



AGENDA

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, June 26, 2024 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

- 1. Call to Order / Roll Call – Establish Quorum**
- 2. Amend/Adopt Agenda**
- 3. President’s Report**
- 4. CEO Report**
 - A. CEO Monthly Report
- 5. Committee Reports**
 - A. Audit
 - B. Board Affairs
 - C. Fiscal Affairs
 - D. Investments
 - E. Nominations & Elections
 - F. Planning & Evaluation
- 6. Consent Agenda** – Consent Agenda items are routine items of business that are collectively presented for approval through a single motion. A Board member may request that an item be pulled from the Consent Agenda and placed under Action Items for separate discussion and action.
 - A. Minutes:
 - 1) BOD Regular Meeting Minutes: May 24, 2024
 - 2) BOD Work Session Minutes: June 19, 2024
 - B. Financial Statements:
 - 1) May Financials
- 7. Action Items**
 - A. Approve Proposed West Center Lobby Renovation Project (Whitman)
 - B. CPM Change to Part 2 Section 1 Governance 2.1.1.C.1 Word Change (Hillyer)
 - C. CPM Change to Part 3 Section 6 Adding 3.6.2.B.2 Tie Vote (Hillyer)
 - D. Limiting Board Directors to Speaking Only Twice During Discussion (Johnson)
 - E. Add Member Comments to Work Session Agenda (Johnson)
 - F. Approve Fiscal Affairs Committee Action Plan (Crothers)
 - G. Legislative Changes to the Membership Change Fee (Zubicki)
- 8. Member Comments** - Please limit comments to two (2) minutes. Speakers are asked to provide their name and GVR member number. This time is for comments, not for questions and answers.
- 9. Adjournment**

MEMORANDUM

TO: Board of Directors
FROM: Scott Somers, CEO
DATE: June 24, 2024
RE: Monthly CEO Report

Important Dates

- June 26, 2pm: **Regular Board Meeting**
- July 15, 1:30pm: **Planning and Evaluation Meeting**

Strategic Plan/Annual Workplan

Administration

5.1.1 Provide staff support to the Board of Directors to enable proactive, complete communications about Board decisions.

- With Communications, synthesize Board actions/decisions to communicate with the Members. (Ongoing) **Eblast the Friday after a Regular Meeting and Monthly GVRNow.**

Board and Committees

5.4.1 Encourage staff and Board to attend training and conferences and participate in professional associations.

- Research and identify Board training opportunities. (February) **No current training opportunities.**

5.2.3 Utilize staff liaisons and the Strategic Plan to support continuity of direction.

- Staff liaison functions to be facilitated by Administration to ensure committee continuity. (February)

Communications

2.2.5 (With Member Services and HR) Develop and implement a member experience review plan related to customer service by department.

- Member feedback mechanisms are being designed with a goal of having systems in place by **mid October**

3.4.3 Publicize recreation programs, GVR events, and GVR club events via diverse communication channels.

- Partnering with the Green Valley/Sahuarita Realtors Association to advertise in their new publication through at least the end of the year, starting with the **June** issue.

Facilities Department

1.1.1 Identify accessibility improvement areas

- Complete and document the results of an ADA audit of centers. Staff is using a standard assessment tool to develop short and long-term plans to address accessibility barriers. A complete campus audit will be completed before the end of the year. **(Underway)**

1.3.3 Improve interior and exterior signage: complete, consistent, accessible, concise and attractive

- Santa Rita Springs signage update is underway and is expected to be complete in **July**

1.4.2 Design peripheral grounds to provide outdoor recreation opportunities: park-like settings, walking trails, outdoor games, and activities.

- Identify and begin implementing campus-wide locations for landscaping improvements to include native pollinator species: Charlene Westgate of Westgate Garden Design, has been engaged to design a water-wise, native-intensive landscape at Del Sol Clubhouse. She will use the grounds to teach landscape design principles as part of GVR's leisure education program and partner with GVR landscaping staff to support members who wish to participate in the installation of the design. **(Ongoing)**

Finance

4.3.4 Provide continuous education for Board, committees, and staff about GVR financial management and positions so that they can make decisions to monitor effectively.

- The 2023 Audit is complete and was presented to the Board for acceptance.

Human Resources

The recent Q2 2024 employee survey at GVR reveals an encouraging upward trend in job satisfaction and workplace morale. With a high job satisfaction score of 8.56/10 and positive feedback on daily work experiences (4.38/5), employees are feeling more supported and engaged. Improvements were noted in communication, with scores of 4.44/5 for comfort in providing feedback and 4.31/5 for team collaboration. However, areas such as performance feedback (3.51/5) and training opportunities (3.74/5) require further attention. While compensation and benefits received a moderate score of 5.36/7, increasing from 4.88/7; indicating we're on the right track but have room for improvement, efforts to enhance these packages will continue. Notably, the Net Promoter Score (NPS) has significantly increased to 35.13, reflecting a stronger likelihood of employees recommending GVR as a great place to work. These insights highlight both our successes and the areas where we can continue to improve, ensuring GVR remains a supportive and rewarding environment for all.

2.2.2 Implement standardized customer service training for all staff, based on clarified policies and expectations, to ensure consistency in service. (See also 5.3.3)

- With departments, develop an updated customer service training plan for all departments with differentiation and examples for each area, including dress and appearance policy, the wearing of name tags, and standard phone and email dialogue. **(July)**

- Outline customer service training plan for new employees to be included as part of New Employee Orientation. **(July)**
- Include all current employees in a similar program by the end of the year. **(December)**
 - Supervisor leadership training planning in process. **July/August** training series for supervisors scheduled.
 - Standards for Dress launched **May 17** for GVR employees with updated uniform and name tags.

2.2.4 Clarify communications procedures and distribute messaging to all staff so members receive consistent, trustworthy information from all GVR representatives

- Website careers' page branding and messaging update. **(February) Complete:** <https://www.gvrec.org/about/job-openings/>
- Additional layering of accurate, up-to-date information sent directly to staff. Continue weekly "Staff Bulletin." **(Ongoing) Added IT and Wellness components to ongoing weekly Staff Bulletin.**

5.3.3 Provide training and team activities to help people demonstrate these GVR values.

- Explore, develop, and provide in-service and training opportunities for supervisors on Performance Management plans and strategies. **(September) Initial training complete. In-service training in development.**
- With the CEO and department heads, develop plans and agendas, and schedule regular meetings with all staff and departmental groups to inform employees about and demonstrate values. **(Ongoing) June 25th team event scheduled for staff. RSA Summer Training Series to return late June – August with safety, service, policy elements.**

5.3.4 Incorporate values into performance management

- Update and re-launch a performance management plan with GVR values incorporated. (February) **Launch Complete. Move to Ongoing: Performance Management plan launched. Managers and Directors trained in system and tools.**

5.4.1 Encourage staff and Board to attend training conferences and participate in professional associations

- Continue to work with staff to explore and encourage attendance. **(Ongoing) With Operations identified and enrolled 15 staff as members of the Arizona Parks and Recreation Association. Training and professional development is available through membership. AZ Parks and Rec Association Conference in August. Rec, Facilities and Ops team members are registered to attend.**

Membership Services Department

2.2.1 With Field Services, implement a quality assurance system to ensure that exceptional customer service is happening, such as secret shopper, a review schedule to see how systems and processes are operating.

- Develop and improve the Member Services function to ensure a high touch level of customer service that builds confidence and trust from our members and Board. **Reviewing drop-ship options for GVR store where members can purchase branded hats, shirts, PB paddles, towels, etc. Virtual meeting**

scheduled this month with a vendor to review options and see if they are a good fit for us

- Partner with attorney to work toward becoming the expert with regard to GVR's boundary, master development agreements, deed restrictions, title agreements, and collections. **Continuous, in progress**
- Continue to explore and find solutions to identify and decrease membership and guest card misuse. **CSRs and Membership Specialists are submitting potential card misuse scenarios, tracked weekly, communications sent as needed**
- Implement survey plan to obtain feedback from members regarding recent customer service interactions with staff (October) **Finalizing a draft of a Member Experience Survey that members are asked to complete after an interaction with Member Services staff. Trial form created in Microsoft Forms. Planning to add a card with a QR code to the Welcome Packet and see if we can add a QR code to each receipt for customer service.**
- Work toward documenting Membership SOPs and creating a comprehensive handbook. **Revised version of the CSR Handbook completed and currently being reviewed and trialed. Working on documenting Membership processes, comprehensive handbook underway**
- Partner with Communications to create a comprehensive New Member Welcome Packet (March) **With Communications, we have created a mailer packet to send to non-GVR VDR optional properties across Green Valley. We welcome them to try GVR using a 2 Day Guest Pass issued by Membership. The last batch was mailed 5/17/24. We continue to track all replies. I will draft a report to send separately**

Recreation Department

1.1.2 Improve fitness center functionality and 1.2.5 Employ newer technologies to benefit members' abilities to fully utilize facilities.

