

RECREATION CENTERS OF SUN CITY, INC.
BOARD MEETING AGENDA
Thursday, May 25, 2023
Sundial Auditorium, 9:00 a.m.

- Call to Order
- Pledge of Allegiance
- Welcome and Introductions
- Roll Call of Voting Members, Confirmation of Quorum
- Approval of Minutes
- Treasurer’s Report
- Management Report
- Recreation Center Update Report – General Manager Cook
- Motions Second Reading
 1. **Director Nowakowski** – I move to amend the Bylaws by deleting the sections currently replicated in the reinstated Board Policies, listed below, with the exception of Board Policy 33 titled Investments. With respect to Board Policy 33 titled Investments, I move that the reinstated Policy be deleted and retained only in the Bylaws.

BP#1-Conflict of Interest – Article V, Section 2 delete paragraphs 2, 3, 4 & 5

BP#2-Senior Management – Article V, Section 6 Board Authority/Duties, Commissions & Senior Management, Item #C

BP#3-Corporate Records – Article I, Section 2 entire section

BP#6-Corporate Privacy Policy – Article I, Section 3 entire section

BP#8-Privilege Card Holders – Article II, Section 5 entire section

BP#9-Guests & Host Punch Cards – Article II, Section 6 entire section

BP#16-Budget & Financial Reporting – Article XII, Sections 2, 3, 4, 5, 6 & 7

BP#20-Sun City Foundation, Article XIV the entire Article

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BP#21-Membership Documentation Requirements – Article II, Section 2
entire section

BP#24-Preservation & Improvement Fee and Fund – Article III,
Subparagraph 1-A, B, C, D, F, G & H, Sections 3, 4, & 5

BP#27-Committees – Article X the entire Article

BP#31-Risk Management – Article XI, paragraphs 2 & 3

- Consent Calendar Items
 1. Request to approve the charter of the Racquetball Club of Sun City.
- New Business
 1. **Director Rough**– I move to amend Bylaws Article IV titled Membership Meetings; Section 3 titled Membership Quorum as follows:

ARTICLE IV – MEMBERSHIP MEETINGS

SECTION 3: MEMBERSHIP QUORUM

A quorum for any Membership meeting shall consist of not less than ~~one thousand two hundred fifty (1,250)~~ **five hundred (500)** Members in good standing. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote at such meeting shall have the power to adjourn the meeting without notice other than announcement at the meeting.

2. **Director Rough** – I move to amend Bylaws Article IX titled Initiative, Referendum and Recall Petitions, Section 1 titled Steps to take before circulating a petition, Letter B, Item #2 as follows:

ARTICLE IX – INITIATIVE, REFERENDUM AND RECALL PETITIONS

SECTION 1: STEPS TO TAKE BEFORE CIRCULATING A PETITION

B. File request to circulate your petition with the Secretary of the Corporation.

1. ~~Receive from the~~ **The** Secretary of the Corporation **shall provide:**
 - a. Written notice of ~~approval or disapproval~~ **receipt** of petition as submitted.
 - b. ~~If approved, o~~ **Official** petition with control number for use by all Circulators **within fifteen business days.**
 - c. ~~If approved, p~~ **P**etition regulations.
 - d. ~~If approved, your p~~ **P**etition start and completion dates.

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3. **Director Rough** – I move to amend Bylaws Article IV titled Membership Meetings; Section 5 titled Voting Procedures at Membership Meetings as follows:

ARTICLE IV – MEMBERSHIP MEETINGS

SECTION 5: VOTING PROCEDURES AT MEMBERSHIP MEETINGS

- A. Voting shall be by ~~ballot~~ of Members in good standing present at any meeting of the Members. The following procedures shall apply for ~~ballot~~ voting:

1. Voting shall proceed under supervision of the Election Committee **in accordance with Roberts Rules of Order.**
2. At least two (2) members of the Election Committee shall be in attendance at all times during voting and they, along with their assigns, shall **count votes** ~~issue all official ballots~~, and witness the **process** ~~casting of the ballots~~.
3. ~~Ballot boxes shall remain sealed until all votes are cast. Votes shall be tabulated in the presence of at least three (3) members of the Election Committee. Any Member may be present as an observer at the tabulation of the votes. Upon completion of the tabulation of ballots, the results shall be certified by the Election Committee Chair to the Board and posted on the RCSC website (www.suncityaz.org) and/or in RCSC Facilities.~~

- B. **Proxy votes shall be recognized and counted according to the following procedures:**

1. **RCSC staff shall develop a form that includes the holder of the proxy's name, address, member number and signature with that same information for the proxy grantor.**
2. **All proxies must be delivered to the RCSC Corporate Office at least ten (10) working days prior to the scheduled Members Meeting in order to be validated and documented for each proxy holder.**
3. **Following Roberts Rules of Order when counting voice votes, raised hands or other counting of votes. Holders of proxies must sit in a designated area in order to properly account for their own and proxy votes held.**

- Announcements

Next Meeting Date – The Exchange June 12, 2023, at 9:00am in the Sundial Auditorium. The next meeting of the Board of Directors will be June 29, 2023, at 9am in the Sundial Auditorium.

