

# RCSC Management Report: December 19, 2024

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## FINANCE:

### **Financials:**

The Recreation Centers of Sun City, Inc. (RCSC) ended November within its capital budget year to date. RCSC ended the month with a year-to-date Net Operating Deficit of (\$469.9k) which was (\$1,624k) unfavorable to budget. The Facilities division was \$76.5k favorable to budget year to date. The Finance division was (\$185.6k) unfavorable to budget due Wages (\$85.4k) unfavorable and Consulting (\$43.7k). The Non-Golf division was (\$149.4k) unfavorable due to Building Repair (\$251.1k) unfavorable to budget. Golf has generated a Net Operating Deficit of (\$1,288k) year-to-date and is (\$1,365k) unfavorable to budget. Golf Revenue is (\$355.2k) below budget due to Daily Public and Cardholder Green Fees below budget by (\$121.0k) and (\$78.5k) respectively, and Non-Resident Pass fees (\$101.6k) below budget. Golf Operating Expenses were (\$1,068k) over budget due to expenditures in Employer Paid Medical (\$116.3k), Vegetation Management (\$226.2k), Rolling Stock Parts (\$120.0k), Sprinkler Repair Parts (\$93.0k), Chemicals (\$131.1k), and Pump/Well Electric (\$107.5k). The year-to-date Net Operating Deficit variance was partially offset by total Investment Income from Unrestricted, Capital, and PIF funds totaling \$2,265k, and being \$1,177k favorable to Budget. This offset brings the net month-to-date within 1.5% of budget with a month to go.

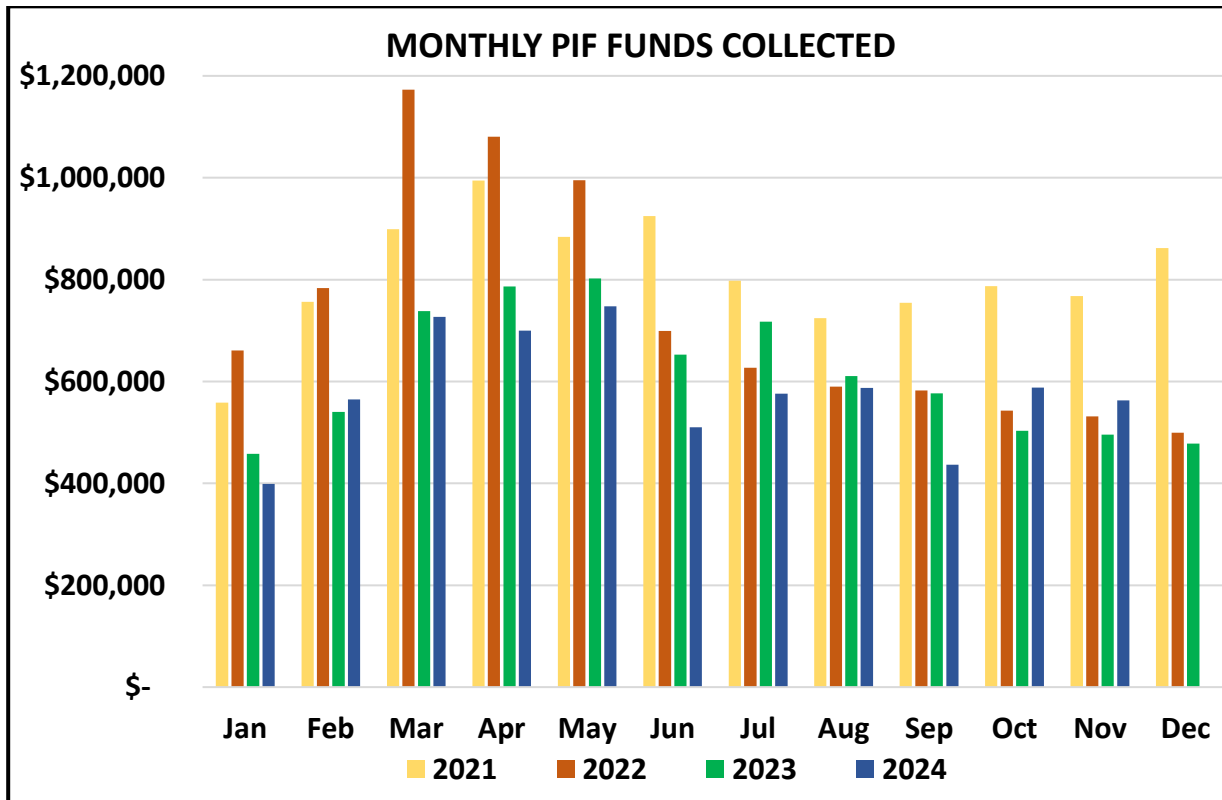
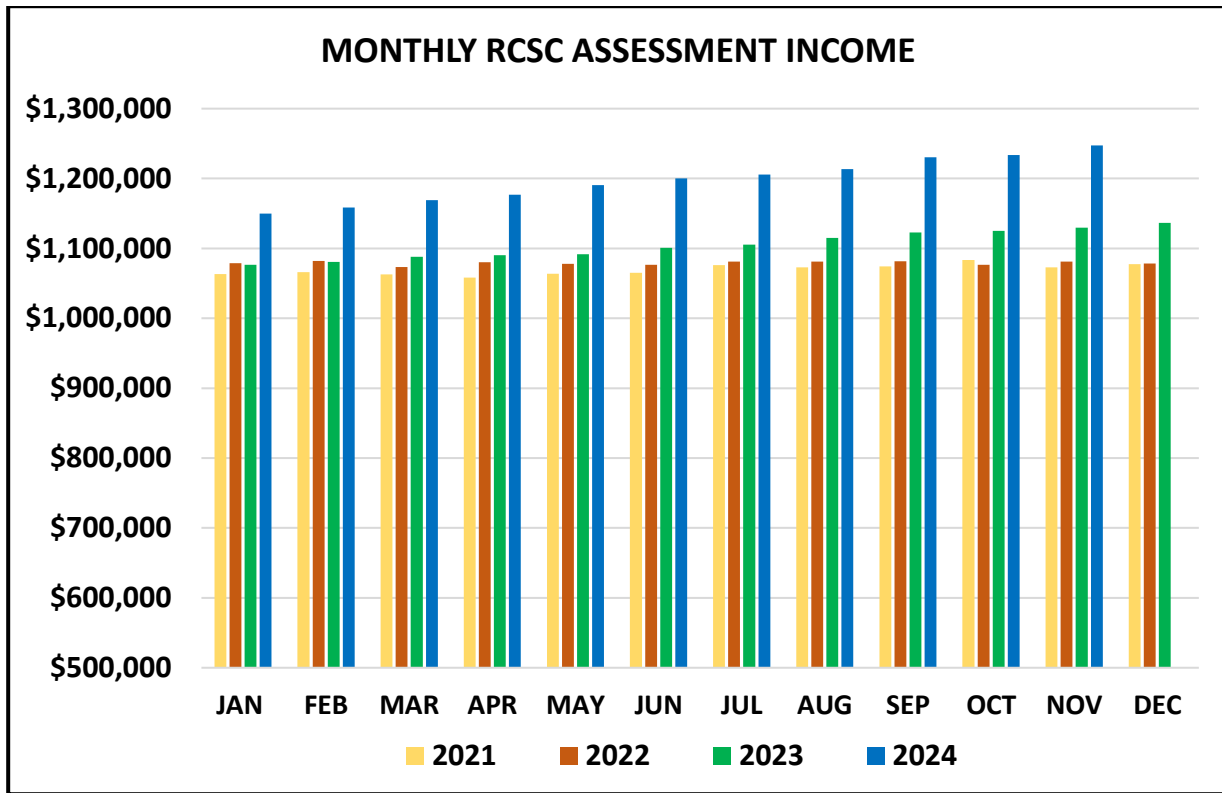
Total Operating Income for November totaled \$2,368k and was (\$13.7k) unfavorable to budget due to Assessment Income and Transfer Fees being (\$22.6k) and (\$9.7k) below budget respectively. Operating Expenses for the month were \$2,414k and (\$127.6k) unfavorable to budget due to variances in Utilities (\$21.0k), Pool & Spa Repair (\$13.2k), Network Equipment (\$9.4k), and Game Supplies (\$26.0k).

