

RCSC board split but still raise preservation fee

By **Rusty Bradshaw**
Independent Newspapers

In what could be a historic precedent, the Recreation Centers of Sun City had a split decision, forcing the board president to break a tie.

In considering whether to increase the preservation and improvement fee by \$500, the board voted 5-4 to approve the increase. The decision went against the sentiment of the large crowd that attended the April 30 board meeting. Eighteen people spoke regarding the motion to increase the fee, and 16 opposed it.

For some members, the RCSC Board going against the will of the members was business as usual.

"I am against any increase," said Mohammad Kahn. "But you will pass this anyway because you are just like the state and federal governments — you don't care about these people."

Virginia Summers agreed.

PIF

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"It's a crime residents cannot vote on this and you've decided to do this when the snowbirds are gone."

The increase did have some support from residents.

"New people coming in are not talking about the PIF being a problem," said Don Bortz, who volunteers at the Sun City Visitors Center. "It (increase) is the right thing to do right now."

The PIF fee is paid to RCSC each time a property is sold, or changes hands in any other way, such as the death of a parent or spouse. Opponents argued that current owners would most likely pay the PIF when they sell their properties because most buyers are requesting sellers pay the closing costs.

Susan Summers, a resident and real estate agent, said that is not always the case.

"I have never lost a sale because of the PIF; I explain it to them and show them around the community," she said. "Sellers will not pay the PIF unless they want to."

However, she told the board she was not in favor of the increase as proposed.

"It needs to be better explained," she said.

Bill Pearson, a former board member, reminded the sitting board that at its current \$3,000 rate the PIF fee would raise \$30 million in five years, but in that same period the RCSC long-range plan calls only for \$18

million in expenses. He also reminded the board it suspended its long range planning committee.

"At the end of five years, you will have \$12 million left over with no plan what to do with it," Mr. Pearson said.

In arguing against the increase, RCSC board members Dave Wieland, Michael Kennedy and Peter Lee each said they believed the increase unnecessary at this time because all planned projects would be paid

for with existing projected revenues. Ida Eiser also voted against the increase, but did not explain why.

Jim Brasher was the only board member who spoke before the vote. But all he did was read from the corporation documents defining the board's fiduciary responsibilities. One line reads that the board's fiduciary responsibility is to the corporation.

News Editor Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com.

VF SC RCSC Independent

May 6, 2015

Oakmont Center

- A 16' x 40' cantilever shade structure is being engineered and will be submitted for permit very soon. The permit submission was delayed due to building setback measurement verification. The new shade structure will be installed on the west end of the Oakmont pool deck. Contractor is USA Shade. (Cost - \$24,172)
- The clubroom for the Oakmont Weavers and Needle Arts/Crafts recently received a complete interior painting. Contractor was Exquisite Painting. (Cost - \$4,250)

Sun Bowl Amphitheater

- Two gently used evaporative coolers were installed on the Sun Bowl Amphitheatre roof to provide additional cooling for the two changing rooms. Contractors were Custom Cooling, Accel Electric, Ken McIntyre Construction and Sunland plumbing. (Approximate Cost - \$6,500)

Lakeview Center/Viewpoint Lake

- The swimming pool cool decking replacement project commenced October 2, 2017 as planned. To date, demolition of the old deck surface and deck drains are completed, the entire surface has been epoxy coated and sanded, joint caps have been installed on all expansion joints, a new 3" deck drain surrounding the pool has been installed, 11 new pool ladder/handrail sleeves are installed, cutouts in the deck for depth markers are completed and low voltage conduit is now installed for landscape lighting. As of this report, the project is moving along very well. Contractor is Imagine Architectural Concrete. (Cost - \$113,118)
- Thirteen 48" x 90" window sun screens are being replaced on the west side of Lakeview Center. Contractor is Arizona Sun Screens. (Cost - \$1,677)
- All fourteen shade canopies surrounding the Lakeview pool will receive new Sunbrella fabric covers once the pool deck renovations are completed. Contractor is Arizona Sun Screens. (Cost - \$15,988)
- The primary sump pump which pumps water from the lower level at Lakeview Center to the sewer is being replaced. In the meantime, the center is operating on the back up sump pump. Contractor is Phoenix Pump. (Cost - \$10,225)
- To eliminate tripping hazards, 640 sf of concrete walkway was replaced on the northeast side of the Lakeview Hill. Contractor was Ken McIntyre Construction. (Cost - \$6,444)
- A medium sized lake wall crack was recently repaired by the RCSC Skilled Trades team. (Cost - \$800)

Sundial Center

- The four restrooms off the Auditorium lobby hallway were completed and re-opened for use on October 4, 2017. Contractor was Ken McIntyre Construction and Accel Electric. (Cost - \$146,598)
- The Sundial kitchen remodel is nearing completion with only some cabinetry and trim work remaining. The kitchen will be available for use while these last few items are completed. Contractors included the RCSC Skilled Trades cabinetmakers, Ken McIntyre Construction, CCBG Architectural, Olympic Fire Protection, Accel Electric, Sunland Plumbing, Lee's Counter Tops, Resource Flooring, JRM Environmental and Spray Systems Environmental. (Cost - \$66,575)
- Two new permanent shade umbrella structures have been installed on the east side of the mini golf course. Contractor was Shade and Net. (Cost - \$6,776)

Bell Center

- The retractable shade canopies at Bell Lawn Bowl are now completed and in-use by the lawn bowlers and their invited guests. The new retractable (motorized) canopies will provide shade during lawn bowling events and be retracted when the north green is not being used so the grass can receive the sunlight needed for healthy growth. Labor and material costs for this project have been paid by a generous RCSC Cardholder.
- Interior painting of the fitness lobby, four shower rooms, cardio and free weights rooms, aerobics room and hallways commenced September 18, 2017 and was completed on October 2, 2017. Contractor was Ghaster Painting. (Cost - \$24,000)
- The Bell Lapidary clubroom recently received a complete interior painting and new rubber baseboards. Contractor was Exquisite Painting. (Cost - \$7,900)

Marinette Center

- Repairs of the Marinette outdoor walking track are now underway and expected to be completed in October. Once repairs are completed the track will be re-opened to Cardholders.

V F SC Recreation Center (General)

POLICY

Trimming RCSC committees

Board to consider dropping group

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

The Recreation Centers of Sun City Board of Directors will consider trimming its list of standing committees.

During its next meeting the

board will consider a motion to disband the Entertainment Committee. The group has served as an advisory panel to the board to outside entertainment booked for the Sun Bowl, 10220 N. 107th Ave., and Sundial Rec-

reation Center, 14801 N. 103rd Ave., regular series of shows.



Stella Van Ness

The next board meeting, moved forward because of the Thanksgiving holiday, is scheduled 9 a.m. Thursday, Nov. 16 at Sundial Recreation Center.

The board, in its October meeting, approved revisions to two board policies regarding club member

disciplinary actions despite objections from some cardholders.

The board's consideration of dropping the Entertainment Committee came from the panel itself.

During the September committee meeting, members discussed the need for the committee to continue. Stella Van Ness, committee

IF YOU GO:
What: Recreation Centers of Sun City Board of Directors
When: 9 a.m. Thursday, Nov. 16
Where: Sundial Recreation Centers, 14801 N. 103rd Ave.

chairwoman, said emails were sent to committee members asking for their input. The majority believed the

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Policy

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committee should be disbanded.

"The opinion of the majority was that Theresa (Cirino, RCSC Member Services director) does an excellent job of locating and signing up entertainment with very little, if any, help from the committee," Ms. Van Ness said in her committee report during the Oct. 26 board meeting.

Other committee members agreed, according to committee minutes from the September meeting.

"The excellent work done by Theresa left us with little value to add and I feel we should no longer have an entertainment committee," said Steve Oaks.

John McLaughlin agreed there should be no entertainment committee.

Because of the recommendation to disband the panel, Ms. Van Ness canceled the committee's October meeting.

RCSC standing committees serve as advisory groups for the RCSC board and management team. Other standing committees include Bowling, Lawn Bowling, Clubs and Organizations, Golf, Budget and Finance, Outreach and Communications, Elections, Properties and Insurance. RCSC used to have a Bid Committee, but that was turned into a commission, and the corporation's Long Range Planning Committee was disbanded two years ago only to be brought back as an ad hoc committee to study uses for a property purchased on Grand Avenue. The planning panel

was reinstated earlier this year as a standing committee and the board is in the process of selecting members for the group.

"We have interviewed 28 candidates and are scheduled to interview four more Nov. 10," said Rich Hoffer, RCSC board president. "We expect to name the members in December."

The committee is expected to start meeting in January. The committee's role will be to help the board plan for future capital expenditures.

Club discipline

The RCSC board, during its Oct. 26 meeting, unanimously approved revisions to Board Policy 12 and Board Policy 29, which take the appeal process for disciplining club executive board and board members away from the Clubs and Organizations Committee and places the appeals responsibility on the RCSC board.

While that broad goal was applauded by some cardholders, they were not pleased the board did not add some mechanism to allow cardholders in clubs, members and officers alike, accused of a violation to see the complaint against them and know who there accuser is.

"I don't like the lack of a written process for the rights of the accused," said Dale Lehrer, a candidate for the board in its upcoming election.

