AGENDA

(Revised*)

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, August 26, 2026 - 2pm

West Center Auditorium / 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)

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: June 24, 2026
      2) BOD Work Session Minutes: August 5, 2026
   B. Financial Statements:
      1) May, June and July Financials

7. **Action Items**
   A. Board Affairs Committee Recommendations for Board Approval to Corporate Policy Manual Changes
   ~~B. *Fiscal Affairs Committee Recommendation for Board Approval for Buy-Out of Cell Tower Contract~~
   Will be rescheduled.

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**

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

MINUTES

BOARD OF DIRECTORS 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)

Absent Directors: Steve Reynolds

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

Visitors: 45

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 2pm MST. Secretary McCue called the roll; quorum established.
2. **Amend/Adopt Agenda**
   MOTION: Director Hillyer moved, Director Walker seconded to amend the Agenda by removing Action Item 7.C and moving 7.D to the next Work Session. The vote was to remove Action Item 7.C. Director Hillyer withdrew the motion for Action Item 7.D., it will be moved to the next Work Session.
   Failed: 4 yes (Barker, English, Hillyer, Walker) / 5 no
3. **President Report**
   - Welcome all the GVR members, staff, Board, and CEO
   - Thanked all the GVR members who have completed the survey in preparation for the Board Strategic Planning for the next five years.
   - The Mission statement, Board credo, and meeting procedures.
4. **CEO Report**
   - West Lapidary Club expansion project is making great progress. Underground plumbing work completed, masonry almost completed, and roof framing completed later in the month. The completion time frame is around the end of 2026, first of 2027.
   - West Center Lobby under construction. The Membership Service Department will move into this space. The West Center Lobby will become a one-stop shop for customer service and member services. The target date for completion is July 22, 2026.
   - Las Campanas Fitness Room expansion will begin July 6. The fitness room expansion is into the Cyprus Room.
   - Santa Rita Fitness expansion is in the process of reviewing remodel bids. This project will begin in a couple months.

- Desert Hills Kiln Room for the Ceramic Club has been completed.
- Pickleball Center fencing has been completed.
- Encouraged people to fill out the survey either online or the random sample sent to emails.

5. **Committee Reports –** Reports given and placed on file.
   A. Audit
   B. Board Affairs
   C. Fiscal Affairs
   D. Investments

6. **Consent Agenda**
   Director Johnson asked to move C.1 and C.2 to Action Items.
   MOTION: Director Hillyer moved, Director Walker seconded to approve Consent Agenda.
   Passed: unanimous
   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~~ Move to Action Item 7.D
      ~~2) Disband Ad Hoc Committee~~ Move to Action Item 7.E
      3) Approval of Committee Action Plans

7. **Action Items**
   A. Award Design-Building contract for Abrego South Pool
      CEO Scott Somers reviewed the direction for the Abrego South Pool. Richard Burton, Burton and Associates Architects, explained the Design-Build process and awarding the contract to Durazo Construction.
      MOTION: Director Smith moved, Walker seconded 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.
      Passed: 8 yes / 1 abstain (Johnson)

   B. Approve Changes to CPM 1.1.6 – MCF Refunds
      CFO Dave Dixon reviewed the Membership Change Fee (MCF) refunds.
      MOTION: Director Walker moved, Director McCue seconded 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.
      Passed: 6 yes / 3 no (Barker, English, Hillyer)

   C. Approve Recommendations from the Ad Hoc Committee and Accept the Informational Report
      Director Johnson reviewed the Ad Hoc Committee for the GVR and GVR Foundation history and report on the Membership Assistance Program (MAP).
      MOTION: Director Johnson moved, Director McCrummen seconded to approve to disband the GVR/GVR Foundation Ad Hoc Committee and accept its Final Report; and 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.

MOTION TO AMEND: Director Hillyer moved, Director Walker seconded to delete this section: "and 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."
Passed: 7 yes / 2 no (Johnson, McCrummen)

MOTION TO AMEND: Director Walker moved, Director seconded to not authorize any current Board Director, CEO, or GVR staff to assist or provide support to the GVR Foundation, to include, but not limited to access to GVR member's emails, addresses, communications in eBlast or any videos on monitors.

MOTION TO AMEND was withdrawn from Director Walker due to support of the Bingo programs sponsored by the GVR Foundation.

Amended Motion Passed: unanimous

Amended Motion: Approve to disband the GVR/GVR Foundation Ad Hoc Committee and accept its Final Report.

D. Tentative Budget Calendar for 2027
MOTION: Director Johnson moved, Director Walker seconded to accept the 2027 tentative budget schedule for the fiscal 2027 budget with two additions to read: Staff presents recommended Capital Improvement Plan and Capital Budget, and the MRRA and MRRB Reports at the FAC Special Meeting on September 22; and: Staff presents Capital Budget and Capital Improvement Plan to FAC, to include requestees of Capital funds at the August 18 FAC Meeting.
Passed: unanimous

E. Disband Ad Hoc Committee: **Approved in 7.C.**

8. **Member Comments –** 0

9. **Adjournment**
MOTION: Director Hillyer moved, Director Walker seconded to adjourn the meeting at 4:07pm.
Passed: unanimous

MINUTES

BOARD OF DIRECTORS WORK SESSION
Wednesday, August 5, 2026, 1pm
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)

Absent: Kristy McCue

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

Visitors: 17

AGENDA TOPIC

1. **Call to Order / Roll Call**

2. **Amend / Approve Agenda**
Motion: Director Hillyer moved, Director Walker seconded to approve the Agenda.
Passed: unanimous

3. **Strategic Plan Survey Review with Zelos**
Terrie Glass from Zelos reviewed the highlights of the Environmental Scan/Strategic Plan survey.
   - Randomly invited to take survey: 5585 GVR Members
   - Usable responses from random sample: 1183
   - Open link on Website response: 1075 GVR Members
   - Four Focus groups: 13 GVR Staff, 19 GVR Members
   - Mission Statement: 96% agree communicates GVR's purpose moderately well
   - Vision Statement: 95% agree communicates GVR's future desires moderately well
   - Board's comments on strengths of GVR: Communicate GVR successes and strengths; Staff's commitment to work in all areas of GVR; Members referring friends and family to move here; and financial strength of the corporation and GVR's affordability.
   - Board's comments on opportunities for improvement: Long range planning for the physical items; financial forecasting with dues increase to maintain the facilities, continue to maintain affordable model; performance measures as a communication tool to members to understand Board decisions; continue to enhance the current facilities; and technology (online).
   - Board's comments on future challenges: remaining affordable to members; maintaining current facilities; external factors impacting home sales; modernize

technology systems; enforcement using technology; investment funds; and trust the management.

- Board's suggestions for Mission and Vision statements: Focus on objective words in Mission Statement; address financial sustainability; cost effectiveness; value; programs; Vision Statement needs to be aspirational.
- Board's suggestion: add operating principle separately to strengthen Mission Statement. The operating/guiding principles will be part of the strategic planning. Natalie Whitman (COO), Directors Lanny Smith and Barry Stock to come up with the operating/guiding principles before the strategic planning begins.

4. **Member Comments -** 1

5. **Adjournment**
MOTION: Director Johnson moved, Director McCrummen seconded to adjourn the meeting at 2:40pm.
Passed: unanimous

Green Valley Recreation, Inc.

Fiscal Affairs Committee Report

May 2026 Financial Highlights

Prepared By: Dave Dixon, CFO **Date: June 17, 2026**

Presented By: Dave Dixon, CFO **Consent Agenda: N/A**

Originating Committee / Department:
Administration

Strategic Plan Goal:
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 May 2026:

1. Statement of Financial Position
   a. YTD Operating Cash and JP Morgan investments decreased by $531,623 with total Days Cash on hand at 164.
   b. Designated Funds decreased in May by $77,139.
   c. Net Assets have increased Year to Date by $1,292,520 and includes $461,739 of unrealized gains.
2. Statement of Financial Activities
   a. YTD total revenue under budget (unfavorable) 1.4% or $79,522.
   b. May Capital Revenue (MCF) are under budget (unfavorable) 29%, 73 paid MCF compared to 102 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 13.3% or $184,382 partially due to MCF refunds and HB 2119 home resales.
   c. YTD Recreation Revenue is over budget (favorable) by 11% or $58,104.
   d. YTD Total Expenses under budget (favorable) 4.2% or $213,348.
   e. YTD Facilities & Equipment are under budget (favorable) by 6% or $90,767.
   f. YTD Personnel is under budget (favorable) by 2% YTD or $47,797.
   g. YTD Program expenses are over budget (unfavorable) by 3.7% or $15,594.
   h. YTD Operating Expenses under budget (favorable) 4.2% or $213,348.
   i. Gross Operating Surplus is $830,781 which is 19.2% or $133,826 more than budgeted (favorable).

Green Valley Recreation, Inc.

