



The PIF to get puffed

RCSC plans motion to increase fee to \$3,500

By Rusty Bradshaw

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The Recreation Centers of Sun City plan to raise the cost of buying a home in the community.

The board has a motion prepared for its regular April meeting to raise the Preservation and Improvement Fund fee from \$3,000 to \$3,500. The fee is charged for each property deed transfer in the age-restricted community, including transfers after the initial purchase. RCSC officials last week confirmed the motion will be on the board agenda, but had no further explanation for the increase.

“There is no need for any further discussion on this matter at this time,” Joelyn Higgins, RCSC communications and marketing director, stated in an email.

However, residents did voice their opinions on the matter in the April 13 RCSC member/director exchange and to the Independent last week. Results from the exchange meeting were not available at press time.

Unless it reverses course, the RCSC board will consider the increase at its next regular meeting 9 a.m. Thursday, April 30 at Sundial Recreation Center, 14801 N. 103rd Ave.

Carole Martinez, a former RCSC board member, believes the board is quick to increase the PIF because members and

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Residents look out on the Fairway Recreation Center, 10600 W. Peoria Ave., pool from the second-story walking track. The Fairway

rebuild, like all other major RCSC capital projects, was financed entirely from PIF funds.

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PIF

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RCSC management claim it does not affect residents, **only those new home buyers.** She calls that **claim misguided.**

“My aunt’s house was on the market for months because the contracts brought to the table **wanted my aunt to pay the PIF out of the proceeds,**” she stated in a letter to the editor to the Sun City Independent. “ This would mean **she would have lost.**”

Bill Pearson, another former RCSC board member, said if there was a good reason for it he would support it.

“Show me what it is for before it goes up,” he said.

However, **Gene Westermeier,** who also used to serve on the RCSC board, has **long been an advocate of increasing the PIF.** Mr. Westermeier did not return by press time a telephone request for comment.

Revenue generated by the fee is used to fund **capital improvement projects,** such as golf course and recreation center renovations. The fee was established several years ago and has been steadily increased through the years. The last increase, from \$2,500 to \$3,000, was made in August 2009. The fee generates nearly **\$500,000 per month** for the RCSC’s PIF.

Projects can only qualify for PIF funds if the cost is a minimum of **\$300,000** and they have a **depreciable life of 15 years,** according to RCSC Board Policy 24.

Ms. Martinez and Mr. Pearson said the subject of a PIF increase was not discussed during their tenure on the board, which ended for both Dec. 31, 2014.

“I believe the reason it’s coming up now is because there are **new board members** and this is something they are considering,” Ms. Martinez stated in an email.

Mr. Pearson estimated the proposed \$500 increase would bring in an

additional \$1 million per year.

“The only thing I can think of is the flap over the walls that came up last year,” he said.

Sun City Home Owners Association officials had some discussions with RCSC officials about joining forces to repair and repaint exterior common walls in the community. RCSC officials balked until it could be determined who owned the walls.

RCSC officials developed a long-range plan for PIF-funded projects. The plan calls for about \$6 million per year in various projects through 2020. The plan was established by the RCSC Long Range Planning Committee, a group that was suspended shortly after it recommended the plan two years ago. The RCSC board has amended the plan several times since without public discussion or reinstating the committee to hear its recommendations.

“I believe there are enough funds now to cover the long range plan without incurring any additional costs to buyers and owners,” Ms. Martinez stated.

In addition to funding capital improvement projects, the board in November 2011 established a policy that \$500,000 per year be transferred from the PIF to a capital reserve account with the goal of having a \$5 million reserve. At the end of February, the PIF had a balance of just more than \$5 and the reserve fund was at just more than \$2 million.

Mr. Pearson is not happy with the structure of the long-range plan.

“It is just a five-year picture of how to spend money,” he said.

Other residents, Mr. Westermeier among them, want the Long Range Planning Committee reinstated and the board consult with the group before making further changes to the plan. Karen Scheuermann told the board during the February exchange meeting it is frustrating to see things appear and disappear on the long range plan without any notice to residents or opportunity for community input.

RCSC board member Michael Kennedy said long-range decisions are being made by the board based on project cost estimates that are time-sensitive.

“We’re trying to make this all blend so when the solar payoff comes up we can afford it,” he said.

RCSC officials plan to use PIF funds to payoff the solar panels at all recreation centers and some other corporate facilities in 2019.

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