



AGENDA

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, February 26, 2025 - 2pm

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Nellie Johnson (Treasurer), Candy English (Assistant Secretary), Kathi Bachelor (Assistant Treasurer), Nancy Austin, Dave Barker, 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. Presentation**
 - A. GVR Foundation Award of MAP Funds to GVR (President Garneau)
- 6. Committee Reports**
 - A. Audit - Austin
 - B. Board Affairs - Hillyer
 - C. Fiscal Affairs - Johnson
 - D. Investments - Johnson
 - E. Nominations & Elections - English
 - F. Planning & Evaluation - Carden
- 7. 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: January 22, 2025
 - 2) BOD Work Session Minutes: February 19, 2025
 - B. Financial Statements:
 - 1) January Financials
 - C. Business
 - 1) Amend CPM on MRR-A 110 Percent Rule (Webster)
 - 2) Approval of 2025 Annual Workplan (Somers)
- 8. Action Items**
 - A. Award Contract for Artisan Shop Improvements (Somers)
 - B. Approve Request for Non-Member Participation for Pickleball Tournament (Kindred)
 - C. Amend the CPM sections pertaining to Maintenance Repair and Replacement parts A & B as drafted AND approve contracting with Browning to complete the CY 2025 Reserve Study – onsite required in CY 2025

D. Amend CPM Procurement Policy (Somers)

E. Amend CPM Changes to Part 1: 1.2.6.A-E Use of GVR Facilities (Somers)

9. 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.

10. Adjournment

MEMORANDUM

TO: Board of Directors
FROM: Scott Somers, CEO
DATE: February 26, 2025
RE: Monthly CEO Report

Important Dates

March 11, 1:30pm Board Affairs Committee

March 13, 10am N&E Committee Meeting

March 18, 1:30pm FAC Meeting

March 18, 4pm Board Candidate Voting Ends

March 19, 2pm Regular Board Meeting (End of the Year Celebration)

March 26, 9am Annual Meeting of the Corporation

March 26, 10:30am Special Board Meeting

Project Name	Center Location	Scope of Work	Est. Construct. Start	Est. Construct. Completion	Status	Next Steps	Funding Sources			Year To Date Spent
							Budget	Total	Year To Date Spent	
West Center Artisan Shop Expansion	West Center	Expand the Artisan Shop into the old Billiards Room to be split 60/40 with Lapidary Club.	April-25	June-25	Bidding complete	Award contract at 2/26 Board meeting	Initiative	\$ 991,524	\$ -	
West Center Lapidary Club Expansion	West Center	Expand Lapidary Club to the south and into old Billiards Room.	September-25	March-26	Design-SD 0%	Contract signed. Work with design firm to determine options	Initiative	\$ 49,500		
West Center Membership Services Expansion	West Center	Expand Membership Services offices in Auditorium lobby. Add lobby counters for events.	April-25	July-25	Bidding complete	Award contract at 2/26 Board meeting	Initiative	\$ 150,000	\$ 12,300	
West Center Metal Shop Expansion	West Center	Expand Metal Shop into west storage building. To become Welding, Machine Shop, Office.	April-25	June-25	Bidding complete	Award contract at 2/26 Board meeting	Initiative	\$ 150,000	\$ 12,500	
Desert Hills Locker Room Expansion	Desert Hills	Expand mens and womens locker rooms per plans.	May-25	October-25	Bidding soon	RFP issued on 2/14. Bids due 3/14	Initiatives 145.6k	\$ 395,000	\$ 46,300	
Desert Hills Kiln Room Enhancements	Desert Hills	Strengthen sub-floor for 5 kilns and brick flooring. Upgrade ventilation system and electrical needs.	August-25	August-25	Design-SD	Work to be included in Locker Room Renovation.	Initiatives	\$ 90,000	\$ 2,700	
Desert Hills Pool Equipment Room Upgrades	Desert Hills	Design and construct pool equipment room upgrades. No structural work.	June-25	July-25	Design-SD 0%	Contract signed. Work with design firm to determine options	MRR-B and MRR-B	\$ 1,651,539	\$ 15,500	
East Center Gas Manifold for Lapidary	East Center	Intall new natural gas connection for Lapidry Club. Upgrade ventilation.	TBD	TBD	TBD Planning	Coordinate with club representatives on scope of work and budget. Coordinate with CK Mechanical on plans.	Initiatives	\$ 43,000	\$ -	
Pickleball Courts Expansion	PKB Center and/or Canoa Ranch	Design and construct 4 new pickleball courts. No restroom or ramada. Club to pay for all.	TBD	TBD	TBD Planning	Working with architect and club on options	Private club funds	TBD		



Preliminary			
Total Awards	% Dues	Award amount	
45	100%	\$530	\$23,850
28	75%	\$398	\$11,144
38	50%	\$265	\$10,070
Total Awarded			\$45,064

Denied		
17	Disqualified by income	
8	Denied by Rule	
	Denied Missing	
5	Documents*	
141	Total Applicants	*pending



MINUTES

BOARD OF DIRECTORS MEETING

Wednesday, January 22, 2025 - 2pm

West Center Auditorium / Zoom

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

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

Visitors: 21

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 2:01pm MST. Secretary Carden called the roll; quorum established.

2. Amend/Adopt Agenda

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

Passed: unanimous

3. President Report

Thanked the members for coming, and providing input through emails.

4. CEO Report

A. CEO Monthly Report

- Artisan Shop expansion, Membership Services expansion at the West Center Lobby, and Metal Arts expansion are going out for bids. The goal is for three bids per project. A recommendation will be developed to bring to the Board in March and start the projects in April.
- Desert Hills Locker Room expansion is coupled with the Ceramics kiln room. The kiln room needs brought to code and shoring the joist between the locker room ceiling and the kiln room. This should begin in April.
- Desert Hills pool has an expert pool contractor to map out construction documents on how to improve the system; piping, pumps and filters. This project has begun. Once completed he will provide a recommendation report to understand the level of work that needs to be done. At this point it looks like maintenance, repair, and equipment may need to be replaced, but not the whole pool.
- Pickleball club has offered to pay for additional courts in this calendar year. There have been conversations with the Pickleball club to identify the scope and ideal location. At a future meeting there will be a Memorandum of Understanding (MOU) brought to the Board that speaks to the expectations and scope of each of the parties.

5. Presentations:

A. Quarterly Financial Report

Highlights of the Quarterly Report:

- Fourth quarter financial report with a full year of data.
- Total budget in 2024 was \$11,972,097 with actual being \$11,636,797. Capital Revenue was \$600,011 under budget. It was a challenging year in regards to revenue.
- The Recreation Department revenue came in \$300,000 over budget. The activity level is more than expected, and also the expenses have increased by about \$200,000.
- Personnel expense is 4.5 percent above budget due to changes in bringing outsourced activities back inhouse, mainly custodial.
- Non Reserve Capital Projects had low expenditures with the understanding of the short fall in the housing revenue and paused the Non Reserve Capital projects.
- The books for the end of the year have not been closed out. Some numbers may change. Currently there is a \$219,871 deficit for total operating in 2024.
- Investment returns meets benchmark.

6. Committee Reports All committee reports verbally provided and placed on file.

- | | |
|----------------------------|---------|
| A. Audit | Austin |
| B. Board Affairs | Hillyer |
| C. Fiscal Affairs | Johnson |
| D. Investments | Johnson |
| E. Nominations & Elections | Blake |
| F. Planning & Evaluation | Carden |

7. Consent Agenda

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

Passed: unanimous

A. Minutes:

- 1) BOD Regular Meeting Minutes: November 13, 2024
- 2) BOD Special Meeting Minutes: January 8, 2025

B. Financial Statements:

- 1) November and December Financials

C. Board Business

- 1) Approve Chair Change for N&E from Barbara Blake to Candy English
- 2) N&E Recommendation to Extend Voting to March 18, 2025

8. Action Items

- A. Board Affairs Committee Recommendation to Change Corporate Policy Manual (CPM) Smoking and Vaping Policy in Part 1: 1.2.6.K

MOTION: Director Hillyer moved, Director Carden seconded to approve smoking ban on all GVR properties, and allow vaping, except within 20 feet of GVR entrances and on sports courts.

Passed: 9 yes / 3 no (Bachelor, Barker, English)

- B. Amend CPM Part 1: 1.2.9.A Facility Fees

MOTION: Director Johnson moved, Director Dingman seconded to approve the FAC recommended amendment to CPM Section 1.2.9 Rentals and Fees as drafted.

Passed: unanimous

C. Award Contract for Architectural Services for Lapidary Expansion
MOTION: Director Bachelor moved, Director Johnson seconded to award a contract to Burton and Associates for architectural services in an amount of \$49,500 for a base bid fee, with an allowance beyond the base bid of \$4,500 for possible construction estimating services.

Passed: unanimous

D. Fiscal Affairs Committee Recommendation for Approval for the Capital Improvement Program Finance Policy Change in the CPM

MOTION: Director Johnson moved, Director Magliola seconded to approve and accept the changes as corrected, the FAC recommended Capital Improvement Program and Capital Budget Policy as drafted.

Passed: unanimous

9. Member Comments – 2

10. Adjournment

MOTION: Director Hillyer moved, Director Carden seconded to adjourn the meeting at 3:05pm.

Passed: unanimous

DRAFT



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, February 19, 2025, 2pm

WC Auditorium / Zoom

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

Absent Directors: Barbara Blake, Marge Garneau

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

Visitors: 10

AGENDA TOPIC

1. Call to Order / Roll Call

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

2. Amend / Approve Agenda

MOTION: Director Carden moved, Director Magliola seconded to approve the Agenda as presented.

Passed: unanimous

3. Discussion on CPM Changes to MRR-A 110 Percent Policy

Discussion was held regarding the proposed change recommended by the Fiscal Affairs Committee (FAC) to amend the Corporate Policy Manual (CPM) to add the wording “all components combined.” Part 5 Section 5.3.3.D of the CPM would read: The CEO and, in the absence of the CEO, the CEO’s designee or CFO are authorized to commit up to 110 percent of the Fully Funded Balance of all components combined for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110 percent.

Board consensus was to move it forward to the Regular Meeting and put on the Consent Agenda.

4. Discussion on CPM Changes to MRR-A & B 25/70 Policy

A PowerPoint was presented on the MRR-A & B policies with these highlights:

- The MRR-A covers repairing and replacing existing equipment and facilities; excluded replace of pools/spas. The MRR-B is the policy regarding replacing pools/spas.
- Browning consultants continue as contractor for MRR-A with a onsite review in July 2025.
- Modify the CPM language to establish the same reserve range for each Reserve by changing MRR-A from 85 percent to “on or about 70 percent of fully funded balance; establish a minimum desired funding level of “on or about 25 percent of the cost of

replacement; and maintain current budget contribution in the CY 2025 and three year forecast.

Consensus of the Board was to bring this recommendation to the Regular meeting of the Board for approval.

5. Review Draft of 2025 Annual Workplan

CEO Somers reviewed the draft 2025 Workplan with the Board. Discussion was held and these changes were made to bring to the Board for approval at the next Regular Board meeting:

- Under 5.2.1 continue providing a monthly report in the Meeting Book to the Board.
- In 2026 the new Strategic Plan will need developed for 2027 – 2031 and the process needs to start in March. A bullet will be added under Administration/CEO 5.2.1 stating “Process for completion regarding Strategic Plan and preparation.”
- 2.2.3 add “Share all results with the Board of Directors.”
- 5.6.1 add GVR Foundation.
- Add to Boards and Committees to review committee structure and determine any Bylaw changes if necessary. Put this under 5.2.3.
- 3.4.3 stated targeting Voluntary Deed Restricted properties to become members. It was moved to a different location under Finance 4.1.1.
- Under Facilities Department 1.1.1 include a report will be provided to the Board of the ADA audit once completed.
- 1.1.5 the energy audit and the lighting audit in regards to the dark sky project and comply.
- Under Facilities 1.2.3 add vending machine and consider peak season vs. low season.
- Under Finance add 1.1.4 and 4.2.1 to acknowledge the Browning onsite review for 2025.
- Human Resources 3.2.1 Volunteer program was discussed and will remain on the Workplan for now.

6. Member Comments - 0

Adjournment

MOTION: Director Hillyer moved, Director Magliola seconded to adjourned the meeting at 3:44pm.



