

RCSC Management Report – February 25, 2021

Thank you for your emails and phone calls concerning vaccinations in Sun City. RCSC management totally agrees that it would serve Sun City residents to have vaccinations available in Sun City. For your information, Maricopa County is aware that RCSC would accommodate a vaccination event if they would conduct such. Matter of fact, General Manager Jan Ek speaks directly with Maricopa County Department of Public Health weekly and at this time Maricopa County is still not in a position to open any other vaccination venues due to concerns of having enough vaccine for both the first and second shots. RCSC management is hopeful that when this changes, Sun City would be amongst the first to be considered.

In as simple of an explanation as possible, the reason RCSC cannot conduct anything other than recreational activities is due to state law, Arizona Revised Statute §33-442 because the exception that allows RCSC to collect the Preservation & Improvement Fee ("PIF") in this law is in Section 7 which states: "Any fee or charge that is imposed by document and that is payable to a nonprofit corporation for the sole purpose of supporting recreational activities within the association." If RCSC was unable to charge the PIF, the only way the recreational facilities would be updated, renovated and rebuilt would be through assessment of the current homeowners, which would increase RCSC's annual property assessment substantially. Therefore, it is extremely important that RCSC only conducts events for the sole purpose of supporting recreational activities.

However, if an organization other than RCSC, such as Maricopa County, would conduct a Covid vaccination event in RCSC facilities, such as the Sundial Auditorium, that can and would be accommodated.

Financial:

Financial Report

The Recreation Centers of Sun City, Inc. (RCSC) has ended January 2021 within its operating and capital budget year to date. All Divisions, with the exception of Food Service, Golf and Member Services, have met or exceeded their net operating budget projections year to date with total operating income \$26k (1%) unfavorable to budget and operating expenses \$193k (15%) favorable to budget. Member Services led the declines as a result of the cancellation of shows in 2021 due to COVID-19 restrictions driving down ticket sale income. Operating expense favorability is primarily driven by lower utility, general operating and repair and maintenance expenses across multiple divisions. Year to date operating excess without projects favorability is \$653k (28%) favorable to budget.

Cardholder Services Report

Payments on past due assessments in January were 8.3% of past due balances. Overall accounts receivable increased in January by 1.4% and is up 1.4% from the beginning of the year. Overall accounts receivable past due balances have increased in January by 2.7%. December assessments went 30 days past due at a 5.4% rate and November assessments went 60 days past due at a 3.1% rate.

Payments from our third-party collections firm totaled \$3,395.13 in January. Year to date payments through our third-party collections firm total \$3,395.13. Payments made in January through the online RCSC Web Portal totaled \$169,071 from 382 property owners. Year to date web portal payments total \$169,071 from 382 property owners.

In January property transfer balances increased by 5.0%. Outstanding balances related to property transfers represent 52% of all receivables and 53% of past due balances. At the end of January trustee sale notices on Sun City AZ properties ended at 31 and properties owned by lending institutions remained at 2.

Information Technology Report

TEG update was implemented and rolled out to all end users. The TEG portal upgrade planning continues and is expected to take place in March 2021.

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Supported the cabling design at Grand Building II and Lakes Maintenance Building. In January the Information Technology team responded to 92 service requests closing 88.

Human Resources Report

In January Human Resources processed 22 job requisitions. Time to fill requisitions Key Performance Indicator in January was 6.8 days.

Projects:

Bell Lanes

- Replaced (12) fluorescent lighting fixtures over bowling machines with (12) LED lighting fixtures. Project completed on 02/05/21. Contractor: Accel Electric

Bell Rec Center

- Removed and replaced a roof top unit (RTU) air conditioner serving the mini-golf office. Project completed on 02/03/21. Contractor: Custom Cooling
- Repaired an underground water leak by the pool pump equipment area. Project completed on 01/14/21. Contractor: Commercial Pool Repair

Grand Center – Building II

- RCSC has contracted with General Contractor (GC) Robert E. Porter Construction, Inc. to construct this project. Project commenced on 09/14/2020 with a projected duration of 6 months. The GC will be given more time to incorporate Owner and APS change requests; contract time increase TBD.
- Metal stud framing, electrical and plumbing rough-in activities continue. Wall insulation and sheetrock installation now underway.
- Bi-weekly progress meetings are being held with RCSC, CCBG Architects, and the GC all in attendance.

