

RECREATION CENTERS OF SUN CITY, INC.

CORPORATE BYLAWS

Amended ~~May 30, 2024~~ **October 31, 2024**

WHEREAS Article VIII, Section 3 of the Restated Articles of Incorporation (“Articles”) provides that the Board of Directors (“Board”) 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 following definitions shall apply:

- A. **“Business Affairs of the Corporation”** is defined as all matters conducted by the Corporation, excluding amendment of Bylaws, that are not in violation of its Corporate Documents or The Arizona Nonprofit Corporation Act in effect at the time the matter is conducted.
- B. **“Cardholder(s)”** is defined as a Member and/or Privilege Cardholder(s).
- ~~C. **“Cardholder Privileges”** is are defined as privileges granter granted to Member(s) or Privilege Cardholder(s).~~
- D. **C. “Chartered Club(s)”** or **“Club(s)”** is a group of Cardholders with a common interest formed as a part of the Corporation’s group tax exemption as a subordinate Chartered Club under section 501(c)(4) of the Internal Revenue Code. A Chartered Club qualifies as such as outlined in Board Policy Resolution ~~No. 12~~ titled Chartered Clubs.
- ~~E.~~ **D. “Company”** is defined as a Corporation, LLC, Partnership, LLP, or any other entity that represents non-individual ownership other than trusts which holds or owns the current ownership interest in a Property.
- ~~F.~~ **E. “Corporate Documents”** are the Restated Articles of Incorporation, Corporate Bylaws, Board Policies and/or any rules and regulations of the Corporation.
- F. “Directors of the Board”** is defined as the nine elected or appointed Members of the Board of Directors of the RCSC hereafter referred to as Director(s).
- G. **“Facilities Agreement”** is an agreement between the Corporation and the Property Owner(s) which obligates each and every Owner to pay assessments and fees imposed by the Corporation when due whether or not Owners occupy the Property or use RCSC Facilities.
- H. “Incident Report Forms”** are filed to document injuries (trips, slips, falls), workers comp injuries, destruction of RCSC property, theft, verbal or physical abuse of staff or member, indecent exposure, threats made, police interaction, and gross or malicious behavior. In general, any situation in which there is an injury, perceived or actual harm to any individual, unacceptable behavior or destruction of any RCSC property.
- ~~H.~~ **I. “Member(s)”** or **“Membership”** is as defined as in Article II, Section 1, is an Owner(s) who meets the Member qualifications. Once Member qualifications are verified by the Cardholder Services Office, Member status shall be established, and a Member Card with Owner’s photo shall be issued by the Corporation. ~~Members in good standing shall be considered as the Membership of the Corporation.~~
- ~~I.~~ **J. “Member Card”** is defined as a card with Owner’s photo that is issued by the Corporation once Member qualifications are verified by the Cardholder Services Office. **Owners who**

cannot meet the Member documentation requirements shall not be issued a Member Card and shall not receive any Member Privileges.

J. ~~K.~~ **“Member(s) in good standing”** is defined as a Member whose assessments, fees and any and all other charges are current for All Properties in which the Owner has an ownership interest and whose Member Privileges are not suspended. Privileges for Members in good standing are listed in Article II, Section 1.

K. ~~L.~~ **“Member Privileges”** are granted Member Cardholders in good standing who may vote, serve on the Board or Committees, speak at Membership and Board meetings, join and participate in Chartered Clubs, receive discounted rates for golf and bowling, attend free RCSC events and entertainment, and use all available RCSC Facilities subject to the Corporate Documents. Owners who cannot meet the Member documentation requirements shall not be issued a Member Card and shall not receive any Member Privileges.

~~(L.) “Senior Management” is defined as the employees designated by title by the General Manager.~~

M. **“Owner(s)”** or **“the Owner(s)”** is defined as any individual or entity holding or owning a current ownership interest in a Property.

1. If a trust holds or owns the ownership interest in the Property, then the Owner(s) shall be no more than two of the Grantors, or if deceased, no more than two remainder beneficiaries of the trust. Remainder, contingent or non-vested beneficiaries of a trust shall not be considered Owner(s) unless grantors are deceased.
2. If a Company holds or owns the current ownership interest in the Property, then the Owner(s) shall be no more than two individuals selected by the Company from its shareholders, members or partners provided that said individuals have an ownership interest in said Company.
3. If life estate and remainderman interests hold or own the current ownership interest in the Property, then Owner(s) shall be the life estate interest(s). The life estate is considered the owner when dual ownership is life estate and remainderman.

N. **“Privilege Card”** is defined as a non-owner property resident card with Cardholder’s photo that is issued by the Corporation once qualifications for such are verified by the Cardholder Services Office.

O. **“Privilege Cardholder”** is a non-owner property resident as defined in Article II Section 3 of these bylaws.

~~Q. “Privilege Cardholder Privileges” are granted Privilege Cardholder(s) in good standing who may join and participate in Chartered Clubs, receive discounted rates for golf and bowling, attend free RCSC events and entertainment, and use all available RCSC Facilities subject to the Corporate Documents.~~

P. **“Privilege Cardholder(s) in good standing”** is defined as a Privilege Cardholder whose privileges are not currently suspended and the property owner’s assessments, fees and any and all other charges against the Property for which the Privilege Card is issued are current. Privilege Cardholders in good standing may join and participate in Chartered Clubs, receive discounted rates for golf and bowling, attend free RCSC events and entertainment, and use all available RCSC facilities subject to the Corporate Documents.

- Q. **“Property(ies)”** or **“the Property(ies)”** or **“a Property”** is defined as any land, building or structure or portion of any building or structure which is, has been or is intended to be, for use and occupancy as a dwelling unit that is real property in Sun City, Arizona located in the area entitled "Sun City General Plan, Maricopa County, Arizona," as prepared by the Del E. Webb Development Company and dated July 1972, November 1974, August 1975, and September 1978 with subsequent amendments thereto.
- R. **“RCSC Facilities”** is defined as any and all facilities in Sun City, Arizona owned and/or operated by the Recreation Centers of Sun City, Inc., ~~which includes but is not limited to: Oakmont Recreation Center (10725 W Oakmont Dr), Fairway Recreation Center (10600 W Peoria Ave), Mountain View Recreation Center (9749 N 107th Ave), Lakeview Recreation Center (10626 W Thunderbird Blvd), Sundial Recreation Center (14801 N 103rd Ave), Bell Recreation Center (16820 N 99th Ave), Marinette Recreation Center (9860 W Union Hills Dr), Grand Recreation Center (10415 W Grand Ave), Lakeview Lanes Bowling Center (10502 W Thunderbird Blvd), Bell Lanes Bowling Center (16810 N 99th Ave), Duffeeland Dog Park (14610 N Del Webb Blvd), Sun Bowl Amphitheater and Softball Field (10220 N 107th Ave), North Golf Course, Pro Shop, Snack Shop and Maintenance Yard (12650 N 107th Ave), South Golf Course, Pro Shop and Snack Shop (11000 N 103rd Ave) and Maintenance Yard (10901 N 105th Ave), Quail Run Golf Course and Pro Shop (9774 W Alabama Ave) and Maintenance Yard (9703 N Sun Valley Dr), Lakes East/Lakes West Golf Courses, Pro Shop and Snack Shop (10433 W Talisman Rd) and Maintenance Yard (10406 W Cameo Dr), Riverview Golf Course, Pro Shop and Snack Shop (16401 N Del Webb Blvd) and Maintenance Yard (10500 W Brookside Dr), and Willowcreek/Willowbrook Golf Courses, Pro Shop and Snack Shop (10600 N Boswell Blvd) and Maintenance Yard (10501 W Union Hills Dr).~~
- S. **“RCSC Organization(s)”** is defined as an organization directly affiliated with RCSC, including but not limited to: Chartered Clubs, golf associations affiliated with RCSC golf courses, Sun City Foundation, Inc., Sun City Property Holdings, Inc., and Viewpoint Lake Management Board.

T. **“Senior Management”** is defined as the employees designated by title by the General Manager.

ARTICLE I – CORPORATE OFFICE, RECORDS AND PRIVACY POLICY

The Recreation Centers of Sun City, Inc., a private non-profit corporation qualified under section 501(c)(4) of the Internal Revenue Code, is regulated by Arizona Revised Statute Title 10 for non-profit corporations. RCSC was created for the sole purpose of supporting recreational facilities and activities within the Sun City, Arizona community.

SECTION 1: CORPORATE OFFICE CATEGORIZATION

The principal Corporate Office for the transaction of business of the Recreation Centers of Sun City, Inc. is located in Sun City, Maricopa County, Arizona at the Lakeview Recreation Center at 10626 W Thunderbird Blvd, Sun City, Arizona 85351.

The Recreation Centers of Sun City, Inc., is categorized by the Internal Revenue Service as a private non-profit 501(C) (4) corporation. The corporation is regulated by Arizona Revised Statute Title 10 for non-profit corporations. RCSC was created for the sole purpose of supporting recreational facilities and activities within the Sun City, Arizona community.

SECTION 2: OBJECT

The object of the RCSC as stated in part in the Articles of Incorporation shall be to do anything and everything lawfully necessary in the interest of the Members of the Corporation, including, without limitation, the following:

1. To establish and conduct a general social, cultural, recreational and amusement enterprise for the benefit of its Members and do anything lawfully necessary or convenient to accomplish such purpose.
2. To contract, coordinate or operate, with other organizations, associations, corporations, or individuals in carrying out and conducting the activities and endeavors for which this Corporation is formed and in effecting the benefits and results sought to be gained.

SECTION 3: PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order, Newly Revised*, shall govern the corporation in all cases to which they are applicable.

SECTION 4: CORPORATE OFFICE

The principal Corporate Office of the Recreation Centers of Sun City, Inc. is located in Sun City, Maricopa County, State of Arizona.

SECTION 5: FISCAL YEAR

For all purposes, financial and otherwise, the calendar year January 1 through December 31, shall be synonymous with the term "fiscal year" of the Recreation Centers of Sun City, Inc.

SECTION 6: GENERAL PROVISIONS

Whenever any action must be taken under these Bylaws during a certain period of time (or by a particular date) that ends or occurs on a non-business day, then such period (or date) shall be extended until the next succeeding business day. As used herein, the term "day" means any day of the year except Saturdays, Sundays or federal holidays (which are considered non-business days).

ARTICLE II – MEMBERSHIP, CARDHOLDERS AND GUESTS

SECTION 1: MEMBERS, MEMBERSHIP, MEMBER CARD/CARDHOLDER

Members in good standing shall be considered as the Membership of the Corporation. ~~Once Member qualifications are verified by the Cardholder Services Office, Member status shall be established and a Member Card with Owner's photo shall be issued. Members in good standing may vote, serve on the Board or Committees, speak at Membership and Board meetings, join and participate in Chartered Clubs, receive discounted rates for golf and bowling, attend free RCSC events and entertainment, and use all available RCSC Facilities subject to the Corporate Documents.~~

Members in good standing may:

1. **Vote;**
2. **Serve on the Board of Directors or Committees;**
3. **Speak at Membership, Board Exchange and Board meetings;**
4. **Join and participate in Chartered Clubs;**
5. **Receive discounted rates for golf and bowling;**
6. **Attend free RCSC events and entertainment; and**
7. **Use all available RCSC facilities subject to the Corporate Documents**

Members shall be Owners who meet the following qualifications:

- A. A Member must be an Owner **of property in Sun City and is** 55 years of age or older ~~who occupies a Property as his/her primary Arizona residence unless his/her other residence is farther than seventy five (75) miles from Sun City, Arizona in which case the Owner(s) must provide proof that he/she occupies the Property as well.~~
- B. If a spousal Owner is under 55 years of age, he/she may be a Member, provided:
 1. he/she is not under 19 years of age;
 2. ~~he/she occupies the Property as his/her primary Arizona residence unless his/her other residence is farther than seventy five (75) miles from Sun City, Arizona in which case the Owner(s) must provide proof that he/she occupies the Property as well; and~~
 3. **2.** that one spousal Owner is 55 years of age or older ~~and occupies the Property at the same time.~~
 4. ~~3.~~ Continued Member status by an underage spousal Owner because of the death or long term medical relocation of the Owner meeting the age requirement, shall continue so long as the Owners and occupancy status of the Property does not change.
- C. If there are more than two Property Owners who meet the Member qualifications, such Owners must decide which two **concurrent** Owners ~~will~~ **shall** be classified as Members. Up to two **active** Member Cards may be ~~issued~~ **maintained** for each Property, provided there are two individuals who meet the Member qualifications. Additional Owners who qualify may purchase a Privilege Card.
- D. If the Owner is a trust, no more than two of the Grantors, or if deceased, no more than two remainder beneficiaries of the trust may be deemed to be Members, provided that they individually meet the Member qualifications. Remainder, contingent or non-vested beneficiaries of a trust ~~will~~ **shall** not be considered Owner(s) and are not eligible to be Members, unless the Grantors are deceased. Those granted ~~lifetime~~ **life estate** use of a property are not eligible to be Members.
- E. If the Owner is a Company, the Company may select two of its shareholders or partners to be Members, provided that they individually meet the Member qualifications and further provided that said individuals have an ownership interest in said Company.
- F. If Owner interests are split between separate life estate and remainderman interests, only the life estate holders may be Members. Those holding remainderman interests ~~will~~ **shall** not be considered Owners and are not eligible to be Members until the termination of the separate life estate interests. No more than two life estate holders, or if the life estate is terminated, two

remaindermen, may be deemed to be Members provided that they individually meet the Member qualifications.

G. Owners that own multiple properties are not considered to occupy more than one property at a time.

~~Each individual qualified as a Member shall be issued no more than one Member Card, regardless of whether more than one Property is owned and assessments and fees are paid. A multiple Property Owner is not considered to occupy more than one Property at a time. Each individual qualified as a Member is entitled to only one vote on each matter voted on by the Members.~~

SECTION 2: UNQUALIFIED OWNERS

Owners who cannot meet Member qualifications are considered Unqualified Owners.

- A. An Unqualified Owner ~~who does not occupy the Property~~ may be entitled to purchase a Guest Pass through the Cardholder Services Office. The Guest Pass gives the Unqualified Owner the privilege of using RCSC Facilities. ~~while temporarily (14 days or less per year) in Sun City, Arizona.~~ **The unqualified owner is not allowed to bring guests.**
- B. An Unqualified Owner under 55 years of age who occupies the Property may be issued an annual Privilege Card for a fee, as determined by the Board, provided the Owner, who is under 55 years of age:
 1. is not under 19 years of age; **and**
 2. ~~occupies the Property as his/her primary Arizona residence unless his/her other residence is farther than seventy five (75) miles from Sun City, Arizona in which case the Underage Owner must provide proof that he/she occupies the Property as well; and~~
 3. **2.** provided further that there is verifiable proof of at least one person 55 years of age or older occupying the Property at the same time.

SECTION 3: NON-OWNER PROPERTY RESIDENTS

Non-Owners defined as renters, tenants, lessees, occupants, those granted lifetime use of Property who are not Owners and reside in a Property and meet the following criteria may be entitled to purchase a Privilege Card:

- A. A Non-Owner may be issued a 30-day, 60-day, 90-day or annual Privilege Card for a fee, as determined by the Board, provided:
 1. at least one Owner or Non-Owner who occupies the Property is 55 years of age or older;
 2. the Non-Owner occupies the Property **for the period of time requested** as his/her primary Arizona residence; ~~unless his/her other residence is farther than seventy five (75) miles from Sun City, Arizona in which case the Non-Owner(s) must provide proof that he/she occupies the Property as well;~~
 3. the Non-Owner is not under 19 years of age, and;
 4. the assessments, fees and any and all other charges against the Property where such Non-Owner resides, are current.

SECTION 4: INCIDENT REPORTS

[Incident Report Forms](#) are used to report any and all incidents out of the ordinary operation of RCSC within thirty (30) days of the incident **as defined in definitions of these Bylaws**. Anyone can report a person(s) failing to comply with the Corporate Documents by completing an [Incident Report Form](#). An [Incident Report Form](#) can be obtained at RCSC Facilities, on the RCSC website (www.suncityaz.org)

or at the Corporate Office. Completed Incident Reports remain confidential subject to the provisions and requirements of federal, state and local laws. The maker of the Incident Report may be asked to provide additional information. Incident Report Forms are ~~sent or delivered to the Corporate Office~~ emailed to Safety@suncityaz.org or may be dropped off at Cardholder Services for the Safety Department, where they are reviewed for Cardholder notifications and processing.

~~The first and second~~ **All** Incident Reports submitted against a Cardholder within three (3) years ~~will~~ **shall** result in the Cardholder being notified of the reported incident via letter from ~~Senior Management~~ **the Safety Department**. The Cardholder ~~will~~ **shall** be asked to complete an Incident Report Form describing their version of the incident. If after investigation the Cardholder is found to be in violation, the Cardholder ~~will~~ **shall** be sent another letter from ~~Senior Management~~ **the Safety and Compliance Manager** and asked to cease and desist any actions that are contrary to the Corporate Documents.

If ~~a third~~ **the current report is sufficiently egregious or an additional** incident is reported against the Cardholder, ~~within three (3) years,~~ the Cardholder may be notified ~~of the reported incident~~ by the Board of Directors ~~and will be asked~~ to appear at a hearing

SECTION 5: CARDHOLDER HEARING PROCEDURES AND SUSPENSIONS

~~Cardholders who fail to comply with the Corporate Documents may be subject to suspension of Cardholder Privileges as determined by a Board Hearing Commission and may no longer be considered a Member or Privilege Cardholder in good standing. A Cardholder or group of Cardholders, whether or not sponsored by a Chartered Club, or any other person(s), must not behave in a manner which jeopardizes the rights or privileges of other Cardholders, their guests or any other person(s). A cease and desist order may be issued by the Board or Senior Management against Cardholders for such behavior and upon failure of Cardholders to comply, a Board Hearing shall be set.~~

~~A Board Hearing Commission, appointed by the President, is made up of no less than three (3) Board of Directors. In the case of imminent danger to any person(s) or property and/or assault charges filed as a result of an alleged act committed on or at RCSC Facilities, Senior Management has the authority to immediately and temporarily suspend their Cardholder Privileges for thirty (30) days. Such temporary suspension shall be reported to the Board and a Board Hearing shall be set. During a period of suspension or expulsion of any privileges or use of RCSC Facilities, Cardholders shall not be entitled to nor receive any reimbursement of any assessments or fees.~~

~~A. Notice of Board Hearing: Notice of a scheduled Board Hearing shall be provided in writing at least fourteen (14) days prior to the hearing. The notice will inform Cardholders why and where the hearing will be conducted and will include the following:~~

- ~~1. reported violation(s);~~
- ~~2. Board hearing procedure;~~
- ~~3. date, time and place of hearing; and~~
- ~~4. notice that all witnesses have the right to attend the hearing. If witnesses are unable to attend, they may provide written comments that will be read at the hearing and submitted to the Board Hearing Commission.~~

~~The Cardholder may submit a written request to the Corporate Office to waive the hearing at least twenty four (24) hours prior to commencement of the hearing. The failure by a Cardholder to appear at the time and place of the hearing shall result in waiver of the Cardholder's right to a hearing. Refusal or failure by the Cardholder to attend the hearing will~~

require the Board Hearing Commission to use the information available to arrive at a decision. In the event the Cardholder is an employee of RCSC, the employee shall be provided leave without pay to attend the Board Hearing.