She added she was speaking from a personal perspective, having had to defend herself when information was withheld.

"I know you are a corpo-



Carol Lawry

ration and you can withhold rights," she said. "But I don't think your mission is well served by doing that."

Mr. Hoffer said the disciplinary process is largely left up to the clubs to decide.

"Some allow (the information to be given to the accuser) and some don't," he said. "That can be changed at the club level for members."

Diane Beauchamp believes accusers take on a responsibility when they file a complaint against a cardholder. She, too, was speaking from experience. She was "convicted" in a complaint and had to wait three months for the appeals process before it was determined the complaint was not valid.

"I was convicted before I had a chance to defend myself," she said. "There should be more due process up front with the board."

Bonnie Hines, who requested in the RCSC board's September meeting that the panel make revisions to board policies to allow accusers to see the full complaint against them and know their accuser, continue her appeal for that. She told the board in its Oct. 26 meeting that she was circulating a petition to that affect and had 30 signatures at that time.

She later told the Independent she was reminded by Mr. Hoffer after the meeting broke up that it was against RCSC policy for residents to circulate petitions on RCSC property.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com.

Bell center kiosk replaced

Replacement part of Visitors Center project

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Sun City residents who visit Bell Recreation Center, 16820 N. 99th Ave., will see a new informational kiosk.

The old hexagonal kiosk was demolished to make room for a new information center, according to Jim Wellman, former RCSC assistant general manager.

"Actually, it pretty much fell down," he stated in his monthly report to the Recreation Centers of Sun City Board of Directors.

The kiosk provides a space for RCSC and sanctioned club announcements and other rec centers-sanctioned communications. The kiosk is located between the Bell Branch Maricopa County Library and the Visitors Center in the center entry area facing east toward 99th Avenue.

The structure will be replaced by a triple-faced

block information wall finished in rock and stucco, according to Mr. Wellman. The wall will also incorporate three LED-lighted 60-by-48 outdoor bulletin boards.

The new wall is part of the Visitors Center remodeling project that was completed earlier this year. The remodeled visitor center includes an automatic entrance door, reconfiguring of interior walls, LED lighting, new ceilings, windows, doors, flooring, furniture, literature displays and new fire alarm panel and sprinkler heads.

The remodeling cost was \$132,152.

That project was completed and employees and volunteers moved from the temporary office to the remodeled space in mid-February.

The kiosk and Visitors Center remodel project was funded by the Leta J. Lyon estate. Ken McIntyre Construction was the contractor for the center and will do the work on the new kiosk.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.

VF SC Recreation Center - Bell

SUN VIEWS

ISSUE #186 • APRIL 2017 • A PUBLICATION OF THE RECREATION CENTERS OF SUN CITY, INC.

"Grand Ideas" Discussion Nears End

The ad hoc Long Range Planning Committee, convened strictly for the purpose of determining the potential uses for the RCSC-owned property on Grand Avenue, has been hard at work.

After months of interviewing and re-interviewing clubs that were interested in being considered for the space, three town hall-style meetings were conducted to gather input from the community regarding possible non-club uses. Nearly 20 ideas were ultimately proposed.



Above: The building entrance facing Grand Avenue will give much exposure to finalists for this space.

The ad hoc committee intends to meet on three occasions during April and will be conducting final interviews with the clubs that remain interested in possible relocation. The committee intends to make their final recommendation to the RCSC Board of Directors at the end of May. The Board will then decide on the final

use(s) of this property along with required renovation schedules and budgets when the time is appropriate.

The Board wishes to thank the members of the committee for their continued dedication to this project and looks forward to providing the community with additional facilities that will maintain Sun City AZ as a desirable retirement destination for both current and future residents.



Left: This 10,000 plus square foot structure on the 3-acre parcel is located at 10415 W. Grand Ave. and was purchased by the RCSC last year for \$750,000. The property is currently valued at \$1.4 million. Large windows allow for plenty of natural light into the spacious interior which could benefit many of the proposed uses being considered.

Management Updates

Financial Report:

Litigation is pending against the Recreation Centers of Sun City, Inc. ("RCSC") concerning the organization's authority to assess the Preservation and Improvement Fee ("PIF") used to fund major structural improvements and restorations to the recreational facilities in the community. While RCSC believes the challenge is without merit, RCSC has a responsibility to proceed with caution until the issue is resolved. In view of this, by unanimous vote of the Board of Directors, RCSC has suspended new PIF contracting until further notice. This means the Willowcreek/Willowbrook golf course project and the South pro shop/golf cart storage project scheduled for 2017 will be postponed.

RCSC completed 2016 well within its operating and capital budget for the year. We ended 2016 with an \$821k positive variance from budget in gross income; \$109k of such coming from the golf division alone. In 2016 we operated \$461k better than budget for wages, payroll taxes and employee benefits and we also spent \$551k less on general operating expenses than budgeted. However, we spent \$543k more on repairs and maintenance than budgeted and \$226k more on utilities than budgeted. Additionally, our cost of insurance for the operation of the corporation was \$58k more than budgeted.

Each division operated better than budget as follows: Building & Infrastructure ended 2016 with \$668k positive variance from budget; Member Services accumulated a \$116k positive variance from budget, the General & Administration Division operated \$303k better than budget, Food Service Division had a \$27k positive variance from budget, Bowling operated \$27k better than budget and Golf beat their budget by \$138k. Overall our net excess before depreciation was \$1,279,277 better than budget for 2016.

Please remember that the net excess before depreciation is used for capital expenditures, which always includes any capital project under \$300,000 or one with a useful life of less than 15 years.

V-F SC Recreation Centers (General)

RCSC SHUFFLING THE CARDS

Changes made in senior management

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Recreation Centers of Sun City officials are preparing to make changes with the senior management team.

Chris Herring, RCSC Support and Services director, will soon be promoted to assistant general manager and Jim Wellman, the current assistant general manager, will continue to serve as building and infrastructure manager, according to Joelyn Higgins, RCSC marketing and communications coordinator. No firm date is set for the moves, she added.

"Jim Wellman is not retiring. However, he has asked to be removed from the senior management position of assistant general manager," Ms. Higgins stated in an email Feb. 13. "With that said, he will continue to do much of what he has been doing as the new building and infrastructure manager. He will continue to oversee the Skilled Trades team and all building repairs and infra-

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Jan Ek, left, RCSC general manager, presents Jim Wellman, RCSC assistant general manager, with a certificate of appreciation last year. Mr. Wellman asked to not have the AGM title but will continue to do the same job with the corporation. Chris Herring will be promoted to the assistant GM position. [Independent Newsmedia file photo/Rusty Bradshaw]

RCSC

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structure projects.”

The planned moves came to the forefront during the Feb. 13 member/director exchange meeting when a resident asked about the hiring of a new executive director.

Ms. Higgins stated the position now held by Mr. Herring will not be refilled.

The planned promotion is one in a number of moves by RCSC officials to assure a smooth transition when senior management members retire. The RCSC board in 2015 asked the management team to prepare a written succession plan for the entire RCSC organization, according to Ms. Higgins. Senior management began assessing potential replacement plans.

While Mr. Wellman has held the position of assistant general manager for 10 years, his and General Manager Jan Ek's responsibilities and duties were much more divided than shared, according to Ms. Higgins. In addition, it was discovered Mr. Wellman and Ms. Ek, along with many others in the organization, could po-

tentially retire within a relatively short period of time from one another.

“It is vital therefore, that the years of experience and knowledge of RCSC get passed on,” Ms. Higgins stated.

Ms. Ek has no imminent plans to retire, she added.

“When asked she says she hopes to retire in about five years or so,” Ms. Higgins stated. “(But) the RCSC Board of Directors felt it was vital to RCSC's ongoing success to place someone in the assistant general manager position that will be willing and able to replace Jan when that time comes.”

Mr. Herring has been an integral part of RCSC's operations for the past 10 years and will continue that contribution as he obtains his national certifications for community management, similar to Ms. Ek's.

Ms. Higgins said the transition started months ago and all RCSC staff were made aware after the first of the year that it is forthcoming.

“It has not officially occurred yet,” Ms. Higgins stated. “There is not a set date. However, it will be

completed soon within the next few weeks.”

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.

OPEN MEETINGS

RECREATION CENTERS OF SUN CITY BOARD OF DIRECTORS meets 9 a.m. Thursday, Feb. 23 at Sundial Recreation Center, 14801 N. 103rd Ave. Visit www.sunaz.com or call 623-561-4600.

SUN CITY HOME OWNERS ASSOCIATION BOARD OF DIRECTORS meets 9 a.m. Tuesday, Feb. 28 at SCHOA office, 10401 W. Coggins Ave. Visit www.suncityhoa.org or call 623-974-4718.

SCHOA ROAD AND SAFETY COMMITTEE meets 10 a.m. Wednesday, Feb. 22 in Room 1 at SCHOA office, 10401 W. Coggins Drive. Visit www.suncityhoa.org or call 623-974-4718.

SCHOA/PORA GOVERNMENTAL AFFAIRS COMMITTEE meets 10 a.m. Friday, Feb. 24 at Palmbrook Country Club, 9350 W. Greenway Road. Visit www.suncityhoa.org or call 623-974-4718.

Editor's Note: Meetings are subject to change without notice by the governing entity.