Lakes East/West Maintenance Yard

- Plan Review drawing set was submitted to Maricopa County Planning and Development Department and Sun City Fire & Medical Department on January 29th. These review processes typically take 4-6 weeks to complete.

Lakes East/West Pro Shop

- Replaced existing 14-year-old Air Conditioner with a new 7.5-ton Trane gas pack unit. Project completed on 02/05/21. Contractor: Custom Cooling

Lakeview Lanes

- Replaced (21) fluorescent lighting fixtures over bowling machines with (21) LED lighting fixtures. Project completed on 02/05/21. Contractor: Accel Electric

Lakeview Rec Center

- Removed and replaced a roof top unit (RTU) air conditioner serving the Board work room. Project completed on 02/02/21. Contractor: Custom Cooling

Marinette Rec Center

- Added new chain link entry gates at Pickleball Courts 13 & 14. Project completed on 01/11/21. Contractor: Fairlane Fence

Oakmont Rec Center

- All equipment for the Lawn Bowl Lighting Project is in town and ready to go. Project held up for Maricopa County review and permitting. The application materials have been with the county since 11/09/20. Installation will begin immediately upon the issuance of the building permit. Tentative completion now the end of March 2021. Contractor: Accel Electric

Sundial Rec Center

- Replaced existing hot water recirculating pump and motor. Project completed on 02/05/21. Contractor: Sunland Plumbing

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- Removed and replaced a roof top unit (RTU) air conditioner serving the club areas. Project completed on 02/05/21. Contractor: Custom Cooling

Skilled Trades

- Completed 231 work orders in January 2021.

Solar:

New Issues:

- **Oakmont Center – Inverter #04**
Inverter is not reporting correctly. Inverter was replaced under warranty, 02/04/2021, issue resolved.
- **Oakmont Rec Center - # 01/02/03/04/05/06**
The inverters are reporting data correctly for daily but not for history. Kortman is working with Also Energy to resolve this issue.
- **Lakeview Lanes – Inverter #01**
Inverter is not reporting production, Kortman confirmed the inverter is working. They are working with Also Energy to resolve this issue.
- **Lakeview Lanes – Inverter #08**
Inverter not producing, Kortman troubleshot and replaced DC String fuse, Issue resolved.

Issues Resolved:

- **Fairway Rec Center – Inverter #02**
Inverter was replaced under warranty, 02/04/2021.
- **Fairway Rec Center – Inverter #14**
Inverter was replaced under warranty, 01/23/2021.
- **Lakeview Rear - # 01/02/03/04**
The inverters are now talking to Also Energy and giving good data, 02/09/2021.

Open Issues:

- N/A

Production Data:

After including January's production data, the lifetime to date production versus expected went down slightly and is over expected by 4.78%. The percentage of inverters producing above expected remained the same at 76%.

Bowling:

Due to COVID restrictions, the annual Sun City Open Tournament scheduled for late April has been cancelled. Bids were not submitted for traditional type tournaments for the year 2021 due to current restrictions.

When league competition began, all bowling leagues signed an agreement stating they would accept the responsibility to monitor the individual bowlers and would approach and enforce any violators of the RCSC rules and regulations regarding Covid-19. All leagues and bowlers have been complying without any incidents or complaints.

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Golf & Grounds:

Pro Shops

Golf rounds in January started stronger than 2020; but were hampered significantly by the rain beginning on January 19th. For the month, a total of 37,002 rounds were played, down from 39,021 played the prior year. Rounds played in January were consistent with the prior 10-year average of 37,026 rounds and were the third highest total since 2015.

The free clinics scheduled for March have been canceled. For those seeking lessons both private lessons and Get Golf Ready classes are still available. Private lessons are arranged directly with the teaching professionals, their contact information is available in pro shops and on the RCSC website (www.suncityaz.org). Get Golf Ready Classes have been reduced from 8 students to 6 students, to allow for better distancing. The Get Golf Ready Schedule can also be found on the RCSC website.

