

GREEN VALLEY RECREATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, August 24, 2010

1:30 p.m.

Las Campanas – Agave & Ocotillo Rooms

GVR's Mission Statement: "To provide recreational, social and leisure education opportunities that enhance the quality of our members' lives."

PRESENT: Marge Garneau (President), Chuck Catino (Vice-President), Ann Gillingham (Secretary), Joyce Finkelstein (Treasurer), Mike Banks, Bob Barry, Gunnar Bonthron, Mark Haskoe, Stan Riddle, Linda Sparks, Dave Thomas, Anndrea Blackshear (Ex-Officio)

ABSENT: Jerry Belenker

STAFF: Ginny Bilbrey (Executive Assistant), Kim Woolley (Finance Director), Kim Steinhilb (IT Manager), Allison Brown (Recreation Manager), Shelly Jackson

VISITORS: Tom Murphy, GVR's Legal Counsel, Dan Shearer (*Green Valley News and Sun*), 16 Members

It should be noted that the Board of Directors have decided to follow Roberts Rules of Order Article X, 59 wherein it states that the record of proceedings should state what was done, not what was said. Therefore, all Board and committee meetings will only reflect the action items and the result of the action. Therefore, these minutes will not include comments made by individuals.

I. Call to Order/Quorum/Approval of Agenda

- President Marge Garneau called the meeting to order at 1:31 p.m.
- Garneau advised that a quorum was achieved.
- The agenda was approved as distributed.

II. President's Comments

President Marge Garneau advised that she asked staff to break out the Operations Report so that each department provides an update each month. She also asked that the Executive Director give a monthly update as well. Garneau reported that she continues to check the Board Hotline and no new calls have been left since the last meeting.

III. Acceptance of the Minutes

- Acceptance of the Board of Directors' Closed Executive Session Meeting minutes of July 27, 2010. Since there were no corrections, they were approved as written.
- Acceptance of the previous Board of Directors' Meeting Minutes of July 27, 2010. Since there were no corrections, they were approved as distributed.

IV. Operational Reports

- 1) Executive Director, Anndrea Blackshear gave the following highlights:
 - A presentation of the 2011 budget will be provided to the Board and GVR members in September. She asked members to check GVR's website and issues of Keeping Current for the date and time.
 - Staff has assisted the Nominations & Elections Committee in launching their new recruiting campaign for GVR members to run for the Board of Directors or to serve on a committee. Additional information will be reported on later in today's meeting.
 - GVR and the Green Valley Community Coordinating Council (GVCCC) conducted a Needs Assessment Survey and will present the results to GVR members on September 7th at 10:00 a.m. at the West Center Auditorium.
 - Staff has been busy completing maintenance projects and program assignments.
 - At this time, Shelly Jackson, Assistant Recreation Manager advised that GVR received its new Volunteer Hours database on Friday. It has been customized for GVR and once it is implemented, it will be easier for the volunteers to have up-to-date information on their volunteer hours. Hours will no longer be entered manually.

- 2) GVR's Finance Director, Kim Woolley, gave the Revenue & Expense Summary report as follows for **July 31, 2010**:

<u>July Revenue & Expense Summary</u>		
	<u>Actual</u>	<u>Budget</u>
Operating Revenue	\$4,581,237	\$4,265,743
Operating Expenses	<u>4,353,281</u>	<u>4,417,926</u>
Net Fund	\$ 227,956	\$(152,183)
Capital Additions	7,483	35,850
Major Maintenance Projects	67,920	166,500
Major Equipment Purchases	121,676	166,500
Replace Tennis Courts (Desert Hills)	266,121	270,000
Addition Reserve Contribution - (Desert Creek)	62,228	57,824

Woolley reported that the excess cash from 2009 is being utilized on the projects left over from 2009. She reported that some GVR members are paying their past delinquent accounts; however, to date, \$18,500 has been written off for delinquencies.

- 3) On behalf of the Building Services Manager, John Adderley, IT Manager, Kim Steinhilb gave an update on the following:

- **Energy Savings** – Steinhilb informed that GVR's energy costs consume 12% of the budget. Utilities are averaging 6% approval for the cost increases per year from the Arizona Corporate Commission (ACC). Steinhilb reported that it is Adderley's goal in 2011 to conduct a full thermograph inspection of four (4) of the centers to identify savings opportunities. The project would be handled by staff.
- **Sustainability** – Steinhilb reported that the commissioning of building electrical and HVAC systems improves performance and it should be noted that a new process will be implemented in 2011. Staff is also reviewing the impact of the environment in the use of plastic water bottles and Styrofoam cups at events held in the facilities.
- **Project Updates at the Centers** – He advised that the floors at Las Campanas received a refinish. The fitness center wall is coming down and new fitness equipment is being installed at SRS.
- **Safety** – He reported that staff has been conducting a review of all electrical outlets for GFCI conformance this year. A new booklet is going out to all centers addressing emergency response actions.
- **Fitness** – He reported that new fitness equipment has been delivered and the vendor will provide instruction for the members. This will be repeated when the snowbirds arrive in January.