RCSC

RCSC annual membership meeting set

Gathering offers information, social activities

By Joelyn Higgins

Members of the Recreation Centers of Sun City are encouraged to come to this year's annual RCSC membership meeting Monday, Feb. 27 at the Sundial Auditorium, 14801 N. 103rd Ave.

Registration will begin at 6 p.m. This annual event includes reviewing highlights from the past year along with the goals and objectives for the future, the annual budget and the actual membership meeting, which begins at 6:30 p.m.

Based upon input from the community, the board is conducting this year's meeting in the evening to better accommodate residents' varying schedules and also shortening the meeting length. There will be a little something of interest for everyone, but most importantly a chance to be part of the process that makes Sun City great. Cardholder attendance and participation at this event will show their commitment to the importance of community involvement in planning for the future.

Residents must present their RCSC member cards in order to register for this

meeting. Light refreshments will be available.

"We are moving the Annual Meeting to an early evening time slot in hopes that people who work, an ever increasing number of our members, are able to take part," said RCSC Board President Rich Hoffer.

Cardholders can take this opportunity to meet with RCSC board directors and management staff and learn more about the community. The RCSC membership meeting only happens once a year.

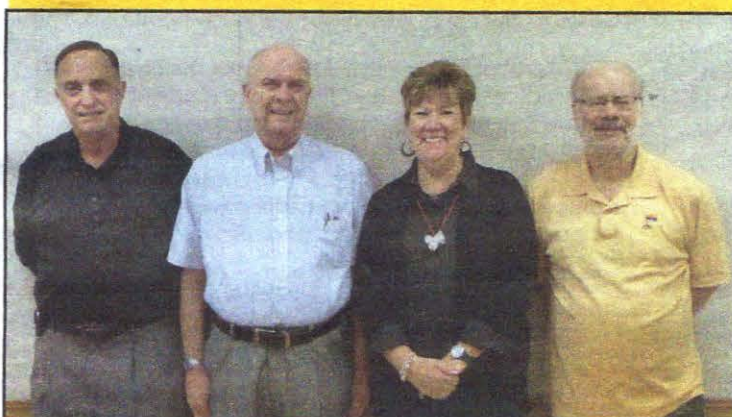
Editor's Note: Ms. Higgins is RCSC marketing and communications coordinator.

VF SC Recreation Cent. (General)

Sun Views Jan 2017

UF SC Recreation Centers (General)

Welcome New Directors



Above are the candidates elected to serve on the RCSC Board of Directors beginning January 1, 2017. Left to right: Jerry DeLano, Bruce Alleman (who will serve a two-year term), Stella VanNess and David Wieland.

The RCSC Board of Directors election results are in. The total number of ballots cast in this year's election totaled 1,100 (75 absentee ballots, 139 paper ballots at the poll and 886 electronic ballots cast online).

The successful candidates elected to serve on the Board are:

- Stella VanNess who received 883 votes,
- Jerry DeLano who received 820 votes,
- David Wieland who received 746 votes, and
- Bruce Alleman who received 677 votes.

RCSC Directors are elected to serve three-year terms. The candidate with the fourth number of total votes (Alleman) will serve a two-year term, filling a vacancy on the board due to a resignation earlier in the year. The newly elected Board Members were installed at the Board Meeting on Thursday, December 22, 2016.

Congratulations to the winners and thanks to all the candidates for their willingness to serve the community. Outgoing Directors Dan Schroeder, Michael Kennedy and Peter Lee complete their terms of service on the Board on December 31, 2016.

GRAND AVENUE

FILLING NEW PROPERTY

RCSC board could make decision by May

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

A final decision on the use of the Grand Avenue property is months away, but what clubs could occupy the building is settled.

In its meetings leading up to 2017, the Recreation Centers of Sun City Ad Hoc Long Range Planning Committee identified 10 clubs that have an interest in space in the former restaurant on Grand Avenue west of 103rd Avenue. RCSC officials then asked residents to identify non-club uses they believe appropriate for the property.

"The club part is already taken care of," said Rich Hoffer, RCSC president, during a Jan. 31 open house regarding the issue. "Now we want to hear about non-club uses."

He said RCSC officials are taking it slow with the decision to make sure it is done right and to hear from as many residents as possible.

RCSC officials conducted two other town halls on the



Rich Hoffer, RCSC board president, gives residents who attended the Jan. 31 town hall meeting a review of the Ad Hoc Long Range Planning Committee's work regarding the property on Grand Avenue. [Independent Newsmedia/Rusty Bradshaw]

subject — both Feb. 6. Discussion from those meetings were not available at press time.

Mr. Hoffer said the committee's goal was to take a property use recommendation to the board as early as late

May, but believes it might be fall before a final decision is made. The committee, which meets the third Friday of each

month, will trim the list of use ideas to the top six during a March 17 meeting, then will conduct interviews with club

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Property

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representatives in three April gatherings. The final cut will be made in a May 5 meeting.

Residents had a number of non-club suggestions, including a small area for a gift shop for club-produced items, a facility for residents' motorhome or golf car repairs, a production theater and sound stage, and a multi-activity entertainment center similar to Surprise's Uptown Alley. Mr. Hoffer said all were good suggestions.

"The intent of a meeting like this is to not poo poo any ideas," he said.

One non-club use already considered by the board is relocating corporate offices to the Grand Avenue site. "That would free up a lot of space at Lakeview," Mr. Hoffer said.

Regarding the selection process, Mr. Hoffer explained the committee emailed all 133 RCSC chartered clubs to gauge their interest locating at the Grand Avenue property and only 10 were interested, all but one with existing space.

Criteria for evaluating

clubs for the property included whether the club would be applicable for gen-Xers or millennials, according to Martha Dudley, a resident who facilitated the Jan. 31 town hall. Other criteria included current and potential membership counts, whether clubs had other options for space and whether club activities would noise requiring them to be away from residences.

"The clubs are out of space," Ms. Dudley said. "RCSC will have to build or find other existing space."

RCSC officials have looked at the purchase of other buildings but found each prospect too small, according to Mr. Hoffer.

The Grand Avenue property is 11,700 square feet of structure space on three acres. Ms. Dudley said the building is in good structural shape, needing only a fire suppression sprinkler system installed to bring it up to code. RCSC officials paid \$750,000 from rollover funds for the property.

"It offers the opportunity to build one or two other buildings on the same location and still have sufficient parking," she explained. "It is away from homes so is ideal

for clubs that cannot be located next to homes due to noise or visual aesthetics."

Not all interested 10 clubs would fit in the space, according to Ms. Dudley. The Vintage Vehicle Club, if located there, would take up about three-quarters of the existing structure, she added.

"This property is ideal because it is centrally located and is not near homes," Ms. Dudley said.

Residents also expressed some concerns about the property, including security. One man suggested including a Maricopa County Sheriff's Office presence there. Another concern was the access for vehicles northbound on 103rd Avenue is restricted. Other access points are from Grand Avenue.

Resident Ben Roloff said he was surprised at the number of clubs interested in the new property.

"It seems to me that most of them won't require a great deal of space," he said.

He also praised the town hall process of gathering information prior to the board's decision.

"This, getting people involved in the decision, is the most exciting thing I've seen

RECREATION CENTERS

RCSC plans assessment, other fee hikes

Officials blame passage of \$10 minimum wage

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Sun City residential property owners should brace for a major increase in the cost of living in the community.

Recreation centers of Sun City officials will consider a significant increase in annual property assessments, and increases in nearly all other fees, during the December board meeting. RCSC management claims the increases are necessary after Arizona voters approved in the November election a measure

that will increase the minimum wage.

Proposition 206 requires the minimum wage to go from \$8.05 per hour to \$10 per hour Jan. 1.

"That is a 24 percent increase in pay and it doesn't only affect those that are being paid minimum wage, it affects numerous pay scales,"

Jan Ek, RCSC general manager, stated in her management report to the board.

The board will consider a \$22 increase to the per property assessment, bringing it to \$496, and an \$11 increase for the per person assessment, bringing that to \$248. In addition, the board will consider increases for the short-

term privilege cards to \$75; the daily guest fee to \$3 per day; host punch cards to \$30; the daily golf greens fees; the bowling fees; and RCSC facilities rental fees.

The proposals will be made available to cardholders at the member/director exchange meeting 9 a.m. Mon-

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RCSC

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day, Dec. 5 in the social hall at Lakeview Recreation Center, 10616 W. Thunderbird Blvd. Results of that discussion were not available to press time. The board will consider the increases for approval at the regular board meeting 9 a.m. Thursday, Dec. 22 in the auditorium at Sundial Recreation Center, 14801 N. 103rd Ave.

Ms. Ek stated the new minimum wage will have a tre-

mendous effect on RCSC operating costs in 2017. She explained 55 percent of RCSC employees are paid under the \$10 minimum wage.

The new law also requires employers to accrue and pay sick time for part-time employees. About 50 percent of RCSC's 375 employees are part-time, she stated.

"This additional cost to RCSC will also increase RCSC's operating costs in 2017," she stated.

Ms. Ek believes the minimum wage increase will also

affect RCSC's service provider and supply vendors as they adjust their prices upwards.

"The overall effect of the passing of Proposition 206 is impossible to fully calculate," Ms. Ek stated.

