

**RECREATION CENTERS OF SUN CITY, INC.  
LONG RANGE PLANNING COMMITTEE 2019**

**History**

In December 2017, the board of the Recreation Centers of Sun City re-established the Long Range Planning Committee. The committee consisted of 9 members as follows:

Jean Buck	James McConnell
Norm Dickson	Gary Osier
Peggy Loken	Rich Peterson
Bill Loslo	David VanderNaalt
Lynn Lybolt	

The board then appointed the Chair (Bruce Alleman) and Co-Chair (Jerry Walczak) in January 2018. The charge given the Committee was as follows:

“The Long Range Planning Committee is dedicated to advising the Board of Directors of the Recreation Centers of Sun City, Inc. to aid in maintaining their position of leadership among retirement communities. This is to be accomplished by focusing on the current needs of the Members and through research of the needs and desires of future Members.

The Long Range Planning Committee shall provide the Board of Directors of the Recreation Centers of Sun City, Inc. with reports, recommendations, and suggestions regarding the future needs of its Members and a suggested time frame to implement future facilities and programs to meet these needs.”

Throughout 2018 the committee met and conducted research on other retirement communities throughout the U. S. In September 2018 the members reported that no other communities provided any activities that Sun City did not, except specialty activities such as horseback riding and large-water based activities. In all cases, home prices and fees were considerably higher.

In September, the Committee’s focus was changed to hosting town hall meetings regarding the future wants for the Mountain View Recreation Center property. On October 1, 2018, the committee held two town hall meetings, took input and produced a report for the board that was presented in November 2018.

In January 2019 a new Chair (Rich Hoffer) and Co-Chair (Dale Lehrer). In addition, 2 new members were added in February:

Bill Pearson	Ben Roloff
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At the February meeting the committee formed two sub-committees: one to deal with the details of the future of the Lakeview Recreation Center; the other sub-committee to deal with future trends and demographics. That sub-committee consists of:

Peggy Loken	Bill Pearson
Norm Dickson	David VanderNaalt
Gary Osier	

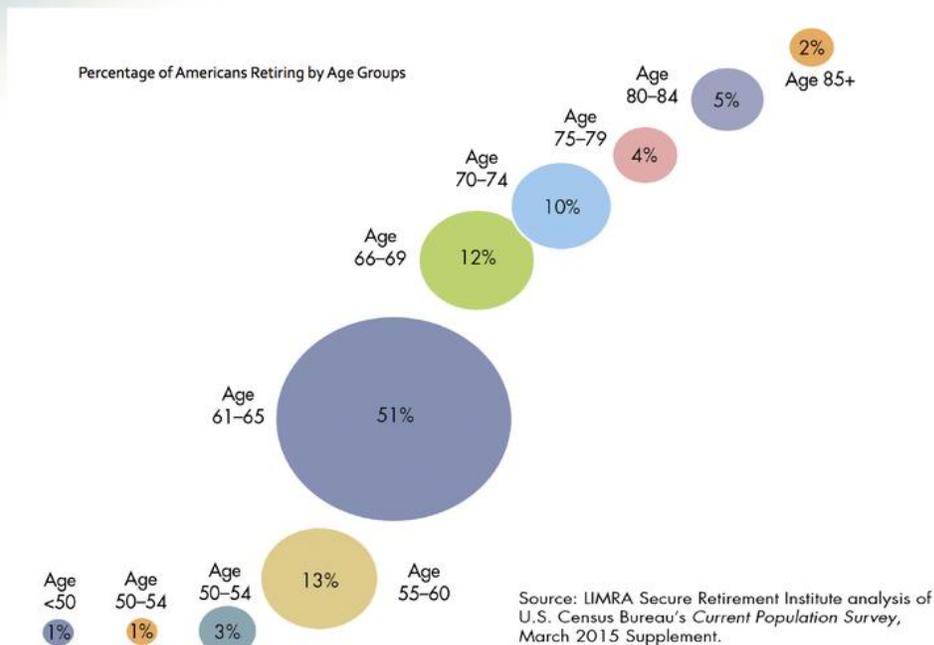
This subcommittee met on February 19, 2019, to discuss what a long range plan should look like and the key elements that should be involved. Gary and Bill, volunteered to put together individual first drafts for the rest of the sub-committee to review and edit.

