

# RECREATION CENTERS OF SUN CITY, INC.

## MINUTES OF THE REGULAR BOARD MEETING

**Thursday, June 25, 2009**

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

**ABSENT:** Gene Westemeier, **Vice President**; Denny Nichols, **Director**

**ALSO PRESENT:** Jim Wellman, **Assistant General Manager**; Chris Herring, **Director of Support & Services**; Randy Johnson, **Bowling Manager**; Deanna Szentmiklosi, **Executive Assistant to GM**; Linda Menna, **Executive Assistant to AGM**; Tim Gallen, **Communications**; Sue Presta, **Golf Administrative Coordinator**; Helen Thiel, **Board Executive Coordinator** and 78 RCSC cardholders.

President Hoffmann convened the meeting at 9:11 a.m. Pledge of Allegiance was recited by all.

- **Board Quorum:** Secretary Worth verified that a Board Quorum was present.
- **Minutes:** The minutes of the May 28, 2009 Regular Board Meeting were approved as printed.
- **Management Reports:** The management reports were given by Jim Wellman, Assistant General Manager; Chris Herring, Director of Support & Services; Marion Krell, Director of Human Resources and Randy Johnson, Bowling Manager. Jan Ek's and John Snyder's reports were read by Jim Wellman. These reports can be viewed on [www.sunaz.com](http://www.sunaz.com).

### **DIRECTORS REPORTS:**

*Golf Ad Hoc:* Director Loegering advised that the committee will meet in the Board Room at Lakeview at 4:00 p.m. that afternoon

*Insurance:* The committee met on June 16<sup>th</sup> for the final presentation by The Hays Companies regarding the renewal of the policies expiring on June 30, 2009, Director Brown reported. Understated property values were revised. Losses were reviewed and the broker was able to hold the line on the rate. The loss experience in Workers Compensation Insurance went down thereby reducing RCSC's rate. However, NCCI (National Council on Compensation Insurance, Inc.) increased the rate in Arizona almost 22%

*Clubs:* The Club Coordinators signed off on the updates to Board Policy 12A and it will now be presented to the RCSC Board for approval, Treasurer Painter reported.

*Sun City Foundation:* Director Bishop, who is President of Sun City Foundation, reported a huge increase in the last six months in the number of members applying for financial aid to pay

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their annual property assessment. Foundation Board members work the year-round interviewing applicants to determine their eligibility. A Benefits Training class was attended by a number of Directors to provide them with information to help those in need. RCSC President Hoffmann advised that the Foundation is not part of the RCSC and funds to pay the annual assessments come from donations.

*Properties:* The inspectors are unsung heroes who inspect the structures at the centers and golf courses and make recommendations for improvements, if necessary, Secretary Worth advised. She stated that one more volunteer is needed to fill a slot on the Centers inspection team.

### **PRESIDENT'S REPORT:**

President Hoffmann debunked a number of misstatements and innuendoes printed in a Letter to the Editor in local newspapers. He advised the writer and others who were making misleading and false statements to read the Articles of Incorporation, the Corporate Bylaws and the Board Policies to become familiar with the rules and regulations governing the RCSC.

### **MEMBER COMMENTS:**

*Neil Hamilton, 102304:* Invited golfers to join him and other at North Golf Course on Fridays for a Best Ball challenge to benefit various veterans' organizations. Entry fee is \$4.00. He commended the military for its efforts in keeping this country free and asked that others join him in supporting the veterans.

*David Mussaf, 100430:* Stated that Sun City Foundation assistance programs and applications for financial aid should be on the website. He continues to disagree with the Board's decision to remove a Director in a closed session. Wanted to know the exact number of member cardholders. He was advised to complete and submit a request form to get this information.

*Ken Fold, 68315:* He is watching the value of the project at Fairway increase day by day and asked how this growing value was covered by insurance. Director Brown advised that a Course of Construction policy is in force until a Certificate of Occupancy is completed. Then the building will be melded into the package policy carried by the RCSC.

*Robert Otto, 105069:* Interested in seeing the management budget. Treasurer Painter invited him to the next Finance/Budget meeting in August or September where she said he could ask questions and get answers. Disagreed with Board action to remove a Director. Believes vast improvements should be made in golf.

*Helen Teichman, 17496:* Stated that the Board was very polite in not reporting all the incident reports that were filed against the Director who was removed from the Board.

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*Tom Beckwith, 54886:* Asked to read the incident reports filed against Ms. Ullman, stating that if she did something so terrible the Board should be up front. President Hoffmann stated that the incident reports are not open to member scrutiny and that he refuses to impugn her and that the Board followed the Bylaws of the RCSC in its action.

*Louis Kuhn, 20275:* Has lived in Sun City for 28 years. Asked that a certain piece of upright exercise equipment be moved from Bell to Sundial because it was not being used there. Jim Wellman advised that the equipment in question gets a lot of use at Bell and he will check the pricing of a new one for Sundial. Also stated that shower #3 at Sundial is running every time he comes to the center. Management will check on it.

*Walter Schmidt, 38753:* Does not understand how the net worth of the corporation could be 15% higher over 2008 considering the bad economy. He dislikes the huge monstrosity being built at Fairway and does not believe that a modern building is needed among the old condos in Phase 1. Suggested selling a golf course to provide green space or room for more condos.

**MOTION #1: B.P. #7 – Bid Procedures** – Moved by Director Brown and seconded by Director Bishop, the Board unanimously approved Board Policy Resolution No.7, titled **Bid Procedures** in its entirety, It replaces previous B.P. #7 titled the same.

**MOTION #2: B.P. #22 – Refunds** – On a motion by Director Bishop Board Policy Resolution No. 22, titled **Refunds**, as amended, was unanimously approved in its entirety and replaces previous B.P. #22 titled the same. The motion was seconded by Director Brown.

**MOTION #3: B.P. #25 – Food and Beverage** – Moved by Treasurer Painter and seconded by Director Brown, the Board unanimously approved Board Policy Resolution No.25, titled **Food and Beverage** in its entirety, It replaces previous B.P. #25 titled the same.

Meeting adjourned at 10:53 a.m.

The next Regular Board meeting is scheduled for Thursday, August 27, 2009 in the Sundial Auditorium at 9:00 a.m.

Submitted by:

*Diane B. Worth*

Diane B. Worth, Secretary  
RCSC Board of Directors.