Those effects will not end with 2017. Proposition 206 calls for a further increase of the minimum wage to \$11 in 2018 and up to \$12 in 2019.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.

TECHNOLOGY

RCSC stays 'old school' for meetings

Streaming not being pursued at this time

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Sun City residents will not be able to watch Recreation Centers of Sun City Board of Directors meetings on their computers at home any time

soon.

A former RCSC board member requested the board consider offering that option for board and member/director exchange meetings. But RCSC officials said that is not being pursued at this time.

"I truly trust and believe



Carole Martinez

there is a great need for this type of interaction within this community, as not everyone is available on Tuesday or Thursday mornings, once a month," said Carole Martinez during the board's Oct. 27 meeting.

She believes the home-

bound, caretakers and non-early risers would appreciate the opportunity to participate from their homes. She also believes this would be a good way to showcase the RCSC in action.

"Seeing the board in action should make the viewers note how local governing rules work to their advantage," Ms. Martinez said.

While RCSC does have the equipment to record meetings, the ability to live stream is not available, according to Joelyn Higgins, RCSC communications and marketing coordinator. Last year RCSC staff recorded the candidate forums prior to the election.

"We posted them on the RCSC YouTube channel

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Streaming

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where members were then able to view the recording," Ms. Higgins stated in an email. "No live streaming took place."

Sun City Grand in Surprise does record and show its board meetings live to residents. However, neither Sun City or Sun City West residents have that option.

"We have talked about it, but it's not something we're planning in the near future," Katy O'Grady, Recreation Centers of Sun City West operations services manager, stated in an email. "We have too many other big IT related issues we are working on."

RCSCW officials just launched a new golf portal, and that will be broadened in the near future to also accept online dues payments. They are also preparing for the first online election in March and are redesigning the websites.

But Ms. Martinez believes streaming meetings is important for residents in ways beyond bringing them to people who cannot attend. She believes seeing the activity of the board and

the management team may induce others to want to attend other functions, such as the yearly meeting, Del Webb Days and others.

"It is the 21st century. We have smartphones that allows two-way instant communication. We have Skype that allows for live conversation between individuals," Ms. Martinez said. "Other communities, such as Sun City Grand, have A/V facilities to support their communities, and they aren't half as great as we are."

She also believes RCSC does have all the equipment it needs to stream meetings, or can get it quickly.

"I truly believe the RCSC has access to this type of equipment, and if not fully outfitted for such activity, could be accomplished, if needed, through the capital expense budget," she said. "It could be attached to the Facebook site or to the sunaz site using existing servers, and placed under the 'Board' category."

Residents who responded to Independent's call for comment had mixed feelings about the request.

"Live streaming a board meeting doesn't make an awful lot of sense to me,"

Tom O'Hara stated in an email. "If there was going to be feedback from the stream, if you will, it would only make it even more difficult to get questions addressed. If there was not going to be feedback from the stream while in process, why would you want to watch it?"

He also believes if feedback were available, board members could load up that input with people that support their position.

"Thus you can even more completely cut down on true member input at the meetings," he stated. "Just recognizing human nature here."

However, Tom Mallaro believes live streaming would allow residents another voice in how things might be better accomplished.

John Miller agreed, but would also want the recorded meetings archived so they would be available for viewing any time.

"My opinion is these meetings should be completely open — every one of them," he stated in an email. "There should be no board discussions of anything involving Sun City money that is not completely available

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RCSC

SUN CITY VOTING BEGINS

Residents will choose 4 to fill board seats

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

The presidential election may be completed, but Sun City voters have their own election.

There are four seats to fill on the Recreation Centers of Sun City Board of Directors — three that are expiring and a fourth that was vacated with a resignation. Board candidates are Bruce Alleman, Bernice Darish, Jerry DeLano, Stella Van Ness and David Wieland.

RCSC will conduct online and paper balloting during the election, according to Joelyn Higgins, RCSC communications and marketing coordinator. Online voting began Nov. 7.

"RCSC Members are encouraged to sign up and use the RCSC Web Portal at www.sunaz.com and select RCSC Cardholder Login to



Residents had an opportunity to ask RCSC board candidates questions during a forum Nov. 3. They will have another chance 7 p.m. Tuesday, Nov. 15. Candidates are, from left, Bruce Alleman, Dave Wieland, Jerry DeLano, from right at right-side table, Stella Van Ness and Bernice Darish. Rich Hoffer, at podium, moderated the forum and Ron Smith, seated, is RCSC Elections Committee chairman. [Independent Newsmedia/Rusty Bradshaw]

cast their ballots," Ms. Higgins stated in a press release.

In-person voting will be available 8 a.m.-4 p.m. Tuesday, Dec. 10 in Social Hall No. 2 at Lakeview Recreation Center, 10626 W. Thunder-

bird Blvd.

Absentee ballots are available, according to Ms. Higgins. Call 623-561-4600. The deadline to request an absentee ballot is Friday, Dec. 2. All absentee ballots must be re-

turned by Dec. 10, according to Ms. Higgins.

Cardholders will have a second opportunity to hear the candidates present themselves during a candidate forum — 7 p.m. Tuesday,

Nov. 15 in the auditorium at Marinette Recreation Center, 9860 W. Union Hills Drive. A social period will begin 30 minutes prior to the forum.

Candidate literature is also

» See RCSC on page 7

Vol. 56, No. 46

Wednesday, November 9, 2016

www.independentnews.com



INDEPENDENT
SUN CITY

Dave Wieland

Being prepared for coming generations while giving residents a better understanding of RCSC and how it works is important to Dave Wieland.

"(I want) for the community to have a better understanding of the RCSC, its components and how they each operate," he said.

To plan for the maximum benefits for members and clubs, Mr. Wieland supports the building and renovation of RCSC properties as outlined in its long range plan. He also

wants to maintain and improve the strong financial position gained by RCSC officials to remain debt free.

Mr. Wieland also has an eye to the future residents.

"(We need) to plan and adapt for the coming generations, recreational programs, facilities, clubs and other opportunities in Sun City to remain the most up-to-date and affordable adult community," he said.

Mr. Wieland told Nov. 3

» See RCSC on page 12



Dave Wieland

INDEPENDENT

November 9, 2016

RCSC

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dates forum,

Jerry DeLano

Maintaining the quality of life in Sun City while improving fiscal budgeting is what Jerry DeLano has in his sights as a prospective RCSC board member.

"(I want to) enhance and encourage fiscally conservative budgeting and spending of our monies," he said.

He also wants to protect the integrity of the community and preserve the quality of life.

Mr. DeLano is no stranger to community board service. He has served six years as the Bright Forest Condominium Association board president. He is also a member of the

Sundial Men's Club and the Table Tennis Club.

A business owner for 37 years,

Mr. DeLano was an independent insurance agent. He purchased two agencies and sold agencies three times. He is a currently active and licensed property and casual-

ty insurance agent in both Arizona and Wyoming.

Mr. DeLano also served as mayor of Casper, Wyoming, one of the largest cities in that state.

Stella Van Ness

Working for the betterment of Sun City is the primary aim of Stella Van Ness as she seeks a seat on the board.

"(I will) work with all RCSC board members for the betterment of Sun City," she said. "(I will) do everything within my ability to improve and assist the members of Sun City."

Ms. Van Ness wants to work to identify areas to enhance communications both from and to cardholders. She wants to keep Sun City strong, affordable, current and progressive in the active adult community market.

A three-year Club Organizations Committee member, she is currently the panel's secretary. Ms. Van Ness is also active in the Oakmont Ceramics Club as its



Stella Van Ness

IF YOU GO:

What: RCSC board candidate forum

When: 7 p.m. Tuesday, Nov. 15

Where: Auditorium at Marinette Recreation Center, 9860 W. Union Hills Drive

president, the Lakeview Ceramics Club as its treasurer and is a member of the Sew N Sew Club.

She also provides volunteer triage and first aid for RCSC events and other select club events.

Through more than 30 years in the health care field, she has worked in administration, as a nurse manager for workers compensation and was director of quality management for a hospital. Ms. Van Ness was also president of a national medical consulting firm and administrator of another.

She graduated from SUNY Adirondack College of New York. She is a critical care registered nurse, is a certification professional in health care quality and a certified case manager.

"I love the community," she said during the Nov. 3 candidates forum. "I can assist cardholders and the board with my experience."

RCSC

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available at various RCSC locations.

Bruce Alleman

Re-establishment of two items and halting another are goals of Bruce Alleman as he seeks a seat on the RCSC board.

“(I want a) moratorium on all golf course reconstruction until playability issues are resolved on the existing courses that have been rebuilt and updated,” he said.

Mr. Alleman also wants the board to reinstate the Long Range Planning Committee as a standing group. It was deactivated but brought back this year as an ad hoc committee to research uses of the building RCSC purchased on Grand Avenue. Mr. Alleman also wants to revive the plans for a second dog park in the community. The board had discussed a second park near the Sun Bowl and nearby softball field, but the plan was shelved.



Bruce Alleman

Mr. Alleman also wants to

see RCSC more involved in the community as a whole.

“(I will) work for more shared activities and cooperation with the other Sun City organizations,” he said.

However, he believes there is nothing fundamentally wrong with RCSC and how the corporation is run.

“You see all these negative letters to the editor,” he said during a Nov. 3 candidates forum. “I don’t think anyone wants to write about the positive things.”

