



BOARD MEETING SUMMARY

A report by the Board of Directors of the Recreation Centers of Sun City, Inc. designed to keep members of the community informed of the outcome of Board meetings as soon as possible following the meeting.

At the Board Meeting, called to order by President Fimmel at 9:00am on June 27, 2024, at Sundial Auditorium the following took place:

PLEDGE OF ALLEGIANCE:

PRESENT: Kat Fimmel, President; Connie Jo Richtmyre, Secretary (remotely); Anita Borski, Treasurer and Directors Preston Kise, Jim Rough, Chris Nettesheim, Tom Foster, Steve Collins (remotely)

ALSO PRESENT: Matthew D'Luzansky, General Manager; Kevin McCurdy, Support/Finance Sr. Leader; Mike Dirmyer, Non-Golf Sr. Leader; Debbie Giles, Assistant to GM; Marcia Johnson, Board Coordinator; Allen Kleinhans, Doreen Rafferty Miguel Jackson & Carla Young Audio/Video Engineers; 26 RCSC Cardholders and 1 member(s) of the press

ABSENT: Karen McAdam, Vice President; Brian Duthu, Director of Golf; Mike Wiprud, Facilities Sr. Leader

- **Approval of Agenda:** Agenda was approved.
- **Approval of Minutes:** May 30, 2024 Minutes were approved as presented.
- **Treasurer's Report:** Treasurers Report was approved.
- **Management Report:** Management Report was accepted.
- **Committee/Liaison Reports:** Committee Reports were given by the Directors.
- **Center update Report:** Center Update Report was given by General Manager D'Luzansky
- **Committee Recommendations:** None
- **Unfinished Business:**
 1. **Director Rough** – I move to amend Board Policy #21 titled Membership Documentation Requirements; Letter C titled Occupancy as follows:

Prior to the vote and after discussion, Director Rough moved to postpone this motion to allow for further discussion. The motion to postpone passed unanimously.

C. Occupancy: Each individual qualified by ownership and age, must also qualify as occupying the Property as their primary Arizona residence, by providing one of the following:

1. a valid Arizona driver's license having the same address as the Property for which a Member Card is sought, and property listed with Maricopa County as primary residence, not rental or other status; or
2. a valid Arizona driver's license having an address farther than seventy five (75) miles from Sun City, Arizona; or
3. a valid out-of-state or out-of-country driver's license; or
4. if no valid driver's license is available, any government issued identification with the individual's name and address of the Property for which a Member Card is sought. An additional form of identification with a photo is required when the government issued identification does not contain a photo.
5. Owners who misrepresent themselves as an occupant of a Property shall be subject to suspension of Member Privileges. This suspension automatically extends to all Owner(s) of said Property, as well as any occupants of any other Properties owned by such Owner(s) including denial of use of any and all RCSC Facilities and any issued Privilege Cards, as determined by the Board.

2. **Director Rough** – I move to amend Board Policy #3 titled Corporate Records; Section A number 8 as follows:

Prior to the vote and after discussion, Director Rough moved to postpone this motion to allow for further discussion. The motion to postpone passed unanimously.

CORPORATE RECORDS

8. After completing review of documents, Members may request to have copies of a particular document, which may or may not be granted by the Board. There may be a charge for copies and such other additional charges as permitted by law. If approved, members may take photos of documents.

- **Motions Second Reading:**

1. **Insurance Committee – Director Foster** - I move, based on the Insurance Committee's and RCSC's Insurance Broker's recommendations, to approve the 2024-2025 insurance renewal proposal for the Recreation Centers of Sun City, Inc. The renewal proposal includes the same insurance coverages, carriers, and terms/conditions per RCSC's expiring coverage, with the exception of the Excess Liability coverage. \$30 million in Excess Liability coverage was provided in 2023-2024 by Philadelphia Insurance (\$10 million) and Federal Insurance (\$20 million). In 2024-2025 this same \$30 million of

coverage will be split among Philadelphia Insurance (\$5 million), Sompco (\$5 million), Chubb (\$10 million), and Great American Insurance (\$10 million). The overall premium increase for all coverage during 2024-2025 will be \$303,148 or 26.6%. Flood coverage is currently being quoted by RCSC's Insurance Broker, and RCSC will bind this coverage by the end of June, 2024. The motion passed its second reading unanimously.

2. **Insurance Committee – Director Foster** - I move based on the Insurance Committee's and RCSC's Insurance Broker's recommendation, that RCSC decline Terrorism Risk Insurance. The terrorism related coverage is optional for commercial property and casualty coverages except Workers Compensation. The Terrorism Risk Insurance Act (TRIA) was initially created by the federal government after the 9/11/2001 attack on American soil. The act allows the federal government to share monetary losses with insurers on commercial property and casualty losses due to a terrorist attack. For TRIA coverage to apply, a terrorist event would have to be declared by the Secretary of State which has not happened in the United States since this Act was passed by Congress in 2002. RCSC has rejected TRIA on applicable coverages during the past several years. The motion passed its second reading unanimously.

3. **Director Kise** – I move to approve \$6.0 million for the Quail Run Golf Course renovation project. The scope of work includes money previously approved for project development, green renovation to USGA guidelines, complete irrigation replacement to include a new pump station, conversion of tees and fairways to Tif Tuf Bermuda grass, renovation of the golf course lake to provide lining and increased water storage, consultant construction oversight and a contingency. Additionally, the Quail Run audio system and patio will receive upgrades that are on the Golf Advisory Committee project priority list. The motion passed its second reading unanimously.

DESCRIPTION	VENDOR	COST
Project Cost to Date	GBGD/MMD/Survey/Civil	\$129,600.00
Golf Course Renovation	Landscapes Unlimited	\$4,449,159.00
Golf Course Pump Station	Watertronics	\$210,159.00
Fertigation System	Fertizona	\$14,798.00
Golf Course Lake Renovation	Pacific Aquascapes	\$412,412.00
Consultant Construction Oversight Services	GBGD/MMD	\$111,000.00
Grow-in/Course Furnishings/Start-Up	RCSC	\$50,000.00
Upgrade clubhouse audio and patio	RCSC	\$100,000.00
Contingency	RCSC	\$547,712.00
TOTAL		\$6,024,840.00

- **New Business**

1. **Director Collins** – I move to approve \$4,000 to be paid to the Sun City Posse for their continued support with event parking and other services in 2025. The motion passed its first reading unanimously.
2. **Director Kise** – I move to amend Board Policy 16 to incorporate a new process to request, review, and approve PIF projects and use of the CIF Fund to fund annual Capital Expenditures. It will also formalize use of the Reserve Study, Five-Year Planning Team, Five-Year Budget, and Ten-Year PIF Project Forecast. The motion passed its first reading unanimously.