# RECREATION CENTERS OF SUN CITY, INC. LONG RANGE PLANNING COMMITTEE 2019

## Introduction

Sun City was -- and still is -- billed as a retirement community. The first sentence of the Committee's charge says "to aid in maintaining their position of leadership among retirement communities." If we take a look at the demographics the graphic below shows that by age 65 most people retire. This is the present situation.

### Half of Americans retire between ages 61 and 65.



Below is a part of an article in *USA Today* that essentially indicates that almost 40% of Gen X does not expect to be able to retire. Add in those that choose to wait for maximum Social Security benefits at age 70 or older, and that number will approach 50% or more.

"Add Gen Xers to the long list of Americans who fear they won't have a sizable enough nest egg to retire. Nearly four out of 10 (37%) of Generation X — those born between 1965 and the late 1970s — say they would like to stop working for good and 'fully retire' someday, but will not be able to afford to," a new survey from TD Ameritrade, an online broker based in Omaha, found.

Other gloomy Gen X retirement findings:

- 43% say "they are behind" in their savings.
- Half (49%) are "worried about running out of money" once they leave the workforce.
- Nearly two out of 10 (17%) say they "aren't saving or investing for anything."
- Only a third expect to be "very secure" in retirement — vs. nearly half of Baby Boomers.

The savings shortfall has been exacerbated by the phasing out of traditional pensions funded by employers. In their place is the increasing reliance on 401(k) plans and IRAs that require workers to do most of the saving on their own. Gen Xers aren't alone in their

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financial angst. The finances of the younger Millennial generation have been hurt by the Great Recession in 2008-09 and high college costs.

Older Boomers, according to the TD Ameritrade survey, are also uncertain about their preparedness, with just 47% saying they expect to be "very secure" in retirement. The oldest of the roughly 65 million Gen X Americans — those now 39 to 53 — will be the next generation to retire."

-- From *USA Today*, January 10, 2018

The Dreamer sub-group of the RCSC Long Range Planning Committee has been asked to let their minds roam freely across the spectrum of what Sun City should look like in the coming years. The most challenging aspect of that equation is that we need look at an entirely different generation from who we are, or what has mattered in the past.

Historically we have had two age groups; the "Greatest Generation" and the "Baby Boomers." Both came here with distinct advantages over the next wave of Sun City home buyers. The "pioneers" bought into Sun City while the Webb Corporation subsidized the infrastructure, and once DEVCO left, the ability to do much was limited by the resources available.

That all changed in 1998/1999 when the Preservation fund was started. Timing was critical because our amenities needed to be updated. "Boomers" were just beginning to hit the retirement marketplace and, like their earlier counterparts, defined benefit plans played an important role in being able to retire. Economic security was far more stable than what we see today and the Greatest Generation and the Baby Boomers came well established financially.

The worst mistake we could make today would be to assume that little has changed. Once we began researching the next generation of home buyers, Generation X'ers, we quickly understood how important it was to get our heads around what they would want/need to keep Sun City relevant for them. They clearly are different from past generations.

There is a bigger concern than just those differences. It is by far the smallest pool of potential buyers as there are only 49 million of them born in the years 1965-1984. Conversely, there were 75 million Boomers (1946-1964) and there will be 89 million Generation Y (born 1984-1996). Throw in the dynamic of new age-restricted communities opening monthly, and it becomes imperative Sun City position itself quickly because Gen X is just now hitting early retirement years.

As we looked at the characteristics that defined Gen X, several things stood out. Many of them were raised by divorced parents. Oddly, that has caused them to be more family focused. Combine that with the statistics that show retirees are less likely to move, often because 55-plus communities are opening all over the country. Clearly there will be a smaller pool of potential buyers for Sun City homes from Generation X.