The candidate has varied experience in board service, having been a condo board member 11 years in three Illinois communities. He also served three years as a volunteer firefighter and volunteers for Habitat For Humanity.

His Sun City activities include the Bocce Club, Dart Club and served as Commissioner of Sports for the bocce ball competition in the Arizona Senior Olympics conducted in the community.

Bernice Darish

More community involvement by the board, more communication and a more professional attitude are Bernice Darish’s aims if elected to the board.

“(There should be a) clear-

er understanding and communication between the RCSC board and cardholders, with availability and accountability to all RCSC cardholders,” she said.

Ms. Darish wants the board to keep an open mind and attentive ear to ideas enhancing the quality of life for Sun City residents while being proactive in the community. She also wants



Bernice Darish

the board to be more responsive to residents. “Bring a professional attitude to discussions regarding problems brought to the board,” she said.

Ms. Darish is a member of the RCSC Club Organizations Committee, and is a Sun City Garden Club and Sew N Sew Club member.

She has a military background, having served 10 years as a lieutenant in the U.S. Naval Sea Cadet Corps. She was also an auditor for the U.S. Marine Corps Exchange for 10 years. She is also doing some auditing work for a few Sun City Clubs.

Ms. Darish was also an elected member of a school committee responsible for implementing a fingerprint program, and oversaw and coordinated with construction engineers on the building of an addition and pool at Malden High School. She is also a Toastmasters member.

“(Serving on the board) would be my way of saying thank you for the welcome and support my daughter and I have received since moving here,” she said during the Nov. 3 candi-

» See RCSC on page 10

RCSC

» From page 10

candidates forum attendees he sees Sun City in transition.

Mr. Wieland has a wealth of experience serving RCSC. He has served on the Governmental Affairs Committee when it was active; the Insurance Committee,

three years as chairman; co-chaired the Finance and Budget Committee; served as a member of the Entertainment Committee; and was a member of the Investment and Bid Commission.

He also served on the RCSC board from 2013 to 2015.

His 30 years in the insurance field includes an un-

derwriter trainee, a special agent, assistant manager, senior account executive, regional underwriting director and senior contract underwriter.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.

V F SC RCSC

SUN CITY INDEPENDENT

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PROPERTIES IN THE CROSSHAIRS

RCSC using holding company to foreclose on two properties

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Recreation Centers of Sun City officials are preparing for possible foreclosure on two properties using its newly formed holding corporation.

The Sun City Property

Holdings, Inc. Board of Directors will meet to discuss the forthcoming legal process, but holding company board meetings will not be open because private information about Sun City homeowners who are seriously in arrears will be discussed, ac-

What do you think?

Do you have an opinion on this issue?
Share your comments.

•E-mail: rbradshaw@newszap.com

cording to Joelyn Higgins, marketing director. RCSC officials claim the holding com-

pany was formed to protect rec centers assets in the event of property foreclosure.

The RCSC board approved the holding company's formation during its June regular business meeting. The proposed motion at that time

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Holding

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spoke of Sun City homeowners being "held accountable for their obligation to pay RCSC for assessments and fees per the facilities agreement they sign when they purchase property in Sun City, the corporate bylaws and board policies."

RCSC officials have tried to assure residents who question this action that the intent has not been to establish a real estate business.

"Actually, what was said was that the intent of this company is for the purpose of foreclosure," Ms. Higgins stated in a Sept. 1 email in response to Independent questions.

However, in a June 22 guest commentary in the Independent, RCSC board President Dan Schroeder stated otherwise.

"The RCSC Board of Directors is not interested in being in the real estate business or acquiring any Sun City property," he stated.

Article II of Sun City Property Holdings, Inc., filed with

the Arizona Corporation Commission, states, "The Corporation initially intends to engage in the business of real estate."

Ms. Higgins believes this is not a contradiction.

In her response to Independent's questions, Ms. Higgins said RCSC's property holdings company was similar to bank transactions with properties.

"As is the case with banks, if foreclosure is in order, the bank assigns the foreclosure rights to their holding company," she stated. "RCSC, if foreclosure is in order, will assign its foreclosure rights to Sun City Property Holdings, Inc. for the same purpose that banks do."

She contended this transfers any liability regarding the foreclosure or of owning the real estate to the holding company. Because the holding has no assets, it protects RCSC and its assets from any claims, she added.

"No contradiction, what was being implied by some folks was that the company was being formed for some other reason than stated above and that simply is not the case," she stated.

Nick Woods, a real estate attorney with Shell and Wlimer, agreed that asset protection is general purpose of holding companies.

"An investor or developer creates

a special purpose entity controlled by the investors," he said. "The purpose is to segregate some holdings."

The holding company board consists of Mr. Schroeder, Michael Kennedy, Rich Hoffer and Carol Lawry, all serving RCSC board members, and Chris Herring, RCSC's Support and Service director. Part of Mr. Herring's function with RCSC is collection of all past due accounts, according to Ms. Higgins. The holding company's statutory agent is James Hienton, RCSC's legal counsel for 25 years, according to Ms. Higgins.

While a connection remains between RCSC and the holding company through these officers and funding, Mr. Wood agreed the holding company provides a level of liability protection.

The holding company articles also provide for the ability to sell 10,000 shares of no par value common stock.

RCSC's formation of the holding company brought opposition from residents and disagreement from Sun City Home Owners Association officials regarding its necessity.

Resident Steve Collins believes the board's action on a Grand Avenue building purchase and creating the holding company will have a negative impact on RCSC regarding the lawsuit filed by Sun City Formula Registry, coordinated by Sun City resident Anne Randall Stewart.

RCSC officials in May purchased about 3.5 acres of land and a structure at 10415 W. Grand Ave., the former New China Buffet restaurant. They paid \$750,000 for the

» See Holding on page 11

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James Reginald

Holding

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property, according to Ms. Higgins. The purchase was funded from the RCSC general operations budget — the annual surplus carryover. That property is owned by RCSC and has not been transferred to the holding company, according to Ms. Higgins.

Mr. Schroeder said RCSC's Long Range Planning Committee will be activated as an ad hoc group tasked solely with researching the uses for the property. While RCSC officials claim to have no plans for the building, some speculate at least a portion of it will be used for a shop for the Vintage Vehicle Club of Sun City.

SCHOA officials have exercised their ability to foreclose on properties.

"We have some cases in foreclosure proceedings right now, they have been ongoing for at least two years," said Pamela Schwartz, SCHOA board president. "We have never seen the need for a separate holdings company. Our intent is not to own the properties."

RCSC officials have never gone to foreclosure in its collection process.

Sun City residents Greg Eisert, a SCHOA board member and chair of its Governmental Affairs Committee, said RCSC, like SCHOA, has the authority to foreclose on properties without a holding company.

"This does not seem like a necessity for something that seems rare,"

WHAT IS A HOLDING COMPANY?

A holding company is a parent corporation, limited liability company or limited partnership that owns enough voting stock in another company to control its policies and management. A holding company exists for the sole purpose of controlling another company, which might also be a corporation, limited partnership or limited liability company, rather than for the purpose of producing its own goods or services. Holding companies also exist for the purpose of owning property, such as real estate, patents, trademarks, stocks and other assets. If a business is 100 percent owned by a holding company, it is called a wholly owned subsidiary.

One benefit of forming a holding company is that the holding company itself is protected from the losses. If one of their companies goes bankrupt, the holding company experiences a capital loss and a decline in net worth, but the bankrupt company's debtors and creditors cannot pursue the holding company for remuneration.

Source: www.investopedia.com

A real estate holding company is formed for no other reason than to own real estate. You form an entity — the holding company — so that the contract and ultimately the deed will be in the company's name. Additionally, if you seek financing, you will pledge the mortgage under the name of the real estate holding company.

Many real estate holding entities are structured as limited liability companies, known as LLCs. An LLC affords you the protection of a business entity, but allows you to claim the income on your personal tax return.

While a real estate holding company has definite tangible benefits, it also comes with risks. There are costs involved, including registration and business taxes. Additionally, a holding company requires a level of management that can be daunting for an inexperienced business owner. This is why it is a good idea to retain the services of an attorney when creating and managing your real estate holding company.

Source: www.thenest.com

he said.

Jim Stark, SCHOA board member, agreed. He said SCHOA has seen only a very small percentage of cases that advance to long court battles.

"I believe you can do this without the holding company," he said. "People don't see the information that shows this is necessary."

Mr. Kennedy said there was no intent by RCSC board or management to bid on properties that had substantial mortgages or tax liens against them, thus obligating RCSC

to resale the property for a profit.

"We would have the opportunity to see what the mortgage is before we decide how

to proceed," he said.

Mr. Schroeder said RCSC articles of incorporation prohibit the corporation from selling anything for more than \$50,000 without consent of the RCSC cardholders. However, that prohibition does not exist with the holding company.

"If Sun City Property Holdings, Inc. became the owner of a foreclosed property, SCPH needs to

be able to sell the property without restrictions for the benefit of collecting all monies due RCSC and for associated legal and collection costs," Ms. Higgins stated in a Sept. 7 email.

Resident Barry Spinka said intentions are one thing, but without more specifics, it leaves things too open for interpretation.

"Intentions are wonderful, but we don't know what will happen 10-15 years down the road," Mr. Spinka said.

