

**RECREATION CENTERS OF SUN CITY, INC.
FINANCE, BUDGET & AUDIT COMMITTEE MEETING SUMMARY**

December 18, 2024

Chair Karen McAdam called the meeting to order at 1:00pm in the Lakeview Board Room.

Present: Chair McAdam, Co-Chair Tom Foster and Committee Members Kim Wanek, Linda McIntyre, Les Bethany, Suchindran Chatterjee, Dave Wieland

RCSC Board: Treasurer Anita Borski, Directors Preston Kise, Chris Nettesheim

RCSC Staff: General Manager Matthew D'Luzansky, Support/Finance Sr. Leader Kevin McCurdy, Controller Angie Nelson

Guests: Board of Directors Elect, Rick Gray, Cardholders Ruth Mackay, Bill Pearson

Review/Amend Prior Meeting Summary: The November 20, 2024 Meeting Summary was approved as presented.

Action Items:

1. 2025 Budget Schedule

The Committee requested a 2025 budget approval schedule from the Support/Finance Senior Leader by the January 2025 committee meeting.

Old Business:

1. Credit Card Fee Study

A review of credit card processing fees and a recommendation whether RCSC should charge members an additional fee when using their cards at RCSC had been requested at the November 20, 2024 meeting. The Support/Finance Senior Leader indicated the review was still in process.

New Business:

1. Finance, Budget & Audit Committee members selected to serve on the 5-Year Plan Group for 2025

Co-Chair Foster and General Manager D'Luzansky requested that the committee select three (3) Finance, Budget and Audit Committee members to serve on the 5-Year Plan Group for 2025. Linda McIntyre, Suchindran Chatterjee and Kim Wanek were subsequently selected to serve on the 5-Year Plan Group for 2025.

2. Discussion of Financials

The RCSC financial position was discussed. Linda McIntyre and Co-Chair Foster asked several questions surrounding the 2024 financials that were still unfavorable relative to budget. The Support/Finance Senior Leader explained the negative financial performance as the result of expected income from golf being below budget due to extremely hot weather during the summer months, higher green fees reducing the number of rounds played and higher expenses for pumping water and vegetation management. Offsetting some of the negative performance was significantly higher interest income earned on investment portfolios.

General Manager D'Luzansky indicated controls were being established to better manage spending during periods when budget restraint is needed.

The Support/Finance Senior Leader explained that what appears as an unfavorable long-term capital loss on investment holdings was actually the reversal of a previous entry for a long-term capital gain. While GAAP accounting requires the “mark-to-market” of investment portfolios, the securities are held until maturity at which time par value of the security is received so no capital gain or loss is actually realized.

3. Home Sales

The Support/Finance Senior Leader reported that home sale transactions were slightly ahead of budget expectations. However, Preservation and Improvement Fund (PIF) fees do not impact the operating budget. These funds are maintained in a separate account for capital spending.

Adjournment: The meeting was adjourned at approximately 2:00 PM.

Next Meeting: Next scheduled meeting is January 14, 2025, at 1:00pm – Lakeview Center Board Room.

Respectfully submitted,

Tom Foster, Acting Secretary