

**RECREATION CENTERS OF SUN CITY, INC.
BOARD MEETING MINUTES**

October 27, 2022

At the Board meeting called to order by President Lehrer at 9:00am on October 27, 2022 at Sundial Auditorium the following took place:

PRESENT: Dale Lehrer, President; Mike Ege, Vice President; Darla Akins, Treasurer; Allan Lenefsky, Secretary, Directors Karen McAdam, John Nowakowski, Kat Fimmel, Steve Collins; Sue Wilson and Parliamentarian Rae Chornenky

ALSO PRESENT: Bill Cook, General Manager; Kevin McCurdy, Director of Finance; Chris Herring, Director of Operations; Brian Duthu, Director of Golf and Grounds; Michael Wiprud, Director of Buildings & Infrastructure; Joelyn Higgins, Communication & RCSC Marketing Coordinator; Polly Corsino, SCVC & Marketing Manager; Marcia Johnson, Corporate Executive Coordinator; Theresa Cirino, Director of Events & Entertainment; Allen Kleinhans & Carla Young Audio/Video Engineers; 58 RCSC Cardholders and 1 member(s) of the press

Pledge of Allegiance: Everyone stood for the Pledge of Allegiance.

President Comments: President Lehrer explained the process for a Board meeting and how the Board conducts business. she introduced the Board and staff members present.

Board Quorum: Secretary Lenefsky verified that a Board quorum was present.

Motion from Secretary Lenefsky – I move for adoption of Special Rules of Procedure for discussion and voting on the Bylaws Revision as follows:

Rule One: Discussion of the proposed Bylaw Revision will proceed Article by Article ad 'seriatim. Motions to amend may be made, seconded and voted on while we are considering an Article, but no vote will be taken on whether to adopt the Article or the entire Bylaws Revision document until we have gone through the entire document and discussed each Article one at a time.

Rule Two: Any motion to amend longer than ten (10) words must be submitted in writing.

Rule Three: No voting member shall speak more than once to the same question and shall not speak longer than two (2) minutes.

Rule Four: There will be a maximum time of five minutes for each affirmative and negative side for a total of five (5) minutes per issue.

Rule Five: The Chair and Co-chair of the Bylaws Committee may address all questions without time requirements.

Rule Six: All amendments and discussion shall be germane to the issue at hand and not dilatory.

Rule Seven: When discussion is complete of the final Article, the entire Bylaws Revision document will be open for final discussion. A motion to accept/reject will be taken at the end of discussion.

Motion was seconded by Director Fimmel. Secretary Lenefsky explained the process and his reason for the motion. Director Nowakowski asked President Lehrer if the amendments would need a 2/3 majority vote or just a majority and the answer was the amendments would need just a majority but when the vote was for the entire Bylaw document, that would need a 2/3 majority vote.

Director McAdam asked Secretary Lenefsky also Chair of the Ad Hoc Bylaws Committee about suggestions received by the members on changes and if they were responded to, Secretary Lenefsky responded that they were recommendations for the committee and that they were not all responded to. Director McAdam also inquired about the fact that there was no spot for the members to speak on the motion. Director Fimmel replied that there is no room for member comments today because there is nothing for the members to comment on. The committee did their work to create the document and now the Board needs to finalize the document at which time the members will have something to comment on. Further discussion was had on allowing members to comment and when that would be. Secretary Lenefsky explained that this is a motion for Special Rules of Procedure then we the Board address each Article and vote on any amendments. When finished with the Articles the entire Bylaws revision will be voted on the member will have an opportunity to speak at the Member Exchange as well as the November Board meeting where it will be a second reading of the motion.

Director McAdam moved to amend the Special Rules motion #7 by striking the last sentence which states: A motion to accept/reject will be taken at the end of discussion and to replace it with a motion to approve the final form of the draft of the Bylaws revision will be taken at the end of the discussion. Seconded by Director Nowakowski motion to amend failed 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Vote was taken for the original motion to adopt the Special Rules of procedure and the motion passed 7 to 2 with Director Collins and Director Nowakowski opposed.