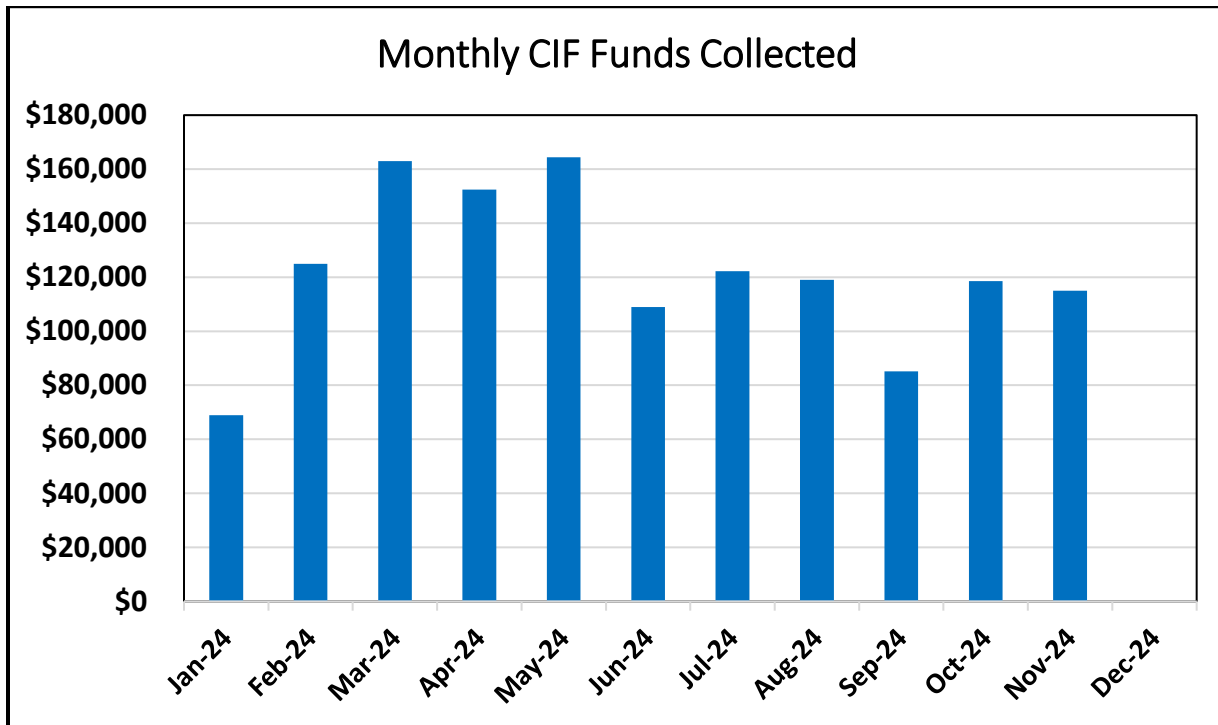
### **Cardholder Services:**

Payments on past due assessments in November were 14.6% of past due balances. Overall accounts receivable increased in the month by 2.0% and are up 25.0% from the end of 2023. Overall accounts receivable for past due balances decreased in November by (0.3%). October assessments went 30 days past due at a rate of 7.4% and September assessments went 60 days past due at a rate of 3.2%.