Summary Statement of Activities

YTD Period: 5 month period ending May 31, 2026

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

	PRIOR YEAR COMPARISON				BUDGET COMPARISON					
	2025 YTD Actual	2026 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%	Fiscal Year Budget	Remaining FY Budget
Revenue										
Member Dues	3,068,790	3,157,499	88,709	2.9%	3,157,499	3,153,733	3,765	0.1%	7,568,960	4,411,462
LC,Trans., Crd Fees.	368,075	369,197	1,122	0.3%	369,197	421,880	(52,684)	(12.5%)	800,700	431,503
Capital Revenue	1,244,806	1,200,016	(44,790)	(3.6%)	1,200,016	1,384,398	(184,382)	(13.3%)	2,860,800	1,660,784
Programs	182,983	253,140	70,157	38.3%	253,140	262,953	(9,814)	(3.7%)	571,456	318,316
Instructional	270,785	322,527	51,742	19.1%	322,527	254,609	67,918	26.7%	498,000	175,473
Recreational Revenue	***453,768***	***575,667***	***121,899***	**26.9%**	***575,667***	***517,562***	***58,104***	**11.2%**	***1,069,456***	***493,789***
Investment Income	***195,498***	***212,836***	***17,338***	**8.9%**	***212,836***	***181,250***	***31,586***	**17.4%**	***435,000***	***222,164***
Advertising Income	-	-	-	0.0%	-	-	-	0.0%	-	-
Cell Tower Lease Inc.	20,878	21,556	678	3.2%	21,556	20,383	1,173	5.8%	48,919	27,363
Comm. Revenue	***20,878***	***21,556***	***678***	**3.2%**	***21,556***	***20,383***	***1,173***	**5.8%**	***48,919***	***27,363***
Other Income	59,755	122,459	62,704	104.9%	122,459	66,590	55,870	83.9%	117,350	(5,109)
Facility Rent	9,260	6,490	(2,770)	(29.9%)	6,490	7,758	(1,268)	(16.3%)	18,620	12,130
Marketing Events	-	-	-	0.0%	-	-	-	0.0%	-	-
In-Kind Contributions	1,667	938	(729)	(43.7%)	938	1,667	(729)	(43.7%)	4,000	3,063
Del Sol Café Revenue	6	9,043	9,037	150,609%	9,043	-	9,043	0.0%	-	(9,043)
Other Revenue	***70,688***	***138,929***	***68,241***	**96.5%**	***138,929***	***76,015***	***62,915***	**82.8%**	***139,970***	***1,041***
Total Revenue	***5,422,503***	***5,675,699***	***253,196***	**4.7%**	***5,675,699***	***5,755,222***	***(79,522)***	**(1.4%)**	***12,923,805***	***7,248,106***
Expenses										
Major Proj.-Rep. & Maint.	82,677	60,216	22,461	27.2%	60,216	99,571	39,355	39.5%	238,970	178,754
Facility Maintenance	243,801	118,387	125,414	51.4%	118,387	175,667	57,280	32.6%	421,600	303,213
Fees & Assessments	150	287	(137)	(91.3%)	287	417	130	31.1%	1,000	713
Utilities	452,640	432,509	20,131	4.4%	432,509	488,230	55,720	11.4%	1,084,093	651,584
Depreciation	566,490	573,998	(7,507)	(1.3%)	573,998	528,550	(45,448)	(8.6%)	1,268,520	694,522
Furniture & Equipment	128,011	100,809	27,202	21.2%	100,809	93,778	(7,032)	(7.5%)	229,874	129,065
Vehicles	28,923	42,571	(13,648)	(47.2%)	42,571	33,333	(9,238)	(27.7%)	80,000	37,429
Facilities & Equipment	***1,502,693***	***1,328,778***	***173,915***	**11.6%**	***1,328,778***	***1,419,545***	***90,767***	**6.4%**	***3,324,057***	***1,995,279***
Wages	1,849,620	1,855,864	(6,244)	(0.3%)	1,855,864	1,910,123	54,259	2.8%	4,584,295	2,728,430
Payroll Taxes	149,196	152,592	(3,395)	(2.3%)	152,592	156,160	3,568	2.3%	355,699	203,107
Benefits	371,420	390,768	(19,348)	(5.2%)	390,768	380,738	(10,030)	(2.6%)	897,672	506,904
Personnel	***2,370,236***	***2,399,224***	***(28,988)***	**(1.2%)**	***2,399,224***	***2,447,021***	***47,797***	**2.0%**	***5,837,665***	***3,438,441***
Food & Catering	13,020	24,389	(11,369)	(87.3%)	24,389	41,392	17,004	41.1%	78,698	54,309
Recreation Contracts	327,682	368,275	(40,593)	(12.4%)	368,275	327,144	(41,131)	(12.6%)	651,787	283,512
Bank & Credit Card Fees	34,985	39,745	(4,761)	(13.6%)	39,745	48,279	8,533	17.7%	67,895	28,150
Program	***375,686***	***432,409***	***(56,723)***	**(15.1%)**	***432,409***	***416,815***	***(15,594)***	**(3.7%)**	***798,380***	***365,971***
Communications	46,466	48,746	(2,281)	(4.9%)	48,746	44,820	(3,926)	(8.8%)	107,569	58,823
Printing	40,847	50,123	(9,275)	(22.7%)	50,123	61,250	11,127	18.2%	129,500	79,377
Advertising	3,778	5,049	(1,271)	(33.6%)	5,049	4,583	(466)	(10.2%)	11,000	5,951
Communications	***91,091***	***103,918***	***(12,827)***	**(14.1%)**	***103,918***	***110,654***	***6,736***	**6.1%**	***248,069***	***144,151***
Supplies	211,838	177,523	34,315	16.2%	177,523	231,628	54,104	23.4%	570,906	393,383
Postage	13,714	9,689	4,025	29.4%	9,689	14,052	4,363	31.1%	21,125	11,436
Dues & Subscriptions	14,429	7,902	6,527	45.2%	7,902	5,703	(2,199)	(38.6%)	13,687	5,785
Travel & Entertainment	315	314	2	0.6%	314	1,000	686	68.6%	2,400	2,086
Other Operating Expense	31,539	32,479	(940)	(3.0%)	32,479	33,190	711	2.1%	107,672	75,193
Operations	***271,835***	***227,906***	***43,929***	**16.2%**	***227,906***	***285,572***	***57,666***	**20.2%**	***715,790***	***487,884***
Information Technology	44,664	30,960	13,703	30.7%	30,960	59,490	28,530	48.0%	142,777	111,817
Professional Fees	113,668	127,477	(13,808)	(12.1%)	127,477	117,392	(10,085)	(8.6%)	234,350	106,873
Commercial Insurance	171,258	190,740	(19,481)	(11.4%)	190,740	186,277	(4,463)	(2.4%)	447,064	256,324
Taxes	-	-	-	0.0%	-	-	-	0.0%	53,532	53,532
Conferences & Training	4,198	1,056	3,143	74.9%	1,056	10,083	9,028	89.5%	24,200	23,145
Employee Recognition	3,603	2,451	1,152	32.0%	2,451	5,417	2,966	54.8%	13,000	10,549
Provision for Bad Debt	-	-	-	0.0%	-	-	-	0.0%	-	-
Corporate Expenses	**337,391**	**352,683**	**(15,292)**	**(4.5%)**	**352,683**	**378,659**	**25,976**	**6.9%**	**914,923**	**562,240**
Expenses	***4,948,932***	***4,844,918***	***104,014***	**2.1%**	***4,844,918***	***5,058,266***	***213,348***	**4.2%**	***11,838,884***	***6,993,966***
										-
Gross Surplus(Rev-Exp)	473,571	830,781	357,211	**75.4%**	830,781	696,955	133,826	**19.2%**	1,084,921	254,139
Net. Gain/Loss on Invest.	32,606	461,739	429,133		461,739	-	461,739		-	(461,739)
Net from Operations	506,177	1,292,520	786,344	**155.3%**	1,292,520	696,955	595,565		1,084,921	(207,600)

6/17/2026 8:53 AM

Green Valley Recreation, Inc.

Statement of Financial Position

As of Date: May 31, 2026 and Dec 31, 2025

	May 31, 2026		Dec 31, 2025	
		Total		Total
ASSETS				
Current Assets				
Cash/Cash Equivalents		598,560		1,528,231
Accounts Receivable		560,870		404,170
Prepaid Expenses		119,203		267,712
Maintenance Inventory		61,927		61,927
Designated Investments (Charles S./SBH)				
Emergency - Fund	620,744 (1)		573,244 (18)	
MRR - Fund	8,464,156 (2)		7,385,186 (19)	
Initiatives - Fund	1,463,832 (3)		1,339,862 (20)	
Pools & Spas - Fund	2,049,095 (4)		1,697,677 (21)	
Total Designated Investments (CS/SBH)	12,597,827 (5)		10,995,969 (22)	
Undesignated Invest. (JP Morgan Long Term)	1,767,299 (6)		1,609,852 (23)	
Undesignated Invest. (JP Morgan)	2,843,153 (7)		2,605,102 (24)	
Investments		17,208,280 (8)		15,210,923 (25)
Total Current Assets		**18,548,838**		**17,472,962**
Fixed Assets				
Contributed Fixed Assets		18,017,085		18,017,085
Purchased Fixed Assets		36,201,943		35,403,036
Sub-Total		54,219,028		53,420,121
Less - Accumulated Depreciation		(30,659,546)		(30,085,549)
Net Fixed Assets		**23,559,482** (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		**42,130,469**		**40,829,683**
LIABILITIES				
Current Liabilities				
Accounts Payable		299,785		436,933
Deferred Dues Fees & Programs		4,520,684		4,524,612
Accrued Payroll		200,679		58,200
Compensation Liability		-		-
MCF Refund Liability		137,800		141,000
In-Kind Lease Liability -Current		5,313		2,250
Operating ROU Liability - Current		5,510		5,510
Financing ROU Liability - Curent		10,321		10,321
Total Current Liabilities		**5,180,091**		**5,178,826**
In-Kind Lease Liability - LT		37,149		41,149
Notes Payable		22,000		11,000
Financing ROU Laibility - LT		-		-
Total Long Term Liabilities		**59,149**		**52,149**
TOTAL NET ASSETS		**36,891,229** (10)		**35,598,709** (27)
NET ASSETS				
Temporarily Designated:				
Board Designated:				
Emergency		620,744 (11)		573,244 (28)
Maint - Repair - Replacement		8,464,156 (12)		7,387,735 (29)
Initiatives		1,463,832 (13)		1,339,862 (30)
Pools & Spas		2,049,095 (14)		1,697,677 (31)
Sub-Total		**12,597,827** (15)		**10,998,517**
Unrestricted Net Assets		23,000,881		24,600,191
Net change Year-to-Date		1,292,520 (16)		-
Unrestricted Net Assets		**24,293,402** (17)		**24,600,191**
TOTAL NET ASSETS		**36,891,229**		**35,598,709**
TOTAL LIABILITIES & NET ASSETS		**42,130,469**		**40,829,683**

Green Valley Recreation, Inc.

