



AGENDA
(Revised *)

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, June 24, 2026 - 2pm

West Center Auditorium / Zoom

Directors: Candy English (President), Steve Reynolds (Vice President), Kristy McCue (Secretary), Lanny Smith (Treasurer), Jodie Walker (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Dave Barker, Bart Hillyer, Chris McCrummen, Barry Stock, 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**
- 5. Committee Reports**
 - A. Audit - Barker
 - B. Board Affairs - Reynolds
 - C. Fiscal Affairs - Smith
 - D. Investments - Hillyer
- 6. Consent Agenda** – Consent Agenda items are routine items of business that are collectively presented for approval through a single motion. A Board member may request that an item be pulled from the Consent Agenda and placed under Action Items for separate discussion and action.
 - A. Minutes:
 - 1) BOD Regular Meeting Minutes: April 22, 2026
 - 2) BOD Work Session Minutes: May 20, 2026
 - 3) BOD Special Meeting Minutes: May 20, 2026
 - B. Financial Statements:
 - 1) April Financials
 - C. Business
 - 1) Tentative Budget Calendar for 2027
 - 2) Disband Ad Hoc Committee
 - 3) Approval of Committee Action Plans
- 7. Action Items**
 - A. *Award Design-Build Contract for Abrego South Pool (Somers)
 - B. Approve Changes to CPM 1.1.6 – MCF Refunds (Dixon)
 - C. Approve Recommendations from the Ad Hoc Committee and Accept the Informational Report (Johnson)
 - D. Discussion about CPM Naming Compliance in Regards to Pickleball Center (Hillyer)
- 8. Member Comments** - Please limit comments to two (2) minutes. Speakers are asked to provide their name and GVR member number. This time is for comments, not for questions and answers.
- 9. Adjournment**



MINUTES

BOARD OF DIRECTORS MEETING

Wednesday, April 22, 2026 - 2pm

West Center Auditorium / Zoom

Directors: Candy English (President), Steve Reynolds (Vice President), Kristy McCue (Secretary), Lanny Smith (Treasurer), Jodie Walker (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Dave Barker (arrived 2:17pm), Bart Hillyer, Chris McCrummen, Barry Stock, Scott Somers (non-voting)

Absent: Barry Stock

Staff Present: Dave Dixon (CFO), Steve Kindred (Recreation Program Director), Nanci Moyo (Board and Records Administrator), Natalie Whitman (COO)

Visitors: 94

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

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

President English called the meeting to order at 2:06pm MST. Secretary McCue called the roll; quorum established.

2. Amend/Adopt Agenda

MOTION: Director Johnson moved, Director Reynolds seconded to add the Ad Hoc Committee to the Committee Reports.

Failed: 3 yes (Johnson, McCrummen, Reynolds) / 5 no

MOTION: Director Walker moved, Director Hillyer seconded to approve the Agenda as presented.

Passed: unanimous

3. Presentation

A. Quarterly Financial Presentation

Dave Dixon, CFO, presented the quarterly financial report.

4. President Report

- Introduced herself as President and reviewed her history on the GVR Board for the past two years.
- Read the Mission Statement.
- Thanked all the members for coming in person and watching by Zoom. The member's involvement is appreciated.
- Reviewed the procedures for the Board meeting and the procedures for member comments.

5. CEO Report

- Lapidary Club Expansion is moving forward with a completion date around the first of the year.

- Pickleball Center fencing is in process and will be completed in May.
- Del Sol Clubhouse Café has opened for members and guest. It will be open from Tuesday through Saturday, 7am to noon. Currently coffee, tea, and pastries are available for purchase. In time, the menu will expand.

6. Committee Reports – Reports given and placed on file.

- | | |
|-------------------|----------|
| A. Audit | Barker |
| B. Board Affairs | Reynolds |
| C. Fiscal Affairs | Smith |
| D. Investments | Hillyer |

7. Consent Agenda

MOTION: Director Reynolds asked to move the March Financials to Action Item 8.E.

Director Reynolds moved, Director Johnson seconded to approve the Consent Agenda.

Passed: unanimous

- A. Minutes:
- 1) BOD Regular Meeting Minutes: March 18, 2026
 - 2) BOD Special Meeting Minutes: March 25, 2026
 - 3) BOD Special Meeting Minutes: April 1, 2026
 - 4) BOD Special Meeting Minutes: April 8, 2026

- B. Financial Statements:
- 1) ~~March Financials~~ – Moved to Action Item 8.E

8. Action Items

- A. Approval of South Abrego Pool Concept Drawings

MOTION: Director Walker moved, Director Smith seconded to approve concept drawings for the South Abrego pool, bathhouse, and other related improvement.

Passed: 7 yes / 1 no (Reynolds) / 1 abstain (Johnson)

MOTION TO AMEND: Director Johnson moved, Director Reynolds seconded to complete a due diligence review of the MRR-B fund for all 13 pools and gain clarity on relationship to the MRR-A fund prior to signing the contract on Abrego South Pool project

Failed: 2 yes (Johnson, Reynolds) / 7 no

- B. Award the Contract for the West Center Member Services Expansion

MOTION: Director Walker moved, Director Hillyer seconded to Award a contract to Rio West Development & Construction, Inc. for the West Center Lobby Improvement Project in an amount not to exceed \$123,392 and authorize staff to expend up to an additional 10 percent in change orders, if necessary.

Passed: unanimous

- C. Approval of Committee Member Appointments

MOTION: Director Hillyer moved, Director Walker seconded to approve these Committee Members for the Board Affairs Committee: Beth Dingman, Bill Gross, Orji Isiogu, Chris McCummen, Pat Reynolds, Jodie Walker, and Betsy Walton; Fiscal Affairs Committee: Bob Fillion, Dale Howard, Bob Quast, Pat Reynolds, Priscilla Spurgeon, and Barry Stock; Investments Committee: Dave Dixon and Steve Wilhelm; Audit Committee: Conni Johnson, Bert Olson, Lanny Smith and Wayne Utterback.

MOTION TO AMEND: Director Reynolds moved, Director Hillyer seconded to add Nellie Johnson to the Board Affairs Committee.

Passed: unanimous

MOTION TO AMEND: Director Johnson moved, Director Reynolds seconded to add Michael Cataldo and George Losleben to the Investments Committee.

Passed: 5 yes / 4 no (English, Hill, Smith, Walker)

Amended Motion Passed: 7 yes / 2 no (English, Walker)

Amended Motion: Approve these Committee Members for the Board Affairs Committee: Beth Dingman, Bill Gross, Orji Isiogu, Nellie Johnson, Chris McCummen, Pat Reynolds, Jodie Walker, and Betsy Walton; Fiscal Affairs Committee: Bob Fillion, Dale Howard, Bob Quast, Pat Reynolds, Priscilla Spurgeon, and Barry Stock; Investments Committee: Michael Cataldo, Dave Dixon, George Losleben, and Steve Wilhelm; Audit Committee: Conni Johnson, Bert Olson, Lanny Smith and Wayne Utterback.

D. Audit Committee Recommendation for Acceptance of the 2025 Audit

MOTION: Director Johnson moved, Director English seconded to accept the draft 2025 Audit as presented by R & A CPAs.

Passed: unanimous

E. March Financials

MOTION: Director Reynolds moved, Director Johnson seconded to postpone the vote on March Financials until Fiscal Affairs Committee (FAC) can review and recommend to the Board of Directors.

Failed: 3 yes (Johnson, McCrummen, Reynolds) / 6 no

MOTION: Director English moved, Director Walker seconded to approve March Financials.

Passed: 6 yes / 3 no (Johnson, McCrummen, Reynolds)

9. Informational Report: Quarterly Work Plan Update

10. Member Comments – 0

11. Adjournment

MOTION: Director Hillyer moved, Director Walker seconded to adjourn the meeting at 4:23pm.

Passed: unanimous



MINUTES

BOARD OF DIRECTORS WORK SESSION

Wednesday, May 20, 2026, 2pm

WC Room 2 / Zoom

Directors: Candy English (President), Steve Reynolds (Vice President), Kristy McCue (Secretary), Lanny Smith (Treasurer), Jodie Walker (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Dave Barker, Bart Hillyer, Chris McCrummen, Barry Stock, Scott Somers (non-voting)

Staff Present: Nanci Moyo (Board and Records Administrator), Natalie Whitman (COO)

Visitors: 7

AGENDA TOPIC

1. Call to Order / Roll Call

Work Session Called to Order at 2pm by President English. Secretary McCue called the roll.

2. Amend / Approve Agenda

MOTION: Director Hillyer moved, Director Walker seconded to approve the Agenda.

Passed: unanimous

3. Strategic Plan: Review Survey Questions

Board of Directors, Staff, and Zelos Team, Terrie Glass and Elisa Torres, reviewed the Survey questions for the Strategic Plan and membership satisfaction. Changes were made to the original survey. Following this Work Session the Board will vote to approve the amended survey at the Special Meeting.

4. Member Comments - 0

5. Adjournment

MOTION: Director McCue moved, Director McCrummen seconded to adjourn the meeting at 3:50pm.

Passed: 9 yes / 1 no (Barker)



MINUTES

BOARD OF DIRECTORS SPECIAL MEETING

Wednesday, May 20, 2026 – Following Work Session

West Center Room 2 / Zoom

*Code of Conduct

Directors: Candy English (President), Steve Reynolds (Vice President), Kristy McCue (Secretary), Lanny Smith (Treasurer), Jodie Walker (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Dave Barker, Bart Hillyer, Chris McCrummen, Barry Stock, Scott Somers (non-voting)

Staff Present: Nanci Moyo (Board and Records Administrator), Natalie Whitman (COO)

AGENDA TOPIC

1. Call to Order / Roll Call – Establish Quorum

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

President English called the meeting to order at 3:57pm MST. Secretary McCue called the roll; quorum established.

2. Adopt or Amend Agenda

MOTION: Director McCrummen moved, Director McCue seconded to approve the Agenda.

Passed: unanimous

3. Action Items

A. Approve Strategic Plan Survey Questions

MOTION: Director Walker moved, Director Smith seconded to approve the amended and agreed upon survey questions from the Work Session, except question 32, which will be voted on separately.

Passed: 8 yes / 2 no (Barker, Hillyer)

MOTION: Director Walker moved, Director Hillyer seconded to remove question 32 from the survey.

Passed: 7 yes / 2 no (Barker, McCrummen) / 1 abstain (Smith)

4. Member Comments – 0

5. Adjournment

MOTION: Director Hillyer moved, Director Walker seconded to adjourn the meeting at 4:09pm MST.

Passed: unanimous



Green Valley Recreation, Inc.
Fiscal Affairs Committee Meeting
April 2026 Financial Highlights

Prepared By: Dave Dixon, CFO

Meeting Date: May 19, 2026

Presented By: Dave Dixon, CFO

Consent Agenda: N/A

Originating Committee / Department:

Administration

Strategic Plan:

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

Background Justification:

The Board has requested a separate staff report stating the highlights for each month.

Key Points/Highlights for April 2026:

1. Statement of Financial Position
 - a. YTD Operating Cash and JP Morgan investments decreased by \$661,295 with total Days Cash on hand at 178.
 - b. Designated Funds increased in April by \$262,128.
 - c. Net Assets has increased Year to Date by \$999,499 and includes \$307,368 of unrealized gains.
2. Statement of Financial Activities
 - a. YTD total revenue under budget (unfavorable) 0.5% or \$25,422.
 - b. April Capital Revenue (MCF) are under budget (unfavorable) 26%, 76 paid MCF compared to 103 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 10% or \$109,387 due to MCF refunds and HB 2119 home resales.
 - c. YTD Recreation Revenue is over budget (favorable) by 11% or \$51,617.
 - d. YTD Total Expenses under budget (favorable) 5.1% or \$209,443.
 - e. YTD Facilities & Equipment are under budget (favorable) by 8% or \$90,060.
 - f. YTD Personnel is under budget (favorable) by 2% YTD or \$32,223.
 - g. YTD Program expenses are under budget (favorable) by .1% or \$375.
 - h. YTD Operating Expenses under budget (favorable) 5.1% or \$209,443.
 - i. Gross Operating Surplus is \$692,131 which is 36% more than budgeted.



Green Valley Recreation, Inc.
Statement of Financial Position

As of Date: April 30, 2026 and Dec 31, 2025

	April 30, 2026	Dec 31, 2025
	Total	Total
ASSETS		
Current Assets		
Cash/Cash Equivalents	681,488	1,528,231
Accounts Receivable	556,298	404,170
Prepaid Expenses	111,519	267,712
Maintenance Inventory	61,927	61,927
Designated Investments (Charles S./SBH)		
Emergency - Fund	601,798 (1)	573,244 (18)
MRR - Fund	8,569,918 (2)	7,385,186 (19)
Initiatives - Fund	1,490,795 (3)	1,339,862 (20)
Pools & Spas - Fund	2,012,455 (4)	1,697,677 (21)
Total Designated Investments (CS/SBH)	12,674,966 (5)	10,995,969 (22)
Undesignated Invest. (JP Morgan Long Term)	1,737,261 (6)	1,609,852 (23)
Undesignated Invest. (JP Morgan)	3,233,967 (7)	2,605,102 (24)
Investments	17,646,194 (8)	15,210,923 (25)
Total Current Assets	19,057,426	17,472,962
Fixed Assets		
Contributed Fixed Assets	18,017,085	18,017,085
Purchased Fixed Assets	35,839,664	35,403,036
Sub-Total	53,856,749	53,420,121
Less - Accumulated Depreciation	(30,545,458)	(30,085,549)
Net Fixed Assets	23,311,291 (9)	23,334,572 (26)
Operating Lease ROU, Net of Accum. Amortization	13,679	13,679
Finance Lease ROU, Net of Accum. Amortization	8,470	8,470
Total Assets	42,390,866	40,829,683
LIABILITIES		
Current Liabilities		
Accounts Payable	232,703	436,933
Deferred Dues Fees & Programs	5,146,780	4,524,612
Accrued Payroll	185,295	58,200
Compensation Liability	-	-
MCF Refund Liability	147,400	141,000
In-Kind Lease Liability - Current	5,500	2,250
Operating ROU Liability - Current	5,510	5,510
Financing ROU Liability - Current	10,321	10,321
Total Current Liabilities	5,733,509	5,178,826
In-Kind Lease Liability - LT	37,149	41,149
Notes Payable	22,000	11,000
Financing ROU Liability - LT	-	-
Total Long Term Liabilities	59,149	52,149
TOTAL NET ASSETS	36,598,208 (10)	35,598,709 (27)
NET ASSETS		
Temporarily Designated:		
Board Designated:		
Emergency	601,798 (11)	573,244 (28)
Maint - Repair - Replacement	8,569,918 (12)	7,387,735 (29)
Initiatives	1,490,795 (13)	1,339,862 (30)
Pools & Spas	2,012,455 (14)	1,697,677 (31)
Sub-Total	12,674,966 (15)	10,998,517
Unrestricted Net Assets	22,923,742	24,600,191
Net change Year-to-Date	999,499 (16)	-
Unrestricted Net Assets	23,923,241 (17)	24,600,191
TOTAL NET ASSETS	36,598,208	35,598,709
TOTAL LIABILITIES & NET ASSETS	42,390,866	40,829,683



Green Valley Recreation, Inc. Summary Statement of Activities

YTD Period: 4 month period ending April 30, 2026

FY Budget Period: Jan 1, 2026 - Dec 31, 2026

	PRIOR YEAR COMPARISON				BUDGET COMPARISON				Fiscal Year Budget	Remaining FY Budget
	2025 YTD Actual	2026 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%		
Revenue										
Member Dues	2,455,373	2,526,616	71,243	3%	2,526,616	2,522,987	3,629	0.1%	7,568,960	5,042,344
LC, Trans., Crd Fees.	310,783	318,234	7,451	2%	318,234	356,223	(37,989)	(11%)	800,700	482,466
Capital Revenue	975,432	940,816	(34,616)	(4%)	940,816	1,050,203	(109,387)	(10%)	2,860,800	1,919,984
Programs	164,340	238,414	74,074	45%	238,414	240,377	(1,963)	(1%)	571,456	333,042
Instructional	249,529	288,203	38,674	15%	288,203	234,623	53,580	23%	498,000	209,797
Recreational Revenue	413,869	526,617	112,748	27%	526,617	475,000	51,617	11%	1,069,456	542,839
Investment Income	172,928	172,651	(278)	(0%)	172,651	145,000	27,651	19%	435,000	262,349
Advertising Income	-	-	-	0%	-	-	-	0%	-	-
Cell Tower Lease Inc.	16,669	17,210	541	3%	17,210	16,306	904	6%	48,919	31,709
Comm. Revenue	16,669	17,210	541	3%	17,210	16,306	904	6%	48,919	31,709
Other Income	54,603	96,514	41,911	77%	96,514	59,829	36,685	61%	117,350	20,836
Facility Rent	7,895	5,985	(1,910)	(24%)	5,985	6,207	(222)	(4%)	18,620	12,635
Marketing Events	-	-	-	0%	-	-	-	0%	-	-
In-Kind Contributions	1,333	750	(583)	(44%)	750	1,333	(583)	(44%)	4,000	3,250
Del Sol Café Revenue	-	2,274	2,274	0%	2,274	-	2,274	0%	-	(2,274)
Other Revenue	63,831	105,523	41,692	65%	105,523	67,369	38,154	57%	139,970	34,447
Total Revenue	4,408,886	4,607,666	198,780	5%	4,607,666	4,633,088	(25,422)	(0.5%)	12,923,805	8,316,139
Expenses										
Major Proj. -Rep. & Maint.	62,382	49,330	13,052	21%	49,330	79,657	30,327	38%	238,970	189,640
Facility Maintenance	175,613	89,952	85,661	49%	89,952	140,533	50,581	36%	421,600	331,648
Fees & Assessments	150	247	(97)	(65%)	247	333	86	26%	1,000	753
Utilities	385,388	356,524	28,865	7%	356,524	405,396	48,873	12%	1,084,093	727,569
Depreciation	453,260	459,910	(6,649)	(1%)	459,910	422,840	(37,070)	(9%)	1,268,520	808,610
Furniture & Equipment	110,969	68,159	42,810	39%	68,159	74,335	6,176	8%	229,874	161,715
Vehicles	25,688	35,580	(9,892)	(39%)	35,580	26,667	(8,913)	(33%)	80,000	44,420
Facilities & Equipment	1,213,450	1,059,701	153,749	13%	1,059,701	1,149,762	90,060	8%	3,324,057	2,264,356
Wages	1,466,973	1,490,815	(23,842)	(2%)	1,490,815	1,528,098	37,283	2%	4,584,295	3,093,480
Payroll Taxes	119,957	124,742	(4,786)	(4%)	124,742	126,519	1,776	1%	355,699	230,956
Benefits	297,509	313,728	(16,219)	(5%)	313,728	306,891	(6,837)	(2%)	897,672	583,944
Personnel	1,884,438	1,929,285	(44,846)	(2%)	1,929,285	1,961,508	32,223	2%	5,837,665	3,908,380
Food & Catering	11,595	18,553	(6,958)	(60%)	18,553	34,573	16,020	46%	78,698	60,145
Recreation Contracts	305,854	320,209	(14,355)	(5%)	320,209	296,643	(23,566)	(8%)	651,787	331,578
Bank & Credit Card Fees	33,065	37,591	(4,526)	(14%)	37,591	45,512	7,921	17%	67,895	30,304
Program	350,514	376,353	(25,839)	(7%)	376,353	376,728	375	0.1%	798,380	422,027
Communications	34,735	39,976	(5,241)	(15%)	39,976	35,856	(4,120)	(11%)	107,569	67,593
Printing	40,847	47,957	(7,109)	(17%)	47,957	54,000	6,043	11%	129,500	81,543
Advertising	3,712	4,713	(1,001)	(27%)	4,713	3,667	(1,046)	(29%)	11,000	6,287
Communications	79,294	92,646	(13,351)	(17%)	92,646	93,523	877	1%	248,069	155,423
Supplies	157,194	135,295	21,899	14%	135,295	185,302	50,007	27%	570,906	435,611
Postage	13,282	9,513	3,769	28%	9,513	13,042	3,529	27%	21,125	11,612
Dues & Subscriptions	13,913	3,051	10,862	78%	3,051	4,562	1,511	33%	13,687	10,636
Travel & Entertainment	-	314	(314)	0%	314	800	486	61%	2,400	2,086
Other Operating Expense	28,275	28,773	(498)	(2%)	28,773	30,054	1,280	4%	107,672	78,899
Operations	212,664	176,946	35,719	17%	176,946	233,760	56,814	24%	715,790	538,844
Information Technology	23,926	19,084	4,842	20%	19,084	47,592	28,508	60%	142,777	123,693
Professional Fees	78,200	105,693	(27,494)	(35%)	105,693	100,684	(5,010)	(5%)	234,350	128,657
Commercial Insurance	137,007	152,754	(15,747)	(11%)	152,754	149,021	(3,732)	(3%)	447,064	294,310
Taxes	-	-	-	0%	-	-	-	0%	53,532	53,532
Conferences & Training	4,198	1,056	3,143	75%	1,056	8,067	7,011	87%	24,200	23,145
Employee Recognition	1,988	2,017	(29)	(1%)	2,017	4,333	2,316	53%	13,000	10,983
Provision for Bad Debt	-	-	-	0%	-	-	-	0%	-	-
Corporate Expenses	245,319	280,604	(35,286)	(14%)	280,604	309,697	29,093	9%	914,923	634,319
Expenses	3,985,680	3,915,534	70,145	2%	3,915,534	4,124,978	209,443	5.1%	11,838,884	7,923,350
Gross Surplus(Rev-Exp)	423,206	692,131	268,925	64%	692,131	508,111	184,021	36%	1,084,921	392,789
Net Gain/Loss on Invest.	(178,569)	307,368	485,937		307,368	-	307,368		-	(307,368)
Net from Operations	244,637	999,499	754,862	309%	999,499	508,111	491,388		1,084,921	85,422