- Adjournment

**RECREATION CENTERS OF SUN CITY, INC.
BOARD MEETING MINUTES**

April 27, 2023

At the Board meeting called to order by President Fimmel at 9:00AM on April 27, 2023 at Sundial Auditorium, the following took place:

PRESENT: Kat Fimmel, President; Karen McAdam, Vice President; John Fast, Treasurer; Jean Totten, Secretary and Directors John Nowakowski, Jim Rough, Jeff Darbut, Steve Collins

ALSO PRESENT: Bill Cook, General Manager; Brian Duthu, Director of Golf and Grounds; Michael Wiprud, Director of Buildings & Infrastructure; Kevin McCurdy, Director of Finance; Beth Lucas, SCVC & Marketing Manager; Joelyn Higgins Communications & RCSC Marketing Coordinator; Marcia Johnson, Corporate Executive Coordinator; Allen Kleinhans & Carla Young, Audio/Video Engineers; 54 RCSC Cardholders and 0 member(s) of the press

ABSENT: Director Denny Nichols; Chris Herring, Director of Operations; Theresa Cirino, Director of Events & Entertainment

Pledge of Allegiance: Everyone stood for the Pledge of Allegiance.

President Comments: President Fimmel explained the process for a Board meeting and how the Board conducts business. She introduced the Board and staff members present.

Board Quorum: Secretary Totten verified that a Board quorum was present.

Minutes: With no questions noted, the Minutes of the April 5, 2023 Board Meeting were approved as presented.

Treasurers Report: With no questions on the Treasurers Report, the Treasurers Report was filed for audit.

Management Report: With questions answered on the Management Report, the Management Report has been accepted as presented.

Recreation Center Update Report: General Manager Cook delivered his Center Update Report to the members.

Committee Recommendations: None

Motions Second Reading:

1. **Vice President McAdam** – On Behalf of the Elections Committee, I move to amend BP#27 titled Standing Committees, section titled Election Committee as follows – the motion passes 8 to 0.

Election Committee (also known as the Balloting Committee): The purpose of the Election Committee is to **review and recommend election procedure changes**, to recruit a sufficient number of Board candidates, conduct the candidate forums, ensure that elections and recall elections of the Board are conducted pursuant to the Corporate Documents, and announce the results.

2. **Director Collins** – I move to amend the SC Foundations Board Policy # 2 titled Books and Records to include the following – the motion passes 8 to 0.

THE SUN CITY FOUNDATION BOARD POLICY No. 2 BOOKS AND RECORDS

An annual audit will not be necessary if the annual Foundation income is below \$100,000.00. (See The Sun City Foundation BYLAWS, ARTICLE VIII Section 2, Annual Audit).

A review of the books for years when the annual income is below \$100,000.00 will be done by a Review Committee as selected by the Foundation Board of Directors.

As funds in the Sun City Foundation checking account diminish below \$1,000.00, the RCSC Controller will email the Corporate Executive Coordinator to request an amount to increase the checking account total up to \$5,000.00. This amount will be transferred from the Foundation's Money Market Account. The Corporate Executive Coordinator will email the Controller upon completion of the transaction the total amount transferred.

The goal is to retain few funds in the checking account in order to maximize the returns from funds invested elsewhere.

3. **Treasurer Fast** – I move to amend Bylaws Article V titled Board of Directors, Section 5 titled Meetings of the Board paragraph three by adding the following:

SECTION 5: MEETINGS OF THE BOARD

Meetings of the Board shall be held on the days and times as designated by the Board. The oath of office shall be administered to newly elected or appointed Directors at the first Board Meeting following election or appointment. The President, Vice-President or his/her appointee shall preside at all meetings. Six (6) Board of Directors shall constitute a quorum. Robert's Rules of Order shall govern procedure at all meetings of the Corporation provided they are consistent with the laws of the State of Arizona and the Corporate Documents. A Parliamentarian may be present at Board meetings at the discretion of the President.

All meetings of the Board and the Exchanges, excluding Executive Sessions and Informational Meetings, shall be open and video recorded. Member comments at Board Meetings will be limited to posted motions.

Directors can attend all duly called regular Governing Board Meeting, Informational Meetings and Special sessions of the Board either in person, by telephone conference call, video conferencing or other communication methods by which all participants can hear and talk to each other.

Prior to vote, Director Nowakowski moved to table the motion for 60 days to allow the Board to come up with criteria to be able to run a Board Meeting. Seconded by Director Collins, motion to postpone fails 3 to 5 with Director Nowakowski, Director Collins and Secretary Totten in favor.

A second motion was made by Director Nowakowski to amend the motion to include the following words “in person” in the first paragraph after the words “Six (6) Board of Directors”. Seconded by Director Collins, the motion to amend fails 2 to 6 with Director Nowakowski and Director Collins in favor.

After discussion, a vote was taken on the original motion and the motion passes 6 to 2 with Director Nowakowski and Director Collins opposed.

4. **Treasurer Fast** - I move that the Legal Affairs Committee be re-established through an amendment to BP#27 titled Standing Committees, with the committee’s purpose listed as follows:

Legal Affairs Committee: The purpose of the Legal Affairs Committee is to consider and consult upon any matter submitted to the committee by the Board of Directors, or the President, or other committees on matters of general interest to the Corporation. When so requested by any member of the Board, the committee may confer with legal counsel on behalf of the corporation.