Fiscal Affairs Committee Report

June 2026 Financial Highlights

Prepared By: Dave Dixon, CFO **Date: July 20, 2026**

Presented By: Dave Dixon, CFO **Consent Agenda: N/A**

Originating Committee / Department: Administration
Strategic Plan Goal: 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 June 2026:

1. Statement of Financial Position
   a. YTD Operating Cash and Undesignated JP Morgan investments decreased by $816,992 with total Days Cash on hand at 155.
   b. Net Assets have increased Year to Date by $1,377,801 and include $447,165 of unrealized gains.
2. Statement of Financial Activities
   a. YTD total revenue is under budget (unfavorable) 0.5% or $32,093.
   b. June Capital Revenue (MCF) is over budget (favorable) 18%, 88 paid MCF compared to 75 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 11.6% or $183,980 partially due to MCF refunds. HB 2119 home resales are excluded in the monthly resales total. The GVR Member Properties Monthly Report has been updated to reflect the true MCF payments received each month. GVR has welcomed 11 new Member Households through June with our annual goal of 18.
   c. YTD Recreation Revenue is over budget (favorable) by 10.3% or $58,093.
   d. YTD Total Expenses under budget (favorable) 2.7% or $158,830.
   e. YTD Facilities & Equipment are under budget (favorable) by 1.4% or $22,793.
   f. YTD Personnel is under budget (favorable) by 1.3% YTD or $37,842.
   g. YTD Program expenses are over budget (unfavorable) by 0.6% or $2,808.
   h. Gross Operating Surplus is $930,636 which is 15.8% or $126,737 more than budgeted (favorable).
   i. July home sales are estimated to be 63 for the month slightly under budget.

- The following table summarizes the July 31, 2026 total year to date change in Net Assets month over month based on GVR's 2026 Financial Statements:

			GVR 2026		Budget Variance	
Month	Operating Increase Net Assets	Unrealized Gains on Investments	Total Increase in Net Assets		Income Variance Favorable (Unfavorable)	Expense Variance Favorable (Unfavorable)
Jan-26	$114,385	$161,218	$275,603		($39,746)	$48,390
Feb-26	$227,078	$115,864	$342,942		$84,933	$83,519
Mar-26	$168,147	($383,025)	($214,878)		($8,441)	$14,355
Apr-26	$182,521	$413,311	$595,832		($62,168)	$63,179
May-26	$138,650	$154,371	$293,021		($54,100)	$3,905
Jun-26	$99,855	($14,574)	$85,281		$47,429	($54,518)
Jul-26	($47,988)	$24,005	($23,983)		($3,222)	($111,864)
Aug-26			$0			
Sep-26			$0			
Oct-26			$0			
Nov-26			$0			
Dec-26	$0	$0	$0		$0	$0
Total YTD '26	**$882,648**	**$471,170**	**$1,353,818**		**($35,315)**	**$46,966**

While the preceding table illustrates the performance for the year 2026 according to the Financial Statements, it does not include any reduction for the necessary funding from Operations for Reserve Funds included in GVR's 2026 budget.

- The Net Fixed Assets are $23,836,974 as of July 31, 2026. Total net Capital Purchases for the year to date are $1,325,453.
- Total Current Liabilities are $4,278,023. This includes 5 months of deferred revenue for 2026 dues.
- Designated Net Assets equal $12,378,294 for the month of July, 2026.

Green Valley Recreation, Inc.

Statement of Financial Position

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

	June 30, 2026		Dec 31, 2025	
	Total		Total	
ASSETS				
Current Assets				
Cash/Cash Equivalents		767,160		1,528,231
Accounts Receivable		542,902		404,170
Prepaid Expenses		81,458		267,712
Maintenance Inventory		61,927		61,927
Designated Investments (Charles S./SBH)				
Emergency - Fund	618,939 (1)		573,244 (18)	
MRR - Fund	8,328,786 (2)		7,385,186 (19)	
Initiatives - Fund	1,569,760 (3)		1,339,862 (20)	
Pools & Spas - Fund	2,049,881 (4)		1,697,677 (21)	
Total Designated Investments (CS/SBH)	12,567,367 (5)		10,995,969 (22)	
Undesignated Invest. (JP Morgan Long Term)	1,757,704 (6)		1,609,852 (23)	
Undesignated Invest. (JP Morgan)	2,401,329 (7)		2,605,102 (24)	
Investments		16,726,399 (8)		15,210,923 (25)
Total Current Assets		**18,179,846**		**17,472,962**
Fixed Assets				
Contributed Fixed Assets		18,017,085		18,017,085
Purchased Fixed Assets		36,408,087		35,403,036
Sub-Total		54,425,172		53,420,121
Less - Accumulated Depreciation		(30,792,459)		(30,085,549)
Net Fixed Assets		**23,632,713** (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		**41,834,707**		**40,829,683**
LIABILITIES				
Current Liabilities				
Accounts Payable		519,617		436,933
Deferred Dues Fees & Programs		3,882,305		4,524,612
Accrued Payroll		235,169		58,200
Compensation Liability		-		-
MCF Refund Liability		141,000		141,000
In-Kind Lease Liability -Current		5,125		2,250
Operating ROU Liability - Current		5,510		5,510
Financing ROU Liability - Curent		10,321		10,321
Total Current Liabilities		**4,799,048**		**5,178,826**
In-Kind Lease Liability - LT		37,149		41,149
Notes Payable		22,000		11,000
Financing ROU Laibility - LT		-		-
Total Long Term Liabilities		**59,149**		**52,149**
TOTAL NET ASSETS		**36,976,510** (10)		**35,598,709** (27)
NET ASSETS				
Temporarily Designated:				
Board Designated:				
Emergency		618,939 (11)		573,244 (28)
Maint - Repair - Replacement		8,328,786 (12)		7,385,186 (29)
Initiatives		1,569,760 (13)		1,339,862 (30)
Pools & Spas		2,049,881 (14)		1,697,677 (31)
Sub-Total		**12,567,367** (15)		**10,995,969**
Unrestricted Net Assets		23,031,342		24,602,740
Net change Year-to-Date		1,377,801 (16)		-
Unrestricted Net Assets		**24,409,143** (17)		**24,602,740**
TOTAL NET ASSETS		**36,976,510**		**35,598,709**
TOTAL LIABILITIES & NET ASSETS		**41,834,707**		**40,829,683**

Green Valley Recreation, Inc.