- Investigating feasibility and cost of installing a digital "fitness on demand" system at Desert Hills, to fill gaps in our current instructor pool and increase options for drop-in use of the fitness studio.

2.1.1 Review current programming and make adjustments, if needed, to ensure variety and alignment with current and future member needs.

- Through member surveys, identify gaps and needed adjustments. **(Ongoing)** In response to member feedback:
 - New events are selling out fast. To meet the demand, staff are scheduling more opportunities for sports trips and wine tours.
 - Staff have completed research about obtaining a beer and wine license.
 - Staff is working with multiple local non-profits to bring bingo back in September.

Board Goals for CEO, 2024 (approved by the Board of Directors February 14, 2024)

1. (Projects) Communicate with Board of Directors (BOD) and members on a monthly basis about project progress as follows:
 - a. *Construction progress*
 1. *The Del Sol Clubhouse renovation is nearly complete with a July 4 grand opening scheduled. We have yet to secure a contracted vendor to provide food and beverage services but efforts continue.*
 2. *West Center clubs expansion and lobby concept improvements are awaiting direction from the Board. Once direction is received, construction drawings will be developed and we will go out for bid.*
 3. *Metal Arts expansion construction documents are being developed. Once completed, we will go out for bid.*
 4. *Construction documents for the Desert Hills locker room renovation/expansion project are underway. Once completed, we will go out for bid.*
 - b. *Explain delays and challenges No delays at this time.*
 - c. *Ceramics club projects: in-house projects to improve the club's painting room space are complete. Facilities staff have identified a potential quick and inexpensive fix for improving ventilation in the kiln room. Construction documents for the flooring expansion and electrical re-design are underway now.*
2. (Meetings) Attempt to improve teamwork by scheduling monthly one-on-one meetings with Board members who wish to meet with me. It is understood and agreed that meetings may need to be rescheduled or canceled due to scheduling conflicts or other pressing matters.
 - a. *Scott met with 5 Board Directors in June.*
3. (Communication) Communicate with Board of Directors (BOD) on a monthly basis about capital expenses in comparison to Board-approved amounts from the Initiatives, and MRR-B funds.

GREEN VALLEY RECREATION						
CAPITAL PROJECTS REPORT						
5/31/2024						
		TOTAL	2024	Project to Date		
Center	Description	Total Project Budget	2024 Budget	Total Project Spent to Date	2024 Spent to Date	Project Budget Balance
NON RESERVE CAPITAL						
ALL	2024 Unplanned Unbudgeted Items	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000
CR	Shade Structure for Canoa Ranch pc	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ 16,000
CP1 / ABS	Deck shade structures for CP1 and A	\$ 26,000	\$ 26,000	\$ -	\$ -	\$ 26,000
ALL	Accessibility Initiatives	\$ 67,023	\$ 50,000	\$ 17,023	\$ -	\$ 50,000
PBC	Pickleball Fencing	\$ 35,000	\$ 35,000	\$ 6,080	\$ -	\$ 28,920
WC	Vacuum System for Woodshop	\$ 90,000		\$ 33,315	\$ 21,168	\$ 56,685
INITIATIVES						
SRS	Remodel for Glass Arts	\$ 900,000		\$ 828,605	\$ (24,224)	\$ 71,395
DH	Desert Hills Fitness Center	\$ 1,127,744		\$ 1,128,161	\$ -	\$ (417)
DH	DH Locker-room Expansion	\$ 299,355	\$ 299,355	\$ 9,591	\$ -	\$ 289,764
DH	Desert Hills Stage Removal	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 15,000
DSCH	Del Sol Clubhouse Note Payable	\$ 110,000	\$ 11,000	\$ 22,000	\$ 11,000	\$ 88,000
DSCH	Del Sol Clubhouse Renovation	\$ 1,900,000	\$ -	\$ 1,534,805	\$ 1,022,521	\$ 365,195
WC	West Center Expansion (Lap, Wood	\$ 158,835	\$ 100,000	\$ 16,841	\$ 2,783	\$ 141,994
DH	Ceramics Kiln room	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ 90,000
CH	Gym Conversion	\$ -	\$ -	\$ -	\$ -	\$ 180,000
WC	West Center Lobby improvements	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 150,000
ALL	Security Cameras	\$ 50,000	\$ -	\$ 49,974	\$ 49,974	\$ 26

4. (Capital) Include usage, trade-offs, and justification as part of the annual budget and capital planning process to provide the Board of Directors (BOD) with the necessary information to make capital planning decisions.
 - a. *Type II project proposals have been reviewed by staff. Clubs will be asked to provide additional information to support their requests.*
 - b. *Type I Capital Improvement proposals have been gathered, but the evaluation and award process has been put on hold. 2024 CIP funds are currently frozen due to lower than expected home sales this first quarter.*

5. (Capital) Provide information to the Board of Directors (BOD) on usage, trade-offs, and justification for a proposed/planned new capital project when the Board reviews concept plans.
 - a. Board to review potential West Center club expansion options during its June 19th Work Session.



MINUTES

BOARD OF DIRECTORS MEETING

Friday, May 24, 2024 - 1pm
West Center Auditorium / Zoom

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (arrived by Zoom at 1:28pm) (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

Staff Present: Nanci Moyo (Administrative Supervisor), David Webster (CFO)

Visitors: 13 Including support staff

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

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

President Garneau called the meeting to order at 1:01pm MST. Assistant Secretary English called the roll; quorum established.

2. Amend/Adopt Agenda

MOTION: Director Johnson moved, Director Bachelor seconded to amend the Agenda by moving Action Item 7.F and G to the June Regular Meeting.

Passed: 10 yes / 1 no (Crothers)

MOTION: Director Blake moved, Director Magliola seconded to accept the amended motion.

Passed: unanimous

3. President Report

- The Staff/Board Reports have a prepared motion for the Directors to use during the Action Items or to add to the prepared motion or change to another motion.
- Thanked the members for coming to the meeting and for sending emails to the Board.

4. CEO Report

- Del Sol Clubhouse is on schedule to finish in June and there will be a soft opening on July 4. The parking lot has been completed.
- West Center Club expansion project should be ready for discussion at the June Work Session. Staff is working on providing all the details for the two options to be discussed.
- Desert Hills Locker Room construction documents are being developed by the architects and also the Ceramic Club kiln room designs. Working to submit for permit by the end of June. Due to the cost of the Locker Room project, it will go out to bid. The staff will bring a recommendation to the Board after contractor is selected.
- Ceramics Club requested work has begun in the Ceramics studio: remove the door between the studio and the old arts and craft room, and removal of a closet.
- Desert Hills stage removal in the auditorium will be going out for bid.

- The Baseball Bus for the Arizona Diamond Backs and the Minnesota Twins game sold out quickly.
- Next event from the Recreation Department is a wine tour in Soniota.

5. Committee Reports - Those committees who met reported and the reports are placed on file.

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

6. Consent Agenda

MOTION: Director Magliola moved, Director Blake seconded to approve the Consent Agenda including the change made to the May 8 Special Meeting minutes to take out the wording “due to a Pima County permit requirement change” in Action Item 3.A.

Passed: unanimous

A. Minutes:

- BOD Special Meeting Minutes: March 20, 2024
- BOD Work Session Meeting Minutes: April 10, 2024
- BOD Regular Meeting Minutes: April 24, 2024
- BOD Special Meeting Minutes: May 8, 2024 – Listen to see if this is correct from Carol
- BOD Work Session Minutes: May 8, 2024

B. Financial Statements:

- April 2024

7. Action Items

A. Approval of Committee Action Plans

The Fiscal Affairs Committee Action Plan will be reviewed by the Board at the June 26 Regular Meeting and be pulled from this meeting.

MOTION: Director English moved, Director Austin seconded to accept the Committee Action Plan presented by each committee, except for the Fiscal Affairs Committee Action Plan.

Passed: unanimous

B. Approve Moving Forward on Construction Documents and Permitting for the Metal Arts Improvements/Expansion in the Shotgun Building at West Center
Scott Somers, CEO, shared the need for the Metal Arts Club expansion by using the existing space and the shotgun building on the north side of the Shuffleboard Courts at West Center.