Capital Improvement Projects Master List

Project Name	Center Location	Scope of Work	Estimated Construct. Start	Estimated Construct. Finish	Status	Summary Notes/Next Steps	Funding Sources	Budget Total	Expenses To Date	Balance
Abrego South Pool and Locker Room	Abrego South	Redesign pool, spa, and locker rooms for potential reconstruction. Demolish existing pool facilities.	Sep-26	Apr-27	Design-50% Demo- 95%	Design in process to achieve 100% in June-July. General contractors interviewed and proposals have been reviewed. A design-build contractor will be hired in June pending Board approval.	Initia. \$250k \$1.651k MRR-B	\$ 1,901,539	\$ 74,310	\$ 1,827,229
West Center Lapidary Club Expansion	West Center	Expand Lapidary Club building to the west. Renovate existing space, including Billiards Room space.	Mar-26	Dec-26	Construction-25%	Underground plumbing work complete. Masonry almost complete. Roof framing in late June. Continue with construction cost refinements, value-engineering, and plan adjustments.	Initia. \$991k Initia. \$43k	\$ 1,034,000	\$ 146,084	\$ 887,916
West Center Membership Services Expansion	West Center	Expand Membership Services offices in Auditorium lobby. Add lobby counters for staff and events.	May-26	Jul-26	Construction-30%	Awarded contract to Rio West for \$123,392. Demolition and framing complete. Electrical and new West Center fire alarm almost complete. Drywall almost complete. Target completion date of 7/22.	Initiatives	\$ 190,000	\$ 13,291	\$ 176,709
Las Campanas Fitness Room Expansion	Las Campanas	Expand Fitness Room into Cypress Room. Install new flooring and paint. Locker Room fixture upgrades.	Jul-26	Aug-26	Construction-begin 7/1	Sent bid invitation 4/22. Bids are due 5/11. Awarded contract to Rio West for \$90,366. Work to begin 7/1.	Initiatives	\$ 100,000	\$ -	\$ 100,000
SRS Fitness Center Expansion	Santa Rita Springs	Remove corner RSA office to expand floor area in fitness room. Paint and patch to match.	Jun-26	Jul-26	Bidding	Extended bid period to 6/19.	Initiatives	\$ 40,000		\$ 40,000
Desert Hills Kiln Room Upgrades	Desert Hills	Strengthen sub-floor for 5 kilns and brick flooring. Upgrade ventilation system and electrical needs.	Apr-26	May-26	Completed 5/13/26	Contract signed with Building Excellence for \$94,424 (\$10,000 is contingency). Project started 4/14 and substantially completed 5/8. HVAC balance report completed 5/13.	Initiatives	\$ 90,000	\$ 86,176	\$ 3,824
Pickleball Center Fencing	Pickleball Center	Install west and north perimeter fencing and gates to better manage access and security.	Apr-26	May-26	Completed 5/19/26	Awarded contract to Canyon Fence Co. for \$38,489. Work began 4/8 and all fencing and gates installed by 5/8. Front entrance lock and card reader to be installed by end of May.	Initiatives	\$ 50,000	\$ 39,021	\$ 10,979



Green Valley Recreation, Inc.
Board of Directors Board Meeting
Tentative 2027 Budget Schedule

Prepared By: Dave Dixon, CFO

Meeting Date: June 24, 2026

Presented By: Dave Dixon, CFO

Consent Agenda: Yes

Originating Committee / Department: Finance Department
Action Requested: Approve tentative 2027 Budget Schedule.
Strategic Plan: Goal 4: Cultivate and maintain a sound financial base that generates good value for our members.
Background Justification: The 2027 budget schedule has been updated from the 2026 schedule and includes additional subject matter experts along with keeping the same timelines.
Fiscal Impact: Deadline for the board approval of the 2027 Fiscal budget is Nov 15, 2026.
Board Options: 1) Make no changes. 2) Miscellaneous recommended changes or modifications.
Staff Recommendation: Option #1
Recommended Motion: One motion Move to accept the 2027 tentative budget schedule for the fiscal 2027 budget.
Attachments: 1) 2027 Budget Schedule



MEMO

TO: Scott Somers
 FROM: Dave Dixon
 DATE: June 16, 2026
 CC: Howey Murray
 RE: 2027 Budget Development Schedule

- | | <u>Deadline</u> |
|---|---------------------------------------|
| • Accounting staff and CEO update 2026 projections for <u>Quarterly 2026 Board Projection</u> (July 22, 2026 Board Meeting). | July 15 th |
| • Meet with COO/Facilities to provide Browning with updates to MRR activities for completion of 2026 and budget 2027 (for MRR - A only, MRR Project List) | July 17 th |
| • Update the 2027 MRR Reserve study worksheet and submit to Browning | July 24 th |
| • 2027 Departmental Budget worksheets issued to Department Managers/Directors for Operations and Capital Budgets | July 27 th |
| • Accounting staff, Department Managers/Directors, COO and CEO to update 2026 projections and 2027 Budget (operations and capital) requests | Aug 3 rd – 7 th |
| • Staff presents Capital Budget and Capital Improvement Plan to FAC | Aug 18 th |
| • Staff presents recommended Fee Schedule and Operating Budget to FAC | Sep 15 th |
| • Final 2027 MRR Report Received from Browning | Sep 16 th |
| • Staff presents recommended Capital Improvement Plan and Capital Budget to the <u>FAC at Special Meeting</u> | Sep 22 nd |
| • Staff presents the recommended Fee Schedule, Operating Budget, and Capital Improvement Plan and Capital Budget to the Board | Oct 14 th |
| • Board considers approval of all 2027 Budgets and Fee Schedule | Oct 28 th |
| • Tentative Board meeting if needed to finalize 2027 Budget and Fee Schedule | Nov 4 th |
| • Board deadline to approve finalized 2027 Budgets and Fee Schedule | Nov 15 th |



Green Valley Recreation, Inc.
Board of Directors Regular Meeting
Disband Ad Hoc Committee

Prepared By: Scott Somers, CEO.

Meeting Date: June 24, 2026

Presented By: Scott Somers, CEO

Consent Agenda: Yes

<p>Originating Committee / Department: Administration</p>
<p>Action Requested: Disband the Ad Hoc Committee between the GVR Board and the GVR Foundation.</p>
<p>Strategic Plan: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: During the August 27, 2025, GVR Board meeting, then President Kathi Bachelor brought forth a motion reestablishing an ad hoc committee between GVR and the GVR Foundation to “work together on their relationship and ability to establish future relationships regarding the Member Assistance Program (MAP) for GVR.” Topics for the ad hoc committee to discuss included:</p> <ol style="list-style-type: none"> 1. GVR Foundation’s value to GVR. 2. MAP program and working together to fundraise towards increasing the Foundation’s endowment for MAP. 3. Additional opportunities. 4. Moving forward in future years. <p>The motion establishing the duties of the committee and a deadline of November 2025 for completion of the committee’s work was approved by the Board 9-2.</p> <p>At the November 19, 2025, GVR Board meeting, President Bachelor brought forth a motion based on establishing a major fundraising event (donor campaign) between the two corporations that would enhance the GVR Foundation MAP Endowment Fund and to extend the deadline of the Ad Hoc Committee to November 2026 with the following specific duties:</p> <ol style="list-style-type: none"> 1. A written agreement as to what will be provided by each corporation. 2. Working together to provide a major fundraiser towards increasing the endowment program. 3. Additional opportunities. 4. Moving forward in future years. <p>The motion was approved by the Board 9-1.</p> <p>As charged, the Ad Hoc Committee began developing a written agreement (Memorandum of Understanding (MOU) between the two parties (GVR and the GVR Foundation). Early on I expressed concern to the Ad Hoc Committee that an MOU could resemble the previously terminated Resource Sharing Agreement (RSA) between GVR and the Foundation, which had created significant consternation among the two organizations and the GVR membership.</p>

The Foundation terminated the RSA several years ago. Others on the committee expressed similar concerns, but also expressed value an MOU could bring. The Ad Hoc Committee brainstormed about potential donors including direct solicitation of GVR members through GVR channels, and direct solicitation of GVR vendors. I expressed strong opposition to soliciting GVR vendors for donations since such a request could appear as a quid pro quo understanding. Realizing that the Ad Hoc Committee felt strongly about direct GVR member solicitation, I embraced the idea of an MOU, but only as a tool to ensure clear GVR Board support of this strategy before contacting GVR members directly for solicitation; otherwise, I felt and said the current non-written arrangements between GVR and the Foundation were working well, such as dual support for MAP donations and the Bingo event.

The MOU was developed to intentionally identify that a responsibility of GVR was to “promote the Campaign across its membership...including...email communications to members.” Other provisions of the MOU worth noting include Joint Responsibilities where both parties agree to “Approve the overall Campaign strategy, marketing materials, and messaging.” The MOU was presented to the GVR Board for consideration at a Work Session on January 14, 2026, and was approved at a Regular Board meeting on January 28, 2026, 6-4 with 1 abstention. The approved motion was “to approve the Memorandum of Understanding (MOU) as amended with the exception of removing from C.5 last sentence which states ‘GVR vendors and contractors as potential donor stakeholders may receive direct solicitation for donations.’”

As the Ad Hoc Committee was developing its strategy, material, and draft letters to stakeholder donor prospects, I reminded the Ad Hoc Committee and the GVR Board President, Candy English, of certain provisions within the agreed upon MOU, specifically Section 3.A.1. where both parties (GVR and the GVR Foundation) agree to “Approve the overall campaign strategy, marketing materials, and messaging.” A GVR Work Session was scheduled for May 20, 2026, to discuss and review these items, followed by a Special Meeting to approve these items. Once this meeting was scheduled, it became clear that misunderstandings surrounding the MOU existed. For instance, there was a lack of common agreement about which body(s) was responsible for approving marketing material - the GVR and GVR Foundation Boards or the Ad Hoc Committee? Others also expressed concern about direct solicitation of GVR members for donations, and perhaps most importantly, there was concern the funds donated to the MAP Endowment couldn’t be guaranteed to be used exclusively to fund MAP in perpetuity. In other words, future Foundation Boards could repurpose those funds donated to the MAP Endowment Fund. Because of the ambiguity in the MOU as to which entity (the Ad Hoc Committee) or entities (GVR and the GVR Foundation) was or were responsible for approving the overall campaign strategy, marketing material, and messaging, I reached out to the GVR attorney for his opinion on the matter. My question to the attorney and his response were previously provided to the Board.

I requested a meeting with GVR Board President English and GVR Foundation President Tobiason to help clear up any misunderstandings and concerns. The three of us met on Monday, May 18, 2026, at which time I shared the attorney’s opinion on the matter with both presidents. While the meeting was helpful, questions and concerns remained around direct solicitation of GVR members and the inability of the Foundation to guarantee donations to the Foundation’s MAP Endowment Fund would remain dedicated to MAP in perpetuity. I therefore recommended delaying the May 20th Board meeting to provide additional time to resolve lingering questions and concerns, particularly guaranteeing

donated funds remain dedicated to MAP in perpetuity. On May 24th, I received an email from Foundation President terminating the MOU, which I forwarded to the GVR Board.

Now that the Foundation has terminated the MOU, it's my opinion that the agreement no longer exists. The primary purpose of the Ad Hoc Committee was to develop an agreed upon strategy, such as an MOU, for increasing the MAP endowment. Unless explicitly directed by the GVR Board, I do not believe it would be appropriate for me to promote a GVR Foundation endowment fundraising campaign through any GVR channels. Now that the MOU has been terminated, the primary purpose of the Ad Hoc Committee is no longer. Therefore, I recommend the Board disband the Ad Hoc Committee.

Fiscal Impact:

None

Board Options:

- 1) Disband the Ad Hoc Committee between the GVR Board and the GVR Foundation.
- 2) Amend the responsibilities and charge of the Ad Hoc Committee between the GVR Board and the GVR Foundation.
- 3) Allow the Ad Hoc Committee to continue working on its current responsibilities and charge until its currently planned termination of November 2026.

Staff Recommendation:

Option 1

Recommended Motion:

I move to disband the Ad Hoc Committee between the GVR Board and the GVR Foundation effective immediately.

Attachments:

- 1) The terminated MOU

Terminated: MEMORANDUM OF UNDERSTANDING

Between

GVR Foundation (Foundation) and Green Valley Recreation Inc. (GVR)

1. Purpose

This Memorandum of Understanding (“MOU”) outlines the responsibilities, commitments, and cooperative relationship between the GVR Foundation, herein referred to as “The Foundation”, and Green Valley Recreation Inc., herein referred to as “GVR” and “collectively “the Parties” for planning and implementing a joint \$1,000,000 capital fund-raising campaign (“the Campaign”) for the Member Assistance Program (MAP) Endowment

The Foundation is an Internal Revenue Code 501(c) (3) tax-exempt, nonprofit charitable organization established in 2015. It is distinct from GVR. The Foundation’s mission is “enhancing the quality of life for GVR members and the greater Green Valley community through connecting resources for those in need with those who care.” It focuses on charitable giving to enhance and support the community through programs, advocacy, and financial support that promote health and wellness for residents in the Green Valley, Arizona area.

GVR is an Internal Revenue Code 501(c) (4) civic organization whose purpose is to provide recreational, cultural, and educational programs for the enjoyment of GVR Members and their guests.

The parties involved agree to work together to raise funds that will support the MAP Endowment. This endowment is designed to ensure a sustainable funding source for the MAP program, which currently provides financial assistance to GVR members who need help paying their annual GVR dues.

3. Roles and Responsibilities

A. Joint Responsibilities

Both Parties agree to:

1. Approve the overall Campaign strategy, marketing materials, and messaging.
2. Identify donor prospects from both organization’s networks.
3. Review campaign progress monthly or at other times agreed to by the Chairs of the Ad Hoc Committee.

4. **Ensure compliance with all legal and ethical fundraising standards.**
-

B. Responsibilities of The Foundation

1. **Serve as the fiscal agent for the Campaign, including:**
 - o processing donations
 - o issuing tax receipts
 - o maintaining financial records
 2. **Manage the Campaign database and donor tracking system. This does not include GVR providing member donors' private information to The Foundation.**
 3. **Provide funding to support the Campaign expenses, including but not limited to postage, printing, refinement of website, and other in-kind administrative support as budgeted by The Foundation for the campaign.**
 4. **Coordinate community engagement, outreach, and public relations activities with GVR.**
 5. **Hire and manage a fundraising consultant, if necessary, solely at The Foundation's expense.**
 6. **Be solely responsible for thanking donors.**
 7. **Participate in and support the solicitation of major donors**
-

C. Responsibilities of GVR

1. **Provide Campaign volunteer leadership through Board participation.**
2. **Assists in recruitment of volunteers from its membership to serve on the Campaign Steering Committee.**
3. **Assist with community engagement, outreach, and public relations activities, specifically by and limited to eblasts, GVRNow, website announcements, and facilities for meetings and related events.**
4. **Assist with the planning and providing space for donor events, if any.**
5. **Promote the Campaign across its membership and stakeholder groups through joint communications such as the GVR eBlast, and GVRNow, and public service announcements**

including video on Center monitors (monthly news bulletin) and email communications to members.

6. Revise the GVR website to promote the MAP program and the Endowment Campaign.
 7. Host regular Campaign Committee meetings.
 8. Support the solicitation of major donors.
-

D. Governance Structure

1. Ad Hoc Committee will serve as the oversight committee
 2. Campaign Steering Subcommittee will consist of the members of each Party and other community representatives approved by the Ad Hoc Committee. The Committee will:
 - Set strategic direction
 - Approve campaign phases, timelines, and materials
 - Oversee progress toward the \$1,000,000 goal
 - Serve as ambassadors promoting the campaign
 - Lead solicitation efforts and help at special events, such as the GVR Showcase
 - Identify and write grant applications
 - Support donor cultivation
 - Create additional work groups that can assist in carrying out the Campaign responsibilities
-

E. Financial Management

1. All Campaign donations will be directed to The Foundation as the designated fiscal agent.
 2. Campaign funds will be used exclusively for approved MAP Endowment purposes.
 3. A campaign budget will be reviewed and monitored by the Parties
 4. Both Parties will have access to monthly Campaign financial reports.
-

F. Confidentiality

Both Parties agree to maintain strict confidentiality regarding:

- Donor information, unless authorized by the donor
- Financial data of donors

Confidential information will not be shared outside the Parties without written consent.

