

**Recreation Centers of Sun City  
Balance Sheet  
February 28, 2010**

|   | Current<br>Year | Prior<br>Year |
|---|-----------------|---------------|
| <b>ASSETS</b>                                       |                 |               |
| Cash and Investments                                |                 |               |
| Petty Cash  | \$10,737        | \$9,172       |
| Cash in Bank  | 1,140,921       | 5,559,958     |
| Cash - Invested Funds                               | 5,111,519       | 89,565        |
| Cash - Invested Funds Reserved                      | 2,500,000       | 2,500,000     |
| Subtotal Cash and Investments                       | 8,763,177       | 8,158,695     |
| <br>Cash - Preservation/Improvement Fund            | <br>1,307,670   | <br>5,551,602 |
| <br>Accounts Receivable                             | <br>407,713     | <br>316,259   |
| Accounts Receivable - Assessments                   | 899,310         | 367,790       |
| Deposits & Prepaids                                 | 119,709         | 279,199       |
| Inventory   | 83,574          | 77,787        |
| Subtotal Cash, Investments and Other Current Assets | 11,581,153      | 14,751,332    |
| <br>Fixed Assets                                    |                 |               |
| Land  | 4,271,349       | 4,271,349     |
| Land Improvements                                   | 14,879,126      | 14,326,116    |
| Buildings & Structures                              | 36,967,585      | 36,967,585    |
| Furniture, Fixtures & Equipment                     | 21,081,093      | 20,217,399    |
| Vehicles  | 1,002,968       | 970,603       |
| Less: Accumulated Depreciation                      | (43,149,501)    | (40,245,384)  |
| Net Fixed Assets                                    | 35,052,620      | 36,507,668    |
| Work in Progress                                    | 12,076,300      | 3,741,705     |
| Total Assets  | 58,710,073      | 55,000,705    |
| <br><b>LIABILITIES &amp; NET WORTH</b>              |                 |               |
| Current Liabilities                                 |                 |               |
| Accounts Payable                                    | 617,401         | 1,190,779     |
| Other Current Liabilities                           | 348,938         | 350,404       |
| Deferred Income                                     | 5,933,132       | 5,317,820     |
| Total Current Liabilities                           | 6,899,471       | 6,859,003     |
| <br>Other Liabilities                               |                 |               |
| Lease Purchase Liability                            | 62,390          | 87,486        |
| Net Worth   |                 |               |
| Net Worth   | 50,458,779      | 42,576,186    |
| Excess/Deficit Year to Date                         | 1,289,433       | 5,478,030     |
| Total Net worth                                     | 51,748,212      | 48,054,216    |
| Total Liabilities and Net Worth                     | 58,710,073      | 55,000,705    |

**Recreation Centers of Sun City**  
**STATEMENT OF INCOME AND EXPENSES**  
**For the Two Months Ending February 28, 2010**

