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September 12, 2013

Via E- Mail
Return Receipt Requested

Mr. James R. Hinton
Statutory Agent
Recreation Centers of Sun City, Inc.
201 N. Central Avenue, Suite 3300
Phoenix, AZ 85004

RE: RCSC September 9 meeting agenda

Dear Jim:

I have been forwarded a copy of Recreation Centers of Sun City, Inc.'s Agenda and proposed Motions for the September 9, 2013 Board/Member Exchange meeting. Motion #1 apparently addressed the Revised Long-Range Plan and Budget for RCSC's expenditures from the Preservation and Improvement Fund. I note that many of the proposed projects in the Plan and Budget exceed \$750,000. For example, in 2013, RCSC will commit \$6,000,000 to undertake a complete renovation of the North Golf Course. I further understand that on September 26, 2013, the Budget to commit funding for each project will be approved by RCSC's Board of Directors. Both of these meetings and actions are to occur without a membership vote.

As I have stated numerous times before, funding these project liabilities without a Member vote is a violation of Article X of RCSC's Articles of Incorporation. RCSC's own governing rules requires a membership vote for projects creating "indebtedness or liability, direct or contingent, over \$750,000." These rules are being ignored yet again by RCSC's Board.

We continue to be extremely distressed by RCSC's disregard of State law, its own Articles, Bylaws and Facilities Agreements, and, most importantly, its Members' interests. Previous attempts to get RCSC to return to compliance with the law and its own governing documents have proven fruitless. I have yet to receive a response from you regarding my two previous letters raising this and many other concerns. Please be advised that the Members therefore believe they have no choice but to seek a declaratory judgment requiring compliance from a court of competent jurisdiction.

Sincerely yours,



Nancy A. Mangone

cc: Anne Randall Stewart, SCFR homeowners via <http://www.annereport.com>