Prior to reading the motion, Treasurer fast moved to postpone this motion until the September Board Meeting. Seconded by Director Rough, the motion passes 8 to 0.

Consent Calendar Items:

- a. Request to approve the decharter of the Armchair Travel Club at the request of the club.
- b. Request to approve the decharter of the Duffeeland Dog Park Club at the request of the club.

Prior to vote, a motion was made by Director Collins to remove the consent calendar item regarding the decharter of the Duffeeland Dog Park Club until the May meeting to allow for a new Board to be elected to run the club. If this doesn’t happen, the club will then be dechartered – motion to remove passes 8 to 0.

Motion to decharter the Armchair Travel Club passes 8 to 0.

New Business:

1. **Director Nowakowski** – I move to amend the Bylaws by deleting the sections currently replicated in the reinstated Board Policies, listed below, with the exception of Board Policy 33 titled Investments. With respect to Board Policy 33 titled Investments, I move that the reinstated Policy be deleted and retained only in the Bylaws. Seconded by Director Darbut, the motion passes 8 to 0.

BP#1-Conflict of Interest – Article V, Section 2 delete paragraphs 2, 3, 4 & 5

BP#2-Senior Management – Article V, Section 6 Board Authority/Duties, Commissions & Senior Management, Item #C

BP#3-Corporate Records – Article I, Section 2 entire section

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BP#21-Membership Documentation Requirements – Article II, Section 2 entire section

BP#24-Preservation & Improvement Fee and Fund – Article III, Subparagraph 1-A, B, C, D, F, G & H, Sections 3, 4, & 5

BP#27-Committees – Article X the entire Article

BP#31-Risk Management – Article XI, paragraphs 2 & 3

2. **Director Collins** – I move to pull up funding into 2023 for Arizona Department of Water Resources water reduction mitigation PIF projects that are currently Board approved but not allocated until 2025. The 2023 funding is required to meet the spending requirements associated with the Visit Arizona Initiative grant, which requires all grantees to spend the grant funds by 2023. The amounts required are as follows: Seconded by Director Rough, the motion passes 8 to 0.

Willowcreek Golf Course: \$120,000

Riverview Golf Course: \$120,000

South Golf Course: \$120,000

North Golf Course: \$130,000

Lakes West Golf Course: \$175,000

Motion was made by Director Collins to waive the second reading of the motion.
Seconded by Treasurer Fast, the motion to waive passes 8 to 0.

Announcements:

Treasurer Fast informed the members that the Strategic Alternatives Committee (SAC) had its first meeting and will meet Fridays at 2:00pm at the Oakmont Center Building B. He updated the members on the progress thus far and upcoming plans. The Committee agreed to arrange tours of two performing art centers. The room holds 24 and depending on the number of committee members in attendance, guests could attend.

Secretary Totten informed the members that she is the Liaison of The Friends of the Library. The sale for the month of May is Female Author books for fifty cents. Also looking for volunteer readers to assist with the Read to Me program. Starting in June you would read books to residents at two adult memory care facilities. She is also Liaison for Sun City Homeowners (SCHOA) Roads and Safety and wanted to tell everyone to watch your speed on Thunderbird from 99th Ave to 111th Ave.

Secretary Totten also noted that she is the Co-Chair of the Club Organization Committee (COC) and that two new clubs are being formed, Suncity Wallyball and Table games.

Next Meeting: President Fimmel reported that the next meeting will be The Exchange on Monday, May 8, 2023 at 9:00am in the Sundial Auditorium. She also noted that the next Regular Board Meeting is Thursday May 25, 2023 at 9:00am in the Sundial Auditorium and the Annual Membership Meeting is Wednesday, November 29, 2023 at 6:00pm in the Sundial Auditorium.

Adjournment: President Fimmel stated that with no further business, the meeting will be adjourned. The meeting was adjourned at 10:32am.

Respectfully submitted,

Jean Totten, Secretary

Recreation Centers of Sun City, Inc.

Treasurer's Report

May 25, 2023

The balance of unrestricted funds as of April 30, 2023, was \$21.6 million which includes a \$2.5M cash reserve. Restricted funds include the Preservation and Improvement Fund ("PIF") and the Capital Reserve Fund. As of April 30, 2023, PIF had a balance of \$31.5 million. The Capital Reserve Fund had a balance of \$5.6 million at month end. The Carryforward balance as of April 30 was \$10.7 million.

The corporation operated within its budget year to date in 2023.

