BAC)</p>
<p><b>Action Requested:</b> Review and discuss possible change in CPM Part 2 – Section 3: 2.3.3.C.</p>
<p><b>Strategic Plan Goal:</b> GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p><b>Background Justification:</b>            CPM Part 2 – Section 3: 2.3.3.C states items for agenda consideration must be submitted to the President and CEO (or the respective designee) by 12pm (noon) six (6) business days prior to the date of the Board meeting. If the deadline for item consideration is not met, the item will be placed on the next Regular Meeting agenda. If during the approval section of the agenda a majority of Directors support removal of any item(s) it will be removed.</p> <p>A Director does not have enough time to add a new agenda item to the next Board meeting after the Work Session which is held a week before the Regular meeting. A proposed change for the CPM would be to have an agenda item submitted by 12pm (noon) four (4) business days or by 12pm (noon) the Thursday before the Regular Board meeting.</p>
<p><b>Fiscal Impact:</b> None</p>
<p><b>Committee Options:</b> 1) Review and discuss the CPM change being proposed. Decide at the meeting the direction of the Committee.</p>
<p><b>Staff Recommendation:</b> Option #1</p>
<p><b>Recommended Motion:</b> Decide at the Committee meeting.</p>
<p><b>Attachments:</b> 1) Part 2 – Section 3 Redlined 2) Part 2 – Section 3 Clean</p>

### 2.3.3. Agenda Scheduling and Preparation

- A. The agenda shall outline the established order of business.
- B. Items should only be added to the agenda once the following are considered:
  - 1. Does it conform to GVR's mission and Strategic Plan?
  - 2. Is it urgent or have time considerations?
  - 3. Does it affect the GVR membership?
  - 4. Is it a special interest?
  - 5. Is it worth Board discussion at this time?
  - 6. How will staff time and other priorities be impacted?
  - 7. Is there another way to handle the request?
- C. Items for agenda consideration must be submitted to the President and CEO (or the respective designee) by 12pm (noon) ~~six (6)~~ four (4) business days or Thursday before prior to the date of the Board meeting. If the deadline for item consideration is not met, the item will be placed on the next Regular Meeting agenda. If during the approval section of the agenda a majority of Directors support removal of any item(s) it will be removed.
- D. Board Reports or any requested actions submitted by Directors must include any background materials, recommended action, a written motion, and rationale required for an understanding of the issue.
- E. A proposed meeting agenda is developed by the Board President and CEO by close of business six (6) business days prior to the Board meeting.
- F. Three (3) business days prior to the Board meeting the agenda material will be sent to the Board, posted on the GVR website, and sent to members via an eBlast. Any meeting materials for items on the published agenda not included in the Friday distribution shall be emailed to the Board as soon as available and posted online. The agenda shall be made available to GVR Members at the Board meeting in hard copy.



**2.3.3. Agenda Scheduling and Preparation**

- A. The agenda shall outline the established order of business.
- B. Items should only be added to the agenda once the following are considered:
  - 1. Does it conform to GVR's mission and Strategic Plan?
  - 2. Is it urgent or have time considerations?
  - 3. Does it affect the GVR membership?
  - 4. Is it a special interest?
  - 5. Is it worth Board discussion at this time?
  - 6. How will staff time and other priorities be impacted?
  - 7. Is there another way to handle the request?
- C. Items for agenda consideration must be submitted to the President and CEO (or the respective designee) by 12pm (noon) four (4) business days or Thursday before prior to the date of the Board meeting. If the deadline for item consideration is not met, the item will be placed on the next Regular Meeting agenda. If during the approval section of the agenda a majority of Directors support removal of any item(s) it will be removed.
- D. Board Reports or any requested actions submitted by Directors must include any background materials, recommended action, a written motion, and rationale required for an understanding of the issue.
- E. A proposed meeting agenda is developed by the Board President and CEO by close of business six (6) business days prior to the Board meeting.
- F. Three (3) business days prior to the Board meeting the agenda material will be sent to the Board, posted on the GVR website, and sent to members via an eBlast. Any meeting materials for items on the published agenda not included in the Friday distribution shall be emailed to the Board as soon as available and posted online. The agenda shall be made available to GVR Members at the Board meeting in hard copy.