Payments from third-party collections firms totaled \$54,436 in November and totaled \$441,382 year to date. November payments made through the online Web Portal totaled \$198,009 from 367 property owners. Year to date online portal payments total \$2,623,386 from 4,809 property owners.

In November, property transfer balances decreased by 0.5%. Outstanding balances related to property transfers represent 59% of all receivables and 59% of past due balances. November trustee sale notices on Sun City AZ properties increased from 25 to 29, and properties owned by lending institutions remained at zero.





### Safety & Compliance:

November was a productive month for the Safety and Compliance Department, with considerable progress made on training programs, software system implementation, and preparatory work for upcoming initiatives. A major milestone was the completion of the SafetyPlusWeb system configuration. With the implementation phase officially completed, RCSC has a robust platform for tracking and managing safety training and compliance across the organization. The fall First Aid/CPR/AED training series was also completed successfully. 79 individuals participated, including 44 club officers and 35 employees. Safety also made significant progress with the STOP for Safety program. Materials for the January launch were printed and organized, the STOP for Champions group was established, and trainers were selected. Three safety presentations were delivered during the employee benefits open enrollment sessions to reinforce RCSC's commitment to safety education and awareness.

### Incident Overview

58 total incidents were reported across all RCSC properties, bringing the year-to-date total of Incident Reports submitted up to 594. The largest category of Incident Report continues to be 911 calls / Refused Transport with a year-to-date total of 273 incidents. The second largest total year-to-date has been Medical Injury/Slip/Fall incidents with a total of 147. Fairway has seen the highest annual total of incidents at 101 year-to-date, with Bell close behind at 98. Planned actions to reduce the number of incidents includes:

- **Enhanced Training:** Incorporate incident trends into future training modules, focusing on reducing slips, trips, and falls.
- **Safety Audits:** Conduct comprehensive audits at high-incident locations like Fairway and Bell Recreation Centers to identify potential hazards.
- **Policy Reinforcement:** Increase efforts to educate members and staff about conduct policies and ensure consistent enforcement.

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- **Emergency Preparedness:** Review and refine emergency response protocols to address medical incidents effectively.

### *Customer Engagement Overview*

There were 15 customer engagement inquiries in November, which brings the 2024 total up to 922. In November, inquiries primarily focused on the appearance of both the Bell and Sundial centers, which both had major projects that concluded that month.

### **Human Resources:**

Human Resources opened 4 requisitions during the month of November and filled 2 requisitions, ending the month with 8 open positions. Year-to-date, HR has opened 144 requisitions and filled 141 open positions. The time-to fill requisition KPI in November was 7 days. The November 2024 Turnover rate was 0.6%, and the year-to-date annualized Turnover was 30.5%. This rate compares favorably to the 34.4% year-to-date annualized Turnover rate as of November 2023. In November, HR completed three Open Enrollment meetings for Employee Medical benefits for 2025. HR also completed 2024 Performance Reviews for all RCSC employees and is in the process of calculating 2025 merit-based wage modifications.

### **Information Technology:**

In November, the Information Technology team received 105 new service requests, and closed 105 requests by month end, leaving 5 tickets remaining open. On average, IT closed service requests in less than one day in November. Year to date, IT has opened 1,200 tickets and closed 1,205 tickets.

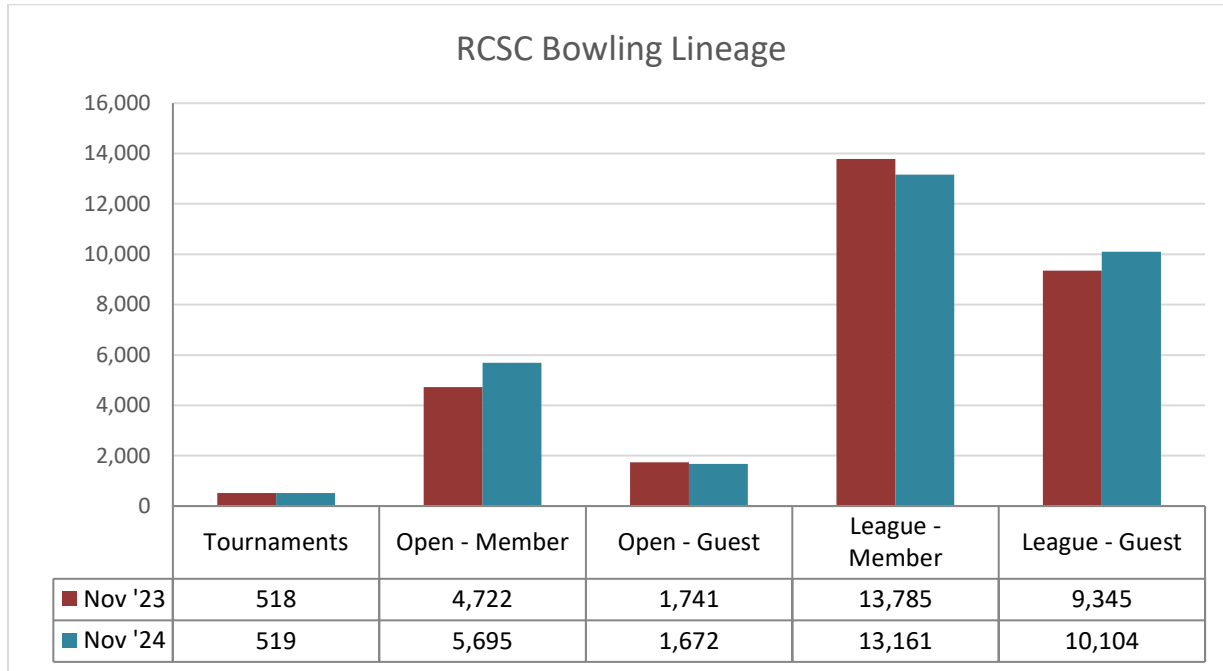
IT successfully installed 21 new Wi-Fi access points at Sundial to support Club craft sales activity during the annual Crafts Fair. IT finished the Lakes Rewiring project including the installation of new networking equipment and Wi-Fi access points. IT is still on target to have active fiber connections to almost all RCSC facilities by end of year 2024. Seven facilities have had fiber connections completed, with five installations still pending with Cox. IT has upgraded almost all RCSC desktops / laptops to Windows 11, with only 5 PCs remaining that are still running Windows 10.