Green Valley Recreation, Inc.
Board of Directors Meeting
January Financial Highlights

Prepared By: David Webster, CFO

Meeting Date: February 26, 2025

Presented By: David Webster, CFO

Consent Agenda:

<p>Originating Committee / Department: Administration</p>
<p>Action Requested: Review Financial highlights.</p>
<p>Strategic Plan: Goal 4 Cultivate and maintain a sound financial base that generates good value for our members</p>
<p>Background Justification: The Board has requested a separate staff report stating the highlights for each month.</p> <p><u>Key Points/Highlights for January:</u></p> <ol style="list-style-type: none"> 1. January had positive (favorable) income and expense variances 2. January MCF fees/home sales 68 actual vs 57 budgeted, first time we have exceeded budget since August 2023 (80 actual vs 77 budgeted) <ol style="list-style-type: none"> 1. February MCF fees appear they will meet or exceed budget 3. Utilities under budget 4. Despite GVRs 90 operating cash benchmark occurring earlier in the year (resulting mainly from under budget MCF fee the last 2 years) GVR has a strong cash position 5. Significantly less dues paid by credit cards and paid instead by check <ol style="list-style-type: none"> 1. Timing of dues payments changed from December to January however the net payments smoothed out by the end of January 6. Recreation revenue was \$128,835 and is 10% over budget (favorable) an already aggressive budget target 7. GVR Personnel benefit expenses over budget (unfavorable) mainly due to more staff participating in benefits programs



Green Valley Recreation, Inc.
Statement of Financial Position

As of Date: January 31, 2025 and Dec 31, 2024

	January 31, 2025	Dec 31, 2024
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	779,611	2,642,024
Accounts Receivable	1,003,000	293,785
Prepaid Expenses	247,933	281,954
Maintenance Inventory	-	-
Designated Investments (Charles S./SBH)		
Emergency - Fund	513,004 ⁽¹⁾	635,469 ⁽¹⁸⁾
MRR - Fund	8,932,180 ⁽²⁾	7,586,789 ⁽¹⁹⁾
Initiatives - Fund	1,127,758 ⁽³⁾	993,706 ⁽²⁰⁾
Pools & Spas - Fund	1,542,072 ⁽⁴⁾	1,200,643 ⁽²¹⁾
Total Designated Investments (CS/SBH)	12,115,014 ⁽⁵⁾	10,416,607 ⁽²²⁾
Undesignated Invest. (JP Morgan Long Term)	1,629,028 ⁽⁶⁾	1,008,091 ⁽²³⁾
Undesignated Invest. (JP Morgan)	3,610,215 ⁽⁷⁾	1,008,955 ⁽²⁴⁾
Investments	17,354,257 ⁽⁸⁾	12,433,653 ⁽²⁵⁾
Total Current Assets	19,384,801	15,651,416
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased fixed Assets	33,182,477	33,177,611
Sub-Total	51,199,562	51,194,696
Less - Accumulated Depreciation	(28,870,121)	(28,756,541)
Net Fixed Assets	22,329,441 ⁽⁹⁾	22,438,155 ⁽²⁶⁾
Operating Lease ROU, Net of Accum. Amortization	-	-
Finance Lease ROU, Net of Accum. Amortization	72,483	72,483
Total Assets	41,786,725	38,162,054
LIABILITIES		
Current Liabilities		
Accounts Payable	407,544	395,710
Deferred Dues Fees & Programs	6,923,077	3,452,625
Accrued Payroll	96,480	247,487
Compensation Liability	-	-
MCF Refund Liability	191,900	195,000
In-Kind Lease Liability -Current	4,000	4,000
Operating ROU Liability - Current	-	-
Financing ROU Liability - Current	40,307	40,307
Total Current Liabilities	7,663,307	4,335,129
In-Kind Lease Liability - LT	42,667	42,667
Notes Payable	-	-
Financing ROU Liability - LT	43,954	43,954
Total Long Term Liabilities	86,621	86,621
TOTAL NET ASSETS	34,036,796 ⁽¹⁰⁾	33,740,304 ⁽²⁷⁾
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	635,469 ⁽¹¹⁾	560,194 ⁽²⁸⁾
Maint - Repair - Replacement	7,586,789 ⁽¹²⁾	7,175,602 ⁽²⁹⁾
Initiatives	993,706 ⁽¹³⁾	1,750,056 ⁽³⁰⁾
Pools & Spas	1,200,643 ⁽¹⁴⁾	814,765 ⁽³¹⁾
Sub-Total	10,416,607 ⁽¹⁶⁾	10,300,617
Unrestricted Net Assets	23,323,696	23,439,687
Net change Year-to-Date	296,493 ⁽¹⁶⁾	-
Unrestricted Net Assets	23,620,189 ⁽¹⁷⁾	23,439,687
TOTAL NET ASSETS	34,036,796	33,740,304



Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 1 month period ending January 31, 2025

FY Budget Period: Jan 1, 2025 - Dec 31, 2025

	PRIOR YEAR COMPARISON				BUDGET COMPARISON				Fiscal Year Budget	Remaining FY Budget
	2024 YTD Actual	2025 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%		
Revenue										
Member Dues	595,971	613,606	17,635	3%	613,606	612,503	1,103	0.2%	7,350,040	6,736,434
LC, Trans., Crd Fees.	107,671	102,146	(5,526)	(5%)	102,146	113,496	(11,351)	(10%)	729,472	627,327
Capital Revenue	207,438	209,116	1,678	1%	209,116	183,129	25,987	14%	2,724,900	2,515,784
Programs	27,192	48,044	20,852	77%	48,044	40,525	7,519	19%	643,718	595,674
Instructional	82,876	80,791	(2,085)	(3%)	80,791	76,800	3,991	5%	480,000	399,209
Recreational Revenue	110,068	128,835	18,767	17%	128,835	117,325	11,510	10%	1,123,718	994,883
Investment Income	(40,680)	32,039	72,719	(179%)	32,039	36,250	(4,211)	(12%)	435,000	402,961
Advertising Income	-	-	-	0%	-	-	-	0%	-	-
Cell Tower Lease Inc.	3,996	4,124	128	3%	4,124	4,077	48	1%	48,919	44,795
Comm. Revenue	3,996	4,124	128	3%	4,124	4,077	48	1%	48,919	44,795
Other Income	9,022	13,834	4,812	53%	13,834	7,425	6,409	86%	169,100	155,266
Facility Rent	1,135	1,755	620	55%	1,755	2,292	(537)	(23%)	27,500	25,745
Marketing Events	-	-	-	0%	-	-	-	0%	-	-
In-Kind Contributions	333	333	-	0%	333	333	-	0%	4,000	3,667
Del Sol Café Revenue	-	-	-	0%	-	-	-	0%	-	-
Other Revenue	10,490	15,922	5,432	52%	15,922	10,050	5,872	58%	200,600	184,678
Total Revenue	994,955	1,105,788	110,833	11%	1,105,788	1,076,830	28,958	2.7%	12,612,649	11,506,861
Expenses										
Major Proj.-Rep. & Maint.	38,699	29,238	9,461	24%	29,238	17,179	(12,060)	(70%)	206,143	176,905
Facility Maintenance	17,344	32,877	(15,534)	(90%)	32,877	33,019	142	0%	396,230	363,353
Fees & Assessments	30	30	-	0%	30	167	137	82%	2,000	1,970
Utilities	123,851	90,837	33,014	27%	90,837	116,633	25,796	22%	1,091,735	1,000,898
Depreciation	100,038	113,580	(13,542)	(14%)	113,580	105,710	(7,870)	(7%)	1,268,520	1,154,940
Furniture & Equipment	15,472	20,526	(5,054)	(33%)	20,526	16,580	(3,945)	(24%)	198,963	178,437
Vehicles	9,847	8,619	1,228	12%	8,619	8,333	(286)	(3%)	100,000	91,361
Facilities & Equipment	305,280	295,708	9,572	3%	295,708	297,621	1,913	1%	3,263,591	2,967,883
Wages	356,375	377,250	(20,875)	(6%)	377,250	387,774	10,523	3%	4,653,287	4,276,037
Payroll Taxes	36,663	34,140	2,523	7%	34,140	30,851	(3,289)	(11%)	370,215	336,075
Benefits	88,230	83,029	5,201	6%	83,029	76,668	(6,361)	(8%)	790,114	707,085
Personnel	481,268	494,419	(13,151)	(3%)	494,419	495,293	874	0%	5,813,616	5,319,197
Food & Catering	600	4,368	(3,768)	(628%)	4,368	7,693	3,324	43%	92,310	87,942
Recreation Contracts	33,079	74,378	(41,300)	(125%)	74,378	113,566	39,188	35%	712,086	637,708
Bank & Credit Card Fees	38,538	4,809	33,729	88%	4,809	6,792	1,983	29%	81,500	76,691
Program	72,216	83,556	(11,340)	(16%)	83,556	128,050	44,494	35%	885,896	802,340
Communications	13,860	5,869	7,991	58%	5,869	9,158	3,289	36%	109,900	104,031
Printing	507	2,274	(1,767)	(349%)	2,274	8,083	5,810	72%	97,000	94,726
Advertising	290	386	(96)	(33%)	386	1,500	1,114	74%	18,000	17,614
Communications	14,657	8,529	6,128	42%	8,529	18,742	10,212	54%	224,900	216,371
Supplies	26,045	37,425	(11,380)	(44%)	37,425	45,958	8,533	19%	547,100	509,675
Postage	816	-	816	100%	-	1,625	1,625	100%	19,500	19,500
Dues & Subscriptions	100	1,261	(1,161)	(1,161%)	1,261	1,242	(20)	(2%)	14,900	13,639
Travel & Entertainment	-	-	-	0%	-	367	367	100%	4,400	4,400
Other Operating Expense	5,728	2,934	2,793	49%	2,934	8,908	5,974	67%	106,900	103,966
Operations	32,688	41,621	(8,932)	(27%)	41,621	58,100	16,479	28%	692,800	651,179
Information Technology	4,741	3,468	1,273	27%	3,468	11,420	7,952	70%	137,041	133,573
Professional Fees	16,074	6,769	9,306	58%	6,769	14,208	7,440	52%	170,500	163,731
Commercial Insurance	30,157	37,846	(7,689)	(25%)	37,846	34,765	(3,080)	(9%)	417,185	379,340
Taxes	-	-	-	0%	-	-	-	0%	53,002	53,002
Conferences & Training	-	264	(264)	0%	264	2,146	1,882	88%	25,750	25,486
Employee Recognition	-	357	(357)	0%	357	1,042	685	66%	12,500	12,143
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-
Corporate Expenses	50,972	48,704	2,268	4%	48,704	63,581	14,878	23%	815,978	767,274
Expenses	957,082	972,536	(15,454)	(2%)	972,536	1,061,388	88,851	8.4%	11,696,781	10,724,245
Gross Surplus(Rev-Exp)	37,873	133,252	95,379	252%	133,252	15,442	117,809	763%	915,868	782,616
Net Gain/Loss on Invest.	20,176	163,241	143,065		163,241	-	163,241		-	(163,241)
Net from Operations	58,049	296,493	238,444	411%	296,493	15,442	281,050		915,868	619,375



Green Valley Recreation, Inc.
Board of Directors Regular Meeting
Amend CPM, MRR A,
110% Commitment per Component

Prepared By: David Webster, CFO

Meeting Date: February 26, 2025

Presented By: David Webster, CFO

Consent Agenda: No

<p>Originating Committee / Department: Fiscal Affairs Committee</p>
<p>Action Requested: Amend Part 5 Section 5.3.3.D. of the Corporate Policy Manual (CPM) such that the CEO or designee is authorized to commit up to 110% of the fully funded balance of all components combined for the current fiscal year in the current Annual Reserve Study.</p>
<p>Strategic Plan Goal: Goal 4 Cultivate and maintain a sound financial base that generates good value for our members.</p>
<p>Background Justification: The CPM currently states that the CEO can commit up to 110% of each component’s fully funded balance. This is too restrictive since the cost of many “components” are often greater than 110% of the amount listed in the Annual Reserve Study. For example, the parking lot resurface at the Canoa Ranch Center had a fully funded balance of \$25,235, but the actual cost was \$28,597. Additionally, if it’s reasonable and prudent to expend funds on a component earlier than anticipated, the “fully funded balance” of that component will not yet be at maturity. By amending the language in the policy to commit no greater than 110% of the total aggregate of all components, GVR will better be able to manage MRR related activities by working within the policy.</p> <p>As discussed at the Work Session on February 19, 2025, the consensus was to move to the next regular schedule meeting and put on the Consent Agenda.</p>
<p>Fiscal Impact: This change will have no impact on transfers from the Operations Fund to the MRR A Fund and will have no impact in total annual MRR A expenses.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Amend Part 5 Section 5.3.3.D of the Corporate Policy Manual such that the CEO or designee is authorized to commit up to 110% of the fully funded balance of all components combined for the current fiscal year in the current Annual Reserve Study. 2) Maintain the current language. 3) Table this decision at this time.
<p>Staff Recommendation: Option #1</p>

Recommended Motion:

I move to amend Part 5 Section 5.3.3.D of the Corporate Policy Manual such that the CEO or designee is authorized to commit up to 110% of the fully funded balance of all components combined for the current fiscal year in the current Annual Reserve Study.