B. Board Hearing Procedure:

1. The Board Hearing Commission shall preside and conduct the hearing. An opening statement from the Board Hearing Commission detailing the reported violation(s) by the Cardholder(s), outlining the Board Hearing procedure to be followed and providing information as to when the Cardholder can expect a decision.
2. The Cardholder will not speak or provide comment until such time they are recognized by the Board Hearing Commission. The Cardholder will be given ample opportunity to respond and present his/her case and make comments which specifically relate to the violation(s) under review.
3. The responsibility to secure witnesses solely rests with the Cardholder. The Board Hearing Commission does not subpoena witnesses or compel testimony from witnesses.
4. Witnesses may be presented by both the Board Hearing Commission and the Cardholder. Witnesses will remain outside the hearing room and will be called in one at a time to give testimony.
5. Information provided by all witnesses, whether in person or in writing, shall be reviewed and heard by the Board Hearing Commission. If a witness is reluctant to make their comments in the presence of the Cardholder, they will be allowed to do so in front of the Board Hearing Commission only. If the incident involves RCSC personnel, then any federal, state and local laws and regulations applicable to employees shall apply and the Director of Finance or their appointee may attend the hearing.
6. The Cardholder may address the Board Hearing Commission and may call and question their witnesses. The Board Hearing Commission may ask questions and/or address the Cardholder and all witnesses.
7. Neither the Board Hearing Commission nor the Cardholder is bound by technical rules of evidence and/or court procedure in conducting the hearing.
8. All discussions and testimony shall be conducted in a polite and respectful manner without harassment or intimidation.

C. Board Hearing Decision: The Board Hearing Commission will notify the Cardholder in writing of the results of the hearing. Although the Board Hearing Commission has full authority to suspend Cardholders for any length of time, including permanently and on any basis, the following are minimum suspensions for the following offenses:

1. Owners who misrepresent their or other's occupancy of a Property — 6 months
2. Owners or Cardholders who falsify documents — 12 months
3. Cardholders who misrepresent the age or residency of a guest — 6 months
4. Cardholders or their guests who fail to comply with the Corporate Documents — 3 months

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.~~

ARTICLE III – ASSESSMENTS, **AND FEES AND COLLECTIONS**

Each and every Property Owner must execute a [Facilities Agreement](#) in the form required by the Corporation. All Owners are obligated to pay assessments, fees and other charges when due whether or not Owners occupy the Property or use RCSC Facilities. Assessments, fees and other charges shall be determined by the Board and shall be payable by Owners pursuant to the Facilities Agreement and Corporate Documents.

SECTION 1: ANNUAL PROPERTY ASSESSMENTS

The Corporation may levy an annual property assessment against each Property and its Owner(s). Each Owner of a Property, by accepting a deed or entering into a Facilities Agreement, is deemed to covenant and agree to pay these annual property assessments. All annual property assessments, together with interest due from the due date of such annual property assessment, late charges, costs (including lien fees and administrative costs) and reasonable attorneys' fees, shall be a charge and continuing lien upon each Property against which the annual property assessment is levied until paid and shall be the obligation of the Owner(s) of such Property at the time the annual property assessment is imposed. Upon a transfer of title to a Property, the grantee(s) shall be jointly and severally liable with the grantor(s) for any assessments, fees and other charges due at the time of conveyance. No first mortgagee or first deed of trust beneficiary who obtains title to a Property by exercising the remedies provided in its mortgage or deed of trust, as the case may be, shall be liable for unpaid annual property assessments which accrued prior to such acquisition of title. Annual property assessments shall be paid in such a manner and on such dates as the Board may establish. No Owner may exempt himself, herself or itself from liability for annual property assessments, by non-use of RCSC's Facilities, abandonment of his, her or its Property, or by any other means. The obligation to pay annual property assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of annual property assessments or setoff shall be claimed or allowed for any alleged failure by the Corporation, Board or RCSC personnel to take any action or perform such function required of it.

Annual property assessments are assessed on two methods, as follows:

- A. Per Property Basis: Each Property and its Owner(s) is assessed, regardless of the number of Owners, one annual assessment on a Per Property basis as determined by the Board. Any Property which has any change in its legal or beneficial ownership after February 1, 2003 ~~will~~ **shall** be assessed on a Per Property basis.
- B. Per Person Basis: Each Property and its Owner(s) is assessed for each and every Owner at the rate of one-half (1/2) of the annual Per Property basis assessment as determined by the Board. Property owned prior to February 1, 2003 ~~will~~ **shall** continue being assessed on a Per Person basis as long as:
 1. Owners consistently maintain the Property as their primary Arizona residence unless Owner's current residency requires long term medical relocation, and the occupancy status of the Property has not changed;

2. Owners are in compliance with the Corporate Documents; and
3. original Owners as of February 1, 2003 remain as majority (50% or more) Owners or income beneficiaries of the Property.

If any purchase, acquisition, transfer, inheritance of a Property occurs after February 1, 2003, or if any Owner or beneficial interest is added to the Deed after February 1, 2003, then the assessment basis shall be changed to a Per Property basis and a new Facilities Agreement shall be executed by all Owners.

All refunds for annual property assessments must be applied for in writing through the Cardholder Services Office. Eligible pro-rata refunds on estate properties are issued only upon the sale of the Property. To receive a refund for annual property assessments, the Member Card should be returned if applicable. Pro-rata refunds for annual property assessments may be available as follows provided all annual property assessments, fees, and any and all other charges against the Property and Owners are paid in full:

- A. UPON THE SALE OF PROPERTY, the Owner may be entitled to receive a pro-rata refund, provided the Owner has met the obligations as described in the Facilities Agreement and Corporate Documents including the execution of a Facilities Agreement by the new Owners. To receive a refund an application must be filed with the Cardholder Services Office within three (3) years from the close of escrow. Closing documents showing the sale of the property may be required at the time the application for a refund is submitted. Refunds ~~will~~ **shall** be prorated from the date of the sale to the next annual assessment due date.
- B. IN THE EVENT OF DEATH, the estate may be entitled to receive a pro-rata refund provided the deceased Owner has met the obligations as described in the Facilities Agreement and Corporate Documents and the estate property has been sold. To receive a refund an application must be filed with the Cardholder Services Office within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. Refunds ~~will~~ **shall** be prorated from the date of death to the next annual assessment due date. Excluding the aforementioned, no other refunds ~~will~~ **shall** be issued for any reason for annual property assessments.

SECTION 2: PRESERVATION AND IMPROVEMENT FUND AND ASSESSMENTS

A Preservation and Improvement Fund **Fee (PIF)** ~~assessment (hereinafter referred to as "PIF assessment" or "a PIF assessment" or "the PIF assessment")~~, as determined by the Board, shall be imposed on the purchase, acquisition, transfer, inheritance, gift or any change in ownership of legal or beneficial interest in the title to a Property:

- (i) **A. p P** Pursuant to any deed, contract for sale, will or other instrument or document transferring an interest in such property, so long as the original payor of the PIF assessment no longer retains a majority (50% or more) ownership interest in the Property; or
- (ii) **B. f F** Following the death of the last payor of said PIF assessment for the Property resulting in Owners who have not paid said PIF assessment for the Property owning a majority (50% or more) ownership interest; or
- (iii) **C. f F** Following the death of the last original Grantor under a trust which holds title to the Property; or
- (iv) **D. f F** Following the death of the last holder of a life estate.

SECTION 3: CAPITAL IMPROVEMENT FEE

A Capital Improvement Fee **(CIF)** assessment (~~hereinafter referred to as “CIF assessment” or “a CIF assessment” or “the CIF assessment”~~), as determined by the Board, shall be imposed on the purchase, acquisition, transfer, inheritance, gift or any change in ownership of legal or beneficial interest in the title to a Property:

- (i) **A.** ~~p~~ **P** Pursuant to any deed, contract for sale, will or other instrument or document transferring an interest in such property, so long as the original payor of the CIF assessment no longer retains a majority (50% or more) ownership interest in the Property; or
- (ii) **B.** ~~f~~ **F** Following the death of the last payor of said CIF assessment for the Property resulting in Owners who have not paid said CIF assessment for the Property owning a majority (50% or more) ownership interest; or
- (iii) **C.** ~~f~~ **F** Following the death of the last original Grantor under a trust which holds title to the Property; or
- (iv) **D.** ~~f~~ **F** Following the death of the last holder of a life estate.

ARTICLE IV – MEMBERSHIP MEETINGS

SECTION 1: ANNUAL MEMBERSHIP MEETING

An annual meeting of the Members shall be held each year.

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 (*SunViews*) and/or on the RCSC website (www.suncityaz.org)~~ **and published in RCSC printed and electronic communication as determined by the General Manager** not less ~~than ten (10) days, nor more~~ than sixty (60) days before the date of the meeting.

With respect to amendments to the Bylaws, notice of any proposed amendment shall be posted in RCSC Facilities ~~and/or on the RCSC website (www.suncityaz.org)~~ **at least ten (10) and published in RCSC printed and electronic communication as determined by the General Manager not less than seven (7)** days prior to a Membership meeting at which these changes shall be considered.

With respect to amendments to the Articles, notice of any proposed amendment shall be posted in RCSC Facilities ~~and/or published in the RCSC (*SunViews*) newsletter and/or on the RCSC website (www.suncityaz.org)~~ **and published in RCSC printed and electronic communication as determined by the General Manager** at least thirty (30) days prior to a Membership meeting at which these changes shall be considered. Such notice shall include the proposed changes to the Articles.

SECTION 2: SPECIAL MEMBERSHIP MEETINGS

Special meetings of the Members may be called by ~~the~~ **a majority of the** Board of Directors, President of the Corporation or by petition of the Members having at least one-tenth (1/10) of the votes entitled to be cast according to the Corporation's records as of the preceding July 1. The reason for the meeting shall be stated in such call and petition. After receiving the petition and validating the signatures thereon, the President shall set a date for such meeting, which shall be held within sixty (60) days after validation of the signatures is completed.

With respect to a special meeting called by petition of the Members for the purpose of amending the Articles or Bylaws, the Board, after validation of the petition, shall set a special meeting. A written notice shall be posted in RCSC Facilities ~~and/or published in the RCSC newsletter (SunViews) and/or on the RCSC website (www.suncityaz.org)~~ **and published in RCSC printed and electronic communication as determined by the General Manager not less than seven (7)** days, nor more than sixty (60) days before the date of the meeting.

With respect to a special meeting of the Members called by the Board of Directors or the President of the Corporation, a written notice shall be posted in RCSC facilities ~~and/or published in the RCSC newsletter (SunViews) and/or on the RCSC website (www.suncityaz.org)~~ **and published in RCSC printed and electronic communication as determined by the General Manager not less than seven (7)** days, nor more than sixty (60) days before the date of the meeting. Notice shall include information concerning the purpose for the special meeting.

SECTION 3: MEMBERSHIP QUORUM

A quorum for any Membership meeting shall consist of not less than five hundred (500) Members in good standing represented at the meeting in person or by proxy. **The maximum proxies for any one member is twenty-five (25)** Once a quorum has been established for any meeting, the quorum must be maintained to conduct business. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote at such meeting shall have the power to adjourn the meeting without notice other than announcement at the meeting.

Once a quorum has been established for any meeting, appropriate business may be conducted and decided by a majority vote of Members present unless otherwise required by the laws of the State of Arizona or Articles.

SECTION 4: MEMBERSHIP MEETING RULES AND REGULATIONS

Robert's Rules of Order shall govern procedure at all meetings of the Corporation provided they are consistent with the laws of the State of Arizona and the Corporate Documents. A Parliamentarian may be present at the discretion of the President.

The ~~b~~**B**ylaws may be amended, modified, revised or revoked by the directors or by the members. In the event of conflict concerning the ~~b~~**B**ylaws as amended, modified, revised or revoked by the directors, the action of the Members shall prevail. Proposals or matters relating to the conduct of the business affairs of the Corporation, if brought before a Membership meeting, 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~~ **shall** be considered only as a recommendation to the Board.

If the disposition of these proposals or matters is determined by the Board not to be in the best interest of the Corporation, the Board shall announce its decision and such proposal or matter shall not be considered further. The Members may, by petition signed by at least ten percent (10%) of the total Membership of the Corporation as of the first day of the preceding July, bring the proposal or matter before the Membership for a majority vote of the Members present at a duly called and noticed Annual or Special Membership meeting.

SECTION 5: VOTING PROCEDURES AT MEMBERSHIP MEETINGS

- A. Voting shall be by Members in good standing present at any meeting of the Members. The following procedures shall apply for ballot voting:
 1. Voting shall proceed under supervision of the Election Committee.

2. At least two (2) members of the Election Committee shall be in attendance at all times during voting and they, along with their assigns, shall issue all official ballots, and witness the casting of the ballots.
3. Ballot boxes shall remain sealed until all votes are cast. Votes shall be tabulated in the presence of at least three (3) members of the Election Committee. Any Member may be present as an observer at the tabulation of the votes. Upon completion of the tabulation of ballots, the results shall be certified by the Election Committee Chair to the Board and posted on the RCSC website (www.suncityaz.org) and/or in RCSC Facilities, **and published in RCSC printed and electronic communication as determined by the General Manager.**

SECTION 6: LIMITATION PERIOD

No Membership election or vote, initiated by petition of the Members, shall be held on an issue which is the same as, or substantially similar to, any issue which has been voted upon by the Membership within the current calendar year or any of the past three (3) calendar years (collectively known as the "Limitation Period"). The Board shall determine, in its sole discretion, whether the issue proposed to be voted upon by the Membership is the same as, or substantially similar to, an issue previously voted upon by the Membership during the Limitation Period. In the event a Membership election or vote is not required to be held due to the provisions of this section, then the Board shall not set, call, notice or post the proposed Membership election or vote or any Membership meeting in connection therewith, or take any other action normally associated with a Membership election or vote or a Membership meeting. This section shall not apply to the election or removal of any ~~Board of~~ Director.

SECTION 7: MEETING MINUTES

The meeting minutes of the Annual Membership or any Special Membership meeting shall be approved by three (3) current Officers of the Board within two weeks after the adjournment of such meeting and posted on the RCSC website (www.suncityaz.org)

ARTICLE V - BOARD OF DIRECTORS

SECTION 1: COMPENSATION OF BOARD OF DIRECTORS

The Board **Directors** shall receive no compensation of any kind for ~~his/her~~ **their** service as a Board ~~of~~ Director.

SECTION 2: CONFLICT OF INTEREST

The ~~Board of~~ **Directors** shall disclose in writing to the Corporation's President or Vice-President any material 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 Director.** A conflict of interest is a situation in which someone in a position of trust has competing professional or personal interests. Such competing interests can make it difficult to fulfill his/her duties impartially. A conflict of interest can exist even if no unethical or improper act results from it.

SECTION 3: INSTALLATION OF DIRECTORS

At the first Board meeting after a ~~Board of~~ Director has been newly elected or newly appointed, the President of the Corporation shall formally install the new ~~Board of~~ Director(s) ~~specifying~~ **and specify** when their term of office commences.

SECTION 4: LENGTH OF TERMS AND VACANCIES

~~There shall be nine (9) elected or appointed Members of the Board as Directors. The term of office for an elected Board of Director shall be three (3), two (2) or one (1) year. One (1), two (2) or three (3) year elected terms enter into the six (6) year limit set forth in the Articles of Incorporation. At the annual election, three (3) Board of Directors shall be elected for three (3) year terms unless a candidate has only one (1) or two (2) years remaining on the maximum six (6) years elected per the Articles of Incorporation. One, two or three year elected terms enter into the six (6) year limit set forth in the Articles.~~ In the event more than three (3) vacancies exist as of the deadline for turning in the petitions, those vacancies shall also be filled at the annual election as follows:

- A. A candidate receiving less than one hundred (100) votes shall not be eligible to fill any vacancies.
- B. The candidate receiving the highest number of votes, after the three (3) three-year terms are filled, shall fill the next longest vacant term **unless one of the three (3) year term candidates has only one (1) or two (2) years remaining of the maximum six (6) years then they will take the shorter term.**
- C. If a candidate is elected to the Board and prior to the beginning date of the term for which he/she has been elected, declines or is unable to assume the office, then the term of the declining candidate shall be filled with the unsuccessful candidate receiving the next highest number of votes, based on the vote totals of the candidates in the last annual Board election.
- D. The Election Committee ~~(also known as the Balloting Committee)~~ **will** **shall** determine the order of placement in the event of a tie vote. The method shall be a simple drawing of the names of the candidates involved in the tie vote.
- E. Vacancies occurring on the Board during the year (January 1 through December 31) may be filled by appointment by the Board. A majority vote of the Board (5) is required for said appointment. An appointment ends on December 31 of the year appointed. An appointed term does not enter into the six (6) year limit set forth in the Articles.

