

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

**October 8, 2024**

Chair Karen McAdam called the meeting to order at 3:30pm in the Lakeview Board Room.

**Present:** Chair McAdam, Co-Chair Tom Foster and Committee Members Dave Wieland, Kim Wanek, Linda McIntyre (remotely), Les Bethany, Suchindran Chatterjee, Gene Westemeier, Don Henrich

**RCSC Board:** Director Preston Kise

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

**Guests:** Cardholders Steve Oaks, Ruth Mackay, Rochelle Fimmel

**Review/Amend Prior Meeting Summary:** The September 18, 2024 Meeting Summary had the following corrections:

**Under Action Items:**

1. Review of Proposed 2025 Budget

Management's recommendation was to propose a budget that brings the annual member assessment fee in line with compound inflation over the past seven years. Assumptions used in constructing the proposed budget included inflation of 4 percent, 1,600 resales of Sun City homes, and golf and bowling revenues and expenses based on input from the Golf Advisory Committee and the Bowling Committee. In addition, a specific percentage of assessment revenue was assumed to be allocated to the capital reserve fund. Previously, the capital reserve fund only received projects were funded through any net operating revenue excess. This made multi-year capital planning more volatile as net operating excess is less predictable.

Kevin McCurdy noted that the RCSC has seen a decrease in staff attrition between 2023 and 2024 with a 31% decrease in Golf staff attrition and the percent decrease in golf staff has improved significantly. Benefits increases are due to employees selecting more expensive Employee and Family plans and the simple reality that the cost of health insurance has increased. As a consequence of attracting younger employees this trend is likely to continue but, on the other hand, we anticipate workers' comp incidents would decrease.

Non-Golf Budget

Bowling – Operating excess up \$95,000 due to proposed non-resident bowling fee increases.

Golf

The proposed golf budget assumes a fifteen percent increase in our golf income driven primarily by increases in pass fees and daily golf greens fees. Food/Beverage roughly breaks even.

Golf pricing is still being finalized within the Golf Advisory Committee and updates will be made once those decisions are made but should not materially impact the budget. Worthy of note is that RCSC has raised non-resident **daily** greens fees pretty much to market levels.

The September 18, 2024 Meeting Summary was accepted as amended.

**Action Items:**

1. Two Town Hall Meetings have been scheduled to present the 2025 Budget to the Members. The first is on October 21<sup>st</sup> from 10:00am to 1:00pm and the second is on October 23<sup>rd</sup> from 5:00pm to 8:00pm. An email blast will be sent out to the Members along with information on the Budget for review prior to the meetings.
2. The committee will make a recommendation to the Board of Directors to accept the 2025 Budget at the October 31, 2024 Board Meeting.
3. The committee recommended Board approval the 2025 Capital Projects, PIF Forecast and the 5-Year Plan.

**Discussion:**

**Adjournment:** The meeting was adjourned at approximately 5:25pm.

**Next Meeting:** Next scheduled meeting is November 20, 2024, at 1:00pm – Lakeview Center Board Room

Respectfully submitted,

Gene Westemeier, Acting Secretary