Respectively submitted by

John Fast, Treasurer

Recreation Centers of Sun City, Inc
Balance Sheet
Sunday, April 30, 2023

	Current Year	Prior Year
ASSETS		
Cash and Investments		
Petty Cash	\$12,287	\$12,287
Cash in Bank	16,139,927	15,956,140
Cash - Money Market	2,916,168	2,838,280
Operating Reserve	2,500,000	2,500,000
Subtotal Cash and Investments	21,568,382	21,306,707
Preservation/Improvement Fund	31,546,248	30,034,768
Capital Reserve	5,626,089	5,570,156
PIF Pending	0	1,080,499
Accounts Receivable	81,177	127,164
Accounts Receivable - Assessments	181,041	2,242,643
Deposits & Prepaids	144,313	25,374
Inventory	162,566	116,867
Subtotal Cash, Investments and Other Current Assets	59,309,816	60,504,178
Fixed Assets		
Land	4,397,807	4,397,807
Land Improvements	40,931,594	40,872,170
Buildings & Structures	91,492,400	90,446,788
Furniture, Fixtures & Equipment	33,120,001	32,268,962
Vehicles	1,982,731	1,868,460
Less: Accumulated Depreciation	(97,240,939)	(91,397,819)
Net Fixed Assets	74,683,594	78,456,368
Work in Progress	12,189,940	4,766,148
Total Assets	146,183,350	143,726,694
LIABILITIES & NET WORTH		
Current Liabilities		
Accounts Payable	789,603	1,714,112
Other Current Liabilities	292,261	349,634
Deferred Income	8,811,943	8,399,244
Deferred PIF Income	30,547,361	27,816,933
Pre Billed Assessments	0	2,297,606
Total Current Liabilities	40,441,168	40,577,529
Other Liabilities		
Net Worth		
Net Worth	100,536,669	97,664,481
Excess/Deficit Year to Date	5,205,513	5,484,684
Total Net worth	105,742,182	103,149,165
Total Liabilities and Net Worth	146,183,350	143,726,694

Recreation Centers of Sun City, Inc
STATEMENT OF INCOME AND EXPENSES
For the Four Months Ending Sunday, April 30, 2023

	April Actual	April Budget	YTD Actual	YTD Budget	YTD Variance	Prior YTD
Operating Income:						
Property Assessments	\$1,090,217	\$1,180,222	\$4,335,167	\$4,614,444	(279,277)	\$4,314,443
Transfer & Access Fees	58,200	62,500	199,200	250,000	(50,800)	306,600
Privilege & Guest Cards	78,397	75,648	353,252	312,295	40,957	338,503
Food/Liquor Sales	101,954	108,984	401,063	444,458	(43,395)	366,172
Bowling Fees	63,588	64,110	347,433	314,864	32,569	290,897
Prepaid Green Fees	176,178	176,106	704,269	704,424	(155)	685,074
Prepaid Green Fees - Non	31,878	26,906	123,615	107,677	15,938	101,552
Daily Green Fees & Surcharge	552,161	491,697	2,423,323	2,408,858	14,465	2,587,395
Range Fees	36,891	35,975	161,229	176,940	(15,711)	176,734
Cart Rental	57,431	52,453	237,133	236,180	953	228,559
Merchandise Sales	19,594	18,044	82,831	78,884	3,947	78,953
Cardholder Events & Club Fees	9,452	50	308,270	304,150	4,120	268,124
Rental Income	24,301	21,495	120,394	110,087	10,307	108,728
Contributions	1,350	4,500	15,375	12,450	2,925	11,066
Miscellaneous Income	1,471	1,197	17,717	3,796	13,921	18,431
Total Operating Income	2,303,063	2,319,887	9,830,271	10,079,507	(249,236)	9,881,231
Operating Expenses:						
Salaries and Wages	820,031	839,792	3,216,596	3,361,776	145,180	2,975,541
Payroll Taxes & Benefits	164,781	190,499	689,402	927,733	238,331	697,731
Repairs and Maintenance	212,145	383,210	838,799	1,201,995	363,196	799,358
Utilities Expense	216,892	203,602	788,823	776,950	(11,873)	763,980
General Operating Expense	162,181	206,069	698,503	971,127	272,624	756,058
Cost of Goods Sold -Food & Liquor	31,082	36,205	129,662	148,388	18,726	121,541
Cost of Goods Sold - Merchandise	33,531	28,936	122,022	110,691	(11,331)	106,668
Cost of Goods Sold - Events	953	150	83,902	82,200	(1,702)	82,491
Total Operating Expenses	1,641,596	1,888,463	6,567,709	7,580,860	1,013,151	6,303,368
Net Operating Excess/(Deficit)	661,467	431,424	3,262,562	2,498,647	763,915	3,577,863
Other Income:						
Insurance Proceeds	0	0	1,000	0	1,000	0
Interest Income	45,946	7,500	164,384	15,000	149,384	19,725
Proceeds - Sale of Assets	0	0	500	0	500	0
Investment Income (Unrestricted)	4,168	4,688	12,419	18,752	(6,333)	(259)
Unrealized Gains/Losses						
Investments (Unrestricted)	0	0	384,825	0	384,825	136,721
Total Other Income	50,114	12,188	563,128	33,752	529,376	156,187
Other Expense:						
Property Tax	12,232	12,255	48,930	49,020	90	47,692
Insurance	101,336	73,503	293,474	292,012	(1,462)	256,184
Investment Fees (Unrestricted)	2,506	2,500	4,471	5,000	529	3,538
Insured/Uninsured Losses	7,179	0	7,179	0	(7,179)	0
Total Other Expense	123,253	88,258	354,054	346,032	(8,022)	307,414
Net Excess/(Deficit) Before Depreciation	588,328	355,354	3,471,636	2,186,367	1,285,269	3,426,636

RCSC Management Report – May 25, 2023

Finance:

Financial Report

The Recreation Centers of Sun City, Inc. (RCSC) ended April within its operating and capital budget year to date. All Divisions except Food & Beverage have met or exceeded their net operating budget projections year to date. Food & Beverage is (\$57.7k) unfavorable year to date due to food and liquor sales being negatively impacted by weather. Operating Income for April totaled \$2,303k and was (\$16.8k) unfavorable to budget due primarily to Assessments being below budget by (\$90.0k) due to the January and February assessment invoices being issued for \$496 due to the 2023 budget approval delay. Operating expenses for the month were \$1,576k and \$247.1k favorable to budget due to Wages & Benefits being favorable to budget by \$65.2k due to attrition, and Building Projects being favorable by \$129.9k due to the timing of project completion. Year to date Net Operating Excess was \$763.9k (23.4%) favorable to budget.