SECTION 5: MEETINGS OF THE BOARD

~~Meetings of the Board shall be held on the days and times as designated by the Board. The oath of office shall be administered to newly elected or appointed Directors at the first Board Meeting following election or appointment. The President, Vice President or his/her appointee shall preside at all meetings. Six (6) Board of Directors shall constitute a quorum. Robert's Rules of Order shall govern procedure at all meetings of the Corporation provided they are consistent with the laws of the State of Arizona and the Corporate Documents. A Parliamentarian may be present at Board meetings at the discretion of the President.~~

~~All meetings of the Board and the Exchanges, excluding Executive Sessions and Informational Meetings, shall be open and video recorded. Member comments at Board Meetings will be limited to posted motions.~~

~~Directors can attend all duly called regular Governing Board Meetings, Informational Meetings and Special Sessions of the Board either in person, by telephone conference call, video conferencing or other communication methods by which all participants can hear and talk to each other.~~

~~At least seven (7) days prior to all Board meetings, excluding Executive Sessions, Special Sessions, Informational Meetings and the Exchanges, an agenda, subject to amendment, shall be posted in RCSC~~

~~Facilities and/or on the RCSC website (www.suncityaz.org). Motions made in Board meetings, excluding Executive Sessions, Special Sessions and the Exchanges, shall be read and passed a minimum of two times before finalized and acted upon unless readings are waived by two thirds (2/3) majority of the Board (6). As soon as practicable, a brief summary of the preceding Board meeting shall be posted on the RCSC website (www.suncityaz.org). After approved by the Board, minutes of Board meetings, excluding Executive Sessions and the Exchanges will be available on the RCSC website (www.suncityaz.org) or to Members in good standing at no cost upon request at the Corporate Office.~~

~~The Exchange will generally be held on the second Monday of the month at 9am in the Sundial Auditorium. Board meetings will generally be held on the last Thursday of the month at 9am in the Sundial Auditorium, except the months of July and August when no Board meetings or the Exchanges are held.~~

~~Board meetings and the Exchanges may occur earlier in the month during November and December due to the holidays. Board meeting and the Exchange schedules will be posted in RCSC Facilities and/or published in the newsletter (*SunViews*) and/or on the RCSC website (www.suncityaz.org)~~

~~Informal Informational Meetings of the Board are held after the Exchange to identify and resolve issues brought forth at the Exchange by the Membership. Only Directors and RCSC Management will attend except when additional information is needed from other individuals.~~

~~The RCSC Board of Directors may hold a planning session quarterly or as needed to discuss issues or to garner information from the General Manager. These sessions will be open for attendance by Members who will not be allowed to comment. These sessions will be video recorded, and the agenda posted on the RCSC website prior to the meeting.~~

~~Special Sessions of the Board may be called by the President or upon the written request of three (3) or more Board of Directors. The purpose of the meeting shall be stated in the call and posted on the RCSC website (www.suncityaz.org). Except in cases of emergency, at least seventy-two (72) hours' notice shall be given.~~

~~The Board may meet in an Executive Session (closed meeting) to discuss confidential matters such as; litigation, matters relating to formation of contracts with third parties, Cardholder discipline and personnel matters. All matters discussed in an Executive Session shall remain confidential indefinitely. Executive Sessions may be called separately or during any meeting of the Board or Membership. The Board has the authority to take final action in Executive Sessions and is not required to reveal those decisions. Minutes of Executive Sessions are retained as a part of the confidential records of the Corporation.~~

All meetings of the Board and the Exchanges shall be open, and video recorded, excluding Executive Sessions, Informational Meetings, and gatherings involving any number of Directors for solely social, informational, or educational purposes that clearly do not have a formal meeting format and do not allow for any form of decision making, action, or business transaction to take place. Member comments at Board Meetings shall be limited to posted motions. Directors can attend all duly called regular Governing Board Meetings, Informational Meetings, Planning Sessions, and Special Sessions of the Board either in person, by telephone conference call, video conferencing or other communication methods by which all participants can simultaneously hear and talk to each other.

At least seven (7) days prior to all Board Meetings, excluding Executive Sessions, Special Sessions, Informational Meetings, Planning Sessions, and the Exchanges, an agenda, subject to amendment, shall be posted in RCSC Facilities and/or on the RCSC website (www.suncityaz.org). Motions made in Board Meetings, excluding Executive Sessions, Special Sessions and the Exchanges, shall be read and passed a minimum of two times before finalized and acted upon unless readings are waived by two-thirds (2/3) majority of the Board (6). For purposes of clarity, no motions shall be made at Informational Meetings or Planning Sessions. As soon as practicable, a brief summary of the preceding Board Meeting shall be posted on the RCSC website (www.suncityaz.org). After approved by the Board, minutes of Board Meetings, excluding Executive Sessions or the Exchanges shall be available on the RCSC website (www.suncityaz.org). After approved by the Board, minutes of Board Meetings shall be available to Members in good standing at no cost upon request at the Corporate Office, subject to the requirements of Arizona Revised Statutes 10-11602, as amended.

Informal Informational Meetings of the Board (closed meetings) are held after the Exchange to identify and resolve issues brought forth at the Exchange by the Membership or as needed to discuss complex issues and/or review educational materials. Only Directors and RCSC Management may attend except when additional information is needed from other individuals.

The RCSC Board of Directors may hold a Planning Session quarterly or as needed to discuss issues or to garner information from the General Manager and requires a five (5) day notice to members. These sessions shall be open to attendance by Members who shall not be allowed to comment. These sessions shall be video recorded, and the agenda posted on the RCSC website prior to the meeting.

The Board may meet in an Executive Session (closed meeting) to discuss confidential matters such as; litigation, matters relating to the formation of contracts with third parties, Cardholder discipline and personnel matters. All matters discussed in an Executive Session shall remain confidential indefinitely. Executive Sessions may be called separately or during any meeting of the Board or Membership. The Board has the authority to take final action in Executive Sessions and is not required to reveal those decisions. Minutes of Executive Sessions are retained as a part of the confidential records of the Corporation, subject to the requirements of Arizona Revised Statutes 10-11602, as amended.

SECTION 6: BOARD AUTHORITY/DUTIES, COMMISSIONS AND SENIOR MANAGEMENT

A. Board Authority/Duties:

1. The Board shall have the authority and responsibility to employ the General Manager; to hold and administer assets, and direct, control, manage, and supervise the business and financial affairs of the Corporation without limitation except as set forth in the Corporate Documents.
2. The General Manager shall report to the Board. The President shall provide direction and guidance to the General Manager. A job performance review ~~will~~ **shall** be conducted annually by the President, with input from the Board. Any successful candidate for General Manager must be approved by a majority of the Board (5). The General Manager cannot be terminated without a majority approval of the Board (5).

3. The Board shall have the authority and responsibility to employ a Board Coordinator, who shall report to the President. Duties include administrative support for Board meetings, Corporate Document maintenance and all other Board functions as assigned.
3. 4. The Board shall have authority to establish, ~~change~~ **amend**, and/or delete **any and/or all individual parts of these Bylaws**, Board Policies, **committees** and any rules and regulations of the Corporation as deemed necessary and within the authority as outlined in the Corporate Documents.
4. 5. The Board's fiduciary duty requires ~~Board of~~ Directors to act in the best interests and for the benefit of the Corporation. 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.
5. 6. Except for ~~Board of~~ Directors who are also Officers and who are required by the Corporate Documents to perform certain operational functions in their official capacities, the Board's duty and responsibility is to establish policy and to ensure the implementation of that policy by Senior Management.
6. 7. It is the role of the Board to establish objectives 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 action on behalf of the Corporation.
7. 8. The Board has no direct supervisory authority over RCSC personnel, excluding the General Manager **and Board Coordinator**. The Board shall make any requests for reports, information, repairs, maintenance or any other requests to Senior Management only.
8. 9. Any ~~Board of~~ Director shall have the right to attend, as a guest, all meetings of Committees or RCSC team meetings. ~~Board of~~ Directors attending such meetings may not participate during the meeting unless invited to do so by the Committee Chair, Committee Co-Chair or Senior Management. In no instance shall a guest ~~Board of~~ Director have the right to vote on any issue before the Committee.

B. Commissions:

1. Commissions may be established by the Board and are made up of ~~Board of~~ Directors only. The purpose of a Commission is to carry out specific business of the Corporation, with written guidelines (i.e. Bid Commission, Investment Commission) as assigned to that Commission by the Board. The Board may empower Commissions to take action on behalf of the Corporation to fulfill such duties.

ARTICLE VI – OFFICERS

SECTION 1: OFFICERS OF THE CORPORATION

The Officers of the Corporation shall be President, Vice-President, Secretary and Treasurer.

SECTION 2: ELECTION OF OFFICERS

The Board shall meet in a closed Executive s~~Session~~ on the first business day after January 1 for election of Officers. The Board shall select from their own number, by majority ballot vote of the Board (5), the Officers who shall serve for the term of one year to end at the election of Officers in the following year. A ~~Board of~~ Director may be re-elected to consecutive terms as an Officer if he/she receives the majority vote of the Board (5). **The Board shall also elect new Directors for the Sun City Foundation at this meeting per Bylaws of the Sun City Foundation. Since all Sun City Directors are on a one-year term, all existing Directors should be confirmed by vote of the RCSC Board at this meeting. Removal of Sun City Directors may be done at any time with or without cause by a two-thirds (2/3) vote of the RCSC Board of Directors as specified in Sun City Foundation Bylaws Article V. Section 4. Sub paragraph (b).**

SECTION 3: PRESIDENT

The President shall **call** ~~at~~ and conduct all meetings of the Corporation by a formal order of business. The President shall have general supervision and direction of the affairs of the Corporation in accordance with the Corporate Documents. The President shall have authority to administer all matters not otherwise expressly delegated and may call special meetings of the Membership and/or Board.

After approval by the Board, the President may execute bonds, investments, debts, and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution thereof may be expressly delegated by the Board to some other Officer or Agent of the Corporation.

SECTION 4: VICE-PRESIDENT

The Vice-President shall perform such duties as assigned by the President and in the absence or incapacity of the President; shall perform the duties of the President.

SECTION 5: SECRETARY

The Secretary shall adhere to the duties of the Secretary as outlined in Robert's Rules of Order and shall ensure that the records of the Corporation are maintained and in order.

SECTION 6: TREASURER

The Treasurer shall ensure that financial records and cash/investment handling procedures are audited after the close of each fiscal year by a Certified Public Accountant, as selected by the Board. The Treasurer shall make certain that annual income tax returns and other required filings have been filed as required. The Treasurer shall require safeguards to protect assets. Any indebtedness issued in the name of the Corporation shall be signed by the Treasurer or other Board Officer after such indebtedness is approved by a majority vote of the Board (5).

SECTION 7: THEFT, DISHONESTY AND LIABILITY INSURANCE

The Officers shall ensure that an Employee Dishonesty Insurance Policy, as determined by the Board, is in place to insure the Corporation against losses relating to theft or mishandling of assets by Employees, Directors or Agents of the Corporation. The Corporation shall provide ~~Board of~~ Directors and Officers liability insurance for all ~~Board of~~ Directors, Officers and their spouses.

SECTION 8: REMOVAL OF BOARD OFFICERS

~~An Officer who is unwilling or incapable of satisfactorily performing the responsibilities of his/her office, may be removed from his/her office by a ballot vote of a majority of the Board (5). An Officer so removed shall be eligible to continue as a Board of Director. The Articles address removal of any elected or appointed Board of Director from the Board.~~

~~A new election of an Officer by the Board of Directors for the vacated position shall be held within fifteen (15) days after removal. In the case of a vacancy in the President's office, the Vice President will perform the duties of the President until a new President is elected.~~

ARTICLE VII - NOMINATION AND APPOINTMENT PROCEDURES

SECTION 1: PRESENTATION OF CANDIDATES

The Chair of the Election Committee shall present at a Board meeting no later than October 31 of each year a list of candidates for Board positions to be filled at the coming annual election.

SECTION 2: RECRUITMENT OF CANDIDATES

On or before the first Monday in June, Board Candidate Packets ~~will~~ **shall** be available. In the event additional candidates are needed, the Election Committee shall begin recruiting to provide the required number.

If a member of the Election Committee desires to become a Board candidate, he/she must resign from the Committee prior to doing so.

SECTION 3: PETITION AND APPLICATION OF CANDIDATES

A Member who is eligible to become a candidate for election to the Board shall provide to the Chair of the Election Committee on the scheduled date in the candidate packet, the following:

- A. On the official petition form required at least one hundred (100) valid signatures of Members in good standing;
- B. An application on the official form required, to include a resume and list of goals; and,
- C. Nominee shall make himself/herself available to RCSC for a photograph.

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. Must be at least fifty-five (55) years of age;
- B. Must be Member in good standing;
- C. Must not reside with or be related by marriage or birth to any other ~~Board of~~ Director, Board candidate, or Senior Management;
- D. Must reside in Sun City, Arizona and be available at least ten (10) months of the year;
- E. Must meet the requirement to hold an Arizona liquor license;
- F. Must be eligible and available to serve a three (3) year term; and
- G. Must attend Board Candidate Orientation(s).

A Board Candidate that withdraws from his/her candidacy for any or no reason may not elect to reestablish candidacy in the same election year.

ARTICLE VIII - ELECTION OF ~~BOARD OF~~ DIRECTORS

SECTION 1: POLLING PLACES, TIMES AND DATES

- A. Election of the Board shall be held on the second Tuesday in December each year.
- B. The Board may schedule earlier voting dates.
- C. The Board shall select the number of polling places, their locations and times of operation for voting within Sun City, Maricopa County, Arizona.
- D. The Board shall select the number of days for online voting through the Web Portal.

SECTION 2: VOTES

The Board candidate or candidates receiving the highest number of votes shall be elected to the vacancy or vacancies for which the election is held.

SECTION 3: RECALL ELECTION

- A. In a recall election, a ~~Board of~~ Director shall be deemed recalled if a majority of the votes cast by Membership ballots are for his/her removal, provided further that the total number of votes received for the recall is not less than one hundred (100).
- B. **Subsequent to recall, an election shall be held to elect a replacement Board member.** The person receiving the highest number of votes cast by Membership ballots to replace the recalled ~~Board of~~ Director shall be deemed elected to fill the unexpired term of said ~~Board of~~ Director.
- C. The Board, or its designated representative, may use the services of a neutral entity and adopt their procedures, as desired, to ensure a fair election process.
- D. The Board, or its designated representative, may exercise the flexibility to negotiate technical and routine matters with the neutral entity conducting the election at the Board's request and to make any necessary arrangements or revisions as the need arises.

ARTICLE IX – INITIATIVE, REFERENDUM AND RECALL PETITIONS

Per the Articles, any initiative, referendum, or recall petition must have a total number of signers not less than ten percent (10%) of the voting Members of the Corporation as of the preceding July 1. All signers must have signed in person, and they must provide their Property address, Member Card number ~~and the expiration date thereof~~. The completed petition ~~will~~ **shall** be filed with the Secretary of the Corporation.

A recall petition ~~will~~ **shall** set forth the name of the ~~Board of~~ Director whose removal is desired ~~and the reasons for the recall~~.

A referendum petition must set forth the existing policy or regulation that is being challenged in clear and precise language that ~~will~~ **shall** allow the challenge to be determined by a "YES" ~~OR~~ **or** "NO" vote. Any proposition ~~will~~ **shall** be subject to the requirements and limitations of the Corporate Documents.

Before an initiative petition is filed, the party or parties intending to circulate and file such a petition ~~will~~ **shall** submit to the Board the proposal in the exact language that the initiative ~~will~~ **shall** contain. The Board ~~will~~ **shall** have ~~sixty (60)~~ **fourteen (14)** days from the date of submission to ~~accept or reject the proposal~~. If the proposal is accepted, the petition ~~will be assigned~~ **assign** a petition control number by the Secretary of the Corporation.

If issues can be resolved without the petition process, the Board and the Members ~~will~~ **shall** achieve savings in terms of cost and time while avoiding disharmony and divisiveness in Sun City, Arizona.

SECTION 1: STEPS TO TAKE BEFORE CIRCULATING A PETITION

- A. Consider alternatives before beginning the petition process:
1. Bring the issue to the attention of the Board at Board meetings or in other direct communication with the Board.
 2. The Board ~~will~~ **shall** consider the issue and provide in writing their consensus regarding such. If the Board approves, action ~~will~~ **shall** be taken accordingly. If the Board disapproves, proponents may initiate the petition process.
- B. File request to circulate your petition with the Secretary of the Corporation.
1. Submit:
 - a. The names, addresses, and telephone numbers of the petition organizers.
 - b. The organization, if any, supporting the petition.
 - c. The text of the proposed petition on the official petition form as required.
 2. The Secretary of the Corporation shall provide:
 - a. Written notice of receipt of petition as submitted shall be within fifteen (15) business days.
 - b. Official petition with control number for use by all Circulators within fifteen (15) business days.
 - c. Petition regulations.
 - d. Petition start and completion dates **shall not exceed ninety (90) days**.
- C. Copy official, numbered petitions.
1. Copy as many copies of the official, numbered petition, as needed to circulate your petition. No other petition form is acceptable. Number each page. Each page should have:
 - a. The exact wording of the petition as approved by the Board.
 - b. The control number as assigned by the Corporation.
 - c. The Certification on the back of each page.
- D. Select and orient Circulators to the regulations and procedures to follow in circulating petitions.

SECTION 2: ACCEPTABLE PRACTICES DURING THE PETITION'S CIRCULATION

- A. All Circulators:
1. Must be Members in good standing.
 2. May not use intimidation, misleading statements or payments in securing signatures.
 3. Obtain signatures of current Members only. Privilege Cardholders are not eligible to vote or sign a petition.
 4. Must certify, as their legal obligation requires, that he/she witnessed the signatures of each individual signing.
- B. Petitions regarding RCSC matters may be circulated within or at all RCSC facilities/properties while not disrupting or interfering with RCSC Member activities or blocking ingress or egress at any facility.

- C. Signers of the petition, in addition to being current Members, must:
1. Be the actual person, a wife may not sign for husband 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.
- D. Signers of the petition may withdraw their signatures at any time during the validation process **by written notice to the Corporate Office.**

SECTION 3: POST-PETITION CIRCULATION PROCEDURES

When petition circulation is complete:

- A. File completed petitions with the Secretary of the Corporation in book form, including:
1. A cover page specifying the quantity of individual official petition forms filed, the total number of signatures claimed, and the date submitted.
 2. Number each signed official petition submitted.
 3. A cover page to verify each group of petitions submitted and certified by each Circulator.
- B. The Corporation ~~will~~ **shall**:
1. Provide a dated receipt for submitted petitions.
 2. Initiate the petition verification process.
- C. The petition verification process ~~will~~ **shall** include, but is not limited to, the following:
1. Investigation of Circulators:
 - a. Circulator must be a current Member in good standing.
 - b. Circulator must witness every signature.
 - c. Circulator must sign the affidavit of Circulator on the reverse side of the last official petition form submitted in a group.
 - d. Irregularities, including false or misleading statements by the Circulator, in obtaining, verifying and certifying signatures ~~will~~ **shall** result in rejection of all petitions of the Circulator.
 2. Inspection of signatures for:
 - a. Legibility.
 - b. Printing instead of signing.
 - c. Absence of dated signature, Property address, and Member Card number.
 - d. Duplication.
- D. Time required for petition verification:
1. Once the completed petition is filed with the Corporation, the Corporation ~~will~~ **shall** have thirty (30) days from the filing to determine and announce whether or not the required number of signers has been obtained.
- E. Upon completion of the verification process:
1. If the number of verified signers is insufficient, the petition is declared invalid.

2. If the number of verified signers is sufficient, the Board ~~will~~ **shall** set the date to present the petition to the Members for their vote which ~~will~~ **shall** be conducted by the Election Committee within sixty (60) days of the validation announcement.

ARTICLE X – INDEMNIFICATION AND RISK MANAGEMENT

Recreation Centers of Sun City, Inc., its successors and assigns, hereby agree to protect, defend, indemnify and hold harmless its ~~Board of Directors~~ and their spouses, Officers, Senior Management and Employees **and the following committee members of the Insurance; Budget, Finance & Audit and Long Range Planning Committees** from and against any and all claims, demands, actions, damages, loss, and judgments arising out of or occurring in connection with any act or omission of such, including reasonable attorney fees and court costs. Such indemnification shall exclude any such liability caused by gross negligence or willful misconduct.