Green Valley Recreation, Inc.  
**Board Affairs Committee**

**Bylaw: Attorney and Staff Changes**

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

**Meeting Date:** June 12, 2023

**Presented By:** Carol Crothers, Chair

<p><b>Originating Committee / Department:</b>          Attorney and Administration</p>
<p><b>Action Requested:</b>          Review and discuss the Bylaw suggestions from the Attorney and Staff, and BAC top 5 suggestions.</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 Attorney has provided a report on changes to the Bylaws which conform with the Arizona Statutes for Nonprofits.           The staff has provided proposed changes to the Bylaws.           The BAC is looking at its priorities for Bylaw changes to come before the voters.</p>
<p><b>Fiscal Impact:</b>          None</p>
<p><b>Committee Options:</b>          1) Discuss and review all suggestions presented at the meeting. Work on refining the Bylaw changes and bring back to the next BAC meeting.</p>
<p><b>Staff Recommendation:</b>          Option #1</p>
<p><b>Recommended Motion:</b>          No motion at this time</p>
<p><b>Attachments:</b>          1) Attorney and Staff Redlined          2) BAC Top Five Priorities</p>

## Bylaws of Green Valley Recreation, Inc.

Amended by GVR Membership – March 25, 2020

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Commented [NM1]: Staff change

### ARTICLE I— GENERAL

#### Section 1: Name of the Corporation

The name of the corporation shall be **GREEN VALLEY RECREATION, INC.**, hereinafter referred to as “The Corporation” or “GVR.” The Corporation has been organized, and exists, as a non-profit corporation under the laws of the State of Arizona.

#### Section 2: Business of the Corporation

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

#### Section 3: Operation of the Corporation

The Corporation shall be governed by an elected Board of Directors, which at its discretion, may delegate specific duties to the Chief Executive Officer.

#### Section 4: GVR Clubs

Any group of 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 “Club status.” The Board shall establish policies and procedures for creating and revoking club status and set forth rules and regulations governing the operation of clubs including a club’s relationship with The Corporation.

**Section 5: Jurisdiction of the Corporation**

- A. The Jurisdiction of The Corporation shall include only the real property designated within The Corporate Boundary Document kept on file at the office of The Corporation. The initial boundaries for this document shall be the boundaries defined in the Bylaws in place on January 1, 1994.
- B. Additional real property may be brought within the jurisdiction of The Corporation by a majority affirmative vote of the GVR members voting and the amendment to The Corporate Boundary Document shall be certified by the President or Secretary.

**Section 6: New Housing Development Criteria**

The jurisdictional boundaries of GVR, after January 1, 1996, may be expanded for additional subdivision development of new residential homes in conformance with the following criteria:

- A. Each subdivision must agree to place a Master Deed Restriction to GVR within their CCRs requiring perpetual membership in The Corporation.
- B. Each subdivision must verify a commitment to “age restriction” with regard to familial status exemptions as outlined by Housing and Urban Development (HUD).
- C. Each owner and 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 membership as determined by the Board of Directors. Any cash contributions shall be made up front, in advance. Both cash contributions and donations of land and improvements shall be based, at a minimum, upon the grand total of the Initial Fees and Land Equivalency 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 of Directors will negotiate on behalf of the membership with each new development and uniquely bind each developer with independent contracts.
- E. Each new development must be adjacent/contiguous to the existing GVR boundaries at the time of entry.
- F. The Board of Directors is granted the power to develop policy to implement the New Housing Development Criteria.

**Section 7: Fiscal Year**

The Fiscal Year and Membership Year of The Corporation shall be January 1 through December 31, namely, the Calendar Year.

**ARTICLE II — MEMBERSHIP PROPERTY AND MEMBERS**

**Section 1: GVR Property**

A GVR Property includes any of the following: (1) residential real estate located within the Corporate Jurisdiction against which a deed restriction agreement has been recorded requiring perpetual membership in The Corporation; (2) residential real estate located within a subdivision that requires GVR Membership by virtue of recorded covenants or a recorded master deed restriction; or (3) any commercial/residential real estate located within the Corporate Jurisdiction.