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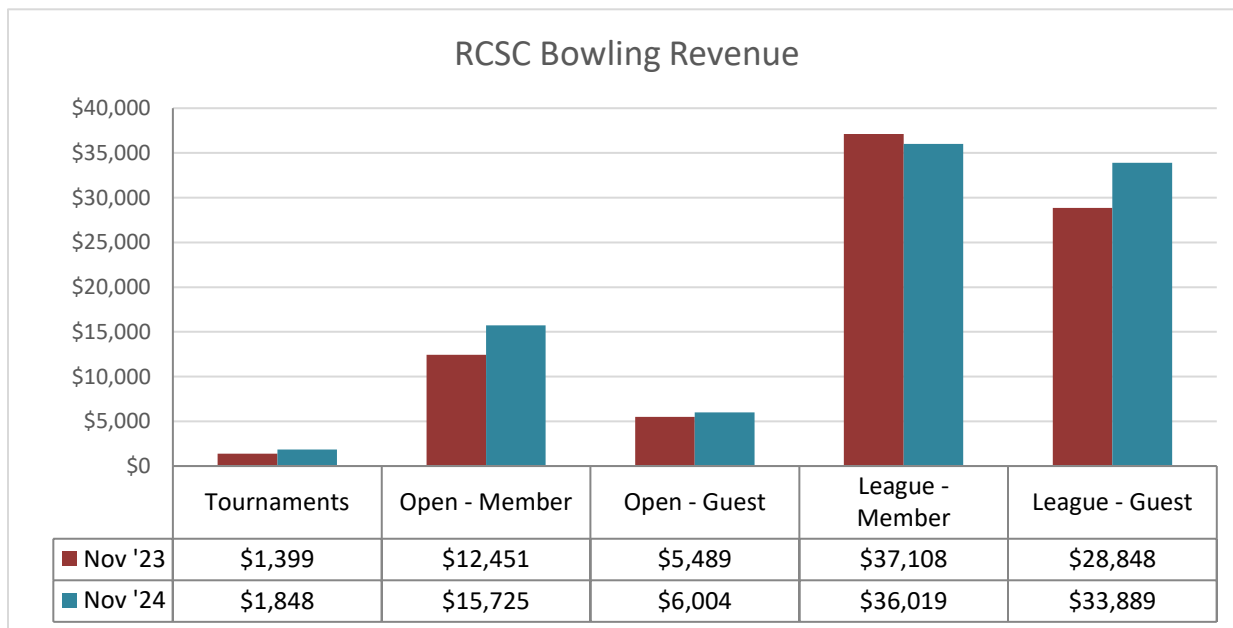
## NON-GOLF:

### Bowling:

In November of 2024, Bowling lineage totaled 31,678, compared to 30,654 in November of 2023, an increase of 3%. Year to date lineage through November 2024 totaled 308,708 lines, compared to 305,981 through November 2023, a 1% increase.



Bowling Revenue in November 2024 totaled \$93,485 which was a 10% increase over the November 2023 revenue of \$85,295. Year to date, 2024 Bowling revenue is \$879,384, or 5% greater than the total revenue through November of 2023.



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## Welcome Center:

The Welcome Center had 373 visitors in November. The top three reasons for visiting included:

- \*picking up club brochures
- \*picking up the Independent newspaper
- \*directions assistance

15 of our visitors were new residents who stopped by to learn about all the amenities in Sun City.

2 visitors were prospective residents who completed a survey. They were from Montana and were interested in Sun City because of the activities and because it's clean and friendly here.

9 people attended Sun City Experience tours in November. They were current residents, prospective residents, and realtors.

The Welcome Center answered 66 phone calls in November. 34 calls were from residents, one was from Cardholder Services, and the rest were from non-residents.

## Clubs:

November club attendance is being processed. It was due December 10, 2024. Club rosters have been received, processed and validation results have been returned to the clubs.

Clubs RVSPs for Discover Sun City AZ are due December 15, 2024. We will follow up with the clubs we did not hear from to confirm they will not be participating.

Approved club budget items for 2025 have been shared with the club office. We have begun the process of updating our information and communicating to clubs the status of their request.

The Club Office is preparing the club financial sheets and will be sent out beginning December 23, 2024. Financial statements are to be returned to the club office by January 31, 2025.

## Activities:

We are planning to reschedule the missed Veterans Concert for 2025. Recently, we held a successful Royal Autumn Ball and hosted the Volunteer Luncheon at Sundial. Ticket sales continued, transitioning into Individual Ticket Sales, with over 4,000 tickets sold. Additionally, we coordinated with the View Point Lake Owners to promote the Annual Boat Parade and successfully planned and organized the Annual Holiday Celebration.