Summary Statement of Activities

YTD Period: 6 month period ending June 30, 2026

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

	PRIOR YEAR COMPARISON				BUDGET COMPARISON					
	2025 YTD Actual	2026 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%	Fiscal Year Budget	Remaining FY Budget
Revenue										
Member Dues	3,682,141	3,789,282	107,141	2.9%	3,789,282	3,784,480	4,802	0.1%	7,568,960	3,779,678
LC,Trans., Crd Fees.	420,941	423,003	2,063	0.5%	423,003	477,586	(54,582)	(11.4%)	800,700	377,696
Capital Revenue	1,480,206	1,446,216	(33,990)	(2.3%)	1,446,216	1,630,196	(183,980)	(11.3%)	2,860,800	1,414,584
Programs	194,171	273,442	79,271	40.8%	273,442	282,317	(8,876)	(3.1%)	571,456	298,014
Instructional	301,667	350,616	48,949	16.2%	350,616	283,647	66,969	23.6%	498,000	147,384
Recreational Revenue	***495,838***	***624,058***	***128,219***	**25.9%**	***624,058***	***565,964***	***58,093***	**10.3%**	***1,069,456***	***445,398***
Investment Income	***255,515***	***267,239***	***11,724***	**4.6%**	***267,239***	***217,500***	***49,739***	**22.9%**	***435,000***	***167,761***
Advertising Income	-	-	-	0.0%	-	-	-	0.0%	-	-
Cell Tower Lease Inc.	29,295	25,902	(3,394)	(11.6%)	25,902	24,459	1,442	5.9%	48,919	23,017
Comm. Revenue	***29,295***	***25,902***	***(3,394)***	**(11.6%)**	***25,902***	***24,459***	***1,442***	**5.9%**	***48,919***	***23,017***
Other Income	66,444	146,500	80,056	120.5%	146,500	70,345	76,155	108.3%	117,350	(29,150)
Facility Rent	9,260	7,260	(2,000)	(21.6%)	7,260	9,310	(2,050)	(22.0%)	18,620	11,360
Marketing Events	-	-	-	0.0%	-	-	-	0.0%	-	-
In-Kind Contributions	2,000	1,125	(875)	(43.7%)	1,125	2,000	(875)	(43.7%)	4,000	2,875
Del Sol Café Revenue	6	19,163	19,157	319,279%	19,163	-	19,163	0.0%	-	(19,163)
Other Revenue	***77,710***	***174,048***	***96,338***	**124.0%**	***174,048***	***81,655***	***92,393***	**113.2%**	***139,970***	***(34,078)***
Total Revenue	***6,441,647***	***6,749,748***	***308,101***	**4.8%**	***6,749,748***	***6,781,841***	***(32,093)***	**(0.5%)**	***12,923,805***	***6,174,057***
Expenses										
Major Proj.-Rep. & Maint.	97,421	64,770	32,651	33.5%	64,770	119,485	54,715	45.8%	238,970	174,200
Facility Maintenance	257,968	142,658	115,310	44.7%	142,658	210,800	68,142	32.3%	421,600	278,942
Fees & Assessments	266	317	(51)	(19.2%)	317	500	183	36.6%	1,000	683
Utilities	518,892	493,558	25,335	4.9%	493,558	557,438	63,880	11.5%	1,084,093	590,535
Depreciation	679,429	706,911	(27,482)	(4.0%)	706,911	634,260	(72,651)	(11.5%)	1,268,520	561,609
Furniture & Equipment	139,157	193,621	(54,465)	(39.1%)	193,621	113,220	(80,401)	(71.0%)	229,874	36,253
Vehicles	32,026	51,074	(19,048)	(59.5%)	51,074	40,000	(11,074)	(27.7%)	80,000	28,926
Facilities & Equipment	***1,725,159***	***1,652,910***	***72,249***	**4.2%**	***1,652,910***	***1,675,703***	***22,793***	**1.4%**	***3,324,057***	***1,671,147***
Wages	2,212,581	2,238,579	(25,997)	(1.2%)	2,238,579	2,292,147	53,569	2.3%	4,584,295	2,345,716
Payroll Taxes	174,516	182,955	(8,439)	(4.8%)	182,955	185,802	2,847	1.5%	355,699	172,744
Benefits	452,305	473,160	(20,855)	(4.6%)	473,160	454,586	(18,574)	(4.1%)	897,672	424,512
Personnel	***2,839,403***	***2,894,693***	***(55,291)***	**(1.9%)**	***2,894,693***	***2,932,535***	***37,842***	**1.3%**	***5,837,665***	***2,942,972***
Food & Catering	14,632	30,984	(16,352)	(111.8%)	30,984	47,483	16,499	34.7%	78,698	47,714
Recreation Contracts	352,275	386,742	(34,467)	(9.8%)	386,742	358,583	(28,159)	(7.9%)	651,787	265,045
Bank & Credit Card Fees	36,739	41,996	(5,257)	(14.3%)	41,996	50,848	8,852	17.4%	67,895	25,899
Program	***403,646***	***459,721***	***(56,076)***	**(13.9%)**	***459,721***	***456,914***	***(2,808)***	**(0.6%)**	***798,380***	***338,659***
Communications	53,262	57,141	(3,879)	(7.3%)	57,141	53,784	(3,356)	(6.2%)	107,569	50,428
Printing	42,486	50,123	(7,636)	(18.0%)	50,123	68,500	18,377	26.8%	129,500	79,377
Advertising	3,787	5,049	(1,262)	(33.3%)	5,049	5,500	451	8.2%	11,000	5,951
Communications	***99,536***	***112,312***	***(12,776)***	**(12.8%)**	***112,312***	***127,784***	***15,472***	**12.1%**	***248,069***	***135,757***
Supplies	245,294	207,472	37,821	15.4%	207,472	277,953	70,481	25.4%	570,906	363,434
Postage	13,754	9,869	3,884	28.2%	9,869	15,063	5,193	34.5%	21,125	11,256
Dues & Subscriptions	14,810	8,537	6,273	42.4%	8,537	6,843	(1,693)	(24.7%)	13,687	5,150
Travel & Entertainment	315	314	2	0.6%	314	1,200	886	73.9%	2,400	2,086
Other Operating Expense	36,773	56,819	(20,046)	(54.5%)	56,819	36,326	(20,493)	(56.4%)	107,672	50,853
Operations	***310,946***	***283,011***	***27,935***	**9.0%**	***283,011***	***337,385***	***54,374***	**16.1%**	***715,790***	***432,779***
Information Technology	50,643	39,211	11,431	22.6%	39,211	71,388	32,177	45.1%	142,777	103,566
Professional Fees	120,231	144,209	(23,977)	(19.9%)	144,209	134,100	(10,108)	(7.5%)	234,350	90,141
Commercial Insurance	205,510	228,726	(23,216)	(11.3%)	228,726	223,532	(5,194)	(2.3%)	447,064	218,338
Taxes	-	-	-	0.0%	-	-	-	0.0%	53,532	53,532
Conferences & Training	5,971	1,056	4,916	82.3%	1,056	12,100	11,045	91.3%	24,200	23,145
Employee Recognition	3,873	3,263	610	15.7%	3,263	6,500	3,237	49.8%	13,000	9,737
Provision for Bad Debt	-	-	-	0.0%	-	-	-	0.0%	-	-
Corporate Expenses	**386,228**	**416,464**	**(30,236)**	**(7.8%)**	**416,464**	**447,621**	**31,156**	**7.0%**	**914,923**	**498,459**
Expenses	***5,764,917***	***5,819,112***	***(54,195)***	**(0.9%)**	***5,819,112***	***5,977,942***	***158,830***	**2.7%**	***11,838,884***	***6,019,772***
										-
Gross Surplus(Rev-Exp)	676,730	930,636	253,906	37.5%	930,636	803,899	126,737	15.8%	1,084,921	154,285
Net. Gain/Loss on Invest.	282,814	447,165	164,352		447,165	-	447,165		-	(447,165)
Net from Operations	959,544	1,377,801	418,258	43.6%	1,377,801	803,899	573,902		1,084,921	(292,881)

Green Valley Recreation, Inc

Quarterly Summary of Revenue & Expenditures - Budget to Actual

For Fiscal Year Ending Dec 31, 2026

January through June 2026 | **TOTAL YEAR 2026**

	2026 Annual Budget	January - June YTD Budget	January - June Jan - Jun Actual	% of Variance	Prior Year FY 2025 2Q YTD	Var. from Prior Year %	Var. from Prior Year $	Projected Jul - Dec 2026	Total Jan-Dec 2026 Actual	Approved Budget 2026	Total Actual Variance	% of Budget Variance
Revenue:												
Member Dues	$ 7,568,960	$ 3,784,480	$ 3,789,282	0.1%	$ 3,682,141	2.8%	$ 107,141	$ 3,785,493	$ **7,574,774**	$ 7,568,960	$ 5,814	0.1%
LC,Trans., Crd Fees.	800,700	477,586	423,003	(11.4%)	420,941	0.5%	2,063	$ 313,003	$ **736,007**	$ 800,700	$ (64,693)	(8.8%)
Capital Revenue	2,860,800	1,630,196	1,446,216	(11.3%)	1,480,206	(2.3%)	(33,990)	$ 1,221,216	$ **2,667,432**	$ 2,860,800	$ (193,368)	(7.2%)
Recreation	1,069,456	565,964	624,058	10.3%	495,838	25.9%	128,219	$ 566,058	$ **1,190,115**	$ 1,069,456	$ 120,659	10.1%
Investment Income	435,000	217,500	267,239	22.9%	255,515	4.6%	11,724	$ 257,239	$ **524,479**	$ 435,000	$ 89,479	17.1%
Communication	48,919	24,459	25,902	5.9%	29,295	(11.6%)	(3,394)	$ 26,102	$ **52,003**	$ 48,919	$ 3,084	5.9%
Other Revenue	139,970	81,655	174,048	113.2%	77,710	124.0%	96,338	$ 124,048	$ **298,096**	$ 139,970	$ 158,126	53.0%
Total Revenue	12,923,805	6,781,841	6,749,748	(0.5%)	$ 6,441,647	4.8%	$ 308,101	$ 6,293,159	$ **13,042,907**	$ 12,923,805	$ 119,102	0.9%
Expenditures:												
Facilities & Equipment (NO DEPRECIATION)	$ 2,055,537	$ 1,041,443	$ 945,999	9.2%	$ 1,045,730	9.5%	$ 99,731	$ 1,020,999	$ **1,966,997**	$ 2,055,537	$ 88,540	4.3%
Personnel	5,837,665	2,932,535	2,894,693	1.3%	2,839,403	(1.9%)	$ (55,291)	$ 2,884,693	$ **5,779,387**	$ 5,837,665	$ 58,278	1.0%
Program	798,380	456,914	459,721	(0.6%)	403,646	(13.9%)	$ (56,076)	$ 384,919	$ **844,641**	$ 798,380	$ (46,260)	(5.8%)
Communications	248,069	127,784	112,312	12.1%	99,536	(12.8%)	$ (12,776)	$ 132,812	$ **245,125**	$ 248,069	$ 2,944	1.2%
Operations	715,790	337,385	283,011	16.1%	310,946	9.0%	$ 27,935	$ 353,011	$ **636,022**	$ 715,790	$ 79,768	11.1%
Corporate Expenses	914,923	447,621	416,464	7.0%	386,228	(7.8%)	$ (30,236)	$ 446,464	$ **862,929**	$ 914,923	$ 51,994	5.7%
Total Expenditures	10,570,364	5,343,682	5,112,201	4.3%	5,085,488	(0.5%)	$ (26,713)	5,222,899	**10,335,100**	10,570,364	235,264	2.2%
Excess Revenues Over Exp.	$ 2,353,441	$ 1,438,159	$ 1,637,547		$ 1,356,159		$ 281,388	$ 1,070,260	$ **2,707,807**	$ 2,353,441	$ 354,366	
Transfers and Adjustments:												
Non Reserve Capital Projects	(24,001)	(12,001)	(11,569)					$ (12,432)	$ **(24,001)**	$ (24,001)	$ -	0.0%
Remove Income From Reserves	(260,400)	(130,200)	(179,450)					$ (80,950)	$ **(260,400)**	$ (260,400)	$ 0	0.0%
Reserve Funding Initiatives	(575,040)	(287,520)	(290,843)					$ (290,843)	$ **(581,686)**	$ (575,040)	$ (6,646)	-1.2%
Reserve Funding MRR A & MRR-B	(1,742,885)	(1,742,885)	(1,742,885)					$ -	$ **(1,742,885)**	$ (1,742,885)	$ -	0.0%
MRR Expenses paid by Reserve	172,885	86,443	107,170					$ 65,715	$ **172,885**	$ 172,885	$ 0	0.0%
Deduct Reserve Investment Exp.	76,000	38,000	46,430					$ 29,570	$ **76,000**	$ 76,000	$ (0)	0.0%
Modified Accrual Basis Surplus	-	(610,004)	(433,600)					781,320	347,720	-	347,720	

