

RCSC Management Report – November 18, 2021

Finance:

Financial Report

The Recreation Centers of Sun City, Inc. (RCSC) has ended October 2021 within its operating and capital budget year to date. All Divisions except Food Service have met or exceeded their net operating budget projections year to date with total operating income \$999k (5.3%) favorable to budget, and operating expenses \$732k (4.9%) favorable to budget. Food Service is \$31.5k unfavorable to budget year-to-date due to covid restrictions reducing income, and reclassification of certain building and equipment repair expenses from the Centers to the cafes. Operating expense favorability is primarily driven by lower payroll taxes & benefits, lower safety supplies expense, and lower spending on equipment. Year to date operating excess without projects is \$1,766k (48.4%) favorable to budget.

Cardholder Services Report

Payments on past due assessments in October were 7.8% of past due balances. Overall accounts receivable increased in October by 0.2% and is up 1.7% from the beginning of the year. Overall accounts receivable past due balances have increased in October by 2.1%. September assessments went 30 days past due at a rate of 5.9% and August assessments went 60 days past due at a rate of 2.4%.

Payments from our third-party collections firm totaled \$17,214 in October. Year to date payments through our third-party collections firm total \$318,675. Payments made in October through the online RCSC Web Portal totaled \$145,062 from 323 property owners. Year to date web portal payments total \$1,718,959 from 3,756 property owners.

In October, property transfer balances decreased by 0.2%. Outstanding balances related to property transfers represent 53% of all receivables and 51% of past due balances. October trustee sale notices on Sun City AZ properties ended at 25, and properties owned by lending institutions remained at 1.

Information Technology Report

In October, the Information Technology team responded to 192 service requests, closing 174 by month end. Year to date, IT has received 914 service requests, of which 18 remain open. On average, IT is closing service requests in less than one day in 2021.

During the month of October, IT's major accomplishment was the training of users on the new ticketing system and adding documentation in the knowledge base of the new ticketing software. This will allow RCSC staff to enter support requests and track progress more easily on their tickets. The system will also highlight areas of training opportunities, provide IT with a knowledge database of past issues, and more quickly identify hardware devices that may be starting to fail.

Human Resources Report

Human Resources began the month of October with 5 open job requisitions and added 20 new requisitions during the month. Human Resources filled 13 open requisitions and ended October with 12 open positions. The time-to-fill requisition Key Performance Indicator ("KPI") in October was 7.0 days. Year to date, Human Resources has opened 214 requisitions and filled 205 open positions, with the time-to-fill requisitions KPI at 7.2 days for 2021.

During the month of October, Human Resources prepared for the November Open Enrollment meetings for employee health insurance and benefits and began distributing 2022 labor regulation posters for all RCSC facilities.

RCSC Management Report – November 18, 2021

Projects:

Grand Center

- Installed a monument sign for Grand Center at the 103rd Ave entrance. Project was completed 10/21/21 at a cost of \$16,338. Contractor: Bootz & Duke Signs

Lakes East/West Maintenance Yard

- RCSC has selected and contracted with Robert E. Porter Construction of Phoenix, Arizona to construct the new Lakes East/West Maintenance Yard. Pre-construction activities are underway, with an expected start of construction to begin the week of November 29th, 2021. The project is expected to complete in late summer 2022.

Mountain View Center

- RCSC Management is evaluating the recent budget study completed for Phase 1 & 2 of the Mountain View Center project. We are also awaiting a proposal due from CCBG Architects for basic design services for the project. That proposal is expected later this month.

Sundial Center

- W.D. Manor Mechanical Contractors, Inc. informed RCSC that our order of dehumidifiers for the natatorium have arrived at their Phoenix crane facility. The units will be inspected and prepared at this crane yard with the installation at Sundial Rec Center tentatively set to begin on November 17th.

Willowbrook/Willowcreek Maintenance Yard

- Removed damaged asphalt and installed new asphalt at the entrance to the yard off Union Hills Drive. Project was completed 10/18/21 at a cost of \$5,570. Contractor: Sunland Asphalt

Skilled Trades

- Completed 268 work orders in October 2021

Solar:

New Issues:

N/A

Issues Resolved:

- N/A

Open Issues:

Please note replacement inverters are delayed due to parts availability from the manufacturer. No estimated date of completion has been provided.

- **Bell Lanes Café – Inverter 03**
Inverter is working, display is bad. Inverter will be replaced under warranty.
- **Bell Center – Inverter 07**
Inverter went down, will be replaced under warranty.
- **WB/WC Maintenance – Inverter 02**
Inverter went down, will be replaced under warranty.
- **WB/WC Maintenance – Data Loggers/All Inverters**
All communication is down. Cox is working on getting communication back, this will not be completed until next year.

Production Data:

After including October's production data, the lifetime to date production versus expected went down slightly and is over expected by 3.75%. The percentage of inverters producing above expected remained the same at 74%.