Attachments:

- 1) Redlined CPM

5.3.3 Maintenance, Repair & Replacement Reserve Fund (MRR-A)

- A. Purpose:
This fund shall be used only to maintain, repair or replace existing equipment and facilities as listed in the Component List of the Annual Reserve Study.
- B. Target Balance:
This reserve shall maintain a sufficient balance based on Annual Reserve Contributions calculated within the Annual Reserve Study.
- C. Funding Source:
1. Annually, GVR shall transfer the full year's Annual Reserve Contribution as determined by the Annual Reserve Study for the current fiscal year from operations to this reserve within 30 days of the end of the dues collection period (normally January 31, so the full MRR funding should be transferred by the end of February).
 2. Reimbursement Policy:
 - a. Projects paid directly from MRR – no reimbursement necessary.
 - b. Projects paid from the Operating Reserve – Quarterly (or monthly if necessary), after review by the FAC and approval of the Board, the MRR Reserve Fund will reimburse Operating Cash Account the full project cost of completed MRR projects. Evidence of required reimbursement will include a brief description of the project, timeframe of projected replacement, actual project completed date, forecasted cost and actual cost. If actual cost is substantially different from forecasted cost, a detailed justification will be provided.
- D. Authorization:
The CEO and, in the absence of the CEO, the CEO's designee or CFO are authorized to commit up to 110% of ~~the a Component's Fully Funded Balance~~ of all components combined for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110%.
- E. Investment Parameters:
Monies contributed to this reserve shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

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Green Valley Recreation, Inc.
Board of Directors Regular Meeting
2025 Draft Annual Workplan

Prepared By: Scott Somers, CEO

Meeting Date: February 26, 2025

Presented By: Scott Somers, CEO

Consent Agenda: Yes

<p>Originating Committee / Department: Administration</p>
<p>Action Requested: Approve the proposed 2025 Annual Workplan</p>
<p>Strategic Plan: GOAL 5 Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: <p>The Board of Directors reviewed, discussed, and made changes to the draft 2025 Annual Workplan. The changes discussed at the meeting have been made.</p> <p>The proposed workplan coincides directly with the Board-approved 2022-2026 Strategic Plan. Completion of the action items identified in this workplan will support fulfillment of the Strategic Plan Initiatives, Goals, and ultimately, the Vision of the organization.</p> </p>
<p>Fiscal Impact: Each item may or may not have a fiscal impact.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Approve the 2025 Proposed Annual Workplan as drafted. 2) Approve the 2025 Proposed Annual Workplan with amendments. 3) Provide alternative direction to staff.
<p>Staff Recommendation: Option #1 or #2</p>
<p>Recommended Motion: <i>I move to approve the proposed 2025 Annual Workplan.</i></p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Proposed 2025 Annual Workplan

Memorandum

To: Board of Directors
 From: Scott Somers, CEO
 CC: GVR Senior Staff
 Date: February 26, 2025
 RE: 2025 Annual Workplan

Administration/CEO

- 2.2.3 Develop relationships with similar organizations to share trends, best practices, and steps to overcome customer service challenges
- Survey similar organizations. ***With Membership Department, surveys have been on going as need arises with respect to dues, fees, policies, practices, and trends and will share results with Board at appropriate times.***
- 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) ***The monthly GVR NOW! provides Board Action Highlights. Eblast provides meeting announcements.***
- 5.2.1 Review the Strategic Plan regularly to ensure progress on action items and continuity year-over-year with the plan
- Complete and present an Annual Workplan to the Board for approval. (February)
 - Provide an update to the Board on the Annual Workplan as part of the CEO performance evaluation. (December)
 - Prepare for the 2027-2031 strategic plan (December)
- 5.6.1 Participate/partner with outside organizations such as Rotary, Chambers, GVC, GGVCF, etc.
- Regular attendance at the following:***
- Rotary Club of Green Valley membership.
 - GVC Executive Committee.
 - GVC Representative Meeting.
 - GVR Foundation Board meeting.
 - University of Arizona Community Advisory Board member.

Board and Committees

- 4.3.3 Employ sound investment strategies to maximize passive income
- Investment Committee and Finance. (Ongoing) ***Investment Policy is actively managed.***

5.2.2 Develop and adopt operating commitments for the Board that demonstrate courtesy, consideration, mutual respect, and willingness to listen to one another and staff

- Board credo was developed and adopted. **Ongoing reminders and practice are helpful.**

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. (Ongoing)
- Review committee structure and determine any Bylaws changes if necessary (August)

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

- Research and identify Board training opportunities. (February) **Board orientation held in April after Elections. Board online Training in April with Do Good. Better. (Alexander & Carrillo Consultants)**
- Survey Board of Directors for what they would like for training, including training to support and encourage teamwork. **New Board in April will be surveyed.**

Communications

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

- With Facilities, create an explicit signage schedule (template) to be applied to all centers, consulting county code as appropriate. (July) **Las Campanas and CPII will get signage overhauls in 2025. (October)**

1.3.4 Implement standard and electronic signage to heighten communication of activities and events

- Enhance Events and Entertainment promotions through visual installations at West Center. (October)

3.3.2 Improve ease of access to GVR activity schedule and opportunities

- With Recreation, develop a “getting started” program to provide instruction and supplies for drop-in activities. (September)

3.4.2 Continue to seek member feedback on a wide variety of matters via polls, surveys, in-person forums and virtual forums

- Survey members on topics as needed. (Ongoing)

Facilities Department

1.1.1 Identify accessibility improvement areas

- Complete and document the results of an ADA audit of centers. A report shall be provided to the Board once completed. (April)

1.1.3 Continue to identify and execute a process for regular upkeep and maintenance/predictive maintenance procedures

- Develop and implement a monthly/quarterly/annual maintenance schedule for all HVAC units. (April)
- With Field Services, develop a monthly inspection process for all drop-in sports amenities. (April)

1.1.5 Introduce newer technology to improve energy efficiency when there are opportunities

- Conduct a campus-wide energy and dark skies audit and compile recommendations to reduce GVR’s energy consumption and light population contribution. (August)

1.2.3 Research and develop recommendations for providing food and beverage in certain centers

- Through a pilot project, explore providing coffee in major center lobby. (August)

1.3.2 Update interior and exterior furnishings, door hardware, landscaping, and amenities campus wide

- Canoa Hills serves as model. Expect other centers to follow in future years as scheduled per MRR study. (Ongoing)

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

- Identify the first location to develop. With Communications, survey members about desired amenities. (September)

Finance Department

1.1.4 Develop and adopt a rolling 5-year Capital Projects Plan aligned with the Strategic Plan.

- Look to the Strategic Plan to inform the 5-year Capital Projects Plan. (Annually) ***The improved 5-Year plan was successfully updated and presented with the 2024 Capital Budget in October and will continue in subsequent years.***

4.1.1 Identify options and tradeoffs for revenue diversification

- With staff and Fiscal Affairs Committee (FAC), brainstorm options and alternatives; identify costs and benefits of each; develop top recommended list; present to Board recommendations. (July) ***Alternatives for revenue diversification have been developed by staff and are being presented to the FAC for further brainstorming.***
- With FAC Member Services, and Communications, develop a strategy and marketing campaign to attract VDR properties to join GVR. (August)

4.2.1 Evaluate Maintenance Repair and Replacement (MR&R) to confirm need. (ongoing)

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

- Continue providing quarterly financial updates to Board and detailed financial statements to the FAC. (Ongoing)
- Provide annual primer on reading financial statements. (Annually) ***An introductory financial statement meeting is offered in March after new Board Members are appointed.***
- Review Fund EZ Purchase Order System, and other third-party PO systems and implement. ***The Fund EZ PO system was found to not be adequate for GVR's needs. Other systems are currently being reviewed. A budgeting and project costing system is going to be researched in 2025. (March)***

4.4.1 Review the 3-year annual financial forecast with the Board

- Present 3-year annual financial forecast as part of the annual budget document. (Annually) ***The three-year forecast is included with the annual budget.***

Human Resources

3.2.1 Develop a sustainable volunteer program, including recruiting and training of volunteers, to support GVR activities

- With Board and Recreation, identify opportunities for volunteerism. (June) **Further discussion on goals and objectives is needed. Volunteer opportunities currently exist on the Board of Directors, Board Advisory Committees, and during performances.**
 - Update or develop volunteer job descriptions if needed.
- 5.3.2 Develop a list and description of GVR Values/Principles and articulate roles and responsibilities
- Draft and disseminate a clear set of GVR values and principles to guide employee behavior. (February)
- 5.3.3 Provide training and team activities to help people demonstrate these GVR values
- 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)
- 5.3.4 Incorporate values into performance management
- Redesigned process for 2025. Scheduled to launch by end of Q1 2025. (March)

IT Department

- 1.2.5 Employ newer technologies to benefit members' abilities to fully utilize facilities
- Simplify members experience while using GVR rooms and a/v equipment. Providing GVR laptops to each major center to create consistency and ensure compatible connections. (March)

Member Services Department

- 2.2.1 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
- Continue to analyze information provided to new members – create “script” for Membership Specialists to review during the new member presentation. (September)
 - Work with attorney to gain additional knowledge with regard to GVR’s boundary, master development agreements, deed restrictions, title agreements, and collections. Better define/understand GVR’s boundaries. (Continuous process, Ongoing)
 - Continue to explore and find solutions to identify and decrease membership and guest card misuse. **For 2025, research options to audit Airbnb and Vrbo properties. Ongoing - CSRs and Membership Specialists submit potential card misuse scenarios, communications sent as needed. COAs report card misuse to Member Service Director who contacts the member.**
 - Work toward documenting Membership SOPs and creating a comprehensive handbook. **CSR Handbook completed; create continuing education topics/manual for CSRs. Membership Handbook is in progress.**
 - Partner with Communications to create a comprehensive New Member Welcome Packet. (November)
 - Partner with Communications to create a realtor information sheet. (October)
- 3.3.1 Conduct a policy and process review
- Investigate possible alternatives to our current membership database to combine databases, add capabilities. and improved overall experience. (October)

- Review options for tracking property sales in VDR subdivisions and proactively contacting potential new buyers. (December)

Recreation Department

1.1.2 Assess and improve fitness center functionality

- Work with facilities on plans to expand the Las Campanas Fitness Center. (August) **Currently on the Five-Year Capital Improvement Plan for 2027.**

1.2.5 Employ newer technologies to benefit members' abilities to fully utilize facilities (See Facilities)

- Investigation options to implement an online reservation system. **A pilot involving one or two rooms will launch in 2025.**
- Secure beer and wine licenses for identified locations. (August)

2.1.2 Explore a varied activity/service structure that accommodates all income levels

- Staff are scheduling free, one-time events which are funded by the net income from larger events with admission fees. (Ongoing)
- Explore the possibility of creating a drop-in area with television, games, and light activities at East Center similar to the drop-in environments at the Canoa Hills Lobby and the Del Sol Clubhouse. (December)

3.1.3 Continue to identify programming and events that members want

- Survey members who have not used their GVR card in the past 24 months to find out what programs, amenities, or events might inspire them to participate. (February)
- Develop focus groups of members who regularly attend events and/or enroll in leisure education classes. (May)

3.1.4 Develop a prioritized 5-year plan for programming events

- Develop 5-year plan for exploring new recreation, leisure education, and event opportunities as well as a tentative five-year event schedule. (September)



Green Valley Recreation, Inc.

Board of Directors Meeting

Award Contract for Artisan Shop Expansion

Prepared By: Scott Somers, CEO

Meeting Date: February 26, 2025

Presented By: Scott Somers, CEO

Consent Agenda: No

<p>Originating Committee / Department: Administration and Facilities</p>
<p>Action Requested: Award a contract for the Artisan Shop expansion project to Building Excellence in an amount not to exceed \$31,515.</p>
<p>Strategic Plan: Goal 1 Provide excellent facilities for members to participate in a variety of active and social opportunities</p>
<p>Background Justification: On September 25, 2024, the Board approved moving forward with the West Center (WC) Clubs Expansion Project by separating the two projects (Lapidary/Artisans AND Woodworking), with the Lapidary Club and Artisan Shop expansion project moving forward first. The Artisan Shop expansion portion of this project is much smaller and simpler than the Lapidary Club expansion and can therefore move forward much sooner. It involves adding a wall in the former Billiards Room, giving the Artisan Shop approximately 60% of the room and Lapidary approximately 40% of the room, and removing the wall between the Artisan Shop and the former Billiards Room. HVAC and electrical work are necessary as well, some of which will be performed inhouse to keep costs down.</p> <p>Per the Procurement Policy, staff has gone out for bid. The follow bids were received:</p> <ul style="list-style-type: none"> • AJ Sunwest - \$39,578 • Building Excellence - \$28,650 • Ralcon - \$21,800 (Missing substantial scope and did not respond to requests for clarifications. Therefor disqualified due to incomplete bid). <p>Staff recommends awarding a contract to Building Excellence in an amount not to exceed \$31,515. This includes the contract amount of \$28,650 and a 10% contingency.</p>
<p>Fiscal Impact: The 2025 Capital Budget includes \$991,524 from the Initiatives Fund for the Lapidary Club/Artisan Shop Expansion Project. The Artisan Shop has pledged \$2,500 toward the cost of this project.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Award a contract for the Artisan Shop expansion project to Building Excellence in an amount not to exceed \$31,515. 2) Award a contract for the Artisan Shop expansion project to an alternative contractor in a different amount. 3) Direct staff to rebid this project.

Staff Recommendation:

Option #1

Recommended Motion:

I move to award a contract for the Artisan Shop expansion project to Building Excellence in an amount not to exceed \$31,515.

Attachments:

- 1) Contract with Building Excellence
- 2) Proposal from Building Excellence
- 3) Design plan



GREEN VALLEY RECREATION, INC.