This report is not a GAAP compliant statement. Non cash adjustments such as Depreciation of Fixed Assets have been removed to establish a Modified Accrual report. The purpose of this report is to give a high level summary of GVRs performance for comparison to the Zero Surplus Budget goal for the fiscal year.

7/22/2026 9:50 AM

Green Valley Recreation, Inc.

Fiscal Affairs Committee Report

July 2026 Financial Highlights

Prepared By: Dave Dixon, CFO **Date: August 18, 2026**

Presented By: Dave Dixon, CFO **Consent Agenda: N/A**

Originating Committee / Department:
Administration

Strategic Plan Goal:
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 July 2026:

1. Statement of Financial Position
   a. YTD Operating Cash and Undesignated JP Morgan investments decreased by $1,407,710 with total Days Cash on hand at 136.
   b. Net Assets have increased Year to Date by $1,353,818 and include $471,170 of unrealized gains.
2. Statement of Financial Activities
   a. YTD total revenue is under budget (unfavorable) 0.5% or $35,315.
   b. July Capital Revenue (MCF) is under budget (unfavorable) 2%, 72 paid MCF compared to 73 budgeted. YTD Capital Revenue (MCF) is under budget (unfavorable) 10.4% or $193,681. HB 2119 home resales are excluded in the monthly resales total. GVR has welcomed 13 new Member Households through July with our annual goal of 18.
   c. YTD Recreation Revenue is over budget (favorable) by 10.3% or $60,168.
   d. YTD Total Expenses under budget (favorable) 0.7% or $46,966.
   e. YTD Facilities & Equipment are over budget (unfavorable) by 2.8% or $54,020.
   f. YTD Personnel is over budget (unfavorable) by 0.3% YTD or $11,364.
   g. YTD Program expenses are over budget (unfavorable) by 3.9% or $18,421.
   h. Gross Operating Surplus is $882,648 which is 1.3% or $11,652 more than budgeted (favorable).
   i. August home sales are estimated to be 62 for the month with a budget of 66.

- The following table summarizes the July 31, 2026 total year to date change in Net Assets month over month based on GVR's 2026 Financial Statements:

			GVR 2026		Budget Variance	
Month	Operating Increase Net Assets	Unrealized Gains on Investments	Total Increase in Net Assets		Income Variance Favorable (Unfavorable)	Expense Variance Favorable (Unfavorable)
Jan-26	$114,385	$161,218	$275,603		($39,746)	$48,390
Feb-26	$227,078	$115,864	$342,942		$84,933	$83,519
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May-26	$138,650	$154,371	$293,021		($54,100)	$3,905
Jun-26	$99,855	($14,574)	$85,281		$47,429	($54,518)
Jul-26	($47,988)	$24,005	($23,983)		($3,222)	($111,864)
Aug-26			$0			
Sep-26			$0			
Oct-26			$0			
Nov-26			$0			
Dec-26	$0	$0	$0		$0	$0
Total YTD '26	**$882,648**	**$471,170**	**$1,353,818**		**($35,315)**	**$46,966**

While the preceding table illustrates the performance for the year 2026 according to the Financial Statements, it does not include any reduction for the necessary funding from Operations for Reserve Funds included in GVR's 2026 budget.

- The Net Fixed Assets are $23,836,974 as of July 31, 2026. Total net Capital Purchases for the year to date are $1,325,453.
- Total Current Liabilities are $4,278,023. This includes 5 months of deferred revenue for 2026 dues.
- Designated Net Assets equal $12,378,294 for the month of July, 2026.

Green Valley Recreation, Inc.

Statement of Financial Position

As of Date: July 31, 2026 and Dec 31, 2025

	July 31, 2026		Dec 31, 2025	
		Total		Total
ASSETS				
Current Assets				
Cash/Cash Equivalents		773,898		1,528,231
Accounts Receivable		505,774		404,170
Prepaid Expenses		149,107		267,712
Maintenance Inventory		61,927		61,927
Designated Investments (Charles S./SBH)				
Emergency - Fund	615,934 (1)		573,244 (18)	
MRR - Fund	8,264,457 (2)		7,385,186 (19)	
Initiatives - Fund	1,451,448 (3)		1,339,862 (20)	
Pools & Spas - Fund	2,046,455 (4)		1,697,677 (21)	
Total Designated Investments (CS/SBH)	12,378,294 (5)		10,995,969 (22)	
Undesignated Invest. (JP Morgan Long Term)	1,803,362 (6)		1,609,852 (23)	
Undesignated Invest. (JP Morgan)	1,758,215 (7)		2,605,102 (24)	
Investments		15,939,871 (8)		15,210,923 (25)
Total Current Assets		**17,430,575**		**17,472,962**
Fixed Assets				
Contributed Fixed Assets		18,017,085		18,017,085
Purchased Fixed Assets		36,728,489		35,403,036
Sub-Total		54,745,574		53,420,121
Less - Accumulated Depreciation		(30,908,600)		(30,085,549)
Net Fixed Assets		**23,836,974** (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		**41,289,699**		**40,829,683**
LIABILITIES				
Current Liabilities				
Accounts Payable		746,736		436,933
Deferred Dues Fees & Programs		3,270,558		4,524,612
Accrued Payroll		98,960		58,200
Compensation Liability		-		-
MCF Refund Liability		141,000		141,000
In-Kind Lease Liability -Current		4,938		2,250
Operating ROU Liability - Current		5,510		5,510
Financing ROU Liability - Curent		10,321		10,321
Total Current Liabilities		**4,278,023**		**5,178,826**
In-Kind Lease Liability - LT		37,149		41,149
Notes Payable		22,000		11,000
Financing ROU Laibility - LT		-		-
Total Long Term Liabilities		**59,149**		**52,149**
TOTAL NET ASSETS		**36,952,527** (10)		**35,598,709** (27)
NET ASSETS				
Temporarily Designated:				
Board Designated:				
Emergency		615,934 (11)		573,244 (28)
Maint - Repair - Replacement		8,264,457 (12)		7,385,186 (29)
Initiatives		1,451,448 (13)		1,339,862 (30)
Pools & Spas		2,046,455 (14)		1,697,677 (31)
Sub-Total		**12,378,294** (15)		**10,995,969**
Unrestricted Net Assets		23,220,415		24,602,740
Net change Year-to-Date		1,353,818 (16)		-
Unrestricted Net Assets		**24,574,233** (17)		**24,602,740**
TOTAL NET ASSETS		**36,952,527**		**35,598,709**
TOTAL LIABILITIES & NET ASSETS		**41,289,699**		**40,829,683**

GVR

Green Valley Recreation, Inc.

