

RECREATION CENTERS OF SUN CITY, INC.
MINUTES REGULAR BOARD MEETING
December 22, 2011

- PRESENT:** Vance Coleman, President; Dan Hill, Secretary; Gene Westemeier, Treasurer; and Board Members Cord Angier, Larry Klein, Tom Loegering, Carole Martinez and Carey Shore
- ABSENT:** Jim Bishop, Vice President (who passed away December 14, 2011) and Brian Duthu, RCSC Director of Golf
- ALSO PRESENT:** Jan Ek, General Manager; Jim Wellman, Assistant General Manager; Deanna Szentmiklosi, Executive Coordinator; Linda Menna, Executive Assistant to Jim Wellman; Tim Gallen, Communications Coordinator, 32 RCSC Cardholders and two members of the press.

President Coleman called the meeting to order at 9:00am in the Sundial Auditorium.

- **Board Quorum:** Secretary Hill verified that a Board Quorum was present.
- **Minutes:** The Minutes of the November 17, 2011 Regular Board Meeting were unanimously approved as presented.
- **Treasurer's Report:** Gene Westemeier presented the Treasurer's Report which was unanimously approved as read. The Treasurer's Report is available on the RCSC website at www.sunaz.com.
- **Board Vice President Jim Bishop:** President Coleman announced with sadness the passing of Vice President Jim Bishop, on December 14, 2011. The Bishop family held a Memorial on December 19, 2011. General Manager Jan Ek, Secretary Hill and Director Angier spoke about their time with Jim Bishop, how respected he was as a Board Member and a friend, and how much he will be missed.
- **Installation of Board Candidates:** President Coleman installed the three Board Directors-Elect, Linda Lindquist, Carole Martinez and Bill Pearson. The new Board members will take office January 1, 2012.
- **Management Reports:** Jan Ek, General Manager and Jim Wellman, Assistant General Manager, presented their Management Reports. Jan Ek also presented Director of Golf Brian Duthu's monthly report as he was not able to attend the meeting. The Management Reports are available on the RCSC website at www.sunaz.com.
- **Committee Reports:** The Directors reported on committees as follows:
 - **Bowling:** Co-Chair Martinez reported that Tournament activities continue doing well. Both centers are being tested with various oil patterns, products for lane dressings, cleaners and equipment. The doubles tournament completed November 12 was a success and the next planned event is the New Year Eve Bowl which is filled with a waiting list for any cancellations. The next meeting is January 5, 2012 at 9:00am.

Clubs Organization (COC): Chair Klein reported the December meeting was held at his home and a great potluck was held in conjunction with the meeting. The COC were able to conduct business while enjoying some relaxing time together as well. The COC's reported on their respective clubs. Reciprocity of clubs with Sun City West was discussed. The Clubs Arts and Crafts festival held Thanksgiving weekend was reported as the most successful to date.

The training for Club Officer's will be held in January of 2012. Each Club Coordinator will meet separately with their assigned clubs instead of one large meeting for club officers. The Member Orientation for new and not so new residents of Sun City is scheduled for February 8, 2012 with two sessions – 9-11am and 7-9pm. Clubs, Service Organizations and all departments of RCSC will be invited to participate by promoting themselves and answering questions by RCSC cardholders.

Chair Klein took time to thank all those who serve on the COC Committee and spent so much time and effort working with all the RCSC clubs they are assigned. He stated that he was looking forward to another productive and successful year in 2012. The next meeting is January 11, 2012 at 8:30am.

Elections: Chair Klein reported the Committee will be meeting shortly after the New Year to begin preparation for a slate of candidates for the 2012 election. Chair Klein thanked all the volunteers who work the election polls, many who have helped for several years, stating RCSC could not do it without their help. The next meeting date will be announced.

Entertainment: Chair Martinez reported the Committee reviewed the last performances and all were favorable. They also discussed upcoming performances for 2012, including the possibility of more avenues for jazz and big band. Chair Martinez thanked the Committee for their efforts in providing such quality shows for RCSC Members. The next meeting is January 25, 2012 at 1:00pm.

Finance, Budget & Audit: Chair Loegering reported the Committee meets quarterly to review prior quarter financials and comparison to budget. The year-end review for 2011 will be done at the next meeting which is January 31, 2012 at 9:00am.

Golf Advisory: Chair Angier reported that free clinics given by the PGA teaching professionals were well attended with a total of 234 students attending the Saturday events. There are clinics again in March. The Committee also discussed the colder weather conditions and frost delays as well as scheduling of overseeding for 2012. Revenue for November was up 3.7% to previous year and driving range revenue was up 20%. Chair Angier thanked the many Members who served on the 2011 Committee and said he looked forward to the new Members who will be sitting on the Committee for 2012. The next meeting is January 19, 2012 at 8:30am.

Government Affairs: Chair Hill reported the Committee has been working on decoupling and rate increases by SW Gas and APS. The ACC just voted in favor of decoupling in the SW West case. The Committee will continue to follow the APS rate case and will continue to keep everyone advised of status. The next meeting is January 19, 2012 at 1:00pm.