**Section 2: Qualified Member**

- A. The record holder(s) 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, is a Member of The Corporation (“GVR Member”). A GVR Member may be a corporation, trust or other legal entity. Unless stated in writing in the trust, the trustee shall be the regular member.
- B. GVR Members may surrender their right to use GVR’s facilities and assign such right to occupants of their GVR Properties “Assigned Members” and “Tenants”.

**Section 3: Definitions**

There shall be two classes of membership: Owner Member and Associate Member. Each Member shall be issued an ID badge; Membership cards are non-refundable and non-transferable to another person or property.

- A. Each record holder of legal title on a GVR deed restricted property is an Owner Member and payment of annual Owner Member Dues is mandatory.
  - 1. Each owner, whether one or more persons or entities, of a GVR deed restricted property shall be an Owner Member.
  - 2. An Owner Member in good standing, shall be entitled to vote, hold office, sign petitions, and use all available facilities, subject to the provisions of the Governing Documents.
  - 3. An Assigned Member is an individual who occupies a GVR Property without paying rent and has been assigned the right to use GVR’s facilities by the GVR Member owning such GVR Property, pursuant to Article II, Section 2.
- B. An Associate Member is a non-titleholder who meets the qualifications in these Bylaws. This membership is elective and does not have to be maintained.
  - 1. The following memberships are considered Associate Members: Additional Card Holder, Complimentary Card Holder, Life Care, Tenant, and residents of Green Valley Estates Park and Silver Springs.

2. ~~Associate Members in good standing shall not be entitled to vote, serve on a GVR Board or committee, or sign petitions, but shall be entitled to use all facilities, subject to the facility use obligations of an Owner Member, as set forth in the Governing Documents.~~
  3. ~~Associate Members in good standing shall be eligible for membership in GVR Clubs including the ability to hold the position of a club officer.~~
  4. ~~By accepting an Associate Member Card, the Associate Member agrees to abide by the Governing Documents.~~
  5. ~~Exceptions: Silver Springs and Green Valley Estates Park – As the sole title-holder, the proprietors of Green Valley Estates Park and Silver Springs shall be Owner Members. The residents of both owner subsidized communities are Associate Members.~~
- C. ~~A Guest is a temporary visitor of a GVR Owner Member or Associate Member who lives more than twenty (20) miles outside GVR's Corporate Jurisdiction.~~

**Commented [NM2]:** Staff change – new definition

- ~~A. Additional Card Holder is an individual who shares a common household with a GVR Member and, with payment of a fee established by the Board of Directors, has the right to use GVR's facilities.~~
- ~~B. Assigned Member is an individual who occupies a GVR Property without paying rent and has been assigned the right to use GVR's facilities by the GVR Member owning such GVR Property, pursuant to Article II, Section 2.~~
- ~~C. Tenant is an individual who leases and pays rent for the use of a GVR Property from a GVR member and may not be an Assigned Member.~~
- ~~D. Commercial Residential/Care Facility (CRCF) is a commercial property that leases residential units and/or provides its residents with care-related services.~~
- ~~E. Commercial Residential/Care Facility Resident (CRFC Resident) is a resident of a Commercial Residential/Care Facility.~~
- ~~F. Guest is a temporary visitor of a GVR Member, Assigned Member, CRCF Resident, Life Care Member or Tenant who lives more than twenty (20) miles outside GVR's Corporate Jurisdiction.~~
- ~~G. GVR Member is an individual who holds Membership in GVR as set forth in Article II, Section 2.~~
- ~~H. GVR Property is residential property as set forth in Article II, Section 1.~~
- ~~I. Life Care Member is a former GVR Member residing in a residential care facility in the greater Green Valley area who has been extended privileges to use GVR facilities by the Board of Directors.~~