G. Public Communications

All public announcements, printed materials, media releases, and marketing content related to the Campaign must be:

- Approved by the Ad Hoc Committee
 - Consistent with jointly established messaging
 - Released only through mutually agreed channels
-

H. Duration and Termination

This MOU becomes effective on the date signed and will remain active until:

- Completion of the campaign
- Disbursement of all funds
- Submission of a joint final report

Either Party may terminate the MOU with **30 days' written notice**, provided that:

- Both Parties agree on the wind-down process
- Financial obligations are fulfilled
- Donor commitments are honored

I. Amendments

This MOU may be amended at any time by mutual written agreement of both Parties.

J. Signatures

GVR Foundation

By: GVR Foundation President B. Tobiasson
Name: Brenty Tobiasson
Title: President
Date: 3/12/26

Green Valley Recreation Inc.

By: GVR, PRESIDENT KATHI BACHELOR
Name: Kathi Bachelor
Title: President
Date: 3/12/26



Green Valley Recreation, Inc.
Board of Directors Meeting

Approval of Committee Action Plans

Prepared By: Nanci Moyo, Board Admin.

Meeting Date: June 24, 2026

Presented By: Candy English, President

Consent Agenda: Yes

<p>Originating Committee / Department: Board of Directors</p>
<p>Action Requested: Review the Committee Action Plans from the Audit Committee, Board Affairs Committee (BAC), Fiscal Affairs Committee (FAC), and Investments Committee.</p>
<p>Strategic Plan: GOAL 5: Provide sound, effective governance and leadership for the corporation</p>
<p>Background Justification: The Corporate Policy Manual (CPM) Part 3 Committees, Section 1 General – 3.1.1.H states: Responsibilities of Committee Chairpersons, along with Committee members, and staff liaison, are to identify goals in conjunction with the Strategic Plan; provide Committee Action Plans to the Board for approval; provide, at least, quarterly updates to the Board; and at year-end identify accomplishments of the Committee and continuing tasks for the next year.</p>
<p>Fiscal Impact: N/A</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Approve the Committee Action Plan as presented in the Consent Agenda. 2) Provide amendments to the proposed Committee Action Plan and approve as amended. 3) Provide alternative direction to Committee Chairpersons.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: Move to approve Committee Action Plans as presented for these committees: Audit, Board Affairs, Fiscal Affairs, and Investments.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Audit Committee Action Plan 2) Board Affairs Committee Action Plan 3) Fiscal Affairs Committee Action Plan 4) Investments Committee Action Plan



Committee Action Plan

2026-2027 Audit Committee

*Bylaws Article VIII, Section 1:
"The Committees shall make policy recommendations to the
Board of Directors for approval"*

Chair: Dave Barker

Staff Liaison: Dave Dixon, CFO

Committee Members: Bert Olson, Connie Johnson, Lanny Smith, Wayne Utterback, Scott Somers (CEO)

Committee Purpose:

3.5.2 Responsibilities

- A. The Audit Committee functions in the capacity of an independent overseer of GVR's financial reporting process and internal controls. This oversight is conducted by review of the reporting and communication with a qualified independent auditing firm prior to presentation to the board of directors. The committee is an independent conduit between GVR and the auditing firm. The Committee is not involved in the Corporation's daily accounting functions.
- B. The principal functions of the Audit Committee are:
 1. To recommend a CPA firm to the GVR Board to act as the Corporation's independent auditor.
 2. To review the independent auditor's terms of engagement.
 3. To review the results of each audit including opinion, qualifications, or expectations with the auditor and GVR Management.
 4. To review the auditor's management letter sent to GVR Management and to the committee, and to review GVR Management's response with GVR Management as is deemed necessary.
 5. To review issues and disputes that may arise between GVR Management and the independent auditor during an audit.
 6. To review the IRS Form 990 with the CPA and GVR Management as is deemed necessary.
 7. To review the adequacy of internal financial controls with GVR Management and the board.

Priorities and Timelines Established for 2026-2027:

- Review the Audit
 - ✓ March 2027

Resources Needed:

- Staff



Committee Action Plan

2026-2027

Board Affairs Committee

Bylaws Article VIII, Section 1: "The Committees shall make policy recommendations to the Board of Directors for approval."

Chair: Steve Reynolds

Staff Liaison: Nanci Moyo

Committee Members: Beth Dingman, Orji Isiogu, Nellie Johnson, Chris McCrummen, Pat Reynolds, Jodie Walker, Betsy Walton

Committee Responsibilities:

3.2.2 Responsibilities

- A. Recommend modifications in organizational policies and governing values to help guide the Board in achieving its strategic goals. Assist the Board in effectively carrying out its governing functions in such a manner so as to clearly delineate the roles and responsibilities between governance and management.
- B. Review and recommend revisions, when appropriate, to the governing documents of The Corporation.
- C. Forward all BAC proposed revisions of the Articles of Incorporation or Bylaws to staff for submission to legal counsel for appropriate action. Any BAC approved change to the CPM which staff determines needs legal review will also be submitted. Should legal counsel recommend a revision to a governing document, it will be returned to the Committee for final review before being presented to the Board for appropriate action.
- D. If a committee, member or staff would like to have the BAC review a change to the CPM or other governing documents before it is taken to the Board, the requested change and rationale should be sent to the chair and staff liaison of BAC at least a week prior to the next BAC meeting.

Priorities and Timelines Established for 2026-2027:

- Review and Update Corporate Policy Manual (CPM) to Accommodate Bylaw Changes from 2026 Elections
 - ✓ June 2026
- Adding Election Processes into the BAC Charge
 - ✓ June 2026
 - ✓ Forum Date(s)/Time(s)
- Review the CPM for any other necessary changes
 - ✓ September 2026

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

- Develop a process for recruiting Committee members
 - ✓ September 2026
- Review Election Materials and Forum Format
 - ✓ October 2026 through February 2027

Resources Needed:

- Attorney review of possible bylaws changes and policy proposals.



Committee Action Plan

2026-2027 Fiscal Affairs Committee

Bylaws Article VIII, Section 1: "The Committees shall make policy recommendations to the Board of Directors for approval."

Chair: Lanny Smith

Staff Liaison: Dave Dixon, CFO

Committee Members: Bob Fillion, Dale Howard, Bob Quast, Pat Reynolds, Priscilla Spurgeon, Barry Stock, Candy English (ex-officio), Scott Somers (CEO), Dave Dixon (CFO/Liaison)

Committee Purpose:

3.3.2 Responsibilities

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

Priorities and Timelines Established for 2026-2027:

- Review and recommend the 2027 budget to the Board for approval, including the 2027 Capital Budget and Capital Improvement Plan.
 - ✓ Complete by November 2026
- Monitor progress toward achievement of annual fiscal objectives, that is, a balanced budget.
 - ✓ Review operating budget monthly.
- Review MCF refund policy and recommend updated policy to the Board for approval.
 - ✓ Completed by August 2026.
- Review all financial statements, Statement of activities, housing sales report and 90-day cash flow position monthly.
 - ✓ Review and report to the Board, as appropriate.

Resources Needed:

- Staff and BAC



Committee Action Plan

2026-2027 Investments Committee

Bylaws Article VIII, Section 1: "The Committees shall make policy recommendations to the Board of Directors for approval."

Chair: Bart Hillyer

Staff Liaison: Dave Dixon, CFO

Committee Members: Michael Cataldo, George Losleben, Steve Wilhelm, Dave Dixon

Committee Purpose:

3.7.2 Responsibilities

- A. The IC has the following specific responsibilities and duties with respect to the GVR Reserve and Operational Investment Accounts:
 1. Make timely recommendations to the Board concerning:
 - a. The hiring, termination, and replacement of the Investment Manager and/or Investment Adviser (collectively, the IM/IA) for each of the accounts that comprise the Reserve and Operational Investment Accounts.
 - b. The terms and wording for any contract between GVR and an IM/IA.
 - c. The specific wording and specifications for the Investment Policy Statement (IPS) set forth in Appendix 1, Section 3 that governs each of the accounts that comprise the Reserve and Operational Investment Accounts.
 2. Perform the following ongoing functions:
 - a. Complete due diligence and evaluation of each IM/IA at the end of each quarter or more frequently, if desired/needed.
 - b. Monitor the IM/IAs to confirm compliance with the applicable IPS.
 3. Make timely reports, in accordance with the IPS, to the CFO, CEO, and the Board of the following:
 - a. A serious and meaningful violation of the IPS.
 - b. A potential replacement of an existing IM/IA.
 - c. Any update requested by the Board.
 4. Collaborate with the CEO/CFO concerning the following:
 - a. The invested Operational Funds regarding

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

- compliance with the applicable IPS and performance.
- b. What information and analysis the CEO/CFO will provide to the IC for the purpose of enabling the IC to perform its duties.
 - c. The specific actions required by the CEO/CFO in order to bring an IM/IA back into compliance with its applicable IPS.
5. In the process of completing its duties, the IC will generate the following documents:
- a. An IPS for each of the accounts that comprise the Reserve and Operational Investment Accounts.
 - b. An Investment Management Contract for each IM/IA hired by GVR as signed and implemented by the GVR Board President.
 - c. Minutes of each meeting of the IC.

Priorities and Timelines Established for 2026-2027:

- Review (individually) investment reports monthly with assistance from Dave Dixon, CFO and summary provided by current Controller, Howey Murray, to make sure we are within approved ranges in the IPS. Contact Chair with any concerns who will then contact Dave Dixon, CFO, and/or Investment Advisor as needed. **Ongoing**
- Attend quarterly meetings with the Investment Advisors to review returns and discuss any changes to the IPS recommended due to changes in GVR spending or current markets. Please remember our IPS has flexibility built in so changes should not be that often. **Ongoing**
- Review long-term and short-term operating reserves and review if changes are necessary to maximize investment returns. We will complete in conjunction with the Fiscal Affairs Committee. **August/October**
- Spot check the Chase Bank arrangement and determine if it is still the best banking relationship from a cost, return on investment and quality of services provided. **August/October**

Resources Needed:

- CFO and Controller provide assistance in monitoring investment reports and reviewing banking fees.



Green Valley Recreation, Inc.
Board of Directors Meeting

Award Contract for Abrego South Pool and Facilities

Prepared By: Scott Somers, CEO

Meeting Date: June 24, 2026

Presented By: Scott Somers, CEO

Consent Agenda: No

Originating Committee / Department:

Administration and Facilities

Action Requested:

Award a design-build contract for the Abrego South Pool and Facilities Project to Durazo Construction in an amount not to exceed **\$1,577,520**.

Strategic Plan

Goal 1: Provide excellent facilities for members to participate in a variety of active and social opportunities

Background Justification:

On April 22, 2026, the Board approved concept drawings for the South Abrego pool, bathhouse, and other related improvements. See the attached Board meeting staff report. Staff originally anticipated and informed the Board that a construction contract to rebuild the pool and facilities would likely come before the Board in August.

As reported in the May 1, 2026, Weekly Updates and Activities memo to the Board, the GVR project management team, two volleyball club board members, and the architect met that week to discuss technical details [related to water volleyball] concerning the Abrego South Pool final plans. The project management team and the architect recommended GVR follow the same procurement process used for the West Center Lapidary Expansion Project. In that case, a design-build contractor was hired by GVR, upon Board approval, and after an extensive request for proposals issuance and interview process. This process brings a qualified contractor on earlier [prior to completion of permit-ready construction documents] to assist the team and architect with final plan development since the contractor will ultimately build the new facility. This process is generally more efficient as well. I provided that I expected to bring a recommendation for a contractor to the Board in June.

Per the Procurement Policy, approval of this contract is the final Board-approval stage.

Staff has gone out for bid with assistance from the architect who coordinated interviews with three interested firms.

For cost information comparisons, the following table summarizes costs based on information presented by the companies, a 6-month construction schedule, and an estimated budget of \$1,484,378 (as estimated by the Architect and excluding A/E fees):

- **\$1,214,660** for construction
- **\$219,718** total cost for fee and general conditions
- **\$50,000** for contingency

Contractor	Fee	Total Cost of Fee (see note 1)	General Conditions	Total Cost of General Conditions	Total Cost of Fee and General Conditions
Building Excellence	5%	\$66,794	\$24,750/month	\$148,500	\$215,294
Durazo Construction	10%	\$140,518	\$13,200/month	\$79,200	\$219,718
Rio West Construction	12%	\$171,285	\$9500/month (average)	\$57,000	\$228,285

1. For this comparison, the Total Fee is taken from the amount of the Budget minus the Total General Conditions.
2. All the above calculations for Fee and General Conditions would vary should the length of construction be shortened or lengthened **[or the final cost be lower or higher than the architect’s estimate]**.

Based on the information presented by the companies, experience with aquatics projects, and cost considerations, the selection committee is recommending to the GVR Board of Directors that Durazo Construction be engaged as the Design/Build contractor for this project. Durazo’s estimate for this project is **\$1,577,520, which is \$93,142 higher than the architect’s estimate, which isn’t unexpected. The architect, contractor, and GVR staff will work together to secure and competitive bid for subcontractors. As a result, the final construction cost could come in less than the not to exceed cost of \$1,577,520.**

Fiscal Impact:

The 2026 Capital Budget and Plan includes \$1,651,539 from MRR-B for pool and spa replacement and \$750,000 from Initiatives for the bathhouse for total of **\$2,401,539** in budgeted and planned funds.

Anticipated costs are as follows:

- Contract with Durazo Construction: **\$1,577,520** (includes **\$50,000** in contingency)
- Demo: \$61,910
- Soft costs: \$76,600
- **Total: \$1,716,030**

Board Options:

- 1) Award a design-build contract for the Abrego South Pool and Facilities Project to Durazo Construction in an amount not to exceed **\$1,577,520**.
- 2) Direct staff to rebid the project after 100% plans are completed by the architect.
- 3) Table a decision until a later time.

Staff Recommendation:

Option 1

Recommended Motion:

*I move to award a design-build contract for the Abrego South Pool and Facilities Project to Durazo Construction in an amount not to exceed **\$1,577,520**.*

Attachments:

- 1) Contract with Durazo Construction
- 2) Burton & Hernandez Contract Selection Review, dated June 1, 2026

- 3) April 22, 2026 Staff Report
- 4) Approved concept design plan
- 5) Petition cover letter from Chris P. Rodgers, dated March 29, 2026
- 6) 2024 pool usage data
- 7) MRR-B cash flow scenarios



GREEN VALLEY RECREATION, INC.

CONSTRUCTION CONTRACT

June 24th, 2026

OWNER:

GREEN VALLEY RECREATION, INC., An Arizona Corporation
 333 W. Paseo del Prado, Green Valley, AZ 85614
 Contact: Scott Somers, CEO, Phone: (520) 625-3440, Email: scotts@gvrec.org

CONTRACTOR:

Durazo Construction Corp. ROC: 073404 and 295690
 P.O. Box 629, Tucson, AZ 85702
 Contact: JR Durazo, President. Phone (520) 623-1077, Email: jr@durazo.build

WORKSITE:

GVR Abrego South, 1655 S. Abrego Drive, Green Valley, AZ 85614

DESCRIPTION OF WORK				
Project Name: Abrego South Pool Facility Reconstruction				
Scope of Work: Work with architect to achieve 100% construction documents for permit approval. Per the permitted plans, construct new pool, spa, locker rooms, and associated site improvements to replace the old aquatics facilities at Abrego South.				
Contractor estimate attached is based on 30% conceptual plans. Contractor to provide a Guaranteed Maximum Price after a 95% plan set is provided, and to be reviewed and approved by GVR.				
Contractor agrees to abide by the Standard Terms and Conditions (page 2).				
Estimated Start Date: October/November 2026			Estimated Completion Date: April 2027	
Labor/Materials	Hours	Rate	Amount	Total
Construction, including all contractor fees and taxes				\$1,577,520
Taxes, bond, insurance included				
Balance owed on project completion. Net 30 days.				
			Contract Total	\$1,577,520

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

CONTRACTOR: DURAZO CONSTRUCTION CORP.

BY (Sign & Print Name) _____ DATE: _____

OWNER: GREEN VALLEY RECREATION, INC.

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

STANDARD TERMS AND CONDITIONS

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. All payments are NET 30.

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

ATTN: RICHARD BURTON

Burton & Hernandez Architects
7454 E. Broadway Blvd., Suite 215
Tucson, AZ 85710

RE: GREEN VALLEY RECREATION ABREGO SOUTH POOL
CONCEPTUAL ESTIMATE

Dear Mr. Burton,

Durazo Construction is pleased to provide the following conceptual budget pricing based on the Schematic 30% Plan Set by Burton & Harnandez Architects.

TOTAL BUDGET ESTIMATE: \$1,577,520.00

EXCLUSIONS:

- Permits & Permit Fees
- Desing & Engineering Unless Noted Otherwise
- Utility Connection Fees
- Materials Testing & Special Inspections
- Performance Payment Bonds (add 1.5% if required)

NOTE:

This pricing is for budgetary purposes only. A guaranteed maximum price will be provided after a 95% plan set is provided.

Thank you for the opportunity to provide you with this Conceptual Estimate Proposal!