ARTICLE XI – FINANCIAL MANAGEMENT

SECTION 1: FISCAL YEAR

~~For all purposes, financial and otherwise, the calendar year January 1 through December 31, shall be synonymous with the term “fiscal year” of the Recreation Centers of Sun City, Inc.~~

ARTICLE XII – INVESTMENTS

The Corporation has an unrestricted cash reserve and additional unrestricted operations funds, a restricted Preservation and Improvement Fund and a restricted Capital Reserve Fund which shall be invested as follows:

SECTION 1: GENERAL OBJECTIVES

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

- A. Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall investment portfolio. The objective ~~will~~ **shall** be to mitigate credit risk and interest rate risk.
 1. Credit Risk: RCSC ~~will~~ **shall** minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:
 - a. Limiting investments to the types of securities per the Corporate Documents; and
 - b. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer ~~will~~ **shall** be minimized.
 2. Interest Rate Risk: RCSC ~~will~~ **shall** minimize interest rate risk, which is the risk that the market value of securities in the investment portfolio ~~will~~ **shall** fall due to changes in market interest rates, by:
 - a. Structuring the investment portfolio so that securities mature or are available to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to the target duration strategy; and

- b. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the investment portfolio in accordance with the Corporate Documents.
- B. Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the investment portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the investment portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the investment portfolio may be placed in money market mutual funds or local government investment pools which offer same day liquidity for short-term funds.
- C. Yield: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:
 - 1. A security with declining credit may be sold early to minimize loss of principal.
 - 2. Liquidity needs of the investment portfolio require that the security be sold.

SECTION 2: STANDARDS OF CARE

Authority to manage the investment portfolio is granted to RCSC's Investment Commission made up of approved ~~Board of~~ Directors of the Corporation. The President of the Corporation shall serve as Chair of the Investment Commission each year. The President, in January of each year, shall recommend to the Board three (3) fellow ~~Board of~~ Directors to serve with him/her on said Commission for that calendar year. The Board shall approve the ~~Board of~~ Directors who ~~will~~ **shall** serve with the President on the Investment Commission by majority vote of the Board (5).

Responsibility for the operation of the investment portfolio is hereby delegated to the ~~Director of Finance~~ **Support/Finance Sr. Leader**, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with the Corporate Documents. The ~~Director of Finance~~ **Support/Finance Sr. Leader** shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

- A. Prudence: The standard of prudence to be used by the Investment Commission shall be the "prudent person" standard and the standard of care set forth in Arizona Revised Statutes for directors and officers which shall be applied in the context of managing the overall investment portfolio. The Investment Commission, acting in accordance with Arizona Revised Statutes, written procedures, the Corporate Documents and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of the Corporate Documents.
 - 1. The "prudent person" standard states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but

for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Arizona Revised Statutes states: "A director's duties, including duties as a member of a committee, shall be discharged: (i) in good faith, (ii) with the care an ordinary prudent person in a like position would exercise under similar circumstances, and (iii) in a manner the director reasonably believes to be in the best interest of the corporation."
- B. Ethics and Conflicts of Interest: Officers and employees involved in the investment portfolio shall refrain from personal business activity that could conflict with the proper execution and management of the investment portfolio, or that could impair their ability to make impartial decisions. Officers and employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of RCSC.

SECTION 3: AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

- A. Authorized Financial Institutions, Depositories, and Broker/Dealers: A list ~~will~~ **shall** be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list ~~will~~ **shall** be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).
1. All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:
 - a. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines;
 - b. Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties);
 - c. Proof of state registration; and
 - d. Certification of having read and understood and agreeing to comply with RCSC's Corporate Documents.

SECTION 4: SAFEKEEPING AND CUSTODY

- A. Internal Controls: The ~~Director of Finance~~ **Support/Finance Sr. Leader** shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Investment Commission and with an independent auditor. The controls shall be designed to prevent the loss of funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by Officers and employees of RCSC.

SECTION 5: SUITABLE AND AUTHORIZED INVESTMENTS

- A. Investment Types:
1. U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government ~~and are considered to be the most secure instruments available.~~

2. U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value.
3. Certificates of deposit and other evidences of deposit at financial institutions.
4. Bonds, debentures and notes that are issued by corporations organized and doing business in the United States and that are rated "A~~3~~" or better by Moody's Investor Service, **"A"- or better by** Standard and Poor's and/or **"A"- by** Fitch rating service or their successors. All bonds must have at least two of these ratings.
5. Commercial paper of prime quality that is rated "A1" and/or better by Standard and Poor's, **and/or "P1" or better by Moody's Investor Services** and/or F1 by Fitch rating service or their successors. All commercial paper must have at least two of these ratings. All commercial paper ~~must~~ **shall** be **dollar denominated and** issued by corporations organized and doing business in the United States.
6. Investment-grade obligations of state, provincial and local governments and public authorities.
7. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities.

SECTION 6: INVESTMENT PARAMETERS

- A. **Diversification**: It is the policy of RCSC to diversify its investment portfolio. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all RCSC funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised periodically by the Investment Commission for all funds.
1. In establishing specific diversification strategies, the following general policies and constraints shall apply:
 - a. Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector.
 - b. Maturities selected shall provide for stability of income and reasonable liquidity.
 2. For cash management funds:
 - a. Positions in securities having potential default risk (e.g., commercial paper) shall be limited in size so that in case of default, the portfolio's annual investment income ~~will~~ **shall** exceed a loss on a single issuer's securities.
 - b. Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.
 3. The following diversification limitations shall be imposed on the portfolio:
 - a. Maturity: No more than 50% percent of the portfolio may be invested beyond 12 months, and the weighted average maturity of the portfolio shall never exceed 2.5 years.
 - b. Default risk: No more than 5 percent of the overall portfolio may be invested in the securities of a single issuer, except for securities of the U.S. Treasury.

- c. Liquidity risk: At least 25 percent of the portfolio shall be invested in overnight instruments or in marketable securities which can be sold to raise cash in one day's notice.
- B. Maximum Maturities: To the extent possible, RCSC shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, RCSC ~~will~~ **shall** not directly invest in securities maturing more than five (5) years from the date of purchase. RCSC shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the entire Board of Directors.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as money market funds and appropriate liquidity is maintained to meet ongoing obligations.

SECTION 7: REPORTING

- A. Investment Commission: The ~~Director of Finance~~ **Support/Finance Sr. Leader** and/or assigned **employee** shall prepare an investment report at least quarterly that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. This report ~~will~~ **shall** be prepared in a manner which ~~will~~ **shall** allow RCSC's Investment Commission to ascertain whether investment activities during the reporting period have conformed to the Corporate Documents.
 - 1. The report ~~will~~ **shall** include the following:
 - a. Listing of individual securities held at the end of the reporting period.
 - b. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
 - c. Listing of investment by maturity date.
 - d. Percentage of the total portfolio which each type of investment represents.
- B. RCSC Membership: A summary report shall be updated quarterly and shall be reported as a part of the Treasurer's report in a Board meeting excluding the months of July and August.

ARTICLE XII - COMMITTEES

~~WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors ("Board" or "Directors") of the Recreation Centers of Sun City, Inc. ("RCSC" or "Corporation") to adopt Policies ("BP" or "Policies") not in conflict with the Restated Articles of Incorporation ("Articles") or the Corporate Bylaws ("Bylaws").~~

~~WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.~~

~~WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Standing Committees shall provide~~

~~instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.~~

~~WHEREAS Article VI of the Corporate Bylaws empowers the RCSC Board to create or eliminate committees as they may deem necessary to properly and effectively carry on the affairs of the Corporation.~~

~~WHEREAS Article VI of the Corporate Bylaws defines a standing committee as a small group of Members, subordinate to the Board of Directors, which is organized to assist the Board in specific areas as assigned.~~

~~WHEREAS Article VI of the Corporate Bylaws states that standing committees have no decision making authority and are limited to presenting ideas and recommendations to the Board of Directors and Management.~~

~~NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following Standing Committee policy:~~

SECTION 1: COMMITTEES

A standing committee is a small group of Members, subordinate to the Board, which is organized to assist the Board in specific areas, as follows and does not meet in the months of July and August. Other months without meetings can be determined by each committee individually. Committees have no decision-making authority and are limited to presenting ideas and recommendations to the Directors and Management unless otherwise authorized. All standing, special (Ad Hoc), committees shall be established by the Board. Method of appointments shall be as specified and determined by the Board. Special committees are formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective. Committees generally do not meet in the months of July and August. Meetings can be determined by each committee individually or by the direction of the Board. RCSC members in good standing may attend meetings, except during Executive Session, but may not speak without approval by the Chair or other person in charge of the meeting.

SECTION 2: COMMITTEE CHAIR AND CO-CHAIR

All committees shall have a Board of Director as Chair and Co-Chair who shall be proposed for those positions by the President and approved by the Board in January each year. If a Chair or Co-Chair is unwilling or incapable of satisfactorily performing the responsibilities, they may be removed from his/her position as Chair or Co-Chair by a ballot vote of a majority vote of the Board (5). The Committee Chair and Co-Chair shall conduct committee meetings unless unavailable, then another Director may do so. The Committee Chair, or Co-Chair in the absence of the Chair, shall be responsible for presenting committee recommendations to the Board.

SECTION 3: MEMBERS OF COMMITTEES

All committees shall attempt to have no less than five (5) members. Members of committees shall be selected from the Membership at large who must meet the following requirements:

A. Shall be a Member in good standing;

- B. Shall not reside with or be related to any other member of the committee by marriage or birth unless committee members are selected by election or appointment to another position; i.e., green committee members, association officers, and/or Chartered Club Presidents; and
- C. Shall agree to adhere to the Corporate Documents.
- D. Members shall be appointed by the President or Chair or Co-Chair of the committee. Committees may establish internal processes for selection of members nominated for appointment.
- E. Members of the committees may attend meetings either in person, by telephone conference call, video conferencing or other communication methods by which all participants can simultaneously hear and talk to each other.

SECTION 4: STANDING COMMITTEES

- A. **Bowling Committee:** The purpose of the Bowling Committee is to assist in the promotion and interest in the game of bowling, encourage fellowship amongst bowlers, gather input from Cardholders and recommend changes to the Board in bowling policies, fees, operations and facilities as a result.
- B. **Club Organization Committee:** (also known as the COC): The purpose of the Club Organization Committee is to support Chartered Clubs as needed, make recommendations for Chartered Club policy changes to the Board, promote and encourage participation in Chartered Clubs.
- C. **Election Committee:** The purpose of the Election Committee is to review and recommend election procedure changes, to recruit a sufficient number of Board candidates, conduct the candidate forums, ensure that elections and recall elections of the Board are conducted pursuant to the Corporate Documents, and announce the results.
- D. **Finance, Budget and Audit Committee:** The purpose of the Finance, Budget and Audit Committee is to ~~review~~ recommend to the Board for its approval an annual financial budget, to review monthly, quarterly and year-to-date financial statements, to determine the financial performance ~~year-to-date~~ of the operation in comparison to Board approved annual budget and the financial performance compared to the previous year, advise the Board of any concerns regarding the financial operations and to make recommendations to the Board regarding the annual ~~operating and~~ capital project list ~~budget~~. The annual budget and annual capital project list shall be presented to the Finance, Budget and Audit Committee by Management. The committee shall recommend an annual budget and capital project list to the Board for approval. In addition, the Finance, Budget and Audit Committee shall review Management's proposed five-year operating plan. Finally, the committee shall recommend to the Board, auditors ~~approval~~ for the Chartered Clubs. ~~auditors to the Board.~~

E. **Golf Advisory Committee:** The purpose of the Golf Advisory Committee is to assist in the promotion and interest in the game of golf, encourage fellowship amongst golfers, gather input from Cardholders and recommend changes to the Board in golf policies, fees, operations and facilities as a result. The Golf Advisory Committee shall direct each golf course's Green Committee.

F. **Insurance Committee:** The purpose of the Insurance Committee is to review and recommend to the Board insurance requirements and adequate coverage and selection of insurance brokers/agents/carriers which will be reviewed at least annually based upon renewals, service, bid proposals and recommendations for any changes or additions.

G. **Lawn Bowling Advisory Committee:** The purpose of the Lawn Bowling Advisory Committee is to assist in the promotion and interest in lawn bowling, encourage fellowship amongst lawn bowlers, gather input from Cardholders and recommend changes to the Board in lawn bowling policies, fees, operations and facilities as a result.

H. **Long Range Planning Committee:** The purpose of the Long-Range Planning Committee is to provide the Board with reports, recommendations, and suggestions regarding the future needs of Members ~~and a suggested timeframe to implement future facilities and programs to meet those needs.~~ The committee shall annually present a Ten-year Preservation and Improvement Fund (PIF) Project Forecast to the Board for approval. All requests for changes to the PIF Project Forecast shall be presented to the Committee, which shall recommend approval/non-approval to the Board.

I. **Outreach & Communications Committee:** The purpose of the Outreach and Communication Committee is to ensure that we increase our visibility, help re-establish a sense of community, identify key messages, connect with our Members, Board of Directors and our RCSC Staff; while recommending avenues for an exchange of information, encouraging active participation, and serving as a link with our community partners to promote quality messages as we all serve the same people.

J. **Properties Committee:** The purpose of the Properties Committee is to conduct at least three inspections annually of RCSC Facilities; specifically, the buildings, equipment, and grounds surrounding the buildings to determine if they are safe, properly cared for and in good condition. The Properties Committee shall meet with Senior Management to report the status and make recommendations to the Board and/or Senior Management for preservation and care of the facilities.

K. **Sun City in Focus Committee:** The purpose of the Sun City in Focus Committee is to coordinate and produce a video news magazine for approval by the Communications & RCSC Marketing Coordinator and a Senior Manager prior to publication. The video magazine shall highlight RCSC's current events, special events, recreation centers, golf courses, clubs, members and any other activities deemed of interest to current and potential RCSC Members. The intent of the video news magazine is to inform, and educate those who may have an interest

in, or seek information regarding the community of Sun City AZ, or the events and activities within the RCSC.

- L. Technology Committee:** The purpose of the Technology Committee is to research, identify and determine the impact of current and future technology requirements needed to support the RCSC Board, Management and Members, while simultaneously enhancing both current and future facilities. Consideration shall also be given as to which technologies best support the mission of the of the RCSC Board and Management in terms of providing accurate and accessible data and programs designed to meet the day-to-day needs of the community. Special attention shall be given by the Committee to cutting edge technologies, future trends, and innovations that shall place the RCSC Board, Management, and the community in the best competitive position to entice future Members.

AD-HOC COMMITTEES

~~Ad hoc committees are formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective. An ad hoc committee is a group of Members subordinate to the Board.~~

COMMITTEE CHAIR AND CO-CHAIR

~~All committees shall have a Board of Director as Chair and Co-Chair who shall be approved by the Board in January each year. If a Chair or Co-Chair is unwilling or incapable of satisfactorily performing the responsibilities, they may be removed from his/her position as Chair or Co-Chair by a ballot vote of a majority vote of the Board (5). The Committee Chair and Co-Chair shall conduct committee meetings unless unavailable, then another Board of Director may do so. The Committee Chair, or Co-Chair in the absence of the Chair, shall be responsible for presenting committee recommendations to the Board.~~

MEMBERS OF COMMITTEES

~~All committees shall attempt to have no less than five (5) members. Members of committees shall be selected from the Membership at large who must meet the following requirements:~~

- ~~E. Must be a Member in good standing;~~
- ~~F. Must not reside with or be related to any other member of the committee by marriage or birth unless committee members are selected by election or appointment to another position; i.e., green committee members, association officers, and/or Chartered Club Presidents; and~~
- ~~G. Must agree to adhere to the Corporate Documents.~~

SECTION 5: MEMBERS OF COMMITTEES RESPONSIBILITIES

Committee members are expected to attend all committee meetings, review materials in advance of the meetings, participate in meetings, and meet as frequently as necessary to discharge properly the committee's responsibilities. All Committees shall select a Secretary annually who shall prepare a summary of the committee meeting and submit it to the Corporate Office within three (3) days after the committee meeting. If the Secretary is not present, the Chair or Co-Chair shall appoint a Secretary for the meeting.

SECTION 6: MEMBERS OF COMMITTEES SUSPENDED OR EXPELLED

Committee members may be suspended or expelled by a majority vote of the Board (5) for the following reasons: vote in the affirmative by each of three Directors including the President, Chair and Co-Chair for the following reasons:

- A. Failure to adhere to the Corporate Documents;
- B. For any good and sufficient cause which is contrary to the highest moral or sportsman like principles;
- C. For being unwilling or incapable of satisfactorily performing the responsibilities of a member of a committee; or,
- D. Failure to attend three (3) committee meetings in a row.

ARTICLE XIII DISCIPLINE PROCEEDINGS

SECTION 1:

If a Director or Member is guilty of a serious offense and understanding that members are in possession of the facts, a Director may be given the opportunity to resign and a Member, accepting guilt, may waive their right to a hearing before charges are preferred and when it's in the best interest of the RCSC and all parties concerned.

SECTION 2: BOARD OF DIRECTORS

- A. Hearings for Directors shall be conducted in Executive Session. Directors may be removed from the Board, or Officer of the Board by the Board or the Members as specified in the Articles of Incorporation. Directors may be removed for violating the Corporation Bylaws and/or Policies.

- B. An Officer who is unwilling or incapable of satisfactorily performing the responsibilities of his/her office, may be removed from his/her office or membership on the Board by a ballot vote of two-thirds (2/3) cast by the Directors following the report of the findings and recommendations of an appointed Hearing Commission consisting of three (3) Director members appointed by the Board President to gather and present facts.

- C. The Hearing Commission shall send a notice to the accused no later than ten (10) business days prior to the meeting date at which time a hearing shall occur regarding proof of charges and discipline recommended and voted upon.

- D. The Notice shall inform the accused of the date, time and place of the Hearing and of each charge against the accused.

SECTION 3: MEMBERS AND PRIVILEGE CARDHOLDERS

- A. Members and Privilege Cardholders who fail to comply with the Corporate Documents may be subject to suspension of Privileges as determined by a Hearing Commission and may no longer be considered a Member or Privilege Cardholder in good standing. A Member, Privilege Cardholder or group of Members and/or Privilege Cardholders, or any other person(s), must not behave in a manner which jeopardizes the rights or privileges of other Members and Privilege Cardholders, their guests or any other person(s). A cease-and-desist order may be

issued by the Board or Senior Management against Members and/or Privilege Cardholders for such behavior and upon failure of Members and Privilege Cardholders to comply; a Board Hearing shall be set.

B. In the case of imminent danger to any person(s) or property and/or assault charges filed as a result of an alleged act committed on or at RCSC Facilities, Senior Management has the authority to immediately and temporarily suspend their Cardholder Privileges for thirty (30) days. Such temporary suspension shall be reported to the Board and a Board Hearing shall be set. During a period of suspension or expulsion of any privileges or use of RCSC Facilities, Cardholders shall not be entitled to nor receive any reimbursement of any assessments or fees.

C. A Hearing Commission shall be appointed by the President, which is made up of no less than three (3) Directors to gather and present facts and make a recommendation(s) regarding charges to be brought and discipline to be enforced.