**Commented [NM3]:** Removed by Staff

**Section 4: Use of Facilities**

**A. Member Privileges**

1. ~~GVR identification shall be issued to GVR Members, Assigned Members, Life Care Members, CRCF Residents and Tenants. Identification may be obtained for Additional Card Holders pursuant to policies established by the Board of Directors; shall be issued to each Owner and Associate Member; the ID card is non-refundable and non-transferrable to another person or property. GVR identification shall be returned to The Corporation upon termination of GVR Membership.~~
2. ~~Use of GVR facilities with valid identification is subject to the then current rules and regulations established by the Board of Directors.~~
3. ~~GVR Owner and Associate Members, Assigned Members, CRCF Residents, Life Care Members and Tenants may have Guests use all GVR facilities subject to the then current rules, regulations, and fees established by the Board of Directors.~~

**Commented [NM4]:** Staff change. Leave last sentence in the Bylaws due to abuse of expired cards.

**Commented [NM5]:** Staff removed "then"

~~**B. Life Care Privileges**~~

~~Life Care Members shall be entitled to use GVR facilities in accordance with policies established by the Board of Directors.~~

**Commented [NM6]:** Staff removed.

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**Section 5: Suspension of Privileges**

~~The right to use GVR's facilities of any GVR Owner Member or Associate Member, Assigned Member, Life Care Member, CRCF Resident, Guest or Tenant may be suspended for any infraction of these Bylaws, policies, and/or rules and regulations of The Corporation. The procedure for such suspension and the duration of suspension shall be as determined by the Board of Directors. Suspension of the right to use GVR's facilities shall not in any way affect a GVR Member's obligation to pay dues, assessments, fees, penalties and accrued interest to GVR during the period of suspension.~~

**Commented [NM7]:** Staff change.

**Section 6: Voting Rights**

- A. ~~A GVR Owner 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 or online electronic voting, consistent with the Arizona Nonprofit Corporation Act. See Article XI. No proxies are permitted.~~
- 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.~~

**Commented [NM8]:** Staff added.

**Commented [NM9]:** Delete sentence: Not possible to cast more than one vote.

**Commented [NM10]:** Added by the Attorney.

**Commented [NM11]:** From Attorney memo dated May 9, 2023

**Commented [NM12]:** Staff says maybe able to delete since it is defined in Section 3: Member Definition

**Commented [NM13R12]:** Delete E per Attorney/Staff

**Section 7: Initial Fees; Member in Good Standing**

- A. ~~Each GVR member, upon becoming a member, shall pay any applicable initial fees as established by the Board of Directors.~~

B. A GVR Owner Member current in the payment of all GVR dues, fees, assessments, and other charges shall be deemed in good standing. The privileges and rights of a GVR Owner Member to use GVR facilities, vote, and be nominated in an election of directors shall be suspended during any period in which such GVR member is not in good standing.

Commented [NM14]: Staff change.

**ARTICLE III— DUES AND ASSESSMENTS**

**Section 1: Establishment of Membership Dues and Operating and Capital Budgets**

Membership dues and the operating and capital budgets shall be established by the Board of Directors. All membership dues shall be based on a 12-month period, but will be prorated monthly for members joining in the 12-month period.

**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.

**Section 3: Standard of Service**

The Board of Directors shall establish and maintain a standard of service for the recreational facilities of The Corporation which best serves the overall good of the organization. There shall be no decrease of services presently provided nor addition of any new services, either of which should exceed 5 percent (5%) of the existing Operating Budget except as approved by a majority of the members voting. The only exception to the above shall be services relating to new facilities provided by and at the expense of a developer.

**Section 4: Announcement by the Board of Directors**

On or before December 10<sup>th</sup> of each year, the Board of Directors shall announce the schedule of membership dues and the Operating and Capital Budgets for the next calendar year.

**Section 5: Assessments**

The Board of Directors is not authorized to impose a special assessment for any purpose, unless such an assessment is approved in advance, by a majority of the members voting. ~~No special assessment or other levy shall be made against Fairfield Green Valley, Inc.~~

Commented [NM15]: Attorney suggested removing last sentence. Attorney "This is a carry-forward from the older Bylaws. At the time Fairfield was the Developer Member (and had a seat on the Board). That director position ended March 31, 2006. According to the 1996 Developer Member Agreement, that special membership status also terminated at the end of ten years. Therefore, the whole sentence should be taken out.