SHORT-FORM CONTRACT

OWNER:

GREEN VALLEY RECREATION, INC., an Arizona corporation
 Attn: Facilities Director
 333 W. Paseo del Prado
 Green Valley, AZ 85614

CONTRACTOR/VENDOR:

Building Excellence LLC ROC# 234318
 1860 West Price Street Tucson, AZ 85705
 P: 520.219.6993 F:520.219.8452
 Brian Lauer, 520.585.7426, brian@buildingexcellence-llc.com

PROJECT: West Center Artisan Shop
 1111 S. GVR Drive, West Center, Green Valley, AZ 85614

DESCRIPTION OF WORK				
<p>Contractor agrees to perform the Work as described in the attached proposal dated February 13th, 2025 or describes the work as follows:</p> <p>Scope: Building Excellence (BE) will furnish all labor, materials and equipment needed to complete the scope of work as described and detailed herein. BE will demo the existing demising wall, leaving the DSX closet and light switch wall in place. BE will demo the walls shown inside existing sales floor. BE will add (2) pass thru openings in the existing archway wall. BE will relocate the existing closet doors and hardware. BE will make safe/remove existing in wall electrical. BE will Demo/relocate existing fire protection as needed. BE will patch back acoustical ceilings to meet each other and infill with ceiling tiles. BE will modify (2) existing HVAC supply registers. BE will remove carpeting under new wall and construct new metal stud framed wall up to ceiling grid. BE will drywall, finish and paint one side of the new wall. BE will perform minor patching of exiting walls but unknow surfaces behind slat walls are not included.</p> <p>Slat walls to be removed and relocated by GVR Personal. BE WILL NOT be modifying or expanding the existing lighting. BE Will Not be modifying the existing FA or fire exit devices. BE will not be adding or modifying the existing electrical or low voltage, aside from demo.</p> <p>Final payment made after acceptance by owner, presentation of final invoice with applicable lien releases, if required, and in the next scheduled GVR check run. Contractor agrees to abide by the worksite safety procedures list in the Standard Terms and Conditions (page 2). Price includes sales tax.</p> <p>Anticipated Start Date: April 7th, 2025 Anticipated Completion Date: May 12th, 2025</p>				
Labor/Materials	Hours	Rate	Amount	Total
Lump Sum				\$28,650.00
			Contract Total	\$28,650.00

By signing below, Contractor agrees to perform the Work in accordance with the Terms and Conditions for this Short Form Services and Replacement Contract:

CONTRACTOR: BUILDING EXCELLENCE LLC

BY (Sign & Print Name) _____ DATE: _____

OWNER: GREEN VALLEY RECREATION, INC.

BY: (Sign & Print Name) _____ DATE: _____

These Standard Terms and Conditions (the "Terms") shall apply to the "Short Form Services and Replacement Contract" between Owner and Contractor and shall govern the work to be performed (the "Work") as set forth therein. These Terms shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective heirs, successors, personal representatives, and assigns. These Terms shall supersede any inconsistent provision of any incorporated and attached proposal.

SCOPE

Contractor represents that it has all proper licenses necessary or required to perform the Work. Contractor agrees to promptly perform the Work in a good and workmanlike manner and to furnish and provide all labor, professional services, materials, equipment, tools, utilities, supervision, shop drawings, transportation, insurance, and other resources, services and facilities of every kind and description necessary for the prompt and efficient performance of the Work. All materials supplied by Contractor shall be new and of high quality unless specifically agreed otherwise.

In performance of the Work, the Contractor shall give all notices and comply with all laws, ordinances, rules, regulations, and orders of public authorities bearing on the performance of the Work. The Contractor shall secure and pay for all permits and government fees, licenses, and inspections, where required. In the event the Contractor fails to obtain necessary permits, the Contractor shall be liable for any and all fees and penalties, including any professional fees and services, necessary to obtain final approval from the relevant governing authority.

CHANGES

Either the Contractor or the Owner may request changes to the Work, but no change in the Work or these Terms, including changes in design, construction, materials, functionality, time of completion or the contract amount (the "Extra Work") shall be effective until a written Change Order has been signed by Contractor and Owner. Contractor shall not be entitled to any additional compensation or additional time for performance of the Work due to any extra work of any nature or description, whether resulting from unanticipated conditions, force majeure, Acts of God, changes made by Owner, changes made to accommodate a subcontractor of supplier, or otherwise, unless Contractor and Owner have signed a written Change Order. Failure by Contractor to obtain a signed Change Order prior to commencing Extra Work shall constitute a waiver by Contractor of any claim for Extra Work or for additional compensation or for additional time to complete the Extra Work.

WORKSITE SAFETY

The Contractor shall provide any and all required or necessary signage, barricades, and fencing as appropriate to prevent accidental entry into the Worksite by unauthorized individuals or appropriate to prevent accidental injury. Contractor shall take all safety precautions necessary to maintain a safe workplace in full compliance with all applicable rules and regulations relating to occupational health, safety, and to the prohibit the use of alcohol and drugs on the Worksite or other property of the Owner. The security of all property including but not limited to materials, tools, and equipment to be used in the performance of the Work and stored on or off the Worksite or while in transit to or from the Worksite shall be at the Contractor's risk and any losses, whether insured or not, shall be the responsibility of the Contractor.

CLEAN UP AND REPAIR

The Contractor shall keep the project free from accumulated waste materials or rubbish, in compliance with applicable environmental rules and regulations, from Contractor's operations or the operations of Contractor's subcontractors. At the completion of the Work, Contractor shall leave the Worksite "broom clean" or its equivalent.

Any modification or damage to the Worksite or Owner's property, including, but not limited to walls, fences, gates, landscaping, curbs, walkways, automobiles, or other personal property caused by the Contractor or Contractor's subcontractor shall be restored by the Contractor to a condition at least as good as it was before the commencement of the Work or as otherwise agreed to in writing by the Owner. If restoration is not possible, Owner may withhold payment in a reasonable amount necessary to restore the property or to adequately compensate Owner or the damaged party.

WARRANTIES AND GUARANTIES

In accordance with the Arizona Registrar of Contractors Workmanship Standards, Rule R4-9-108, or if not applicable then in accordance with these Terms, Contractor hereby warrants and guarantees all materials and/or workmanship provided by Contractor or Contractor's subcontractors against any defects for a period of twenty-four (24) months from the date of acceptance of the completed Work by the Owner, regardless of any warranty of lesser duration offered by any supplier of material or equipment provided or installed by the Contractor. Upon completion of the Work the Contractor shall: (a) provide the

Owner with copies of all manufacturer's warranties and guarantees on all equipment and materials provided along documentation required to initiate a

warranty; and (b) provide the Owner with a written and acknowledged statement that all subcontractors and material suppliers have been paid who performed work or supplied materials to the Worksite and stating that Contractor is not aware of any threatened liens, or other claims for payment.

INSURANCE

Contractor shall, at its sole expense and prior to the commencement of the Work, maintain insurance, verified by a Certificate of Insurance provided to the Owner, having at least the following minimums: (a) General Liability Insurance of \$1,000,000 per occurrence; (b) Auto Liability \$100,000 coverage; (c) Workers Compensation and Employer's Liability Insurance as required by Arizona law. The policy limits shown are the minimum acceptable limits of coverage and do not restrict, limit, or waive any obligations or responsibilities Contractor has under this Contract. If Contractor maintains or obtains limits in excess of these requirements, those limits shall apply for the benefit of the Owner.

INDEMNITY

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless Owner and its managers, members, officers, directors, employees, representatives and agents (individually and collectively referred to as the "Indemnitees"), for, from and against any and all claims, demands, causes of action, damage (compensatory and consequential), judgments, fines, penalties, settlements and all other losses arising from the performance or nonperformance of the Work (individually or collectively referred to as a "Claim" or "Claims") and all attorneys' fees, consultant fees, court costs (whether or not taxable by statute) and expenses incurred by Owner in the evaluation, settlement and satisfaction thereof. This duty to defend and indemnify extends to the maximum extent permitted by law, and includes, but is not limited to, any Claim, just or unjust or fraudulent, of any kind, nature or description whatsoever, whether sounding in tort, contract (including breach of these Terms), equity, the alleged violation of a civil or criminal law, or any other theory of liability, and whether the Claim is based on an alleged death, personal injury, sickness, property damage (including property damage to the Work), infringement, loss of use or any other economic loss, release of a chemical or byproduct or other substance regulated by applicable law, legal violations or other claimed damage. This duty to defend and indemnify shall apply without regard to whether the Claim is asserted by a public or private claimant and whether in an investigative, judicial or administrative proceeding, civil or criminal. This duty to defend and indemnify shall apply to claims asserting Indemnitees acted negligently, but Contractor shall not be required to indemnify Indemnitees for Indemnitees' sole negligence or intentional misconduct.

If a lien is recorded or a stop work notice is imposed as a result of action by Contractor and not as a direct result of any breach of these Terms by Owner, Contractor agrees to furnish and record, at no cost to Owner, such bond as is necessary, pursuant to A.R.S. §33-1004 or otherwise, to release and discharge Owner from any such lien or stop work notice and to defend and indemnify Owner from and against such claim.

PAYMENT

Upon completion of the Work, Owner may inspect Contractor's Work and either approve or disapprove the work. Owner shall have no obligation to pay Contractor unless and until the work is approved by Owner, which approval shall not be unreasonably withheld. Owner shall make payment in full to Contractor following Owner's approval, except that Owner may withhold a reasonable portion of final payment for damages caused or claims threatened or asserted as provided in these Terms. Owner's acceptance and final payment shall not waive any warranty obligation of Contractor.

TERMINATION

Owner shall have the right to terminate Contractor, without any prior notice, if Contractor fails to maintain the required insurance under these Terms or for any material violation of occupational health or safety regulation. In the case of any other default under these Terms, Owner may terminate Contractor after giving notice of the default and if Contractor fails to reasonably correct the default. Upon termination, Contractor shall not be entitled to payment until the Work is completed and then shall be entitled to only to the Contract value less the cost of replacement Work performed.

DISPUTES

Any disputes arising out of relating to the Work or these Terms shall be resolved solely in a forum in Pima County, Arizona, and the successful party to any such action shall recover its attorneys' fees, expert witness fees, and costs (whether or not taxable). It is agreed that these Terms shall be interpreted as preserving any and all common law and tort remedies that Owner may have against Contractor which may exist as a result of claims that may arise pursuant to Contractor's performance of the Work.

____GVR____ Contractor



Everyday... SINCE 2007 *It's what we do!*

DATE: 2/13/25

Tim Yelaca
Construction Manager
 1111 GVR Drive
 Green Valley, AZ 85614

PROPOSAL FOR: Artisan Shop Expansion

Building Excellence presents our proposal for the project listed above. Below are qualifications and clarifications to the work scope. The work scope is derived from the job walk on 11/27/24 with Tim and Tom and is based on proposed option 3 (partial wall removals)

THE PROJECT SCOPE OF WORK IS AS FOLLOWS:

Building Excellence will furnish all labor, materials and equipment needed to complete the scope of work as described and detailed herein. We will demo the existing demising wall, leaving the DSX closet and light switch wall in place. We will demo the walls shown inside existing sales floor. We will add (2) pass thru openings in the existing archway wall. We will relocate the existing closet doors and hardware. We will make safe/remove existing in wall electrical. We will Demo/relocate existing fire protection as needed. We will patch back acoustical ceilings to meet each other and infill with ceiling tiles. We will modify (2) existing HVAC supply registers. We will remove carpeting under new wall and construct new metal stud framed wall up to ceiling grid. We will drywall, finish and paint one side of the new wall. We will perform minor patching of exiting walls but unknow surfaces behind slat walls are not included. Slat walls to be removed and relocated by GVR Personel. We WILL NOT be modifying or expanding the existing lighting. We Will Not be modifying the existing FA or fire exit devices. We will not be adding or modifying the existing electrical or low voltage, aside from demo.

PROPOSED SCHEDULE (Schedule may be affected by material lead times beyond our control):

Work to be completed prior to April 1st 2025 based on contract issued prior to February 24th.

PROPOSAL AMOUNT (valid for 30 days from proposal date):

Base Bid \$28,650

EXCLUSIONS: Permits, Plans, Removal of sales items, work while space is occupied and anything not listed in the scope of work.

TERMS OF AGREEMENT:

1. PAYMENTS

Invoices will be submitted no later than the end of the month for the work of the previous month. Payments are to be made per Arizona State Law, Arizona Revised Statutes.

2. DISPUTE RESOLUTION

For any claim subject to, but not resolved by mediation, the method of binding dispute resolution shall be Arbitration.

3. INSURANCE

.1 Owner is to maintain property and liability insurance.

.2 Contractor shall maintain insurances for Commercial General Liability with policy limits of not less than \$1,000,000 each occurrence, \$2,000,000 general aggregate, and \$2,000,000 aggregate for products-completed operations hazard.

.3 Contractor shall maintain automobile liability coverages for not less than \$1,000,000.

.4 Contractor shall maintain worker's compensation insurance at statutory limits: employer's liability with policy limits not less than \$1,000,000 each accident, \$1,000,000 each employee, and \$1,000,000 policy limit.

.5 Contractor shall carry builder's risk insurance, if applicable to this type of project at the limits of the contract amount.

4. GOVERNING LAW

This agreement shall be governed by the law of the place where the project is located.

5. LICENSE

The contractor is to have current state required contracting licenses for the work of the project and is to maintain these licenses as current throughout the duration of the warranty period.