|   | February<br>Actual | February<br>Budget | YTD<br>Actual    | YTD<br>Budget    | Prior<br>YTD     |
|---|--------------------|--------------------|------------------|------------------|------------------|
| <b>Operating Income:</b>                        |                    |                    |                  |                  |                  |
| Property Assessments                            | \$780,931          | \$723,928          | \$1,563,375      | \$1,454,085      | \$1,468,477      |
| Transfer & Access Fees                          | 41,400             | 36,100             | 75,000           | 56,300           | 56,700           |
| Privilege & Guest Cards                         | 47,165             | 45,571             | 141,965          | 133,058          | 128,756          |
| Food/Liquor Sales                               | 52,487             | 53,015             | 100,978          | 103,583          | 4,398            |
| Bowling Fees                                    | 71,602             | 68,926             | 145,831          | 143,868          | 154,859          |
| Prepaid Green Fees                              | 148,015            | 157,038            | 298,639          | 314,076          | 314,496          |
| Prepaid Green Fees - Non Resident               | 1,671              | 31,246             | 3,005            | 62,492           | 0                |
| Daily Green Fees & Surcharge                    | 405,195            | 407,161            | 758,206          | 791,333          | 770,772          |
| Range Fees                                      | 16,661             | 17,457             | 33,190           | 34,277           | 34,353           |
| Cart Rental                                     | 22,760             | 22,325             | 42,703           | 40,200           | 40,281           |
| Merchandise Sales                               | 14,030             | 10,340             | 25,949           | 22,385           | 27,642           |
| Investment Income                               | 1,249              | 165                | 2,515            | 330              | 3,192            |
| Cardholder Programs & Club Fees                 | 24,081             | 38,307             | 40,262           | 75,321           | 78,375           |
| Rental Income                                   | 30,443             | 27,042             | 84,052           | 76,759           | 45,396           |
| Contributions                                   | 6,800              | 40,750             | 49,300           | 44,750           | 3,627            |
| Miscellaneous Income                            | 4,143              | 3,429              | 6,221            | 6,983            | 8,883            |
| <b>Total Operating Income</b>                   | <b>1,668,633</b>   | <b>1,682,800</b>   | <b>3,371,191</b> | <b>3,359,800</b> | <b>3,140,207</b> |
| <b>Operating Expenses:</b>                      |                    |                    |                  |                  |                  |
| Salaries and Wages                              | 515,718            | 539,736            | 1,076,307        | 1,115,672        | 986,963          |
| Payroll Taxes & Benefits                        | 151,488            | 146,959            | 307,075          | 304,658          | 268,630          |
| Repairs and Maintenance                         | 101,623            | 183,990            | 170,019          | 309,795          | 207,153          |
| Utilities Expense                               | 157,095            | 170,435            | 308,340          | 345,474          | 298,476          |
| General Operating Expense                       | 92,972             | 112,186            | 242,533          | 323,952          | 187,707          |
| Cost of Food/Liquor Sold                        | 14,557             | 18,212             | 29,041           | 35,610           | 1,308            |
| Cost of Goods Sold                              | 15,857             | 12,313             | 30,613           | 25,344           | 28,505           |
| Cost of Goods Sold / Activities                 | 18,464             | 33,298             | 27,343           | 65,400           | 61,639           |
| <b>Total Operating Expenses</b>                 | <b>1,067,774</b>   | <b>1,217,129</b>   | <b>2,191,271</b> | <b>2,525,905</b> | <b>2,040,381</b> |
| <b>Net Operating Excess/(Deficit)</b>           | <b>600,859</b>     | <b>465,671</b>     | <b>1,179,920</b> | <b>833,895</b>   | <b>1,099,826</b> |
| <b>Other Income:</b>                            |                    |                    |                  |                  |                  |
| Other Income                                    | 1,804              | 0                  | 1,804            | 0                | 44,373           |
| Insurance Proceeds                              | 0                  | 0                  | 0                | 0                | 4,401,159        |
| Interest Income                                 | 5,148              | 0                  | 9,030            | 0                | 6,228            |
| Proceeds - Sale of Assets                       | 555                | 0                  | 1,255            | 0                | 0                |
| <b>Total Other Income</b>                       | <b>7,507</b>       | <b>0</b>           | <b>12,089</b>    | <b>0</b>         | <b>4,451,760</b> |
| <b>Other Expense:</b>                           |                    |                    |                  |                  |                  |
| Property Tax                                    | 6,715              | 8,383              | 14,327           | 16,766           | 15,406           |
| Insurance                                       | 31,027             | 27,309             | 61,938           | 54,618           | 54,115           |
| Other Expense                                   | 3                  | 100                | 196              | 200              | 2,207            |
| Equipment Lease                                 | 2,582              | 2,582              | 5,164            | 5,164            | 5,164            |
| <b>Total Other Expense</b>                      | <b>40,327</b>      | <b>38,374</b>      | <b>81,625</b>    | <b>76,748</b>    | <b>76,892</b>    |
| <b>Net Excess/(Deficit) Before Depreciation</b> | <b>568,039</b>     | <b>427,297</b>     | <b>1,110,384</b> | <b>757,147</b>   | <b>5,474,694</b> |
| <b>Home Sales:</b>                              |                    |                    |                  |                  |                  |
| New Owners                                      | 128                | 116                | 256              | 200              | 188              |
| Total Owners                                    | 134                | 122                | 268              | 219              | 196              |