Summary Statement of Activities

YTD Period: 7 month period ending July 31, 2026

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

	PRIOR YEAR COMPARISON				BUDGET COMPARISON					
	2025 YTD Actual	2026 YTD Actual	Year to Year Variance	%	YTD Actual	YTD Budget	YTD Variance	%	Fiscal Year Budget	Remaining FY Budget
Revenue										
Member Dues	4,295,679	4,420,648	124,970	2.9%	4,420,648	4,415,227	5,422	0.1%	7,568,960	3,148,312
LC,Trans., Crd Fees.	466,288	472,050	5,762	1.2%	472,050	528,661	(56,611)	(10.7%)	800,700	328,649
Capital Revenue	1,681,706	1,673,616	(8,090)	(0.5%)	1,673,616	1,867,297	(193,681)	(10.4%)	2,860,800	1,187,184
Programs	207,356	274,481	67,125	32.4%	274,481	287,386	(12,904)	(4.5%)	571,456	296,975
Instructional	316,463	370,632	54,168	17.1%	370,632	297,559	73,073	24.6%	498,000	127,368
Recreational Revenue	***523,820***	***645,113***	***121,293***	**23.2%**	***645,113***	***584,945***	***60,168***	**10.3%**	***1,069,456***	***424,343***
Investment Income	***294,106***	***301,512***	***7,406***	**2.5%**	***301,512***	***253,750***	***47,762***	**18.8%**	***435,000***	***133,488***
Advertising Income	-	-	-	0.0%	-	-	-	0.0%	-	-
Cell Tower Lease Inc.	31,784	30,248	(1,536)	(4.8%)	30,248	28,536	1,712	6.0%	48,919	18,671
Comm. Revenue	***31,784***	***30,248***	***(1,536)***	**(4.8%)**	***30,248***	***28,536***	***1,712***	**6.0%**	***48,919***	***18,671***
Other Income	74,449	151,781	77,333	103.9%	151,781	76,040	75,742	99.6%	117,350	(34,431)
Facility Rent	10,170	7,610	(2,560)	(25.2%)	7,610	10,862	(3,252)	(29.9%)	18,620	11,010
Marketing Events	-	-	-	0.0%	-	-	-	0.0%	-	-
In-Kind Contributions	2,333	1,313	(1,021)	(43.7%)	1,313	2,333	(1,021)	(43.7%)	4,000	2,688
Del Sol Café Revenue	6	28,445	28,439	473,979%	28,445	-	28,445	0.0%	-	(28,445)
Other Revenue	***86,958***	***189,149***	***102,191***	**117.5%**	***189,149***	***89,235***	***99,914***	**112.0%**	***139,970***	***(49,179)***
Total Revenue	***7,380,341***	***7,732,336***	***351,995***	**4.8%**	***7,732,336***	***7,767,650***	***(35,315)***	**(0.5%)**	***12,923,805***	***5,191,469***
Expenses										
Major Proj.-Rep. & Maint.	115,767	125,109	(9,342)	(8.1%)	125,109	139,399	14,290	10.3%	238,970	113,861
Facility Maintenance	282,119	184,228	97,891	34.7%	184,228	245,933	61,705	25.1%	421,600	237,372
Fees & Assessments	326	347	(21)	(6.4%)	347	583	236	40.5%	1,000	653
Utilities	587,528	560,794	26,734	4.6%	560,794	626,839	66,045	10.5%	1,084,093	523,299
Depreciation	792,367	823,051	(30,684)	(3.9%)	823,051	739,970	(83,081)	(11.2%)	1,268,520	445,469
Furniture & Equipment	170,750	231,679	(60,929)	(35.7%)	231,679	132,662	(99,016)	(74.6%)	229,874	(1,805)
Vehicles	40,789	60,866	(20,077)	(49.2%)	60,866	46,667	(14,200)	(30.4%)	80,000	19,134
Facilities & Equipment	***1,989,646***	***1,986,075***	***3,571***	**0.2%**	***1,986,075***	***1,932,054***	***(54,020)***	**(2.8%)**	***3,324,057***	***1,337,982***
Wages	2,603,919	2,656,087	(52,169)	(2.0%)	2,656,087	2,674,172	18,085	0.7%	4,584,295	1,928,207
Payroll Taxes	205,477	215,996	(10,519)	(5.1%)	215,996	215,443	(553)	(0.3%)	355,699	139,703
Benefits	533,818	557,330	(23,512)	(4.4%)	557,330	528,434	(28,896)	(5.5%)	897,672	340,342
Personnel	***3,343,213***	***3,429,413***	***(86,200)***	**(2.6%)**	***3,429,413***	***3,418,049***	***(11,364)***	**(0.3%)**	***5,837,665***	***2,408,252***
Food & Catering	15,370	36,184	(20,814)	(135.4%)	36,184	52,843	16,658	31.5%	78,698	42,514
Recreation Contracts	374,280	416,128	(41,848)	(11.2%)	416,128	371,812	(44,316)	(11.9%)	651,787	235,659
Bank & Credit Card Fees	38,992	44,454	(5,461)	(14.0%)	44,454	53,691	9,237	17.2%	67,895	23,442
Program	***428,643***	***496,766***	***(68,124)***	**(15.9%)**	***496,766***	***478,345***	***(18,421)***	**(3.9%)**	***798,380***	***301,614***
Communications	68,232	67,553	679	1.0%	67,553	62,749	(4,805)	(7.7%)	107,569	40,016
Printing	53,966	65,515	(11,549)	(21.4%)	65,515	75,750	10,235	13.5%	129,500	63,985
Advertising	3,818	28,949	(25,131)	(658.2%)	28,949	6,417	(22,532)	(351.2%)	11,000	(17,949)
Communications	***126,016***	***162,017***	***(36,001)***	**(28.6%)**	***162,017***	***144,915***	***(17,102)***	**(11.8%)**	***248,069***	***86,052***
Supplies	322,005	241,849	80,156	24.9%	241,849	324,279	82,430	25.4%	570,906	329,057
Postage	14,191	10,090	4,101	28.9%	10,090	16,073	5,983	37.2%	21,125	11,035
Dues & Subscriptions	15,771	9,524	6,246	39.6%	9,524	7,984	(1,540)	(19.3%)	13,687	4,163
Travel & Entertainment	315	-	315	100.0%	-	1,400	1,400	100.0%	2,400	2,400
Other Operating Expense	60,763	54,647	6,116	10.1%	54,647	56,972	2,325	4.1%	107,672	53,025
Operations	***413,045***	***316,111***	***96,935***	**23.5%**	***316,111***	***406,708***	***90,597***	**22.3%**	***715,790***	***399,679***
Information Technology	71,318	44,802	26,517	37.2%	44,802	83,287	38,485	46.2%	142,777	97,975
Professional Fees	134,490	139,373	(4,883)	(3.6%)	139,373	150,809	11,436	7.6%	234,350	94,977
Commercial Insurance	239,762	267,608	(27,846)	(11.6%)	267,608	260,787	(6,820)	(2.6%)	447,064	179,456
Taxes	-	-	-	0.0%	-	-	-	0.0%	53,532	53,532
Conferences & Training	6,806	1,437	5,368	78.9%	1,437	14,117	12,679	89.8%	24,200	22,763
Employee Recognition	6,556	6,086	470	7.2%	6,086	7,583	1,497	19.7%	13,000	6,914
Provision for Bad Debt	-	-	-	0.0%	-	-	-	0.0%	-	-
Corporate Expenses	**458,933**	**459,306**	**(373)**	**(0.1%)**	**459,306**	**516,583**	**57,277**	**11.1%**	**914,923**	**455,617**
Expenses	***6,759,496***	***6,849,687***	***(90,192)***	**(1.3%)**	***6,849,687***	***6,896,654***	***46,966***	**0.7%**	***11,838,884***	***4,989,197***
										-
Gross Surplus(Rev-Exp)	620,845	882,648	261,803	**42.2%**	882,648	870,996	11,652	**1.3%**	1,084,921	202,272
Net. Gain/Loss on Invest.	327,185	471,170	143,985		471,170	-	471,170		-	(471,170)
Net from Operations	948,030	1,353,818	405,788	**42.8%**	1,353,818	870,996	482,822		1,084,921	(268,898)

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Project Name	Center Location	Scope of Work	Estimated Construct. Start	Estimated Construct. Finish	Status-Complete	Summary Notes/Next Steps	Funding Sources	Budget Total	Expenses To Date	Balance
Abrego South Pool and Locker Rooms	Abrego South	Demolish existing pool facilities. Design and construct new pool, spa, and locker rooms.	Sep-26	Apr-27	Design- 75%	Design in process to achieve 100% construction documents by end of August. Durazo Construction contract approved for $1,577,520. Plans are at 70% completion. Evaluating electricial, structural.	Initia. $250k MRR-B $1.651k	$ 1,901,539	$ 80,510	$ 1,821,029
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-60%	Masonry walls, roof joists, and interior walls complete. Final roofing and electrical in process. Continue with construction cost refinements, value-engineering, and plan adjustments.	Initia. $991k Initia. $43k	$ 1,034,000	$ 339,788	$ 694,212
West Center Membership Services Expansion	West Center	Expand Membership Services offices in Auditorium lobby. Add lobby counters for staff and events.	May-26	Aug-26	Construction-95%	Awarded contract to Rio West for $123,392. Electrical and new West Center fire alarm almost complete. Drywall complete. Millwork in stalled 8/3. Flooring soon. Completion date 8/21 or earlier.	Initiatives	$ 190,000	$ 108,058	$ 81,942
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-99%	Awarded low-bid contract to Rio West for $90,366. Demolition, framing, electrical, drywall, paint, flooring, locker rooms complete. Installation of 3 mirrors in Cypress Room this week.	Initiatives	$ 100,000	$ 6,538	$ 93,462
SRS Fitness Center Expansion	Santa Rita Springs	Remove corner RSA office to expand floor area in fitness room. Paint and patch to match.	Aug-26	Sep-26	Construction-0%	Awarded low bid contract to Rio West for $17,151. Demo work to begin 8/24. Task list: remove mini-split, decide on finishes.	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 Regular Meeting

Approve Corporate Policy Manual (CPM) Changes

Prepared By: Nanci Moyo, Board Admin. **Meeting Date:** August 26, 2026

Presented By: Scott Somers, CEO

Originating Committee / Department: Administration
Action Requested: Discuss and review needed changes to the Corporate Policy Manual (CPM) due to the recent 2026 Election Bylaw Amendments regarding committees.
Strategic Plan: GOAL 5: Provide sound, effective governance and leadership for the corporation
Background Justification: The Bylaw Amendments were passed in the 2026 Election which changed the Committee structure and how the Committee members are appointed. Three Committees were kept as Standing Committees: Board Affairs, Fiscal Affairs, and Investments. The Audit Committee is a Special Committee. The Nominations & Elections and Planning & Evaluation Committees were absorbed by Board Affairs and Fiscal Affair Committees, respectively. Due to this change in the Bylaws, the CPM needs to be updated to reflect these changes.
Board Options: 1) Approve the changes made to the CPM per staff request and Board Affairs Committee approval. 2) Amend and Approve the CPM per Board discussion. 3) Continue editing the CPM and move to the next BAC meeting.
Staff Recommendation: Option 1
Recommended Motion: Move to approve the changes made to the CPM, per staff request, and Board Affairs approval.
Attachments: 1) Redline CPM – only where there are changes 2) Clean CPM – only where there are changes

PART 2: BOARD OF DIRECTORS

SECTION 1 – GOVERNANCE

2.2.4 Director Vacancies

A. Any vacancy on the Board, shall, if possible, be filled by an unsuccessful candidate from the most recent election. Priority will be given to the candidate who received the higher number of votes.