MOTION: Director Magliola moved, Director Blake seconded to approve moving forward on construction documents, permitting, and bids for a Metal Arts Improvement/Expansion project in the shotgun building at West Center.

Passed: unanimous

C. Approve Leaving Surplus from 2023 Budget in Operations

David Webster, CFO, stated the surplus ending FY2023 is in the amount of \$12,273. The surplus at the end of the year is often transferred into the Initiative Fund. The Fiscal Affairs

Committee discussed the possible transfer of the surplus and decided to leave the surplus in the Operation Funds in 2024.

MOTION: Director Crothers moved, Director Bachelor seconded to accept the recommendation from the Fiscal Affairs Committee to allow the \$12,273 FY 2023 surplus to remain in the Operations Fund.

Passed: unanimous

- D. Approve Adjustment to the 2024 Budget: Decrease the Initiatives Fund for the Desert Hills Locker Room Expansion Project from \$445,000 to Approximately \$299,335 since \$145,665 Total Project Cost will come from MRR Fund

David Webster, CFO, shared the original amount for Desert Hills Locker Room expansion project was \$445,000 from the Initiatives Fund, but \$145,665 can be used from the MRR Fund bringing the Initiatives Fund cost to \$299,335.

MOTION: Director Crothers moved, Director English seconded to approve an amendment to the FY 2024 Capital Budget to decrease the Initiatives Fund by \$145,665 to a balance of \$299,335.

Passed: unanimous

- E. Approve Emergency Fund Transfer to Initiatives

David Webster, CFO, explained the Fiscal Affairs Committee two years ago determined \$500,000 was adequate for the Emergency Fund. There does need to be a policy created for the Emergency Fund when it has grown past the reasonable amount of \$500,000.

MOTION: Director Bachelor moved, Director Magliola seconded to keep excess amounts in the Emergency Reserve (which has the best record of capital appreciation) until we better understand revenue shortfalls and funding alternatives.

Passed: 11 yes / 1 no (Dingman)

~~F. Limiting Board Directors to Two Times to Speak on a Topic~~

~~G. Add Member Comments to the Agenda of Work Session~~

8. Member Comments - 1

9. Adjournment:

MOTION: Director Crothers moved, Director Magliola seconded to adjourn the meeting at 2:07pm

Passed: unanimous



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, June 19, 2024, 2pm

WC Room 2 / Zoom

Directors Present: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

Staff Present: Nanci Moyo (Administrative Supervisor), David Webster (CFO), Natalie Whitman (COO),

Visitors: 6

AGENDA TOPIC

1. Call to Order / Roll Call

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

2. Amend / Approve Agenda

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

Passed: unanimous

3. West Center Floor Plan Options for Club Space Enhancements and Lobby Improvements

Natalie Whitman, COO, reviewed the space expansion options for the West Center Clubs – Woodworks, Lapidary and Silversmith, and The Artisans' Shop. Presenting three options: 1) Plan A would increase all three of the clubs space substantially; 2) Plan B provides more space for lapidary and the artisans' shop, and less space for woodworking; and 3) Plan C expanded the artisans' shop and lapidary into the billiard spaces and provides a portable for woodworking. All three plans have billiards moving to Del Sol Clubhouse.

Staff would like the Board to look at the best plan for West Center to allow for one plan to be drawn out, instead having all three plans drawn out at a substantial cost. Staff will be providing all GVR clubs guidelines and a definition for what constitutes a member of the clubs to allow for accurate tracking of club participation by the members.

The Board consensus was to not pursue Plan A or Plan C, but to have staff review Plan B with the clubs involved and bring the information back to the Board. Staff would get more data and needs from the clubs to justify the additional space for the clubs. Plan B would consolidate the Desert Hills lapidary into the West Center space.

The Board listened to the review of the proposed West Center Lobby Renovation. The goal is to have the West Center be the central location for membership business. This would allow

members (new and existing) to be welcomed at a Center, being able to see many of the amenities available, have the member's needs met at one place, and enjoy plenty of parking.

The 2024 budget identifies \$150,000 from the Initiatives Fund for this project.

The Board asked this be added to the June 26 Regular Board meeting.

4. Discussion on Effectiveness of the Committee Action Plan

Highlights of the discussion:

- The Committee Action Plan, provided to the Board by each committee each year, were time consuming and basically reiterated the responsibilities of each committee already in the Corporate Policy Manual (CPM).
- The Committee Action Plans were to be used to add items that are different from the already listed responsibilities in the CPM. Some years a committee might not have any added responsibilities and other years the committee may. The Committee Action Plan helps the Board and Committees to be in sync with what each committee will achieve during the year with Board approval.
- The Committee Action Plan was a good transition from one committee to the next committee each year. The next committee could review what the past committee accomplished and what may need to move forward for the year.
- Staff will work with the BAC Chair on any changes to allow for better flow in regards to the Committee Action Plan.

5. Adjournment

MOTION: Director Hillyer moved, Director Magliola seconded to Adjourn the meeting at 3:53pm.

Passed: unanimous



Green Valley Recreation, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

The accompanying pages are the Financial Reports for May 31, 2024. The four statements are:

Statement of Financial Position.

This is also known as a Balance Sheet or the Statement of Net Assets.

Statement of Activities

Also known as an Income and Expense statement. This report shows the types of Income, the categories of expense and the unrealized Investment Market changes for the year to date. The bottom line in this report is the net for all the reserve accounts maintained by GVR.

Statement of Changes in Net Assets

This report displays the financial activity of the four reserves that make up the Net Assets of Green Valley Recreation. These reserves are:

Unrestricted - These net assets include the Fixed Assets (land, buildings and equipment), undesignated current assets less the current liabilities and deferred revenue items.

Emergency - Designated by the Board of Directors, this reserve is held to provide liquidity when needed for operational emergencies.

Maint - Repair - Replacement - designated by the Board of Directors, this reserve is the accumulation of assets in support of the Reserve Study which is mandated for Common Interest Realty Associations like Green Valley Recreation. Annual amounts are budgeted and transferred into this reserve for the purposes of the name of this reserve.

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

Initiatives - This reserve is designated by the Board of Directors to help with the funding for new programs that evolve from member interests and demands. Innovation in programming enables GVR to respond to member expectations.

Investment Portfolios

This report displays the market values of investments at the beginning of the year, the dollar amounts of changes that occurred from January 1st to the date of the financial statements. The unrealized gain or loss on market value changes is shown on a separate line to result in the market value of investments as of the reporting month end. The investments related to each of the Reserves (Unrestricted and Designated) are included in separate columns.



Green Valley Recreation, Inc.
Statement of Financial Position
As of Date: May 31, 2024 and Dec 31, 2023

	May 31, 2024	Dec 31, 2023
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	704,891	2,599,548
Accounts Receivable	344,248	220,589
Prepaid Expenses	57,625	218,015
Maintenance Inventory	22,003	22,003
Designated Investments (Charles S./SBH)		
Emergency - Fund	595,233 ⁽¹⁾	560,194 ⁽¹⁸⁾
MRR - Fund	8,018,196 ⁽²⁾	7,175,602 ⁽¹⁹⁾
Initiatives - Fund	755,610 ⁽³⁾	1,750,056 ⁽²⁰⁾
Pools & Spas - Fund	1,141,933 ⁽⁴⁾	814,765 ⁽²¹⁾
Total Designated Investments (CS/SBH)	10,510,972 ⁽⁵⁾	10,300,617 ⁽²²⁾
Undesignated Invest. (JP Morgan Long Term)	1,762,643 ⁽⁶⁾	1,699,386 ⁽²³⁾
Undesignated Invest. (JP Morgan)	2,276,538 ⁽⁷⁾	1,767,892 ⁽²⁴⁾
Investments	14,550,152 ⁽⁸⁾	13,767,895 ⁽²⁵⁾
Total Current Assets	15,678,919	16,828,050
Fixed Assets		
Contributed Fixed Assets	20,763,359	18,017,085
Purchased fixed Assets	29,719,821	31,004,036
Sub-Total	50,483,179	49,021,121
Less - Accumulated Depreciation	(27,982,784)	(27,464,438)
Net Fixed Assets	22,500,395 ⁽⁹⁾	21,556,682 ⁽²⁶⁾
Operating Lease ROU, Net of Accum. Amortization	-	-
Finance Lease ROU, Net of Accum. Amortization	72,483	72,483
Total Assets	38,251,797	38,457,215
LIABILITIES		
Current Liabilities		
Accounts Payable	227,546	272,655
Deferred Dues Fees & Programs	4,183,893	4,533,756
Accrued Payroll	202,489	156,036
Compensation Liability	-	-
MCF Refund Liability	220,235	211,700
In-Kind Lease Liability -Current	6,333	4,000
Operating ROU Liability - Current	-	-
Financing ROU Liability - Current	40,307	40,307
Total Current Liabilities	4,880,803	5,673,454
In-Kind Lease Liability - LT	46,667	46,667
Notes Payable	11,000	11,000
Financing ROU Liability - LT	43,954	43,954
Total Long Term Liabilities	101,621	101,621
TOTAL NET ASSETS	33,269,373 ⁽¹⁰⁾	32,682,140 ⁽²⁷⁾
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	595,233 ⁽¹¹⁾	560,194 ⁽²⁸⁾
Maint - Repair - Replacement	8,018,197 ⁽¹²⁾	7,175,602 ⁽²⁹⁾
Initiatives	755,610 ⁽¹³⁾	1,750,056 ⁽³⁰⁾
Pools & Spas	1,141,933 ⁽¹⁴⁾	814,765 ⁽³¹⁾
Sub-Total	10,510,973 ⁽¹⁵⁾	10,300,617
Unrestricted Net Assets	22,171,168	22,381,524
Net change Year-to-Date	587,233 ⁽¹⁶⁾	-
Unrestricted Net Assets	22,758,400 ⁽¹⁷⁾	22,381,524
TOTAL NET ASSETS	33,269,373	32,682,140



Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 5 month period ending May 31, 2024

FY Budget Period: Jan 1, 2024 - Dec 31, 2024

	PRIOR YEAR COMPARISON				BUDGET COMPARISON				Fiscal Year Budget	Remaining FY Budget
	2023 YTD Actual	2024 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%		
Revenue										
Member Dues	2,940,793	2,975,433	34,640	1%	2,975,433	2,971,979	3,454	0.1%	7,132,750	4,157,317
LC, Trans., Crd Fees.	375,964	361,346	(14,618)	(4%)	361,346	346,280	15,065	4%	705,637	344,291
Capital Revenue	1,254,932	1,150,686	(104,246)	(8%)	1,150,686	1,431,735	(281,049)	(20%)	3,039,780	1,889,094
Programs	53,457	149,209	95,753	179%	149,209	65,888	83,321	126%	92,403	(56,807)
Instructional	196,792	260,092	63,300	32%	260,092	224,605	35,487	16%	393,000	132,908
Recreational Revenue	250,249	409,302	159,053	64%	409,302	290,493	118,808	41%	485,403	76,101
Investment Income	214,835	188,922	(25,913)	(12%)	188,922	177,274	11,648	7%	425,458	236,536
Advertising Income	-	-	-	0%	-	-	-	0%	-	-
Cell Tower Lease Inc.	19,597	20,228	631	3%	20,228	19,622	606	3%	47,093	26,865
Comm. Revenue	19,597	20,228	631	3%	20,228	19,622	606	3%	47,093	26,865
Other Income	45,809	52,251	6,442	14%	52,251	59,338	(7,086)	(12%)	87,072	34,821
Facility Rent	10,639	13,325	2,686	25%	13,325	8,333	4,992	60%	20,000	6,675
Marketing Events	-	-	-	0%	-	-	-	0%	-	-
In-Kind Contributions	1,667	1,667	-	0%	1,667	1,667	-	0%	4,000	2,333
Del Sol Café Revenue	-	-	-	0%	-	5,556	(5,556)	(100%)	25,000	25,000
Other Revenue	58,115	67,243	9,128	16%	67,243	74,893	(7,650)	(10%)	136,072	68,829
Total Revenue	5,114,485	5,173,159	58,674	1%	5,173,159	5,312,277	(139,119)	(2.6%)	11,972,193	6,799,034
Expenses										
Major Proj.-Rep. & Maint.	128,685	152,757	(24,072)	(19%)	152,757	204,491	51,734	25%	489,203	336,446
Facility Maintenance	97,964	136,409	(38,444)	(39%)	136,409	169,764	33,355	20%	405,251	268,843
Fees & Assessments	12,208	3,782	8,426	69%	3,782	635	(3,147)	(495%)	5,000	1,218
Utilities	502,534	515,548	(13,014)	(3%)	515,548	445,163	(70,386)	(16%)	1,000,134	484,585
Depreciation	579,602	518,346	61,256	11%	518,346	550,225	31,879	6%	1,275,000	756,654
Furniture & Equipment	107,703	118,034	(10,331)	(10%)	118,034	119,614	1,580	1%	268,945	150,911
Vehicles	42,144	45,702	(3,557)	(8%)	45,702	40,840	(4,862)	(12%)	98,000	52,298
Facilities & Equipment	1,470,841	1,490,578	(19,737)	(1%)	1,490,578	1,530,732	40,154	3%	3,541,533	2,050,955
Wages	1,655,046	1,824,556	(169,511)	(10%)	1,824,556	1,671,089	(153,467)	(9%)	4,047,812	2,223,256
Payroll Taxes	128,192	157,338	(29,146)	(23%)	157,338	132,411	(24,927)	(19%)	323,634	166,296
Benefits	373,087	320,968	52,119	14%	320,968	404,825	83,857	21%	964,545	643,577
Personnel	2,156,325	2,302,862	(146,538)	(7%)	2,302,862	2,208,325	(94,538)	(4%)	5,335,990	3,033,128
Food & Catering	11,307	36,025	(24,718)	(219%)	36,025	9,517	(26,508)	(279%)	21,386	(14,639)
Recreation Contracts	190,742	289,400	(98,658)	(52%)	289,400	185,960	(103,440)	(56%)	348,685	59,285
Bank & Credit Card Fees	57,531	65,160	(7,629)	(13%)	65,160	64,016	(1,144)	(2%)	77,000	11,840
Program	259,580	390,585	(131,005)	(50%)	390,585	259,493	(131,092)	(51%)	447,071	56,486
Communications	40,500	49,758	(9,259)	(23%)	49,758	42,082	(7,676)	(18%)	96,023	46,265
Printing	50,147	50,120	28	0%	50,120	45,416	(4,704)	(10%)	103,183	53,063
Advertising	13,855	9,938	3,917	28%	9,938	8,150	(1,788)	(22%)	17,920	7,982
Communications	104,502	109,816	(5,314)	(5%)	109,816	95,648	(14,167)	(15%)	217,126	107,310
Supplies	235,836	213,873	21,962	9%	213,873	233,716	19,843	8%	558,587	344,714
Postage	4,637	9,791	(5,154)	(111%)	9,791	5,499	(4,292)	(78%)	17,922	8,131
Dues & Subscriptions	7,075	6,600	476	7%	6,600	7,631	1,031	14%	17,091	10,491
Travel & Entertainment	165	-	165	100%	-	800	800	100%	1,600	1,600
Other Operating Expense	33,099	33,716	(618)	(2%)	33,716	38,818	5,102	13%	113,884	80,168
Operations	280,812	263,980	16,831	6%	263,980	286,464	22,484	8%	709,084	445,104
Information Technology	28,630	52,101	(23,470)	(82%)	52,101	56,463	4,363	8%	136,781	84,680
Professional Fees	150,745	85,126	65,619	44%	85,126	104,525	19,399	19%	213,816	128,690
Commercial Insurance	139,695	143,831	(4,136)	(3%)	143,831	147,838	4,007	3%	354,812	210,981
Taxes	6,242	-	6,242	100%	-	5,417	5,417	100%	33,000	33,000
Conferences & Training	11,689	1,870	9,819	84%	1,870	16,772	14,902	89%	34,127	32,257
Employee Recognition	2,130	3,899	(1,769)	(83%)	3,899	8,960	5,061	56%	21,500	17,601
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-
Corporate Expenses	339,131	286,827	52,304	15%	286,827	339,976	53,149	16%	794,036	507,209
Expenses	4,611,190	4,844,649	(233,459)	(5%)	4,844,649	4,720,638	(124,010)	(2.6%)	11,044,839	6,200,190
Gross Surplus(Rev-Exp)	503,295	328,510	(174,784)	(35%)	328,510	591,639	(263,129)	(44%)	927,354	598,844
Net Gain/Loss on Invest.	142,758	258,723	115,964		258,723	-	258,723		-	(258,723)
Net from Operations	646,053	587,233	(58,820)	(9%)	587,233	591,639	(4,406)		927,354	340,121



