

Recreation Centers of Sun City, Inc.

Treasurer's Report

July 28, 2022

The balance of unrestricted funds as of June 30, 2022 was \$20,192,648 which includes a \$2.5M cash reserve. Restricted funds include the Preservation and Improvement Fund ("PIF") and the Capital Reserve Fund. As of June 30, 2022, PIF had a balance of \$31,159,560 plus \$699,483 collected in June that was transferred into the PIF account the first part of July 2022. The Capital Reserve Fund had a balance of \$5,585,618 as of month end. The Carryforward balance as of June 30 was \$11.3 million.

The corporation operated within its budget year to date 2022.

Investment Report 2nd Quarter 2022:

RCSC's Investment Policy (Bylaws Article XIII) is stringent in its requirements with the priority of investment objectives which are placed in this order: 1) safety, 2) liquidity, and 3) yield.

At the end of the second quarter 2022, \$4,410,147 (cost basis) of the \$2.5M unrestricted cash reserve and other unrestricted funds have been invested in various FDIC insured certificates of deposit, treasury bills and corporate bonds. In 2022, these investments along with the unrestricted money market account have produced interest income of \$36,766 with management fees of \$3,538 for a net income on unrestricted fund investments of \$33,228.

As of June 30, 2022, \$4,766,843 (cost basis) of the \$5.0M restricted capital reserve plus interest earned has been invested in various FDIC insured certificates of deposit and corporate bonds. Year-to-date, these investments have produced interest income of \$57,221 with management fees of \$3,797 for a net income on restricted capital reserve investments of \$53,424.

At the end of the second quarter 2022, \$17,867,766 (cost basis) of the \$31.9M in the restricted Preservation and Improvement Fund has been invested in various FDIC insured certificates of deposit, treasury bills and corporate bonds. Year-to-date these investments have produced interest income of \$60,767 with management fees of \$9,244 for a net income on restricted fund investments of \$51,523.

Respectively submitted by

Darla Akins, Treasurer