It gets worse. Gen X was also born into the turbulent times where down-sizing, job loss and pension plans were changed to 401k's. They suffered through the market crash where home values were crushed and savings devastated. Adding to their woes is the question whether social security will be around for them. No question, they have saved far less than their older counter-parts and many will never retire.

There are bright spots however. Gen Xers are the most technologically savvy generation. Cell phones, iPads, PC's and smart home features are expected.

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They understand they may well be working later in life than past generations, but that doesn't preclude them from moving and starting over. Career changes are not new to them and if they are inclined to start over, why not here?

All of which adds to Sun City's allure. Affordability will be imperative. Building an amenity package that serves their needs and marketing it properly will allow us a competitive edge that more expensive 55+ communities will never be able to compete with. We are well situated to make investments in those items they will find attractive, which means how we invest in our future is critical to our becoming a target market for Gen X buyers.

That means that Sun City may need to be looking at being a 55+ community instead of a retirement community to stay ahead of the trend. What does this mean? We can anticipate that we will be marketing to people that are still in the workforce at least until they are 70, and maybe longer. By 10 years from now we could have a substantial number of residents and potential residents that are looking for a community that provides for the working person. If we are to attract this next generation and future generations we will have to shift our focus.

The following changes can be anticipated:

- Most facilities open at night and weekends. This will also necessitate either paid monitors, or individual clubs keeping facilities open and functioning.
- Active sports and or activities will likely predominate.
- More pedestrian and bicycle friendly spaces may be needed.
- More pet friendlier facilities as the Millennials enter the market place.
- Several of the existing activities may change because of changing lifestyles.
- Technology will most likely dominate our access to and use of facilities. Examples are security cameras monitoring public areas, electronic access and accounting using the RCSC identification card/phone app.

A good long range plan requires foresight, vision and expanded input sources. That means we must be flexible and open to new ideas. To plan for future generations to come to Sun City, we will need to be innovative and find the things that the next generation wants and needs. The first thing we need to do is look at goals and their accompanying objectives; that will hopefully set us on the right road.

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Proposed Goals and Objectives
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***There were 3 goals identified in the charge to the committee:***

**Goal 1: Maintain a leadership position among retirement communities.**

**Objectives:**

1. The Long Range Planning Committee shall continuously research evaluate and report to the board at its first meeting in January on possible new trends and activities that could affect the long range viability and relevance of Sun City Recreation Centers.
2. By August 15, 2019, Long Range Planning Committee shall develop criteria for evaluating long term projects and activities. Criteria will be presented to the RCSC Board by October 1, 2019.
3. By December 15, 2019, it is recommended that the RCSC Board shall develop a system for evaluating and acting on recommendations from the long range planning committee. This should consist of direction indicating:
  - A. Accept the recommendation, and direct staff to develop a timetable for accomplishment.
  - B. Reject the recommendation, with reasoning.
  - C. Direct further study or measurable data needs.
  - D. Refer the recommendation to another committee for development, with reasoning and any needed measurable data.
4. By October 15, 2019 it is recommended that the RCSC Board direct the General Manager to review the virtual tour video developed by the information center to insure that active activities are highlighted in the virtual tour. In addition, the General Manager shall have developed either a separate video or an addendum to the existing virtual tour that highlights activities or plans that the RCSC has identified as the future of Sun City. It is also recommended that the RCSC Board direct the General Manager to update the video(s) as new ideas and activities are added and subtracted, so that RCSC offerings are kept up to date. This task shall be completed and reviewed by the RCSC Board by April 30, 2020. *(This objective should be passed on to the Outreach & Communication Committee for execution.)*
5. By January 15, 2020, it is recommended that the RCSC Board direct the General Manager to work with the Sun City Visitor Center to create an electronic system for recording the number of inquiries by specific activity either party receives either by phone, written, electronic or in person. The system should be such that any new activities that people are interested in can be easily added to the system. This will be used by the long range planning committee and RCSC to help evaluate long term trends. This system shall be in place and functioning by May 31, 2020. *(This objective should be passed on to the Outreach & Communication Committee for execution.)*