Green Valley Recreation, Inc.
Statement of Changes in Net Assets
As of Date: May 31, 2024 and Dec 31, 2023

	Totals	Unrestricted		Emergency Reserve Fund	Maint - Repair - Replacement Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
		Unrestricted	Fixed Assets				
Net change in net assets-GVR	587,233 ⁽¹⁶⁾	587,233	-	-	-	-	-
Transfers between unrestricted and reserves:							
Reserve Study Allocation	-	-	-	-	-	-	-
Principal Transfers							
Transfers For Funding	-	(1,750,180)	-	-	1,220,295	230,485	299,400
Transfers Prev. Yr. Surplus	-	-	-	-	-	-	-
Transfers Curr. Yr. Surplus	-	-	-	-	-	-	-
Transfers Between Funds	-	-	-	-	-	-	-
Depreciation	-	518,346	(518,346)	-	-	-	-
Disposal of Fixed Assets	-	-	-	-	-	-	-
Purchase & Contributed Fixed Assets	-	10,881	1,171,666	-	(436,694)	(745,853)	-
Purchases Withdrawals Outstanding	-	662,615	-	-	(157,537)	(505,078)	-
Allocations of Net Change components:							
Investment income	-	(130,208)	-	3,897	95,919	18,556	11,836
Investment Expenses	-	38,428	-	(1,938)	(27,537)	(5,524)	(3,429)
Net Gains (Losses) in Investments	-	(213,558)	-	33,080	148,149	12,968	19,362
Net Change to May 31, 2024	587,233 ⁽¹⁶⁾	(276,443)	653,320	35,039	842,595	(994,446)	327,168
Net Assets at, Dec 31, 2023	32,682,140 ⁽²⁷⁾	824,841	21,556,682 ⁽²⁶⁾	560,194 ⁽²⁸⁾	7,175,602 ⁽²⁹⁾	1,750,056 ⁽³⁰⁾	814,765 ⁽³¹⁾
Net Assets as at, May 31, 2024	33,269,373 ⁽¹⁰⁾	548,398	22,210,002 ⁽⁹⁾	595,233 ⁽¹¹⁾	8,018,197 ⁽¹²⁾	755,610 ⁽¹³⁾	1,141,933 ⁽¹⁴⁾
		22,758,400 ⁽¹⁷⁾			10,510,973 ⁽¹⁵⁾		

Footnotes refer to Statement of Financial Position and Statement of Activities



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

	Totals	Unrestricted	Emergency Reserve Fund	Maint - Repair - Replace Reserve Fund	Initiatives Reserve Fund	Pools & Spas Reserve Fund
Balance Dec 31, 2023 (at Market)	13,767,895 ⁽²⁵⁾	3,467,278 ⁽²⁴⁾	560,194 ⁽¹⁸⁾	7,175,602 ⁽¹⁹⁾	1,750,056 ⁽²⁰⁾	814,765 ⁽²¹⁾
Changes since Jan 1, 2023:						
Principal Transfers	3,350,180	1,600,000	-	1,220,295	230,485	299,400
Investment income	206,945	76,738	3,897	95,919	18,556	11,836
Withdrawals	(2,995,162)	(1,150,000)	-	(594,231)	(1,250,931)	-
Investment Expenses	(38,428)	-	(1,938)	(27,537)	(5,524)	(3,429)
Net Change for 5 Months	523,535	526,738	1,959	694,446	(1,007,414)	307,807
Balance before Market Change at May 31, 2024	14,291,430	3,994,016	562,153	7,870,048	742,642	1,122,571
5 Months Net Change in Investments Gain/(Loss)	258,723	45,165	33,080	148,149	12,968	19,362
Balance at May 31, 2024 (at Market)	\$ 14,550,153 ⁽⁸⁾	4,039,180 ^{(6) - (7)}	595,233.12 ⁽¹⁾	8,018,197 ⁽²⁾	755,610 ⁽³⁾	1,141,933 ⁽⁴⁾

10,510,973 ⁽¹⁵⁾

Footnotes refer to Statement of Financial Position and Statement of Activities



Green Valley Recreation, Inc.

Board of Directors Work Session

West Center Lobby Improvements

Prepared By: Natalie Whitman, COO

Meeting Date: June 26, 2024

Presented By: Natalie Whitman, COO

Consent Agenda: No

Originating Committee / Department:

Administration

Action Requested:

Review and discuss a proposed renovation of the West Center lobby and box office to consolidate membership and customer service personnel.

Strategic Plan Goal #1:

Provide excellent facilities for members to participate in a variety of active and social opportunities

Background Justification:

1. Currently, some member business is conducted with customer service personnel (for example, registering for classes, buying event tickets, paying dues, and replacing lost membership cards). Some member business is conducted with membership services staff (for example, new membership intake, reporting changes to the deed of a home, or adding an additional cardholder.) It is a hassle for members to sort out which office is the one they need to visit.
2. As is the case in all service positions that are not appointment-based, there are unpredictable ebbs and flows to the volume of walk-up demand. Consolidating and cross-training staff will expand resources during busy times.
3. Improve access.
 - The Administrative Offices (AO) are hard for members to find if they have never been there or haven't been there in a while, whereas West Center is hard to miss once you are in the vicinity. Furthermore, there is directional signage to West Center on Continental and La Canada.
 - Parking can be very limited at the AO during the busy season. Both small lots are shared by members accessing recreation amenities. In the winter months, staff are asked to park off-site and walk in.
4. Improve first impressions. As a first impression, the Administrative Building is lacking; it does not provide a new or prospective member with any sense of the recreation facilities and services GVR provides.

Fiscal Impact:

The 2024 budget identifies \$150,000 from the Initiatives Fund for this project.

Board Options:

- 1) Direct staff to move forward with the proposed West Center Lobby renovation by pursuing construction documents, permits, and bids.
- 2) Propose alternatives to the design and approve moving forward as above
- 3) Provide alternate direction to staff

Staff Recommendation:

Option #1

Recommended Motion:

Move to direct staff to move forward with the proposed West Center Lobby renovation by pursuing construction documents, permits, and bids.

Attachments:

- 1) West Center Lobby Slides



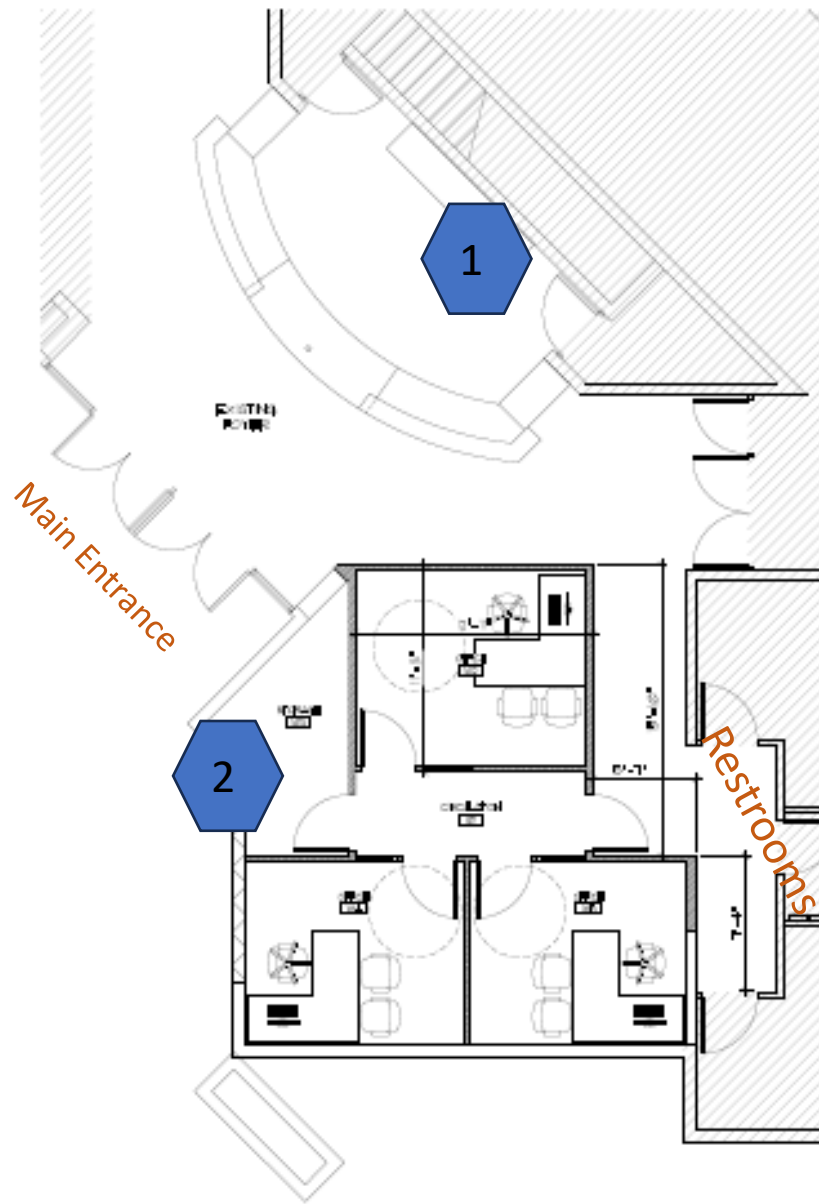
**West Center Lobby
Renovation for
Member Services**

