

RCSC Management Report – January 27, 2022

Finance:

Financial Report

The Recreation Centers of Sun City, Inc. (RCSC) has ended December 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 \$1,503k (7.0%) favorable to budget, and operating expenses \$481k (2.6%) favorable to budget. Member Services is \$16.5k unfavorable to budget year-to-date due to the cancellation of shows in 2021 as a result covid restrictions. Food Service is \$33.1k 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 \$1,978k (45.9%) favorable to budget.

Cardholder Services Report

Payments on past due assessments in December were 7.6% of past due balances. Overall accounts receivable decreased in December by 1.1% and is up 0.3% from the beginning of the year. Overall accounts receivable past due balances have increased in December by 0.7%. November assessments went 30 days past due at a rate of 5.1% and October assessments went 60 days past due at a rate of 2.5%.

Payments from our third-party collections firm totaled \$30,022 in December. Year to date payments through our third-party collections firm total \$385,403. Payments made in December through the online RCSC Web Portal totaled \$145,044 from 321 property owners. Year to date web portal payments total \$1,990,920 from 4,358 property owners.

In December, property transfer balances decreased by 6.1%. Outstanding balances related to property transfers represent 51% of all receivables and 52% of past due balances. December trustee sale notices on Sun City AZ properties ended at 25, and properties owned by lending institutions remained at 1.

Information Technology Report

In December, the Information Technology team received 120 new service requests, and closed 128 requests by month end. Year to date, IT has received 1,219 service requests, of which 17 remain open. On average, IT is closing service requests in less than one day in 2021.

During the month of December, IT completed a full inventory of all hardware devices in RCSC facilities, and continued consolidating printers at the RCSC facilities, having removed 20 desktop printers year-to-date. IT also upgraded the speed of the wifi services at Riverview, South, and Lakes East / West and is planning to upgrade internet speeds at these facilities in January.

Human Resources Report

Human Resources began the month of December with 7 open job requisitions and added 15 new requisitions during the month. Human Resources filled 17 open requisitions and ended December with 5 open positions. The time-to-fill requisition Key Performance Indicator ("KPI") in November was 10 days. Year to date, Human Resources has opened 243 requisitions and filled 241 open positions, with the time-to-fill requisitions KPI at 7.6 days for 2021.

During the month of December, Human Resources processed wage adjustments for all minimum wage recipients due to the January 1, 2022 AZ minimum wage increase. Human Resources also scheduled biometric screening for interested employees on the RCSC medical insurance plan.

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Building & Infrastructure:

Projects

Lakes East/West Maintenance Yard

- Early demolition, earthwork and building pad activity has been completed. One week of schedule was lost due to heavy rains at the construction site. Building foundation work to begin 01/17/22.

Mountain View Rec Center

- Repairs of some chipped/damaged locations on the pool deck were completed 12/10/21 at a cost of \$6,700. Contractor: Desert Rose Concrete Coatings.

Oakmont Rec Center

- Steel security fencing was installed to enclose the facility. Project was completed 12/20/21 at a cost of \$35,794. Contractor: Fairlane Fence

Skilled Trades

- Completed 301 work orders in December 2021

Solar

New Issues:

- **Sundial Center – Inverter 12**
Inverter is not communicating. Also Energy is working on this issue.

Issues Resolved:

- **Bell Rec Center – Inverter 07**
Inverter was replaced under warranty.
- **WB/WC Maintenance – Inverter 02**
Inverter was replaced under warranty.

Open Issues:

Please note inverter replacement is delayed due to limited 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.
- **WB/WC Maintenance – Data Loggers/All Inverters**
All communication is down. Cox has the internet connected into the building. Waiting on parts to hook up the building.

Production Data:

After including December's production data, the lifetime to date production versus expected went down slightly and is over expected by 3.43%. The percentage of inverters producing above expected remained the same at 74%.

Preventive Maintenance:

Kortman has upgraded 15 Power Loggers 1000.