A separate real estate branch of RCSC is not necessarily a new notion. The concept was discussed about three years ago, but nothing came of it, according to Bill Pearson, a former RCSC board member.

"My idea was to have properties available for people looking to buy here to stay in Sun City to get a feel for the community," Mr. Pearson said in a June 8 telephone interview. "There was even some discussion of a real estate company."

Mr. Pearson said discussion at that time was for such an entity to be operated in conjunction with the Sun City Foundation, a nonprofit organization under the RCSC umbrella designed to help residents who could not pay their assessments due to financial difficulty.

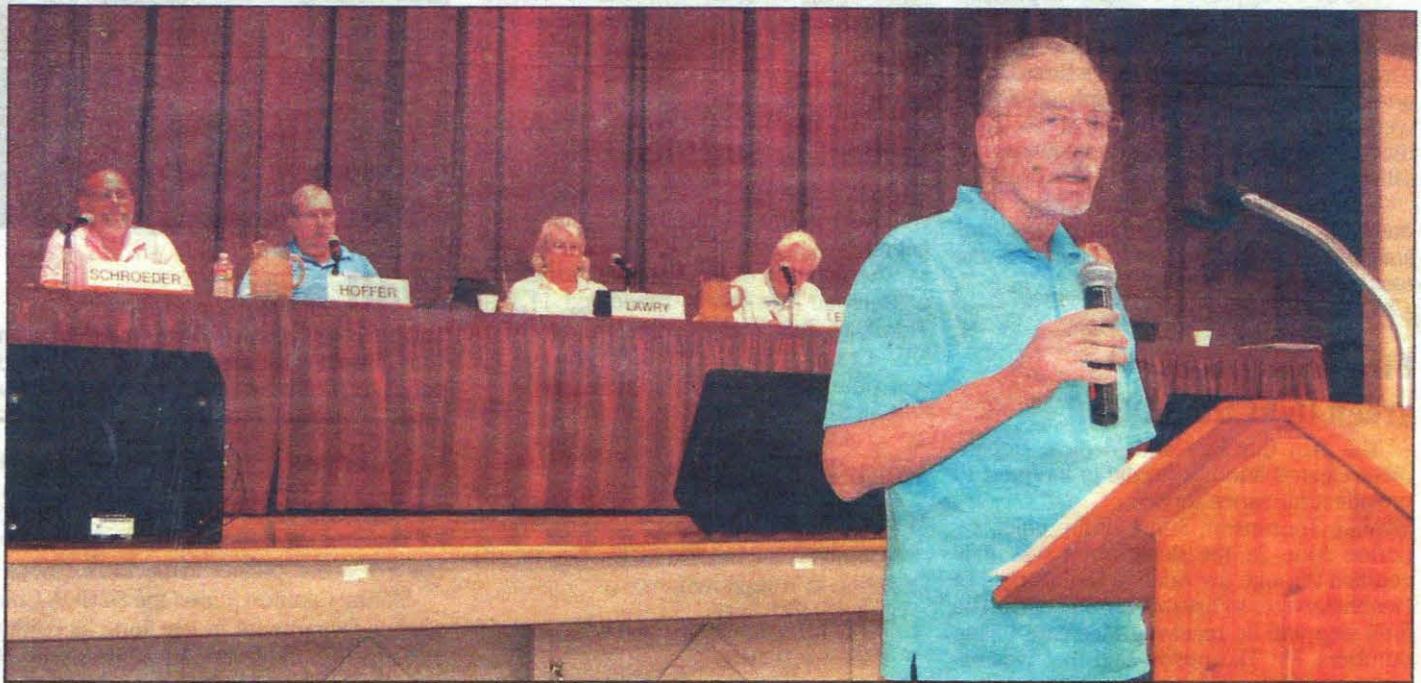
Some people agree with the decision to start the entity.

"Residents who don't pay their fees ought to face foreclosure, much like owners do when they don't

make mortgage payments," Phyllis Holler stated in a Facebook post. "I would hope any revenues received this way would go to offset the increased fees we are forced to pay."

Some believe it is good business. "This is a good business move," stated Brian Behling in a Facebook post.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.



Independent Newsmedia/Rusty Bradshaw

Recreation Centers of Sun City board member Michael Kennedy left the stage to speak as a resident about the corporation's plans to form a separate property holding company.

HOLDING COMPANY MOVES AHEAD

Sun City residents remain skeptical new agency is needed

By Rusty Bradshaw
 Independent Newsmedia

Despite continued resident opposition, the Recreation Centers of Sun City Board of Directors voted to form a separate property holdings company.

The board members' action, during the regular monthly meeting June 30, came after several residents spoke, urging them to either scrap their plans or at least table the issue until RCSC officials could provide more information. However, the board voted 7-1-1 to form the company. Ida Eisert was the lone dissenter and Carol Lawry abstained.

"With the confidential information I have, and other information I have gathered, I will continue to oppose the holding

What do you think?

Do you have an opinion on this issue? Share your comments.

•Email: rbradshaw@newszap.com

company," Ms. Eisert said.

Before the vote, residents argued against forming the company.

"You just told us you had the lowest delinquencies in a 60-day period, so is there really a need for it?" asked resident Steve Collins.

Resident Bill Pearson, a former RCSC board member, believes the holding com-

pany does not meet the board's stated goal of meeting its fiduciary responsibility of trying to collect monies owed RCSC.

"If you start this company and (foreclosure) never happens, you have breached your fiduciary responsibilities," he said. "If you don't have a hold harmless document from your attorney that this (holding company) would not impact the existing lawsuit, you are breaching your fiduciary responsibilities."

The RCSC board and management staff, per policy, did not respond to residents during last week's meeting. But in a June 13 member/director exchange meeting and a guest commentary by board President Dan Schroeder ("Holding company rationale,"

See **Company** — Page 8

VF SC RCSC (General)

Company

Continued From Page 1

Sun City Independent, June 29, 2016), the company is being formed for the unlikely event RCSC must foreclose on a property for nonpayment of assessments and fees.

"The RCSC is not interested in being in the real estate business or acquiring any Sun City property," Mr. Schroeder stated. "They are simply interested in upholding their fiduciary duty through due process of collecting all fees due the RCSC whenever possible."

Jim Stark, Sun City Home Owners Association board member, said fiduciary responsibility means looking out for the clients' best interests, not the corporation's.

"Why do you need a separate company to foreclose? Is there an underlying purpose?" he asked. "If so, tell us what it is and be honest."

Sun City Property Holding Company, Inc. was filed with the Arizona Corporation Commission May 20 as a pending company, with an expiration of Sept. 18, 2016. The filing was simply to reserve the company name, according to Joelyn Higgins, RCSC communications and marketing coordinator.

The next step for RCSC officials is to file documents to form the new company, according to Jan Ek, RCSC general manager. However, she did not provide a timeline on when that will be done.

"Articles will be available once they are recorded," she stated in an email. "We are unsure about the timing for the bylaws."

Ms. Ek also stated the holding company will have no paid employees, and will be overseen by the RCSC Board of Directors and the company will be funded, at least initially, by RCSC. She contends the holding company will provide a liability shield for RCSC despite the financial and oversight connection.

"The holding company for RCSC is no different than a holding company for the banks when they foreclose," she stated. "The holding corporation, although wholly owned by RCSC, is a completely separate corporation and that is what creates the liability protection."

Ms. Higgins said startup costs will run about \$3,000 and there will be \$200 in ongoing annual costs, to include bank fees and corporate filing fees.

While the board or management did not respond during last week's meeting, board member Michael Kennedy stepped off the stage and spoke as a Sun City resident.

"I was OK with this discussion until integrity came up," he said. "I have been on this board three years, and I have not seen you on Wednesdays when I sign over 200 checks, or at the many meetings I attend."

He then started to talk about how and why the holding company came about, but was cautioned by Mr. Schroeder that he should end his comments.

"Every year RCSC loses hundreds of thousands of dollars and this could bring it back," he said before returning to the stage.

Several residents contend RCSC does not need a holding company to foreclose on properties, the authority already exists. Others remain concerned the decision to form the company was made in secret.

"The holding company was started in executive session," said Shannon O'Brien. "There are certain criteria, from a business standpoint, for things to be confidential. This does not meet those criteria."

She contends the holding company is a for-profit business and that type must be formed openly. However, Dave Wieland, a former RCSC board member, said there is a difference in corporations. The one being formed by RCSC is not required to post a profit — or loss.

"The holding company is simply to shift the liability from RCSC if they make a big mistake," he said.

Getting ready to serve



Independent Newspapers/Rusty Bradshaw
 Recreation Centers of Sun City board President Dan Schroeder, right, congratulates new board members, from left, Ron Smith, Jerry Walczak and Gary Cotten after they were installed at the Dec. 17 regular board meeting. The three will begin their three-year duties Jan. 1.

Proof of age required

SCHOA, RCSC cooperation exists, not general practice

By Rusty Bradshaw
 Independent Newspapers

Keeping Sun City an active retirement community for residents 55 and older remains a high priority for Sun City Home Owners Association officials.

"The violations that are being reported seem to be going down a bit more than they were before," said Tom Wilson, SCHOA general manager.

However, some residents believe the community's two major governing agencies — SCHOA and Recreation Centers of Sun City — should work together more

What do you think?