Minutes: With corrections noted, the Minutes of the September 29, 2022 Board Meeting are approved as amended.

Treasurers Report: With questions answered on the Treasurers Report, the Treasurers Report is filed for audit.

Management Report: General Manager Bill Cook presented the Management Report. The Management Report has been accepted as presented.

Committee Reports:

1. ***Finance and Budget Committee – Director McAdam*** – On behalf of the Finance and Budget Committee, I move to approve the 2023 Budget except for the recommendation to transfer \$4.5 Million from carry forward to the Capital Reserve. Also, I understand I am able to amend this motion as I make it to add the following; The 2023 budget includes the increase in the annual per property assessment to \$525.00; an increase in the grandfathered per person assessment to \$262.50; an increase in the annual Privilege Card fee to \$262.50, and an increase in the short-term monthly 30, 60, 90-day Privilege Card fee to \$80 per month. All increases would take effect January 1, 2023.

Parliamentarian Rae Chornenky asked Director McAdam if the amendment numbers already appear in the Budget.

Director McAdam responded that the this was not an amendment and that this is the first time the motion has been brought to the floor and there is an opportunity to revise the language in the motion. The information that is in the budget is the annual per property assessment fee for \$525.00 and the rest of the figures there are derived figures based on that being the new assessment fee being proposed by management. These numbers are not in the budget but are there to make it more clear on what we are bringing to the floor.

Parliamentarian Rae Chornenky explained that she was asking about the motion because if the numbers were in the budget you would not have to add this to the motion because you are moving for adoption of that budget with those numbers already included.

Director McAdam replied that this motion was brought forward on her behalf as well as the additional language, so I am reading what was presented to me and bringing it to the floor. President Lehrer explained the change in the motion and felt it wasn't necessary to include all the breakdown just the increase to \$525.00. She told Director McAdam that she had the right to change the motion.

Director McAdam read her proposed motion as follows: On behalf of the Finance and Budget Committee, I move to approve the 2023 Budget except for the recommendation to transfer \$4.5 Million from carry forward to the Capital Reserve. The 2023 Budget includes the increase of the annual per property assessment to \$525.

Director McAdam spoke on the motion as maker, she had two primary items to speak on. First of all, the fact that the posted motion did not include the fact of the increased assessment and many of you would have come to this meeting not realizing that the proposal included the \$29 increase to the annual assessment. I am concerned about that and also about the fact that there is no place for member comments and taking the first reading and taking a vote without allowing our votes to be shaped by member input.

I also want to explain to you that this might be odd that this motion was brought to you under my name. The reason it was is because I am the chair of the Budget and Finance Committee and I at

the same time am going to be voting against this motion and want to explain how that happens. The chair and the co-chair of standing committees don't vote on decisions that are made. This decision was brought before the Budget and Finance Committee, there was discussion and I indicated at that time why I was opposed to that because we currently are in the best cash position RCSC has ever been in its 60-year history. At a time that all of us are dealing with inflation and many seniors are on fixed incomes. We have 8.1 million dollars in the bank. IN addition, we have 11.3 million dollars in carry forward money. I don't feel we need to increase the assessment and I will be voting in opposition of this motion.

Director Akins added additional information supporting the increase.

General Manager Bill Cook explained to the Board and Members why there is an increase. We haven't raised the assessment in 6 years. It is very important, and part of the reason for not raising the assessment is we have the carry forward, and we do budget every year to utilize a portion of that carry forward. Fortunately, we have been very efficient in terms of our expenses and typically we don't eat into the carry forward but instead actually add to it. This year with all our costs going sky high and the fact that we have some added head count in order to make sure we can provide all of the services listed in this budget so we are budgeting to eat into that carry forward by 20%. This is the highest year ever in terms of us doing repair and maintenance, capital and all projects associated with what the club members want. This represents a roughly 35% increase over any other year. To not increase the assessment will affect us for many years to come if we don't raise it now. Some of our sister communities have raised their fees \$12 a month for a total of \$144 a year. My point here is that even during the pandemic, some of our sister communities raised assessments and we did not. If we don't raise it now we will continue to eat into the carry forward and will not have anything left. You pay me to be the person who takes care of us from a fiscal perspective and that is what I am trying to do to not completely eat into that carry forward and to have enough in the event of an emergency. We are under reserved so that's why we did make the recommendation to put 4.5 million into our capital reserve. We need to have the funds to help us in an emergency and I am just trying to protect the organization by doing this.