**ARTICLE IV— BOARD OF DIRECTORS**

**Section 1: Number of Directors**

The affairs of GVR shall be governed by a Board of Directors consisting of twelve (12) voting Owner Members who shall be elected from the members of The Corporation residing within the jurisdiction of GVR.

**Section 2: Regular Meetings**

Regular meetings of the Board shall be held at least quarterly on a schedule determined by the Board.

**Section 3: Special Meetings**

Special meetings of the Board may be called by the President or the Vice President or shall be called by the President or Vice President when requested by any two (2) Directors. Two (2) days' ~~written~~ notice ~~of the date, time, and place of the meeting~~ shall be given to each Director of any special meeting.

Commented [NM16]: Attorney suggested eliminate "Written" and added "of the date, time, and place of the meeting"

Commented [NM17]: From Attorney memo dated May 9, 2023

**Section 4: Quorum to Conduct Business**

The presence, in person, by video conference, or by telephone conference, of a majority of the directors in office shall constitute a quorum for the transaction of business at a meeting. Except as otherwise specified in these 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 of Directors.

**Section 5: Open Meetings**

All meetings of the Board at which official business of The Corporation is transacted, with the exception of meetings limited to personnel and/or legal matters, shall be open to all members of The Corporation. The time and place of all such meetings shall be made available to the membership of The Corporation. ~~Normal notice channels to the membership should be used for the Board for both open and closed meetings.~~

Commented [NM18]: From Attorney's memo dated May 9, 2023

**Section 6: Indemnification**

The Corporation shall indemnify and hold harmless the Officers, Directors, employees, and agents of The Corporation to the extent permitted by Arizona law.

**Section 7: Employment**

Nothing contained in these Bylaws shall be construed to prohibit the employment of any member of The Corporation except that Directors or members of their immediate families are prohibited from such employment.

**Section 8: Compensation**

Directors shall not receive compensation for their services but may be reimbursed by The Corporation for authorized expenses and disbursements made on behalf of The Corporation.

## ARTICLE V — ELECTION OF DIRECTORS

### Section 1: Term of Office

- A. 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.

### Section 2: Nominating Process

- A. ~~The Nominations & Elections Committee shall conduct a search of regular members and select for nomination a slate of Directors. As part of its search, the Nominations & Elections Committee shall request names of possible nominees from members. The slate of nominees shall be posted and be available to all regular members at least 90 days prior to the Annual Meeting.~~
- B. Any regular member of The Corporation may make additional nominations by filing a nomination petition containing the name of any regular member who agrees to be a nominee, and the signatures of at least two hundred (200) of the regular members in good standing. Such nomination petitions shall be filed with the Secretary not less than 60 days before the Annual Meeting. The Secretary shall then add the names of these nominees to the slate of nominees previously posted and shall prepare ballots to be mailed to the membership.

Commented [NM19]: Staff recommendation to delete.

### Section 3: Election of Directors

The Board of Directors shall establish specific election procedures, include those procedures in the Corporate Policy Manual, and communicate the voting procedures to all members who have the right to vote. The election of Directors shall be conducted pursuant to Article XI herein. Cumulative voting shall not apply in the election of Directors.

## ARTICLE VI — POWERS, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

### Section 1: Powers and Duties

The Board of Directors shall have power:

- A. To call special meetings of The Corporation whenever it deems necessary or upon written request of one-tenth of the voting membership as provided in Article IX, Section 2.
- B. To take the following actions with the approval of a majority of directors in office:
1. Appoint and remove, at its pleasure, all officers, agents and the Chief Executive Officer and prescribe their duties, fix their compensation and require of them such security of fidelity bond as may be deemed expedient;
  2. Establish initial fees, dues, and assessments and collect same; and
  3. Adopt annual operating and capital budgets which shall include a contribution to financial reserves consistent with Board policy.
- C. To adopt and publish rules and regulations governing the use of the properties and facilities owned by The Corporation and the personal conduct of all persons thereon.
- D. To exercise for The Corporation all powers, duties and authority vested in, or delegated to, The Corporation except those reserved to the members.
- E. In the event that any member of the Board of Directors of The Corporation shall be absent from three (3) regularly scheduled meetings of the Board of Directors in any one-year period, the Board may, by action taken at the meeting during which a third absence occurs, declare the office of said absent Director to be vacant.
- F. Any vacancy in the office of a Director shall, if possible, be filled by the unsuccessful candidate of the most recent Directors' election, who, of those willing to fill the vacancy, received the greatest number of votes. If none of said unsuccessful candidates is willing and able to serve, the remaining Directors by affirmative vote of a majority of the Board, shall elect a successor, who shall serve for the unexpired term of the vacant office.