D. Notice of a scheduled Board Hearing shall be provided in writing at least fourteen (14) days prior to the hearing. The notice will inform Member/Cardholders why and where the hearing shall be conducted and will include the following:

1. Reported violation(s);
2. Board hearing procedure;
3. Date, time and place of hearing; and

4. Notice that all witnesses have the right to attend the hearing. If witnesses are unable to attend, they may provide written comments that will be read at the hearing and submitted to the Hearing Commission.

E. The Member/Cardholder may submit a written request to the Corporate Office to waive the hearing at least twenty-four (24) hours prior to commencement of the hearing. The failure by a Member/Cardholder to appear at the time and place of the hearing shall result in a waiver of the Member/Cardholder's right to a hearing. Refusal or failure by the Member/Cardholder to attend the hearing will require the Hearing Commission to use the information available to arrive at a decision. In the event the Member/Cardholder is an employee of RCSC, the employee shall be provided leave without pay to attend the Board Hearing.

SECTION 4: HEARING PROCEDURES, SUSPENSION OR REMOVAL OF MEMBERS, PRIVILEGE CARDHOLDERS AND DIRECTORS

A. HEARING PROCEDURE:

The Hearing Commission shall preside and conduct the hearing. An opening statement shall be made from the Chair of the Hearing Commission detailing the reported violation(s) and outlining the Board Hearing procedure to be followed and providing information as to when a decision can be expected.

1. Neither the Hearing Commission nor the Director or Cardholder is bound by technical rules of evidence and/or court procedure in conducting the hearing.

2. All discussions and testimony shall be conducted in a polite and respectful manner without harassment or intimidation.
3. The Chair of the Hearing Commission shall preside over and conduct the hearing. The Hearing Commission Chair details the reported violation(s) by the Director or Cardholder(s), outlining the Board Hearing procedure to be followed and providing information as to when the decision can be expected.
4. The Director or Cardholder shall not speak or provide comment until such time as they are recognized by the Chair of the Hearing Commission. The accused shall be given ample opportunity to respond and present his/her case and make comments which specifically relate to the violation(s) under review.
5. The responsibility to secure witness's rests solely with the Director or Cardholder. The Hearing Commission does not subpoena witnesses or compel testimony from witnesses.
6. Witnesses may be presented by both the Hearing Commission and the accused. Witnesses shall remain outside the hearing room and shall be called in one at a time to give testimony.
7. Information provided by all witnesses, whether in person or in writing, shall be reviewed and heard by the Hearing Commission. If a witness is reluctant to make their comments in the presence of the accused, they shall be allowed to do so in front of the Hearing Commission only. If the incident involves RCSC personnel, then any federal, state and local laws and regulations applicable to employees shall apply and the General Manager or his/her appointee who may attend the hearing.
8. The Director or Cardholder may address the Hearing Commission and may call and question witnesses, except reluctant witnesses. The Hearing Commission may ask questions and/or address the accused and all witnesses and provide the details of any witness that addresses the Commission without the accused being present.
9. The accused is asked to leave.
10. If the accused is found guilty by the Hearing Commission of any specification or charge, the Commission shall determine the discipline to be assigned to each specification and/or charge resulting in a finding of "guilty".

B. Board Hearing Decision:

1. The Hearing Commission shall notify the Director or Member/Cardholder in writing of the results of the hearing. If a member of the Board of Directors is removed for cause from the 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 time up to and including permanent ban.
2. The Hearing Commission shall notify the Member/Cardholder in writing of the results of the hearing. Although the Hearing Commission has full authority to suspend Member/Privilege Cardholders for any length of time, including permanently and on any basis. The following are minimum suspensions for the following offenses:
 1. Owners who misrepresent their or other's occupancy of a Property– 6 months
 2. Owners, members or Privilege Cardholders who falsify documents – 12 months
 3. Members or Privilege Cardholders who misrepresent the age or residency of a Guest – 6 months

4. Members or Privilege Cardholders or their guests who fail to comply with the Corporate Documents – appeal process may provide additional information– 3 months
5. Should none of the above four options be pertinent to the offense, the Hearing Commission may determine the discipline as they deem appropriate.

C. Board Hearing Appeal:

Any Director, Member or Privilege Cardholder may appeal the action taken by the 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 decision. The Board President may deny or accept the appeal request and shall notify the Director, Member or Privilege Cardholder in writing accordingly, and if denied the reasons for denial shall be detailed. If the appeal request is accepted, the Director, Member or Privilege Cardholder may introduce new witnesses or evidence. The entire Board shall review all evidence submitted; and watch the recorded hearing conducted by the Hearing Commission, if available. The Board of Directors shall notify the Director or Cardholder in writing of its final decision.

BE IT FURTHER RESOLVED that a copy of these Corporate Bylaws shall be posted on the RCSC website (www.suncityaz.org) and shall be made available to Members upon request at no cost.

Adopted and signed this ~~30th~~ **31st** day of ~~May~~, **October**, 2024 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

List of Bylaws Changes

New & Changed definitions:

F. “Directors of the Board” is defined as the nine elected or appointed Members of the Board of Directors of the RCSC hereafter referred to as Director(s).

H. “Incident Report Forms” are filed to document injuries (trips, slips, falls), workers comp injuries, destruction of RCSC property, theft, verbal or physical abuse of staff or member, indecent exposure, threats made, police interaction, and gross or malicious behavior. In general, any situation in which there is an injury, perceived or actual harm to any individual, unacceptable behavior or destruction of any RCSC property.

M. Update “Owner”

J. Additions to Member Card

O. “Privilege Cardholder” is defined in Article II Section 3 of these bylaws.

S. “Privilege Cardholder(s) in good standing” ... added: Should any charges be non-current the privilege cardholder is not in good standing.

T. T. “Senior Management” is defined as the employees designated by title by the General Manager.

Article I – Modified Section 1, added new Section 2, Added new Section 3, modified Section 4, Added new Sections 5 & 6. There isn’t anything controversial here.

Article II – Section 1 modified format of initial paragraph it now states simpler requirements of ownership and age requirements; no occupation requirement; Modified language to Support Board Policy 21 & 24 changes that removes occupying the home;

Section 2 addition that unqualified Owners cannot bring guests and removes occupy requirements and eliminates 75-mile statement.

Section 3 added language articulating Non-Owner Property Residents. A Non-Owner occupying the property removed 75-mile rule.

Section 4 “Incident Reports” modified language to allow hearings for first offense if it is warranted.

Section 5 deleted hearings paragraph and information now in a new Article XIII.

Article III – Deleted “Collections” to title as collections are addressed in BP24.

Article IV – Sections 1 & 2 & 5; Modified language to simplify notice about Annual Membership Meetings. Section 3 Membership Quorum added a 25-proxy limit per member.

Article V – Section 2 modified language on conflict of interest. Section 4 changed to modify director terms to account for those elected to 1- or 2-year terms. Articles of Incorporation limit directors to six years maximum on the board. Section 5 complete re-write by Bylaws Attorney Ashley Spear. Section 6 added language for amending Bylaws, Policies, committees and any rules and regulations of the Board.

Article VI – Section 2 - Added language for Sun City Foundation Directors to properly reflect Bylaws of the Foundation following advice from Board's attorney. Other very minor changes.

Article VIII – section 3B – minor language change.

Article IX – minor changes to address petition control numbers. Also add a change from 60 days to 14 days to assign a petition control number.

Section 1 B.2.d. petition start, and completion dates added: Petition start, and end dates shall not exceed ninety (90) days.

Section 2 paragraph D. – modified proxy signer withdrawal requires written notice to Board office.

Article X – added members of Insurance Committee: Budget, Finance & Audit Committee; and Long-Range Planning Committee to indemnification list.

Article XI is deleted, and information added to Article I about Fiscal Year.

Former Article XII now New Article XI has minor language changes.

New Article XII addresses Committees. additions to former BP 27 – committees may meet in July and August; members in good standing may attend meetings; members of Committees are appointed by President or Chair or Co-Chair. Committees may establish processes of selection of members. Committee members may be suspended or expelled by a vote in the affirmative by each of three Directors including the President, Chair and Co-Chair for the reasons stated.

A new paragraph allowing committee attendance via electronic means identical to Director language concerning this issue.

New Article XIII Discipline Proceedings – Section 1 – applies the process to members and Directors. Section 2 applies to Directors. Section 3 applies to members and Privilege Cardholders. Section 4 details hearing procedures, decisions and appeal processes. Note change of appeal process by allowing subject to introduce additional information.

Also included are:

- Update to Board Policy 2 Senior Management
- Minor change to Board Policy 3 Corporate Records
- New Board Policy 4 for Robert's Rules of Order use
- Minor changes to Board Policy 3
- Minor change to Board Policy 6
- Board Policy 12 – numerous small changes: Major changes follow;

Section 2 - Club Membership – added language **Waiting lists to join a club are not allowed unless approved by the RCSC Board.**

Section 4 Elections added: ELECTIONS - The club's executive board shall be elected by a vote of the club membership each year. A slate of candidates shall be presented to the membership no less than 10 days prior to the election. On the day of the election, nominations may be made from the floor. There shall be a quorum of the club membership before an election can take place. Candidates shall run for a specific position. If multiple candidates are running for an office, a secret ballot shall be taken. Ballots are to be counted by at least one club member and one current board member, who is not running for re-election, or a second club member, if a board member is not available. Election results shall be certified by the current executive board. Results are to be kept a part of the permanent club records.

Section 10. Club Monitors - . **All clubs with dedicated space require a minimum of two (2) people in the room at all times.**

Section 19. Club Rules & Regulations - **Clubs shall use the mandated rules template which can be found at the Clubs Office.**

Section 24 .Safety - **All clubs shall be operated using the highest regard for safety and well-being of its members. Clubs must provide proper training in the use of all equipment and tools. Members shall not use such items until training is completed. Safety Data Sheets (SDS) for all chemicals shall be readily available to members. Chemicals should be stored in an appropriate cabinet. Any incident reported resulting in an injury or illness must be reported to RCSC using the Incident Report Form. The form must be completed with all known details of the incident.**

Adherence to safety procedures are the responsibility of the club and its instructors. Any RCSC safety inspections shall require an appointment to be made with the club president prior to inspection. A report of any findings shall be sent to the club president.

Section 32. Photography & Video - **Photography and video may be taken at any time at the recreational and social facilities owned and operated by RCSC. Your attendance at RCSC facilities will constitute your irrevocable consent to be photographed, videotaped and recorded, your irrevocable consent to the use of your likeness by RCSC and others acting on its behalf, for the purpose of advertising and promotion in any media, throughout the world in perpetuity, including but not limited to television, and the world wide web, and your waiver of any compensation or permission for such use.**

- Major Changes to Board Policy 20 – SC Foundation
- Changes to Board Policy 21 – this removes the requirement for an Owner to occupy their property to get a Member Card in accordance with Bylaws change.
- Major update to Board Policy 32 – General Manager

BOARD POLICY RESOLUTION NO. 2 (“BP2”)

SENIOR MANAGEMENT

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Board of Directors, Management & Commissions shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policies regarding Senior Management

A. Senior Management:

- ~~1. Senior Management is responsible for directing, coordinating and overseeing financial management, operations and personnel of the Corporation.~~
2. 1. Senior Management is responsible for the day-to-day operations of the Corporation. ~~and enforcing the Corporate Documents.~~
3. 2. Senior Management is given authority by the Board to make decisions to meet their responsibilities, to include any and all expenditures, so long as such expenditures are maintained within the guidelines of the approved annual budget **and in accordance with the Corporate Documents.**
4. 3. Senior Management has the authority and responsibility to implement policies, procedures, rules and regulations covering day-to-day operations and personnel provided that such are compatible with the Corporate Documents.
5. 4. Senior Management is responsible for maintaining the confidentiality of any and all business of the Corporation where confidentiality is required.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

BOARD POLICY RESOLUTION No. 3 (“BP 3”)

CORPORATE RECORDS

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Corporate Records shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policy regarding Corporate Records:

- A. The following guidelines shall be followed regarding review of corporate records. The process serves to maintain the integrity of RCSC documents while providing access to Members with a legitimate basis for the examination of such records.
1. A Member wishing to examine corporate records ~~must~~ **shall** submit a **completed** [Request for Review of Corporate Records Form](#) to the Corporate Office which states the purpose to be served by the review and an itemized statement of the specific documents to be examined.
 2. ~~Must be a~~ **The** Member **shall be** in good standing for at least six (6) months preceding the request for records.
 3. The request ~~must~~ **shall** be made in good faith and for a specific purpose. It shall be at the sole discretion of the Board as to whether the Member has a valid purpose for review of the corporate records requested.
 4. If the request is approved, a date, time and place ~~will~~ **shall** be set for the review. If the request is denied, the Member ~~will~~ **shall** be notified accordingly.
 5. Review of documents ~~must~~ **shall** take place under Board or RCSC employee supervision.
 6. No original records of the Corporation ~~can~~ **shall** be removed from the premises during this process. No marks, notations, erasures, or other defacements ~~will~~ **shall** be made on any original document(s).
 7. When information is contained in several documents, only one document at a time may be submitted for review. Return of an examined document ~~will~~ **shall** authorize release of the next document for inspection.

8. After completing review of documents, Members may request to have copies of a particular document **and/or take a photo**, 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.~~

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

RECREATION CENTERS OF SUN CITY, INC.

10626 West Thunderbird Blvd.

Sun City AZ 85351

623-561-4600

REQUEST FOR REVIEW OF CORPORATE RECORDS

I (we) request to review the following documents.

Your request must be made in good faith and for a proper purpose.

Please provide an itemized statement of the specific records requested and the specific purpose of your request. The records must be directly connected with your purpose.

Person requesting to review documents must be a Member in good standing for at least six months before the request to review.

Date

Signature

Membership Number

Address

Telephone number

Approved for review:

BOARD OF DIRECTORS

Date

By: _____

(Please allow at least five business days for processing of the request.)

DATE OF EXAMINATION: _____

WITNESSED BY:

SIGNATURE OF RCSC EMPLOYEE/DIRECTOR

FORM BP:3

BOARD POLICY RESOLUTION No. 4 (“BP 4”) ROBERT’S RULES of ORDER

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Robert’s Rules of Order shall provide instruction, direction and guidelines regarding Board Meetings and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED that the Corporation shall adhere to the following policy for Robert’s Rules of Order Special Rules of Order at its Board and Membership meetings:

RCSC SPECIAL RULES OF ORDER:

Robert’s Rules of Order allows users to establish specific ways to apply the rules. The following will be the application of Robert’s Rules for Board and Membership meetings.

SECTION 1: MEMBERSHIP MEETINGS

Unless otherwise approved by a majority vote of the assembly, each Member may speak twice, on each amendment during debate for a period of 3 minutes. A member wishing to speak a second time may do so only after all Members have spoken once.

SECTION 2: MEETINGS OF THE BOARD

A. Consent Agenda:

A consent agenda may be presented. The matters listed may be taken up in order, unless objected to, in which case they are restored to the ordinary process by which they are placed in line for consideration on the regular agenda. Items may be removed from the consent agenda on the request of any one member. Items not removed may be adopted by general consent without debate. Removed items may be taken up either immediately after the consent agenda or placed later on the agenda at the discretion of the assembly.

B. Procedures for Small Boards:

The Board shall function under the following Procedures for Small Boards:

- 1) Members raise a hand when seeking to obtain the floor.
- 2) There is no limit to the number of times a member can speak to a debatable question.
- 3) Informal discussion of a subject is permitted while no motion is pending.
- 4) The chairman is a member and may speak in informal discussions, debate, and vote on all questions.

C. Special Orders of Business: After Roll Call and quorum met:

- 1) Approval of the Agenda
- 2) Reading and Acceptance of Minutes

- 3) Treasurer's Report
- 4) Management Report
- 5) Committee Reports
- 6) Recreation Center Update Report by General Manager
- 7) President Comments
- 8) Announcements
- 9) Committee Recommendations
- 10) Unfinished Business
- 11) New Business

Six Stages of a Motion:

1. Make Motion
2. Seconding the Motion
3. Chair ***states*** the Motion, which may be read by the maker – Motion no longer belongs to the maker (see *Withdraw a motion below*)
4. Members Debate the Motion
5. Chair ***puts*** the Motion to a vote
6. Announcement of Results of Vote

Understanding the precedence of motions

Only one main motion is allowed on the floor at a time. But many secondary motions can be on the floor at the same time.

Precedence of Motion is like a ladder. The bottom rung is the Main Motion. When any motion on the below list is pending, any motion above it on the list is in order and any motion below it on the list is out of order.

1. Recess
2. Lay on the table – for shutting down a motion from being heard
3. Call the Question - Previous Question – must be recognized, then ends debate if passed – requires 2/3 majority or 6 votes
4. Postpone to a certain time (definitely) – need more discussion and automatically added to next meeting agenda
5. Commit or refer to a committee
6. Amend an amendment (*secondary amendment*)
7. Amend a motion or resolution (*primary amendment*)
8. Postpone indefinitely
- 9. Main Motion**

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this 31st day of October, 2024 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

Connie Jo Richtmyre, Secretary

BOARD POLICY RESOLUTION No. 6 (“BP 6”)

CORPORATE PRIVACY POLICY

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Corporate Privacy Policy shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policy regarding Corporate Private Policy:

The Recreation Centers of Sun City, Inc. is required to obtain personal information from Owners and Cardholders in order to conduct normal business. It is the Corporation’s objective to protect the privacy of that information. Only organizations that perform a recognized beneficial service to the Owners and Cardholders (i.e. Sun City Posse, Sun City Fire Department, Sun City Homeowners Association, **and the Sun City Foundation**) may, at the discretion of the Board or Senior Management, receive limited information.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

RECREATION CENTERS OF SUN CITY, INC.

BOARD POLICY RESOLUTION No. 12 (“BP12”)

CHARTERED CLUBS

WHEREAS Article V, Section 6.3 of the [Corporate Bylaws](#) empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt policies not in conflict with the [Restated Articles of Incorporation](#) (“Articles”) or the [Corporate Bylaws](#) (“Bylaws”).

WHEREAS the Articles and Bylaws shall take precedence over Board Policies and the definitions in the Bylaws shall apply. The following Board Policy shall provide instruction, direction and guidelines regarding Chartered Clubs and shall remain in effect until such time it is amended or removed.

NOW, THEREFORE BE IT RESOLVED that all Chartered Clubs shall be conducted in compliance with federal, state and local laws, the Corporate Documents and any and all rules and regulations of the Corporation. Chartered Clubs shall be governed as follows:

The Corporation has a group tax exemption for its subordinate Chartered Clubs under section 501(c)(4) of the Internal Revenue Code. A club ~~must~~ **shall** not be organized for profit and ~~must~~ **shall** be operated exclusively to promote social welfare to be tax-exempt as a social welfare organization. The earnings of a section 501(c)(4) organization may not inure to the benefit of any private shareholder or individual. A Chartered Club ~~must~~ **shall** operate primarily to further the common good and general welfare of the people of the community. A club does not operate primarily to promote social welfare if its primary activity is carrying on a business with the general public in a manner similar to organizations operated for profit.