Prior to vote, Director Collins moved to amend the motion to remove the line on the motion; "to increase the assessment to \$525.00" and replace it with; "No increase to the annual assessment. Second by Director Nowakowski prior to vote discussion ensued and General Manager Cook addressed the Board again informed the Board that if this amendment is passed, the budget will then have to be redone and at this point it would be a reduction in income by about \$750,000 and if I can also address Director McAdam as well, If we look at industry standards and similar communities some of them have a requirement by their bylaws to be at a 40 to 50 percent reserve based on their total amount of assets. I have spoken to some individuals that are in the industry that are consultants, and they actually recommend that as well. I believe we are under reserved and need to increase that from a fiscal perspective.

Vote was taken on Director Collins amendment to remove the line on the motion; “to increase the assessment to \$525.00” and replace it with; “No increase to the annual assessment. Motion to amend fails 4 to 5 with Vice President Ege, Treasurer Akins, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

President Lehrer then asked for a vote on the original motion as follows:

On behalf of the Finance and Budget Committee, I move to approve the 2023 Budget except for the recommendation to transfer \$4.5 Million from carry forward to the Capital Reserve. The 2023 Budget includes the increase of the annual per property assessment to \$525. Motion fails 4 to 5 with Director Collins, Director Fimmel, Director McAdam, Vice President Ege and Director Nowakowski opposed.

2. ***Bylaws Ad Hoc Committee – Secretary Lenefsky*** – On behalf of the Bylaws Ad Hoc Committee, I move to reinstate all policies as written and currently located in the Bylaws to Board Policies listed below - motion passes unanimously.

- BP#1 Conflict of Interest
- BP#2 Senior Management
- BP#3 Corporate Records
- BP#6 Corporate Privacy Policy
- BP#8 Privilege Card Holders
- BP#9 Guests & Host Punch Cards
- BP#16 Budget & Financial Reporting
- BP#20 Sun City Foundation
- BP#21 Membership Documentation Requirements
- BP#24 Preservation & Improvement Fee and Fund
- BP#27 Committees
- BP#31 Risk Management
- BP#33 Investments

President Lehrer: The next item of business is the report of the Bylaws Ad Hoc Committee to be given by Chairman of the Committee and RCSC Board Secretary, Allan Lenefsky. Chairman Lenefsky, thank you very much and we also thank the members of your committee. Each of these members have spent many hours creating and reviewing this proposed RCSC Bylaws Revision. We are very grateful to the members of our Bylaws Committee for undertaking this task.

Secretary Lenefsky thanked the Bylaws Ad Hoc Committee Members and added that the Bylaws Committee has met and worked for over seven (7) months to draft the proposed Bylaws Revision, which was posted for all members on September 23, 2022, along with the notice of the September Board meeting.

The RCSC Bylaws Ad Hoc Committee has approved the proposed Bylaws revision and has directed me to move its adoption.

3. **Secretary Lenefsky** – By the direction of the RCSC Bylaws Ad hoc Committee, I move adoption of the Bylaws Revision.

President Lehrer stated that the motion before you is for the adoption of the proposed Bylaws revision. This will be handled differently than simple amendments to the Bylaws. Because this proposed Bylaws revision was posted for all voting members to review on October 20, 2022, we will not read each proposed Article. The Special Rules of Procedure will be in effect for discussion and amendments of Articles. Each Article will be discussed one at a time and as we discuss each Article, if you wish to make an amendment to that Article, you may “move to amend” and the amendment will be voted on. Again, NO vote will be taken on whether to adopt the Article or this entire Bylaws revision until we have gone through the entire document. When we have discussed the final Article, I will open the entire document for any final discussion or amendments you may wish to make in the entire document. Then we will vote on whether to adopt the entire Bylaws revision document.