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Golf & Grounds:

Pro Shops

Rounds in review (2021): the year began showing some weakness compared to 2020, however February and March were significantly higher leading to first quarter rounds 8,526 ahead of prior year. Other than April the second and third quarter were down compared to prior year, with 6,832 fewer rounds played. Despite the second and third quarter weakness total rounds for the year were 1,694 ahead of 2020 rounds at the conclusion of the third quarter. During the final quarter, October and November finished ahead of prior year, while the late rains in December resulted in fewer rounds being played. For the quarter we had an increase of 1,753 rounds played. For the year the golf division finished with 349,036 rounds, which represent the highest recorded round total since 2007 and the second consecutive year of more than 345,000 rounds being played.

We would like to remind those that use the practice ranges, to not take the buckets with you if you do not finish hitting all the balls in your basket. For those that often have left over practice balls, we do have mesh bags for sale in the pro shops.

On February 17th, Lakes East/Lakes West will be hosting the annual Teal Ribbon Tournament. The event is open to ladies and men, and no handicap is required. It is a 9 hole event with a 9:30 shotgun start with lunch at Sundial following play. Proceeds benefit the University of Arizona Cancer Center for Ovarian Cancer research. The entry fee is \$30.00 per person. Entry forms may be picked up and turned in to any pro shop.

Snack Shops

Snack Shop revenue benefitted from the high amount of golf activity. For the month of December snack shop revenue was \$7,595 ahead of budget. Snack Shop closing time is 5:00 p.m.

Golf Courses

The preliminary aerification/overseed schedule was presented to the Golf Advisory Committee this month. We will continue our practice of a single, more aggressive aerification. In addition to regular aerification events we will be solid tine aerifying more frequently. Solid tines do not impact the green surface to the extent of hollow tines and do not require course closures. Fairway verticutting begins at the end of April and will be conducted in two-day blocks. As the South and Lakes East courses were not overseeded, the courses will not need to close for the verticutting event. Though it does not eliminate transition related issues, verticutting does open the grass canopy by thinning out the rye grass, allowing the bermuda base to recover from dormancy quicker. Representatives of Golf Advisory were asked to review the schedule with course committees to resolve any conflicts ahead of time. The schedule as submitted is included with this report and will be presented again next month after it is finalized. This year the North course and Willowbrook course will forgo overseeding of fairways.

Lawn Bowling/Grounds

The pace of the greens range from a low of 13.5 seconds on Lakeview East to a high of 15.2 seconds on Mountain View. Moisture readings range from a low of 7.8 at Bell North to a high of 14.0 on Lakeview East. Greens are mowed once per week to clear debris and are rolled two to three times per week.

The grounds crew has remained busy over the last month continuing to clean up late falling leaves. In addition to regular duties the grounds crew recently added new dirt to the softball infield and added new gravel to the dog park.

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2022 AERIFICATION/VERTICUTTING DATES Golf Course will be Closed

Fairway Verticutting

Mon-Tue	April 25, 26	Willowcreek
Thu-Fri	April 28, 29	Willowbrook
Mon-Tue	May 2, 3	Lakes West
Thu-Fri	May 5, 6	Riverview
Mon-Tue	May 9, 10	North
Thu	May 12	Quail

Fairways Aerification

Thu-Fri	May 16, 17	Willowcreek
Mon	May 19, 20	Willowbrook
Thu-Fri	May 23, 24	Lakes West
Mon-Tue	May 26, 27	Lakes East
Thu-Fri	June 2, 3	Riverview
Mon-Tue	June 6, 7	North
Thu	June 9	Quail
Mon-Tue	June 20, 21	South

Greens Aerification

Thu, Fri	June 23, 24	Willowbrook
Mon, Tue, Wed	June 27-29	Willowcreek
Thu, Fri	June 30-July 1	Lakes East
Tue, Wed, Thu	July 5-7	Lakes West
Mon, Tue, Wed	July 11-13	Riverview
Mon, Tue, Wed	July 18-20	North
Mon, Tue	July 25, 26	Quail
Mon, Tue, Wed	Aug 1-3	South