Best Regards,

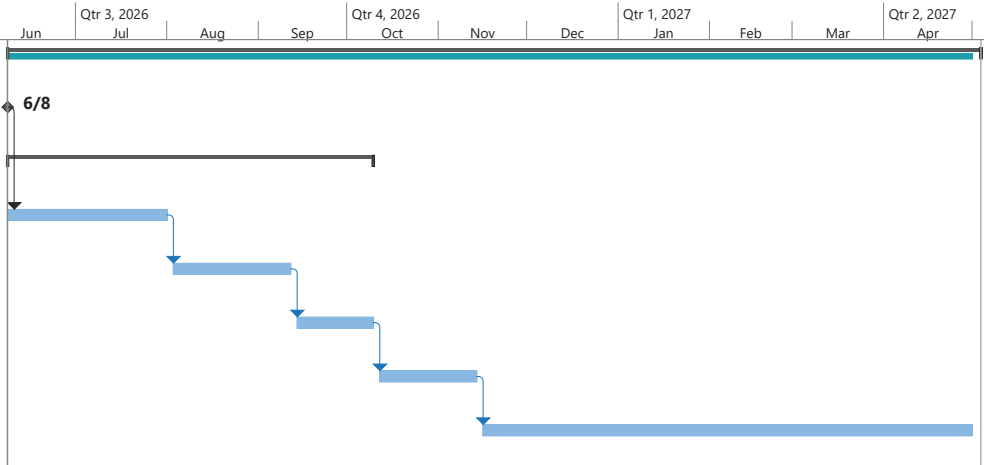


JR DURAZO

President
Durazo Construction Corporation

GREEN VALLEY ABREGO POOL PRELIM SCHEDULE 5/22/2026

ID	Task Name	Duration	Start	Finish	May	Jun	Qtr 3, 2026	Aug	Sep	Qtr 4, 2026	Nov	Dec	Qtr 1, 2027	Qtr 2, 2027	May	
1	GREEN VALLEY ABREGO POOL	236 days	Mon 6/8/26	Mon 5/3/27												
2	CONTRACT DATE	0 days	Mon 6/8/26	Mon 6/8/26												
3	PRECONSTRUCTION	90 days	Mon 6/8/26	Fri 10/9/26												
4	50% CDS	40 days	Mon 6/8/26	Fri 7/31/26												
5	90% CDS	30 days	Mon 8/3/26	Fri 9/11/26												
6	100% CDS	20 days	Mon 9/14/26	Fri 10/9/26												
7	PERMITTING	25 days	Mon 10/12/26	Fri 11/13/26												
8	CONSTRUCTION	120 days	Mon 11/16/26	Fri 4/30/27												



Date: Fri 5/22/26	Task		Inactive Task		Manual Summary Rollup		External Milestone		Manual Progress	
	Split		Inactive Milestone		Manual Summary		Deadline			
	Milestone		Inactive Summary		Start-only		Critical			
	Summary		Manual Task		Finish-only		Critical Split			
	Project Summary		Duration-only		External Tasks		Progress			



GREEN VALLEY RECREATION ABREGO SOUTH POOL/BATHHOUSE DESIGN/BUILD CONTRACTOR SELECTION REVIEW

DATE OF CONTRACTOR INTERVIEWS: May 22 and 27, 2026

MEMBERS OF SELECTION COMMITTEE: Tom Fisher, Mark Ragel, Cameron Hughes,
and Richard Burton

June 1, 2026

Notes on Interview with Building Excellence, LLC

1. Attended by Jamie Olden (Owner) and Dave Willet (Project Manager)
2. Business started in 2007, have done Design/Build for about 20 years.
3. Staff of about 20 employees.
4. Done similar projects in scope and cost, and experience with working with pool builders as sub-contractors
5. Worked with GVR now and in the past.
6. Will have fulltime onsite superintendent.
7. Will sub out all trades.
8. Will have full-time superintendent
9. Will be willing to create a budget based on Schematic Design package
10. Expect a construction period of 6 months.
11. Proposed a 5% fee and \$24,750/month general conditions

Notes on Interview with Durazo Construction

1. Attended by JR Durazo (Owner). Isacc (Project Manager), and Billie (Project Engineer)
2. Very clear and professional presentation
3. Business started in 1982
4. Family owned and operated company, OSHA certified for safety
5. Professional, educated personnel. Carlos will be the full-time Superintendent
6. Have done several projects with Pools by Design (this project's pool sub-contractor) and many other aquatics projects mainly for municipalities.
7. Utilize ProCore software for project management and communication
8. Expect a construction period of 6 months
9. Propose a 10% fee and \$13,200/month general conditions

Notes on Interview with Rio West Development and Construction

1. Attended by Walter Hoge (Co-owner), and Reid Hoge (CFO). Walter's brother and co-owner Brad Hoge was excused – on vacation out of town
2. Business started in 1994; most projects have been Design/Build of the type we're considering.

Burton and Hernandez Architects
7454 E. Broadway Blvd, Suite 215, Tucson, AZ 85710 – (520) 471-8072, richard.burtonarch@gmail.com

3. They have done many projects of this type and cost, but they also do significantly more expensive projects for themselves or clients.
4. Office staff of 15.
5. In-house trades for electrical, drywall and framing.
6. Will have an onsite full-time superintendent, and a Project Manager.
7. No cost for any preconstruction involvement and design review
8. Recommends a weekly job site meeting with Brad, PM, Superintendent, client, and architect.to keep project on schedule and clear communication.
9. Significant work experience with the architect now and for the past 20 years.
10. Expect a construction period of 5 months following permit issuance. Expect to be able to do over-excavation and compaction site work prior to permit issuance to expedite schedule.
11. Proposed 12% fee with General Conditions of \$9,000 to \$10,000/month.

For cost information comparisons, the following table summarizes costs based on information presented by the companies, a six-month construction schedule, and an estimated budget of \$1,484,378 (as estimated by the Architect and excluding A/E fees):

Contractor	Fee	Total Cost of Fee (see note 1)	General Conditions	Total Cost of General Conditions	Total Cost of Fee and General Conditions
Building Excellence	5%	\$66,794	\$24,750/month	\$148,500	\$215,294
Durazo Construction	10%	\$140,518	\$13,200/month	\$79,200	\$219,718
Rio West Construction	12%	\$171,285	\$9500/month (average)	\$57,000	\$228,285

1. For this comparison, the Total Fee is taken from the amount of the Budget minus the Total General Conditions.
2. All the above calculations for Fee and General Conditions would vary should the length of construction be shortened or lengthened.

Based on the information presented by the companies, experience with aquatics projects, and cost considerations, the selection committee is recommending to the GVR Board of Directors that Durazo Construction be engaged as the Design/Build contractor for this project.

Notes Submitted by,



Richard R. Burton, Architect



Green Valley Recreation, Inc.
Board of Directors Meeting

**South Abrego Pool and Improvements Concept
 Drawings**

Prepared By: Scott Somers, CEO

Meeting Date: April 22, 2026

Presented By: Scott Somers, CEO

Consent Agenda: No

<p>Originating Committee / Department: Administration and Facilities</p>
<p>Action Requested: The Board is asked to consider approving concept drawings for the South Abrego pool, bathhouse, and other related improvements</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: The Board included funds in the 2026 Capital Budget to rebuild the Abrego South pool and bathhouse. The pool was constructed in 1975 and the bathhouse was constructed in 1994. The pool was originally 5 to 8.5 feet deep and later reconstructed to a shallower 4 to 4.5-foot depth.</p> <p>Per GVR policy, once the approved Budget goes into effect on January 1, staff begins project planning to include:</p> <ul style="list-style-type: none"> • member outreach, if necessary; • working with an architect to develop high-level concept drawings and cost estimates; • and presenting the concept drawings and associated cost estimates to the Board for approval. • If rejected, the previous steps are repeated until a concept receives Board approval, or until the Board provides alternative direction. • If approved, staff pursues developing complete construction documents, obtains permits, goes out for bid and asks the Board to award a contract for the project. <p>In this case, the CEO facilitated a community meeting in which mostly residents adjacent to the Abrego South Center (ABS) participated in the meeting where 100+ persons were in attendance. During the meeting, attendees passed around a petition in support of rebuilding the pool. The petition will be made available to the Board during the April 22nd Board meeting and the cover letter from Chris P. Rodgers is attached. The purpose of this meeting was not to debate or discuss the pros and cons of rebuilding the pool, but to assist the architect in developing concept drawings by inquiring about needs and wants.</p>

Geotechnical Summary

A geotechnical report was completed on September 4, 2025 in which surveying, geotechnical exploration, soils sampling, testing, analysis, findings, and recommendations were included. The findings and conclusions of the report revealed that the subsurface wet utility leak(s) [near the spa] saturated the surrounding soils, which in turn collapsed, compressed and consolidated, resulting in distress in the bathhouse, spa, swimming pool, and other areas. The findings also conclude that the pool reconstruction that occurred, decreasing the depth of the pool, may have contributed to the distress to the pool. During conversations with the engineer, the engineer further revealed that pools constructed in the 1970s did not include proper soils compaction during construction, which likely contributed to the distress. In addition to correcting any and all leaks, the report recommended additional geotechnical services including deeper borings than the 7.5 explored during this study, along with replacement of excavated soils with compacted engineered fill to a minimum of 7.5 feet in depth.

A second geotechnical report was completed on April 9, 2026. This report was based on deeper borings than the first report in order to gain a clearer and more confident picture concerning the soil conditions if the pool were to be rebuilt. Borings ranged from 21.5 to 31.5 feet in depth. It is important to note what is stated in 4.2 of the report - "Groundwater was not encountered in any boring." Also, section 6.8 stated "The major cause of soil problems in this vicinity is moisture increase in soils below structures. Therefore, it is extremely important that positive drainage be provided during construction and maintained throughout the life of the proposed buildings and pool." Based on both of these notations, it appears that water is not naturally found below the site and that it is important that we don't allow water to be entrained under the structures by poor surface drainage or broken piping. Per the geotechnical engineer, there isn't any way to know if nearby pumping caused the pool issues, but that it is unlikely. [Please keep in mind that the pool lasted 49 years and that the distress and ultimate failure of the pool and spa were caused primarily as a result of poor soil compaction and saturated soil near the spa which was caused by chronic leaks]. The report concludes that the current soils become weak and collapsed with an increase in moisture content, and the soils are not suitable for the support of foundations in their present state. The report recommends that engineered fill should extend to at least 36 inches below the pool bottom, among other recommendations listed in the report. In short, neither report warns against rebuilding a pool in this location, but do recommend replacing existing fill with engineered soils. The cost estimates provided below include replacing current fill with engineered fill, based on the parameters and recommendations in the report.

Cost Estimates

The total estimated construction cost for this project is \$1,164,629.

Funds for this project would be allocated from GVR's various reserve funds as follows:

- MRR-B (pools and spas): \$942,629 vs a budgeted amount of \$1,651,539
- Initiatives: \$222,000 vs a budgeted amount of \$750,000
- MRR-A (specific project components): \$139,344 which is the amount identified in MRR-A for 2026-27.

Discussion

Until the closure of Abrego South in July, 2025, GVR maintained thirteen pools. Questions have been raised about the need for thirteen pools when GVR serves a membership of about 23,000 and their tenants and guests. In terms of comparison, it's important to remember that GVR is not a municipality or a public parks and recreation district and therefore shouldn't be benchmarked against such organizations. GVR is a private organization, serving its dues paying members and guided by its mission: ***To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives.*** While GVR collects usage data from its pool facilities, GVR has not applied efficiency or performance measures to its pools in terms of member usage because this metric is not included in the mission or the current strategic plan. GVR is embarking on its next strategic plan (2027-2031) and may very well include and rely on such measures going forward. I would recommend the Board take a thoughtful and strategic approach if it decides to implement such measures and criteria for eliminating facilities going forward, rather than viewing the Abrego South pool as an opportunity to decrease the number of pools simply because the usage numbers are lower and because it happened to fail at this point in time.

Recognizing that pool counts and usage are not entirely accurate, the same challenges, such as cards not being swiped, doors being left open, etc., are consistent across all thirteen pools. The last time the Abrego South pool was opened for an entire year was 2024. In 2024, Abrego South had the second lowest usage of all thirteen pools. (Please see the attached spreadsheet and please note that the ABS spa was closed part of that year due to chronic leaks, which certainly impacted usage numbers.) It should be noted that the pool with the lowest usage in 2024 was Abrego North and yet Abrego North is the most recently rebuilt pool.

Taking the Abrego South pool offline has already created negative downstream effects. The Volleyball Club has used Abrego South for many years for its water volleyball activities, primarily because its depth is fairly consistent across the length of the pool, roughly 4 to 4.5 feet, making it GVR's only real "sports pool." These activities have temporarily been moved to Casa Paloma II since it is the most comparable and conducive pool for water volleyball outside of Abrego South, but far from ideal. This has resulted in increased pressure on the Casa Paloma II pool since it already hosts water aerobics classes, pool walkers, lane swimmers, and pool noodlers. As a result, consideration is being given to moving some of the water aerobics classes to Casa Paloma I, which is already scheduled with similar activities and usage and will therefore feel additional pressure, too. Parking at Casa Paloma II and increased traffic are warranted concerns of the HOA and the residents, who are also GVR members.

GVR solicited feedback from its members concerning the concept drawings of the Abrego South pool from April 3 - 10. Of the 168 respondents, 122 were supportive of rebuilding the pool, 23 were opposed, and 23 shared comments or questions without expressing opinions. Repeated themes include: "I bought my home for proximity to the pool", "Uniform depth please", "Suit spinner please", "Deep spa please", "Salt water please", "Lazy river please", "Get volleyball out of Casa Paloma II". Opposition themes included concerns with finance and water usage.

Concerns have been raised about the sustainability of the MRR-B Fund (pools and spas). In the attached memo from David Webster, then CFO, to Scott Somers, CEO, dated January 26, 2026, Mr. Webster provides projections on the viability of the MRR-B Fund based on various scenarios. Assumptions include an inflation factor of 3% and an earnings estimate of 6% per year. His analysis assumes a continued 7% increase in funding annually through 2033 which then reverts to 3% annually. A 50-year lifespan for GVR pools is assumed. This analysis also assumes the Abrego South pool will be rebuilt. The analysis reveals that GVR can very comfortably replace its five oldest pools every 4 years and comfortably every 3 years. GVR could even replace 4 of its oldest pools every 2 years, but would need to rebuild the MRR-B Fund balance to replace the 5th and subsequent pools.

If the Abrego South pool weren't rebuilt, the approximate estimated cost of \$1,000,000 would remain in the MRR-B Fund. That said, I would not expect the Board to decrease its policy of 7% increases to the Fund simply because Abrego South isn't being rebuilt. Therefore, rebuilding the Abrego South pool will not likely have any impact on the annual transfer from the Operations Fund to the MRR-B Fund. Please note that \$342,783 was transferred to the MRR-B Fund in 2026. The projected transfer in 2027 is \$366,778. The annual operating cost of comparable pools in 2026, including labor, equipment and supplies, and utilities is roughly \$66,000.

Staff recommends approving the concept drawings for the South Abrego pool, bathhouse, and other related improvements which will allow the architect to complete construction documents and obtain permitting, allow staff to issue a request for proposals for construction bids, and allow the Board to consider awarding a contract for construction.

Fiscal Impact:

The 2026 Budget includes \$1,651,539 from MRR-B for pool and spa replacement and \$750,000 from Initiatives for the bathhouse for total of \$2,401,539 in budgeted funds. The total estimated cost is \$1,164,629, minus \$139,344 from MRR-A in preplanned component spending, is \$1,025,285. This results in an estimated project savings of \$1,376,25 under budget.

Board Options:

1. Approve concept drawings for the South Abrego pool, bathhouse, and other related improvements.
2. Direct staff to amend the concept drawings and come back to the Board for consideration once complete.
3. Provide alternative direction to staff.

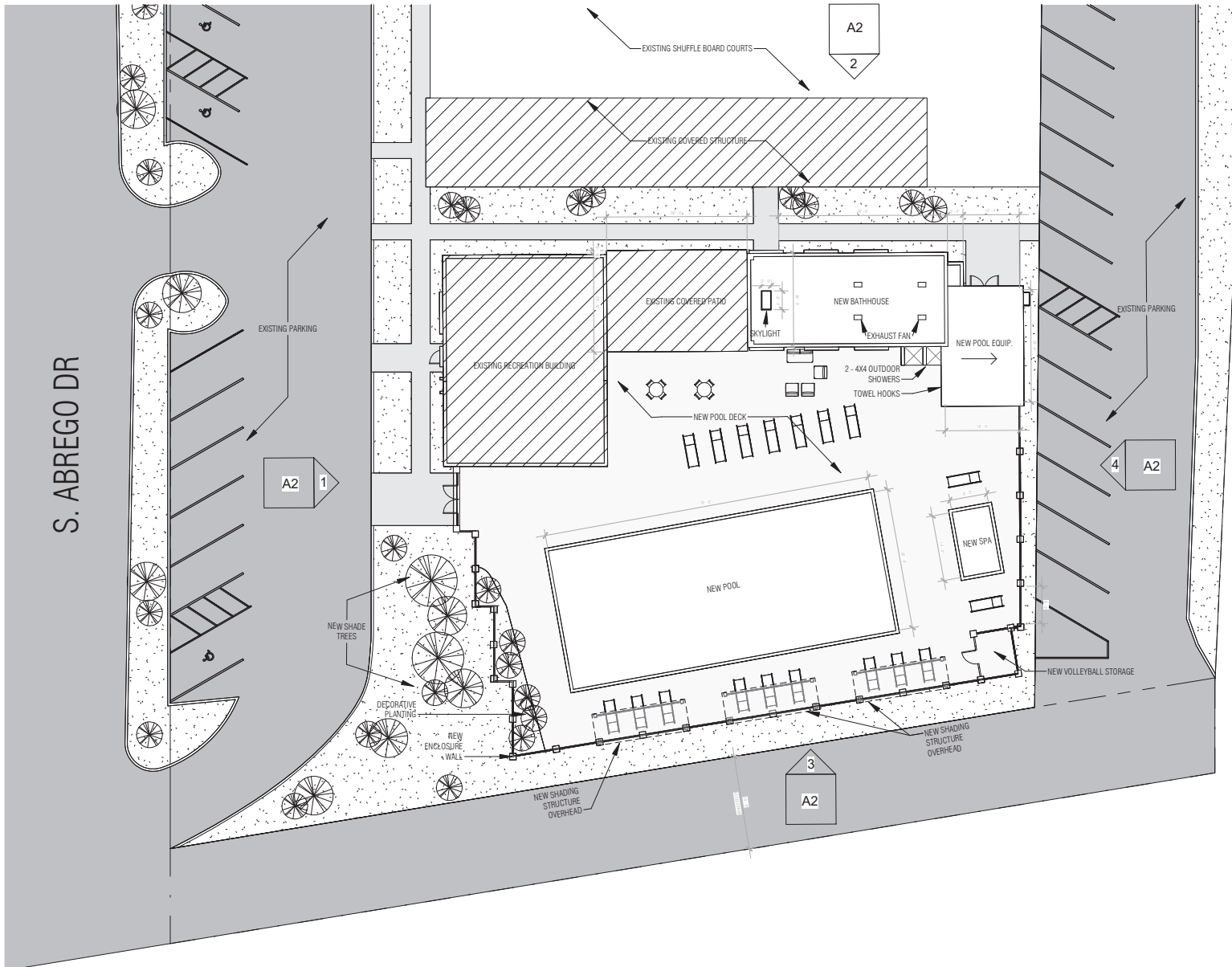
Staff Recommendation:

Option 1

Recommended Motion: *I move to approve concept drawings for the South Abrego pool, bathhouse, and other related improvements.*

Attachments:

1. Concept Drawing
2. Petition cover letter from Chris P. Rodgers, dated March 29, 2026
3. Ninyo & Moore Geotechnical Report, September 4, 2025
4. Certerra Geotechnical Report, April 9, 2026
5. 2024 Pool Usage Data
6. January 26, 2026 Memo regarding MRR-B