GOALS:

- Consolidate Member Services staff (currently at the Administrative Offices) and Customer Service staff (currently in the box office at West Center) to improve timely completion of member business and reduce member confusion about where they need to go to conduct various types of business. A consolidated location will serve members looking to buy an event ticket or replace a lost guest card, as well as those making changes to deeds or adding additional card holders to their accounts.
- Improve access with expanded parking and an easier-to-find location.
- Improve the first impression for new and prospective members.

What the work would entail:

- The west side of the lobby that currently houses pool tables would remain unaltered, providing gallery space and lobby seating.
- The central area would become a reception counter with work stations for customer service staff during the day. On event evenings it would become a bar for serving beer and wine.
- The box office would be expanded into the existing lobby space to create offices for membership services staff to meet with members over confidential financial and legal matters.



1. Reception counter across from the lobby entrance doors. The central part of the counter would be lower for seated access. This counter would moonlight as a beer and wine bar during events.



2. The box office would be expanded into what is currently unused open space and be redesigned to include three offices and a small storage closet. The exterior entrance to the box office would be closed up, improving temperature control in the area.



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

CPM Change to Part 2 Section 1 Governance

Word Change

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: June 26, 2024

Presented By: Bart Hillyer, BAC Chair

Consent Agenda: No

<p>Originating Committee / Department: Board Affairs Committee (BAC)</p>
<p>Action Requested: The Corporate Policy Manual (CPM) Part 2, Section 1 Governance: 2.1.1.C.1 states: Review the responsibilities, powers, and duties of the Board annually at the first Work Session after the Annual Meeting. BAC requests to change the word “Work Session” to “Orientation.” With Board approval 2.1.1.C.1 will read: Review the responsibilities, powers, and duties of the Board annually at the Orientation after the Annual Meeting.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: An Orientation is held in April (after the Elections and Annual Meeting in March) for the Board of Directors to review the responsibilities, powers, and duties of its role to GVR. The orientation is a better place for this informational material to be disbursed.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Board approves the change to CPM Part 2 Section 1 by changing Work Session to Orientation. 2) Board offers another suggestion, and move to approve the suggested change.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: Move to approve the word change from Work Session to Orientation in CPM Part 2 Section 1: 2.1.1.C.1.</p>
<p>Attachments: None</p>



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

CPM Change to Part 3 – Add to Section 3.6.2.B.3 Tied

Vote Language

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: June 26, 2024

Presented By: Bart Hillyer, BAC Chair

Consent Agenda: No

<p>Originating Committee / Department: Board Affairs Committee (BAC)</p>
<p>Action Requested: The Corporate Policy Manual (CPM) Part 3 Section 6 Nominations and Elections Committee Responsibilities: Add tied vote wording to 3.6.2.B.3.</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: The Bylaws or the CPM do not have a statement on what GVR will do if there is a tie vote in an Election. In the 2024 Elections for Board of Directors a tied vote occurred for third place. The Board decided on a solution for this election. Board Affairs, at the May 14, 2024, meeting, discussed language for the CPM on how to handle a tied vote and where to put the language in the CPM. BAC approved the attached language and to include in Part 3 Committees, Section 6 Nominations and Elections Committee under 3.6.2.B.3 and to submit to the Board for approval.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Board approves the change to CPM Part 3 Section 6 by adding the tied vote language. 2) Board offers another suggestion, and move to approve the suggested change.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: Move to approve the added language to Part 3 Section 6, 3.6.2.B.3: if two or more GVR board candidates receive an equal number of votes from the GVR membership in the GVR annual election, after recount by the entity responsible for counting the said votes, the current board president shall determine by single coin flip (if just two candidates are tied) or multiple coin flips (if three or more candidates are tied), in the presence of the tied candidates, the final order of finish for said candidates.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Redline of Part 3 Section 6: 3.6.2.B.3

3.6.2 Responsibilities

- A. Nominations
 - 1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
 - 2. Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.
- B. Election Process
 - 1. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
 - 2. The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the Nominations and Elections (N&E) Chairperson or their representative. (*Bylaws Article V Section 3*)
 - 3. In the election of Directors, if two or more GVR board candidates receive an equal number of votes from the GVR membership in the GVR annual election, after recount by the entity responsible for counting the said votes, the current board president shall determine by single coin flip (if just two candidates are tied) or multiple coin flips (if three or more candidates are tied), in the presence of the tied candidates, the final order of finish for said candidates. If there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.
- C. Election Forums for Members

Arrange two (2) election forums for members to attend to hear the candidates answer questions arranged by the N&E Committee and questions from the members.
- D. Election Results
 - 1. The Chairperson shall notify the Board Secretary of the results of the election.
 - 2. The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.



Green Valley Recreation, Inc.
Board of Directors Meeting

Limiting Board Directors Comments

Prepared By: Nellie Johnson, Director

Meeting Date: June 26, 2024

Presented By: Nellie Johnson, Director

Consent Agenda: No

Originating Committee / Department:

Nellie Johnson, Director

Action Requested:

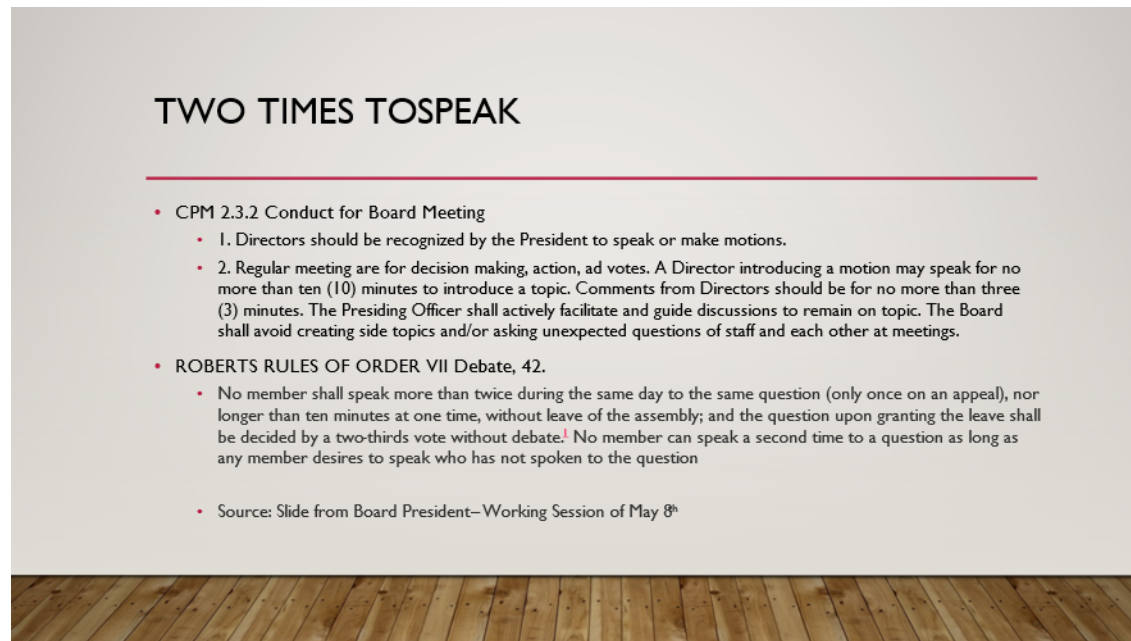
Make a motion to discontinue the current practice of limiting board members to speaking two times on a topic at a board meeting.