Cardholder Services Report

Payments on past due assessments in April were 13.1% of past due balances. Overall accounts receivable decreased in April by (2.6%) and are up 2.5% from the end of 2022. Overall accounts receivable past due balances increased in April by 2.5%. March assessments went 30 days past due at a rate of 4.5% and February assessments went 60 days past due at a rate of 3.9%.

Payments from third-party collections firms totaled \$28,006 in April, and total \$69,398 year to date. Payments made in April through the online RCSC Web Portal totaled \$242,914 from 498 property owners. Year to date online portal payments total \$868,193 from 1,779 property owners.

In April, property transfer balances decreased by (5.5%). Outstanding balances related to property transfers represent 55% of all receivables and 58% of past due balances. April trustee sale notices on Sun City AZ properties increased by 2 to 40, and properties owned by lending institutions remained at 1.

Information Technology Report

In April, the Information Technology team received 78 new service requests, and closed 81 requests by month end, leaving 7 tickets remaining open. On average, IT closed service requests in less than one day in April. Year to date, IT has opened 347 tickets, and closed 340 tickets.

IT completed the new server room in April. All of the new HP servers and storage devices have been installed, as well as the new TEG server. The installation of new fiber cabling and networking equipment was completed at Lakeview. Cabling and wifi equipment was installed at Bell to support the new exercise equipment, and new credit card readers were installed at Cardholder Services. Telephone and wifi connections were installed to support the SAC Committee's new workspace at the Oakmont facility.

Human Resources Report

Human Resources added 20 new requisitions during the month of April and filled 14 requisitions, ending the month with 7 open position. Year to date, HR has opened 60 requisitions, and filled 60 open positions. The time-to fill requisition KPI in April was 4.3 days.

RCSC Management Report – May 25, 2023

HR has begun to subscribe to an outside service to benchmark RCSC salaries against other West Valley employers. This data will be extremely helpful as we begin to work on the 2024 Budget. HR also met with our employee benefits broker to review our benefits program and evaluate potential changes to the program. These projects are being undertaken in an effort to reduce employee turnover and increase employee retention.

Building & Infrastructure:

Projects:

In Work

Marinette Recreation Center (Capital)

- Budget: \$340,000 Total Cost to date: \$50K (thru April 2023)
- Major renovation project for the Clay Club, including enlargement of the kiln room, replacing doors, windows and adding LED lighting
- Project also involves replacing the 400-amp Service Entrance Section (SES) for the Clay Club building with an 800-amp panel to accommodate extra kiln load

- Status: Green

Mountain View Rec Center Phases 1 and 2 (PIF)

- Budget: \$27.3M Total Cost to date: \$391K (thru April 2023)
- Project suspended per Board direction, 04/05/23

- Status: Red

Sun Bowl Softball Field Improvements (PIF)

- Budget: \$1.0M Total Cost to date: \$36K (thru April 2023)
- Drawing set submitted to Maricopa County 05/03/23 for approval
- General Contractor Request for Proposal (RFP) being prepared for week of May 22nd release

- Status: Green.

Viewpoint Lake Repair (PIF)

- Budget: \$8.0M Total Cost to date: \$4.45M (thru April 2023)
- 6,152 Truckloads of soil have been removed from the lake as of 05/12/23 – the soil removal process is now complete
- Shoreline placement and dock re-installations complete in Phase 1
- Project to complete before the end of September 2023

- Status: Green

Recently Completed

Grand Center

- Sealcoat and re-stripe parking lot. Project was complete on 05/05/23 at a cost of \$10,710. Contractor: Rose Paving LLC

Lakeview Lanes

- Replaced 5-Ton Rooftop Unit (RTU) with new Trane equipment. Project was complete on 05/04/23 at a cost of \$13,623. Contractor: Tolin Mechanical

Sundial Recreation Center

- Added a Rinnai hybrid tankless water system. Project was complete on 04/20/23 at a cost of \$14,745. Contractor: DFG Builders LLC

Skilled Trades (Repair and Maintenance)

- Completed 294 work orders in April 2023. Average time to close: 9 days

RCSC Management Report – May 25, 2023

Solar:

New Issues:

N/A

Issues Resolved:

N/A

Open Issues:

WB/WC Maintenance Inverter number 3, 7, and 9.

- Kortman emailed Firmer on 05/03/23 requesting what action is being taken on the warranty replacement units

Lakeview Rec Center Inverter number 9.

- Kortman emailed Firmer on 05/03/23 requesting what action is being taken on the warranty replacement unit

Bell Lanes Café – Inverter #05

- Kortman emailed Firmer on 05/03/23 requesting what action is being taken on the warranty replacement unit

Production Data:

After including February's production data, the lifetime to date production versus expected went Down slightly to 2.10%. The percentage of inverters producing above expected stayed the same at 73%.