2022 OVERSEED SCHEDULE Golf Course will be Closed

<u>Course</u>	<u>Overseed</u>	<u>Opens</u>	<u>Off Cart Path</u>
Lakes East	Sept 26	Oct 15	Nov 4
Riverview	Sept 26	Oct 15	Nov 4
Willowcreek	Sept 26	Oct 15	Nov 4
South	Sept 26	Oct 15	Nov 4
Lakes West	Oct 17	Nov 5	Nov 25
Quail Run	Oct 17	Nov 5	Nov 25
Willowbrook*	Oct 17	Nov 5	Limited Restrictions
North*	Oct 17	Nov 5	Limited Restrictions

As of 1-14-2022

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- * **Willowbrook and North non overseeded fairways, cart restrictions limited only to around tees and green complexes**

Bowling:

Lakeview Lanes hosted a No-Tap tournament January 15th and in February will host the Metro Phoenix USBC Senior Masters and Queens events. There are currently no events scheduled for Bell Lanes leaving it fully available for open play when leagues are not in play.

A new program has been developed and will begin in February. The first Thursday of every month from 10:30 am until 12:00 pm will be hosting "Bowl with the Director" at Lakeview Lanes. This is an open time to come out and meet with the new Director of Bowling, Mike Dirmyer. Mike is a USBC Bronze Level certified coach with over forty 300 games, fifteen 800 series, and multiple state and city tournament titles in several states. There is no cost and no reservation needed, and all levels of bowlers are welcome. For first-time bowlers, a learn to bowl lesson can be done. Intermediate bowlers can get some practice and coaching fitting their game. Advanced bowlers can discuss lane play, oil patterns, and ball layouts. This is an open opportunity to come visit and ask any questions that you might have regarding the bowling centers, the bowling industry, or any other general questions. SPECTO will be available.

A new Open Bowling program coming Saturday evenings to both bowling centers is Angry Birds Bowling. This game is playable through the new scoring system at both bowling facilities. Angry Birds Bowling is a five-frame game where the pigs are specific pins each frame, and the scoring reflects the way the popular app is played. Knock the pins down and topple over the pigs. Come on in and get your stars. Contact either bowling center for details.

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. Included is the attendance information for those clubs with dedicated and non-dedicated space through December 2021. Guest information was requested from clubs with non-dedicated space as this process was started in November. All clubs will be reporting guest information starting in 2022.

Centers Operations

The updated categorization of comment cards received through the end of the year followed the previously reported trend. A total of 176 comment cards have been received through the end of the year. Overall, more negative (45%) comments have been received than positive (13%) or requests (42%). Requests in December included multiple cards related to the disposition of amenities at Mountain View, as well as negative comments regarding the mini golf course at Mountain View which spot repairs were budgeted and are in progress with the carpet installer. The category with the most comments is center appearance followed by general, fitness and aquatics, respectively. These categories account for 80% of the comments received.

Events and Entertainment:

The Sundial Ticketed shows began on Wednesday, January 5, with The Chicago Experience, and both the performances were fantastic. The matinee show was received well, and it is picking up in

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popularity. This show was followed by Bobbie Wilson Live! A very popular show that is a regular on the Vegas Strip. A Vegas performance is what we asked for and Bobbie sure did deliver.

The month of January concerts will end with "Aretha the Queen of Soul" with tickets still available for both matinee and evening performances.

There have been a few changes to the upcoming Sun Bowl concert line-up due to Covid and some bands dis-banning due to illnesses and lack of work.

Final arrangements are being made, as RSVPs are coming in for Discover Sun City, which is scheduled for Wednesday, January 19. There are 119 tables reserved for this event.

Room rentals are on a steady increase as individuals are re-scheduling previously planned events that were cancelled due to Covid.