ACCEPTANCE BELOW BECOMES A BINDING AGREEMENT BETWEEN OWNER AND BUILDING EXCELLENCE, LLC FOR THE WORK AND TERMS AS WRITTEN ABOVE

OWNER

Signature

Printed Name and Title

Date

BUILDING EXCELLENCE LLC

James Olding

Signature

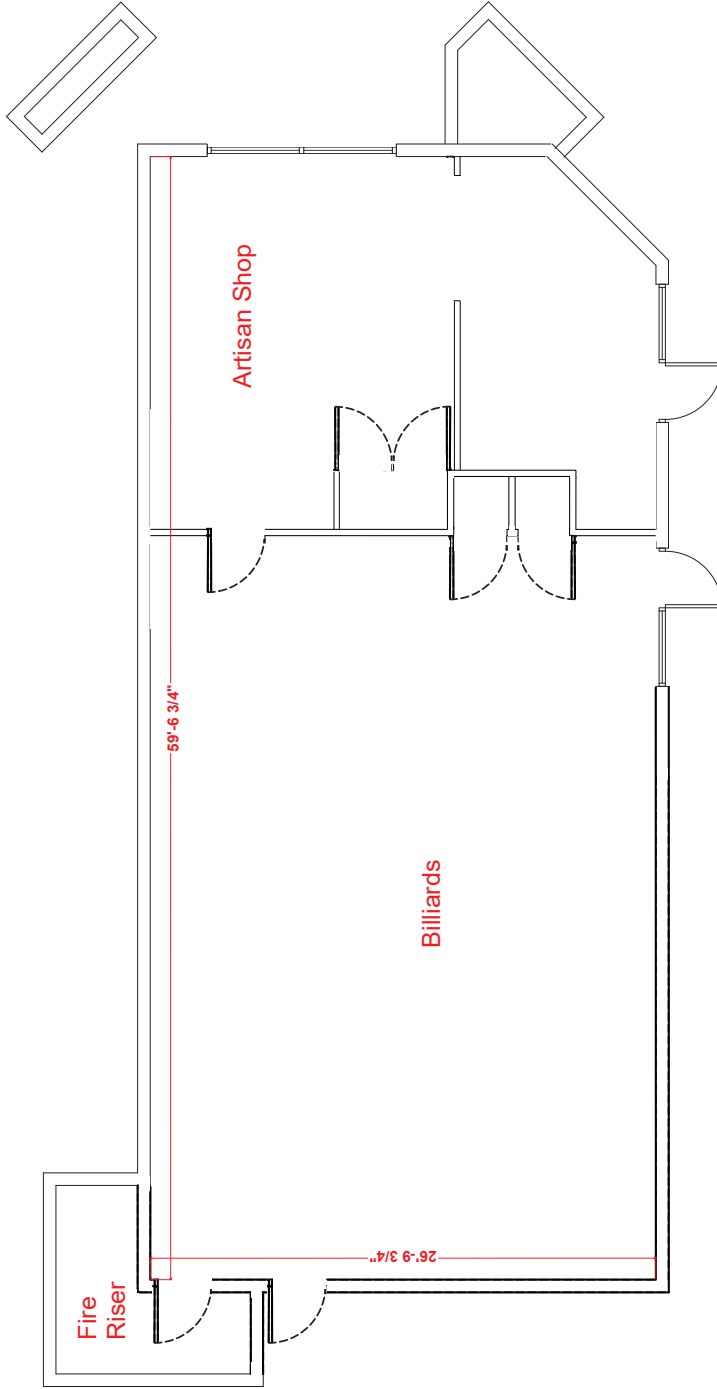
James Olding, Owner

Printed Name and Title

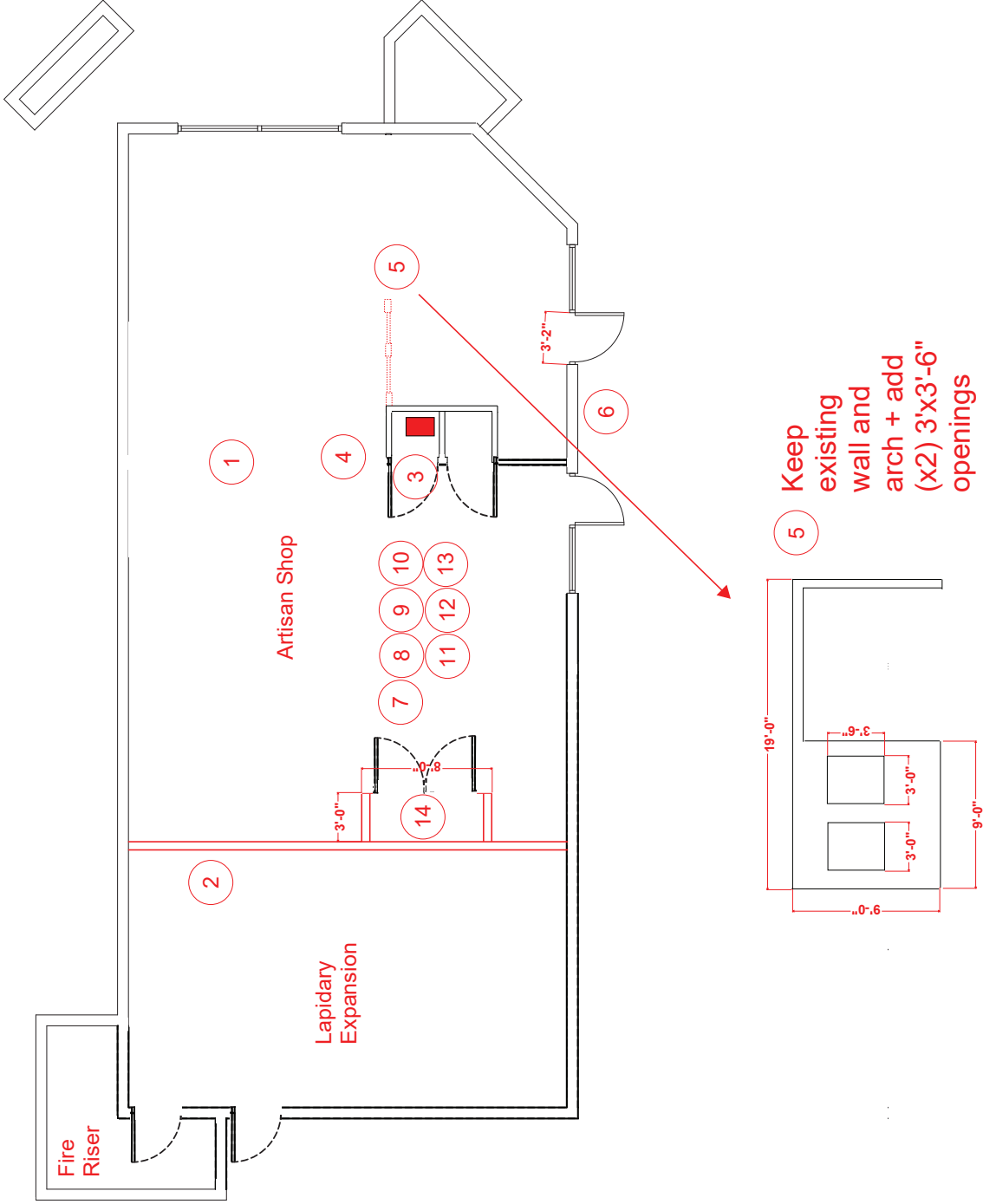
Date



Existing



Proposed - 02-06-25



1. Demo panel wall
2. Frame full height wall
3. DSX to remain in closet
4. Demo middle wall/closet
5. Demo archway OR Add 3'x4' openings (x2)
6. Keep doors
7. Modify ACT
8. Modify Lighting
9. Modify HVAC
10. Modify FA/Exit Signage
11. Modify electrical/LV
12. Paint Walls
13. Shop counters/Slat Wall Panels by Artisan Shop
14. New 3'x8' Closet -
*Add Sprinkler Head
*Reuse closet doors and shelving

Artisan Shop Expansion
Page 2
Layout 02-06-2025





Green Valley Recreation, Inc.
Board of Directors Meeting

Non-GVR Member Pickleball Attendance

Prepared By: Steve Kindred, Rec. Prgrm. Dir. **Meeting Date:** February 26, 2025

Presented By: Steve Kindred, Rec. Prgrm. Dir. **Consent Agenda:** No

<p>Originating Committee / Department: Recreation</p>
<p>Action Requested: Grant the GVR Pickleball Club permission to allow non-competing, non-GVR members into the Pickleball Center to attend the Club's March 15-16, 2025, fundraising competition.</p>
<p>Strategic Plan; Goal 3 Promote increased involvement of members in GVR</p>
<p>Background Justification: The GVR Pickleball Club is holding a competition/fundraiser on March 15-16, 2025, in an effort to raise funds for court expansion. The Club requests permission to invite non-GVR members to attend without participating in the competition. CPM 6.1.3.C (<i>Special events approved by the CEO, e.g., Craft Fairs, Town Halls</i>) appears to possibly allow the CEO to grant permission for this, but is offset by CPM 6.2.2 J.1 (<i>GVR Clubs may host competitive events and allow non-GVR members or guests to participate</i>) which discusses specific club events such as this one. CPM 6.2.2 J.1 grants permission for <i>participating (competing)</i> non-members to attend/compete without Board approval, but does not discuss <i>non-participating (non-competing)</i> attendees. CPM 6.2.2.F (<i>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</i>) appears to be the applicable CPM as it states that Board can grant the permission the Club is requesting.</p>
<p>Fiscal Impact: Minimal – small income from guest fees.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Grant permission for GVR Pickleball Club to allow non-GVR members to attend event with an appropriate guest fee for each attendee. 2) Deny permission for GVR Pickleball Club to allow non-GVR members attend event.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: <i>I move to authorize the GVR Pickleball Club to allow non-competing non-GVR members to attend their March 15-16 fundraising competition with appropriate guest fees which will be relayed to GVR.</i></p>



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Amend Corporate Policy Manual

MRR A & B Section and Contract with Browning

Prepared By: David Webster, CFO

Meeting Date: February 26, 2025

Presented By: Nellie Johnson, Treasurer

Consent Agenda: No

Originating Committee / Department:

Fiscal Affairs Committee (FAC)

Action Requested:

Amend the CPM sections pertaining to Maintenance Repair and Replacement parts A & B as drafted AND approve contracting with Browning to complete the CY 2025 Reserve Study – onsite required in CY 2025

Strategic Plan Goal:

Goal 4 Cultivate and maintain a sound financial base that generates good value for our members.

Background Justification:

The CPM currently states that the “reserve shall maintain a sufficient balance based on Annual Reserve Contributions calculated within the Annual Reserve Study”. The FAC has recommended creating more specific language: “The target total balance of both the MRR A & B Funds shall be a minimum of 25% of the total current replacement cost with an upper target of at or about 70% of the fully funded balance calculated with the Annual Reserve Study”.

The Board held a Work Session on February 19, 2025, to discuss this topic. Consensus was to move forward to the Regular Board meeting on February 26, 2025. The Board also supported contracting again with Browning to complete the CY 2025 Reserve Study.

Fiscal Impact:

Since the Fully Funded Balance for MRR A stated in the Reserve Study is 60.5% and the current replacement cost percentage is 34.7%, staff anticipates GVR will continue to fund MRR A at the level approved in the 2025 Budget. However, in order to build up the MRR B Fund, it is anticipated that additional funding will likely occur once several of the larger projects on the Five-Year Capital Plan are completed.

Board Options:

1. Discuss and consider approval of the FAC recommendation to amend the CPM sections pertaining to Maintenance Repair and Replacement parts A & B as drafted AND approve contracting with Browning to complete the CY 2025 Reserve Study – onsite required in CY 2025.
- 1) Discuss and consider approval of the FAC recommendation to further amend the CPM sections pertaining to Maintenance Repair and Replacement parts A & B AND approve contracting with Browning to complete the CY 2025 Reserve Study – onsite required in CY 2025.

2) Elect to make no changes to the MRR A & B policies and do not contact with Browning.

