



MINUTES

Work Session and Fiscal Affairs Committee

Tuesday, August 20, 2024
12:00pm – 4:00pm MST
West Center Room 2 / Zoom

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

Committee: Carol Crothers, Treasurer and Chair, Dale Howard, Nellie Johnson, Bob Quast, Pat Reynolds, Steve Reynolds, Lanny Smith, Priscilla Spurgeon,

Attendees: Scott Somers (CEO), David Webster (CFO/Liaison),

Board Members: Bev Lawless, Bart Hillyer, Marge Garneau, Kathi Bachelor, Candi English

1. Chair Comments: None
2. Bob Browning comments/highlights GVR Reserve Study
 - **Club Del Sol will be added to the reserve study**
 - **Pickleball Center is already included in the reserve study**
 - **Capital means new purchases**
 - **Reserves (MRR, Reserve Study) means assets already purchased**
 - **The reserve study is updated every year based on actual costs (the analysts estimate based on the reality of the past year. If component costs go up or down in a given year then the study is updated to reflect those changes. Therefor although the study assumes 2.5% inflation for future years the actual costs are updated annually.**
 - **2025 Browning will come to GVR for a full site visit. They will look at GVR as a brand-new client for the purpose of the reserve study.**
 - **Reserve study is a budget tool not an engineering tool**
 - **"Percent Funded is not by itself a measure of adequacy"**
 - **Funding Method: Cash flow/Pooling Method**
 - **Funding Goals: Threshold funding**
 - **Threshold funding: Keep reserve balance above specific amount or percentage. Funding to the low year. GVRs low year is 2036. Annual funding/contribution will rise by 6.5% per year until 2036. At which time GVR reaches 85% funded. After that the contribution rate (\$191.76 per**

- household) does not rise, it stays at the 2036 level indefinitely.
 - **Browning is focused on funding to the low year not percent funded.**
3. **Call to Order / Roll Call - Establish Quorum**
Motion: Reynolds MOVED/ Smith seconded to start the FAC meeting 30 minutes early.
Passed: Unanimous
 4. **Johnson Moved/ Reynolds seconded to amend the agenda**
Passed: Unanimous
 5. Review/accept Minutes from meeting of June 18.
 - **Johnson Moved/Quast seconded to approve and accept minutes from 6-18-24**
Passed: Unanimous
 6. Staff reports/ Financial report for July 2024
 - **MCF fees under budget for July**
 - **Appears August MCF fees will be under budget**
 - **MCF fees \$401,493 under budget YTD**
 - **Expect to reach 90 days operating cash reserve in October or November**
 - **Recreation revenue \$141,787 over budget**
 - **Current expectation is GVR will not achieve a surplus**
 - **Pima County denied GVRs application for real estate exemption**
 - **GVR will reapply under a different statute.**
 - **GVR is spending/reaching the MRR budget in 2023 and 2024**
 7. Business
 - Credit Card Fees
Johnson Moved/ Spurgeon seconded to recommend to the board to charge a convenience fee/transaction fee for credit card use at GVR
Passed: Unanimous
 8. Member Comments: No member comments
 1. Adjourn
Quast Moved/ Johnson seconded to adjourn.
Passed: Unanimous

Next Meeting: Tuesday September 17th, 2024, 1:30 p.m. to 3:00 p.m. WC #2