Blackshear answered a question from an audience member pertaining to GVR eliminating its salt water pools. She advised that it has been more expensive for GVR to maintain the salt water pools than regular chlorine tab pools. The only pool that is working properly is Canoa Ranch and that is due to it being initially installed as a salt water pool. The pools that have been converted to salt water are the ones that are causing problems for GVR.

- 4) Recreation Manager, Allison Brown provided the following updates:

➤ **Membership Highlights – Year-to-Date Comparisons**

	<u>2010</u>	<u>2009</u>	<u>2008</u>
■ Total Memberships	13,109	12,967	12,833
■ Resales	411	338	397
■ Total New Homes	85	69	86
■ Guest Cards (\$1 day)	2,261	2,843	905*
■ Guest Cards (Annual)	2,424	1,957	NA
■ Tenant Cards	2,041	2,038	2,286

* Free guest coupon booklets were distributed in 2008 and members only purchased guest cards when not accompanying guests to the facilities.

➤ **Concert Season Highlights**

	<u>2010/2011</u>	<u>2009/2010</u>	<u>2008/2009</u>
■ Season tickets	2,817	2,968	2,059

■ Revenue (presales)	\$49,531	\$52,958	\$39,613
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➤ **2010 Program Highlights**

- Summer Concert Series attendance is up by 223 compared to last summer YTD
- Fall catalogs available September 1st at all major social centers and online
- Fall class catalog will have 34 new classes (compared to 24 last Fall)
- Classes begin the first week of October

V. Committee Reports

➤ **Nominations & Elections Committee**

Committee Chair, Linda Sparks reported that the committee met in August and scheduled the Candidate Receptions on the following dates: October 5th at 10:00 a.m. at Canoa Hills Saguaro Room; October 14th at 2:00 p.m. at Canoa Ranch Amado Room; and, October 21st at 5:00 p.m. at the West Center Auditorium.

➤ **Planning & Fiscal Affairs Committee**

Committee Chair, Joyce Finkelstein reported that the committee approved Draft #2 of the 2011 budget and it will be presented to the Board in September. A presentation will be provided to GVR members on September 16th at Las Campanas.

VI. Unfinished Business - None

VII. New Business

President Marge Garneau announced that the Board received two separate legal opinions pertaining to the Bylaws. The current and past Boards acknowledged that some of the Bylaw changes were not approved in accordance with the legal majority standards from the changes in the 1999 Arizona State Statutes. The current and past Boards believed that the Bylaw changes were in effect and they were unaware of the Arizona State Statute. Members and the Board relied upon a simple majority vote for the Bylaw changes in accordance with our current Bylaws as well as those made every year. The current Board has decided to remove all Bylaws not in compliance with the legal majority standards as stated in the Arizona State Statutes. The Board has also decided to replace these sections with the Bylaws in place on December 31, 1998. Garneau advised that a letter will be mailed to all GVR members to their home address explaining the Board's decision. A copy of the information was provided to the audience members and a short recess was taken to allow them to review it.

At this time, Director Linda Sparks read the following motion:

“I hereby move that the Board of Directors approve the Resolution previously approved on August 23, 2010 regarding the Bylaw amendments and membership voting, which will revert the Bylaws back to December 31, 1998 as well as those amendments approved by the members by a two-thirds (2/3) majority vote since that date.”

The motion received a second. Vote on the motion was **approved 9 – 0 – 1**. Director Mike Banks abstained from voting on the motion.

At this time, President Garneau introduced Tom Murphy, GVR's legal counsel from Gust Rosenfeld. Murphy joined the Directors at the head table.

Garneau also informed that the new Bylaws require that the Board consist of 12 Directors. Therefore, she announced that Mark Haskoe was the next GVR candidate in line receiving the highest number of votes in this year's election. Haskoe has agreed to serve on the Board through March 2013. Garneau asked Haskoe to join his fellow Directors at the tables.

Garneau also advised that copies of the letter, Bylaws, and exhibits will be placed at all GVR centers, on the web site, and at MSC. Extra copies will be available by Friday of this week. The letter will be mailed to the members as soon as possible.