### Section 2: Limits of Authority and Indebtedness

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.

## ARTICLE VII — OFFICERS AND CHIEF EXECUTIVE OFFICER

### Section 1: Positions

Elected officers of The Corporation shall be the President, Vice President, Secretary, Treasurer, Assistant Secretary and Assistant Treasurer. This sequence of officers determines their seniority. In addition, the Chief Executive Officer shall serve as an ex-officio, non-voting member of the Board.

### Section 2: Eligibility and Terms of Office

Officers are elected for a term of one year or until successors are elected, or at the pleasure of the Board. All officers must be regular members of The Corporation and members of the Board of Directors.

### Section 3: Election of Officers

Officers shall be elected by a majority vote of the Board within thirty days after the Annual Meeting.

### Section 4: Responsibilities of Officers

- A. **President.** The President shall preside at all meetings of the Board of Directors and at meetings of the membership and shall carry out all orders and resolutions of the Board of Directors 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 must receive prior legal review and Board approval. ~~The President votes in all Board matters like any other Board Member.~~ The President shall nominate chairpersons of the Board Committees, submit these nominees for Board approval, and in cooperation with the Chief Executive Officer, ensure effective work of these committees. 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 Senior Officer present.
- 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 Membership and the Board of Directors. The Secretary shall cause to be given all notices in accordance with provisions of these 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 members of The Corporation 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 Directors and that the financial records of The Corporation are audited in accordance with the provisions of these Bylaws. In the absence of the Treasurer, the Assistant Treasurer shall perform all the duties of the Treasurer.
- E. **Signing of Checks.** Any check in the amount of \$2,500.00 or more shall be signed by two (2) officers of The Corporation or by one (1) officer and the Chief Executive Officer. Any check in an amount of less than \$2,500.00 may be signed by the CEO with the stipulation that a log is kept reflecting the two (2) department heads that reviewed the checks prior to its execution. Month-end statements shall be reviewed by two (2) officers of The Corporation as soon as practicable after their completion.

Commented [NM20]: From Attorney memo dated May 9, 2023

**Section 5: Responsibilities of the Chief Executive Officer**

The Chief Executive Officer shall be accountable to the Board and shall serve as the Chief Operating Officer ~~or designee~~ of The Corporation responsible for the management of the day-to-day operations of The Corporation. The Chief Executive Officer shall work cooperatively with the Board to ensure that the policies established by the Board are carried out effectively. The Chief Executive Officer shall not exceed the limits of authority delegated by the Board of Directors and shall ensure that operations are in conformance with the Bylaws and The Corporate Policy Manual.

Commented [NM21]: Staff added

**ARTICLE VIII – COMMITTEES OF THE BOARD OF DIRECTORS**

**Section 1: Standing Committees**

The Board of Directors ~~may establish Committees as it deems necessary to advise policy decisions, shall establish the following Standing Committees: Board Affairs, Fiscal Affairs, Nominations & Elections, Planning and Evaluation, and Investments. The duties of the Committees and duties of Committees~~ shall be as defined within the Corporate Policy Manual. The Committees shall make policy recommendations to the Board of Directors for approval.

Commented [NM22]: Per Staff

**Section 2: Special Committees**

- A. Special or Ad Hoc committees may be established by the President from time to time to assume specific, short-term responsibilities. When established, the duties and responsibilities of the committee along with a deadline for its completion of assigned tasks are to be approved by the Board.
- B. ~~Audit Committee. The Audit Committee shall occupy an oversight role of the financial structure, internal controls, etc. of The Corporation with access to the books and records and the activities of Management and Staff personnel. The Chairman, a member in good standing, shall be neither an officer of The Corporation nor a member of the Fiscal Affairs Committee. The detailed duties and responsibilities are to be included within The Corporate Policy Manual. The financial records of The Corporation shall be audited following the close of each fiscal year by an independent auditing firm.~~

Commented [NM23]: Removed by staff.