Discussion is now open on **Article I titled “The Corporation and Article II titled “Membership, Cardholders and Guests”** – since they are very brief, we will discuss I & II at the same time.

Director Nowakowski moved to amend the first paragraph in the Bylaws as follows:

WHEREAS Article VIII, Section 3 of the Restated Articles of Incorporation (“Articles”) provides that the Board of Directors of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) may adopt Corporate Bylaws (“Bylaws”) not in conflict with the Articles; now therefore, be it resolved the Corporation shall adhere to the following Bylaws. The Corporate Bylaws will be reviewed by the RCSC Corporate Attorney ~~on an annual basis~~.

Seconded by Director McAdam, motion to amend passes 5 to 4 with Vice President Ege, Treasurer Akins, Director Fimmel & Secretary Lenefsky opposed.

Director Nowakowski moved to amend Article 1, Section 2 titled Object as follows:

SECTION 2: OBJECT

~~The object of the RCSC shall be to support RCSC recreational facilities of Sun City.~~

The object of the RCSC shall be to operate recreational facilities for the benefit of homeowners and residents of Sun City, Arizona who qualify to use them under Registered Articles of incorporation, Corporate Bylaws and Board Policies.

Seconded by Director McAdam, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Director McAdam moved to amend Article II, Section 5, letter D titled Board Hearing Appeal as follows:

- D. Board Hearing Appeal: A Cardholder may appeal the action taken by the Board Hearing Commission by submitting a written appeal request with the basis for the appeal to the Corporate Office within ten (10) business days after the date of the Board Hearing

Commission's decision. The Board may deny the appeal request and will notify the Cardholder in writing accordingly. ~~If the appeal request is accepted, the Cardholder may not introduce new witnesses or evidence.~~ The entire Board will review all evidence submitted and watch the recorded hearing conducted by the Board Hearing Commission, if available. The Board of Directors will notify the Cardholder in writing of its final decision.

Seconded by Director Nowakowski, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Discussion is now open on **Article III titled "Assessments, Fees"**

No discussion or amendments were made on this article.

Discussion is now open on **Article IV titled "Membership Meetings."**

Director Nowakowski moved to amend Article IV, Section 4, Paragraph 3 as follows:

If the disposition of the proposal(s) is determined by the Board not to be in the best interest of the Corporation, the Board shall announce its decision within 45 days, or it is deemed denied pursuant to the bylaws. However, a petition may be taken out by the Members within 10 days of the Boards denial of the proposed change or from the time the proposal is deemed denied pursuant to the bylaws. The Members have 120 days from the date the petition number is issued by the Corporation to obtain signatures of at least ten percent (10%) of the total Membership in good standing of the Corporation as of the first day of the preceding July. ~~If this occurs, the Members may bring the proposal or matter to a duly called and noticed Annual or Special Membership meeting with a quorum.~~

~~If the proposal passes at this meeting, the action (the passing of the petition) of the members shall prevail when (and if) a majority of the members, at the meeting in person or by proxy, vote "yes" on the petition.~~

If the petition is successful, the President will announce the date of an election within thirty (30) days. Members may vote in person, online or by absentee ballot.

Seconded by Director McAdam, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Director McAdam moved to amend Article IV, Section 1, paragraph as follows:

SECTION 1: ANNUAL MEMBERSHIP MEETING

An annual meeting of the Members shall be held the 1st Tuesday in March each year except for the - occurrence of a Force Majeure. A Force Majeure is any provision of any present or future law or regulation, or any act of any governmental authority, any act of God or war or terrorism, weather or natural disasters, labor strikes or stoppages, epidemics, pandemics or any similar circumstances beyond the reasonable control of the Corporation.

In case of a Force Majeure or cancellation, the annual membership meeting shall be reconvened at the earliest suitable date.