PHASE:
SCHEMATIC DESIGN 30%

NOT FOR
 CONSTRUCTION

SHEET: SP1

BURTON
and Associates
 ARCHITECTS

4572 E. CAMP LOWELL DR.
 TUCSON, ARIZONA 85712
 (520) 471-8072
 IG: BURTON.ARCH
 BURTONASSOCIATESARCH.COM

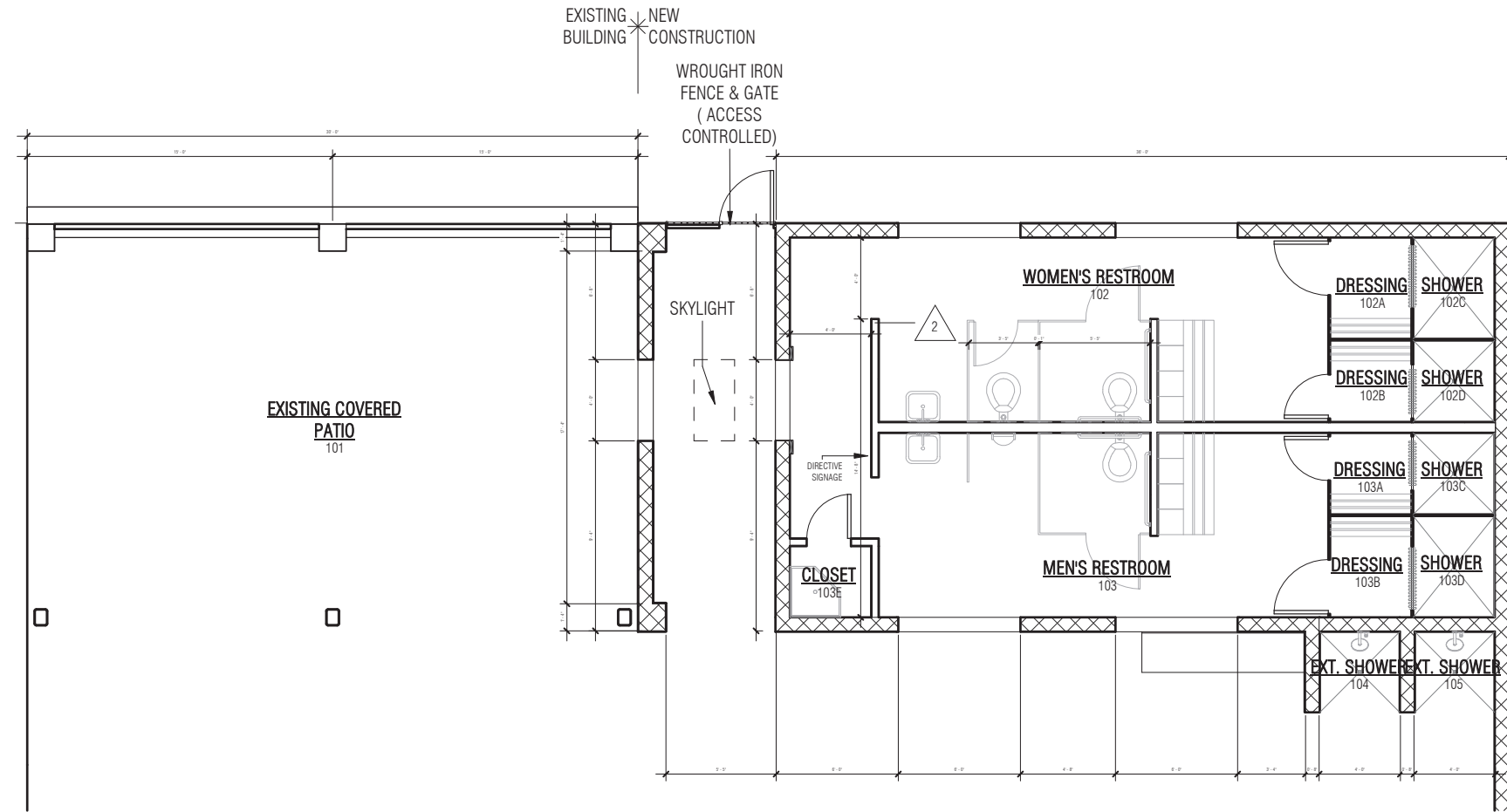


1 SITE PLAN
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1 FLOOR PLAN
3/16" = 1'-0"



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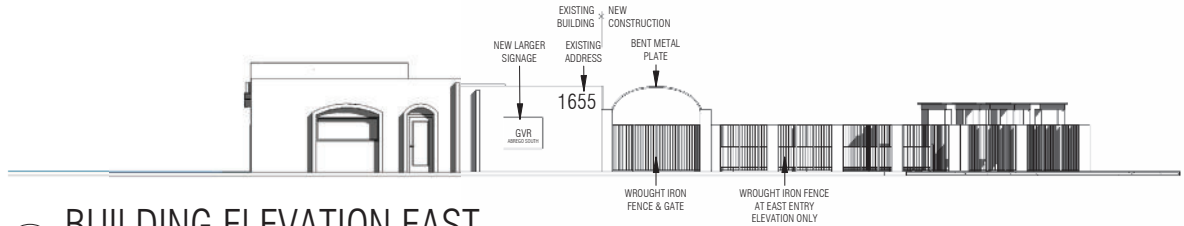
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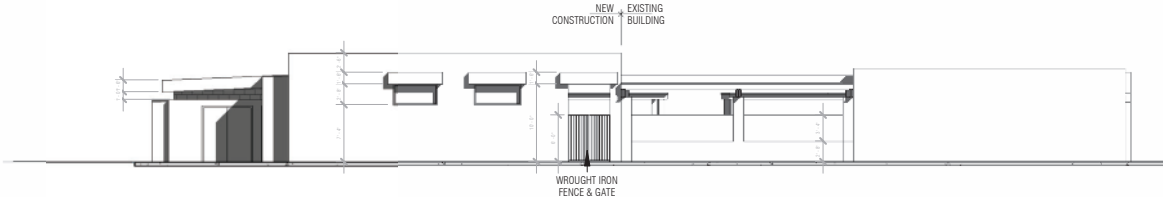


4572 E. CAMP LOWELL DR.
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IG: BURTON.ARCH
BURTONASSOCIATESARCH.COM

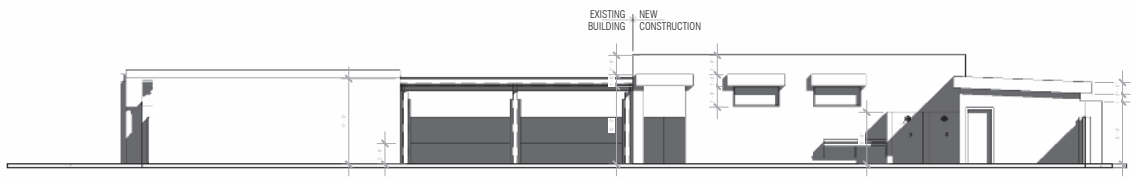




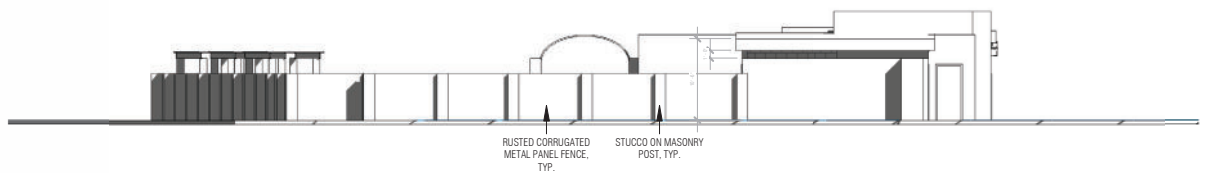
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1/16" = 1'-0"



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④ BUILDING ELEVATION WEST
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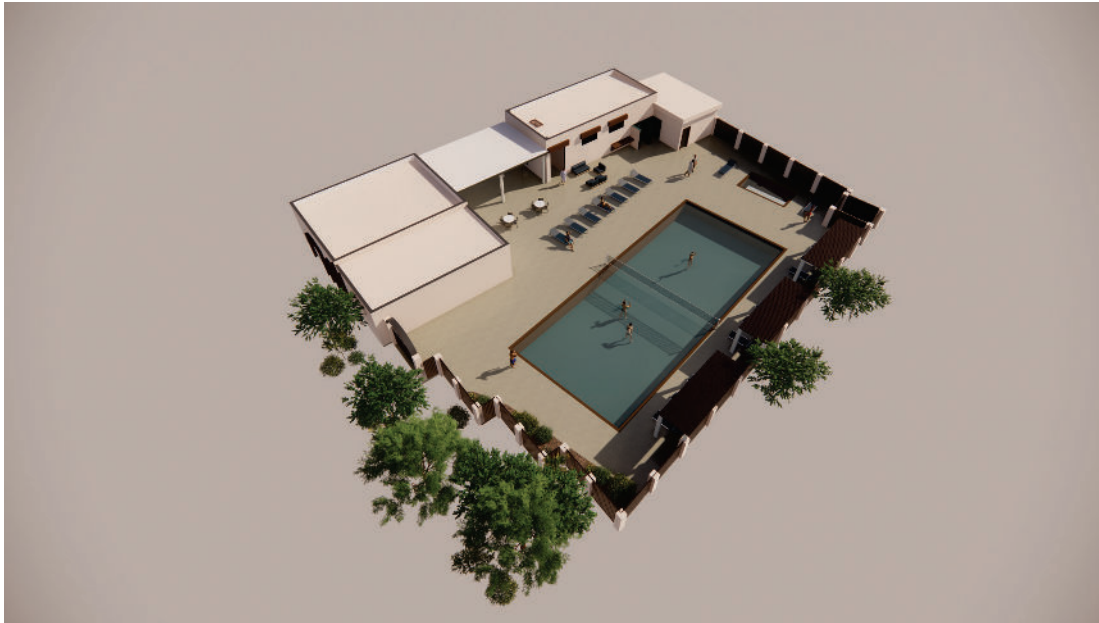
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BURTON
and Associates
ARCHITECTS

4572 E. CAMP LOWELL DR.
TUCSON, ARIZONA 85712
(520) 471-8072
IG: BURTON.ARCH
BURTONASSOCIATESARCH.COM

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PHASE:
 SCHEMATIC DESIGN 30%

NOT FOR
 CONSTRUCTION

SHEET: A3

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and Associates
 ARCHITECTS

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 TUCSON, ARIZONA 85712
 (520) 471-8072
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PHASE:
SCHEMATIC DESIGN 30%

NOT FOR
CONSTRUCTION

SHEET: A4

BURTON
and Associates
ARCHITECTS

4572 E. CAMP LOWELL DR.
TUCSON, ARIZONA 85712
(520) 471-8072
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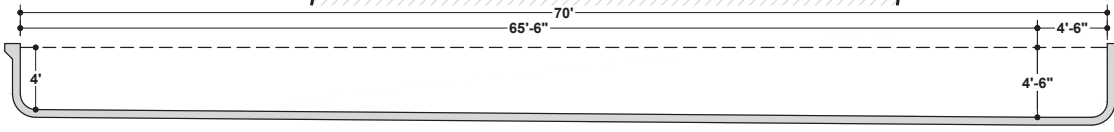
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 CONSTRUCTION

SHEET: A5

BURTON
and Associates
 ARCHITECTS

4572 E. CAMP LOWELL DR.
 TUCSON, ARIZONA 85712
 (520) 471-8072
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CROSS SECTION



H₂O HOSE BIB

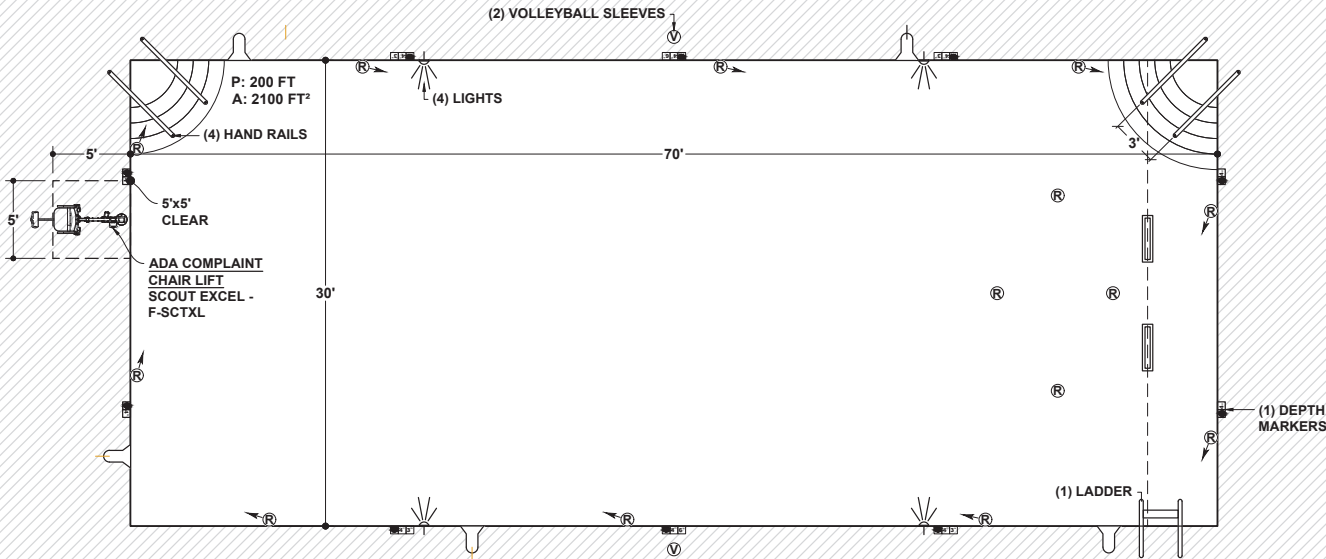
HOSE BIB H₂O



DESIGNER: MR
 DWG: GO
 DATE: 4/8/26
 SCALE: 1/8" = 1'-0"
 ROC# 259661 - B-5

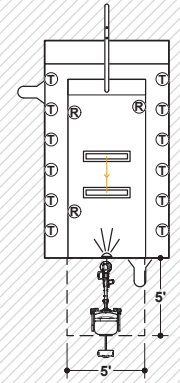
ABREGO SOUTH CENTER
 1655 S. ABREGO DRIVE
 GREEN VALLEY AZ 85614
 PHONE (TBD)

POOLS BY DESIGN INC.
 3031 W INA RD
 TUCSON, AZ 85741
 OFF: (520) 797-6675
 FAX: (520) 219-1614



DECK:
 6335 FT²

EMERGENCY SHUT OFF

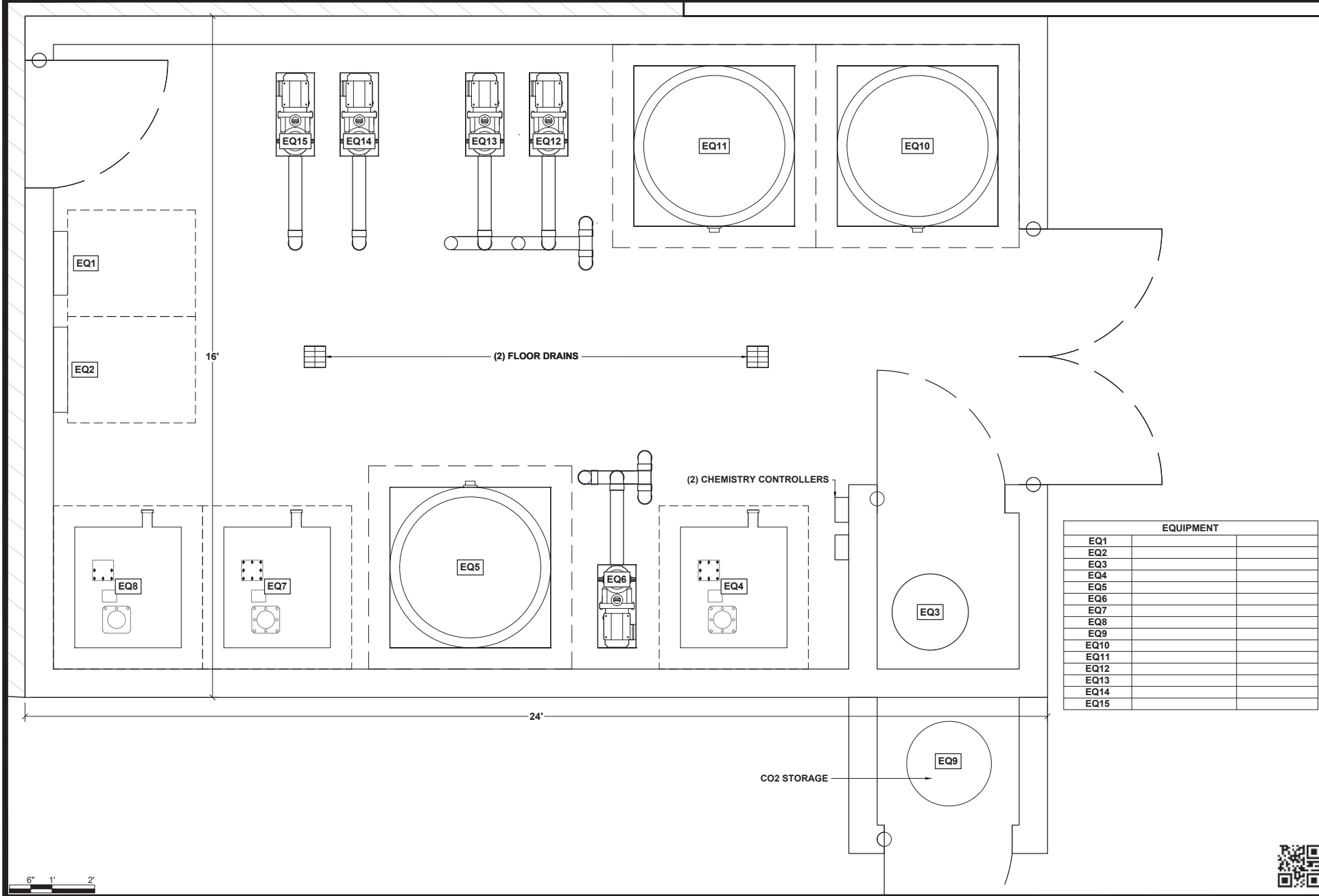




DESIGNER: MR
 DWG: GO
 DATE: 4/9/26
 SCALE: 1/2" = 1'-0"
 ROC# 259661 - B-5

ABREGO SOUTH CENTER
 1655 S. ABREGO DRIVE
 GREEN VALLEY AZ 85614
 PHONE (TBD)

POOLS BY DESIGN INC.
 3031 W INA RD
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EQUIPMENT		
EQ1		
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EQ14		
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6" 1' 2'

Chris P. Rodgers

100 East Santa Inez
Green Valley, AZ 85614

Cell: 612-221-4472
Email: Chris@CPRodgers.com

March 29, 2026

To:

Mr. Scott Somers
Chief Executive Officer – Green Valley Recreation
1070 Calle de las Casitas
Green Valley, AZ 85614

520-838-0143

Concerning: Abrego South Pool Project

Greetings Scott!