A group of Cardholders interested in a particular hobby, avocation or field of interest may join together for the purpose of pursuing said interest and may request the Board to certify them as a Chartered Club. The Corporate Documents shall take precedence over any and all Chartered Club or individual club rules and regulations.

1. CHARTERED CLUB REQUIREMENTS

A club, to maintain its charter, ~~must~~ **shall** have sufficient club membership and active participation to use effectively the RCSC Facilities set aside for it. The minimum club membership requirement for clubs with dedicated space is fifty (50) Cardholders; and for clubs without dedicated space, twenty-five (25) Cardholders are required, excluding the following clubs: Stamp and Model Railroad.

Dedicated space is that assigned to and only used by that club.

Groups seeking to become Chartered Clubs should complete the Application for Club Charter ([FORM BP:12-15](#)) and submit it to the Clubs Office.

Each club shall have its own Federal Tax Identification Number. Applications are to be filled out and filed in the Clubs Office only. Each club shall have its own official Chartered Club name. Club name changes ~~must~~ **shall** be reported to the Clubs Office and to the proper tax authorities.

2. CLUB MEMBERSHIP

Chartered Club membership shall be open to all Member or Privilege Cardholders in good standing. **Waiting lists to join a club are not allowed unless approved by the RCSC Board.** If a Chartered Club has been organized exclusively for men, women, singles or by age group, then exceptions may apply. Clubs may require a minimum of skill for participation as defined in their club rules and regulations. Each club member has one vote. Only club members can vote or hold office.

To ensure that each club member is a Member or Privilege Cardholder in good standing, clubs ~~must~~ **shall** submit a current club membership roster directly to the Clubs Office twice a year on or before Mar 1 and Oct 1 and upon request.

Honorary or lifetime club membership guidelines ~~must~~ **shall** be stated in the club rules and regulations and ~~must~~ **shall** be awarded only to Cardholders in good standing. Honorary or lifetime club membership will be terminated automatically if a Cardholder is not in good standing.

3. CLUB COMMITTEES

Clubs may establish committees, as defined in club rules and regulations; e.g.; Nominating, Club Rules and Regulations, Auditing, Quality Control. Club committee members may be elected or appointed, as defined in the club rules and regulations.

4. ELECTIONS

The club's executive board shall be elected by a vote of the club membership each year. A slate of candidates shall be presented to the membership no less than 10 days prior to the election. On the day of the election, nominations may be made from the floor. There shall be a quorum of the club membership before an election can take place. Candidates shall run for a specific position. If multiple candidates are running for an office, a secret ballot shall be taken. Ballots are to be counted by at least one club member and one current board member, who is not running for re-election, or a second club member, if a board member is not available. Election results shall be certified by the current executive board. Results are to be kept a part of the permanent club records.

5. 4. EXECUTIVE BOARD

The club's Executive Board shall be elected by a vote of the general club membership. The club's Executive Board shall be comprised of the officers and may include club committee chairpersons and club members-at-large. Club members who are paid for services, such as club instructors, shall not hold elected club officer positions while performing these services.

The club's Executive Board shall be responsible for the control and management of the affairs, property and common interests of the club and the administration of the club's rules and regulations. The club's Executive Board may consult with their COC (member of the Club Organization Committee assigned to that club) regularly and seek their assistance immediately whenever any club issue arises.

6. 5. EXECUTIVE BOARD MEETINGS

The club's Executive Board shall meet at least twice a year on such dates as determined in the club's rules and regulations or as established annually by the club's Executive Board. The club's Executive Board meeting dates shall be submitted ([FORM BP:12-2](#)) to the Club Office by April 30 for the following year.

7. 6. CLUB OFFICERS

The club officers shall be at a minimum a President and a Secretary/Treasurer. Election process of club officers, general term of office, term limitation and officer's duties shall be specified in the club's rules and regulations. club officers shall serve without compensation. Club rules and regulations ~~must~~ shall define what occurs if an elected club officer and/or club Executive Board member becomes unable or unwilling to fulfill his/her duties or is absent for an extended period of time. The Clubs Office ~~must~~ shall be kept apprised of current club officers ([FORM BP:12-3](#)), including temporary replacements.

8. 7. CLUB MEMBER & GUEST ATTENDANCE

Each RCSC Chartered Club with dedicated space ~~must~~ shall track daily club member and guest attendance and provide such data to the Clubs Office on a monthly basis. Clubs without dedicated space that use monitored areas ~~must~~ shall have Club members and guests check in with the Facility Attendant. RCSC will maintain club usage data separately from non-club usage data. In addition, clubs without dedicated space that use non-monitored space, e.g., a social hall, ~~must~~ shall turn in club attendance data to the Club Office monthly.

Club member attendance data ~~must~~ shall be provided in the format requested by the Clubs Office. This information ~~must~~ shall be submitted to the Clubs Office no later than ten (10) days after the close of the month. All club attendance data should be distributed to the RCSC Board of Directors on a quarterly basis.

Attendance by all club guests (*non-Cardholders*) for any club activity/meeting/event/tournament/class ~~must~~ shall be recorded on guest attendance register ([FORM BP:12-4](#)) unless a Host Punch Card is accepted and punched by the club for the club guest or a club guest presents a Guest Pass and ID with picture. If the club has punched a Host Punch Card or been presented with a Guest Pass, that club guest is not recorded on the guest attendance register. Monthly, the compilation of these guest attendance registers ([FORM BP:12-4](#)) shall be recorded and submitted no later than ten (10) days after the close of the month to the Clubs Office along with payment to RCSC of club guest fees equal to the daily guest fee per club guest per day.

Club guests (*non-Cardholders*) are not defined as those who wish to tour club facilities, accompany a club member but not participate, provide care or assistance for a handicapped club member or provide instruction to club members.

9. 8. CLUB RECORDS & REPORTS

All Chartered Clubs ~~must~~ shall record and maintain the minutes of all club meetings and ~~must~~ shall retain copies of all correspondence. Minutes ~~must~~ shall be readily available to all club members.

All Chartered Clubs are responsible for the timely filing of all reports and tax forms required by federal, state and local laws for 501(c)(4) organizations see [FORM BP:12-19\(a\)](#) for more information. Club login credentials for 990 filing ~~must~~ shall be provided to the Clubs Office.

All Club Conduct Reports ~~must~~ shall be retained in the club for five (5) years and a copy submitted to the Clubs and Activities office where they will be filed **in alphabetical order by name** by ~~Recreation Number~~ and retained for a minimum of three (3) years.

Chartered Clubs shall issue Internal Revenue Service 1099 forms to individuals who are paid six hundred dollars (\$600) or more during a calendar year. This includes, but is not limited to, sales of crafts, club instructors, card club directors, caller fees and any other such payments required to be reported to the IRS. All 1099 forms shall be filed no later than January 31 of the following year see [FORM BP:12-19\(a\)](#) for more information.

Clubs shall maintain and retain records for the period of time shown as follows:

- a) Club correspondence and club meeting minutes – three (3) years
- b) Club financial records and reports – three (3) years prior to current year
- c) Club deposit records and club receipts – three (3) years
- d) Club tax returns – seven (7) years
- e) Major club capital equipment, copy of invoice and warranty – keep for the life of the equipment
- f) Club discipline and conduct reports – five (5) years
- g) Club records of supply items – three (3) years
- h) Club membership roster – current and prior year only
- i) Club inventory – current and prior year only
- j) Charter club approval, club Federal Tax ID number - retain for life of club

10. ~~9.~~ CLUB MONITORS

All clubs using tools and equipment that could cause injury to the user ~~must~~ **shall** provided **two (2)** club monitors during all club operating hours when such tools and equipment are or may be in use. **All clubs with dedicated space require a minimum of two (2) people in the room at all times.** Monitors must be easily identified by a monitor badge and ~~must~~ **shall** be fully trained and documented in the use of all tools and equipment within the club. Monitors must ensure the use of safety equipment to include that provided by the manufacturer. Monitors ~~must~~ **shall** report any club member's non-compliance on a club member conduct report. Duties of club monitors ~~must~~ **shall** be stated in the club's rules and regulations.

When RCSC Facilities are assigned to a club, it is the responsibility of the club to monitor the use of those facilities and follow all rules and regulations regarding such.

11. ~~10.~~ CLUB MEMBERSHIP MEETINGS

Club membership meetings shall be held at least once a year on such date(s) as determined in the club's rules and regulations or as established annually by the club's Executive Board. Club membership meeting dates shall be submitted ([FORM BP:12-2](#)) to the Clubs Office by April 30 for the following year.

A quorum for Chartered Clubs with club membership up to 100 club members shall be 20%, of 101-400 club members shall be 21 or 10%, whichever is greater and above 400 club members shall be 41 or 5%, whichever is greater. Quorums can be reached only in person except in the case of an act of God or pandemic situation where an electronic vote can be taken to reach a quorum. Clubs assigned designated club space shall, if possible, use their assigned space for club events/business meetings. Clubs without such assigned space ~~must~~ **shall** make a request for RCSC Facilities, in writing, to the Clubs Office for events/business meetings. Any requests for changes

~~must~~ shall be made in writing to the Clubs Office as well. Additional club space is assigned on a first come first served basis so clubs should make requests as far in advance as possible.

Special club membership meetings may be called by any of the club's Executive Board or by written request of ten percent (10%) of the club membership. Notice of special club meetings, with time, place and purpose, ~~must~~ shall be posted and mailed, phoned, or e-mailed to all club members at least seven (7) days prior to the meeting. The Clubs Office should be notified immediately of scheduled special club membership meetings.

12. ~~11.~~ CLUB EVENTS/TOURNAMENTS

Any club president may request to host/sponsor a club event/tournament open to the public through the Clubs Office which will assign appropriate RCSC Facilities, as available. An open club event/tournament is any event to be attended by the general public and not just Cardholders and their invited guests.

Clubs shall pay RCSC rental fees for RCSC Facilities assigned for open club events/tournaments unless the club's annual donation to RCSC is Twelve Thousand Five Hundred Dollars (\$12,500) or greater per year or the event is sanctioned as a RCSC sponsored event. To request that RCSC sanction an event/tournament, the club ~~must~~ shall submit the request to Management see [FORMS BP:12-11\(a\)](#) and [BP:12-11](#). Club rental fees shall be equal to [Cardholder Rental Fees](#) except that the rental fees shall be for each day of the event rather than for a four hour period and only for the days that the space is open to the public. Guest attendance registers, [\(FORM BP:12-4\)](#) Host Punch Cards, or Guest Passes are not required if RCSC Facilities are rented by the club.

If club events/tournaments are open to club members and their invited guests only, the daily guest fee per club guest ~~must~~ shall be paid to RCSC. The completion of the guest attendance register [\(FORM BP:12-4\)](#) or the acceptance and punching of Host Punch Cards or presentation of a Guest Pass with picture ID is required.

If a club occupies a rented space for two or more consecutive days and no further setup is required, the rental fees shall be reduced by forty percent (40%) for each day after the initial day rented or until such time a change in setup is required.

If a club donation (\$12,500 or greater per year) is in lieu of rental and setup fees, such donation will not be eligible for club promotion and marketing.

Registration shall be on a first come first served basis for all club events/tournaments, with Cardholders taking precedence over all other registrants. Neither club visitors nor club guests shall displace club members.

13. ~~12.~~ FOOD & BEVERAGE AT CLUB EVENTS/TOURNAMENTS

The sale of alcoholic and non-alcoholic beverages and food (raw or cooked) is prohibited without appropriate licensing. If a club/organization sponsoring an event/tournament wishes to accept donations or charge a fee for any food or non-alcoholic beverage, they ~~must~~ shall contact the Maricopa County Environmental Health Division at least seven (7) days in advance to report the event and determine if a Temporary Food Service Establishment Permit is required. If a club/organization sponsoring an event/tournament wishes to accept donations or charge a fee for any alcoholic beverages, they ~~must~~ shall secure a Special Events License from the Arizona Department of Liquor.

A club may provide alcoholic and non-alcoholic beverage and food provided that such are made available to club members and their escorted guests only and without charge.

For rules and regulations regarding the use of recreation center kitchens, catering, potlucks, and bake sales refer to Board Policy No. 25 Titled Food and Beverage.

14. ~~13~~. OPEN CLUB CLASSES

Any club president may request to provide open club classes **to non-club members and /or guests** through the Clubs Office which will assign appropriate RCSC Facilities as available. Club instructional classes will require, at a minimum, the daily guest fee per club guest paid to RCSC. The completion of the guest attendance register ([FORM BP:12-4](#)), the acceptance and punching of Host Punch Cards or presentation of a Guest Pass with picture ID is required for all club classes.

Registration shall be on a first come first served basis, with Cardholders taking precedence over all other registrants. Neither club visitors nor club guests shall displace club members.

15. ~~14~~. INDEPENDENT CONTRACTORS

Clubs using independent contractors to provide club related services; i.e. dance callers, instructors, etc. shall define positions and duties in their club rules and regulations. An Independent Contractor Agreement ([FORM BP:12-5](#)), ~~must~~ **shall** be on file with the Clubs Office a minimum of seven (7) days prior to services being rendered. A copy of the agreement ~~must~~ **shall** also be maintained by the club for each person rendering services. All monies paid for services ~~must~~ **shall** be paid and recorded by check or signed receipt. Clubs that hire independent contractors ~~must~~ **shall** comply with federal and state tax regulations and laws.

Chartered Clubs shall issue Internal Revenue Service 1099 forms to individuals who are paid six hundred dollars (\$600) or more during a calendar year. This includes, but is not limited to, sales of crafts, club instructors, card club directors, caller fees and any other such payments required to be reported to the IRS. All 1099 forms (*available at clubs office*) shall be filed no later than January 31 of the following year see [FORM BP:12-19\(a\)](#) for more information.

Clubs conducting instructional classes during periods other than normal club operating hours ~~must~~ **shall** request RCSC Facilities from the Clubs Office in writing.

16. ~~15~~. CLUB VISITORS & GUESTS

A club visitor is a Cardholder that is not a member of the club; there are no fees payable to RCSC by the club for club visitors. A club guest is a non-Cardholder. The club will pay RCSC or effect RCSC to be paid [Host Punch Card or Guest Pass] the daily guest fee per club guest per day unless the club has an approved reciprocity agreement ([FORMS BP:12-9\(a\)](#) and [BP:12-9](#)) with an outside club. Clubs are responsible for the behavior of their guests and shall be held responsible for any damage to RCSC Facilities. Anyone displaying inappropriate behavior may be asked to leave.

Neither club visitors nor club guests shall displace club members. Only Cardholders are eligible for club membership. Both club visitors and club guests shall be required to meet minimum skill levels as defined in club rules and regulations prior to participation in any club. Club rules and regulations ~~must~~ **shall** stipulate the restrictions for all club visitors and guests which ~~must~~ **shall** be adhered to without exception.

All club guests that have not had a Host Punch Card accepted and punched or presented a Guest Pass with picture ID ~~must~~ **shall** be recorded on the guest attendance register ([FORM BP:12-4](#)), refer to Section 7 - Club Guest Attendance of this policy for more information.

17. ~~16.~~ INJURIES & INCIDENTS

If an incident (sickness, loss of consciousness, etc.) or injury (slip, fall, etc.) occurs during club use of RCSC Facilities, first response is to call 911, second response is to notify RCSC personnel, preferably the ~~Area Custodian Supervisor or~~ **Center Leader or the** Center's Custodian Foreman, and once the afflicted individual has been safely responded to, an [Incident Report Form](#) ~~must~~ **shall** be completed and filed by those witnessing the incident.

18. ~~17.~~ CLUB MEMBER DISCIPLINE

Club members ~~should~~ **shall** comply with RCSC and club rules and regulations and conduct themselves in a manner so as not to jeopardize the rights and privileges of other club members. If a club member fails to comply or conduct themselves in an appropriate manner, it may be reported on a Club Member Conduct Report ([FORM BP:12-14](#)) which will follow the process as outlined in the club's rules and regulations or as determined by the club's Executive Board if no club rules and regulations have been established for such. All Club Member Conduct Reports ([FORM BP:12-14](#)) ~~must~~ **shall** be completed and submitted within thirty (30) days of the infraction/incident.

Any club member disciplined by the club's Executive Board may submit a written request for an appeal to the **RCSC** Board **within thirty (30) days of disciplinary actions**, which will follow the appeal hearing process in the Bylaws.

If a **Club** Board Member is the accused party in a Conduct Report, the Clubs Executive Board ~~must~~ **shall** not address the issue. The report ~~should~~ **shall** be forwarded to the club's COC for action. If a Board Member is the accused party, further actions by the Board are not applicable and the COC shall ensure due process including any right to appeal.

19. ~~18.~~ CLUB RULES & REGULATIONS

Each Chartered Club shall adopt rules and regulations, see [FORM BP:12-10\(a\)](#), not in conflict with the Corporate Documents. In the event a conflict should occur, the Articles, Bylaws and Policies, in that order, shall take precedence over club rules and regulations. **Clubs shall use the mandated rules template which can be found at the Clubs Office**. Club rules and regulations ~~must~~ **shall** be approved by a majority of the club members at a duly notified and called club membership meeting with a quorum present in person. The club officers are responsible to submit their club's rules and regulations to the Clubs Office whenever additions, amendments or deletions are made along with the club membership meeting minutes approving such.

20. ~~19.~~ USE OF RCSC FACILITIES

Chartered Clubs are assigned temporary (*used only for a period of time by a club*) or dedicated (*used only by that club*) space as designated by RCSC Management. RCSC Management has the authority and responsibility to direct similar clubs to merge or share dedicated space in order to provide efficient utilization of RCSC Facilities.

All clubs shall be responsible for the appropriate use of RCSC Facilities. Chartered Clubs are not generally charged any fees for use or setup of RCSC Facilities provided that the use is open to Cardholders and their invited guests only and not the general public. Tape of any kind ~~must~~ **shall** not be used to attach signs or papers to painted surfaces. Items unrelated to club activities shall not be stored at RCSC Facilities.

If a scheduled club event/meeting is cancelled and the Clubs Office is not given at least two (2) business days-notice, the club may be charged for rental and/or setup fees. If a scheduled club event/meeting does not resume its activity within fifteen (15) minutes of its scheduled start time, the RCSC Facility will be opened to all Cardholders and their invited guests and the club shall lose its reservation.

Club activities or meetings can be preempted by RCSC. Whenever possible, adequate notification will be given to the club. RCSC will provide for relocation of the club activity whenever possible. Clubs may be required to cancel, relocate or consolidate activities with other like clubs for all or part of the summer as an energy savings effort.