## Audio/Visual:

In November, the department recorded and posted candidate videos, assisted with concert ticket sales, the Royal Autumn Ball, volunteer lunch, and SCHOA Lifestyle Expo setup. Additional assistance involved setting up PA for golf clinics, running sound and video for an exchange meeting, two candidate forums, and the board meeting. Duck Race trials and Arts & Crafts Festival setup, as well as supporting the Mall PA for the Ukulele Club, were also completed. Preparations for the Boat Parade and Holiday Celebration were made. Technical work included mounting a TV for the Marinette Clay Club, remounting an ETC Source Four LED fixture, installing antennas for Mountain View wireless microphones, and troubleshooting audio/TV setups across multiple locations. IT support tasks involved meetings on legacy DVRs, network upgrades, and assisting with new installations at Sundial.

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## Centers:

USAGE BY CENTER	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	TOTAL
BELL	23,335	27,732	30,512	31,182	23,151	27,686	30,566	28,751	26,550	27,753	21,831	299,049
FAIRWAY	18,994	18,620	19,439	19,861	20,064	21,688	21,689	18,859	21,779	19,796	925,709	1,126,498
LAKEVIEW	10,129	14,061	17,081	13,036	10,810	7,846	7,138	6,009	4,197	7,557	9,357	107,221
MOUNTAIN VIEW	4,003	4,090	6,545	6,203	4,758	3,481	3,520	3,540	3,403	4,582	4,295	48,420
MARINETTE	17,278	18,369	19,496	20,589	11,822	11,541	11,045	10,689	10,910	11,788	13,265	156,792
OAKMONT	3,119	3,302	4,365	4,182	4,767	4,406	4,635	3,761	835	2,631	2,200	38,203
SUNDIAL	19,239	17,703	17,990	13,470	11,804	9,319	6,690	11,841	13,897	12,760	12,964	147,677
<b>TOTAL CENTER USAGE</b>	<b>96,097</b>	<b>103,877</b>	<b>115,428</b>	<b>108,523</b>	<b>87,176</b>	<b>85,967</b>	<b>85,283</b>	<b>83,450</b>	<b>81,571</b>	<b>86,867</b>	<b>989,621</b>	<b>1,923,860</b>

USAGE SUMMARY BY ACTIVITY	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	TOTAL
BASKETBALL	31	61	106	31	12	18	34	34	32	35	54	448
BILLIARDS	2,795	2,607	2,733	2,441	2,188	2,111	2,286	2,150	1,907	2,216	1,958	25,392
BOATS, PEDAL & ROW	587	1,109	1,435	948	406	130	101	50	109	160	475	5,510
BOCCIE (open)	255	206	290	116	17	12	4	3	-	24	75	1,002
DARTS	783	833	928	750	616	643	661	552	585	582	554	7,487
FISHING	289	191	113	76	98	89	81	58	88	79	142	1,304
FITNESS	36,395	34,847	34,557	31,275	27,379	26,500	28,860	28,831	30,651	29,175	938,060	1,246,530
WHISPERBALL/RACQUETBALL	322	323	351	270	216	261	304	166	237	241	288	2,979
HORSESHOES	120	135	80	25	5	-	3	-	4	21	53	446
MINI GOLF	4,317	6,411	8,568	4,760	1,999	802	347	419	799	2,219	3,837	34,478
PICKLEBALL	10,362	11,240	11,265	13,007	4,897	3,484	2,837	2,891	3,510	5,227	8,136	76,856
POOLS, SWIMMING	12,704	14,306	20,065	20,085	21,190	20,981	20,189	20,315	14,814	17,766	11,100	193,515
POOLS, WALKING	3,126	5,466	6,920	11,128	9,581	13,495	13,549	11,977	12,091	10,255	3,975	101,563
POOLS, WARM WATER	2,296	2,493	2,086	2,029	1,488	1,133	591	1,358	1,703	1,814	1,941	18,932
SHUFFLEBOARD (open)	794	868	940	569	487	583	503	398	416	463	531	6,552
SPA, INDOOR	4,245	4,008	3,784	2,976	2,669	1,865	1,176	2,252	1,746	2,150	2,852	29,723
SPA, OUTDOOR	4,212	6,080	6,812	7,622	4,045	5,027	3,698	3,118	3,346	4,192	4,510	52,662
TABLE TENNIS	841	800	904	757	749	635	709	804	843	700	859	8,601
TENNIS COURTS	1,119	1,136	1,233	1,004	753	407	404	446	612	857	1,124	9,095
WALKING, INDOOR	5,579	4,676	4,682	4,810	5,448	6,577	8,093	6,718	6,468	5,744	4,449	63,244
WALKING, OUTDOOR	4,925	6,529	7,576	4,034	2,933	1,214	853	910	1,610	2,947	4,648	38,179
<b>TOTAL CENTER USAGE</b>	<b>96,097</b>	<b>104,325</b>	<b>115,428</b>	<b>108,713</b>	<b>87,176</b>	<b>85,967</b>	<b>85,283</b>	<b>83,450</b>	<b>81,571</b>	<b>86,867</b>	<b>989,621</b>	<b>1,924,498</b>

## FACILITIES:

### Projects:

#### In-Work

##### **Mountain View Recreation Center**

- Presentation by triARC Architecture & Design summarizing the Performing Arts Center (PAC) site selection process and location recommendation presented at the Board of Director’s meeting on 10/31/24.
- Motion by the Board of Directors to approve the triARC site recommendation for the PAC passed first reading at a Board meeting special session on 11/11/24.
- Motion by Board of Directors to approve the triARC site recommendation for the PAC, 2<sup>nd</sup> reading, was postponed indefinitely at BOD meeting on 11/21/24.
- triARC Architecture and Design will perform a series of “visioning forums” over the next month to obtain ideas from members on what they want the future of the Mountain View Recreation Center to be. Date/times/locations to be announced soon.