**Section 3: Composition of Committees**

~~The Chairperson of the Audit Committee shall be nominated by the President of the Board and the Finance Director of the Corporation with Board approval. The Chairperson of each Standing and other Special Committee(s) of the Board shall be a member of the Board nominated by the President with Board approval, ie: the greater of a majority of all Directors in office when the action is taken, or a majority voting with a quorum (A.R.S. §10-3825(B)). This states that creation of a committee and appointment of members of the board of directors to it must be approved by the greater of a majority of all directors in office when the action is taken, or the number required to take action in the bylaws (i.e. a majority voting with a quorum).~~

Commented [NM24]: Attorney said remove if Section 2 B is removed and per staff

Committee members shall be ~~Owner M~~ members of The Corporation and/or members of the operations staff. Committee members shall be selected by the Chairperson of the committee. The President shall be an ex-officio member of all committees excluding Nominations & Elections, and Audit Committees.

Commented [NM25]: From Attorney memo dated May 9, 2023

Commented [NM26]: Staff addition.

**Section 4: Subcommittees**

Except for the Nominations & Elections and the Audit Committees, each committee shall have the power to appoint subcommittees from among GVR members and may delegate to such subcommittee any of its duties and powers.



**Section 5: Open Meetings**

All Committee meetings, subcommittee meetings and working session meetings are closed or open meetings at the discretion of each such Committee. Normal notices channels to the membership should must be used for the Committees for both open and closed meetings.

**Commented [NM27]:** From Attorney’s memo dated May 9, 2023

**ARTICLE IX — MEETINGS OF THE CORPORATION**

**Section 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 outside auditor. The terms of the Directors also start when they are elected at this time. Another possibility from James: The terms could start 30 to 60 days after the meeting/election. If the spring annual meeting does not work, the Corporation could change to a date near the end of the fiscal year (October – November) and could have Board terms start January 1.

**Commented [NM28]:** From Attorney memo dated May 9, 2023  
Staff comment: needs cleared up  
Attorney said the best place for this is in Article V, Section 1 A

**Section 2: Special Meetings**

Special meetings of The Corporation for any purpose may be called at any time by either the President or by a majority of the members of the Board, and shall be called upon a written request to the Secretary of ten percent (10%) of the membership of The Corporation. The meeting must be held within ninety days (90) of the request.

**Section 3: Notice of Meetings**

Notice of the Annual or Special Meetings shall be given to each member by mail. Notice of any meeting shall be mailed at least thirty days (30) but not more than sixty days (60) in advance of the meeting and shall set forth, specifically, the nature of the business to be transacted. Applicable statute: A.R.S. §10-3705. It states that a corporation shall notify members of meetings at least ten days but not more than 60 days before the meeting date.

**Commented [NM29]:** From Attorney’s memo dated May 9, 2023

**Section 4: Quorum to Conduct Business**

Achievement of a quorum will be established by the number of ballots returned.

**ARTICLE X – BYLAW AMENDMENTS**

Amendments to these Bylaws may be proposed by GVR Owner Members representing at least ten percent (10%) of the eligible votes in The Corporation as evidenced by their signatures or two-thirds (2/3) of the total number of directors. Amendments proposed by members must be submitted to the Secretary more than sixty (60) days before the Annual or Special Meeting. Bylaw amendments shall require the approval of GVR Members representing at least two-thirds (2/3) of the eligible votes cast or a majority of the voting power, whichever is less. Once approved by the GVR Membership, amendments to these Bylaws shall be signed by the President and Secretary of The Corporation.

**Commented [NM30]:** Staff addition.

**ARTICLE XI — MEMBERSHIP VOTING**

**Section 1: Voting at a Meeting**

The election of Directors, the amendment of Bylaws and any matter that requires approval of the members shall be taken by written ballot or online electronic voting, consistent with the Arizona Nonprofit Corporation Act. No proxies are permitted.