Staff Recommendation:

Option #1

Recommended Motion:

I move approve of the FAC recommendation to amend the CPM sections pertaining to Maintenance Repair and Replacement parts A & B as drafted AND approve contracting with Browning to complete the CY 2025 Reserve Study – onsite required in CY 2025

Attachments:

- 1) CPM Redlined
- 2) FAC Recommendations PowerPoint

PART 5: FISCAL/ACCOUNTING

5.3.3 Maintenance, Repair & Replacement Reserve Fund (MRR-A)

- A. Purpose:
This fund shall be used only to maintain, repair or replace existing equipment and facilities as listed in the Component List of the Annual Reserve Study.
- B. Target Balance:
This reserve shall maintain a sufficient balance based on Annual Reserve Contributions calculated within the Annual Reserve Study. Section 5.3.1 requires the Board to establish a desired target range. For the MRR-A fund, it is defined as follows: The target total balance of the MRR-A fund shall be at or about 25 percent of the total replacement cost with a target of at or about 70 percent of the fully funded balance calculated with the Annual Reserve Study.
- C. Funding Source:
1. Annually, GVR shall transfer the full year's Annual Reserve Contribution as determined by the Annual Reserve Study for the current fiscal year from operations to this reserve within 30 days of the end of the dues collection period (normally January 31, so the full MRR funding should be transferred by the end of February).
 2. Reimbursement Policy:
 - a. Projects paid directly from MRR – no reimbursement necessary.
 - b. Projects paid from the Operating Reserve – Quarterly (or monthly if necessary), after review by the FAC and approval of the Board, the MRR Reserve Fund will reimburse Operating Cash Account the full project cost of completed MRR projects. Evidence of required reimbursement will include a brief description of the project, timeframe of projected replacement, actual project completed date, forecasted cost and actual cost. If actual cost is substantially different from forecasted cost, a detailed justification will be provided.
- D. Authorization:
The CEO and, in the absence of the CEO, the CEO's designee or CFO are authorized to commit up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110%.
- E. Investment Parameters:
Monies contributed to this reserve shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

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5.3.4 Maintenance, Repair and Replacement Fund (MRR-B)

- A. Purpose:

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- The fund shall be used to fund the replacement of pools and spas.
- B. Target Balance:
 This component of the MRR shall be of sufficient size as determined by the Board to fund replacements of GVR pools and spas. ~~The targeted balance shall be based on GVR's staff estimate of the useful life of the pool and spas and a reasonable timetable for replacement of such items.~~ Section 5.3.1 requires the Board to establish a desired target range. For the MRR-B fund, it is defined as follows: The target total balance of the MRR-B fund shall be at or about 25 percent of the total replacement cost with a target of at or about 70 percent of the fully funded balance calculated with the Annual Reserve Study. The targeted balance shall be based on GVR's staff estimate and GVR shall strive to reach the desired target range over the years.
- C. Funding Source:
 The Board may make contributions to MRR-B from the annual net surplus or budget a specific amount of funds of the annual budget process.
- D. Authorization:
 The Board shall authorize any monies spent from this fund.
- E. Investment Parameters:
 Monies contributed to MRR-B shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

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APPENDIX 1 – BOARD POLICIES

SECTION 4 - GVR RESERVE STUDY POLICY

1.4.2 Reserve Study

- A. To be fiscally responsible, GVR has to answer these basic but critical questions:
1. What will the cost be to maintain, repair and replace its equipment, facilities, and infrastructure to meet member expectations and high standards?
 2. When and to what extent will these costs be incurred?
 3. Will GVR have sufficient money on-hand to meet these costs?
- B. There are three (3) types of Reserve Studies:
1. Full Reserve Study – Baseline, vendor evaluates all facilities, equipment and infrastructure.
 2. Reserve Study with no onsite visit (NOV) – GVR updates Component Inventory with changes.
 3. Reserve Study with an onsite visit (WOV) – Vendor reevaluates Component Inventory & updates.
- C. The Component Inventory of a Reserve Study is the fundamental data driving Reserve Study results. To maintain

Component Inventory integrity, it is imperative that GVR record all maintenance, repairs and replacements to Components as they occur or new Components are added and notify the Reserve Study provider. This is especially true when Reserve Study with no onsite visit is done.

- D. Each Component must meet these four (4) criteria:
 1. GVR must have a duty to maintain, repair and replace it
 2. Limited useful life
 3. Predictable remaining useful life
 4. Exceeds a minimum dollar threshold
- E. By planning, budgeting and funding GVR maintenance, repair and replacement expenses, GVR achieves these three (3) goals:
 1. Sufficient cash to meet its Reserve Study Component Inventory expenses
 2. Achieves a stable Reserve Contribution amount
 3. Evenly distributes the cost to current and future members
- F. Financial Analysis: This portion of a Reserve Study determines the current status of the Reserves (measured as cash or Percent Funded) and recommends Reserve Contribution rate (Reserve Funding Plan) and the projected Reserve Income and Expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.
- G. Fully Funded Balance (FFB): An indicator against which Actual (or Projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each Component then summed together for GVR total. Two formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

$$\text{FFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Or

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate})^{\wedge} \text{Remaining Useful Life}] - [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate})^{\wedge} \text{Remaining Useful Life}]$$

H. Percent Funded: The ratio, at particular point in time (typically the beginning of the Fiscal Year), of the *actual* (or projected) Reserve Balance divided by the Fully Funded Balance is expressed as a percentage.

H.I. Current replacement cost percentage is the projected Balance of the Reserve divided by the Total Current Replacement Cost reported in the MRR-A Reserve Study completed by the contractor and the MRR-B Reserve Report completed by staff. This Total Current Replacement Cost is simply the calculation of costs to replace or maintain all of the components at today's cost.

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Maintenance, Repair and Replacement Reserves (MRR) Part A and B

Fiscal Affairs Recommendations

Nellie Johnson, Chair of FAC

February 19, 2025

Maintenance, Repairs and Replacement(MMR)-Reserve Studies/Budget Summary for Cy 2025 and forecast

MMR Part A

- Started with Browning in 2016; covers repairing and replacing existing equipment and facilities; excluded replacement of pools/spas
- CPM provides specific instructions “shall “ generate sufficient funds as noted in the Study to be added to the annual budget.
- CPM was modified by the Board in Cy 2019 and removed the 85% of fully funded requirement; however, Browning wasn’t aware of this change until mid- Cy 2024 and made the change to its formula in Cy 2025.
- Cy 2025 Contribution budget added \$1,300,102; increased 4.3% versus 6.5% in prior years

Part B: Pools and Spas

- Created in Cy 2020/2021
- Completed by GVR Staff; not included in the Browning contract in Cy 2016 due to costs:
- Staff recommends an estimate using available data that is included in annual budget and future forecasts
- Cy 2025 added \$320,358 to the contribution level – 7.0 % increase each year to “catch up” due to underfunding of this reserve

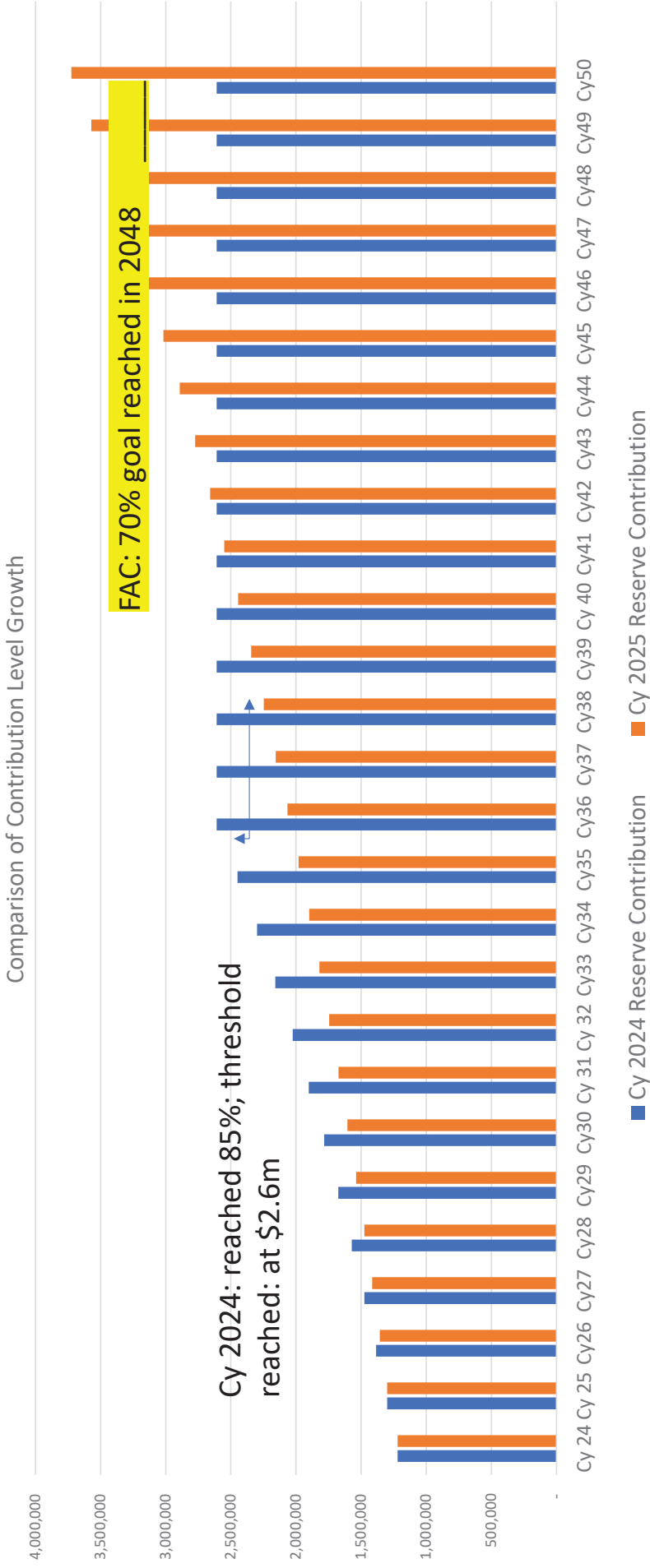
Summary of FAC Recommendations

- Maintain as separate reserves
 - Browning continues as contractor for MRR-A reserve with its entity completing an onsite-review in July of this year: (Motion required); Study is currently posted on website;
 - Staff will complete a report annually and post on website
 - No fiscal Impact; maintain level of funding as included in Cy 2025 Budget and forecast
- Modify the CPM language to establish the same desired reserve range for each Reserve
 - Change MRR A- from 85% to “on or about 70% of fully funded balance
 - Establish a minimum desired funding level of “on or about 25% of the cost of replacement
 - Maintains current budget contribution in the Cy 2025 and three year forecast; therefore, no fiscal impact

FAC Recommended Changes for MRR A

	Prior to Cy 2025	Cy 2025 Budget	FAC recommendations for Cy 2026 and forecast
1. Inflation factor on contributions, expenses, and growth factor (1.5%)	6.5%	4.3% (eliminated growth factor due to eliminating 85% goal;	4.3%
2. Impact on Contribution/reserve policy	Reached 85% of fully funded requirement in Cy 2036; maintained same contribution level of \$2.6 million for remaining years	No threshold on contribution level in future years	Recommend desired goal of on or about 70% of fully funded requirement with a minimum of 25% of cost replacement projection

Impact on Growth of GVR Contribution Level



The FAC Recommendation is the same as Browning's Cy 2025 except for the desired goal of 70%; The second part of the FAC recommendation regarding a minimum level of funding is as reflected on slide 7)

Percent Funded of Fully Funded Balance



Status of MRR-A Pool in Cy 2025 with FAC Recommendations

Fully Funded Balance at or about 70%

	MRR-A
Projected Fund Balance	6,791,071
Fully funded Balance of Reserve	11,218,100
Fully funded %	60.5%

Cost of Replacement is at or about 25%

	MRR-A
Projected balance of Reserve	6,791,071
Total Current replacement Costs	19,591,336
	34.7%

The Current Replacement cost is defined as the projected balance of the reserve divided by the total current replacement costs reported in the Annual Reserve Study.

Funding Balance/Model is contingent on GVR spending up to the MRR-A recommended levels

- Browning revises its reserve study each year to account for inflation, timing of completion of projects, additions of new facilities:
- GVR’s actual expenses may vary due to project scheduling, part availability, access to contractors; COVID etc.

	2019	2020	2021	2022	2023	2024	2025
Budget	1,817,094	1,374,903	1,746,938	2,241,047	1,652,638	1,740,411	2,340,240
Actual	929,174	941,845	1,377,108	1,136,788	1,565,433	1,356,985	
	51%	69%	79%	51%	95%	78%	100%

1. For Cy 2024Browning had estimated \$926K in Budget Doc; actuals are coming in higher;

MMR- B Pools and Spas

Background

- **Created in Cy 2020/2021**
- **Completed by GVR Staff;**
 - not included in the Browning contract in Cy 2016 due to costs:
 - staff recommends an estimate using available data that is included in annual budget and future forecasts
- **Cy 2025 Budget Contribution**
 - added \$320,358 or 7.0 increase; apply each year to “catch up” due to underfunding of this reserve

Part B: Pools and Spas

- GVR has 13 pools of varying ages
- Normal useful life of 35 years has been reached by 7 pools; extend useful life to 50-67 years based on maintenance updates
- Assumes a pool is replaced every four years
- Assumes a 6% investment return on fund balances each year;
- Assumes a 3% on average inflation rate

Inflation 3.00%
 Life Expect. 35

Center	Pool	Gallons (approx)	Cost (2021) Inflated to 2025	Year Built	Life Expect.	Replac. Year	Useful Life
6	Casa Paloma I	86,010	\$ 1,654,059	1973	35	2008	-18
5	West Center	114,635	\$ 1,463,436	1976	35	2011	-15
7	Casa Paloma II	68,217	\$ 1,194,139	1976	35	2011	-15
10	Continental Vistas	67,329	\$ 1,178,594	1979	35	2014	-12
8	Desert Hills	118,409	\$ 2,072,750	1981	35	2016	-10
9	Madera Vistas	35,966	\$ 629,585	1984	35	2019	-7
13	Santa Rita Springs	84,588	\$ 1,480,713	1986	35	2021	-5
11	Canoa Hills	125,033	\$ 2,188,703	1990	35	2025	-1
12	Las Campanas	137,500	\$ 2,406,938	1997	35	2032	6
4	Abrego South	44,112	\$ 772,181	2006	35	2041	15
14	Canoa Ranch	103,000	\$ 1,803,015	2008	35	2043	17
3	Abrego North	57,370	\$ 1,004,262	2012	35	2047	21
2	East Center	75,000	\$ 1,312,875	2022	35	2057	31

Status of MRR-B Pool in Cy 2025 with FAC Recommendations

Fully Funded Balance at or about 70%

	MRR-B
Projected Fund Balance	1,598,133
Fully funded Balance of Reserve	5,799,605
Fully funded %	27.6%

Cost of Replacement is at or about 25%

	MRR-B
Projected balance of Reserve	1,598,133
Total Current replacement Costs	15,632,535
	10.2%
	25% target would need \$2.3M: reach approximately 2032 with current contribution levels