Preventive Maintenance:

Kortman is still on schedule to do annual maintenance in June.

Golf & Grounds:

Pro Shops

We played 38,107 rounds in April, of those 19,557 were played by Annual No Fee (Resident) and Annual Surcharge passholders. Remaining rounds were played by Cardholder Daily (6,684), Cardholder Guest (4,196), RCSC Staff (902), Non-Resident passholder (1,607) and Public (5,161). Total rounds were 2,557 fewer than prior year. For the first time this year monthly rounds exceeded the prior year's monthly rounds, with 714 more rounds played. The Golf Division also exceeded budgeted revenue by \$72,916 and is now ahead of budget YTD by \$31,277.

We currently have 145 active Non-Resident Golf passes, 82 with cart included 63 walking. Beginning March 1, 2023 the price of both passes increased by \$500. The current selling price is \$2,750 walking and \$3,250 riding.

With the summer temperatures returning here are a couple of reminders. June 1st twilight will start at 10:45 a.m. and with the days getting longer and pro shops closing at 5:00pm don't forget our after 5 golf passes. The After 5:00 card for Surcharge Pass holders is \$12.00 and for daily

RCSC Management Report – May 25, 2023

fee cardholders it is \$44.00. After 5:00 cards are available at any of our pro shops and are valid 30 days from the date of purchase.

Snack Shops

Snack shops closing time is 3:00 p.m., with the exception of the North Course which is closing at 1:00 p.m. Beginning June 1 all Snack Shops will begin closing at 1:00 p.m. Snack Shops have the discretion to remain open longer on particularly busy days.

Golf Courses

On April 25 RCSC conducted the annual USGA visit with Brian Whitlark from the USGA Green Section. Mr. Whitlark is a professional soil scientist and holds B.S. and M.S. degrees from the Department of Soil, Water and Environmental Science. During the visit we spent time on all RCSC golf courses. Highlights of the visit include: excellent overall health of the putting greens on all courses with some room to improve green speed consistency; strong emphasis on bunker conditions and consistent sand depth; a recommendation to increase overseed area around green surrounds; a discussion on bermudagrass transition including the conversion of the North front 9 to Tif-Tuf bermudagrass; planned replacement for the irrigation system at Quail Run and many conversations regarding water conservation. Mr. Whitlark was pleased to see the improvement in green quality cut from his 2022 visit. The full report is now available on the RCSC website on the Golf page under Resources.

Lawn Bowl and Grounds

The pace of the greens range from a low of 13.4 seconds at Mountain View to a high of 14.5 seconds on Bell North. Moisture readings range from a low of 9.8 at Oakmont and a high of 13.1 on Lakeview West. Greens are currently mowed twice per week and rolled three times per week, and ditches are cleaned three days per week. Any greens have verticut two directions to a depth of approximately one quarter of an inch. We will begin our verticut process once temperatures permit and the bermuda base is actively growing. In June we will conduct more aggressive verticutting. The Grounds crew remains busy at the centers trimming trees and spraying weeds.

Bowling:

In April, there were 23,582 games bowled at both bowling centers. This represents the most total games bowled at the centers since 2015. Open Bowling continues to be as strong as ever with 9,256 open bowling games bowled, which is the most ever in the month of April since we began keeping track by month in 2001.

Due to the increased level of play Bowling operations has adjusted the way they manage lanes and league bowling. All league bowling sign-ups require the RCSC Member number to prioritize members first. The staff has been trained to prioritize open bowling lanes to always put members first.

The Summer Bell Lanes No Tap Tournament series continues in May. See Nancy at Bell Lanes if interested in signing up. These tournaments run the last Sunday of the month through September.

There are still some openings in most of the Summer Leagues. Please reach out to the staff at the bowling centers if interested in joining. Looking for a challenge this summer? The Kegel Challenge Pattern league is returning to Lakeview Lanes Thursday nights beginning June 1st at 7 pm.

RCSC Management Report – May 25, 2023

Bowl with the Director continued in May and will continue the first Thursday of every month from 10:30 am until 12:00 pm at Lakeview Lanes. The May event had 27 people that attended. This event is free to all RCSC Members. The purpose of this event is for anyone who may be interested in getting back into bowling, for current league bowlers to come by and get some extra practice and coaching, and for an opportunity to chat with Mike Dirmyer about any bowling related topic. The events have been well received and the feedback has been tremendously positive. The next event is June 1, 2023.

Operations:

Centers Operations

The upgraded cardio equipment has been installed at Bell Center and has been configured. This new equipment provides an enhanced interface and a variety of functionality, including: integrated terrain navigation, on demand instructor led classes, smart device connectivity for workout tracking, and popular entertainment features such as PlutoTV, YouTube, Netflix, Pandora, and Spotify. As this equipment is made available for Cardholder use, we will be providing some demonstrations to highlight the new features of the equipment.

Several projects have been completed at RCSC centers that affected the centers. These included:

- Resurfacing of all pickleball courts at Marinette Center.
- Sealing and restriping of the parking lot at Grand Center, inclusive of traffic flow information.
- Regrouting tennis courts at Bell Center

The Vertical Knee Raise/Dip equipment at Sundial Center has been replaced with a unit that provides for a shorter rise from the foot stands to the forearm pads that allows this equipment to be broader fitting for Cardholders, particularly shorter individuals.