**Commented [NM31]:** Possibly the same as Article II.6.A.

**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 and received from 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, including online electronic voting, with the same force and effect as though acted upon at an Annual or Special Meeting.

**Commented [NM32]:** From Attorney’s memo dated May 9, 2023

**Commented [NM33]:** From Attorney’s memo dated May 9, 2023

**ARTICLE XII – MISCELLANEOUS**

**Section 1: Operations and Policy Manuals**

The Corporation shall maintain a Corporate Policy Manual containing the Articles of Incorporation, Bylaws, Minutes of meetings of The Corporation and of the Board, resolutions passed by the members and/or the Board, the Strategic Plan of The Corporation, and other such documents as might be appropriately kept in such a manual. The Corporation shall maintain a Corporate Policy Manual containing rules, regulations and policies adopted by the Board, Board operating procedures, Board standing committee descriptions, and other items of importance to the effective operation of the Board.

**Section 2: Availability of Records**

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 regular member GVR Member or any Assigned Member that has been given voting rights, of The Corporation upon written demand to The Corporation at least five (5) business days before the requested examination date.

**Commented [NM34]:** From Attorney’s memo dated May 9, 2023

**Section 3: Conflict**

In case of any conflict between the Articles of Incorporation and these Bylaws, and the Arizona Non-Profit Corporation Statute, the Statute shall control. In the conduct of a meeting, Roberts Rules of Order shall prevail unless otherwise determined by the Board of Directors.

1. Green Valley Recreation Bylaws were adopted on October 8, 1978.
2. Amended Bylaws: 1979, 1981, 1982, 1984, 1985, 1988, 1990, 1993, 1995, 1996, 1997, 1999, 2000, 2003, 2004, 2005, 2006, 2007, and 2008.
3. Amended and Restated Bylaws: 2009
4. The GVR Board rolled back the Bylaws on August 24, 2010 to December 31, 1998 to be in compliance with the January 1, 1999 Arizona Non-Profit Corporation Act, which required all amendments to be approved by 2/3 majority of voting members. The rolled back Bylaws include all amendments legally approved for the following years: 2003, 2004, 2005, 2006, 2007, and 2008.
5. Amended Bylaws after the roll back: 2011, 2014, 2015, 2019 and 2020

## Top 5 Bylaws changes

Compiled from suggestions made by BAC members.

### ARTICLE II — MEMBERSHIP PROPERTY AND MEMBERS

#### 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~~ *the first vote cast* shall be counted and all ~~other of the votes~~ *cast* 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 *or electronic* ballot. *No proxies are permitted.*

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 for each GVR Property owned, provided, however, that there shall be only one (1) director serving per GVR property.*

### Article IV — BOARD OF DIRECTORS

#### Section 1: Number of Directors

The affairs of GVR shall be governed by a Board of Directors consisting of *nine (9)* ~~twelve (12)~~ voting members who shall be elected from the members of The Corporation residing within the jurisdiction of GVR.

### ARTICLE V — ELECTION OF DIRECTORS

#### Section 1: Term of Office

A. 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)* ~~four (4)~~ Directors shall expire and *three (3)* ~~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.

### ARTICLE VI — POWERS, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

#### Section 2: Limits of Authority and Indebtedness

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 *revenue* budget. Any contract requiring an annual payment that exceeds ten percent (10%) of the annual *revenue* 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. *If the contract is for a capital project, the approved amount cannot be exceeded for a period of three years from the start of the project without a further affirmative vote by a majority of the membership voting.*

## **ARTICLE XI — MEMBERSHIP VOTING**

### Section 1: Voting at a Meeting

The election of Directors, the amendment of Bylaws and any matter that requires approval of the members shall be taken by written *or electronic* 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 *or electronic* 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.

## **ARTICLE XII MISCELLANEOUS**

*Delete Section 2 and replace new wording to conform to state laws at the recommendation of the attorney:*

### Section 2: Availability of Records

~~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~~

### Section 2: Availability of Records

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