FAC Recommended Changes

- Maintain as separate reserves
 - Browning continues as contractor for MRR-A reserve with its entity completing an onsite-review in July of this year: (Motion required); Study is currently posted on website;
 - Staff will complete a Reserve Report for the MMR- B annually and post it on website
- Modify the CPM language
 - to establish the same desired reserve range for each Reserve; Change “on or about 70% of fully funded balance; Establish a minimum desired funding level of “on or about 25% of the cost of replacement
 - include definition of Cost of Replacement
 - Move a motion to approve contract with Browning to complete the Cy 2025 Reserve Study – onsite required in Cy 2025



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Reserve and Procurement Policy Amendments

Prepared By: Scott Somers, CEO

Meeting Date: February 26, 2025

Presented By: Scott Somers, CEO

Consent Agenda: No

<p>Originating Committee / Department: Fiscal Affairs Committee (FAC) and Staff</p>
<p>Action Requested: Consider adopting a FAC recommendation to amend the Corporate Policy Manual (CPM) Reserve and Procurement Policies.</p>
<p>Strategic Plan: Goal 4 Cultivate and maintain a sound financial base that generates good value for our members.</p>
<p>Background Information: The Board adopted a procurement policy that has provided certainty and clarity to the Board and staff. The current procurement policy was developed with the Reserve Policy in mind. In practice, unnecessary delays have resulted as an unintended consequence. Staff and the FAC are therefore recommending these changes to allow projects to move forward more expeditiously. On January 21, 2025, the FAC unanimously recommended the Board of Directors consider amending the Reserve and Procurement Policies as drafted (please see attached).</p>
<p>Fiscal Impact: No cost associated with implementation</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Consider adopting a FAC recommendation to amend the Corporate Policy Manual (CPM) Reserve and Procurement Policies. 2) Amend and then consider adopting a FAC recommendation to amend the Corporate Policy Manual (CPM) Reserve and Procurement Policies. 3) Delay any decision at this time.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: <i>I move to adopt a FAC recommendation to amend the Corporate Policy Manual (CPM) Reserve and Procurement Policies.</i></p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Redlined CPM Reserve and Procurement Policy Sections

SECTION 3 - RESERVE POLICY

5.3.1 Overview

GVR maintains three (3) financial reserve funds that are Board-designated to ensure its long-term solvency and sustainability as part of The Corporation's Financial Planning Principles. For each reserve fund, the following information describes the purpose, desired target range, funding source, authorization and investment parameters. In executing its oversight role, the GVR Board may elect to revise these factors over time, as needs of The Corporation evolve and as opportunities and investment markets may suggest.

5.3.2 Maintenance of GVR Financial Reserve System

- A. Definitions:
 - 1. Defined terms are capitalized in Bold typeface.
 - a. **Annual Reserve Study** is the Reserve Study referred to in Appendix 1 Section 7: 1.7.3. This Reserve Study is used to determine the required funding for the MRR-A reserve account.
 - b. A **reserve account(s)** is a checking, savings, investment or any other type of account in which reserve monies are deposited.
- B. Reserve Contributions and the Annual Budget
 - 1. Reserve Contributions to the Reserve Accounts shall be an integral part of the annual budget.
 - 2. The annual operating budget shall generate sufficient Excess Revenue-Over-Expenses to make the Reserve Contribution to the Maintenance, Repair and Replacement Fund (MRR-A) called for in the Annual Reserve Study.
 - 3. Contributions to the MRR-B fund shall be, if any, recommended by the CEO to the FAC for consideration and approval then forwarded to the Board for approval.
 - 4. Reserve Contributions to the Initiatives Reserve Fund shall be funded from a portion of the Membership Change Fee and/or from the Initial Fee based on the applicable fee when a GVR member property is sold.
 - 5. Contributions to the Emergency Reserve Fund shall be recommended by the CFO to the Board for consideration and approval.
- C. Calculation of Operating Surplus or Deficit
 - 1. At the end of the fiscal year, the Board shall determine the amount, if any, to contribute from operational surpluses. Operating surplus or deficit is calculated as follows:
 - a. Begin with the Change in Net Assets from the Audited Financial Statements.
 - b. Deduct unrealized gain/losses on operating accounts.

- c. Deduct net investment income on Reserve Accounts / investments and unrealized gains/losses.
 - d. Add depreciation expense.
 - e. Deduct current-year purchases of Capital Assets from operations (cost basis, before accumulated depreciation).
 - f. Add expenses that were paid using reserve cash (i.e., repairs and maintenance expenses paid for using MRR funds).
 - g. Deduct required funding cash transfers to reserve funds during the year (i.e., required MRR funding).
 - h. Add or deduct any other non-cash items (i.e., in-kind capital donations).
2. The intent of the calculation is to determine if there is a surplus of operating revenue over operating expenses each year that can be transferred to a reserve fund. The calculation is to remove non-cash items such as depreciation and unrealized gains/losses. Additionally, adjustments are to be made to take into consideration operating cash used for Capital Asset purchases. Reserve fund cash used to pay for Capital Asset purchases and operating expenses should not be included in the operating cash surplus.
- D. Paying from Reserve Accounts or Reimbursing Operating Cash Account for Reserve Expenditures
 Within sixty (60) days after adoption of this policy by the Board, GVR shall establish a written accounting and internal control policy and procedure based on GAAP to track and document all withdrawals by check or electronic means and Board-approved transfers, electronic or otherwise, between Reserve Funds, pay Board-authorized reserve expenditures or transfers to reimburse operating cash for such expenditures. Such policy and procedure shall require written instructions and supporting documentation signed by the CFO and approved by the CEO or, in the CEO's absence, the CEO's designee.
- E. Priority of Making Contributions to Reserve Accounts
- 1. GVR shall make contributions to Reserve Accounts in this order of priority:
 - a. Maintenance, Repair and Replacement Reserve Fund (Part A and Part B)
 - b. Initiatives Reserve Fund
 - c. Emergency Reserve Fund.
- F. Rebalancing Reserve Accounts
- 1. A Reserve Account(s) may have a balance greater than the Board's target minimum balance due to a number of factors including returns on investments. The Board may consider rebalancing a Reserve Account(s) by:
 - a. Transferring money between Reserve Accounts,

- b. Reducing Reserve Contributions, or
 - c. Transferring money from a Reserve Account(s) to operating cash.
2. All rebalancing actions shall be authorized by Board resolution(s).

5.3.3 Maintenance, Repair & Replacement Reserve Fund (MRR-A)

- A. Purpose:
This fund shall be used only to maintain, repair or replace existing equipment and facilities as listed in the Component List of the Annual Reserve Study.
- B. Target Balance:
This reserve shall maintain a sufficient balance based on Annual Reserve Contributions calculated within the Annual Reserve Study.
- C. Funding Source:
 - 1. Annually, GVR shall transfer the full year's Annual Reserve Contribution as determined by the Annual Reserve Study for the current fiscal year from operations to this reserve within 30 days of the end of the dues collection period (normally January 31, so the full MRR funding should be transferred by the end of February).
 - 2. Reimbursement Policy:
 - a. Projects paid directly from MRR – no reimbursement necessary.
 - b. Projects paid from the Operating Reserve – Quarterly (or monthly if necessary), after review by the FAC and approval of the Board, the MRR Reserve Fund will reimburse Operating Cash Account the full project cost of completed MRR projects. Evidence of required reimbursement will include a brief description of the project, timeframe of projected replacement, actual project completed date, forecasted cost and actual cost. If actual cost is substantially different from forecasted cost, a detailed justification will be provided.
- D. Authorization:
The CEO and, in the absence of the CEO, the CEO's designee or CFO, are authorized to commit up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110%.
- E. Investment Parameters:
Monies contributed to this reserve shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

5.3.4 Maintenance, Repair and Replacement Fund (MRR-B)

- A. Purpose:
The fund shall be used to fund the replacement of pools and spas.
- B. Target Balance:
This component of the MRR shall be of sufficient size as determined by the Board to fund replacements of GVR pools and spas. The targeted balance shall be based on GVR's staff estimate of the useful life of the pool and spas and a reasonable timetable for replacement of such items.
- C. Funding Source:
The Board may make contributions to MRR-B from the annual net surplus or budget a specific amount of funds of the annual budget process.
- D. Authorization:
~~The Board shall authorize any monies spent from this fund.~~ Part 5 Section 4, Procurement Policy shall apply.
- E. Investment Parameters:
Monies contributed to MRR-B shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

5.3.5 Initiatives Reserve Fund

- A. Purpose:
The fund shall be used to support new initiatives that contribute to meeting GVR Ends.
- B. Target Balance:
This fund reserve shall be of sufficient size as determined by the Board to make value-added investments in real property, facilities and infrastructure.
- C. Funding Source:
 - 1. Within 10 business days after the end of each month, GVR shall transfer the following to the Initiatives Reserve Fund based on the applicable fee ("Initiatives Reserve Funding Formula"):
 - a. Twenty percent (20%) of the Membership Change Fee assessed on each GVR Member property sold rounded up to the next \$5.00, and
 - b. Twenty-five percent (25%) of the Initial Fee assessed on each GVR Member property sold rounded up to the next \$5.00. At its discretion, the Board may make an additional Initiatives Reserve contribution from the annual net surplus.
- D. Authorization:
Part 5 Section 4, Procurement Policy shall apply. ~~The Board shall authorize any monies spent from this fund.~~
- ~~F.E.~~ Investment Parameters:
Monies contributed to this fund shall be invested in accordance with GVR's IPS.

5.3.6 Emergency Reserve Fund

- A. Definitions:

Major Event(s) is an event causing damage to a facility and/or infrastructure or an emergency safety event costing \$25,000 or more in repairs, renovations or replacements.
- B. Purpose:
 - 1. The Emergency Reserve Fund serves these purposes:
 - a. An emergency fund to pay for major, unanticipated repairs to, renovation of or replacement of a GVR facility or facilities or infrastructure caused by a **Major Event** or **Events**.
 - b. An emergency safety-net should a severe economic downturn or unanticipated event threaten GVR's financial well-being.
- C. Target Balance:
 - 1. This fund shall be of sufficient size as determined by the Board to protect GVR from the following:
 - a. Long-term or permanent loss of use of a GVR facility or facilities or infrastructure caused by a **Major Event** or **Events** due to GVR's inability to pay for repairs, renovations or replacement of damaged facility or facilities or infrastructure.
 - b. Guarantee payment of the legal obligations of The Corporation for one year.
- D. Authorization:

The CEO is authorized to access this fund to address critical needs as they arise with written notification within ten (10) business days to the Board President with a copy to the Board. Email is an acceptable form of written communication to the President.
- E. Withdrawals:

Withdrawals from this reserve shall be repaid from operations as determined by the Board but not to exceed five (5) fiscal years.
- F. Investment Parameters:

Monies contributed to this fund shall be invested in accordance with GVR's IPS. (*Appendix 1 Section 3*)

SECTION 4 – PROCUREMENT POLICY

5.4.1 Overview

The purpose of this policy is to set out the requirements and guidelines for procuring goods and services for GVR on behalf of the Corporation to ensure GVR receives value for the money spent. This policy establishes the approved parameters to be used for all contracts, purchases, leases, orders of goods, supplies, construction, professional services, and other contractual services. These requirements are based on the principles of accountability, transparency, openness, fairness,

integrity, and ensuring value. This policy is consistent with CPM 5.1.3, as to setting financial limits established by the Board.

The policy applies to all staff/employees of GVR who have responsibility for procuring goods and services. The CEO and CFO are authorized to develop internal operational procedures to further implement this policy for the applicable departments, directors, managers and staff to follow.

A. Definitions:

1. **Request for Proposals (RFP):**

An RFP is a “competitive negotiations method” of soliciting proposals. This method is used when the end-product is unique, the customer knows what they want, but the methods and specifications aren’t readily available. Thus, price isn’t the only deciding factor. Quality and experience will be heavily weighed.

1. **Bid:**

An Invitation to Bid provides standardized information to all bidders. This is achieved through the use of sealed bidding procedures. Contractors will submit their price in sealed envelopes. The contract will generally be awarded to the lowest bidder.

2. **Quote:**

A quote is a figure generally obtained from a supplier for the price of materials needed for a job. Quotes are often only good for a certain period of time.

3. **Sole Source:**

A Sole Source purchase means that only one supplier, to the best of the requester’s knowledge and belief, based upon thorough research, is capable of providing the required product or service, during the necessary time period.

5.4.2 Bidding and Disbursement Process

All Department managers and staff are responsible for ensuring that goods and services are procured for good value, and that a fair procurement process is used to select vendors. The CEO and CFO have the overall responsibility for the administrative procurement process, overseen by the Board as set forth herein. Artificial division, splitting, or fragmentation of a transaction/purchase order to circumvent requirements of source selection or bidding is prohibited.

Internal operational procedures may include processes relating to purchasing recurring items and executing recurring operational contracts. This policy shall serve as the Board’s resolution under Article VII, Section 4.A of the Bylaws, exempting such recurring contracts from certain bidding requirements, and not requiring signature by the President.

The procurement levels in the policy below do not relieve staff of the responsibility to ensure that they comply with the Board-approved budgetary limits. The CEO retains the authority under CPM 4.1.2.A.2 and under the CPM Appendix 1 - Budget Development Policy 1.1.3.C and D to manage expenditures within the approved budget without incurring indebtedness, but with the ability to shift amounts between line items to meet current or anticipated needs (subject to reporting to the Board any increase or decrease by more than 15% or \$15,000.00, whichever is greater).