Do you have an opinion on this issue? Share your comments.

• Email: rbradshaw@newszap.com

and work harder to keep Sun City from breaching the age overlay.

"RCSC is the only one to see residents' driver's licenses and there is no notification to SCHOA," Steve Collins said in the Dec. 7 RCSC member/director exchange meeting.

He believes the two agencies should have a cross-reference system in place to assure age violations are detected and remedied as soon as possible.

"We don't want what happened to Youngtown to happen to us," he said.

Youngtown was originally a 55 and older community, but lost its age overlay when it was discovered that more than 20 percent of the town's residents were under 55.

Greg Eisert, a member of SCHOA's board, said the agencies do communicate when necessary, but providing driver's licenses or other personal information suggested by Mr. Collins is not appropriate.

RCSC officials agree.

"If RCSC is made aware of a potential age violation in Sun City, we are committed to working with SCHOA to ensure that the age-overlay housing provisions under the Fair Housing Acts are not jeopardized."

See Age — Page 6

Independent December 23, 2015

RCSC

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ardized," Joelyn Higgins, RCSC communications and marketing coordinator, stated in an email.

RCSC officials would not always have information on potential violators, according to Ms. Higgins.

"Ownership of property in Sun City is not age restricted; only residency," she stated. "Until a resident comes into RCSC for a member or privilege card, age of owner/resident is unknown."

While SCHOA officials do check with RCSC on age violations from time to time, that is not the general practice, according

on the subject themselves," he said.

When an age violation complaint is received, SCHOA officials send out inspectors to meet with the accused resident to determine if there is a violation or not. In some cases, the complaint turns out to be unwarranted. However, it is not always easy to make the determination, especially if the resident knows he or she is in violation, according to Mr. Wilson.

"Sometimes it is kind of tough, because if there are children under 19 they try to hide them, and if they know they are in violation they don't answer the door," he explained.

Mr. Wilson added that age violation complaints are pretty evenly split between renters and property owners who live in the home.

"A lot of what we find is kids coming back to live with mom and dad until they get back on their feet, or kids who lived with mom and dad but refuse to leave after the parents die," Mr. Wilson said.

Several years ago PORA and the Recreation Centers of Sun City West went to a joint effort enforcing CC&Rs in that community, with PORA serving as the investigative arm and RCSCW conducting the legal work — fines, attorney involvement, fees, etc. — according to Katy O'Grady, RCSCW general services officer.

"The CC&Rs for Sun City West are a little vague, and state that either organization (PORA or the rec centers) may enforce the CCRs," she stated in an email. "So we wanted to formalize the CC&R procedure."

She added age violations in Sun City West are slightly lower this year compared with last year's figures.

"So far this arrangement between PORA and the rec centers has been a good one and is working out well," Ms. O'Grady stated.

Mr. Wilson said a similar arrangement had been discussed for Sun City several years ago, before his service as a SCHOA manager, but officials at that time did not believe it was beneficial.

"Sun City West did that to use RCSCW's legal team," Mr. Wilson said. "We already have an established attorney, so we were pretty well set in that regard."

It was not possible also because the two retirement communities are not the same, according to Ms. Higgins.

"Sun City West and Sun City are not identical, we do not have the same governing documents," she stated.

Sun City was established in 1960 while construction on Sun City West began in the mid-1970s, both built by the Del Webb Corp. According to historians, Sun City West's governing documents, and indeed the way it was built, was different because planners learned what could be improved from Sun City, the country's first active retirement community.

WF SC Rec Centers

GUEST COMMENTARY

Sun City's hidden treasures

With seven recreation centers, eight golf courses, two bowling centers and over 130 chartered clubs, RCSC Cardholders usually have no problem finding something to keep them active, engaged and entertained. But Sun City AZ also offers several hidden treasures which many residents may not be aware of.

The first thing that comes to mind is beautiful Viewpoint Lake, located adjacent to the Lakeview Recreation Center. Countless times I've heard someone say: "I didn't know there was a lake back here!"

With the five-year lake management plan implementation ongoing under the expert guidance of consultant Eric Swanson, Viewpoint is sure to get even better with time. Swanson, with over 20 years of experience at the Arizona Department of Fish and Game, has worked with Sun City AZ volunteers building fish habitat to help coax this hidden treasure into a sport-fishing paradise. With rowboats available to Cardholders at no charge for those not wanting to fish from the shore, you won't want to let the big one get away. And even better, no fishing license is required. The last fishing derby in recent memory last month, sponsored by the Sportsmen & Conservation Club, was a great success! But if fishing isn't your thing, there's still plenty of fun to be had. Paddleboats

can be checked out for your own private cruise or maybe a leisurely stroll past the waterfall and up to the top of the hill to catch a stunning sunset moment is more to your liking.

If you're looking for something indoors (read "when it's too dang hot out!"), there's plenty to keep you busy. Both RCSC-Bowling Centers have billiards rooms, but few know that there are also pool tables at Fairway Center. Another "pub game" that was missing from the Sun City AZ scene was darts, but we've hit another "bullseye" by adding an area at Bell Lanes with five dart machines to meet the demand and a new chartered club has been formed if you're interested in joining the fun.

Other hidden treasures at Bell Center include table tennis, racquetball and indoor shuffleboard courts for those seeking more activities that provide both exercise and a little friendly competition. And remember, all of these amenities are available to Cardholders at no additional charge!

While you've got family



Viewpoint Lake [Pete Pallagi/Daily News-Sun file photo]

and friends visiting, a trip to a museum is always a great educational experience and Sun City AZ offers those as well. The Mineral Museum is located at Sundial and operated by volunteer members from the Rockhound Club. This little gem is a "must-see" for residents and visitors alike. With specimens from around the world and right in our own backyard, everyone will find something of interest. Don't forget to take a few extra minutes and tour the Fluorescent Room; you won't believe your eyes!

Head over to Fairway Center where you can find an entire room full of the best model train display around. Resident conductors from the Model Railroad Club of Sun City will be happy to answer any questions and are always ready with a good story guaranteed to delight both the young and the young hearted.

If history is more to your liking, there's no better place

Depending upon the time of year and volunteer scheduling, hours at each Sun City AZ museum vary. It is highly recommended that you call before making a special trip. Phone numbers can be found on the website at www.sunaz.com, either on the Clubs page or under Sun City Links.

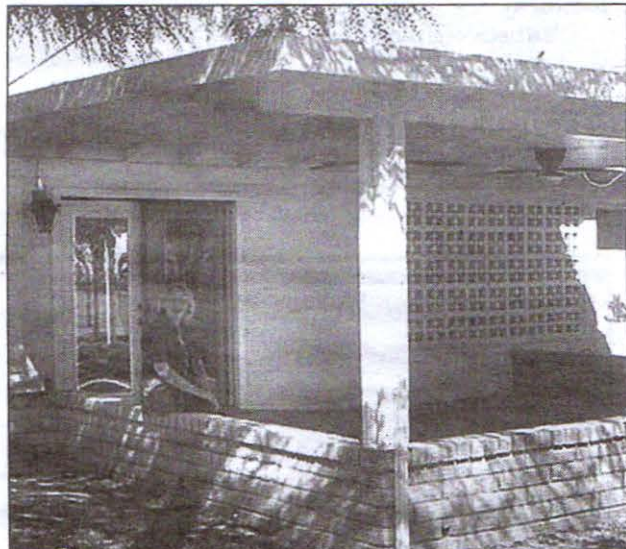
But wait — we're not done yet! Whether you've spent the morning fishing or worked up an appetite discovering all Sun City AZ has to offer, perhaps it's time to grab a little something at one of RCSC's five golf course snack shops. Serving both breakfast and lunch along with daily specials and great views from the patio — all at prices can't be beat!

Explore Sun City AZ's hidden treasures and cherish all that we have right here!

• Dan Schroeder is president of the Recreation Centers of Sun City Board of Directors.



Dan Schroeder



Beverley Thom rests on the McMillin Terrace of the Del Webb Sun Cities Museum. [File photo]

VF 3C Recreation Centers (General)

PLANNING
RCSC
planning
committee
could
return

Will participate
in Grand Avenue
property
evolution

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Recreation Centers of Sun City officials appear to be on the verge of reinstating the Long Range Planning Committee to permanent status.

The committee, which advised the board on planning for capital projects, was disbanded nearly two years ago. It was brought back last year as an ad hoc group to study the uses for a property along Grand Avenue purchased by RCSC officials. The ad hoc committee conducted town hall meetings earlier this year

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over

Committee

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and has been meeting on a regular basis to discuss input received regarding the new property.

During the board's regular meeting in April, resident Bill Pearson asked if the board was considering the committee's reinstatement.

"There is \$10 million in the Preservation and Improvement Fund and, after the Willow (golf course) project that should leave about \$3 million to \$4 million," he said. "There will be significant cost to prepare the Grand Avenue property, but

there is no long range budget for that right now."

While not directly answering Mr. Pearson's question, RCSC board President Rich Hoffer dropped a heavy hint.

"I suggest you will be happy in the fall," he said.

He added his approach to the Long Range Planning Committee has been to see how the group worked in

the ad hoc format before encouraging a decision one way or the other.

"I was impressed (with the committee)," Mr. Hoffer said.