Research and investigation continue in finding an on-line ticketing program for RCSC. Progress reports will be forthcoming.

**2021 Chartered Club
Dedicated Space Attendance Summary**

CLUB	Center	1Q19 Roster	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
Apple Mac	Sundial	278	-	-	-	-	37	82	91	80	84	68	186	137	765
Artistic Stained Glass	Bell	122	327	360	438	492	415	343	10	-	323	441	647		3,796
Artistic Weavers	Oakmont	73	-	-	76	112	77	9	106	110	131	203	249	232	1,305
Artists By The Lake	Lakeview	104	68	93	123	136	92	74	60	64	93	146	101	80	1,130
Bell Stitchers	Bell	62	173	187	181	189	133	117	133	104	127	144	175	162	1,825
Best Friends Dog Club	Fairway	104	-	-	-	-	-	-	-	-	-	-	-	-	-
Calligraphy	Sundial	59	-	-	10	17	6	15	6	-	44	73	114	94	379
Camera Guild	Grand	182	174	144	164	144	108	141	254	110	132	256	357	324	2,308
Ceramics BC	Bell	8	118	157	152	161	217	304	317	286	323	385	417	385	3,222
Ceramics FW	Fairway	136	235	271	387	343	293	331	301	295	400	378	444	427	4,105
China Painting	Oakmont	64	49	50	76	117	102	88	114	86	117	108	112		1,019
Clay Club	Grand	183	647	624	698	561	534	658	851	778	898	1,048	1,121	1,079	9,497
Clay Corner	Marinette	243	727	780	897	751	708	700	770	882	954	1,079	1,191	1,149	10,588
Computer	Fairway	826	365	526	465	302	344	294	283	324	420	516	371	477	4,687
Crafts BC	Bell	235	-	-	-	-	179	381	401	404	425	440	461	441	3,132
Crafts SD	Sundial	119	20	20	35	21	54	149	167	154	163	193	196	106	1,278
Creative Quilters	Lakeview	108	37	-	104	73	124	159	149	172	212	250	240	157	1,677
Friendship Quilters	Bell	87	-	-	-	-	-	-	-	-	-		147	126	273
Garden	Grand	154	173	168	137	155	137	83	91	111	175	200	203		1,633
Handweavers/Spinners	Sundial	107	261	215	212	120	39	88	69	93	124	297	513	439	2,470
Hatha Yoga	Sundial	557	-	-	-	-	244	657	632	593	672	679	809	788	5,074
Jewelry, Stained Glass	Grand	71	169	190	202	143	99	52	91	99	112	208	264		1,629
Lapidary BC	Bell	87	132	148	219	167	179	186	137	192	220	286	342	408	2,616
Leathercraft	Lakeview	136	-	-	-	-	-	-	-	-	137	129	12		278
Mens Club	Sundial	421	-	-	-	-	496	909	999	1,078	1,113	1,304	1,493	1,364	8,756
Metal	Bell	336	354	410	854	869	590	473	529	425	508		776	916	6,704
Model RR	Fairway	60	14	76	81	80	128	147	134	146	155	134	150	167	1,412
Palo Verde Artists	Sundial	185	-	-	-	-	71	118	142	111	122	237	206	168	1,175
Piano	Sundial	85	-	7	36	33	54	42	60	56	47	81	115	136	667
Rockhounds	Sundial	119	-	-	-	-	-	-	-	-	-	-	-	-	-
Sew N Sew	Lakeview	126	-	-	-	-	-	-	-	-	-	-	181	139	320
Silvercraft BC	Bell	192	170	249	321	321	315	401	433	363	469	606	488	508	4,644
Silverstones	Sundial	96	128	122	171	140	119	105	168	148	131	243	361	285	2,121

