



MINUTES

Board Affairs Committee

Tuesday, January 9, 2024, 1:30pm
WC Room 2 / Zoom

Committee: Carol Crothers (Chair), Ed Knop, Pat Reynolds, Dick Sutherland, Gail Vanderhoof, Jodie Walker, Marge Garneau (ex-officio), Scott Somers (CEO), Nanci Moyo (Liaison/Administrative Supervisor)

Absent: Barbara Blake, Bart Hillyer

Board Attendees: Marge Garneau

Visitors: 1

1. Call to Order / Roll Call – Establish Quorum

Chair Crothers called the meeting to order at 1:30pm MST. Roll call by Nanci Moyo. Quorum established.

2. Approve Meeting Minutes: December 12, 2023

MOTION: Sutherland moved / Knop seconded to approve December 12, 2023, Meeting Minutes as presented.

Passed: unanimous

3. Chair Comments:

- The BAC would like to have President Garneau speak about the proposed bylaws at the forums. Chair Crothers will attend the N&E meeting to suggest having President Garneau speak on the proposed bylaws.

4. Business

1. Review Updated Bylaws Materials and FAQs

Consensus from BAC on changes to the Ballot:

- First paragraph under 2. 2024 Proposed Bylaws Amendments change second sentence from "Due to legal and circumstantial changes, the GVR Board and Administration are proposing and endorsing specific modifications to the bylaws and seeking member approval" **to** "Due to legal and circumstantial changes, the GVR Board and Administration proposed and endorsed specific modifications to the bylaws and seek member approval."
- Under Question 2 Rationale change from "Rationale: (Article IV) To be consistent with "best practice" recommendations of most professional researchers/consultants of nonprofit Boards, and to minimize the "tied vote"" **to** "Rationale: (Article IV and V) To be

consistent with “best practice” recommendations for nonprofit Boards, and to minimize the “tied vote”. The proposed implementation procedure would gradually move GVR from twelve to nine Directors over no more than three years starting in 2024.”

- Under Question 3 Rationale change from “Rational: (Article VI) Clarify intent of current wording by being specific in accounting terms and project types without changing the spirit of reasonable limits to fiscal authority: 1) Focus on new capital projects; 2) Provide a well-defined baseline (last audited revenue); and 3) Set the limit at twelve (12) percent based on using last year’s revenue excluding investments” **to** “Rationale: (Article VI) Clarify current wording by being specific in accounting terms and project types without changing the spirit of reasonable limits to fiscal authority: 1) Focus on new capital projects; 2) Provide a well-defined baseline (latest audited approved annual net revenue – does not include investments); and 3) Set the limit at twelve percent (12%) based on using last year’s revenue excluding investments.”

Consensus from BAC on the FAQ for the proposed bylaw amendments to be posted on the website:

- Question 1 – Why are we changing the Voting Rights section? We are making clear statements to comply with Arizona State Law to allow online voting and prevent the use of proxies. To align our bylaws (one vote per household) with national best practice, we added a statement that no more than one member of a household can act as a director at one time. This is a change requested by multiple members.
- Question 2 Article IV – Why are we changing the number of directors? At the recommendation of our consultant and after a look at nonprofit best practices, reducing our board from twelve directors to nine will prevent tied votes. The reduction to nine also will allow us to continue to elect directors to serve for a 3-year term with three new directors coming onboard each year. We also hope that a smaller board will be less cumbersome. Explanation of why there are 12 Directors on the Board: Prior to 1998 there were 13 Directors on the Board with one Director being from Fairfield Homes, the developer. In 1998 Fairfield Homes vacated the seat on the Board as they were confident in the Directors and Administration of GVR.
- Follow up to Question 2 - Why are Article IV and V being voted as one vote? Article V is the implementation part of Article IV. If Article IV is approved, Article V will be the method of implementation. If Article IV is not approved, Article V will not be implemented.
- Question 2 Article V - How will we move from 12 directors to 9 directors? If this bylaw change passes, we will seat the three directors with the top number of votes (instead of four) and continue into the future to elect three directors annually. We will have a maximum of eleven directors in 2024, ten in 2025 and nine in 2026. To speed up the transition, we will not replace any resigning directors until we reach our target of nine directors (three for each term). For example, in 2024 we would start with eleven directors. If one resigns, we would go down to ten directors. After the election in 2025 we would be down to nine directors. If a director resigns in

2025/26 (or if more than two directors resign in 2024/25) we will revert back to our standard practice of seating the next highest vote of that year's election, per Corporate Policy Manual, to keep nine directors seated.

- Question 4 Article XI and Question 5 Article XII – Why is there a change to voting methods and availability of records? This change is primarily to match Arizona State Law and also to clarify the present wording. For availability of records, we added a time period to respond to requests to allow our staff time to comply.
- New question: Have these proposed bylaw amendments been reviewed by the Corporate Attorney? Yes, and many suggestions were made by the Attorney.
- Question 3 Article VI Limits of Board Authority – The BAC discussed Question 3 and provided feedback. Staff will address all the suggestions and send an email to the Committee with a proposed answer to these three questions. First Question: Why are we changing the Limits of Board Authority on contracts for capital purchases? Second Question: Why have we changed from "budget" to "latest audited approved annual net revenue (does not include investments)"? Third Question: Why have we changed from ten percent to twelve percent?

2. CPM Part 1, Section 2 Use of GVR Facilities (Whitman)

Steve Kindred, Recreation Program Manager, (sitting in for Natalie Whitman, COO) held further discussion from past BAC meetings on CPM Part 1, Section 2 Use of GVR Facilities. Highlights:

- In the attachment for Round Three revisions in the Meeting Book, it states "Reservations are available for parties of six or more GVR members and their authorized guests." BAC requested to not limit the classes to 6 people or more. There are often drop ins in classes. It was suggested to move the first sentence in 1.2.6.A to 1.2.6.A.1.f.
- Suggested to have an automated system for room reservation so it is transparent to the members.
- In 1.2.6.A after moving the first sentence to f., put "Operational policies related to reservations are set by the GVR administration and posted on the GVR website. Reservations are required if staff assistance or the use of equipment is expected." Make second sentence first so it begins with "Operational..." And ends with "Reservations are..."
- A clean copy was requested to be emailed ahead of the February meeting and possibly do a unanimous consent on the changes for 1.2.6 due to the Board Work Session being the following day.

3. CPM Change to Part 6 GVR Programs and Clubs, Section 2 GVR Clubs, 6.2.8

- Currently Clubs keep Club Minutes for three years, per the CPM. The GVR Retention Schedule states seven years and the documents need to be consistent. If this changes to seven years it is requested to have the CPM be clear on how the transition would happen so Clubs understand there are no penalties if they currently have three years and not the seven years. This will be brought back at the February 8 BAC meeting with suggestions for the change.
- At the Annual Club meeting the Clubs will be advised this is in the process of being approved by the Board. Once finalized it will be on

the GVR website with the approved Club Retention Schedule.

5. Member Comment: 1 comment

6. Adjournment

MOTION: Knop moved / Sutherland seconded to Adjourn the meeting at 3:31pm.

Passed: unanimous

Next Meeting: Tuesday, February 13, 2024, West Center, Room 2/Zoom,
1:30 – 3:30pm