21. ~~20.~~ CLUB SIGNAGE

Permanent club signage, where applicable, will be approved by the ~~Director of Operations~~ **Sr. Leader** and installed by RCSC personnel or contractors only. Signs will be attached to the outside of the building or in close proximity to the club room. Additional signs, with approval, may also be placed on a signpost or monument in close proximity to the building entrance. Permanent signs will not be allowed in parking lots, at the curb, or along-side the roadways. Temporary signage, not to exceed seven (7) days, ~~must~~ **shall** be requested in writing and approved by the ~~Director of Operations~~ **Sr. Leader** in advance of placement.

Chartered Clubs may post club approved signs in their assigned space, or in other places designated for such use. Limitations on postings outside of club space are under the control of the Clubs Office. Club approved literature may be distributed anywhere at RCSC Facilities as long as such distribution does not interfere with normal use of the amenities or RCSC Facilities. All signs and literature will carry the name of the club posting or distributing it.

22. ~~21.~~ EQUIPMENT, FURNITURE & FIXTURES

All tools, equipment, fixtures and furniture are property of RCSC whether it is original equipment, replacement equipment or additional equipment purchased by or donated to the club. Each year on or before February 1 RCSC will provide each club with an updated inventory reflecting last year's inventory and any and all submitted club acquisitions and disposals throughout the past year. Each club is responsible for verifying and submitting a completed written inventory of all equipment, furniture, and fixtures to the Clubs Office by May 15 of each year with an accumulative value of one thousand dollars (\$1,000) or more.

Clubs shall be responsible for the appropriate use of equipment and safety gear. Clubs shall provide necessary tools, equipment, safety gear, club specific furniture and supplies from its own funds as well as repair and replacement thereof. No individual or club may lend, borrow or remove equipment, furniture, fixtures or supplies that are RCSC property. Temporary removal of equipment for club projects or repair is allowed.

Clubs are required to obtain written approval from the ~~Director of Operations~~ **Sr. Leader** ([FORM BP:12-7](#)) prior to ordering or purchasing any new equipment. Clubs leasing any equipment ~~must~~ **shall** have prior written approval of the ~~Director of Operations~~ **Sr. Leader** ([FORM BP:12-7](#)). Written requests shall include all pertinent information including equipment voltage, wattage, amperage, fuel type, overall size and placement location within the club room.

When items are purchased, traded, sold or destroyed they ~~must~~ **shall** be reported on the club acquisition/disposal form ([FORM BP:12-7](#)) and submitted to the Clubs Office.

No equipment belonging to RCSC may be sold or disposed of without prior written approval of the ~~Director of Operations~~ **Sr. Leader**. Re-arrangement requests for furniture or equipment shall be directed to the Center's ~~Custodian~~ Foreman or the Center's ~~Area Custodian Supervisor~~ **Leader**.

23. 22. REPAIRS

Electrical, structural or functional repairs or alterations made by club members to RCSC Facilities or property belonging to a third party are strictly prohibited.

For repairs in or adjacent to clubrooms, the club shall notify the Center's ~~Custodian~~ Foreman in writing. The Center's ~~Custodian~~ Foreman will submit the necessary work orders for correction of the problem. A copy of the work order will be provided to the club. If such request is an emergency and is not resolved by the above steps, the club should contact the Center **Leader**'s ~~Area Custodian Supervisor~~ and/or the ~~Custodian Manager~~.

24. 23. IMPROVEMENTS and CHANGES

Prior written approval ~~must~~ **shall** be obtained from the ~~Director of Operations~~ **SR. Leader** for club facility changes, alterations, upgrades and improvements which may include floors, ceilings, walls, cabinets, shelving, doors, windows, electrical systems, plumbing systems, air conditioning and heating systems, or any other building or infrastructure related system or component. Clubs leasing any equipment ~~must~~ **shall** have prior written approval of the ~~Director of Operations~~ **Sr. Leader** ([FORM BP:12-7](#)).

Requests for additional club space or dedicated space should be submitted in writing to the ~~Director of Operations~~ **Sr. Leader**.

Clubs may provide budget requests to the ~~Director of Operations~~ **Sr. Leader** for club improvements who shall review and approve requests for inclusion in RCSC's operating and capital budget for the upcoming year.

24. CHEMICALS

~~All clubs shall provide Global Harmonization Safety Data Sheets ("SDS") and appropriate posting of all safety documents for all chemicals contained within club space and/or used by club members, visitors or guests. The SDS sheets inform users about personal protective equipment required, possible hazards and possible adverse reactions. SDS sheets can be requested from the supplier and must be kept in a three-ring binder easily accessible to club members and RCSC personnel. Adherence to the safety provisions of the Global Harmonization program are the responsibility of the club and their instructors.~~

24. SAFETY

All clubs shall be operated using the highest regard for safety and well-being of its members. Clubs must provide proper training in the use of all equipment and tools. Members shall not use such items until training is completed. Safety Data Sheets (SDS) for all chemicals shall be readily available to members. Chemicals should be stored in an appropriate cabinet. Any incident reported resulting in an injury or illness must be reported to RCSC using the Incident Report Form. The form must be completed with all known details of the incident.

Adherence to safety procedures are the responsibility of the club and its instructors. Any RCSC safety inspections shall require an appointment to be made with the club president prior to inspection. A report of any findings shall be sent to the club president.

25. INSURANCE

The insurance provided by RCSC covers equipment, tools, raw materials for sale to club members, and articles/items for sale if 100% of the sale goes to the club. The insurance provided by RCSC does not cover club members' clothing, tools, supplies, work in progress or finished goods held for sale by the club on a consignment basis. Also not covered are items unrelated to club activities stored in the club room. The insurance provided by RCSC is subject to a deductible on a per loss basis. It is the sole discretion of the Board if the deductible is the responsibility of RCSC or the respective club. Chartered Clubs and their club members are additionally insured under the General Liability policy while acting in the capacity of a club officer or a member of the club's Executive Board.

26. CLUB ADVERTISING & MARKETING

Club instructors may not advertise services being rendered in RCSC Facilities. If clubs are advertising or marketing club events not open to the general public, they ~~must~~ shall state that the event is open to Cardholders and their escorted guests only. All club advertising and marketing, including social media postings, ~~must~~ shall be approved in writing by the club's office prior to publication.

Donations made by clubs to RCSC, excluding those made in lieu of rental or set up fees, may be used for the promotion and marketing of Chartered Clubs and their events and activities. Clubs may request financial assistance in promoting and marketing a club event or activity by making a request to the ~~Director of Operations~~ Sr. Leader (FORM BP:12-12). Clubs should not expect to receive marketing assistance greater than their annual contribution to RCSC.

RCSC shall provide for each Chartered Club one page featuring the club within RCSC's website www.suncityaz.org to promote and provide information about the club (FORMS BP:12-16(a) & BP:12-16). It is the responsibility of the club to ensure that the information on the website is accurate and up to date.

RCSC shall provide for each Chartered Club in RCSC's monthly ~~SunViews~~ SC Update newsletter, the club listing, notice of any and all club activities or events (FORM BP:12-18(a) and one feature article per year (FORMS BP:12-17(a) & BP:12-17(b)). It is the responsibility of the club to ensure that the club listing is accurate and up to date.

27. CLUB CONTRIBUTIONS AND SALES

Monetary contributions made by clubs to outside organizations shall not exceed the total contribution made to RCSC. Contributions made by clubs to an individual, including but not limited to club members or candidates for the Board, is prohibited.

The use of RCSC Facilities by clubs is intended for the pursuit of hobbies and social welfare and shall not be used for the manufacture of articles to be sold by individuals for their sole profit. A club may sell items not produced in the club provided that all proceeds from such sales benefit the club only and not any individuals or other organizations. A club may sell items outside of RCSC Facilities produced in whole or in part within RCSC Facilities so long as the club benefits from such sales equally or greater than if the items were being sold within RCSC Facilities. ~~Clubs may~~

~~submit a request to the Director of Operations to showcase items with the club name only outside their dedicated space on a temporary basis at RCSC's Facilities.~~

Each club's rules and regulations ~~must~~ **shall** define the number of articles an individual club member may sell during any calendar year, the percentage the club will receive from each sale, how complaints are handled regarding sales, and the relationship between using the club facilities, consigning items for sale and volunteering time to perform necessary club duties. Items for which club members receive orders as a direct result of club activities shall be handled as club sales.

Vendors may be authorized by clubs to sell related materials and supplies within club facilities on a limited basis. Clubs are authorized to sell supplies and raw materials at reasonable rates ~~to~~ **for** club member **use only**, ~~visitors or guests.~~

28. RAFFLES

Any club conducting an amusement gambling intellectual contest or event as defined in Arizona Revised Statute §13-3301 ~~must~~ **shall** comply with all laws regarding such.

29. CLUB FINANCES

All Chartered Club's fiscal year shall be from January 1 through December 31. All Chartered Clubs shall file with the Clubs Office financial reports ([FORM BP:12-8](#)) for each calendar year on or before January 31 of the following year.

All monies collected ~~must~~ **shall** be reported on the club's financial report. The annual dues for each club shall be stated in its club rules and regulations, along with the payment schedule of how the dues are collected; i.e., annually, semi-annually, or quarterly.

Any club member, assigned auditor, or **RCSC** Board of Director, will be given access to all financial records of the club upon written request within ten days of the request.

The **RCSC** Board, Management, Club Organization Committee or any club member may submit a request on [FORM BP:12 SEC 29](#) to the Board Office for an audit of the club's finances. If the audit request is approved, an audit will be scheduled with the club's Executive Board. A report of the results of such audit shall be submitted to the requestor, the club's Executive Board and made a part of the club records.

A Chartered Club audit/financial review is the examination of the club's financial statements to assure that these statements are free from material errors. If specific financial concerns are detailed in the request, the Auditor will examine club financial records regarding these concerns. If the auditor forms the opinion that the club has not kept proper books of account, they will notify the club's Executive Board. If the club's Executive Board does not take the necessary steps to correct the situation within thirty (30) days, the auditor will conclude the audit and submit their final report. If the club's Executive Board does take the necessary steps to correct the situation, the auditor will adjust their final report accordingly. **A copy of the final audit report will be filed with the COC and Clubs Office.**

30. DE-CHARTERING OF CLUBS

Club members may vote at a duly notified and held club membership meeting to de-charter the club at any time for any reason. Any club not in compliance with federal, state and local laws may be subject to being de-chartered. Any club not adhering to the Corporate Documents may be subject to being de-chartered. A club that does not meet Chartered Club requirements may be subject to being de-chartered. Any club that has been unable to provide club officers or club

monitors may be subject to being de-chartered. Any club may be subject to being combined with another like club and/or relocated, any club refusing to do so may be subject to being de-chartered. If a club is at the risk of being de-chartered, a notice will be sent to the club in writing by the ~~Director of Operations~~ **Clubs Office**, with a copy sent to the **RCSC** Board and the Club Organization Committee **(COC)**, stating the nature of the problem(s) and providing for assistance in rectifying the situation, if possible. A club shall be given ninety (90) days to rectify all matters excluding club membership, which shall have one year to rectify. Upon failure to rectify its issue the club shall be de-chartered by the **RCSC** Board.

When a club is de-chartered, equipment and supplies may be sold to other clubs, club members or outside sources with approval of the club's Executive Board, **RCSC** Board and the ~~Director of Operations~~ **Sr. Leader**. If the club cannot or does not wish to sell the equipment or supplies, it may donate them to similar Chartered Clubs with the ~~Director of Operations~~ **Sr. Leader** approval. The club may sponsor a final closing event for its club members, after such, all assets will revert to the Recreation Centers of Sun City, Inc.

31. SPONSORSHIP

RCSC's Chartered Clubs are under the group tax exemption and most are exempt as social welfare organizations under Internal Revenue Code ("Code") Section 501(c)(4). The Code and related regulations do not prohibit a Section 501(c)(4) organization from accepting sponsorship funds. It is important to remember, however, that the Code prohibits the net earnings of a social welfare organization from inuring to the private benefit of any members. In general, the private inurement prohibition is usually concerned with payments to insiders, other than as reasonable compensation for services actually rendered. The prohibition against private inurement is intended to ensure that the organization serves the community rather than a private interest. Therefore, any funds received from sponsorships need to be used for the purpose and objectives of the Chartered Club and not for the private benefit of any individual member.

32. PHOTOGRAPHY & VIDEO

Photography and video may be taken at any time at the recreational and social facilities owned and operated by RCSC. Your attendance at RCSC facilities will constitute your irrevocable consent to be photographed, videotaped and recorded, your irrevocable consent to the use of your likeness by RCSC and others acting on its behalf, for the purpose of advertising and promotion in any media, throughout the world in perpetuity, including but not limited to television, and the world wide web, and your waiver of any compensation or permission for such use.

~~If your club is not exempt under Code Section 501(c)(4), please see the Director of Operations prior to soliciting or receiving any sponsorship funding.~~

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for Members and shall be made available to Members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of clubs.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

RECREATION CENTERS OF SUN CITY, INC

BOARD POLICY RESOLUTION No. 20 (“BP 20”)

SUN CITY FOUNDATION

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt policies not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies (“BP” or “Policies”) in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Articles and Bylaws shall take precedence over Board Policies. ~~and that~~ The following Board Policy regarding the Sun City Foundation shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed.

NOW, THEREFORE BE IT RESOLVED that the Sun City Foundation (“Foundation”) is a tax exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended. The Foundation’s Articles of Incorporation and the Bylaws state that the governing body of the Foundation rests with the Board of Directors of the Recreation Centers of Sun City, Inc.

BE IT FURTHER RESOLVED that the RCSC Board shall govern the Foundation as follows:

SECTION 1: SUN CITY FOUNDATION BOARD OF DIRECTORS

~~In an Executive Session on the first business day after January 1, At the RCSC January organizational meeting,~~ the RCSC Board shall ~~appoint~~ ~~determine the number of RCSC Directors to be appointed~~ ~~not less than seven (7) or more than seventeen (17) Directors~~ to the Sun City Foundation Board of Directors (hereinafter referred to as “Foundation Board”) for the coming year, ~~according to~~ ~~in accordance with~~ the Sun City Foundation Bylaws. ~~Two Directors from the RCSC shall be appointed to the Foundation Board and serve as President and Vice President of the Foundation for that year.~~ At least a majority of the Foundation Board of Directors at any time ~~must~~ ~~shall~~ be current or former members of the RCSC Board of Directors. This ~~can~~ ~~shall~~ be done by appointing members in accordance with the Foundation Bylaws and the following:

- A. ~~1. Must~~ ~~Shall~~ be a RCSC Member in good standing;
- B. ~~2. Must~~ ~~Shall~~ not be related to any other member of the Foundation Board by marriage or birth;
- C. ~~3. Must~~ ~~Shall~~ agree to adhere to the Foundation Articles of Incorporation and Bylaws, RCSC Articles, Bylaws, Board Policies and any and all rules and regulations of the Corporation.
- D. ~~4. The Foundation has no voting members. The Directors of the Foundation are appointed and elected by the RCSC Board of Directors. Directors of the Foundation could also be removed by the vote of the RCSC Board of Directors.~~

Foundation Board positions not filled at that time ~~may~~ **shall** be ~~allowed to exist for filling~~ **filled** at a later date.

SECTION 2: RCSC SUPPORT SERVICES PROVIDED TO THE SUN CITY FOUNDATION

The Foundation Board **shall function as a civic, charitable organization whose purpose is to** ~~has only a minimum amount of resources to carry out exclusively~~ **raise funds for** charitable **activities,** ~~senior programs,~~ and health, **social,** educational purposes, **and wellness programs for the members of the RCSC,** therefore the following support services are approved by the RCSC Board of Directors.

A. Accounting & Other Services:

1. All financial record keeping ~~will~~ **shall** be performed and retained by RCSC. Financial reports and accounting ~~will~~ **shall** be performed by RCSC personnel and reported monthly to the Foundation Treasurer.
2. Unrestricted contributions ~~will~~ **shall** be received at the RCSC Board Office and made payable to the Sun City Foundation. A list of unrestricted donor names and donor amounts ~~will~~ **shall** be submitted to the Sun City Foundation Treasurer monthly.
3. Restricted contributions ~~will~~ **shall** be received at the RCSC Board Office and made payable to the Sun City Foundation with a written explanation as to the project that is to be funded or partially funded by the contribution. A copy of the check, written explanation of the project and the bid/quote for the project ~~will~~ **shall** be provided to the Sun City Foundation President and Treasurer. The Sun City Foundation ~~will~~ **shall** issue a check to RCSC immediately for the total amount of the contribution. Upon completion of the project, RCSC ~~will~~ **shall** issue to the Sun City Foundation President and Treasurer invoices that substantiate the completion of the project and that provide documentation that all restricted contributions were used for the project designated.
4. Clerical and other services ~~may~~ **shall** be performed by the RCSC personnel at no charge, based on availability of RCSC personnel.
5. Disbursements ~~will~~ **shall** be made only from Foundation funds upon approved vouchers signed by the Officers of the Foundation, and its Treasurer ~~will~~ **shall** report such disbursements to the Foundation Board.
6. Tax preparation and/or audits ~~will~~ **shall** be processed through RCSC sources upon approval of the Presidents of the RCSC and the Foundation. Payment for these services ~~will~~ **shall** be made by the Foundation and reimbursed as a contribution from RCSC.

B. Facilities: Upon approval of the RCSC Board or Senior Management, the use of RCSC Facilities is available to the Foundation at no charge.

C. Legal: All legal matters ~~will~~ **shall** be processed through RCSC sources upon approval of the RCSC President. Payment for these services ~~will~~ **shall** be made by the Foundation and reimbursed as a contribution from RCSC.

D. General: In regard to the use of RCSC resources, the Foundation shall have the same privileges as a Chartered Club.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this 14th 31st day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

BOARD POLICY RESOLUTION No. 21 (“BP 21”)

MEMBERSHIP DOCUMENTATION REQUIREMENTS

WHEREAS Article V, Section 6 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Membership Documentation Requirements shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policies regarding Membership Document Requirements:

The requirements for documentation to prove Member eligibility is as follows:

- A. Ownership: Copy of the Maricopa County recorded deed; and
1. if a trust, a copy of the trust documents showing Trustees, Co-Trustees or Successor Trustees, the Grantors of the trust and/or contingent, remainder or non-vested beneficiaries in the event the Grantors of the trust are deceased; or
 2. if a Company, copies of documentation verifying its shareholders, partners or ownership interests; or
 3. if Owner interests are split between separate life estate and remainderman interests, documents showing those holding life estate interests in the Property and/or remaindermen interests in the event the life estate interests have been terminated.
 4. If ownership is being acquired by an estate or trust, ownership ~~will~~ **shall** not be changed until the estate or trust documents are processed and a new deed has been recorded.
- B. Proof of Identity and Age: Each individual listed on the recorded deed, trust documents, shareholder or partners’ documents, or life estate and remainderman documents ~~must~~ **shall** provide proof of identity and age with one of the following documents:
1. valid government issued driver’s license or identification card, which includes picture and birth date; or
 2. valid passport, which includes picture and birth date; or
 3. any other documentation that appropriately verifies identity with both photo and birth date.
 4. Each individual seeking a spousal exemption for the 55 year old age requirement to be a Member and receive a Member Card may also be required to provide a marriage license.