#### Recently Completed

##### **Bell Recreation Center**

- Completed the full remodel of the Tennis Restrooms as of November 5 at a cost of \$297,000. Contractor: Tri-C Diversified Construction

##### **Sun Dial Recreation Center**

- Completed repair and replacement of sidewalks and ramps around the entire center as of November 23 at a cost of \$39,000. Contractor: Legarada LLC

##### **Marinette Recreation Center**

- Completed resurfacing of the outdoor pickleball courts on November 7 at no cost to RCSC. Contractor: Elite Sports

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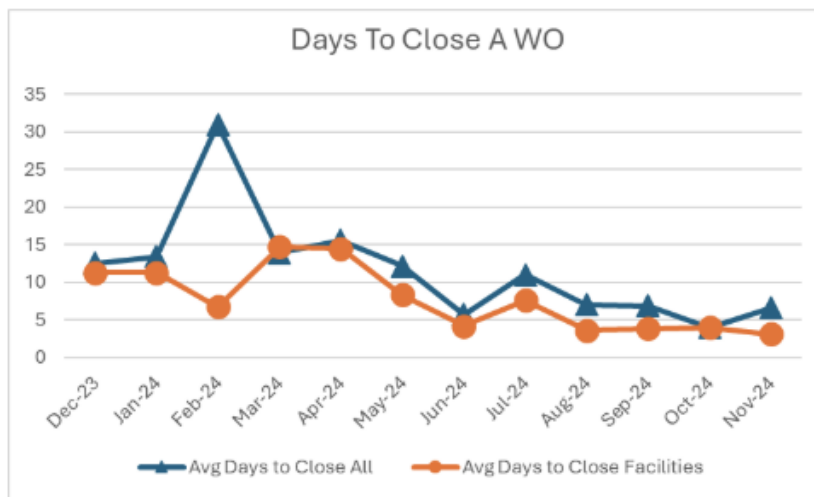
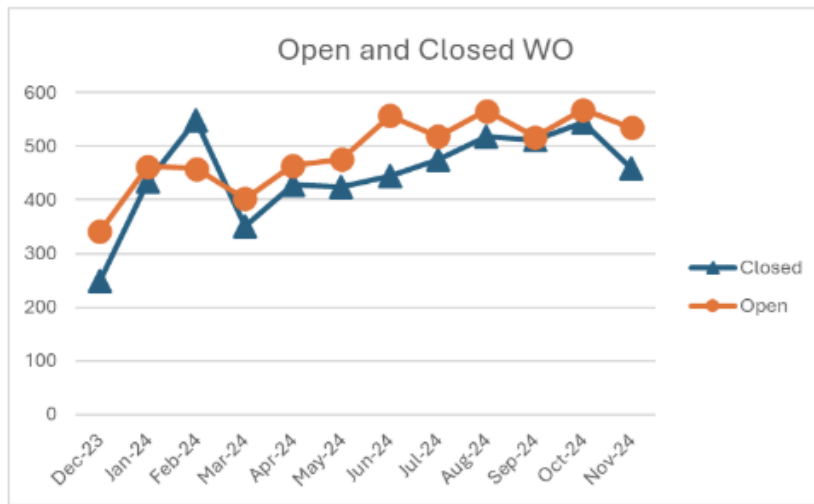
## Fairway Recreation Center

- Completed replacement of the Kool Decking at the Pool. Project was completed on November 5 at a cost of \$99,000. Contractor: Arrowhead Pools
- Completed the upgrades of the entire pool and spa filtration systems. Project was completed on October 31 at a cost of \$137,000. Contractor: Master Pool Repair
- Completed the upgrade and moving of the front desk on October 29 at a cost of 84,000. Contractor: Voss Lighting/Accel Electric/Tri-C Diversified Construction

## WORK ORDERS (Skilled Trades, Repair and Maintenance):

### Skilled Trades:

The Facilities Department opened 535 new work orders in the month of November and completed 458 work orders in the month of November. The average time to close a work order in November 2024 was 6.6 days. The Facilities Department has completed 5151 work orders as of December 1. We started December with 80 open work orders.





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## LAWN BOWL AND GROUNDS:

SITE	SPEED	MOISTURE
BELL NORTH	15.0	4.7
BELL SOUTH	14.6	6.8
LAKEVIEW EAST	13.9	10.4
LAKEVIEW WEST	14.2	10.1
OAKMONT	14.0	11.3
MOUNTAIN VIEW	15.1	6.0

- Mowing once a week at .120; rolling and cleaning ditches at lawn bowls three times a week.

### Other Grounds Activities:

- Mowing Ballfield twice a week; Grading infield five times a week
- Mowing Lakeview Center once a week
- Cleaning and Mowing Sunbowl once a week
- Trimming bushes around centers
- Raking leaves at the centers