Replacement of the flooring in the Lakeview fitness center is in progress. The older carpeting is being replaced with a rubber material designed for fitness centers to provide a better surface for the fitness center users. This is being completed in conjunction with the replacement of the strength equipment and a room reconfiguration at this location. The antiquated strength equipment is being replaced with the Hammer Strength line installed at other fitness centers for a consistent experience for Cardholders.

Chartered Clubs

All RCSC Chartered Clubs have turned in their 2024 schedules by the due date. This is a significant accomplishment as this may be the first time in many years that this has occurred. Staff are entering these schedule requests into the reservation system that will identify conflicts for review.

The Duffeeland Dog Park Club members have voted to continue to operate the club and elected new executive officers. With the club continuing and to complete the park tasks historically completed by the club, the Duffeeland Dog Park hours have been reset to open at 6:00am from May-September as RCSC will no longer need to complete daily maintenance tasks in the park.

RCSC Chartered Clubs are submitting their 2024 budget requests at this time. These requests are reviewed for inclusion in the 2024 operating budget that is developed over the summer months.

RCSC Management Report – May 25, 2023

Events and Entertainment:

The next concert will be on Wednesday, June 14 at Sundial from 6:00-7:30 p.m. with a performance by The Main Event. This event is free for RCSC Cardholders/Privilege Cardholders and their escorted guests. No food trucks will be in attendance.

Ring That Bell 4th of July Event will be held on July 4 at Bell Center beginning at 9 a.m. with a presentation and video. Plan on meeting afterwards at Bell Lanes for free bowling, darts, billiards, and shuffleboard for RCSC Cardholders and their escorted guests. There will be BBQ pork sandwiches offered by George's Café at a cost of \$8.00 with \$1.00 of each purchase donated to Sun City Foundation.

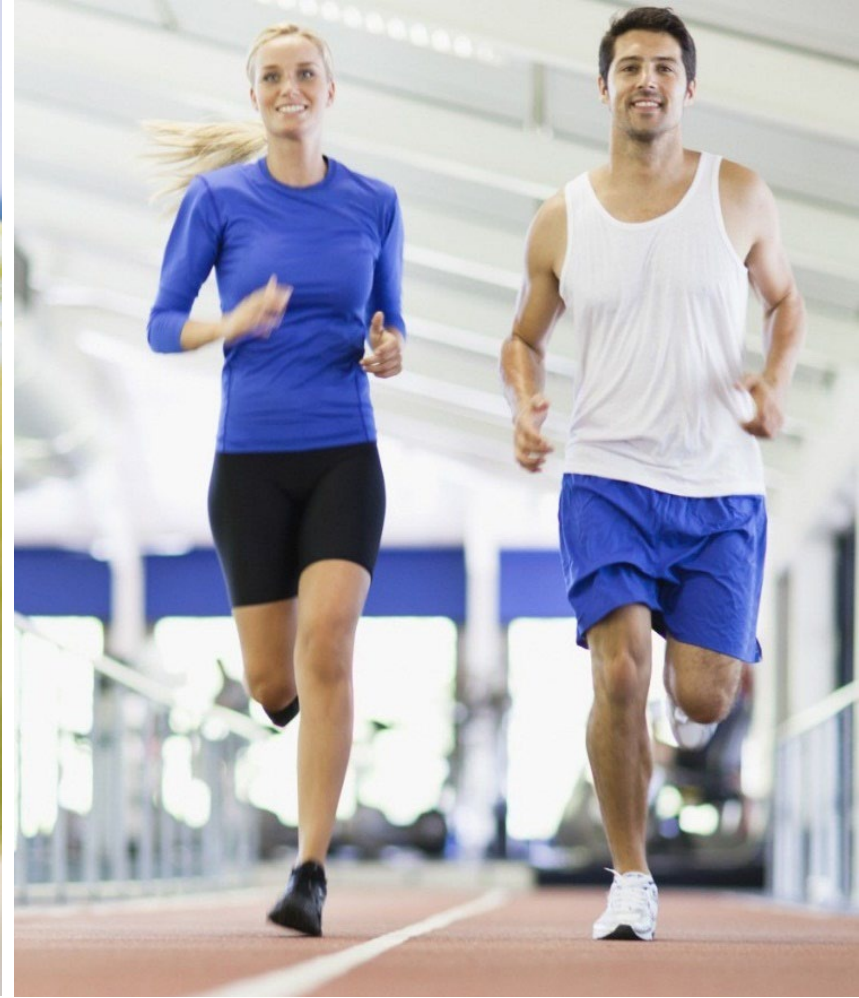
Preparing the entertainment schedule for the 2023 Winter Concert Series and the Sun Bowl Spring concerts.

Communications and Marketing:

Beth Lucas was hired as our new Communications and Marketing Manager.

The communications team in April and May faced two staff changes but have filled both positions and normal operations have continued during this process. A Google analytics review of use of the suncityaz.org Website (May – April) revealed an increase in year-to-date visits during roughly the past 12 months, to 258,203 from 244,116. Top pages visited were the Home page, Golf and Pro Shops, Recreation, RCSC, Golf and pro shop fees page, Concerts page, Employment page, and Recreation/Clubs page. More than half of the visits were guests using mobile devices or tablets, with that number increasing from last year to 57.16% from 52.9%. More than 60 percent of searches leading visitors to the Website were organic searches seeking information on subjects such as retirement communities, golf, recreation and employment.