More detail on RCSC plans for the committee came to light during the May 8 member/director exchange meeting. When asked about the committee's reinstatement, Mr. Hoffer asked board member Ida Eisert if she had something to share.



Rich Hoffer



Ida Eisert

"I asked the board during our work session today to bring it back," she said. "I am hoping to have a consensus to put it as a motion for the June board meeting."

She then asked Mr. Hoffer if he had anything to add.

"We will continue to discuss this in work sessions," he said. "I have supported the Long Range Planning Committee when it made sense. I think the time has come (to bring it back)."

Mr. Hoffer elaborated the board plans to discuss the committee during its

May 25 work session and if a consensus is reached then it will be brought forward to the June 12 exchange meeting agenda as a motion for the June 29 regular board meeting.

Mr. Pearson has not been alone in his call for the committee's reinstatement on RCSC's permanent committee roster. Gene Westemeier, a former RCSC board member; Greg Eisert and Ben Roloff, both Sun City Home Owners Association board members; and Karen Scheurmann have also spoken out in board and member/director exchange meetings, calling for the group's return.

Mr. Pearson in the April 27 board meeting called out board members elected in November.

"Three of the four of you (new board members) last year during the forums endorsed a permanent return of the Long Range Planning Committee," he said.

If the board does reinstate the Long Range Planning Committee, RCSC officials would immediately begin to put the word out for interested persons to apply, and could possibly have the committee up

and running as early as the fourth quarter of 2017, Mr. Hoffer stated in a May 9 email to the Independent.

"It's a little premature to determine the committee's first task, since that would be up to the chair and co-chair, whenever they are appointed, and approved by the board," he stated.

Current task

The ad hoc Long Range Planning Committee is winding down its task of recommending uses for the Grand Avenue property.

The group met May 5 and voted to send their final recommendation to the RCSC Board of a Directors, according to Mr. Hoffer.

"That proposal is being written as I write this and will be presented to the board on May 25 during the board's regular work session," he stated.

Mr. Hoffer speculated a decision on those uses could be made as late as September, if not sooner.

"Depending on the other issues that present themselves," he stated.

Once the decision is made, the board would have to decide how quickly to move and in which direction, according to Mr.

Hoffer. However, any work at the Grand Avenue property would require, at least in part, Preservation and Improvement Fund monies, but 2017 PIF projects were put on hold earlier this year while RCSC officials await the results of a lawsuit filed by Anne Ran-

dall Stewart, representing the Sun City Formula Registry, and 38 other Sun City property owners.

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.

VF SC Recreation Centers (General)

SUN CITY



INDEPENDENT

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HUD

No help expected from HUD

Sun City group now focuses on local solution

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Sun Cities home owners hoping to get the ban on FHA reverse mortgages lifted through efforts by the federal government will be disappointed, according to a local task force trying to find a resolution to the issue.



Liz Rechia



Steve Puck



Vicki Frye

“HUD officials are telling us they are not going to do anything about it,” said Liz Rechia, West Maricopa Association of Realtors Governmental Affairs director.

Reverse mortgages began being rejected more than a year ago when HUD officials changed their regulations, partly calling for any fees charged to homeowners be used for community benefit.

The local task force —

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HUD

» From page 1

whose members include four Sun City residents, one Sun City West resident, five real estate professionals and a social worker — formed last year to see what could be done to lift the reverse mortgage ban. The group has been working on two levels, negotiating with Housing and Urban Development and Fair Housing Administration officials, and with the Sun Cities recreation centers organizations to get regulation alterations that will allow the reverse mortgages.

With the federal agency indicating there are no plans to adjust its regulations, the task force is now focusing its efforts locally. The task force wants to convince rec centers officials to amend their bylaws to waive their preservation and improvement (Recreation Centers of Sun City) and asset protection fee (Recreation Centers of Sun City West) — both \$3,500 charged for every property transaction — in cases of foreclosure or deeds in lieu of foreclosure. Rec centers officials in both communities have so far refused to make those amendments citing a loss of revenue. They said losing the preservation fees would make it difficult to afford capital improvements without creating debt or creating a special assessment to property owners.

“People need to realize the cost to RCSC if we don’t have the PIF,” said Rich Hoffer, then RCSC board president, during a Nov. 8 member/director exchange meeting.

“I had a meeting with RCSCW officials and they said they would not put in writing anything that waived their preservation fee,” said Michael Thomas, VIP Mort-

gage originator, during a Feb. 8 task force meeting. “They said it would be a loss of income.”

Jan Ek, RCSC general manager, explained in the Nov. 8 exchange meeting that RCSC’s PIF qualifies as going back into the community according to the HUD regulations, and RCSC officials have submitted all the documents to clearly show that.

“But we are dealing with the federal government and we just keep getting pushed up the ladder of the bureaucracy,” she said.

Ms. Ek said RCSC officials were told the reverse mortgage ban will be fully lifted by year’s end.

“I am not confident that will happen,” she said in the November meeting.

In addition to reverse mortgages, the federal agencies that insure loans are beginning to expand their tight-fisted regulations about loans.

Vicki Frye, Frye Realty owner, said Fanny Mae and Freddie Mac officials are now working on changing their regulations to ban loans for properties in associations that have “no rent” rules.

“They are looking at mirroring their regulations with those of HUD and FHA,” she said.

Austin Fontenot, president of one Sun City condo association, believes there may be some effects of that showing up already as one tenant in his association was denied a re-finance loan because the association has a “no rent” rule.

Ms. Rechia believes this will eventually affect home sellers with existing FHA loans. She also believes this will affect the rec centers through loss of income not just with the preservation fee but also with annual assessments as homes sit empty for years because sell-

ers cannot find buyers who can get FHA-insured loans.

“They won’t be getting fees on more and more homes as time goes by and they’ll lose even more revenue than just a small percentage of their preservation fees,” she said. “But that could be three or more years down the road.”

Mr. Thomas said RCSCW officials fear is that if they amend the bylaws to waive the fee for specific circumstances, the government will force them to eliminate the fee altogether.

Ms. Rechia said there is a model for getting rec centers’ bylaws amended to allow a preservation fee waiver the task force suggests. She said Corte Bella and Westbrook Village officials already amended their documents.

“But any such effort must come from the residents, not us,” she said. “That takes time and endurance.”

Mr. Thomas said the task force must show residents the reverse mortgage ban extends past those loans.

“This is best if handled by the community, rather than having the government do it,” Ms. Rechia said.

She added WEMAR officials are now developing materials to help educate residents about the situation.

One of the reasons HUD officials are reluctant to make changes to its regulations is they do not want to risk going below their congressionally mandated reserve funds again. HUD nearly exhausted its reserves after the housing bust of 2009, according to Ms. Rechia.

“They just recently replenished those reserves and they don’t want to risk it again,” she said.

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RCSC

Virtual tour of RCSC facilities in works

Program will replace bus tours

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Recreation Centers of Sun City officials are bringing their facility tours into the 21st century.

While the Sun City Visitors Center was a private entity, the board of directors approved the purchase of a bus to provide community visitors, prospective homeowners and new residents a chance to see the facilities up close and personal. The bus stops at various facilities and the tour guide and driver provide information on each facility visited.

However, due to time limitations the bus tour does not stop at every recreation center or golf course. So RCSC officials are developing a virtual tour of the facilities.

"We continue to provide tours out of the Visitors Center at Bell while providing both existing and prospec-



Joelynn Higgins

tive Sun City residents with a wealth of information," Joelynn Higgins, RCSC communications and marketing coordinator, stated in an email.

The new virtual tour that is still under development. She said completion is expected later this spring.

"The virtual tour will provide a much more encompassing tour in less time and will also be accessible from the (RCSC website) www.suncityaz.org, allowing those to truly 'Experience Sun City AZ' no matter where they are," Ms. Higgins stated.

The virtual tour is intended to replace the bus tour as it will be more thorough, covering all of RCSC facilities and many facets of the Sun City lifestyle, Ms. Higgins explained.

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VF-5C - Recreation Centers (General)

RCSC

RCSC board changes sign policy

2 directors oppose plan

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Despite opposition from other members, the Recreation Centers of Sun City Board of Directors made changes to its sign, literature and electronic sign policy.

The approved changes allow commercial advertising to be distributed on RCSC properties and its electronic signs at each recreation center. Materials can only be distributed upon management approval and if an RCSC operating division accepts sponsorship of an event or league, or invites and outside company or vendor for the specific purpose of promoting an activity with RCSC.

However, the changes were now approved unanimously. Board members Bruce Alleman and Stella Van Ness voted against the proposals in the board's Feb. 22 meeting. Board member Dave Wieland abstained during the vote and board member Ron Smith was not present for the vote. Voting "yes" for the proposal were board members Jerry Walczak, Sue Wilson, Jerry DeLano, Dan Schroeder and Dale Lehrer.

Ms. Van Ness said changes to the policy were defeated last year when cardholders objected to allowing commercial advertising, at

not cost, on the electronic signs.

"The defeat of that policy came after cardholders objected," she said. "I don't believe that was the intent when those signs were installed.

The board approved, unanimously, four other motions that included policy changes chartered clubs, incident reports, and hearing procedures and cardholder suspensions.

The board also approved,

unanimously, chartering two new clubs — the Illinois Club and the Sheepshead Club.

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