We have also canceled our yearly Demo Day scheduled for March 1st, due to ongoing Covid restrictions. If you are in the market for new equipment, we can still place special orders from the top manufacturers. Orders can be placed through Chris Linam at the Riverview pro shop or he can be reached by telephone at 623-876-8419.

Snack Shops

At the time budget was created we were hopeful that restrictions would have begun easing, however that proved to be inaccurate. Reduced seating and restrictions continue to hamper Snack Shop revenue, which was 75% of budgeted amount for January 2021.

Golf Courses

The preliminary aerification/overseed schedule presented to Golf Advisory in January, was also presented to each course's Green Committee. We have not received any requests for schedule adjustments, the current schedule can be found on the RCSC website and at the bottom of this report.

As we move into spring, we can expect an increase in golf rounds; with increased rounds come increased wear and tear. As temperatures warm throughout the spring, these wear and tear areas will heal faster, however we still need golfer support. We ask everyone to please fill your divots, if a divot bottle is available to you, and fix your ball marks. With increased play remember that slow play instances become more likely. We ask everyone to please practice ready golf by playing your shot as soon as possible and when it doesn't interfere with your playing partners or the group ahead, move to your ball whenever it is safe to do so, avoid excessive practice swings, read your putt ahead of your turn and record scores on the following tee box.

Lawn Bowl and Grounds

The pace of the greens range from a low of 13.0 seconds on Lakeview East to a high of 14.0 seconds on Bell (North). Moisture readings range from a low of 10.0 at Oakmont and a high of 13.0 on Lakeview East. Greens are watered twice per week on Tuesday and Saturday. Greens are currently mowed once per week and rolled three times per week. This frequency will increase as we move into longer and warmer days. Ditches are cleaned and raked every other day, in conjunction with green rolling.

The grounds crew has been busy keeping up with the weeds, which have benefitted from the January rains. The crew has also been busy with normal trimming, mowing and cleanup around the centers. During the February Duffeland Dog Park maintenance the Olive Trees will be sprayed to prevent/reduce fruit production. Reduced fruit production will help ease maintenance issues during the time period the Olives would normally drop.

2021 AERIFICATION/VERTICUTTING DATES

Golf Course will be Closed

Fairway Verticutting

Mon-Tue	April 26, 27	South
Thu-Fri	April 29, 30	Quail
Mon-Tue	May 3, 4	North
Thu-Fri	May 6, 7	Riverview
Mon-Tue	May 10, 11	Lakes West
Thu-Fri	May 13, 14	Lakes East
Mon-Tue	May 17, 18	Willowcreek
Thu-Fri	May 20, 21	Willowbrook

Fairways Aerification

Thu-Fri	May 27, 28	South
Mon	May 31	Quail
Thu-Fri	June 3, 4	North
Mon-Tue	June 7, 8	Riverview
Thu-Fri	June 10, 11	Lakes West
Mon-Tue	June 14, 15	Lakes East
Thu-Fri	June 17, 18	Willowcreek
Mon-Tue	June 21, 22	Willowbrook

Greens Aerification

Mon, Tue, Wed	June 21-23	South
Thu, Fri	June 24, 25	Quail
Mon, Tue, Wed	June 28-30	North
Mon, Tue, Wed	July 5-7	Riverview
Mon, Tue, Wed	July 12-14	Lakes West
Mon, Tue, Wed	July 19-21	Lakes East
Mon, Tue, Wed	July 26-28	Willowcreek
Mon, Tue, Wed	Aug 2-4	Willowbrook

2021 OVERSEED SCHEDULE

Golf Course will be Closed

<u>Course</u>	<u>Overseed</u>	<u>Opens</u>	<u>Cart Path Until</u>
North	Sept 27	Oct 16	Nov 5
Lakes West	Sept 27	Oct 16	Nov 5
Willowbrook	Sept 27	Oct 16	Nov 5
Quail Run	Sept 27	Oct 16	Nov 5
Lakes East	Oct 18	Nov 6	Nov 26
Riverview	Oct 18	Nov 6	Nov 26
Willowcreek	Oct 18	Nov 6	Nov 26
South	Oct 18	Nov 6	Nov 26

As of 2-17-2021