

# RCSC Management Report – December 16, 2021

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## **Finance:**

### **Financial Report**

The Recreation Centers of Sun City, Inc. (RCSC) has ended November 2021 within its operating and capital budget year to date. All Divisions except Member Services and Food Service have met or exceeded their net operating budget projections year to date with total operating income \$1,273k (6.1%) favorable to budget, and operating expenses \$683k (4.2%) favorable to budget. Member Services is \$5.5k unfavorable to budget year-to-date due to the COVID related cancellation of shows in 2021. Food Service is \$26.9k 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 \$1,975k (46.7%) favorable to budget.

### **Cardholder Services Report**

Payments on past due assessments in November were 10.7% of past due balances. Overall accounts receivable decreased in November by 0.3% and is up 1.5% from the beginning of the year. Overall accounts receivable past due balances have increased in November by 0.2%. October assessments went 30 days past due at a rate of 5.0% and September assessments went 60 days past due at a rate of 1.7%.

Payments from our third-party collections firm totaled \$36,706 in November. Year to date payments through our third-party collections firm total \$355,381. Payments made in November through the online RCSC Web Portal totaled \$126,917 from 281 property owners. Year to date web portal payments total \$1,845,876 from 4,037 property owners.

In November, property transfer balances decreased by 1.3%. Outstanding balances related to property transfers represent 54% of all receivables and 52% of past due balances. November trustee sale notices on Sun City AZ properties ended at 26, and properties owned by lending institutions remained at 1.

### **Information Technology Report**

In November, the Information Technology team responded to 185 service requests, closing 178 by month end. Year to date, IT has received 1,099 service requests, of which 25 remain open. On average, IT is closing service requests in less than one day in 2021.

During the month of November, IT continued to make progress towards completing a full inventory of all hardware devices in RCSC facilities and began a project to examine and label all cables that run to equipment closets and employee computers, to reduce IT issues and facilitate troubleshooting when trouble tickets are submitted. IT is also working on consolidating printers at the RCSC facilities and removing obsolete printing equipment. This will reduce spending on printer supplies as we head into 2022.

### **Human Resources Report**

Human Resources began the month of November with 12 open job requisitions and added 14 new requisitions during the month. Human Resources filled 19 open requisitions and ended November with 7 open positions. The time-to-fill requisition Key Performance Indicator ("KPI") in November was 8 days. Year to date, Human Resources has opened 228 requisitions and filled 224 open positions, with the time-to-fill requisitions KPI at 7.4 days for 2021.

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During the month of November, Human Resources completed the Open Enrollment process for employee health benefits for 2022. Human Resources also discontinued the use of an outside service provider to process unemployment claims, generating a \$7k savings for 2022.

## **Projects:**

### **Bell Center**

- Installed a new 5-ton Trane Roof Top Unit (RTU) serving the aerobics area. The project was completed on 11/09/21 at a cost of \$11,122. Contractor: Custom Cooling

### **Lakes East/West Maintenance Yard**

- RCSC gave Robert E. Porter Construction of Phoenix, Arizona Notice to Proceed (NTP) with the new Lakes East/West Maintenance Yard project effective 12/01/21. Demolition was started in late November.

### **Mountain View Center**

- RCSC Management received a design proposal from CCBG Architects for Phase 1 & Phase 2 of the project on 11/24/21. This is currently under evaluation by RCSC Management.

### **Sundial Center**

- W.D. Manor Mechanical Contractors, Inc. will remove the 2 existing, but inoperable, dehumidifiers on 12/08/21, with the replacement units to be installed on 12/15/21.

### **Skilled Trades**

- Completed 298 work orders in November 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 Rec 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 November's production data, the lifetime to date production versus expected went down slightly and is over expected by 3.67%. The percentage of inverters producing above expected remained the same at 74%.

### **Preventive Maintenance:**

Kortman is working on installing 15 new data loggers.

## **Golf & Grounds:**

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## **Pro Shops**

Revenue continued the positive 2021 trends in November, exceeding budgeted revenue by 7% and prior year revenue by 6%. Total rounds for the month increased 3% over prior year. All major revenue categories exceeded budget; Green Fee/Cart Fee revenue by 5%, Merchandise by 35% and Driving Range by 35%.

On December 6 the Beat the Pro Event, benefitting the Sun City Foundation, was held on the South Golf Course. The event was successful in matching our \$2,000 goal, with exactly \$2,000 raised for the Sun City Foundation. The pros continued their generous ways, allowing 83% of the field to "Beat the Pros." We would like to thank those that volunteered to make the event a success. Among the volunteers was Dave Fuchs who served as a witness for a hole-in-one on hole number 11. Thanks also to Carolyn Jennings for assisting Larry Belt with the registration table. A big thank you to Chris Linam for securing the many prizes for our post tournament raffle. Most of all thank you to all of those that chose to participate in the event.

We have had questions recently regarding the Tee Time Lottery and the selection process. The most common question we have is if golfers that put their request in 12 days in advance are given preference over those that put in a request less than 12 days in advance, and the answer is no. All tee time requests in the Lottery are placed into a "virtual hat", and the winners are drawn randomly.

## **Snack Shops**

Snack Shop revenue exceeded budget by 16%. We thank you for your support. Snack Shops are scheduled to close at 5 PM but are given the discretion to remain open longer for special events or exceptionally heavy demand.