~~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; 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, as determined by the Board.~~

Owners who cannot meet the Member documentation requirements shall not be issued a Member Card and shall not receive Member Privileges. Payment of assessments, fees or other charges does not constitute Membership or require issuance of Member Cards. Valid documentation of proof of ownership, identity, **and** age ~~and occupancy~~ is required. A Member Card shall not be issued or activated if payment of all assessments, fees and any and all other charges against the Property and Owners is not current and the documentation requirements have not been met and verified by the Cardholder Services Office. Owners who falsify documents in order to obtain a Member Card shall be subject to suspension of all Member Privileges, including denial of use of any or all RCSC Facilities, and may no longer be considered a Member in good standing.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

BOARD POLICY RESOLUTION No. 32 (“BP 32”)

GENERAL MANAGER

WHEREAS Article V, Section 6.3 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS the Articles and Bylaws shall take precedence over Board Policies and the definitions in the Bylaws shall apply. The following Board Policy shall provide instruction, direction and guidelines regarding the General Manager and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policy regarding the General Manager:

Any successful candidate for General Manager must be approved by the majority of the Board of Directors. The General Manager cannot be terminated without a majority approval of the Board of Directors.

~~As the top manager,~~ The General Manager (“GM”) is responsible for the corporation’s entire operations and reports directly to the Board of Directors. It is the GM’s responsibility to implement Board decisions and initiatives **in compliance with the Corporate Documents**, as well as to maintain the ~~smooth~~ operation of the corporation with senior management’s assistance. **The GM oversees** Senior Management **which** consists of ~~Director of~~ **Support/Finance Sr. Leader**, ~~Director of Operations,~~ ~~Director of Buildings and Infrastructure,~~ ~~Director of Golf and Grounds,~~ ~~Director of Bowling and~~ ~~Director of Events and Entertainment.~~ **Facilities Sr. Leader, Non-Golf Sr. Leader and Golf Sr. Leader.** GM job performance review ~~will~~ **shall** be conducted annually by the President, with input from the Board of Directors.

~~General Manager’s~~ **GM’s** key duties and responsibilities are as follows:

- A. **Primary responsibility is to do everything necessary to meet the needs of members and clubs.**
- B. Responsible for leading and ~~directing~~ **supervising** all aspects of operations, communications and personnel of RCSC. The ~~General Manager~~ **GM** is given the authority to make all management decisions to meet her/his responsibilities, to include any and all expenditures, as long as such expenditures are maintained within the major categories of the approved annual budget. Major categories consist of Building and Infrastructure, Member Services, Food Service, Bowling, Golf, and General and Administrative. Transfer of budgeted funds between major categories ~~must~~ **shall** be approved by the Board of Directors.
- C. Utilize sound principals of practice and fairness for all Cardholders, homeowners and employees in accordance with RCSC policies.
- D. Guide and facilitate strategic planning. ~~Provide direction to~~ **Work with** the Board to sustain financial stability, ~~and a~~ **Assure** ongoing fiscal ability to ~~achieve~~ **implement** long range ~~improvements to~~ **plans for** RCSC facilities and infrastructure, ~~while achieving t~~ **The GMs** primary goal of ~~is~~ **efficiently providing services to RCSC Cardholders.**
- E. Promote infrastructure and facility enhancements to ensure that facilities are safe and aesthetically appealing and promote programs that enhance the overall Sun City AZ experience.

- F. Responsible for ~~directing~~ **providing** high standards of customer service and operation of RCSC facilities.
- G. ~~Direct management to~~ **E**nsure compliance with all local, state and federal laws, the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, personnel policies and all other corporate rules & regulations.
- H. ~~Direct management to~~ **d**evelop and comply with personnel policy, standard operating procedures, and departmental policy and procedures.
- I. ~~Direct management to~~ **p**rovide oversight for the negotiation and control of all contracts, such as those related to construction projects, rental tenants, purchased services, facilities maintenance and purchasing agreements.
- J. Develop and administer, along with **Senior** Management, statistical indicators to evaluate ongoing services, facilities and personnel and direct new services as appropriate.
- K. ~~Direct~~ **Implement** marketing for Sun City AZ and RCSC along with management.
- L. Provide supportive guidance to facilitate the timely and responsive oversight of employee coaching, recruitment, orientation and retention.
- M. ~~Direct management to~~ **a**ssure appropriate record keeping is maintained, including but not limited to, incidents reports relative to safety, security and environmental concerns.
- N. Attend meetings for RCSC and serve as liaison between the Board, personnel and Cardholders.
- O. Manage legal matters for the corporation.
- P. Responsible for maintaining the confidentiality of any and all Board and Corporate business where confidentiality is required.
- Q. The ~~General Manager~~ **GM** is authorized to resolve RCSC Cardholder and Sun City property owner issues, including but not limited to; annual property assessments, preservation and improvement fees **(PIF), capital improvement fee (CIF)**, transfer fees, late fees, lien fees, and interest charges.
- R. The GM shall meet twice monthly with the President and Vice President to update them on any and all issues of concern to the GM, President or Vice President.
- S. The Board Coordinator is the only employee not under the GM's responsibility and reports to the Board President.
- T. The GM and the Board shall use the Performance Matrix in the operations of the RCSC.

Management consists of employees designated by title by the ~~General Manager~~ **GM**.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~14th~~ **31st** day of ~~December, 2023~~ **October, 2024** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Kat Fimmel, Board President

~~Jean Totten~~ **Connie Jo Richtmyre**, Secretary

BYLAWS OF THE SUN CITY FOUNDATION

ARTICLE I.

GENERAL

SECTION 1. Name. This Corporation is and shall be THE SUN CITY FOUNDATION, a non-profit corporation incorporated in the State of Arizona, sometimes herein referred to as the ~~“Corporation”~~ or the “Foundation”.

ARTICLE II.

OFFICE

SECTION 1. The principal office of the ~~Corporation~~ Foundation shall be located at 10626 W. Thunderbird Blvd., Sun City, Arizona, 85351, Maricopa County, State of Arizona. The ~~Corporation~~ Foundation may have ~~such~~ other offices as its Board of Directors may determine.

ARTICLE III.

PURPOSE

SECTION 1. This ~~Corporation~~ Foundation shall function as a civic, charitable organization whose purpose is to ~~carry out exclusively charitable and health educational purposes and programs of the~~ raise funds for charitable activities, senior programs, health, social, educational, and wellness programs for the members of the Recreation Centers of Sun City Inc. (RCSC), an Arizona non-profit corporation. The ~~Corporation~~ Foundation, as a non-profit entity, shall not engage, directly or indirectly, in any activity, including distribution of its assets upon dissolution, that would invalidate its status as an organization exempt from federal income taxation under Section 509(a)(3) of the Internal Revenue Code of 1954, as amended (hereinafter referred to as the “Code”), or by virtue of its being an organization described in Section 501(c)(3) of the Code. All references to the Code contained herein are deemed to include corresponding provisions of any future United States Internal Revenue Law.

SECTION 2. To facilitate the carrying out of Section 1 of this Bylaw, the Foundation ~~Board of~~ Directors may, from time to time, adopt Rules and Regulation called Board Policies. Each Board Policy shall become effective on the date set forth in said policy and shall remain in effect until amended or repealed by ~~Board~~ Foundation action. (Approved May 12, 2003).

ARTICLE IV.

OPERATIONS

SECTION 1. The operation of the ~~Corporation~~ Foundation shall be conducted by its ~~Board of~~ Directors elected by the Board of Directors of The Recreation Centers of Sun City, Inc. (hereinafter referred to as RCSC) as set forth in Article V of these Bylaws.

They may be assisted in the above by any committee appointed by the Foundation Board. Committee members will be non-voting members of the ~~Corporation~~ Foundation.

ARTICLE V.

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS: The business and affairs of the ~~Corporation~~ **Foundation** shall be the responsibility of its Board of Directors, subject to the laws of the State of Arizona, and the Articles of Incorporation and Bylaws of this ~~Corporation~~ **Foundation**. Its ~~Board of~~ Directors shall do and perform every act and thing, whatsoever, which it shall deem necessary, expedient, or advisable to carry out the purposes of the ~~Corporation~~ **Foundation**.

SECTION 2. NUMBERS: The Board of Directors shall consist of not less than seven (7) or more than seventeen (17) Directors, as determined ~~from time to time~~ by the Board of Directors of the Recreation Centers of Sun City, Inc. At least a majority of the Foundation Board of Directors at any time must be current or former members of the RCSC Board of Directors.

SECTION 3. ELECTION AND TENURE: ~~In an Executive Session on the first business day after January 1,~~ **In an Executive Session on the first business day after January 1,** At its ~~January meeting~~ the Board of Directors of RCSC shall ~~elect~~ **appoint** ~~new~~ **two (2) RCSC** Directors of this ~~Corporation~~ to fill ~~vacancies~~ **positions** on the Foundation Board of Directors ~~for that year.~~ **RCSC** Directors shall serve ~~as President and Vice President~~ for a one (1) year term, unless said Director resigns or is removed from office as provided in Section 4 of this Article. Directors may serve more than one (1) term ~~if approved by the RCSC Board of Directors.~~ **if approved by the RCSC Board of Directors.** Also at this meeting, the RCSC Board of Directors shall appoint or reappoint all new or current Directors of the Foundation Board. See Article VI - OFFICERS - Section 2.

SECTION 4. RESIGNATION OR REMOVAL:

(a): Any Director of the ~~Corporation~~ **Foundation** may resign at any time. This may be done orally at any meeting of the Board of Directors or by giving written notice to the Secretary of the ~~Corporation~~ **Foundation**. Said resignation shall take effect at the time specified in the notice.

(b): Any **Foundation** Director may be removed at any time with or without cause by two-thirds (2/3) vote of the RCSC Board of Directors. See Article VI - OFFICERS - Section 3.

SECTION 5. VACANCIES: Any vacancy occurring in the ~~Board of Directors~~ **Foundation** may be filled by ~~election~~ **appointment** by the RCSC Board of Directors at the next regular meeting of ~~said~~ **the RCSC** Board. A Director so ~~elected~~ **appointed** shall ~~be elected to~~ complete the unexpired term created by the vacancy unless otherwise specified at the time of the ~~election~~ **appointment**. See Article VI - VACANCIES - Section 4.

SECTION 6. MEETINGS:

(a): Meetings: The annual meeting of the ~~Board of Directors~~ **Foundation** shall be held in January of each year at least ten (10) days after the organization meeting of the Board of Directors of the Recreation Centers of Sun City, Inc. At this meeting the Board shall elect officers of the ~~Corporation~~ **Foundation** and transact such other business as may come before the Board.

(b): ~~Quarterly~~ **Monthly** Meetings: The **Foundation** Board of Directors shall meet at ~~least once during each calendar quarter~~ **monthly**.

(c): Special Meetings: The Foundation Board of Directors may hold other meetings to transact business appropriately brought before them. These meetings shall be called Special Meetings. These meetings may be called by the President, the Secretary, or by a majority of the Foundation Board of Directors. These meetings may also be called by a majority vote of the Board of Directors of RCSC. Special meetings require a minimum of a three (3) day notice.

(d): Location of Meetings: All meetings of the Foundation Board of Directors shall be at the principal office of the Corporation Foundation, see Article II, unless otherwise specified in the notice.

(e): Quorum: A majority of the Directors shall constitute a quorum for the transaction of any business at any meeting of the Board of Directors Foundation. If a quorum is not present at a meeting, a majority of Directors present may adjourn and reconvene said meeting from time to time. No business may be transacted at a reconvened meeting without a quorum being present.

(f): Notice: Written, printed, e-mail or phone call notice of regular meetings, including date, hour and place, shall be given personally, by first class mail, e-mail or phone call to each Foundation Director not less than seven (7) days before date of such meeting.

SECTION 7: MANNER OF ACTING:

(a): Normal: The action of a majority of the Foundation Directors at any properly called meeting, at which a quorum is present, shall be the act of the Foundation Board of Directors, unless a greater number is required by law, the Articles of Incorporation, or as otherwise specified in these Bylaws. Each Director, including the Director presiding at the meeting, shall be entitled to one (1) vote.

(b): Action By Unanimous Written Consent: Any action, which may be taken at a meeting of the Foundation Board of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all the Directors of the Corporation Foundation.

SECTION 8: COMPENSATION: Directors shall serve as such without compensation. Expenses incurred in connection with performance of their official duties may be reimbursed by vote of a majority of the Directors.

ARTICLE VI.

OFFICERS

SECTION 1. OFFICERS: The officers of the Corporation Foundation shall be a President, a Vice-President, a Secretary and a Treasurer, each of whom the President and Vice President shall be appointed by the RCSC Board of Directors, and the Treasurer and Secretary are shall be elected by it's the Foundation Board of Directors from its membership. The President and Vice-President shall be Directors who are currently on the RCSC Board of Directors.

SECTION 2. ELECTION AND TERM OF OFFICE: The officers of the ~~Corporation~~ **Foundation** shall be elected annually for one (1) **year** terms by the **RCSC** Board of Directors **for President and Vice President**; and the Treasurer and Secretary by the **Foundation Board of Directors** at **their first scheduled meeting in January.** ~~the January annual meeting of the Board of Directors.~~ See Article V, Section 3 - Election and Tenure.

SECTION 3. RESIGNATION AND REMOVAL OF OFFICERS: Any officer may resign at any time, either by oral tender of resignation at any meeting of the **Foundation** Board of Directors or by giving written notice to the President or the Secretary of the Board. Said resignation shall take effect at the time specified, ~~therefore a~~ **Any** officer may be removed by the majority vote of all the Directors in office whenever, in its judgment, the best interests of the ~~Corporation~~ **Foundation** would be so served. See Article V, Section 4 - Resignation or Removal.

~~**SECTION 4. VACANCIES:** A vacancy in any office due to death, resignation, removal, disqualification or other cause may be filled by the Foundation Board of Directors for the unexpired term. See Article V, Section 5 - Vacancies.~~

SECTION 5. DUTIES OF THE OFFICERS:

(a): **President:** The President shall preside at all meetings of the **Foundation** Board of Directors and, subject to control of the **Foundation** Board of Directors, shall be charged with the general supervision, management and control of all the business and affairs of the ~~Corporation~~ **Foundation**. The President shall perform such other duties and functions that are normally performed by the President of non-profit corporations, including but not limited to, the signing of contracts or other Instruments permitted or required by law. The President shall perform such other duties as may be prescribed by the **Foundation** Board of Directors.

(b): **Vice-President:** In the absence of the President or in the event of the death, inability or refusal of the President to serve, the Vice-President shall perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all the restrictions imposed on the President. The Vice-President shall perform such other duties as may be prescribed by the President or the **Foundation** Board of Directors.

(c): **Secretary:** The Secretary shall keep the minutes of the meetings of the **Foundation** Board of Directors in books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws, the Articles of Incorporation, or **Foundation** Board Policies as required by law. The Secretary shall be the custodian of the ~~Corporation~~ **Foundations** records, except the financial records which shall be kept by the RCSC. The Secretary shall, in general, perform all duties incident to the office of Secretary and such other duties prescribed by the President or the **Foundation** Board of Directors.

(d): **Treasurer:** The Treasurer shall have general access to the financial records. Records of all the funds and securities of the ~~Corporation~~ **Foundation**, except such as may be required by law to be deposited with any state official shall be kept by the RCSC. The RCSC shall keep in regular books of account full and accurate records of all receipts and disbursements and shall deposit all money and other valuable effects in the name of the ~~Corporation~~ **Foundation** in depositories designated by the Foundation Board of Directors. The RCSC in cooperation with the

Treasurer shall disburse the funds of the ~~Corporation~~ Foundation, taking proper vouchers for such disbursements and shall render to the President and Foundation Board of Directors a financial report of all transactions and the financial condition of the ~~Corporation~~ Foundation. All Foundation Bank accounts shall require two of the four officers' signatures. The Treasurer shall prepare the request for contributions from RCSC.

(e): **Other Powers and Duties:** The several officers shall have such additional powers and shall perform such additional duties as may be specified by the Foundation Board of Directors.

SECTION 6. **COMPENSATION:** Officers shall serve without compensation. Expenses of officers incurred in connection with performance of their official duties may be reimbursed by a vote of a majority of the Foundation Board of Directors.

SECTION 7: **INSURANCE:** All members of the Board of Directors of the ~~Corporation~~ Foundation and all members of any committees appointed by the ~~Corporation~~ Foundations Board of Directors shall be covered by insurance provided and paid for by the Recreation Centers of Sun City, Inc. with coverage in the same amount and manner as provided to the RCSC Board of Directors and RCSC committee members.

ARTICLE VII.

COMMITTEES

SECTION 1: **APPOINTMENT OF COMMITTEES:** The Foundation Board of Directors, by resolution adopted by majority vote of the Directors present at any meeting at which a quorum is present, may appoint any committee to assist the Foundation Board in carrying out its functions.

SECTION 2: **COMMITTEES:**

(a): Any committee appointed by the Foundation Board, per Section 1 of this Article, may include non-directors, but shall include at least one (1) Director. The chairman of the committee shall be a Foundation Director. The number of members of any committee shall be set by the Foundation Board in its resolution appointing the committee.

(b): Each committee shall perform only those functions assigned to it by the Foundation Board and shall report to the Foundation Board any action taken in performing these functions.

(c): Any committee member may resign by giving notice to the chairman of the committee or the Secretary of the ~~Corporation~~ Foundation.

(d): The Foundation Board of Directors may, with or without cause, remove any member of a committee.

ARTICLE VIII.

RECORDS AND REPORTS

Section 1: **BOOKS AND RECORDS:** The ~~Corporation~~ **Foundation**, at its principal office, shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the **Foundation** Board of Directors. The above records are open for inspection by the Board of Directors of RCSC.

Section 2: **ANNUAL AUDIT:** At the time of the annual audit of the RCSC, the Sun City Foundation shall also be audited by the same independent accounting firm if the Foundation's annual income exceeds \$100,000. This audit shall be paid for by the RCSC.

ARTICLE IX.

AMENDMENTS

Section 1: **AMENDMENTS:** The Bylaws of the ~~Corporation~~ **Foundation** may be altered, amended or repealed and new Bylaws may be adopted by the **Foundation** Board of Directors subject to approval by the Board of Directors of the Recreation Centers of Sun City, Inc.

Submitted to Arizona Corporation
Commission on 03/21/86 and
Amended: 01/09/1992
 09/21/1993
 02/12/2001
 05/12/2003
 11/08/2006
 3/12/2010
 12/17/2015
 5/26/2016
Submitted to IRS 11/09/2006
 10/12/2020

Adopted and signed this ~~30th~~ day of ~~May, 2024~~ at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

~~Dan Schroeder~~ **Kat Fimmel**, Board President ~~Darla Akins~~ **Connie Jo Richtmyre**, Secretary

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