Strategic Plan Goal:

GOAL 5: Provide sound, effective governance and leadership for the corporation

Background Justification:

At the May 8 Work Session of the Board, the President presented PowerPoint slides of the Board’s Roles and Responsibilities. One of these slides (see below) includes a reference to Roberts Rules (VII Debate 42) pertaining to limiting “members” to two times to speak on a topic. However, the staff report identified a different Roberts Rules Newly Revised (12) edition which states (Chapter 49.21.3) for smaller Boards (defined as 12 or fewer Board members) “There is no limit to the number of times a member can speak to a debatable question.” That same section notes that a provision limiting the number of times a member can speak is more appropriate for settings such as a “large assembly” (e.g. annual HOA meeting).



At this May 8 Board Work Session, I raised a point of parliamentary inquiry in that there were two conflicting interpretations of RRO's cited regarding limiting the number of times to speak. It appears that RRO Section VII Debate 42 refers to an assembly. Legal guidance may possibly be needed to clarify this issue although the RRO guidance seems clear. From my on-line research, the terms "assembly" and "board" have distinct meanings.

1. An assembly refers to the entire group of members who have the right to participate in the organization's decision-making process. This is the main body of the organization, often comprising all members, and it is where the highest authority resides. Examples include the membership of a club, a convention or a general meeting of shareholders (or GVR Members/HOA's)
2. A board is a smaller, often elected or appointed, subset of the assembly tasked with managing the organization's affairs between the general meetings of the assembly. Boards' specific duties and powers as listed in the organization bylaws or the motion that establishes a board

The GVR Bylaws (Article XII Section 3) states that "Roberts Rules of Order (RRO) shall prevail unless otherwise determined by the Board of Directors. These changes would be adopted by the GVR Board through its Corporate Policy Manual. Regarding these time limits, the Board modified selective parts of the RROs by including a provision in its Corporate Policy Manual (CPM) as noted in the PPT above. The Board approved limiting a Board member to no more than ten minutes to introduce a topic and comments from Directors to no more than three minutes. The CPM does not limit the number of times a member may speak, but only on the length of speaking (3 minutes). If the board desires to not follow RRO guidance and limit the number of times a board member may speak, it would require the Board to modify the CPM.

I, also, raised issues with the time limit because it is a policy that

1. Inhibits the exchange of ideas, opinions, and open dialogue of Board members during a formal board meeting
2. Is not explicitly allowed in the Corporate Policy Manual (CPM) and
3. Exposes the Board to claims of lack of transparency and prohibition of free speech and dialogue amongst board members.

Also, limiting the number of times a member may address a topic also raises legal issues for the board in that it limits a board member's opportunity to provide pertinent information that may impact the outcome of a motion/vote. Several board members raised this point at the work session. This may expose the board to liability issues. We may wish to seek legal advice on this particular point.

During the May 8 Work Session, Board members raised the point that GVR is a small organization because it has 12 or less board members. The RRO defines small boards as having 12 or less Board members. In addition, according to prevailing definitions, GVR is not a small Board or organization. Per the Department of Labor (<https://www.dol.gov/agencies/whd/fact-sheets/14a-flsa-non-profits>), small nonprofits are \$500,000 or less in capital and medium-sized are \$500,000 - \$5 million in capital. Investopedia defines nonprofit organizations as entities with operating budgets; Small: \$1 million – \$5 million; Mid-size: \$5.1 million – \$10 million; Large – over \$10 million. In terms of numbers of board members, large companies have 8 to 12 directors, medium-size companies have 6 to 8 directors and small companies have 4 to 6 directors. Nonprofit boards are large if they have 8-12 board members and small nonprofits have 7 or less according to Diligent

(<https://www.diligent.com/resources/blog/best-practices-board-size-and-corporate-governance>).

None of these definitions suggest that GVR is a small nonprofit. GVR serves an estimated 23,000 members, employs nearly 100 staff and has \$20 million in combined operating and reserve capital. For most of our members, GVR owns a lien against their property. Our fiduciary responsibility is greater than other nonprofit organizations that have no financial hold on the people they serve. Therefore, we need to be cautious when we limit free and open discussion amongst Board members regarding issues impacting our members.

Lastly, the reason given by the Board president for using this two-time speaking rule is the need to control the agenda so that all topics are covered within the allotted two-hour board meeting time. However, there may be other ways to accomplish this objective, such as

- Putting suggested time frames on each topic;
- Reminding board members not to repeat information already given
- The Board may stay an extra ten minutes if it ensures that all information on a topic was presented.

In the end, it may promote better governance and improved board relations to not continue with this type of speaking limit.

Recommended Motion:

Move to discontinue the current practice of limiting board members to speaking two times on a topic at a board meeting.



Green Valley Recreation, Inc.
Board of Directors Meeting

Add Member Comments to Work Session Agenda

Prepared By: Nellie Johnson, Director

Meeting Date: June 26, 2024

Presented By: Nellie Johnson, Director

Consent Agenda: No

Originating Committee / Department:

Nellie Johnson, Director

Action Requested:

1. Add member comment as an agenda item as part of the official meeting Agenda format for all future Work Sessions.
2. Request the Board Affairs Committee to amend the Corporate Policy Manual (CPM) for possible refinements regarding meeting agenda including a standing Member Comment item.

Strategic Plan Goal:

GOAL 5: Provide sound, effective governance and leadership for the corporation.
 GOAL 3: Promote increased involvement of members in GVR

Background Justification:

I requested on April 17 that the topic of allowing GVR members to speak at the Board Work Session be a topic of the May 8 Work Session agenda. The Board President added the topic as part of her Board and Director’s Role, Duties, and Responsibilities agenda topic.

At this May 8 Board Work Session, the discussion focused on the purpose of a Board Work Session and the fact that allowing and encouraging member comments on particular topics would encourage GVR members' involvement and strengthen the GVR Board's decision-making by considering new facts and ideas presented by these members.

The Corporate Policy Manual (CPM) contains several provisions relating to Board meetings and member participation:

1. Types of Board Meetings: Section 3 of the Corporate Policy Manual identifies the types of Board meetings. They are Regular, Work Sessions, Special Meetings, and Executive Sessions. It further states that all Board meetings, excluding Executive Sessions, are open to the General Membership.

Work Sessions are defined in #12: “Work sessions are not for taking action, but are for the Board to hear presentations, discuss matters, and listen to pertinent topic.”

2. Protocols at Board Meetings: Section 2.3.1, titled Conduct at Board Meetings, includes protocols for Board members at Regular meetings but is silent on the protocols used during Work Sessions.

3. GVR Member Participation: Section C of 2.3.1 addresses GVR Members and reads: “GVR Members shall be permitted to address the Presiding Officer to provide input,

subject to the following protocols, and it lists 8 specific ones. While this section appears to apply to all Board meetings including Work Sessions, there are specific protocols for members (2.3.1 C. 6) that specify time limits for members when speaking on “action items being considered at each Regular or Special Meeting after all Directors have an opportunity to speak to the issue and for no more than two (2) minutes, unless additional time is allotted by the Presiding Officer”.

4. Board Agenda: Section 2.3.1 (J) of the Corporate Policy Manual outlines what a Regular Meeting agenda shall include: Consent, Action Items and Committee Reports. However, it does not specifically mention Member Comments. Rather, it has been the policy of the Board to include Member Comments as a regular part of the Regular Board Meetings as the last item on the agenda.

Summary: Work Sessions are a valuable part of Board Governance. The board has a practice of not including Member Comments in the agenda. Therefore, members are unaware whether they have an opportunity to speak on a topic because it isn’t acknowledged on the agenda as it is in regular Board Sessions. Inserting a Member Comment item as part of the Work Session Agenda would encourage members to attend these sessions and allow them to provide valuable input on a particular topic.

At the May 8 Work Session, the Board President noted that while it isn’t a formal part of the Agenda, she does allow members to comment if she is reminded or if there appears to be interest from members attending the meeting. Placing it on the agenda makes it visible to members and should encourage participation.

Recommended Motion:

- 1) Add a Member Comment agenda item as part of the official meeting Agenda format for all future Work Sessions.
- 2) Request the Board Affairs Committee to amend the Corporate Policy Manual (CPM) for possible refinements regarding meeting agenda including a standing Member Comment item.