## GOLF:

### **Pro Shops:**

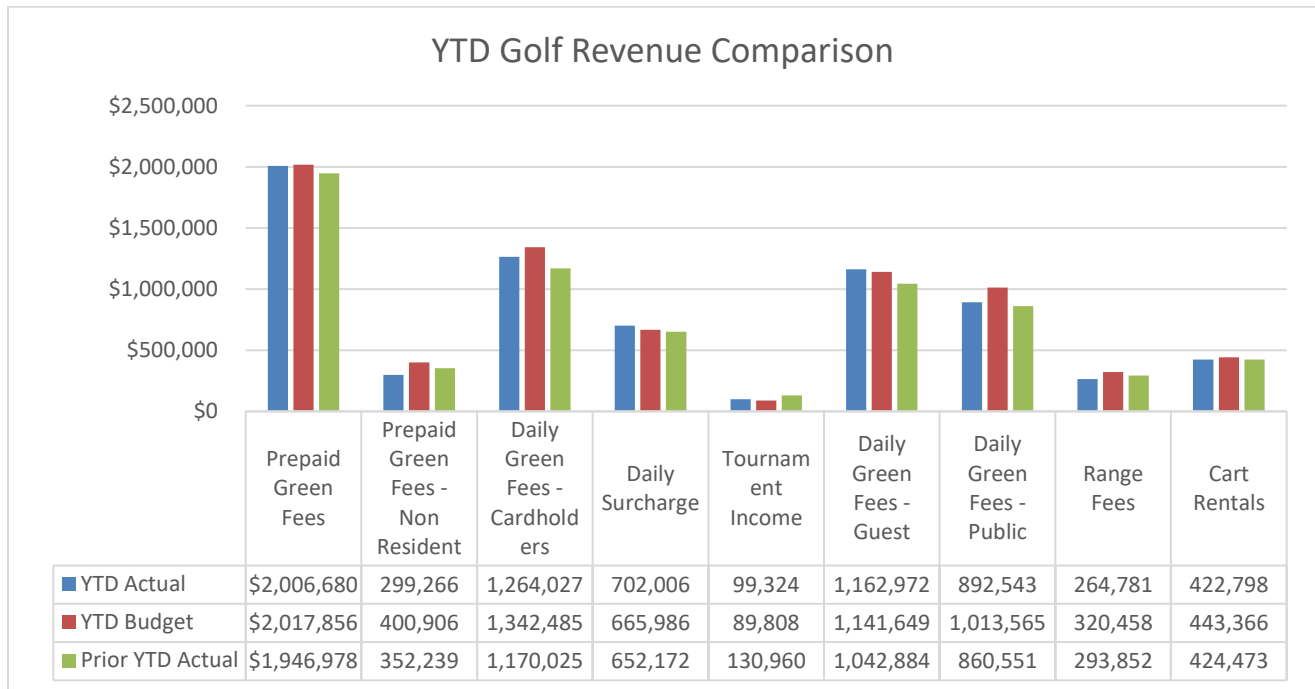
The 90 Degree Rule in golf pertains to driving golf carts on the course while attempting to minimize the impact on the fairway & rough grasses when approaching the golf ball. It is a permanent feature on all our RCSC golf courses. The 90 Degree Rule plays a key role in preserving the turf and maintaining the course's playability and appeal. By limiting unnecessary travel on the fairways & rough and guaranteeing carts take direct routes to the ball after arriving at it via the cart path, the rule serves to reduce soil compaction and minimize damage to the grass. Continual cart traffic on fairways & rough has resulted in damage to the grass and soil compaction. A golfer recently asked if golf carts could damage the dormant bermudagrass, the answer is a resounding yes! In fact, bermudagrass is at the greatest risk of damage during the late fall, winter, and spring months when it is dormant.

We began tracking in November of our "bump rate", for those using the lottery system to secure tee times, to continue gauging the effectiveness of the changes made in golf operations to provide more opportunity for residents. For the month of November, we saw a decrease in the number of requests for tee times of 447 golfers, a 3.15% decrease. The number of golfers that were bumped dropped by 25, a 2.95% decrease. The bump rate in November was nearly identical to 5.98% compared to 5.97%, an increase of .01%, we will continue to provide updates throughout the peak season.

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## Superintendent Report (Chuck Hyppa)

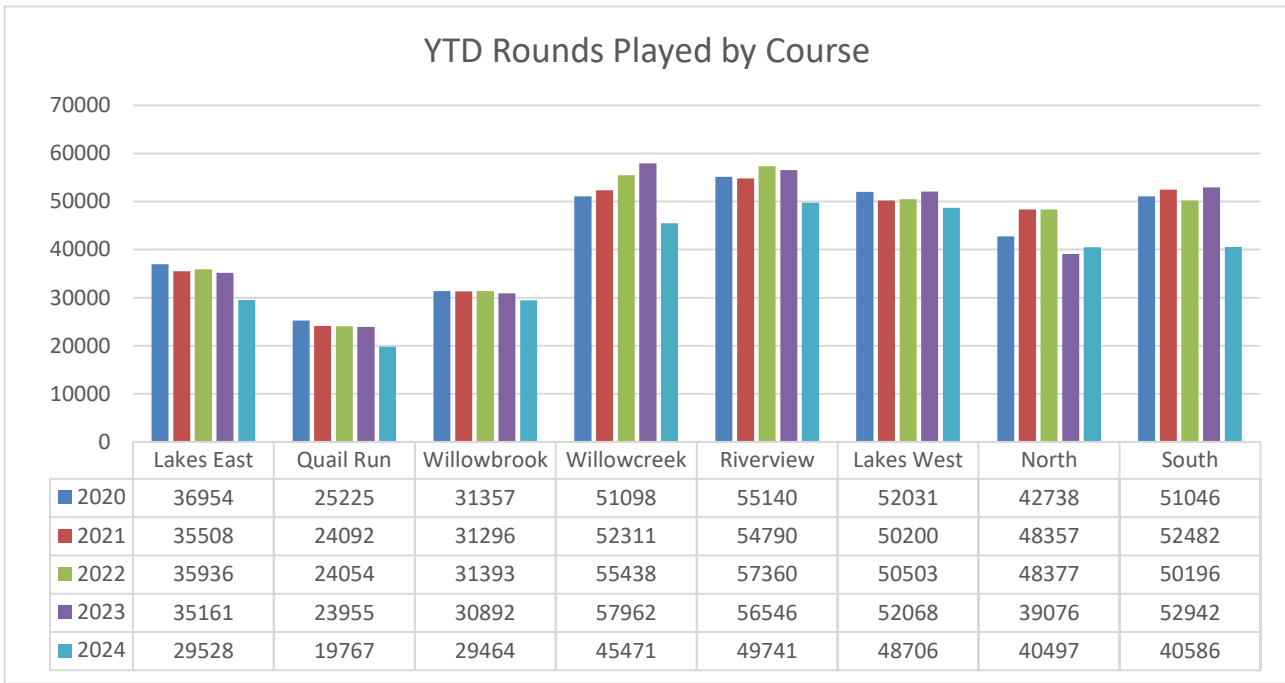
The warmer weather we experienced in November has been a great help to our golf courses. This has given us a chance to not only mature the Ryegrass that was initially established but provide an opportunity for us to grow in some of the weaker areas specifically in our fairways and green banks. Without the disruption of frosty mornings, we have been able to stick with our bi-weekly fertilizing schedule. This will continue as weather permits. As we near January, the maintenance teams will be preparing for our next application of pre-emergent Herbicide to our non-overseeded roughs. This is the next critical step in our effort to eradicate the weed population we experience throughout Spring and Summer. We would like to thank you for your continued support and wish you all a Merry Christmas.



