

RECREATION CENTERS OF SUN CITY, INC.
MINUTES OF THE REGULAR BOARD MEETING
Thursday, December 17, 2009

PRESENT: Warren Hoffmann, President; Sue Painter, Treasurer; Diane Worth, Secretary; Jim Bishop, Craig Brown, Denny Nichols and Tom Loegering, Directors

ABSENT: Gene Westemeier, Vice President

ALSO PRESENT: Jan Ek, General Manager; Jim Wellman, Assistant General Manager; John Snyder, Director of Golf & Grounds; Linda Menna, Executive Assistant to AGM; Deanna Szentmiklosi, Executive Assistant to GM; Helen Thiel, Board Executive Coordinator, 140 RCSC cardholders and members of the press.

The meeting was called to order at 9:00am by President Hoffmann.

- **Board Quorum:** Secretary Worth verified that a Board Quorum was present.
- **Minutes:** The minutes of the November 19, 2009 Regular Board Meeting were approved as printed.
- **Retiring Directors:** President Hoffmann and Director Nichols are completing their terms of office at the end of 2009. Both thanked the Board, volunteers and the RCSC team for support during their tenure on the Board.
- **Installation of New Directors:** The four new Directors, elected at the December 8, 2009 election, were installed by President Hoffmann. The newly installed Directors are Jim Bishop, Vance Coleman and Jim Bishop, elected for three year terms, and Carey Shore, elected to serve a one year term.
- **Management Reports:** Management reports were given by Jan Ek, General Manager; Jim Wellman, Assistant General Manager and John Snyder, Director of Golf and Grounds. These reports can be viewed on www.sunaz.com.

Directors Reports:

Clubs Organization Committee (COC): Director Painter reported the Committee will meet on January 13, 2010 at 8:30am in the Lakeview Board Room.

Fairway Library: Director Nichols reported that an agreement has been reached and Maricopa County will open a library branch at the Fairway Center. There is no firm opening date but Maricopa County is looking towards a potential opening in March of 2010.

SCHOA/SCTPA: Secretary Worth, as liaison to the Sun City Homeowners Association and Sun City Taxpayers Association, reported continued efforts to keep communication open with the other Sun City organizations and efforts to work together for the residents of Sun City. The SCTPA has been

meeting with the Water Board, protesting Sun City's inclusion in the bundling with other communities, which will increase the costs of water for Sun City residents.

Insurance: Director Brown reported a meeting of the Insurance Committee will be held on January 26, 2010 at 9:00am in the Lakeview Board Room. This meeting will be a review of policies and preparation for the insurance renewal process.

Member Comments: Questions were asked and comments were made by several members regarding Motion #1 and Motion #5. A member congratulated the Board for the work done on Fairway, Phase I and encouraged the Board to move forward with Phase II. Another member commented on committee meetings and legal fees. Members were also reminded of the many events for the 50th Anniversary celebration. A question was also asked about the Viewpoint Lake study currently being conducted.

MOTIONS:

MOTION #1: Firearms & Deadly Weapons – Director Brown moved that Board Policy No. 23 titled “Firearms & Deadly Weapons”, as amended, be approved in its entirety and replaces Board Policy No. 23 titled the same. Seconded by Director Bishop, the motion was unanimously approved.

MOTION #2: Board Policy #2 – Sun City Foundation: Secretary Worth moved that Board Policy Resolution No. 2 titled “Sun City Foundation,” as amended, be approved in its entirety and replaces Board Policy No. 2 titled the same. Seconded by Treasurer Painter, the motion was unanimously approved.

MOTION #3: 2010 Operating & Capital Budget: Treasurer Painter moved that the 2010 Operating and Capital Budget be approved as follows:

| | |
|----------------------------------|--------------|
| Total Income | \$17,440,679 |
| Wages | \$ 6,773,314 |
| Payroll Taxes & Benefits | \$ 1,874,797 |
| Repair & Maintenance | \$ 1,825,783 |
| Utilities | \$ 2,383,602 |
| Operating Expenses | \$ 1,845,981 |
| Cost of Goods Sold | \$ 653,732 |
| Taxes, Insurance, Other Expenses | \$ 470,896 |
| Capital Projects & Equipment | \$ 3,212,574 |

Further, Treasurer Painter moved that in order to balance the 2010 Operating and Capital Budget that \$1.6M of the proceeds from the insurance settlement be allocated, and that there be no increase in fees or annual property assessments as part of the 2010 Operating and Capital Budget. Seconded by Director Nichols, the motion was unanimously approved.

MOTION #4: Board Policy #5 – Initiative Referendum: Director Bishop moved that Board Policy No. 5 titled “Initiative Referendum & Recall Petitions”, as amended, be approved in its entirety and

replaces previous Board Policy No. 5 titled the same. Seconded by Director Brown, the motion was unanimously approved.

MOTION #5: Corporate Bylaws: Director Nichols moved that the Corporate Bylaws, as amended, be approved in its entirety and replaces any previous versions of the Corporate Bylaws. Seconded by Director Bishop, the motion was unanimously approved.

MOTION #6: Rockin' Dance Club charter: Treasurer Painter moved that, based on the recommendation of the Clubs Organization Committee (COC), the Rockin' through the Years Dance Club be approved as a Chartered Club. Seconded by Director Brown, the motion was unanimously approved.

The Meeting was adjourned at 10:55am.

The next Board of Directors meeting will be on Thursday, January 28, 2010, following the Annual Membership meeting at 9:00 a.m. in the Sundial Auditorium.

Submitted by:

Diane B. Worth, Secretary