



GVR Mission Statement: *“To provide recreational, social and leisure education opportunities that enhance the quality of our members’ lives.”*

**MINUTES
INVESTMENT AD HOC COMMITTEE**

Tuesday, September 4, 2018
1:30 PM Las Campanas Agave Room

Posting Approved by Tom Sadowski, September 12, 2018 1:51pm
Pending Committee Approval

ATTENDEES: Roger Myers, Associate Chair; Vicky Mournian; Steve Wilhelm; Gene Kasper; Skip Breither, Edward Jones Financial Adviser

REMOTE ATTENDEES: Tom Sadowski, Chair and Carol Crothers (Ex-Officio)

GUESTS: 7

STAFF LIAISON: David Webster, Accounting Supervisor

ADDITIONAL STAFF: Kent Blumenthal, CEO; Cheryl Moose, Chief Financial Officer; and Tom Demma, Meeting Scribe

1.) CALL TO ORDER / ESTABLISH QUORUM

Chair Sadowski called the meeting to order at 1:30 pm.
Roll call by Myers. Quorum established.

2.) CHAIR’S COMMENTS

The Chair acknowledged that the unavailability of meeting documents resulted from missing an August 31 noontime submission deadline for having documents posted to the GVR website and the September 3 Labor Day holiday falling one day prior to today’s meeting. As well, he related that he expects to attend future meetings in-person, but this is dependent on some medical issues he is addressing before he can return to Green Valley.

3.) MINUTES

**MOTION: Mournian / Seconded. Approve the minutes of the July 3, 2018 meeting.
Passed: unanimous**

4.) MARKET UPDATE

Skip Breither provided a summary of current national economic conditions. As well, he provided a short and medium term interest rate outlook that going forward hold potential for affecting GVR investments.

5.) MEETING DATES AND TIME

The date and time of when future committee meetings might be held, which, with some exceptions, currently follows a pattern of the first Tuesday of a month, was discussed. Of concern are tight timeframes for the distribution of investment financial information in advance of a committee meeting. It was mentioned that tight timeframes arise when the previous month's investment financial information becomes available shortly after month end and this occurs just prior to a scheduled committee meeting.

MOTION: Kasper / Seconded. Subject to potential conflicts with other scheduled GVR governance meetings and meeting room availability that Investment Ad Hoc Committee meetings be scheduled for the second Tuesday of a month with a 10:30am start time. David will attempt to locate meetings rooms and schedule these meetings.

Passed: unanimous

6.) ACCOUNTS REVIEW: Emergency; Maintenance, Repair and Replace; and New Initiatives Reserve Funds and Operations Cash Investment Account

Myers reported on each of the three reserve funds and responded to committee members questions.

Staff responded to questions regarding the adequacy of funds for meeting September to year's end monthly expenses.

7.) INVESTMENTS COMPLETED SINCE LAST MEETING – Addressed during review of reserve accounts

8.) INVESTMENT AD HOC COMMITTEE HISTORY

The draft Investment Ad Hoc Committee history document that has the purpose of serving as a background document for current and future committee members was discussed. Following discussion, it was determined that the draft history document not be approved at this time and by way of the Chair's request to the CEO for assisting with editing to result in a revised draft history document it is to be considered for approval during the next committee meeting.

9.) NEW BUSINESS

Establishing Benchmarks

The matter of establishing a return target for all GVR investments net of all fees and expenses was discussed. Also discussed was the advantages and disadvantages of GVR investments being actively or passively managed. Further discussion of this matter will resume at the next meeting.

The committee previously approved that 3 out of the 4 funds would be professionally managed, and that an RFP was developed to seek full and open competition for this requirement.

Discussion and Finalization of Request for Proposal (RFP)

**S. Breither left the meeting at 3:05pm*

Committee members discussed a number of matters regarding the finalization of the RFP document. Based on what was heard during discussion Myers is to make edits to the draft RFP document. It was decided that the RFP would be finalized and sent out within one week.

10.) MEMBER COMMENTS 1

11.) ADJOURNMENT

MOTION: Mournian / Seconded. Adjourn the meeting at 4:00 pm.

Passed: unanimous

Scheduled Meetings:

Tuesday, October 2, 2018 – 9:00 am - Las Campanas Agave Room

Tuesday, November 15, 2018 – 9:00 AM - Las Campanas Agave Room

Tuesday, January 15, 2019 – 1:30 pm - East Center Lounge