The Sun City Visitors Center served 859 guests in March. That included 28 prospective home buyers, five prospective renters and 5 considering buying or renting in the area. Among new residents who moved to Sun City in March, eight have visited the Sun City Visitors Center in advance. The greatest interests from among all visitors were the activities of walking, pickleball and swimming. Guests were most interested in picking up club brochures, getting a tour or general information, and directions.



GM REC CENTERS UPDATE

BOARD OF DIRECTORS MEETING MAY 25, 2023

FINANCE

- **Year to Date Income of \$9.8M Unfavorable to Budget by \$249k**
 - **Weather negatively affecting Golf Income and lower Assessment Income driving Unfavorability offset by higher Golf Guest and Higher Bowling Income**
- **Year to Date Operating Expenses of \$6.2M is \$1.0M Favorable to Budget**
 - **Wages, Project and Equipment spend timing and Lower Software Maintenance Fees driving Favorability**

FINANCE

- **Year to Date Net Operating Excess of \$2.5M is \$763k Favorable to Budget**
- **Information Technology Processed 81 Service Requests in April**
- **Human Resources Filled 14 Job Requisitions in April leaving one open request. The time to fill KPI measurement was 4.3 days in April.**

BUILDING & INFRASTRUCTURE

- **294 Work Orders and 18 Projects Completed in April**
- ***Mountain View Center Phases 1 and 2***
 - **Budget: \$391k of the \$27.3M Budget Spent**
 - **Schedule: On Hold per Board Motion**
 - **Recent Milestones Completed: On Hold**
 - **Next Steps: On Hold**

BUILDING & INFRASTRUCTURE

- *Sun Bowl Softball Field Improvements*
 - **Budget: \$36k of the \$1.0M Budget Spent**
 - **Schedule: Construction Start Q3 2023, Completion Q4 2023**
 - **Recent Milestones Completed: Final Drawing set submitted to County for approval.**
 - **Next Steps: Construction Request for Proposal to be Released week of 5/22.**

BUILDING & INFRASTRUCTURE

- *Viewpoint Lake Repair*
 - **Budget: \$4.5M of the \$8.0M Budget Spent**
 - **Schedule: Begin Refill Early August with Fill Completion by late September.**
 - **Recent Milestones Completed: Soil Removal with 6,152 Truckloads of soil removed. Shoreline Construction and Dock Replacements in Phase 1.**
 - **Next Steps: Start Phase 2.**

BUILDING & INFRASTRUCTURE

- ***Clay Corner Renovation - Marinette***
 - **Budget: \$50k of the 340k Budget Spent**
 - **Schedule: Start Construction Summer 2023. Electrical equipment lead time driving delays.**
 - **Recent Milestones Completed: Construction Manager Engaged. All Mechanical and Lighting Equipment Received.**
 - **Next Steps: Commence work once SES Electrical Panel Received.**

GOLF

- **Year to Date Income of \$3.8M Favorable to Budget by \$31k**
 - **Increased Guest and Tournament Income offset by weather related shortfalls are driving the variance**
- **Year to Date Operating Expenses of \$1.9M Favorable to Budget by \$150k**
- **Year to Date Net Operating Excess of \$1.7M is \$173k Favorable to Budget**
- **April Total Rounds was 38,107**

BOWLING

- **Year to Date Income of \$413k Favorable to Budget by \$44k**
 - **Primarily Driven by Open and League Bowling and Liquor Sales**
- **Year to Date Operating Expenses of \$249k is \$16k favorable to Budget**
- **Year to Date Net Operating Excess of \$142k is \$55k Favorable to Budget**
- **April Lineage was 23,582**
 - **Highest April Total since 2015**

OPERATIONS

- **Upgraded Cardio Equipment Installed at Bell**
- **In Conjunction with our B&I Organization the Following Projects are Complete:**
 - **Pickleball Resurfacing at Marinette**
 - **Seal and Restripe of the Parking Lot at Grand**
 - **RegROUT of the Tennis Courts at Bell in Preparation for the Court Reseal**
- **All Chartered Clubs have Submitted 2024 Schedules**
- **Duffeeland Dog Park Club have Voted to Remain a Club**
- **The 2024 Club Budget Process has Begun**

EVENTS & ENTERTAINMENT

- **The Next Sundial Concert is June 14 Starting at 6pm, with “The Main Event” Headlining**
- **The Ring That Bell July 4th Event will be held on July 4th at the Bell Center Starting at 9AM. Lunch will Follow at Bell Lanes with \$8.00 BBQ Sandwiches Offered by George’s Café.**
- **The Planning for the 2023 Winter Concert Series and the Sun Bowl Spring concerts has begun.**

COMMUNICATIONS AND MARKETING

- **Beth Lucas Hired as the Communications and Marketing Manger**
- **Website Activity:**
 - **Year Over Year Website Visits Increased from 244,116 to 258,203.**
 - **Most Visited Sites: Home Page, Golf, Recreation, Concerts, Employment and Clubs.**
- **Sun City Visitors Center Activity:**
 - **859 Guests Served in March including 28 Prospective Home Buyers**