B. The Board President will contact unsuccessful candidates in an order based on the number of votes each received, to determine willingness to fill the Director vacancy.

C. If there is no unsuccessful candidate from the most recent election who is willing and able to serve as a Successor Director, the ~~Nominations & Elections~~ Board Affairs Committee shall advertise and recruit individuals from among regular members in good standing to serve as a Successor Director, and will present a slate of candidates to the Board.

D. Candidates for the Successor Director position shall:
   1. Complete an application ~~and answers to a list of questions prepared by the Nominations & Elections Committee~~ for Board consideration, and
   2. Address the Board prior to the election of the Successor Director at a meeting of the Board where the election of Successor Director shall occur.

E. The Board will vote by secret ballot to elect a Successor Director from among the slate of candidates presented by the ~~Nominations & Elections~~ Board Affairs Committee.

PART 3: COMMITTEES

SECTION 1 – GENERAL

3.1.1 Committees of The Board of Directors

A. Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. Each Committee will have a staff liaison selected by the CEO.

B. Each Director shall have the opportunity to, and be encouraged to, serve on at least one Committee, and not more than two (2). The Board President is ex officio to all Committees, except for Audit Committee ~~and Nominations & Elections Committee~~. ~~As soon as possible,~~Following the Annual Meeting, Directors shall inform the President of their committee preference(s) and/or willingness to be a committee chair.

C. Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.

D. Members are encouraged to apply for committee positions and if possible, serve for multiple years. It is recommended that chairs seek to have at least 1/3 new members each year and limit committee participation to no more than six (6) consecutive years.

E. The Board will establish the responsibilities of the Committees as an advisory role to the Board for policy recommendations. Committees do not have authority to create policy, contract for services, expend or commit funds, or contact Board-appointed contractors such as, but not limited to, attorneys.

F. Standing committees are suggested to be a minimum of five (5) members including the Chairperson and one other Director, and a suggested maximum of nine (9) members.

G. Committee members shall be GVR members in good standing and must submit an application for a Committee appointment. The President, Chairperson, and CEO will review applications and present the slate to the Board for approval at the Special Meeting in April. ~~After review of the applications the Chairperson will select Committee members and inform the Board of the appointments at the April meeting.~~ Staff, as liaisons to the Committees, will be selected by the CEO. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President and CEO, approved by the Board.

H. Neither a Committee Chairperson, nor a committee may direct staff. 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.

I. The President may establish Special or Ad Hoc Committees comprised of members/assigned members in good standing, Directors and administrative staff as assigned by the CEO.

J. Committees are not required to follow Robert's Rules of Order.

K. Meetings ~~shall be~~ are on a set schedule by staff ~~by the Chairperson~~ and shall be conducted as needed, but not less than quarterly.

L. Directors may attend any Committee meeting, whether open or closed.

M. All materials for the Committee meeting will be available online three (3) business days before the meeting except for closed meeting materials. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.

N. Committee meetings will be open to all members, but may be held in closed session, at the discretion of the Committee or Subcommittee.

SECTION 2 - BOARD AFFAIRS COMMITTEE

3.2.1 Membership

To the extent possible, the Board Affairs Committee shall consist of GVR members who should have knowledge of Corporate Bylaws and Policies.

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.

~~D.~~E. Nominations

1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
2. Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.

F. Election Process

1. Any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately.
2. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
3. The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the ~~Nominations and Elections (N&E)~~ BAC Chairperson or their representative. (Bylaws Article V Section 3)

4. In the election of Directors, if two or more GVR Board candidates receive an equal number of votes from the GVR membership in the GVR annual election, after recount by the entity responsible for counting the said votes, the current Board president shall determine by single coin flip (if just two candidates are tied) or if multiple ties (if three or more candidates are tied), all names go into the hat and the first 2 names pulled out will participate in the first coin toss, and continue coin tosses, in the presence of the tied candidates, for the final order of finish for said candidates. If there are fewer than 0.5 percent of valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than 0.5 percent of vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.

G. Election Forums for Members

Arrange one or more election forums for members to attend to hear the candidates answer questions arranged by the ~~N&E Committee~~ BAC and questions from the members.

H. Election Results

1. The Chairperson shall notify the Board Secretary of the results of the election.
2. ~~2.~~ The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.

SECTION 3 – FISCAL AFFAIRS COMMITTEE

3.3.1 Membership

To the extent possible, the Committee will include members knowledgeable of financial management.

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.

F. Review and recommend the capital projects for the Capital Improvement Plan to the Board, per the CPM.

~~E.~~G. To be knowledgeable of the Strategic Plan and Five-Year Capital Plan to ensure that all planned capital projects comply with these plans.

~~SECTION 4 – PLANNING & EVALUATION COMMITTEE~~

~~3.4.1 Membership~~

~~To the extent possible, the Committee will include members knowledgeable about capital project planning and evaluation processes.~~

~~3.4.2 Responsibilities~~

~~A.~~ **~~Meet quarterly, or as necessary, to review and recommend the capital projects for the Capital Improvement Plan to the Board, per the CPM.~~**

~~B.~~H. ~~To be knowledgeable of the Strategic Plan and Five-Year Capital Plan to ensure that all planned capital projects comply with these plans.~~

SECTION 5 - AUDIT COMMITTEE

3.5.1 Membership

To the extent possible, the Audit Committee shall have at least two GVR members who should have knowledge of financial reporting and internal control procedures. The committee shall have no fewer than three and no more than five members.

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.

~~SECTION 6 – NOMINATIONS & ELECTIONS COMMITTEE~~

~~3.6.1 Membership~~

~~To the extent possible, the Nominations and Elections Committee (N&E) shall consist of the Chairperson, who shall be a Director, at least one (1) other Director on the Committee, and a minimum of two (2) members who shall represent various geographic areas to the extent possible.~~

~~Any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately.~~

~~3.6.2 Responsibilities~~

~~A.~~ **~~Nominations~~**

~~1.~~ **~~Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.~~**

~~2.~~ **~~Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.~~**

~~B.~~ **~~Election Process~~**

~~1.~~ **~~Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.~~**

~~2.~~ **~~The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the Nominations and Elections (N&E) Chairperson or their representative. (*Bylaws Article V Section 3*)~~**

~~3.~~ **~~In the election of Directors, if two or more GVR Board candidates receive an equal number of votes from the GVR membership in the GVR annual election, after recount by the entity responsible for counting the said votes, the~~**

~~current Board president shall determine by single coin flip (if just two candidates are tied) or multiple coin flips (if three or more candidates are tied), in the presence of the tied candidates, the final order of finish for said candidates. If there are fewer than fifty (50) valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than a fifty (50) vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.~~

~~C. Election Forums for Members~~

~~Arrange two (2) election forums for members to attend to hear the candidates answer questions arranged by the N&E Committee and questions from the members.~~

~~D. Election Results~~

~~1. The Chairperson shall notify the Board Secretary of the results of the election.~~

~~2.~~8. ~~The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.~~

SECTION 7 - INVESTMENTS COMMITTEE

3.7.1 Membership

To the extent possible, the Investments Committee (IC) shall consist of at least two GVR Members who should be knowledgeable in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.

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 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.

5.5.2 Policy

Type II: FUTURE AND LONG-TERM CAPITAL IMPROVEMENT PROJECTS - Each year, GVR staff will develop a recommended Five-Year Capital Improvement Plan (CIP) and Capital Budget accordingly for such capital improvement projects from capital reserve funds and capital non-reserve funds. Funding and inception of these projects begin in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

a. Does the proposed project meet the definition of a capital improvement project? See Part 5, Section 1, Subsection 5.1.1. If yes, then proceed to #2.
b. Is the proposed projects:
   unplanned and unbudgeted?
   anticipated to begin in a future year?
   not a club responsibility per the CPM and Club Agreement?

   If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital improvement project. Proceed to Assessment Phase.

2. Assessment Phase
   Staff completes the Capital Improvement Project Assessment for all completed and timely applications.