Thanks so much for supporting us in our efforts to present to the GVR Board our petition and a few comments. Attached is a pile of paper that you can show to the board and the following is the statement that we would like you to present for us. We have some time, so if you don't like something in the statement, please request a revision. Holli Madsen who lives next to me here on Santa Inez is pretty much the anchor in getting the petition going and there was help from neighbors too. I'm the appointed scribe.

I present the statement in quotes as follows:

“Dear GVR Board. Thanks much for taking the time to hear of our efforts. In summary: Except for the 81 homes in Desert Meadows Circle, we covered the two HOA's (Desert Meadows 2 and 3) that basically surround the Abrego South (proposed) pool. We also covered at least one of each of the three recent HOA meetings, and then the GVR Pool informational meeting conducted by Scott and Natalie in late January of this year.

We have 248 signatures. Sadly, *many people do not answer their door!* Some were not home, and again many just refused to answer. Then we had 2 people that would not sign out of confusion. We chalked that up to “Brain Fog,” and moved on. We are proud to tell you that everybody else that we approached signed – 248 single family homeowners!

As you may expect, we counted only one signature per single family home.

Some concerns we heard:

“They're gonna' replace it right? (By far the most popular)

“I'm concerned about my property values.”

“I miss my pool!” (That's me).

“I assume we still gotta' pay the +\$500 per year without the pool?”

“The East Abrego Pool is too crowded when it gets hot out.”

There were many more comments as you can imagine. We are proud of our results, almost everybody we met other than 2 were enthusiastic to sign.

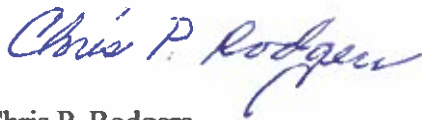
GVR Mission:

To provide excellent facilities and services that create opportunities for recreation, social activities, and leisure education to enhance the quality of our members' lives.

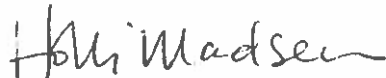
Please GVR Board, continue to enhance the quality of our lives – approve this pool project today.”

◇◇ End of Statement ◇◇

Thanks again Scott for your help. God's peace to you and all of yours!
Sincerely,



Chris P. Rodgers



Holli Madsen

2024

Reader	24-Jan	24-Feb	24-Mar	24-Apr	24-May	24-Jun	24-Jul	24-Aug	24-Sep	24-Oct	24-Nov	24-Dec	Totals
Canoa Hills	5893	5624	5514	4949	4104	3905	3871	3770	3616	3559	3052	3499	51356
Las Campanas	2448	3057	3823	4430	3571	3973	4120	3751	3127	2824	2014	2090	39228
East Center	1726	1946	2228	2289	2847	2485	2248	2260	2223	2519	1910	2509	27190
Santa Rita Springs	1559	1936	2313	2374	1866	1390	1546	1536	1501	1702	1572	1839	21134
Canoa Ranch	2416	1974	2104	133	1192	1231	1129	1288	1490	1675	1778	1833	18243
Desert Hills	1485	1570	1701	1873	1711	1346	1379	1298	1431	1445	1155	1367	17761
Casa Paloma 2	774	891	1196	1272	1400	1089	1193	1232	1131	1280	887	865	13210
Madera Vista	766	950	1003	1157	1123	1127	1184	1060	1059	1185	856	981	12451
Casa Paloma 1	715	898	1045	1195	880	782	821	705	754	797	719	712	10023
West Center	737	793	787	913	841	833	1065	781	657	729	564	614	9314
Continental Vistas	597	688	709	839	887	838	885	588	696	691	524	492	8434
Abrego South	317	337	460	660	738	685	914	808	829	744	505	382	7379
Abrego North	462	541	733	790	739	629	663	543	611	671	436	425	7243



P.O. Box 586 Green Valley AZ 85622

520.625.3440

MEMO

TO: Scott Somers, CEO
 FROM: David Webster, CFO
 DATE: February 23, 2026
 RE: Maintenance Repair & Replacement Fund for Pools & Spas (MRR-B)

In 2021, Green Valley Recreation (GVR) replaced the East Center pool. At that time, the Fiscal Affairs Committee and the Board of Directors considered the need to establish a board designated fund to provide for all future pool and spa replacements. The resulting board approved MRR-B fund is identified in Section 5.3.4 of the Corporate Policy Manual (CPM). The CPM states the purpose of the MRR-B fund is to fund the replacement of pools and spas. The CPM also states that the target balance is to be of sufficient size as determined by the Board to fund replacements of GVR pools and spas. The target balance shall be based on GVR's staff estimate of the useful life of the pools and spas and a reasonable timetable for replacement of such items (CPM 5.3.4 B).

Unlike the MRR-A fund that is guided by an Annual Reserve study that is prepared by GVR's reserve consultant, Browning Reserve Group, the pool and spa annual contribution and target balance is determined by GVR staff. This calculation of MRR-B annual funding contributions are part of the annual GVR budget. Documentation of the MRR-B annual contributions is included with the Fund Projection and Pool and Spa Asset List that are enclosed. Key components of the calculation are a projected cost inflation factor of 3.0% and an earnings estimate of 6.0% per year. Also, the projected annual increase of funding to this MRRB Fund is 7% through 2033 and reverts to 3% annually after 2033. The Investment Policy Statement (IPS) for the MRR-B fund is included in the CPM, Appendix 1, Section 3. Additionally, it should be noted that the standard for useful life of pools is 35 years. GVR's experience is that our pools last over 50 years and have included this as the extended life in the Fund Projection.

The cash balance of the MRR-B Fund as of December 31, 2025 was \$1,697,677 and after the January budgeted funding of \$342,783, the current balance in the MRRB fund is now \$2,040,460.

Now, for illustrative purposes and additional analysis, I am providing multiple scenarios below. They all include the annual Contributions to the fund that are increased by 7% through 2033 as mentioned previously. The projected earning of the fund is set at 6% with the exception of 2026 which is projected to be 4.0% based on the recent revision to the IPS approved by the Investment committee.

All projections are based on approving and replacing the Abrego South pool in 2026 (if approved, construction will continue through 2027 but for conservative simplification, we are using 2026). This is followed, in order, by Casa Paloma 1, West Center, Casa Paloma 2, and then Continental Vista. These pools are selected, in order, due to the respective age of the pools. We will refer to these pools as the “Oldest 5 pools”

Projection A (calculations included with this memo)

Assumptions:

Abrego South replaced in 2026 at current projected MRR B component cost of \$1,100,000

Replacing the Oldest 5 pools in order every 4 years

Balance after ABS (2026) \$1,022,079

Balance after CP1 (2030) \$1,879,237

Balance after WC (2034) \$2,835,897

Balance after CP2 (2038) \$5,012,421

Balance after CV (2042) \$7,943,422

MRRB is currently 33.0% fully funded.

MRRB remains at healthy levels after 2042.

Projection B (calculations not included with this memo)

Assumptions:

Abrego South replaced in 2026 at current projected component cost of \$1,100,000

Replacing the Oldest 5 Pools every 3 years rather than 4

Balance after ABS (2026) \$1,062,888

Balance after CP1 (2029) \$1,408,805

Balance after WC (2032) \$1,532,553

Balance after CP2 (2035) \$2,486,695

Balance after CV (2038) \$3,648,930

MRRB Fund remains at healthy levels after 2038 with continued replacements every 3 years.

Projection C (calculations not included with this memo)

Assumptions:

Replacing the Oldest 5 pools in order every **2** years rather than every 4 years

Balance after ABS (2026) \$1,062,888

Balance after CP1 (2028) \$842,344

Balance after WC (2030) \$128,574

Balance after CP2 (2032) \$51,220

Balance after CV (2034) \$(92,127)

In the scenario where GVR replaces 5 pools in 8 years, the MRRB Fund reaches a deficit in 2034 and is not able to address adequate pool replacements afterwards.

So, after reviewing these projections. It appears that the GVR MRR B Pool Fund should remain reasonably healthy with the planned annual contributions and forecasted returns as long as pool replacements don't occur more often than every 3 years. Obviously, this is a very general observation that is subject to several major variables. Hopefully, this analysis helps with strategic thinking regarding how often GVR can afford to replace pools and identifying which pools should be replaced.



Green Valley Recreation, Inc.

Board of Directors Board Meeting

Review Corporate Policy Manual (CPM)

Section 1.1.6

Prepared By: Dave Dixon, CFO

Meeting Date: June 24, 2026

Presented By: Dave Dixon, CFO

Consent Agenda: No

Originating Committee / Department:

Fiscal Affairs Committee / Finance and Membership Department

Action Requested:

Review and approve Fiscal Affairs Committee (FAC) recommended changes to CPM Section 1.1.6 Membership Change Fee (MCF) specifically related to MCF refunds policy.

Strategic Plan:

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

Background Justification:

The FAC reviewed concerns with the Membership Change Fee (MCF) refund policy. Current policy requires a complete reimbursement of the MCF most recently paid at closing if certain conditions are met as listed in the policy. Staff have appropriately and correctly followed the policy as written regardless of the rate of the MCF originally or previously paid. For example, a member purchases another property and qualifies for the MCF refund. The member originally bought in 2007 and paid an MCF of \$1,032 and were charged the current MCF rate of \$3,200. That member is reimbursed at the current rate of \$3,200 rather than their original investment of \$1,032, which is listed as Scenario 1 – MCF refund limited to original MCF fee paid. Scenario 2 – MCF refund limited to 75% of current rate. Scenario 3 – MCF refund limited to 50% of current rate.

Fiscal Impact:

Through our first four months of 2026, the impact of refunding 100% of the MCF is over \$110,000. With the current trend, we will be close to \$300,000 or greater by the end of 2026. Scenario 1 would save GVR approximately \$91,233 annually.

Committee Options:

- 1) Scenario 1 – MCF refund limited to original MCF fee paid.
- 2) Scenario 2 – MCF refund limited to 75% of the current MCF fee.
- 3) Scenario 3 – MCF refund limited to 50% of the current MCF fee.
- 4) Make no changes.

Staff Recommendation:

Option #1

Recommended Motion:

Move to modify current CPM policy 1.1.6 for MCF refunds to be limited to the MCF fee in place at the time of closing for the prior property, effective July 31, 2026, to allow a 30-day grace period for submitting the MCF refund request.

Attachments:

- 1) CPM Section 1.1.6
- 2) Scenario Analysis

Agenda Item B. Review of MCF Refunds and Impact to Overall Bottom Line

Current section of CPM regarding membership change fees:

1.1.6 Membership Change Fee

- A. Upon transfer of title of a GVR membership property, the new owner shall pay a Membership Change Fee.
Exemptions:
1. The Membership Change Fee shall not apply to the transfer of legal ownership of a GVR deeded property from a trust if the resulting legal owners of the property are identical to the trustees of the trust immediately prior to the transfer.
 2. A person or legal entity who acquires ownership of a legal or beneficial interest of the GVR property resulting from death, sells it within six (6) months of the date of death will be exempt from the Membership Change Fee (and

3

-
- Transfer Fee) provided they do not elect to utilize the facilities or have Tenants in the property who wish to utilize the facilities.
3. Exceptions provided by statute.
- B. The Membership Change Fee shall be refunded if the following apply:
1. A Member has owned and occupied a GVR property within 365 days of transfer of title, provided that the Member demonstrates that she/he has moved from one owner-occupied primary GVR residence to another owner-occupied primary GVR residence and has presented GVR with background material showing this was a change in primary residence.
 2. The Member(s) has owned and occupied the GVR property being sold for at least one (1) year.
 3. A tenant card has not been issued on the property within the twelve (12) months immediately prior to the sale of the owner-occupied property.
 4. The Member(s) submit a refund request for the Membership Change Fee. GVR will review the property transaction details to confirm ownership and eligibility for both properties. Refunds will be processed upon verification.
- C. Revenue from the Membership Change Fee may be used as will most effectively further the general purpose of The Corporation to provide for current and future needs. A portion of the revenue from Membership Change Fee is to be used to fund contributions to the Initiatives Reserve Fund as determined by the Board.

Suggestions to CPM update on Section 1.1.6 Membership Change Fee (MCF):

Item 1.1.6 B. adding item 5. The Member(s) refund shall be limited to the original MCF fee paid by the member.

With the analysis of the home resales, our current refunds year to date are \$110,300. If we eliminated the refunds altogether, the revenue for this line item would be on budget. However, we want to discuss alternatives to the MCF refunds.

Scenario 1

Member purchases another property and qualifies for the MCF refund. The member originally bought in 2007 at \$1,032 and were charged the current rate of \$3,200. We would refund them their original investment of \$1,032 versus the current rate of \$3,200.

Using 2026 actuals, savings would be around \$30k through April and annualizing the amount would be \$91k.

Scenario 2

Member purchases another property and qualifies for the MCF refund. We would refund them 75% of the current rate of \$3,200 and retain 25% to cover the administrative costs associated with processing the refunds.

Using 2026 actuals, savings would be around \$28k and annualizing the amount would be \$83k.

Scenario 3

Member purchases another property and qualifies for the MCF refund. We would refund them 50% of the current rate of \$3,200 and retain 50% to cover the administrative costs associated with processing the refunds.

Using 2026 actuals, savings would be around \$55k and annualizing the amount would be \$165k.

MCF Refunds 2026

Scenarios

New Property		Initial Property			1	2	3
Refund #	Closing Date	Refund \$	Closing Date	MCF Originally Paid	MCF Difference	75% Refund	50% Refund
Refund1	12/2025	\$3,100.00	05/2023	\$2,900.00	\$200.00	\$775.00	\$1,550.00
Refund2	09/2025	\$3,100.00	12/2022	\$2,816.00	\$284.00	\$775.00	\$1,550.00
Refund3	10/2025	\$3,100.00	12/2007	\$1,032.00	\$2,068.00	\$775.00	\$1,550.00
Refund4	01/2026	\$3,200.00	07/2020	\$2,616.00	\$584.00	\$800.00	\$1,600.00
Refund5	03/2025	\$3,100.00	01/2013	\$2,260.00	\$840.00	\$775.00	\$1,550.00
Refund6	06/2025	\$3,100.00	04/2005	\$955.00	\$2,145.00	\$775.00	\$1,550.00
Refund7	04/2025	\$3,100.00	03/2024	\$3,000.00	\$100.00	\$775.00	\$1,550.00
Refund8	11/2025	\$3,100.00	02/2014	\$2,296.00	\$804.00	\$775.00	\$1,550.00
Refund9	01/2026	\$3,200.00	12/2019	\$2,427.00	\$773.00	\$800.00	\$1,600.00
Refund10	02/2026	\$3,200.00	01/2025	\$3,100.00	\$100.00	\$800.00	\$1,600.00
Refund11	09/2025	\$3,100.00	09/2021	\$2,543.00	\$557.00	\$775.00	\$1,550.00
Refund12	07/2025	\$3,100.00	05/2016	\$2,425.00	\$675.00	\$775.00	\$1,550.00
Refund13	11/2025	\$3,100.00	11/2021	\$2,716.00	\$384.00	\$775.00	\$1,550.00
Refund14	11/2025	\$3,100.00	02/2003	\$0.00	\$3,100.00	\$775.00	\$1,550.00
Refund15	02/2026	\$3,200.00	09/2019	\$2,616.00	\$584.00	\$800.00	\$1,600.00
Refund16	03/2026	\$3,200.00	07/2023	\$2,900.00	\$300.00	\$800.00	\$1,600.00
Refund17	03/2026	\$3,200.00	04/2021	\$2,716.00	\$484.00	\$800.00	\$1,600.00
Refund18	03/2025	\$3,100.00	11/2021	\$2,716.00	\$384.00	\$775.00	\$1,550.00
Refund19	03/2026	\$3,200.00	09/2024	\$3,000.00	\$200.00	\$800.00	\$1,600.00
Refund20	10/2025	\$3,100.00	02/2018	\$2,474.00	\$626.00	\$775.00	\$1,550.00
Refund21	12/2025	\$3,100.00	05/2016	\$2,425.00	\$675.00	\$775.00	\$1,550.00
Refund22	02/2026	\$3,200.00	07/2012	\$2,260.00	\$940.00	\$800.00	\$1,600.00
Refund23	11/2025	\$3,100.00	08/2019	\$2,616.00	\$484.00	\$775.00	\$1,550.00
Refund24	03/2026	\$3,200.00	01/2022	\$2,816.00	\$384.00	\$800.00	\$1,600.00
Refund25	11/2026	\$3,100.00	01/2018	\$2,474.00	\$626.00	\$775.00	\$1,550.00
Refund26	02/2026	\$3,200.00	02/2023	\$2,900.00	\$300.00	\$800.00	\$1,600.00
Refund27	03/2026	\$3,200.00	08/2023	\$2,900.00	\$300.00	\$800.00	\$1,600.00
Refund28	06/2025	\$3,100.00	10/2008	\$0.00	\$3,100.00	\$775.00	\$1,550.00
Refund29	03/2026	\$3,200.00	12/2019	\$2,616.00	\$584.00	\$800.00	\$1,600.00
Refund30	01/2026	\$3,200.00	04/2022	\$2,816.00	\$384.00	\$800.00	\$1,600.00
Refund31	02/2026	\$3,200.00	10/2017	\$2,474.00	\$726.00	\$800.00	\$1,600.00
Refund32	04/2026	\$3,200.00	04/2004	\$468.00	\$2,732.00	\$800.00	\$1,600.00
Refund33	02/2026	\$3,200.00	05/2000	\$0.00	\$3,200.00	\$800.00	\$1,600.00
Refund34	04/2026	\$3,200.00	07/2023	\$2,900.00	\$300.00	\$800.00	\$1,600.00
Refund35	03/2026	\$3,200.00	04/2021	\$2,716.00	\$484.00	\$800.00	\$1,600.00
Grand Totals		\$110,300.00		\$79,889.00	\$30,411.00	\$27,575.00	\$55,150.00



Green Valley Recreation, Inc.
Board of Directors Meeting

Ad Hoc Recommendations and Informational Report

Prepared By: Nellie Johnson, Board Director **Meeting Date:** June 24, 2026

Presented By: Nellie Johnson, Board Director **Consent Agenda:** No

Originating Board Director:

Nellie Johnson, Ad Hoc Chair

Action Requested:

Approve to disband the GVR/GVR Foundation Ad Hoc Committee and accept its final report; authorize the CEO to provide support to the GVR Foundation’s MAP Endowment Campaign through its community outreach, public relations, eblasts, GVR Now, GVR Events, and a one-time email or direct-mail communication to members funded by the Foundation, but sent out and controlled by GVR.