Seconded by Director Nowakowski, motion to amend passes unanimously.

Director McAdam moved to amend Article IV, Section 1, paragraph 2 as follows:

SECTION 1: ANNUAL MEMBERSHIP MEETING

An annual meeting of the Members shall be held the 1st Tuesday in March each year except for the - occurrence of a Force Majeure. A Force Majeure is any provision of any present or future law or regulation, or any act of any governmental authority, any act of God or war or terrorism, weather or natural disasters, labor strikes or stoppages, epidemics, pandemics or any similar circumstances beyond the reasonable control of the Corporation.

Written notice stating the place, day and hour of the annual meeting of the Members shall be posted in RCSC Facilities and/or published in the RCSC newsletter and/or on the RCSC website ~~not less than ten (10) days, nor more than forty-five (45) before the date of the meeting.~~

Seconded by Director Collins, motion to amend passes 8 to 1 with President Lehrer opposed.

Director McAdam moved to amend Article IV, Section 3 as follows:

SECTION 3: MEMBERSHIP QUORUM

A quorum for any Membership meeting shall consist of not less than eight hundred (800). Quorum is achieved by in person or by proxy. Members in good standing may carry no more than ~~ten (10)~~ **fifty (50)** proxies per Member. A proxy is only effective for the meeting intended and will expire at the end of such meeting. If, however, such quorum shall not be present or represented at any meeting of the Members, the presiding director at such meeting shall have the power to adjourn the meeting without notice other than announcement at the meeting.

Seconded by Director Nowakowski, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Director McAdam moved to amend Article IV, Section 4 as follows:

SECTION 4: MEMBERSHIP MEETING RULES

Robert's Rules of Order shall govern procedure at all meetings of the Corporation subject to the limitations on Parliamentary Authority set forth in Article I, Section 3. A Parliamentary may be present at the discretion of the President. **Document changes to Bylaws or policies voted upon by the membership shall be handled as explicitly stated in the Articles of Incorporation Article 8, Section 4.**

Other proposals or matters relating to the conduct of the affairs of the Corporation, if brought before a Membership meeting, and if passed by a majority of the Members in good standing at the Membership meeting with a quorum, shall be referred to the Board for study. Such matters, being solely within the powers delegated to the Board in accordance with the laws of the State of Arizona and Corporate Documents, will be considered only as a recommendation to the Board.

Seconded by Director Nowakowski, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Discussion is now open on **Article V titled “Board of Directors”**

Director Wilson moved to amend Article V, Section 2 as follows:

SECTION 2: CONFLICT OF INTEREST

Board Directors cannot serve on any board of a chartered club or greens committee or golf association affiliated with RCSC golf courses. The Board Members shall disclose in writing to the Corporation’s President or Vice-President any – substantial interest or relationship on their part which is or may be considered a conflict of interest. Violation of this policy could provide grounds for removal as a Board of Director. A conflict of interest is a situation in which someone in a position of trust has competing professional or personal interests.

Seconded by Director Akins, motion to amend passes unanimously.

Director McAdam moved to amend Article V, Section 2 as follows:

SECTION 2: CONFLICT OF INTEREST

Board Directors cannot serve on any board of a chartered club or greens committee or golf association affiliated with RCSC golf courses. The Board Members shall disclose in writing to the Corporation’s President or Vice-President any – substantial interest or relationship on their part which is or may be considered a conflict of interest.

Violation of this policy could provide grounds for removal as a Board of Director. A conflict of interest is a situation in which someone in a position of trust has **material** or competing professional or personal interests.

Seconded by Director Collins, motion to amend passes unanimously.

Director Nowakowski moved to amend Article V, Section 5, Item #6 as follows:

6. It is the role of the Board to establish objectives, **review** and approve budgets for the Corporation. The Board can delegate the implementation of Board decisions to the General

Manager. The Board can direct and empower the General Manager to take actions on behalf of the Corporation.

Seconded by Director McAdam, motion to amend passes 5 to 4 with Treasurer Akins, Director Fimmel, Director Wilson and President Lehrer opposed.

