

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

February 19, 2025

At the Finance & Budget Committee meeting called to order by Chair Tom Foster at 1:00pm on February 19, 2025 in the Lakeview Board Room, the following took place:

PRESENT: Chair Tom Foster, Co-Chair Anita Borski and Committee Members Norm Dickson, Linda McIntyre, Dave Wieland, Kim Wanek, Les Bethany, Suchindran Chatterjee, Gene Westemeier

RCSC BOARD: Directors Preston Kise, Rick Gray

RCSC STAFF: Controller Angie Nelson, Support/Finance Sr. Leader Kevin McCurdy

GUESTS: Cardholders Ruth Mackay, Maggie Brooks, Evie Webb Swope

Review/Amend Prior Meeting Summary: The January 14, 2025 Meeting Summary was accepted as presented.

Old Business:

Potential Auditors: Names of three potential auditors have been received and all have been contacted. Seeking to add an additional auditor member to the committee. Of the three – an interested party has been identified, and this individual is a Former Manager of Youngtown; one was confused on the role and declined; and the third indicated no interest.

Finance Update: Director Foster asked the Director of Finance to comment on the 5-Year Plan Process; 2025 Budget Process; and January Results. The Director of Finance shared:

- **5-Year Plan** – First meeting has concluded, with the second occurring on February 20, 2025. This team reviews the PIF Forecast, Operating Budget, and Capital Projects. The Club's Office is also compiling club requests with a percentage to be included in the capital projects. The Club Organization Committee (COC) will review and provide recommendations vs. past year's process of Support/Finance Sr. Leader McCurdy oversight.
- **Operating Budget** – Forecast is based on inflation assumptions at various percentage points. With ADWR restrictions – several conversations will be occurring related to the PIF Forecast for the next 10 year period. The accounting department is beginning to utilize the SAGE platform for budget purposes and transitioning from excel.
- **January Results** – Reported to be favorable to budget by \$500K. Attributed to wages and benefits and building repairs. There are a number of open positions, and these are not contributing to wage / benefits costs. Guidance provided by Chair Foster on addressing these areas. Results to be shared with the committee in coming days.

Simplifying Financial Reports: Discussion held on ability to simplify messaging for members in layman's terms. No concerns noted by Support/Finance Sr. Leader McCurdy related to GAAP, as long as statement not made they are in compliance with GAAP.

Accounts Receivable: Discussion held on current results and approach management has taken with those in arrears. Foreclosure is not a method being used while a deeded owner still resides in property. Have seen an increase in family members paying fees when collections and foreclosure options are shared. No foreclosures have occurred since May of 2021.

New Business:

Board Policies 16 and 7: Review and discussion held on bid commission process and role of this committee in various level expenditures. The Bid Commission is comprised of a sub-set of RCSC Board Director's. The current level of \$25,000 has been in place for over 10 years. A member recommended we complete a couple of meetings to identify what, if any increase would be warranted. The Support/Finance Sr. Leader McCurdy shared that the Facilities department attempts to obtain bids on all projects, but the Bid Commission only sees bids for projects in excess of \$25k. Some Capital projects are smaller in nature, and Facilities may not be able to obtain 3 bids.

Members agreed the committee should not serve as gatekeepers but rather in an oversight role. Chair Foster shared fiduciary responsibility cannot be delegated. He shared a willingness to implement an oversight level. The committee members agree to hold two (2) meetings per year in order to be informed on the status of the Capital Projects List. This will demonstrate that we are meeting the fiduciary responsibilities for the oversight of spending that is requested of the committee under Board Policy 16.

Guest Member Recommendation: A guest in attendance inquired about a separate fund to offset expenses. Chair Foster and Support/Finance Sr. Leader McCurdy discussed the current Operating and Capital Reserve Funds.

Adjournment: The meeting was adjourned at 2:40pm.

Next Meeting: Next scheduled meeting is March 19, 2025 at 1:00pm – Lakeview Center Board Room

Respectfully submitted,

Kim Wanek, Secretary