

Recreation Centers of Sun City, Inc.
Treasurer's Report
April 24, 2025

The balance of unrestricted funds as of March 31, 2025, was \$14.7 million, which includes a \$2.5 million cash reserve. Restricted funds include the Preservation and Improvement Fund ("PIF") and the Capital Reserve Fund. As of March 31, 2025, PIF had a balance of \$39.3 million and the Capital Reserve Fund had a balance of \$10.4 million. PIF fees collected in the first quarter of 2025 totaled \$2.5 million, and CIF fees collected to date in 2025 were \$944,119. The corporation generated a Net Operating Excess of \$2.6 million year to date, which is \$393k above budget for 2025. Net Excess Before Depreciation was \$2.5 million and above budget by \$643k for the first quarter of 2025.

Investment Report: First Quarter 2025:

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.

As of March 31, 2025, \$1.5 million (cost basis) of the \$2.6 million unrestricted cash reserve and other unrestricted funds have been invested in various FDIC insured treasury bills and corporate bonds. In March 2025, these investments along with the unrestricted money market account have produced interest income of \$31,522 with management fees of \$2,760 for a net income on unrestricted fund investments of \$28,762.

At the end of March, 2025, \$5.3 million (cost basis) of the \$10.4 million restricted capital reserve fund have been invested in various FDIC insured treasury bills, mutual funds, and corporate bonds. Year-to-date, these investments have produced interest income of \$60,133 with management fees of \$2,977 for a net income on restricted capital reserve investments of \$57,156.

At the end of the first quarter of 2025, \$3.0 million (cost basis) of the \$39.3 million in the restricted Preservation and Improvement Fund have been invested in various FDIC insured treasury bills, mutual funds, and corporate bonds. Year-to-date these investments have produced interest income of \$334,829 with management fees of \$19,010 for a net income on restricted fund investments of \$315,819.

Respectively submitted by

Anita Borski, Treasurer