The following apply only to Type I Capital Improvement Projects:

a. Staff evaluates proposals and notifies the Board of Directors of the approved project proposals. Project(s) moves forward with no further review or approval required.
b. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

The following apply only to Type II Capital Improvement Projects:

~~a.~~ Upon annual staff assessment and recommendation of projects and plans, Staff presents the recommended Five-Year Capital Improvement Plan (CIP) to the ~~Planning and Evaluation Committee (P&E)~~Fiscal Affairs Committee (FAC). The FAC~~P&E Committee~~ develops a recommendation of the Five-Year Capital Improvement

Plan (CIP) ~~to the Board of Directors for consideration during the annual budget approval process.~~

b. ~~Staff presents the recommended Five-Year Capital Improvement Plan (CIP) and the Capital Budget to the Fiscal Affairs Committee (FAC). The FAC develops~~ funding recommendations of the Five-Year Capital Improvement Plan (CIP) and the Capital Budget to the Board of Directors during the annual budget approval process.

c. Staff presents the ~~P & E and~~ FAC recommendations to the Board of Directors, ~~and notes any discrepancies between the two committees and/or~~ with staff recommendations, of the Five-Year Capital Improvement Plan (CIP) and the Capital Budget. The Board of Directors considers approval of the Five-Year Capital Improvement Plan (CIP) and Capital Budget as part of the annual budget approval process.

PART 2: BOARD OF DIRECTORS

SECTION 1 – GOVERNANCE

2.2.4 Director Vacancies

A. Any vacancy on the Board, shall, if possible, be filled by an unsuccessful candidate from the most recent election. Priority will be given to the candidate who received the higher number of votes.

B. The Board President will contact unsuccessful candidates in an order based on the number of votes each received, to determine willingness to fill the Director vacancy.

C. If there is no unsuccessful candidate from the most recent election who is willing and able to serve as a Successor Director, the Board Affairs Committee shall advertise and recruit individuals from among regular members in good standing to serve as a Successor Director, and will present a slate of candidates to the Board.

D. Candidates for the Successor Director position shall:
   1. Complete an application for Board consideration, and
   2. Address the Board prior to the election of the Successor Director at a meeting of the Board where the election of Successor Director shall occur.

E. The Board will vote by secret ballot to elect a Successor Director from among the slate of candidates presented by the Board Affairs Committee.

PART 3: COMMITTEES

SECTION 1 – GENERAL

3.1.1 Committees of The Board of Directors

A. Standing and Special/Ad Hoc Committee Chairpersons must be Directors. Chairpersons shall be nominated by the President, subject to approval of the Board. Each Committee will have a staff liaison selected by the CEO.

B. Each Director shall have the opportunity to, and be encouraged to, serve on at least one Committee, and not more than two (2). The Board President is ex officio to all Committees, except for Audit Committee. Following the Annual Meeting, Directors shall inform the President of their committee preference(s) and/or willingness to be a committee chair.

C. Board standing Committee Chairpersons shall remain active until the appointment of new Committee Chairpersons.

D. Members are encouraged to apply for committee positions and if possible, serve for multiple years. It is recommended that chairs seek to have at least 1/3 new members each year and limit committee participation to no more than six (6) consecutive years.

E. The Board will establish the responsibilities of the Committees as an advisory role to the Board for policy recommendations. Committees do not have authority to create policy, contract for services, expend or commit funds, or contact Board-appointed contractors such as, but not limited to, attorneys.

F. Standing committees are suggested to be a minimum of five (5) members including the Chairperson and one other Director, and a suggested maximum of nine (9) members.

G. Committee members shall be GVR members in good standing and must submit an application for a Committee appointment. The President, Chairperson, and CEO will review applications and present the slate to the Board for approval at the Special Meeting in April. Staff, as liaisons to the Committees, will be selected by the CEO. Vacancies on the Committee during the year may be filled by the Chairperson after consulting with the President and CEO, and approved by the Board.

H. Neither a Committee Chairperson, nor a committee may direct staff. 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.

I. The President may establish Special or Ad Hoc Committees comprised of members/assigned members in good standing, Directors and administrative staff as assigned by the CEO.

J. Committees are not required to follow Robert's Rules of Order.

K. Meetings are on a set schedule by staff and shall be conducted as needed, but not less than quarterly.

L. Directors may attend any Committee meeting, whether open or closed.

M. All materials for the Committee meeting will be available online three (3) business days before the meeting except for closed meeting materials. If the deadline for item consideration is not met, the item will be placed on the next scheduled Committee meeting agenda.

N. Committee meetings will be open to all members, but may be held in closed session, at the discretion of the Committee or Subcommittee.

SECTION 2 - BOARD AFFAIRS COMMITTEE

3.2.1 Membership

To the extent possible, the Board Affairs Committee shall consist of GVR members who should have knowledge of Corporate Bylaws and Policies.

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.

E. Nominations
   1. Submit a slate of qualified candidates to the Board at least ninety (90) days prior to the Annual Meeting.
   2. Submit a slate of qualified petition candidates to the Board at least sixty (60) days prior to the Annual Meeting.

F. Election Process
   1. Any member of the Committee who becomes a candidate for election to the Board shall resign from the Committee immediately.
   2. Recommend to the Board a record date to determine the eligible roster of voting members which shall be no more than thirty (30) days prior to the election. If the Board fails to set a record date, the record date shall be the date of ballot delivery.
   3. The counting of ballots, at the discretion of the Board may be conducted by an independent organization (e.g., Pima County Elections or electronic voting firm), in which case the results shall be obtained from the organization by the BAC Chairperson or their representative. (Bylaws Article V Section 3)
   4. In the election of Directors, if two or more GVR Board candidates receive an equal number of votes from the GVR membership in the GVR annual election, after recount by the entity responsible for counting the said votes, the current Board president shall determine by single coin flip (if just two candidates are tied) or if multiple ties (if three or more candidates are tied), all

names go into the hat and the first 2 names pulled out will participate in the first coin toss, and continue coin tosses, in the presence of the tied candidates, for the final order of finish for said candidates. If there are fewer than 0.5 percent of valid votes separating the last successful candidate and the first unsuccessful candidate in the election, or less than 0.5 percent of vote difference on any other ballot issue, then the Board may, at its sole discretion, order a recount.

G. Election Forums for Members
Arrange one or more election forums for members to attend to hear the candidates answer questions arranged by the BAC and questions from the members.

H. Election Results
1. The Chairperson shall notify the Board Secretary of the results of the election.
2. The Committee Chairperson shall report the establishment of a quorum and the election results at the Annual Meeting. Successful candidates shall be announced in the order of the total votes received. The results of the ballot for any other matters shall be announced in the order in which the items appeared on the ballot.

SECTION 3 – FISCAL AFFAIRS COMMITTEE

3.3.1 Membership

To the extent possible, the Committee will include members knowledgeable of financial management.

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.

F. Review and recommend the capital projects for the Capital Improvement Plan to the Board, per the CPM.

G. To be knowledgeable of the Strategic Plan and Five-Year Capital Plan to ensure that all planned capital projects comply with these plans.

SECTION 5 - AUDIT COMMITTEE

3.5.1 Membership

To the extent possible, the Audit Committee shall have at least two GVR members who should have knowledge of financial reporting and internal control procedures. The committee shall have no fewer than three and no more than five members.

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.

SECTION 7 - INVESTMENTS COMMITTEE

3.7.1 Membership

To the extent possible, the Investments Committee (IC) shall consist of at least two GVR Members who should be knowledgeable in the investment of financial assets and, to the extent practical, experienced in investment management and/or investment oversight.

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 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.

5.5.2 Policy

Type II: FUTURE AND LONG-TERM CAPITAL IMPROVEMENT PROJECTS - Each year, GVR staff will develop a recommended Five-Year Capital Improvement Plan (CIP) and Capital Budget accordingly for such capital improvement projects from capital reserve funds and capital non-reserve funds. Funding and inception of these projects begin in subsequent years. These projects tend to be larger in scope and require significant planning.

Staff provides an initial review by following the listed process:

a. Does the proposed project meet the definition of a capital improvement project? See Part 5, Section 1, Subsection 5.1.1. If yes, then proceed to #2.
b. Is the proposed projects:
   unplanned and unbudgeted?
   anticipated to begin in a future year?
   not a club responsibility per the CPM and Club Agreement?

   If all questions can be answered in the affirmative, the proposal may qualify as a Type II capital improvement project. Proceed to Assessment Phase.

2. Assessment Phase
   Staff completes the Capital Improvement Project Assessment for all completed and timely applications.

The following apply only to Type I Capital Improvement Projects:

a. Staff evaluates proposals and notifies the Board of Directors of the approved project proposals. Project(s) moves forward with no further review or approval required.
b. If funding is left over after round one, members will be invited to apply again for round two (opening June 1 each year) and all steps will be repeated.

The following apply only to Type II Capital Improvement Projects:

a. Upon annual staff assessment and recommendation of projects and plans, Staff presents the recommended Five-Year Capital Improvement Plan (CIP) to the Fiscal Affairs Committee (FAC). The FAC develops a recommendation of the Five-Year Capital Improvement Plan (CIP) funding recommendations of the Five-Year Capital Improvement

Plan (CIP) and the Capital Budget to the Board of Directors during the annual budget approval process.

b. Staff presents the FAC recommendations to the Board of Directors, with staff recommendations, of the Five-Year Capital Improvement Plan (CIP) and the Capital Budget. The Board of Directors considers approval of the Five-Year Capital Improvement Plan (CIP) and Capital Budget as part of the annual budget approval process.