Strategic Plan:

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

Background Justification:

Since its creation in August 2025, the GVR/GVR Foundation Ad Hoc Committee has worked to strengthen the relationship between Green Valley Recreation (GVR) and the GVR Foundation. On November 19, 2025, the GVR Board continued the committee’s charge to develop a major fundraising campaign to grow the GVR Foundation Member Assistance Program (MAP) Endowment Fund and extended the committee’s deadline to November 2026. Its responsibilities included: (1) preparing a written agreement defining each organization’s role; (2) working jointly on a major fundraising effort for the endowment; (3) identifying additional opportunities for collaboration; and (4) planning for future years. The motion passed 9–1 and required a written report at the end of the Ad Hoc Committee.

MAP was established in 1995 to help GVR members facing financial hardship pay their annual dues. Over the years, the Foundation has contributed \$206,000 through its annual fund drive. In the last two years, it started a bingo program to help meet its annual fundraising target. Lastly, it created a MAP Endowment in Cy 2018 to establish a more permanent, sustainable funding source for MAP. GVR raises its share by soliciting donations from members when dues are paid. Because these revenue sources can vary from year to year, both boards agreed to launch the one-time MAP Endowment Capital Campaign to grow the endowment from \$140,000 to \$1 million within a year.

In January, the Ad Hoc Committee drafted a Memorandum of Understanding (MOU), which the GVR Board approved at its January 28 meeting. The committee then developed the MAP Endowment campaign structure, including the creation of a Steering Committee responsible for development of the marketing strategies, plan, communication tools, donor research, and a timetable for key activities. The Ad Hoc Committee retained an oversight role.

The initial launch of the campaign was on March 2nd at the GVR Showcase. Since then, the MAP Endowment now stands at \$300,000 as of June, 2026.

As outreach expanded in May, some GVR Board members raised questions about the MOU, approval of marketing strategies, and the Foundation’s management of donor-restricted funds. The Ad Hoc Committee submitted the marketing packet for the GVR board for its consideration, and the meeting was canceled. After a meeting and communications between board leaders and the CEO, the Foundation voted to end the MOU and proceed with the MAP campaign independently to avoid further delay, especially in light of June 30 deadlines for potential donors. To address concerns about donor-restricted funds, the Foundation adopted a Board resolution stating that these funds are governed by Arizona law and remain restricted to MAP unless GVR discontinues the program.

With the Memorandum of Understanding (MOU) terminated, the Ad Hoc Committee’s role is no longer clear. The committee believes both organizations should continue to recognize MAP’s value to the GVR community and support an ongoing partnership. It therefore makes the following recommendations:

- A. Disband the Ad Hoc Committee:** The committee’s original purpose was to strengthen the relationship between the two organizations, a role that may now be better handled directly by the two boards. With the MOU terminated, most Ad Hoc Committee and Steering Committee materials and responsibilities should be transferred to the Foundation so the Endowment campaign can continue on schedule. The Board should disband the Ad Hoc Committee immediately and accept this attached report as its final report, consistent with the Board’s November action.
- B. Authorize the GVR CEO to provide continued support:** CEO Somers has requested clear Board direction on whether GVR staff may support the MAP Endowment Campaign. The Board should authorize the CEO to provide the level of support given to the Foundation’s annual fund drive, including community outreach, public relations, eblasts, GVR Now, GVR Events and one-time email or direct-mail communication to members. This support was included in the MOU and is important to reaching the campaign goal of \$1 million.

Recommended Motion:

Approve to disband the GVR/GVR Foundation Ad Hoc Committee and accept its final report; authorize the CEO to provide support to the GVR Foundation’s MAP Endowment Campaign through its community outreach, public relations, eblasts, GVR Now, GVR Events, and a one-time email or direct-mail communication to members funded by the Foundation, but sent out and controlled by GVR.

Attachments:

- 1) Final Report of the GVR/GVR Ad Hoc Committee

FINAL REPORT OF THE GVR/GVR FOUNDATION AD HOC COMMITTEE
June 19, 2026

Executive Summary:

This report summarizes the work of the GVR Ad Hoc Committee for the 2025-2026 cycle, focusing on improving the relationship between Green Valley Recreation (GVR) and the GVR Foundation. (Foundation) The primary objective is to establish a fundraising campaign aimed at expanding the Member Assistance Program (MAP) Endowment.

The report outlines the roles that both organizations play in funding and administering the MAP, along with recommendations for ongoing collaboration on key issues to ensure the success of the MAP Endowment campaign. Established in 1995, MAP is a vital program for GVR members who require financial assistance in paying their GVR dues. Raising funds to support the MAP is a crucial goal for both organizations.

I: Background:

A. Governance Structures and Their Roles in the Member Assistance Program

1. **The GVR Foundation** is an Internal Revenue Code 501(c) (3) tax-exempt, nonprofit charitable organization established in 2015. It is distinct from GVR. The Foundation's mission is "enhancing the quality of life for GVR members and the greater Green Valley community through connecting resources for those in need with those who care." It focuses on charitable giving to enhance and support the community through programs, advocacy, and financial support that promote health and wellness for residents in the Green Valley, Arizona area. The Foundation's success is only possible with generous tax-deductible gifts, planned giving, corporate sponsorships, grants, and the proceeds from its Bingo operation. The funds raised through this annual fund drive and distributed through numerous community grants to organizations, including Friends in Deed, La Posada, Community Food Bank of Southern Arizona, Green Valley Fire Corps, and the largest recipient, GVR Member Assistance Program (MAP).

In addition to its annual fundraising efforts, the Foundation established a MAP Endowment in 2018 to create a sustainable funding source for this program. As of January 1, 2026, the Endowment has raised \$140,000. The goal of the new Endowment Campaign is to increase this total to \$1 million to ensure the program's long-term sustainability. It is expected that 5% of this amount, or \$50,000, will be available annually for the MAP program from the Endowment.

2. **Green Valley Recreation (GVR)** is a civic organization recognized under Internal Revenue Code 501(c)(4), dedicated to providing recreational, cultural, and educational programs for the enjoyment of GVR members and their guests. As of the 2026 calendar year, GVR serves 13,800 households with a total of 23,000 members. About 70% of the \$12 million annual operating budget is funded by member dues.

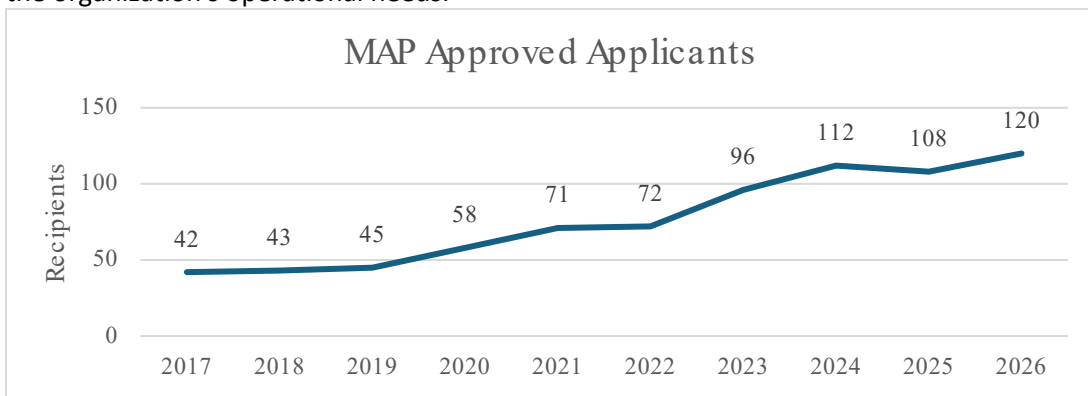
To support financially disadvantaged members, GVR created the Member Assistance Program (MAP) to help cover the cost of these dues. To increase funding for MAP, GVR applies for grants from the Foundation. GVR is responsible for administering MAP, which includes establishing program criteria, determining eligibility based on member applications, and facilitating the payment of dues for eligible members.

While GVR can solicit donations for MAP from its members each year, these contributions are not tax-deductible due to its IRS status.

B. Background on Member Assistance Program (MAP)

MAP was created by GVR in 1995 to assist qualified GVR members in paying their GVR annual membership dues. Members may receive partial or full assistance in payment of these dues. GVR administers the MAP program. A member must submit an application and meet the criteria established by GVR. There is a need for this program in that Green Valley is an unincorporated community of nearly 30,000 residents, with 80% being GVR residents. It is an economically diverse community, with approximately 7% of its population living at or below the established poverty level. MAP assists members who are facing financial hardship.

The chart below illustrates the number of individuals served over the past ten years. It is expected that there will be an increased demand for MAP, as the GVR dues will need to continue rising to meet the organization's operational needs.

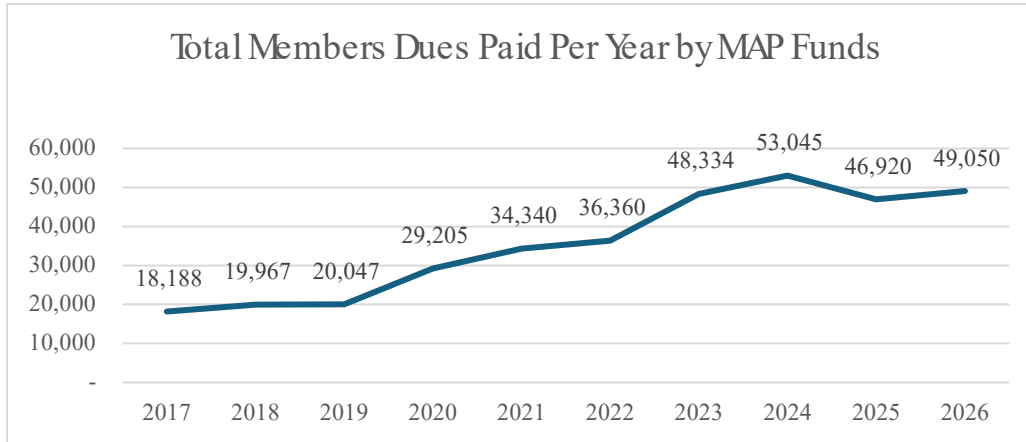


MAP receives annual funding through two primary sources. Approximately 60% of MAP funding is obtained by the Foundation. These funds are raised annually through donations from individuals, foundations, and businesses. However, securing MAP funds from these sources has proven to be challenging. Two years ago, the Foundation began hosting Bingo Games once or twice a month to generate additional funding for MAP. This activity relies heavily on volunteers and may not be sustainable in the long term. Expanding the MAP Endowment would help create a more reliable source of funding for MAP, thereby reducing the need for separate annual fundraising efforts. Since MAP's founding, \$206,000 has been provided by the Foundation to the GVR's MAP program.

The remaining \$15,000 to \$20,000, which accounts for 40% of MAP funding, is provided directly by GVR through a targeted solicitation of its members. This request for contributions typically coincides with the annual billing statement sent to each member for their dues. In this statement, GVR asks for donations to MAP. Approximately 450 members contribute to MAP annually as a result of this fundraising effort.

The Chart Below displays the total amount of MAP payments for the past ten years.

FINAL REPORT OF THE GVR/GVR FOUNDATION AD HOC COMMITTEE
June 19, 2026



II. Background on the Ad Hoc Committee’s Creation and Purpose

A. Overview of the Ad Hoc Committee: The first Ad Hoc Committee was formed by the GVR Board on August 27, 2025. President Kathi Bachelor brought forth a motion creating an ad hoc committee between GVR and the GVR Foundation to “work together on their relationship and ability to establish future relationships regarding the Member Assistance Program (MAP) for GVR.” Duties for the ad hoc committee to discuss included: (1) GVR Foundation’s value to GVR. (2) MAP program and working together to fundraise towards increasing the Foundation’s endowment for MAP. (3) Additional opportunities. (4) Moving forward in future years.

The motion establishing the duties of the committee and a deadline of November 2025 for completion of the committee’s work was approved by the Board 9-2.

During the August 27th Board meeting, President Bachelor appointed the GVR members, naming Kathi Bachelor as Co-Chair, along with Nellie Johnson, Steve Reynolds, and Tony Zabicki. Beverly Tobiason, President of the GVR Foundation, then appointed her organization's representatives: Donna Coon, Mike Hunter, and Jim Counter.

From August to November, the Committee evaluated the MAP program, improved the grant application process, and focused on sustainable funding. Discussions highlighted the transition from an annual to a three-year grant cycle. Both organizations support MAP, leading the Ad Hoc Committee to recommend reinstating a three-year grant agreement of up to \$25,000 annually for longer-term funding. This recommendation was unanimously approved by the GVR Board on November 19th.

The Ad Hoc Committee recognized the increasing use of the MAP by GVR members and highlighted the need for a sustainable funding source through the GVR Foundation’s MAP Endowment Program. They acknowledged that fundraising for an Endowment Campaign is challenging since many foundations restrict contributions to annual requests or specific purposes, such as child services or environmental causes. However, they believe that the majority of funding will come from individual donors, which could potentially grow the Endowment to \$1 million. The Committee recommended extending its mandate to launch a MAP Endowment Campaign.

B. Ad Hoc Committee Extension: At the November 19, 2025, GVR Board meeting, President Bachelor brought forth a motion to establish a major fundraising event (donor campaign)

FINAL REPORT OF THE GVR/GVR FOUNDATION AD HOC COMMITTEE
June 19, 2026

between the two corporations to enhance the GVR Foundation MAP Endowment Fund and to extend the Ad Hoc Committee's deadline to November 2026, with the following specific duties:

1. A written agreement as to what will be provided by each corporation.
2. Working together to provide a major fundraiser towards increasing the endowment program.
3. Additional opportunities.
4. Moving forward in future years.

This motion was made to: Approve the duties and responsibilities, along with a deadline for its completion, of November 2026, of an Ad Hoc Committee with the GVR Board and GVR Foundation, and provide an informational report to the Board at the November 2026 Regular Meeting. It passed 9 yes and 1 no.

President Bachelor recommended that the current members of the GVR continue their appointments to the Committee, with President Bachelor serving as chair. It is important to note that the leadership of the Ad Hoc Committee has changed, as Kathi Bachelor's term on the board will end on March 31, 2026. During the Board meeting on March 18, the Board approved a motion proposed by President Bachelor to appoint Nellie Johnson as Chair. Kathi Bachelor will remain on the Ad Hoc Committee as a member-at-large. The motion was approved by the Board.

The following are the key accomplishments and issues discussed by this Ad Hoc Committee:

1. Written Agreement: During Dec-January, the Ad Hoc Committee drafted up a Memorandum of Understanding (MOU) that outlined the roles and responsibilities of each organization. It outlined the organizational structure by recognizing the Ad Hoc Committee had oversight responsibilities for the campaign and a Steering Committee would develop the strategies and materials for the campaign. Further, it specified that the GVR Foundation was the lead organization for the campaign consisting of soliciting donations, managing the database and donor tracking system, serving as fiscal agent, and funding any expenses related to the campaign. GVR's role was to provide support through its recruitment of volunteers, and assist with community engagement through various communication channels. The MOU was developed to intentionally identify that a responsibility of GVR was to "promote the Campaign across its membership...including...email communications to members."

Other provisions of the MOU worth noting include Joint Responsibilities where both parties agree to "Approve the overall Campaign strategy, marketing materials, and messaging." The MOU set the MAP Endowment campaign target at \$1.0 million based on access to the broad range of donors, including the members of GVR.

The MOU was reviewed by the GVR attorney, who offered several refinements. The MOU was presented to the GVR Board for consideration and was approved at a Board meeting on January 28, 2026, 6-4 with 1 abstention. The approved motion was "to approve the Memorandum of Understanding (MOU) as amended with the exception of removing from C.5 last sentence which states 'GVR vendors and contractors as potential donor stakeholders may receive direct solicitation for donations.'" (see Attachment A)

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June 19, 2026

2. Development of Marketing Strategy, Timeline and Materials based on MOU.

The Ad Hoc Committee established a Steering Committee, chaired by Mike Hunter and Jim Counter from the GVR Foundation, which included selected members from the Ad Hoc Committee. The Foundation announced the launch of the MAP Endowment Campaign at the GVR March 2nd Showcase (Attachment B) It was also included in the GVR Monthly News Bulletin. From March to May, the Steering Committee met weekly, with its progress reviewed monthly by the Ad Hoc Committee. They focused on developing strategies and communication for the upcoming Endowment Campaign, including a Marketing Plan that outlined outreach to three donor categories: Foundations, businesses, and individuals. They established a timeline that included a quiet phase for key donors before launching a public phase for broader outreach. Research was conducted to identify potential Foundations and businesses through the Green Valley Chamber of Commerce and selective outreach was made to these entities. The GVR Foundation also compiled a list of key donors from previous years and prepared draft letters and materials for outreach.

Since March 2026, the GVR Foundation has received an increase in donations to the Endowment, primarily from past and present members of its Board. The balance of the endowment has grown from \$140,000k to \$300,000. With utilizing the expanded marketing outreach efforts, the Ad Hoc Committee believes the 1.0-million-dollar goal is achievable.



The Ad Hoc Committee, in its oversight role, was prepared to approve the Foundation's campaign to expand to various donor groups. CEO Somers raised a question, and additionally, some GVR Board members expressed a similar concern, regarding the Board's role in the approval process as outlined in the MOU. Specifically, Section 3.A.1 states that both parties, GVR and the GVR Foundation, must agree to "approve the overall campaign strategy, marketing materials, and messaging."

The Ad Hoc Committee reviewed this MOU section, and following discussion, it was agreed that the Chair, Nellie Johnson, would submit the key documents to the two Boards to ensure compliance with this MOU provision. The Foundation approved this packet on May 12. The GVR Board was scheduled to review the packet at its GVR work session on May 20, 2026, followed by a Special Meeting to approve these items. Once

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the meeting was scheduled and the packet was sent out to the GVR Board members, it became evident that misunderstandings surrounding the MOU existed. For example, there was a lack of consensus regarding which body or bodies were responsible for approving marketing materials—the GVR and GVR Foundation Boards or the Ad Hoc Committee. Additionally, some members expressed concerns about the direct solicitation of GVR members for donations, despite the fact that this issue was specifically addressed in the approved MOU.

However, most importantly, there was concern that the funds donated to the MAP Endowment couldn't be guaranteed to be used exclusively to fund MAP in perpetuity. In other words, future Foundation Boards could repurpose those funds donated to the MAP Endowment Fund. Because of the ambiguity in the MOU as to which entity (the Ad Hoc Committee) or entities (GVR and the GVR Foundation Boards) was responsible for approving the overall campaign strategy, marketing material, and messaging. CEO Somers contacted the GVR attorney for his opinion on the matter, and the attorney suggested several edits to the MOU to clarify the governance oversight.