Green Valley Recreation, Inc.
Board of Directors Meeting

Approval of Fiscal Affairs Committee Action Plan

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: June 26, 2024

Presented By: Carol Crothers, FAC Chair

Consent Agenda: No

<p>Originating Committee / Department: Fiscal Affairs Committee (FAC)</p>
<p>Action Requested: Review the Committee Action Plan for FAC</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: The Corporate Policy Manual (CPM) in Part 3 Committees, Section 1 General – 3.1.1.H states: Responsibilities of Committee Chairpersons, along with Committee members, and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee Action Plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.</p>
<p>Fiscal Impact: N/A</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Approve the Committee Action Plan as presented. 2) Provide amendments to the proposed Committee Action Plan and approve as amended. 3) Provide alternative direction to Committee Chairperson.
<p>Staff Recommendation: Option #1 or #2</p>
<p>Recommended Motion: Move to approve Fiscal Affairs Committee Action Plan as presented.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Fiscal Affairs Committee Action Plan



FAC Committee Action Plan

2024-2025

Chair: Carol Crothers

Staff Liaison: David Webster

Committee Members: Dale Howard, Nellie Johnson, Bob Quast, Pat Reynolds, Steve Reynolds, Lanny Smith, Priscilla Spurgeon, Mandy Vernalia

Committee Responsibilities:

3.4.2 FAC Responsibilities (from latest CPM)

- A. Review and recommend the annual budgets, including any fees or dues changes to the Board. Such review will consist of recommending, funding, financing, and usage of Reserve.
- B. Monitor progress toward achievement of annual fiscal objectives.
- C. Review financial statements, such as Operational Statement of Financial Position and Statement of Activities and capital purchases, and report to the Board, as appropriate.
- D. Review and recommend to the Board policy changes, if necessary, to ensure financial control.
- E. Recommend the disposition of Operational Surplus or Deficit.

Priorities Established for 2024-2025:

- Careful review of monthly financial statements so the FAC can recommend acceptance by the Board (ongoing)
- Thorough review of Staff recommended 2025 operations and capital budgets, including three-year forecasts so a budget acceptance recommendation can be made to the Board (Sept – Oct)
- Review and recommend staff enhanced Initiatives capital reporting and budget process (Sept)
- Review and understand MR&R 30-year planning process so that FAC can understand and make annual MR&R funding recommendation. Recommend CPM amendments if necessary. (Sept)
- Review financial policies and recommend needed updates – encourage and consider recommendations from our CEO and CFO

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

- Recommend policy changes to the pilot “Capital Improvement Project Policy and Process” based on lessons learned.
- As time allows:
- Policy on use of 90-day operating cash in operations vs use of Reserves
- Policy on changing the budget when factors change (eg custodial services moving back in-house changing expenses from facilities (to cover contract workers) to personnel).
- Policy or philosophy recommendation on whether programs and events should break even.
- Cash management policy recommendation (working in conjunction with the Investment Committee)

Resources Needed:

- Staff produced monthly financial reports for review by FAC.
- Staff recommended annual operations and reserve budgets
- CEO/CFO recommendations for financial policy changes



Green Valley Recreation, Inc.

Board of Directors Meeting

Arizona House Bill 2119 – Fees Charged

Prepared By: Kris Zubicki

Meeting Date: June 26, 2024

Member Services Director

Presented By: Kris Zubicki, Member Srvs Dir. Consent Agenda: No

Originating Committee/Department:

Member Services/GVR Attorney

Action Requested:

On April 10, Governor Katie Hobbs signed Arizona House Bill 2119 (effective 90 days after the Legislature adjourns in 2024). This particular piece of legislation will affect collection of some quantity of Membership Change Fees that can be collected. The statute amended by the Bill will reduce, to some degree, the number of fees, because of exemptions in the law for certain transfers of title, mostly between relatives, or within entities.

Strategic Plan Focus Area:

N/A

Background Justification:

The statute that has been amended governs non-HOA 501c4 entities like GVR. The Legislature amended a statute that governs the Membership Change type of fee that is due on property resale/transfer as a funding mechanism for HOA’s and other types of associations, including associations with recreational facilities.

Section 33-442 is entitled “Prohibition on transfer fees; exceptions; definitions”. The statute uses the term “transfer fees”, but while on their surface transfer fees and disclosure fees might seem similar, the statute is about what we have called “resale assessments” for years.

House Bill 2119 added a new subsection (now E) that states:

AN ASSOCIATION SHALL NOT CHARGE A FEE AUTHORIZED UNDER SUBSECTION C OF THIS SECTION FOR ANY CONVEYANCE BETWEEN PARTIES PRESCRIBED BY SECTION 11-1134, SUBSECTION B, PARAGRAPHS 3 OR 7, EXCEPT FOR SERVICE FEES AUTHORIZED IN ANY DOCUMENT TO MANAGE REAL PROPERTY WITHIN THE ASSOCIATION.

(Paragraph 3) CONVEYANCES BETWEEN INDIVIDUALS (for nominal consideration):

- (a) Husband and wife or ancestor of the husband and wife
- (b) Parent and child, including natural or adopted children and their descendants
- (c) Grandparent and grandchild
- (d) Natural or adopted siblings

(Paragraph 7) CONVEYANCES BETWEEN “ENTITIES” (for no consideration or nominal consideration):

- (a) Subsidiary entity and parent entity
- (b) Commonly controlled entities
- (c) Limited liability company and a member
- (d) Partner and Partnership
- (e) Joint venture and joint venturer

(f) Trustee and trust beneficiary

(g) From any of the entities in subdivisions (a) through (f) of this paragraph to a single purpose entity in order to obtain financing.

Staff has met with GVR attorney, James Hazlewood, to better understand how this impacts GVR. Here are the take-aways from our discussion:

- This only applies to our Membership Change Fee, not the Transfer Fee or Estate Planning Fee
- This only applies to conveyances between individuals or entities for nominal consideration. This would be property transfers where little or no money exchanges, generally handled via quit claim deed and not through a title company. James Hazlewood shared that if a parent sells a house to a child for \$200,000 or market value, this does not apply and fees should be assessed
- Staff asked if we were allowed to request proof for certain scenarios where it would be nearly impossible for us to determine the relationship between the parties (e.g. sister to brother, father to adopted child, etc.), James Hazlewood said we can place the burden of proof on the member
- Our focus moving forward will be to have a conversation with parties who become members through channels other than a sale or title company - we will confirm if they are giving/receiving the property from a relative
- James Hazlewood recommends that we simply add a statement that reads, “with exceptions provided by statute.” This will ensure our Corporate Policy Manual (CPM) focuses on GVR policy.

Fiscal Impact:

While we may not know the full impact of this change until we have conversations with new members who have obtained their properties through inheritance or other means with nominal consideration, based on previous similar transfers, we estimate that:

- the lost revenue will be 6.6% of the Capital Revenue Budgeted
- this 6.6% equals \$200,000 annually or \$17,000 monthly
- for 2024, the change occurs 90 days after the legislature adjourns (projected October). The total lost revenue for Oct-Dec 2024 will be \$51,000

Board of Directors Options:

- 1) Update CPM section 1.1.6 Membership Change Fee, to include a new #3 that reads, “exceptions provided by statute.”
- 2) Leave the CPM as is. Membership will document this process and continue to work with the knowledge that current statute takes precedence over GVR policy.

Staff Recommended Motion:

Move to approve the addition of #3 in CPM section 1.1.6, under letter A, which reads, “exceptions provided by statute.”

Attachments:

- 1) Red-line CPM excerpt

1.1.6 Membership Change Fee

- A. Upon transfer of title of a GVR membership property, the new owner shall pay a Membership Change Fee.

Exemptions:

1. The Membership Change Fee shall not apply to the transfer of legal ownership of a GVR deeded property from a trust if the resulting legal owners of the property are identical to the trustees of the trust immediately prior to the transfer.
2. A person or legal entity who acquires ownership of a legal or beneficial interest of the GVR property resulting from death, sells it within six (6) months of the date of death will be exempt from the Membership Change Fee (and Transfer Fee) provided they do not elect to utilize the facilities or have Tenants in the property who wish to utilize the facilities.
3. Exceptions provided by statute.

- B. The Membership Change Fee shall be refunded if the following apply:

1. A Member has owned and occupied a GVR property within 365 days of transfer of title, provided that the Member demonstrates that she/he has moved from one owner occupied primary GVR residence to another owner occupied primary GVR residence and has presented GVR with background material showing this was a change in primary residence.
2. The Member(s) has owned and occupied the GVR property being sold for at least one (1) year.
3. A tenant card has not been issued on the property within the twelve (12) months immediately prior to the sale of the owner-occupied property.
4. The Member(s) submit a refund request for the Membership Change Fee. GVR will review the property transaction details to confirm ownership and eligibility for both properties. Refunds will be processed upon verification.

Revenue from the Membership Change Fee may be used as will most effectively further the general purpose of The Corporation to provide for current and future needs. A portion of the revenue from Membership Change Fee is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.