**2021 Chartered Club
Dedicated Space Attendance Summary**

Sterling & Stones	Fairway	128	122	171	140	119	105	168	148	131	243	361			1,708
Sun City Carvers	Lakeview	59	-	-	-	-	-	-	-	-	-	156	202	173	531
Vintage Vehicles	Grand	357	404	446	510	434	240	-	159	567	617	815	895	879	5,966
Womens Club	Lakeview	206	-	-	-	-	51	155	120	123	120				569
Woodworking BC	Bell	347	232	773	964	805	720	584	506	528	675	760	969	1,055	8,571
Woodworking FW	Fairway	270	756	709	859	693	388	277	277	316	383	526	642	672	6,498
Woodworking LV	Lakeview	132	347	383	465	363	254	218	249	286	323	319	427	476	4,110

**2021 Chartered Club
Non-Dedicated Space Attendance Summary**

CLUB	Center	1Q19 Roster	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV		DEC		TOTAL
													MBR	GUEST	MBR	GUEST	
AEROBICS	BC	181											734		615		1,349
ARTISTIC WEAVERS	OM	73			76	112	77	9	106	110	131	203					824
BELL TEA DANCE	BC	67											82	32	71	42	227
BEST FRIENDS DOG	FW	104											341	11	178	8	538
BOCCE	SD	263	100	160	45	135	46	0	0	0	0	0	0		0		486
BUNCO BRONCOS	FW	142											66	4	118	4	192
CANASTA	OM	56					45	95	115	92	94	130	109	0	55	0	735
CHORALIERS	FW	38										54	73	5	15	1	148
CHORUS WMNS	FW	53									98	91	97	19	24	5	334
CLASSIC ROCK N ROLL	BC	425						260	269	312	248	201	199	58	413	126	2,086
COMMUNITY ORCHESTRA	FW	35											86	61			147
CONCERT BAND	FW	42											196	125	97	37	455
COUNTRY DANCE	SD	235						134	128	113	128	151	168	102	192	111	1,227
DANCE FOR FITNESS	SD	90											347	2	405	1	755
DEMOCRATS	FW	233											68	6			74
FRIDAY PM BRIDGE	FW	29											39	0	37	0	76
FRIDAY NIGHT BALLROOM	SD	231											118	73	188	84	463
FUNTASTIC FITNESS	MC												247	0	262	0	509
HAND & FOOT	LV	207										271	244	0	220	1	736
HANDBELL RINGERS	FW	29											28	21	21	13	83
ILLINOIS	SD	86											24	0	20	0	44
LAWN BOWLING BC	BC	262											383	0	785	6	1,174
LAWN BOWLING FW/MV	FW/MV	244											822				822
LAWN BOWLING OM	OM	232											48	0	244	0	292
LAWN BOWL SC	SC	218													177	18	195
MICHIGAN	BC	49										27	73	0	80	0	180
MINI GOLF	LV	125											76	0	100	0	176
MONDAY PM PINOCHLE	OM	50											142	0	97	0	239
NEXTGEN	FW	395											299	1	237	3	540
PINOCHLE OM	OM	73											307	1	216	0	524
PLAYERS	MV	256									173	332	435	0	153	0	1,093
POMS	MC	34											113	0	108	0	221
RHYTHM RAMBLERS	FW	55											43	81			124
SHUFFLEBOARD OUTDOOR	LV	43										16	106	9	104	5	240
SINGLES SOCIAL	FW	109									75	73	78	0	55	0	281
SO GRAND EXERCISE	FW	76											343	0	362	0	705
SPANISH	FW	164											442	0	260	0	702
STAMP	MC	35	13														13
STRETCH N SLIM	BC	160						447	585	490	567	492	543	0	552	0	3,676
TAI CHI	BC	148											127	3			130
THURSDAY PM BRIDGE	OM	35											45	0	67	0	112
TIP TOP	MC	89											374	20	279	2	675
UKULELE	FW	143										160	296	5	280	5	746
WEDNESDAY PM BRIDGE	OM	52											86	0	125	0	211
YACHT	LV	39											56	7	36	2	101
ZUMBA	SD	355											684	12	627	19	1,342