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**Goal 2: Focus on the current needs of the Members.**

**Objectives:**

1. By April 15, 2020, it is recommended that the RCSC Board direct the General Manager to research and recommend to the RCSC Board an electronic system for members to automatically record their activity by swiping their rec. card. The system should also be used to open the doors of the activity or space thus the member gaining access. If it is a monitored activity the reader system can be shut down so that access is denied when not monitored. The system should be able to be programmed to change activities as the use of the space changes. Activity numbers can be automatically reported by day and month, and will be readily available to the General Manager, RCSC Board and the Long Range Planning Committee. *(Activities under this objective shall be accomplished in collaboration with the Outreach & Communication Committee.)*
2. By October 15, 2019, the Long Range Planning Committee shall develop a survey that can be utilized by existing members to report their interest in new and existing recreation activities provided by RCSC. It is recommended that the RCSC Board direct the General Manager to make the survey available to the members both electronically and manually by April 30, 2020. Results shall be compiled by the Long Range Planning Committee to be included in their yearly report to the RCSC Board.

**Goal 3: Research the needs and desires of future Members.**

1. Utilizing the figures from Goal 1 #5, the Long Range Planning Committee shall evaluate the data and make recommendations, if warranted, to the RCSC Board in their yearly report.
2. The Long Range Planning Committee will assign member(s) to review online trends (both internally and externally) for possible emerging and declining activities to be reviewed by the full committee for inclusion in their yearly report.

***The following goals were identified by the sub-committee:***

**Goal 4: Increase safety and security throughout RCSC facilities.**

1. It is recommended that RCSC Board direct the General Manager to develop a contract to retrofit the system identified in Goal 2 #1 to all RCSC facilities by June 15, 2020. The system should be installed and operational by June 30, 2021. The system shall be easily installed and adaptable to all new facilities. .
2. By October 15, 2019, it is recommended that RCSC Board direct the General Manager to research and recommend a camera security system for installation at all RCSC facilities by March 31, 2020.
3. It is recommended that RCSC Board direct the General Manager to evaluate the feasibility and cost of a community wide Wi-Fi system that is password protected by the users' RCSC identification card by May 31, 2020.

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**Goal 5: Maximize utilization of existing and future facilities.**

1. The long range planning committee when developing criteria for evaluating projects to include multifunctional space, so that all space gets the maximum use. In addition, the LRP committee will make recommendations on possible consolidation of like clubs so dedicated space gets maximum utilization.
2. All clubs will be directed to evaluate their ability to be open in the evening hours so as to accommodate the anticipated influx of working 55+ members. All clubs with dedicated space will be required to provide a contingency plan for evening hours. Said plans will be submitted to the club services office by September 30, 2020.
3. It is recommended that RCSC Board direct the General Manager to develop criteria for evaluating space allocation by November 25, 2019. All criteria will be measurable and justifiable, so to be easily explained to the membership. Final allocations shall be made in consultation with involved club presidents. No new allocations shall be made until the criteria are approved by the board.

**Goal 6: Establish a formula that uses financial and numerical data to arrive at objective decisions that will broaden the amount and type of input used to shape the future of Sun City.**

1. The Long Range Planning Committee will use a specific procedure which specifies that all Committee recommendations be preceded by a thorough examination of all numerical data, involvement of the general membership views, and a written recommendation from the Committee which cites such data, the logic and reasoning behind such a recommendation. The Committee shall have this procedure in place by October 15, 2020.

This is just a preliminary plan that will continuously evolve with the yearly reports of the long range planning committee and approval by the RCSC. If the objectives outlined here are accomplished we will have a successful framework within which projects can be evaluated for financial and customer satisfaction. We anticipate that after the initial information is gathered, then adjustments will need to be continuous, if Sun City is to remain relevant and viable as a 55+ community.