Director Nowakowski moved to amend Article V, Section 5, Item #9 as follows:

9. The Board shall **review and** adopt an Annual Budget.

Seconded by Director Collins, motion to amend passes 5 to 4 with Treasurer Akins, Director Fimmel, Director Wilson and President Lehrer opposed.

Director McAdam moved to amend Article V, Section A, Item # 4 as follows:

4. The Board's fiduciary duty requires Board of Directors to act in the best interests and for the benefit of the Corporation. **The duties of which are clearly spelled out in the Articles of Incorporation, Article 3.** This duty requires Board of Directors to avoid conflicts of interest and acting out of self-interest; and to act as reasonable people in conducting the affairs of the Corporation.

Seconded by Director Collins, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Director Nowakowski moved to amend Article 6, Section 5, Subsection B, #2 as follows:

- B. If the accused is found guilty by two-thirds (2/3) ballot vote of the Board of Directors of any specification or charge, resolutions are moved and seconded naming the discipline to be assigned to each specification and/or charge resulting in a finding of "guilty."
 1. The accused returns to the room and is informed of the findings of guilt and the discipline decisions of the Board of Directors.
 - ~~2. If a member of the Board of Directors is removed for cause from the Board of Directors, in cases of serious circumstances, the Board of Directors, by two-thirds (2/3) ballot vote, may preclude the member from being on the board for a period of up to and including permanent ban.~~

Seconded by Director Collins, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Director McAdam moved to amend Article 6, Section 5, Subsection D as follows:

- D. Removal or discipline for cause includes but is not limited to the following grounds:
 1. Failure to maintain the required resident status which qualifies an individual to hold elected office or to be a member resident.
 - ~~2. Publicly advocating against or taking action against the distributed objectives of the RCSC.~~

3. Violation of, and or actions which , are in conflict with, the bylaw provisions, standing rules or adopted policies of the RCSC.
4. ~~Dilatory actions causing needless expenditure of time or resources or tending to cause delay, to cause confusion, to obstruct, or to enhance the individual or his/her position.~~

Seconded by Director Collins, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Discussion is now open on **Article VII titled “Nomination and Appointment Procedures”**

Director Nowakowski moved to amend Article VII, Section 4, Item #G

SECTION 4: CANDIDATE REQUIREMENTS

An eligible candidate for election to the Board shall satisfy all the following requirements and a candidate for appointment to the Board shall satisfy all except Section G. below:

- A. Shall be at least fifty-five (55) years of age;
- B. Shall be Member in good standing;
- C. Shall not reside with or be related by marriage or birth to any other Board of Director, Board candidate, or Senior Management;
- D. Shall reside in Sun City, Arizona and be available at least ten (10) months of the year;
- A. Shall meet the requirement to hold an Arizona liquor license;
- F. Shall be eligible and available to serve a three (3) year term; and
- G. Shall attend Board Candidate Orientation ~~or under exigent circumstances, view video.~~
- H. Board Directors cannot serve on any board of a Chartered Club or green committee or golf association affiliated with RCSC golf courses;

Seconded by Director Collins, prior to vote Director McAdam asked for clarification on the intention of the motion from Director Nowakowski, after discussion, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed

Director McAdam moved to amend Article VII, Section 4, Item# G

SECTION 4: CANDIDATE REQUIREMENTS

An eligible candidate for election to the Board shall satisfy all the following requirements and a candidate for appointment to the Board shall satisfy all except Section G. below:

- A. Shall be at least fifty-five (55) years of age;
- B. Shall be Member in good standing;
- C. Shall not reside with or be related by marriage or birth to any other Board of Director, Board candidate, or Senior Management;

- D. Shall reside in Sun City, Arizona and be available at least ten (10) months of the year;
- E. Shall meet the requirement to hold an Arizona liquor license;
- F. Shall be eligible and available to serve a three (3) year term; and
- G. Shall attend Board Candidate Orientation ~~or under exigent circumstances~~, view video.
- H. Board Directors cannot serve on any board of a Chartered Club or green committee or golf association affiliated with RCSC golf courses;

Seconded by Director Nowakowski, motion to amend fails 4 to 5 with Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Discussion is now open on **Article VIII titled "Election of Board of Directors"**
 No discussion or amendments were made on this article.