RCSC Management Report – November 18, 2021

Preventive Maintenance:

Kortman has ordered 15 data loggers as the data loggers we currently have are not supported by Also Energy.

Golf & Grounds:

Pro Shops

Golf rounds increased by 1,365 in October over previous year and represented the highest recorded total since 2006 for the month. Through October total rounds exceed prior year by 3,059 and are the highest recorded total since 2007. For the year 284,350 rounds have been played on our courses, of these 53% were by holders of either the Surcharge Golf Pass or our Annual Golf Pass.

On December 6 we will be hosting a fundraising tournament to raise money for the Sun City Foundation. The format will be Beat the Pro(s), which will be Brian Duthu (PGA) and Chris Linam (Pro Shop Manager) and will be made up of two person teams. Teams that beat the Scramble score of the Pros will equally share the prize pool. The entry fee will be \$40 and the event will be held at the South Golf Course. In addition to bragging rights for beating the pro, there will also be a chance at a Pebble Beach Vacation for a Hole-in-One on the 11th hole.

In addition to our charity event, RCSC Pro Shops are also selling Duck Bucks, to raise funds for the Sun City Foundation. The purchase of a Duck Buck, enters you in the Duck Race held on December 10 as part of the Winter Celebration event, held at the Lakeview Center. The ducks are released from the waterfall and race to the finish line. If your duck finishes in the top 3 you win a share of the pot, based on the number of ducks racing. There are two separate races held on December 10, don't be left without a duck in the race. In addition to the duck race there are other fun events held on the 10, such as lawn Yahtzee, a mini golf hole-in-one contest and a money tree. There is a rumor that Jolly old St. Nick will be taking time off from toy building and providing photo opportunities. The evening ends with a lighted boat parade.

Snack Shops

Beginning in November Snack shops will begin closing at 5:00 p.m. and will do so throughout the Winter months.

Courses

Lakes West, South, North, Quail Run and Lakes East had cart path restrictions removed on November 5, we respectfully ask that golfers stay on the cart path until traveling at a 90-degree angle to their golf ball. With the increase in cart traffic this will be key to minimizing potential damage, especially for South and Lakes East. Riverview and Willowcreek opened for play on November 6 and will remain under cart path restrictions until November 26.

As a reminder, we respectfully ask that golfers refrain from entering private property to retrieve errant golf balls. While there are some homeowners that are not bothered by golfers retrieving errant shots, there are many that feel violated when someone enters their property to retrieve a ball. Please remember that when retrieving an errant shot on a homeowner's property, you are trespassing, unless you have been given permission to do so. We ask for your cooperation in respecting the property of others.

As play increases, so does the stress on our courses. We remind all golfers that we all have a responsibility to keep our courses in good condition. Golfers can assist by filling their divots, raking sand traps, replacing rakes in bunkers parallel to play and repairing ball marks. During times of cart path restrictions, please remember to take your sand bottle to the fairway. We do ask that you continue to fill divots at South and Lakes East, even if your divot bottle contains seed. The seed is unlikely to germinate as the fairways will not be receiving the adequate amount of water.

RCSC Management Report – November 18, 2021

During driving range practice, we ask that you be mindful of your divot pattern. Please do not scatter your divots, this manner of practice disturbs a large area of practice turf with relatively few shots. The preferred method of taking divots is to create lines. This is accomplished by placing your ball at the starting point of your previous divot. This method utilizes far less turf than other options, is easier for staff to maintain and provides less disturbed area for golfers that practice after you.

Lawn Bowl and Grounds

Lawn Bowl green speeds range from 13.2 seconds on Lakeview East to 14.6 seconds on Mountain View. Moisture readings range from 12.8 at Mountain View to 14.0 at Lakeview East. We are currently mowing once per week .120" and double rolling three times per week. Ditches are also cleaned three times per week.

The grounds team has spent some extra time at Lakeview Center preparing the area for the Winter Celebration Event in December. Overseeded areas have had first fertilizer applications applied and is mowed on regular basis. In preparation for the new maintenance area at Lakes West, the grounds team has moved into the space previously occupied by the Vintage Car Club at Lakeview.

Bowling:

The bowling department has hosted several tournaments recently. The Metro Phoenix USBC Valley of the Sun event at Lakeview Lanes hosted 66 teams of 4 bowling team, doubles, and singles events. There was one 300 game and two 800 series bowled during the event.

The State Senior Masters and Queens was held at Lakeview Lanes hosting the best Senior bowlers from around the state.

The Sun City Bowling Association hosted a Doubles tournament where 130 bowlers competed for prizes.

The 2nd Annual Bowling Belles Senior Tournament was pushed back and will now occur December 4-5 at Bell Lanes. The tournament changed dates to avoid conflicts with other events in the area.

Bowling continues to stay well ahead of budget with the additional revenue these tournaments generate. Bowling has continued to focus on the league bowlers by keeping the center clean and sanitized.