CEO Scott Somers held a meeting with GVR Board President English and GVR Foundation President Tobiason on Monday, May 18, 2026, to help clear up any misunderstandings and concerns. At this time, CEO Somers shared the attorney's opinion on the matter with both presidents. While the meeting was helpful, questions and concerns remained about the direct solicitation of GVR members and about the Foundation's inability to guarantee that donations to the Foundation's MAP Endowment Fund would remain dedicated to MAP in perpetuity. A decision was made by CEO Somers and GVR's President to delay both the May 20 work session and public Board meeting to provide additional time to resolve questions and concerns, particularly about whether donated funds to the Endowment remain dedicated to MAP in perpetuity. The CEO sent an email to the GVR Board and the GVR Foundation President noting this decision and also stated: "delaying Board consideration of this item allows time to address these outstanding questions and concerns to develop greater support and buy-in from the GVR Board for this endowment campaign....as a separate legal entity, the GVR Foundation may certainly continue seeking donations and promoting its programs as it chooses as long as it does not reference GVR as a partner when seeking such donations, nor seek donations from GVR entities such as GVR members and clubs."

To address the donor-restricted funds issue that the MAP funds could be used for other purposes, the GVR Foundation has passed a Board Resolution (see Attachment C) addressing donor-restricted management based on its understanding that Arizona follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Arizona has incorporated UPMIFA provisions into its statutes to ensure donor-restricted funds are designated until their intended purpose is fulfilled. It is expected that GVR will continue the MAP in the future. Additionally, Arizona law governs the handling of donor-restricted funds if the Foundation dissolves, mandating that another 501(c)(3) organization must uphold the donor's intent. This Board resolution should resolve any concerns about managing these funds.

Bev Tobiason, from the Foundation, responded in a May 21 email to Scott Somers regarding the meeting delay, expressing concern about delaying the launch of the

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June 19, 2026

campaign and questioning GVR's commitment to the MAP program and the MAP Endowment campaign. The message acknowledged an email from CEO Somers, which stated that the Foundation could move forward with the Endowment Campaign independently. However, it emphasized the need for specific guarantees from the GVR board, ensuring its support and preventing unnecessary delays in reviewing materials as required by the Memorandum of Understanding (MOU). Following this, the Foundation convened and decided to terminate the MOU. On May 24th, CEO Somers received an email from Foundation President Tobiason informing him that the Board had terminated the Memorandum of Understanding (MOU). This decision allows the Foundation to take sole management of the Endowment Campaign going forward. The Steering Committee and the Ad Hoc Committee can transfer many of the campaign's marketing materials and tasks to the Foundation, enabling them to proceed with the Endowment Campaign as planned.

With the termination of the Memorandum of Understanding (MOU), the necessity of the Ad Hoc Committee comes into question. The main purpose of the Ad Hoc Committee, which was extended at the November 2025 GVR Board meeting, was to create a consensus strategy, such as an MOU, to support the MAP endowment. Additionally, the committee had other responsibilities, including collaborating to identify future opportunities. These duties could be handled directly between the two boards, rather than through a special committee.

However, of more importance is the question of GVR's support for the Endowment Campaign, under the sole direction of the Foundation. In the CEO's email of May 29 to the GVR Board, he requested explicit direction by the GVR Board on whether he is authorized to promote a GVR Foundation endowment campaign through any GVR channels." Not having access to these GVR channels, such as Eblasts, News Bulletins and emails to the GVR members, significantly limits the Foundation's ability to reach its \$1.0 million MAP Endowment goal, and thus limits the availability of funds to meet the needs of the GVR membership that qualify for MAP.

III. Next Steps and Recommendations:

The Ad Hoc Committee firmly believes that both organizations should recognize the importance of the MAP program and its value to the GVR community as well as support a continued partnership. The following is recommended:

- A. Disband the Ad hoc Committee:** The original purpose for the creation of the Ad-Hoc Committee was to strengthen the working relationships between the two organizations. This purpose may be best managed directly between the two boards. With the termination of the MOU between the Foundation and GVR in May, it now appears that most (if not all) of the Ad Hoc Committee and Steering Committee materials and responsibilities can and should be transferred to the Foundation. This would allow the Endowment campaign to proceed on schedule. It is recommended that the Ad Hoc Committee be disbanded immediately, and that this report be accepted as the final report to the GVR Board, as required by the GVR Board's November action.

- B. Authorize the CEO to provide continued support:** As noted earlier, CEO Somers requests explicit Board action as to whether he or other GVR staff can offer any support to the MAP Endowment Campaign. It is recommended that the GVR Board vote to authorize the CEO to

FINAL REPORT OF THE GVR/GVR FOUNDATION AD HOC COMMITTEE
June 19, 2026

provide the same level of support to the GVR Foundations' Endowment Campaign as it does for the Foundation's current annual fund drive that raises \$25K a year. This level of support should encompass assistance with community engagement, outreach, and public relations activities, including Eblasts, GVR Now, and events. Also, allow a one-time communication via email or direct mail to members funded by the Foundation but sent and controlled by GVR members. This support has been included in the Memorandum of Understanding (MOU) approved by both boards. Such assistance is crucial for achieving the MAP Endowment Campaign goal of \$1.0 million.

Respectively submitted:

Nellie Johnson, Chair of Ad Hoc Committee /GVR Board Member

Kathi Bachelor, GVR Member at Large, past chair

Steve Reynolds, GVR Board Member

Tony Zabicki GVR Member at Large

Beverly Tobiason, President of the GVR Foundation

Donna Coon, GVR Foundation Board Member

Mike Hunter, GVR Foundation Board Member

Jim Counter; GVR Foundation -member at large

Attachment A: Memorandum of Understanding (MOU)

Attachment B: Informational Sheet Launching Campaign March 2 Showcase

Attachment C: GVR Foundation Board Resolution

MEMORANDUM OF UNDERSTANDING

Between

GVR Foundation (Foundation) and Green Valley Recreation Inc. (GVR)

1. Purpose

This Memorandum of Understanding (“MOU”) outlines the responsibilities, commitments, and cooperative relationship between the GVR Foundation, herein referred to as “The Foundation”, and Green Valley Recreation Inc., herein referred to as “GVR” and “collectively “the Parties” for planning and implementing a joint \$1,000,000 capital fund-raising campaign (“the Campaign”) for the Member Assistance Program (MAP) Endowment

The Foundation is an Internal Revenue Code 501(c) (3) tax-exempt, nonprofit charitable organization established in 2015. It is distinct from GVR. The Foundation’s mission is “enhancing the quality of life for GVR members and the greater Green Valley community through connecting resources for those in need with those who care.” It focuses on charitable giving to enhance and support the community through programs, advocacy, and financial support that promote health and wellness for residents in the Green Valley, Arizona area.

GVR is an Internal Revenue Code 501(c) (4) civic organization whose purpose is to provide recreational, cultural, and educational programs for the enjoyment of GVR Members and their guests.

The parties involved agree to work together to raise funds that will support the MAP Endowment. This endowment is designed to ensure a sustainable funding source for the MAP program, which currently provides financial assistance to GVR members who need help paying their annual GVR dues.

3. Roles and Responsibilities

A. Joint Responsibilities

Both Parties agree to:

1. Approve the overall Campaign strategy, marketing materials, and messaging.
2. Identify donor prospects from both organization’s networks.
3. Review campaign progress monthly or at other times agreed to by the Chairs of the Ad Hoc Committee.

4. **Ensure compliance with all legal and ethical fundraising standards.**
-

B. Responsibilities of The Foundation

1. **Serve as the fiscal agent for the Campaign, including:**
 - o processing donations
 - o issuing tax receipts
 - o maintaining financial records
 2. **Manage the Campaign database and donor tracking system. This does not include GVR providing member donors' private information to The Foundation.**
 3. **Provide funding to support the Campaign expenses, including but not limited to postage, printing, refinement of website, and other in-kind administrative support as budgeted by The Foundation for the campaign.**
 4. **Coordinate community engagement, outreach, and public relations activities with GVR.**
 5. **Hire and manage a fundraising consultant, if necessary, solely at The Foundation's expense.**
 6. **Be solely responsible for thanking donors.**
 7. **Participate in and support the solicitation of major donors**
-

C. Responsibilities of GVR

1. **Provide Campaign volunteer leadership through Board participation.**
2. **Assists in recruitment of volunteers from its membership to serve on the Campaign Steering Committee.**
3. **Assist with community engagement, outreach, and public relations activities, specifically by and limited to eblasts, GVRNow, website announcements, and facilities for meetings and related events.**
4. **Assist with the planning and providing space for donor events, if any.**
5. **Promote the Campaign across its membership and stakeholder groups through joint communications such as the GVR eBlast, and GVRNow, and public service announcements**

including video on Center monitors (monthly news bulletin) and email communications to members.

6. Revise the GVR website to promote the MAP program and the Endowment Campaign.
 7. Host regular Campaign Committee meetings.
 8. Support the solicitation of major donors.
-

D. Governance Structure

1. Ad Hoc Committee will serve as the oversight committee
 2. Campaign Steering Subcommittee will consist of the members of each Party and other community representatives approved by the Ad Hoc Committee. The Committee will:
 - Set strategic direction
 - Approve campaign phases, timelines, and materials
 - Oversee progress toward the \$1,000,000 goal
 - Serve as ambassadors promoting the campaign
 - Lead solicitation efforts and help at special events, such as the GVR Showcase
 - Identify and write grant applications
 - Support donor cultivation
 - Create additional work groups that can assist in carrying out the Campaign responsibilities
-

E. Financial Management

1. All Campaign donations will be directed to The Foundation as the designated fiscal agent.
 2. Campaign funds will be used exclusively for approved MAP Endowment purposes.
 3. A campaign budget will be reviewed and monitored by the Parties
 4. Both Parties will have access to monthly Campaign financial reports.
-

F. Confidentiality

Both Parties agree to maintain strict confidentiality regarding:

- Donor information, unless authorized by the donor
- Financial data of donors

Confidential information will not be shared outside the Parties without written consent.

G. Public Communications

All public announcements, printed materials, media releases, and marketing content related to the Campaign must be:

- Approved by the Ad Hoc Committee
 - Consistent with jointly established messaging
 - Released only through mutually agreed channels
-

H. Duration and Termination

This MOU becomes effective on the date signed and will remain active until:

- Completion of the campaign
- Disbursement of all funds
- Submission of a joint final report

Either Party may terminate the MOU with **30 days' written notice**, provided that:

- Both Parties agree on the wind-down process
- Financial obligations are fulfilled
- Donor commitments are honored

I. Amendments

This MOU may be amended at any time by mutual written agreement of both Parties.

J. Signatures

GVR Foundation

By: GVR Foundation President B. Tobiason
Name: Boyd Tobiason
Title: President
Date: 3/12/26

Green Valley Recreation Inc.

By: GVR, PRESIDENT KATHI BACHELOR
Name: Kathi Bachelor
Title: President
Date: 3/12/26



OUR MISSION & VISION

OUR MISSION: Enhancing the quality of life for GVR members and the greater Green Valley community through connecting resources for those in need with those who care.

HOW WE DO IT

- Annual Grants (\$25,000+) to the GVR Member Assistance Program (MAP), a GVR program that provides financial assistance to members who need help paying their GVR dues.
- Neighbors Helping GVR Neighbors Initiative through GVR Clubs
- Monthly and Bi-Monthly Bingo Games fundraising for the GVR Member Assistance Program and other local nonprofit charities.

OUR VISION: To be recognized community wide as the champion of enhancing the quality of life of GVR members and the greater Green Valley Community.

PROVIDING NUMEROUS COMMUNITY GRANTS INCLUDING:

Friends in Deed
Green Valley Cares
Valley Assistance Services
La Posada Community Services
Community Food Bank of Southern Arizona
Green Valley Fire Corps

WHAT'S NEXT

GVR FOUNDATION CAPITAL CAMPAIGN FOR MAP

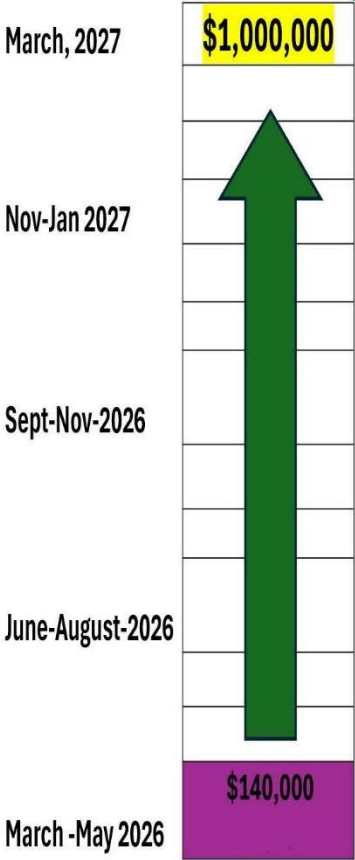
- Build the current MAP Endowment to \$1,000,000 to help support the GVR Member Assistance Program (MAP).
- The MAP Endowment would provide funding for up to \$50,000 per year to support GVR members who need help paying their annual dues.
- The GVR Member Assistance Program has been in existence since 1995 and has strict guidelines to determine eligibility. Since inception, it has helped over 1,500 members pay their dues.
- Your gift to the MAP Endowment protects the future of the GVR Member Assistance Program.

The **GVR Foundation** is an IRS 501(c) (3) tax-exempt, distinct legal entity apart from Green Valley Recreation, Inc., with a sole focus on charitable giving to enhance, enrich and support our community. This is possible only by generous tax-deductible financial support and gifts from individual and corporate donors, friends, and volunteers.

Visit our website: www.gvrf.org

Contact us: gvrfoundation.info@gvrf.org

GVR FOUNDATION MAP ENDOWMENT CAMPAIGN



GVR FOUNDATION CAPITAL CAMPAIGN FOR MAP

- Build the current MAP Endowment to \$1,000,000 to help support the GVR Member Assistance Program (MAP).
- The MAP Endowment would provide funding for up to \$50,000 per year to support GVR members who need help paying their annual dues.
- The GVR Member Assistance Program has been in existence since 1995 and has strict guidelines to determine eligibility. Since inception, it has helped over 1,500 members pay their dues.
- Your gift to the MAP Endowment protects the future of the GVR Member Assistance Program.



RESOLUTION OF THE BOARD OF DIRECTORS OF GVR FOUNDATION

Date: June 11, 2026

WHEREAS, Green Valley Recreation Inc, (hereinafter known as **GVR**) has administered a program known as the Member Assistance Program (hereinafter known as **MAP**) since 1995 to assist GVR members in financial difficulty pay their annual dues, and

WHEREAS, the GVR Foundation (hereinafter known as **GVRF**) has granted monies annually as requested by **GVR** since 2016 to assist in funding **MAP**, and

WHEREAS, **GVRF** created a board designated **MAP** Endowment (hereinafter known as **The Endowment**) in 2020 using **GVRF** unrestricted monies to assist in funding **MAP**, and

WHEREAS, **GVRF** expanded **The Endowment** in March 2026 to include donor-restricted funds raised from foundations, businesses, and individual donors;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. **The Endowment's** corpus, consisting of both the board-designated and donor restricted funds, shall be maintained in perpetuity and only earnings may be used to fund **MAP** and pay for **GVRF** administrative fees, unless the **MAP** ceases to exist. The board-designated funds and the donor funds will be accounted for separately in compliance with Arizona State law.
2. If **MAP** no longer exists, the corpus and all earnings in **The Endowment** may be used for other purposes as determined by the **GVRF** Board.
3. Corpus is defined as original amount invested plus additional donations to **The Endowment**. This amount does not include earnings rolled over from year to year.
4. No more than 5% of the total value of **The Endowment**, determined on December 31 of each year, or the total for that year's **MAP** funding requirements, (whichever is less), may be withdrawn to assist in funding **MAP** annually.
5. No more than .25% of the total value of **The Endowment**, determined on December 31 of each year, may be withdrawn to assist in paying **GVRF** administrative fees.
6. **GVRF** expects all subsequent **GVRF** Boards to adhere to this Resolution and Arizona State Law regarding donor restricted funds and dissolution of a 501 (c) 3, in the event the GVR Foundation ceases to exist.

FURTHER RESOLVED, that the Treasurer is hereby authorized and directed to take all actions and execute all documents necessary or appropriate to carry out the intent of the foregoing resolutions.

FURTHER RESOLVED, that any prior inconsistent actions or resolutions are hereby superseded.

Adopted by the **GVRF** Board of Directors on June 11, 2026.

Certified by:

Emily Bagley, Secretary
Emily Bagley, Secretary



Green Valley Recreation, Inc.
Board of Directors Meeting

**Discussion about CPM Naming Compliance in
 Regards to Pickleball Center**

Prepared By: Bart Hillyer, Director

Meeting Date: June 24, 2026

Presented By: Bart Hillyer, Director

Consent Agenda: No

Originating Committee / Department:

Board Director

Action Requested:

GVR staff confirm the accuracy of the background justification, below, as to the process used to name the GVR pickleball center (or “complex”) on Camino de La Canoa, and begin the process to name the center in compliance with the GVR Corporate Policy Manual (CPM).

Strategic Plan:

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

Background Justification:

In 2019 or 2020, the GVR board met in executive session and voted to name the pickleball center after the then-CEO of GVR. There are essentially three problems with that decision:

1. There was no input from GVR members on the naming decision.
2. There was no justification whatsoever for convening an executive session of the GVR board; the decision should have been voted on in an open meeting.
3. The decision was in explicit violation of paragraph 1.3.2 of Section 3 of Appendix 1 of the GVR CPM, which states:

"For naming in recognition of financial gifts, the donor will be expected to provide all or a substantial part of the cost of the entity."

The person after whom the GVR pickleball center was named did not in fact contribute all or a substantial part of the cost of the pickleball center. There is no permissible way to name a GVR facility without such a donation. The GVR pickleball center is the only facility with a person’s name in the name in the facility. The appropriate process for naming a GVR facility is the process used to name the Del Sol Clubhouse, which begins with GVR member input and ends with a public board vote. All other GVR facilities are named for their physical location (either a street, road or neighborhood).

The previous board’s naming decision for the pickleball center was arrogant, dishonest, furtive and opaque. It wasn’t the result of mere misfeasance; it was the result of deliberate malfeasance. It’s time to use the proper process to establish a different name in compliance with GVR policy.

Fiscal Impact:

Minimal—change signage. (The pins in the “monument” sign on Camino De La Canoa can be repurposed easily to display the new name.)

Board Options:

- 1) Correct the malfeasance of the earlier board by naming the pickleball center in compliance with GVR policy, or
- 2) Leave things as they are, misleading the membership and the public as to who actually paid for the construction of the GVR pickleball center.

Board Recommendation:

Correct the malfeasance of the earlier board by naming the pickleball center in compliance with GVR policy.

Recommended Motion:

I move that the board direct GVR staff to begin the process of soliciting GVR member input as to naming the GVR pickleball center, as it did in the runup to naming the Del Sol Clubhouse, which will lead to a public vote of the board on that decision.