Discussion is now open on **Article IX titled "RCSC Initiative, Referendum and Recall Petitions"**

Vice President Ege moved to amend Article IX, Section 3, Subsection B, Item #1 as follows:

~~B. Petitions may be:~~

- ~~1. Circulated within or at all RCSC Facilities while not disrupting or interfering with RCSC Member activities or blocking ingress or egress at any facility.~~

Seconded by Director Wilson, motion to amend passes 5 to 4 with Director Collins, Director Fimmel, Director McAdam, Director Nowakowski opposed.

Director McAdam moved to amend Article IX, Section 3 Subsection C, Item # 4 as follows:

C. Signers of the petition, in addition to being current Members, must:

- 1. Be the actual person, a wife/partner may not sign for husband/partner or vice versa.
- 2. Legibly sign in ink. A printed "signature" is not acceptable, unless that is the usual way the person signs.
- 3. Indicate date on which they signed; otherwise, signature is voided.
- 4. Write legibly their Property address, Member Card number ~~and expiration date thereof.~~
- 5. Legibly print their name below their signature.

Seconded by Director Collins, motion to amend passes unanimously.

Director McAdam moved to amend Article IX, Section 1, Subsection D as follows:

SECTION 1: APPLICATION FOR RCSC PETITION FORM

- A. Check box for the petition you are seeking, Initiative, Referendum or Recall, state reason and signature of Petitioner. (Need to have exact language on petition.)
- B. The completed application for petition will be filed with the Secretary of the Corporation.
- C. Control number is given (pro forma) by RCSC Corporate office along with the petition start and end date (120 days).
- D. A referendum ~~or recall petition~~ must set forth the existing policy, rule or bylaw that is being challenged in clear language that will allow the challenge to be determined by a “YES” OR “NO” vote. **A recall petition must include the rationale for the recall.** Any proposition will be subject to the requirements and limitations of the Corporate Documents.

Seconded by Director Collins, motion to amend fails 3 to 6 with Vice President Ege, Treasurer Akins, Director Fimmel, Director Wilson, Secretary Lenefsky and President Lehrer opposed.

Discussion is now open on **Article X titled “Committees”**

Director McAdam moved to amend Article X, Section 1, Subsection B as follows:

SECTION 1: COMMITTEES

- A. The Board shall be empowered to create or eliminate committees as they may deem necessary to properly and effectively carry on the affairs of the Corporation.
- B. Non committee members may attend committee meetings but not participate ~~except where the Chairman or the committee has closed the meeting.~~ **At the invitation of the Chair.**

Seconded by Director Collins, prior to vote Director McAdam explained why she wanted the change and Parliamentarian Rae Chornenky explained Roberts Rules in relation to this motion to amend. President Lehrer, based on advice from the Parliamentarian, stated that this motion is dilatory it is already stated as such in Roberts Rules of Order, so we are going to strike this motion to amend.

Discussion is now open on **Article XI titled “Indemnification and Risk Management”**
No discussion or amendments were made on this article.

Discussion is now open on **Article XII titled “Financial Management”**
No discussion or amendments were made on this article.

Discussion is now open on **Article XIII titled “Investments”**
No discussion or amendments were made on this article.

President Lehrer stated, now that we have discussed all Articles, I will open the entire document for any final discussion or amendments you may wish to make.

Director Nowakowski wanted discussion on Article 4, Section 4, paragraph 3 states that the process is that members come up with items at the annual membership meeting with a quorum, and they bring it forth to the board. The board has a specific time frame to review and respond yes or no. Once that occurs the members are given another time to start the process for a petition to call another meeting to review what was asked for before. If I am not sure how that needs to be reviewed. I think it is duplication of effort and making it difficult for the members. Time ran out for the discussion.