Insurance: Chair Angier reported that efforts will begin shortly after the first of the year for the 2012 renewal process. He thanked everyone who had served in 2011. The next meeting will be announced.

Lawn Bowling: Chair Hill reported the Board presented Lawn Bowling Advisory with facts and information regarding lawn bowling and asked the Committee to review and come back to the Board with recommendations. The Committee will be reviewing the data and working on this project with an expected report back to the Board by March. The next meeting will be January 17, 2012 at 1:00pm (later moved up to January 10, 2012 at 1:00pm).

Long Range Planning: Chair Westemeier reported the Committee discussed the PIF project plan that was recently presented and continue working on prioritizing projects so a recommendation can be presented to the Board. As this was his last meeting, Chair Westemeier thanked the committee for their hard work this year. The next meeting is January 17, 2012 at 9:00am.

Marketing Committee: Chair Martinez reported the Committee discussed RCSC taking over the website for the Sun City Visitor's Center in a joint effort to market Sun City. The Stay and Play concept was also discussed which would provide properties that people can use to visit and try out all the many amenities that are available. The next meeting is December 27, 2011 at 1:00pm.

Member Communication: Chair Martinez reported the Committee is working on areas of focus for 2012 including methods and procedures for providing RCSC Cardholders with information on projects, policies, activities and Cardholder benefits. Chair Martinez thanked everyone who served with her on her committees for 2011 and stated she was looking forward to working with everyone in 2012. The next meeting is January 24, 2012 at 1:00pm.

Properties: Chair Shore reported the Inspectors on Properties perform quarterly inspections of the recreation centers and buildings on the golf courses. The next inspection week is January 9 through 13th. He also reported openings on the Committee and advised anyone interested should contact the Board office. Chair Shore thanked the inspectors and Assistant Jim Wellman for the great work that is done by the Committee and RCSC staff. The next meeting is January 31, 2012 at 9:00am in Social Hall #2 at Lakeview Center.

- **Member Comments:** Members made comments or had questions about the 2012 budget, increased property assessments, children's swimming, dog park area at the Sunbowl, 2012 PIF projects, and the Board was thanked for their work over the past year.

- **MOTIONS:**

Motion #1 – Secretary Hill moved that a corporate match be approved for the first \$500 contributed in the year 2012 to the 401(k) plan by each qualified plan participant. Seconded by Treasurer Westemeier, the Motion was unanimously approved.

Motion #2 – Treasurer Westemeier moved that the 2012 Operating and Capital Budget be approved as follows:

Total Income	\$17,950,711
Cost of Goods Sold	\$ 720,218

Wages	\$ 4,669,225
Payroll Taxes & Benefits	\$ 1,059,091
Repair & Maintenance	\$ 6,074,879
Utilities	\$ 2,562,386
Operating Expenses	\$ 1,032,973
Taxes, Insurance, Other Expenses	\$ 462,939
Capital Projects & Equipment	\$ 1,369,000

Treasurer Westemeier further moved that the 2012 Preservation & Improvement Budget be approved as follows:

Lakes West Irrigation	\$1,800,000
Bell Metal/Wood Club Expansion	\$ 650,000
Sunbowl Irrigation/Dog Park	\$ 500,000

Seconded by Secretary Hill, the Motion was unanimously approved.

Motion #3 – Director Loegering moved that the annual property assessments be increased to \$444 per year on the per property assessment basis and to \$222 per year on the per person assessment basis, effective February 1, 2012. Seconded by Treasurer Westemeier, the Motion was unanimously approved.

Motion #4 – Director Shore moved for approval of a \$2,000 donation, for the year 2011, be made to the Sun City Posse as a gesture of goodwill for the Posse’s continued assistance to RCSC. Seconded by Director Klein, the Motion was unanimously approved.

Motion #5 – Director Angier moved that Board Resolution No. 17 titled Golf, as presented, be approved and replace previous Board Policy Resolution No. 17, titled the same. Seconded by Secretary Hill, the Motion was unanimously approved. [A copy of the Board Policy with revisions is available on the RCSC website at www.sunaz.com under the “Corporate” tab.]

- **Outgoing Board Members:** President Coleman thanked outgoing Board Members Tom Loegering, Carey Shore and Gene Westemeier for their service. Each of the outgoing Board members commented on their terms in office and thanked the other Board Members.
- **Next Meeting:** Because of the New Year’s holiday, there will be one Board/Member Exchange, with agenda, on January 16, 2012 at 9:00am in Social Hall #3 at the Lakeview Center. The Annual Member Meeting is January 26, 2012 at 9:00am at the Sundial Auditorium. The next Regular Board Meeting is January 26, 2012 immediately following the Member Meeting. A budget presentation will be made by General Manager Jan Ek, following the Board Meeting.
- **Adjournment:** The meeting adjourned at 10:00am.

Respectfully submitted,

Dan Hill, Secretary