### Summary:

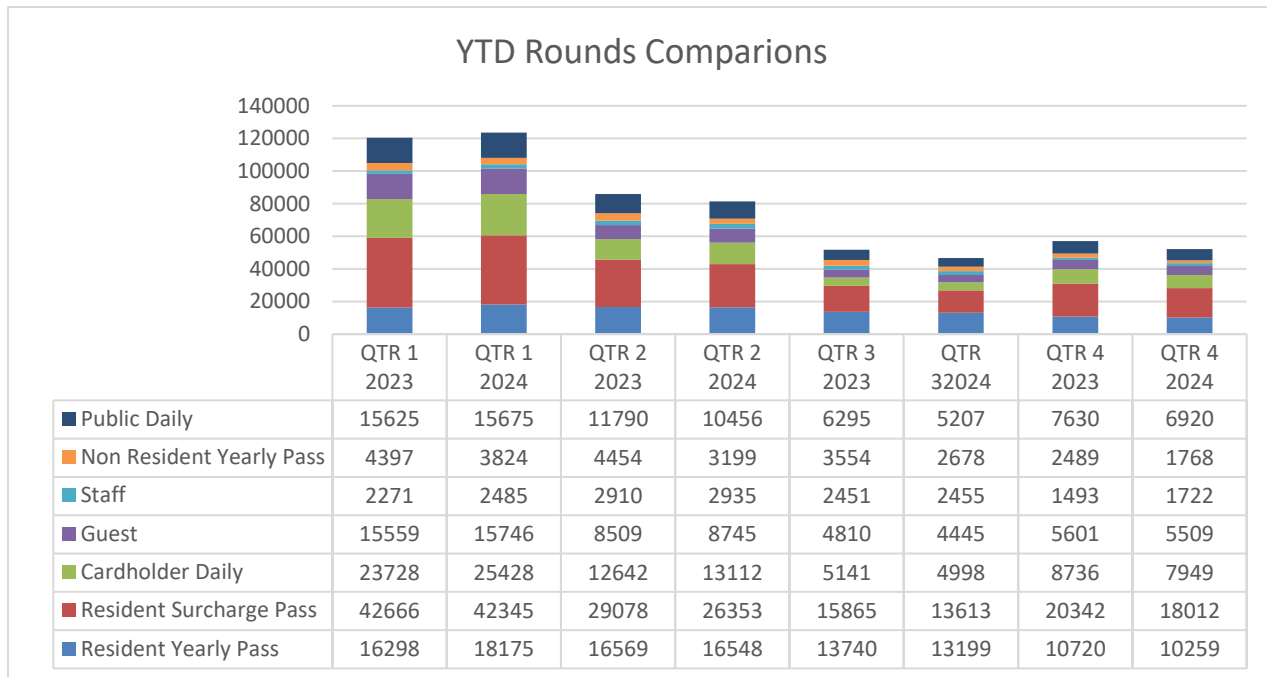
- Above Budget: Surcharge income, tournament income, guest green fees, miscellaneous income, and other categories like simulator income and club rental showed better-than-expected performance.
- Below Budget: Non-resident prepaid green fees, range fees, merchandise sales, and prepaid green fees were below budget expectations.
- Improvement from Prior Year: Most categories show an improvement compared to the prior year, especially prepaid green fees, guest green fees, and daily surcharge.

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#### Overall Trends:

- Most courses showed a decline in 2024 compared to 2023, with South and Willowcreek seeing the largest decreases.
- North was the only course to show a positive trend with a slight increase.



- 19.15% of total rounds played by Resident Yearly passholders, up from 18.18% last year
- 33.03% of total rounds played by Resident Surcharge passholders, down from 34.23% last year
- 16.95% of total rounds played by Resident Cardholders, up from 15.93% last year
- 3.78% of total rounds played by Non-Resident Yearly passholders, down from 4.72% last year
- 12.59% of total rounds played by Public Golfers, down from 13.11% last year
- 11.34% of total rounds played by Guests, up from 10.93% last year
- 3.16% of total rounds played by Staff, up from 2.89% last year

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## Snack Shops:

Snack shops are now closing at 5:00 p.m. on a consistent basis and will continue to do so until business begins slowing in April.