Director Collins stated I can't vote for this if you are not going to allow signatures to be gotten on RCSC property. I will not be able to vote for this.

Secretary Lenefsky the bottom line is if we pass this a lot of progress is made. Next year I am pledging to try to bring this in. So, the question is do you want to go back to square one and have none of this done, use the current Bylaws because these other changes are done, or do you want to pass it with that amendment that was done which I personally disagree with but voted for in order to get this to a vote that has a chance of success. So, Director Collins and everyone else has to decide if you don't get this that we are sinking everything. I made the decision that it is not worth sinking everything but each of you have to make your own decision.

Director McAdam stated that she would just like to go on record as unfortunately disagreeing with Mr. Lenefsky about this and who believes that the bylaws in the current amended bylaw proposal is actually an improvement for this community. Even though I disagree, at the same time recognizing and applauding all the effort that went into it. I am not being critical about that at all, but I am looking and asking myself if this is the response to what was brought up at the December 13th membership meeting, it does not put the membership in a better position than they would be in, in the absence of this bylaws revision. I am still a little bit appalled that we are asking the board to take a vote on this with the amendments in place without having allowed our first vote to be shaped by member comments. I think both the process and the product is wrong and will therefore be voting against it.

Director Fimmel replied that regrettably Director McAdam is wrong, all five issues raised by the members at the annual meeting were addressed in they bylaws revision and only one of them failed. So substantially what the membership asked for at the annual meeting have been addressed by these bylaws. I have to suggest that passing these bylaws gets the members what they asked for in a substantial way. Mr. Lenefsky has been very clear that he will attempt in the near future to obtain that fifth recommendation.

President Lehrer stated that with no more discussion we will now vote on whether to adopt the entire bylaws revision as amended. Vote was taken and the motion to accept the amended bylaws passes 6 to 3 with Director Collins, Director McAdam and Director Nowakowski opposed.

Consent Calendar:

Director Wilson moved to approve the request for a name change of the Friday Night Ballroom Dance Club to the Friday Night Social Dance Club. Seconded by Treasurer Akins, motion passes unanimously.

New Business:

- 1. Director Wilson* – I move to use \$60,000 in Preservation and Improvement Fund (PIF) monies from the Lakes Maintenance and Grounds PIF project for the completion of the Grand II building space which will be used for the Quilters Club. This \$60,000 represents underbudgeted spending on the Lakes Maintenance and Grounds PIF project to be used for an overbudgeted spend on the Grand II PIF project. Seconded by Vice President Ege, motion passes 8 to 1 with Director McAdam opposed.

Secretary Lenefsky moved to waive the second reading on this motion. Seconded by Director Fimmel, motion to waive passes 7 to 2 with Director Collins and Director McAdam opposed.

General Manager Cook addressed the board one more time to clarify that this board has decided not to pass the 2023 budget that has been submitted and recommended by the Finance and Budget Committee unanimously. Please understand, as management, our next steps in terms of that budget is to get clarification. Is the 2023 budget approved if we remove the assessment increase or do we not have a budget?

President Lehrer responded yes, currently we have no budget, and I would strongly suggest that the members who voted against approving the budget put something in writing and get it to you General Manager Cook and the chair of the budget and finance committee they will need to come up with some resolution.

General Manager Cook responded that to clarify, once it is not approved I am wondering what are Roberts Rules with respect to bringing it back for vote? General Manager Cook asked if he could ask the Board for a revote?

President Lehrer responded that you can't but a Board member can. After further discussion it was decided that if a director voted against this motion in error they obviously can make a motion to reconsider.

Announcements: None

Next Meeting: President Lehrer reported that the next meeting will be our Member Exchange on Monday, November 7, 2022 at 9:00am in the Sundial Auditorium. She also noted that the next Regular Board Meeting is Thursday November 17, 2022 at 9:00am in the Sundial Auditorium.

Adjournment: President Lehrer stated that with no further business the meeting will be adjourned. The meeting was adjourned at 12:30pm..

Respectfully submitted,

Allan Lenefsky, Secretary