## **Golf Courses**

Weather for the overseeding golf courses was as good as could be hoped for, leading to very few issues. The grow-in for the second wave of courses was slower than the first wave. The only real effect was a slower return to normal cutting heights. The above normal temperatures have kept the fairways on Lakes East and South from going completely dormant. As a continued reminder the fairways on Lakes East and South were not overseeded, placing added importance to strict adherence of the 90-degree rule when leaving the cart path.

## **Grounds**

The pace of the greens ranges from a low of 13.0 seconds on both Oakmont and Lake View East to a high of 15.4 seconds on Mountain View. Moisture readings range from a low of 8.0 at Mountain View to a high of 15.0 at Lake View West. Greens are mowed once per week, mostly to clear debris and are rolled two to three times per week. Watering has been reduced to an as needed basis.

Maintenance around the centers is focused on keeping plantings trimmed and looking sharp. Temperatures have been higher than average which has kept the leaves on the deciduous trees longer than expected. With temperatures finally beginning to fall so are the leaves, and the grounds crew is prepared for many days of clean up.

## **Bowling:**

Lakeview Lanes recently hosted the SCBA No-Tap Doubles Tournament November 6. The USBC State Senior Masters and Queens was also held November 7 at Lakeview Lanes. The two tournaments went well and were well liked by the bowlers.

December 4-5 is the 2nd Annual Bowling Belles Senior Classic Tournament at Bell Lanes. The next Lakeview Lanes No-Tap tournament is scheduled for Saturday January 15. Signups will begin December 13.

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The Bowling Department was very busy during the Thanksgiving holiday week. With only 6 days of operation during the week the centers were up 30% in paid bowling games compared to the previous 7-week average. Card Holders paid games were down 4% but guest paid games were up 180%. Shoe Rental was up 226% for the week. Comparing November to October, Total paid games were up 6%, Card Holder games were up 1%, guest paid games were up 27% and shoe rental was up 65%. Thanks to all Cardholders and guests for their dedicated patronage.

## **Operations:**

### **Chartered Clubs**

Club attendance at RCSC monitored activity areas are now being reported in the monthly usage information provided to the Board of Directors. The November 2021 club attendance represents a full month of check-ins by club members with the club attendance being organized and aggregated with non-club usage in similar activity areas. For example, Aqua Fitness club attendance is shown separately and added with other swimming pool usage to identify the total pool usage at each location where this club activity takes place. Club attendance for dedicated and reserved spaces will be provided on the quarterly schedule and will be provided after the December attendance is received from clubs.

The quilting clubs identified for moving to Grand Center have been provided the footprint for the space to review how the space can be utilized for the club activities. We will be meeting with the clubs in December to review the workflows, workspaces and storage needs to create a formal space plan. This space plan will then be provided to the architect to create the first draft of the design documents. The target is to complete this space plan in December.

### **Centers Operations**

Pool covers have been used in winter and spring months in the past to reduce pool temperature loss during the overnight times the pools are unused. The covers currently at five centers (covers have not been used at Sundial and Fairway Centers) have been in service for four years and are end of life. In reviewing the upfront cost of the covers that totaled over \$40,000 in 2017 and the annual staffing cost related to the use of pool covers of \$20,160, the projected four-year cost of pool covers is at least \$120,000 and likely higher due to cover cost increases in the last four years. The savings in gas utility usage do not project to produce an amount that would offset the projected four-year cost. While the procedures in place by the Operations team have prevented employee injuries from the use of covers in recent years, there have been reportable injuries due to the size and weight of the covers in the past. Because of both factors the current covers will not be replaced.

From September through November, we have received 140 comment cards that have been processed. These are assigned to categories and type: positive, negative, and requests. During this period 18% have been positive, 42% negative, and 45% related to requests. Also, during this initial tracking period, comment cards related to aquatics, fitness, and center appearance accounted for 60% of the comments received. A more detailed review of comment card categories and types is being completed to identify areas for improvement, as well as areas that have been improved. This data will be measured as a Key Performance Indicator (KPI) for Operations in 2022.

## **Events and Entertainment:**

The Sun Bowl concert series concluded with our Veterans Day Tribute on Sunday, November 7. The Sun City Concert Band and the Sun City Women's Chorus put on a fabulous performance as we honored our Veterans and their families. What an outstanding way to finish the lineup.

The 2022 Ticketed Concert Series tickets went on sale beginning with Season Ticket Packets on October 1. There were 370 packets sold for both the matinee and evening shows. Individual Show Tickets went on sale Monday, November 15, and they are going fast. The evening performances are close to sold out, and

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those taking advantage of the matinee performances are looking forward to our new afternoon shows offered this year.

We are preparing for the upcoming Holiday Celebration at Lakeview Recreation Center on Friday, December 10. This year we are introducing new games along with the favored Duck Race, Hole in One contest, photos with Santa and, of course, the Christmas Tree raffle where one lucky winner is going home with a pre-lit Christmas tree full of Cash! There are also three raffle items valued between \$300 and \$500 each. Raffle tickets are \$1 each or 6 for \$5. Raffle items are available to view at the Events and Entertainment office located at Sundial Recreation Center and will be at the Holiday Celebration where you can purchase tickets up to the drawing time, which is 7:00pm that evening.

RCSC's Annual Membership Meeting is scheduled for Monday, December 13, at 9am in Sundial Auditorium.

Last but certainly not least, we are hosting the Christmas Spectacular Concert "In the Christmas Mood" on Tuesday, December 14 at 6pm. This is a free event that includes complimentary Hot Cocoa and Hot Apple Cider. Come enjoy the festivities.