The Board-authorized bidding and purchase approval requirements, as well as signing authority for all purchases is outlined in the chart below, except as shown below in 5.4.3:

AMOUNT OF PURCHASE	BIDDING REQUIREMENT	PURCHASE APPROVAL/SIGNATURE
Under \$10,000	None Required.	Authorized Department Director or Manager/Supervisor
\$10,000 to \$99,999	Quotes/Bids required. No posting on GVR website required. Scope of Work developed by staff and sent to vendors with the goal of receiving at least 3 responses.	CEO or CFO Approves. CEO Signs Contract.
\$100,000+	Sealed Bidding Process. Open to all vendors that choose to submit a response to an Invitation to Bid or an RFP developed by staff. Invitation to Bid/RFP is posted on GVR Website and other relevant websites. Staff and CEO review submittals and make recommendations. All bids/proposals received are posted on the Board-secured website.	Board Approves. President Signs Contract.

5.4.3 Exceptions to Bidding and/or Approval Process

- A. **Recurring monthly and annual bills**, e.g., property taxes, employee health, routine maintenance, and life insurance, etc., are exempt from the purchase order and bidding requirement. The CFO or the CEO may approve these regularly occurring bills and contracts. ~~Board approval is not required unless over \$100,000.00.~~ Recurring operational contracts giving rise to these types of expenditures do not require signature by the President (i.e., the first two categories in the 5.4.2 chart).
- B. Maintenance, Repair and Replacement Funds:
1. **(MRR-A)** CPM 5.3.3 (Fund for maintenance, repair, replacement of existing equipment and facilities in Component List of Annual Reserve Study) The CEO or CFO approve any purchases and contracts, and the CEO signs, for any amounts, consistent with 5.3.3.D, authorizing spending up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required only for more than 110%. The bidding process will follow columns 1 and 2 in the 5.4.2 chart.

~~(MRR-B) CPM 5.3.4 (Fund for replacement of pools and~~

Commented [SS1]: I believe we missed the sentence when the policy was developed and approved a few years ago. With the sentence as it's written, there is no actual exception to the policy. In practice, the Board hasn't been asked to approve items such as health and commercial property/liability insurance, as examples. Further, the sentence seems to contradict the other sentences and the intent of the policy.

~~spas) All expenditures of money from this fund and therefore, all contracts/purchases, must be approved by the Board, and the President shall sign contracts. The bidding process will follow columns 1 and 2 in the 5.4.2 chart.~~

~~Initiatives Reserve Fund~~

~~CPM 5.3.5 All expenditures of money from this fund and therefore, all contracts/purchases, must be approved by the Board, and the President shall sign contracts. The bidding process will follow columns 1 and 2 in the 5.4.2 chart.~~

Commented [SS2]: Recommend removing these two funds from exceptions, which allows the Procurement Policy to apply. These exceptions to the policy have caused an unnecessary delay and will likely continue. For example, even if funds are budgeted, in the case of the Lapidary expansion, an architect could not be secured without Board approval, even though the cost was under \$50K, well under the requirement of \$100,000 to obtain Board authorization and the President's signature on the contract. I believe the Board's intent was to require approval of construction contracts, but not design contracts or permit fees for example.

5.4.4 Requirement for Obtaining Bids Waived

- A. **Sole Source:** \$100,000 or greater when approved by the Board.
- B. **Emergency procurement/repair** of any amount, whether budgeted or unbudgeted, if approved by the CEO (or CFO or other senior management in the CFO's absence). The CEO may use funds from the Emergency Reserve Fund for emergencies over \$25,000 (*CPM 5.3.6.D*).

5.4.5 Lease or Rental Agreement

The CFO and CEO must approve any lease or rental agreement exceeding six (6) months in duration and with an aggregate annual payment exceeding \$5,000.00. The Board must approve all such agreements that exceed \$100,000, or one year in length.

5.4.6 Vendor Relationships

Gifts exceeding \$50.00 in value, from a vendor or prospective vendor of goods and services for the Corporation, given to any employee(s) are strictly prohibited.



Green Valley Recreation, Inc.

Board of Directors Regular Meeting

Corporate Policy Manual - Amend Use of Facilities and Rentals and Fees

Prepared By: Scott Somers, CEO

Meeting Date: February 26, 2025

Presented By: Scott Somers, CEO

Consent Agenda: No

<p>Originating Committee / Department: Administration</p>
<p>Action Requested: Consider amending sections of the CPM associated with Use of GVR Facilities and Rentals and Fees</p>
<p>Strategic Plan Goal: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: The Board amended these sections a year or so ago, based upon a staff recommendation, in an attempt to accommodate all of the demands and expectations placed upon use of facilities, particularly rooms for meetings and social events. While the changes have been effective in easing demand, there are examples of rooms remaining vacant and unutilized, not because of a lack of demand, but because the policy prevented certain entities from being able to reserve an available room. The recommended changes rely on a priority list of assigning reservations, rather than additionally limiting access to certain entities during certain times of the year, certain times of the day, and limiting the number of times certain entities can reserve a room annually without being charged a fee.</p>
<p>Fiscal Impact: None</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Amend sections of the CPM associated with Use of GVR Facilities and Rentals and Fees as presented. 2) Consider alternative amendments to sections of the CPM associated with Use of GVR Facilities and Rentals and Fees than those presented. 3) Elect to not make any changes at this time.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: <i>I move to amend sections of the CPM associated with Use of GVR Facilities and Rentals and Fees as presented.</i></p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Redlined amends to the CPM

1.2.1 Use of GVR Facilities

- A. Operational policies related to reservations are set by the GVR administration and posted on the GVR website. Reservations are required [to reserve a room or facility for exclusive use and](#) if staff assistance or the use of equipment is expected.
1. Reservations will be assigned in the following order:
 - a. Essential corporate business
 - b. Recreation programs (e.g., special events, classes and lessons, concerts, annual festivals and performances)
 - c. Club one-time annual special events
 - d. Regularly scheduled club [meetings and](#) activities (weekly and monthly) per current operating guidelines
 - e. HOA and community [meetings and](#) events ~~and rentals~~
 - f. Private member functions and [fourthree](#)-month groups. Reservations for these activities require attendance of six or more members. If attendance falls below the minimum for more than two weeks in a row, remaining reservations may be cancelled. Any group that fails to arrive for their reserved activity may lose their reservation privileges for up to six months. ~~FourThree~~-month groups may make one reservation per week for up to [fourthree](#) months at a time.
 - g. Non-member rentals
- ~~B.~~ ~~Club and HOA business meetings are limited to non-peak hours from October through April: after 2pm on weekdays and during all operating hours on the weekend.~~
- ~~C.B.~~ [FourThree](#)-month groups are limited to one reservation per week. Where static set-ups are established, [fourthree](#)-month groups will be free to rearrange the room at their discretion, and return the room to the condition in which it was found.
- ~~D.C.~~ Reservations ~~for private member functions~~ are limited to six hours per event. Reservations for [fourthree](#)-month groups are limited to four hours per event.
- ~~E.D.~~ All reservations must be made by ~~a staff member or~~ a member in good standing who shall be the primary contact for staff.
- ~~F.E.~~ Sports facilities (e.g., court arrays and pools) may only be reserved by GVR Clubs formed with the express purpose of pursuing activities associated with the facility they wish to reserve. Water Aerobic groups formed before 2023 may be granted an exception to this policy.
- ~~G.F.~~ Some rooms and facilities are limited to designated uses. Carpeted meeting rooms, for example, may not be available for

exercise groups to limit wear and tear, and conditions affecting subsequent users. Some spaces must be reserved or rented together. (e.g., Room 1 in West Center must be included in a reservation or rental that includes the auditorium and kitchen.)

- H.G. Only working ADA Service Animals are permitted in or on GVR property, aside from GVR programs or events.
- I.H. Audible media is not permitted in communal areas (e.g., pool decks, picnic areas, lobbies, sports courts, and fitness centers) except for GVR sponsored special events, special club events by reservation, and GVR dances. Members must use personal listening devices such as headphones or earbuds, or confine audio media to recreation rooms at decibel levels that do not disturb facility users outside the room.
- J.I. No firearms are allowed on any GVR property or in any GVR facilities except those carried by law enforcement or licensed security personnel operating with the authorization of the GVR administration.
- K.J. Pursuant to the Smoke-Free Arizona Act (A.R.S. §36-601.01), GVR prohibits smoking in all indoor facilities and outside areas within 20 feet of entrances and windows. Smoking and vaping are allowed in designated outdoor areas only.
- L.K. GVR facilities will not be used by any member for commercial purposes with the following exceptions:
 1. With prior written approval of GVR administration, a GVR Member may temporarily display items for sale at a particular facility if they are intended to assist or benefit those using that facility to participate in the associated/related activity; and
 2. Personal sale resulting from hobby pursuits as part of an approved exhibit and per current administrative guidelines.
- M.L. It is the responsibility of each individual seller to obtain an Arizona Transaction Privilege Tax License.
- N.M. Liquor Policy
 1. The sale of intoxicating beverages is not permitted on GVR premises without a special sales permit or liquor license and appropriate liquor liability policy. Prior to applying for a liquor license, permission must be received from the GVR CEO or their designee.
 2. Members are permitted to bring their own beverages (BYOB) to an activity if allowed by the host. No alcohol may be stored in a GVR facility.

1.2.2

Political Activities

- A. GVR Members may circulate petitions and/or solicit support or opposition of GVR candidates or ballot issues in GVR facility lobby areas, common areas, and parking lots as long as such

activities do not interfere with GVR operations or facility reservations or violate fire code regulations as determined by GVR staff.

- B. Surveys, opinion polls and questionnaires related to GVR affairs, and distributed on GVR property, may be circulated by members only after being reviewed by GVR administration for accuracy and suitability.
- C. GVR facilities may be rented for political party meetings, campaign events, polling places, and informational presentations such as candidate forums or town hall meetings, whether related to GVR elections or outside political causes, subject to space availability.
- D. Advertising or promotional signage for non-GVR elected positions (e.g., public sector election campaigns), including solicitation of support/opposition regarding candidates or ballot issues, is NOT permitted on GVR property except as follows:
 - 1. Within rented meeting space during the rental period; or
 - 2. In public areas and parking lots of a GVR facility being used as a polling place on election day or as an early voting site during the period of early voting.

1.2.3 Special Uses

- A. Use of Hobby Shops and Studios
 - 1. Clubs have the right to restrict use of club facilities to club members only.
- B. Use of Kitchens
 - 1. Kitchens are available for use by reservation only. Kitchens and grills are subject to non-refundable cleaning fees as outlined in the reservation agreement.
 - 2. GVR kitchens are classified as catering kitchens. Food preparation and cooking is not allowed. Kitchen facilities may be used for warming pre-cooked food or for chilling cold entrées.
- C. Use of Caterers
 - 1. Users engaging caterers who do not appear on GVR's authorized caterers' list must submit a copy of the caterer's health department issued license at the time the reservation agreement is finalized.
- D. Use of Storage
 - 1. GVR may provide clubs small storage space, at no cost, if space is available.
 - 2. Clubs may provide locks, but must provide access capabilities to GVR staff.
 - 3. GVR is not liable for any property lost, damaged or stolen while in storage.
- E. GVR Pool Management Policies

1. GVR pools shall operate in compliance with Pima County Code Title 8, Chapter 8.322, "Swimming Pool and Spas," and any other applicable Pima County regulations.
2. GVR staff has authority to close a swimming pool or spa if they determine that its operation and use presents danger to individuals.
3. GVR follows the guidelines provided by the National Lightning Safety Institute (NLSI) to determine when to close indoor and outdoor swimming pools, and spas as a safety precaution. Per NLSI guidelines:
 - a. Both outdoor and indoor pools will be evacuated before or when lightning is within five miles.
 - b. At the first signs of thunder or lightning occurring within five miles of an aquatic facility, all pool decks will close until 30 minutes after the last observed thunder or lightning.

1.2.4 Rentals and Fees

- A. The CEO is authorized to waive facility rental fees in special circumstances, as deemed appropriate.
- B. Damage deposits, as identified in operational policy, will be required for rentals by non-GVR members and may be required for member use depending on the nature of the member activity.
- ~~A.~~ Members and groups composed solely of GVR Members are not subject to a reservation fee. granted up to six no-fee private events (potlucks, parties, dances, HOA socials) per calendar year. These events may be scheduled every other month. Subsequent or more frequent private events will be subject to current rental fees. In all cases, kitchen or grill cleaning fees may be charged. Reservations for socials are limited to six hours.
- ~~2.~~ Memorial and celebration of life services for GVR Members or members of their immediate family are not subject to rental fees, and do not count toward the annual limit.
- ~~3.C.~~ GVR Clubs are exempt from this annual limit.
- ~~E.D.~~ GVR is interested in supporting community service events, and may rent its facilities for such events whenever it is practical to do so. A community service event is normally sponsored by a non-profit organization or local government agency.
- ~~D.E.~~ The CEO may authorize use of GVR facilities on a complimentary or fee basis for any GVR-sponsored or GVR co-sponsored event or activity.
- ~~E.F.~~ Fees may be charged to recover the cost of any specialized services, events or programs.

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F.G. Commercial Rentals (rentals by businesses for the purpose of conducting business) are not permitted.