

RCSC Management Report – June 30, 2022

Finance:

Financial Report

The Recreation Centers of Sun City, Inc. (RCSC) ended May 2022 within its operating and capital budget year to date. All Divisions except Food & Beverage have met or exceeded their net operating budget projections year to date. Food & Beverage is (\$2.2k) unfavorable year to date due to Building and Equipment Repairs for the cafes over budget by (\$9.2k). Operating Income for May totaled \$1,848K and was \$69k (3.7%) favorable to budget due primarily to Public Golf and Cart Rentals \$52.2k favorable to budget. Operating expenses for the month were \$1,429k and \$149k (10.5%) favorable to budget. Operating expense favorability was primarily driven by lower spending on Benefits, Preventive Maintenance, Building Projects, and Safety Supplies. Year to date net operating excess excluding projects is \$1,353k (32.5%) favorable to budget.

In 2022 a key performance indicator (KPI) was established to track total cost savings gained through contract negotiations, established vendor relationships or managed operational efficiencies. Year to Date these efforts have resulted in a total savings of \$222,258 to the Corporation.

Cardholder Services Report

Payments on past due assessments in May were 12.2% of past due balances. Overall accounts receivable decreased in May by 0.9% and is down 0.1% from the beginning of the year. Overall accounts receivable past due balances have decreased in May by 0.6%. April assessments went 30 days past due at a rate of 4.4% and March assessments went 60 days past due at a rate of 2.3%.

Payments from our third-party collections firm totaled \$31,059 in May. Year to date payments through our third-party collections firm total \$183,529. Payments made in May through the online RCSC Web Portal totaled \$202,952 from 435 property owners. Year to date web portal payments total \$897,342 from 1,932 property owners.

In May, property transfer balances increased by 3.4%. Outstanding balances related to property transfers represent 53% of all receivables and 54% of past due balances. May trustee sale notices on Sun City AZ properties ended at 31, and properties owned by lending institutions increased to 3.

Information Technology Report

In May, the Information Technology team received 130 new service requests, and closed 156 requests by month end. Year to date, IT has received 694 service requests, of which 16 remain open. On average, IT is continuing to close service requests in less than one day in 2022.

RCSC is still waiting on delivery of its server and storage equipment, with expected delivery still several months out due to supply chain issues. IT has received much of its networking equipment and has started to program the new networking hardware to prepare it for installation. The network upgrade project is pending delivery of new access points for Wi-Fi coverage. IT continues to swap out end-of-life computers and printers, with six obsolete PCs and 4 printers replaced with new equipment.

Human Resources Report

Human Resources began the month of May with 9 open requisitions and added 20 new requisitions during the month. Human Resources filled 22 requisitions and ended May with 7 open positions. Year to date, HR has opened 115 positions and filled 113 openings.

The time-to fill requisition KPI in May was 22.3 days. 7 requisitions filled in May were open over 30 days due to the tightening labor market and the difficulty of finding qualified candidates for certain shifts / positions.

RCSC Management Report – June 30, 2022

Building & Infrastructure:

Projects:

In Work

Lakes East/West Maintenance Yard (PIF)

- Budget: \$4.0M Total Cost to date: \$2.0M (thru May 2022)
- Insulation and drywall installed and complete; Installation of light fixtures and interior painting underway. Exterior painting, including site wall is complete.
- **Status: Green.** Project is on budget and on schedule.

Mountain View Rec Center Phases 1 and 2 (PIF)

- Budget: \$27.3M Total Cost to date: \$81k (thru May 2022)
- Contract for design services executed the week of June 20th
- **Status: Green.** Design schedule milestones are being developed by the architect and will be presented to RCSC management in July

Sun Bowl Softball Field Improvements (PIF)

- Budget: \$1.0M Total Cost to date: \$5K (thru May 2022)
- Reviewed initial architectural and civil engineering drawing set. Reviewed with Softball Club officials on 05/04/22. Review comments have been provided back to the architect
- Proposals from CCBG (design) and Dibble Engineering (Civil Engineering) for the Clubhouse portion of the project signed the week of 06/20/22
- **Status: Green.**

Sundial Rec Center (Capital)

- Budget: \$500k Total Cost to date: \$0
- Board Packet approved from Bid Commission 05/19/22. Contract signed 06/07/22. Contractor: W.D. Manor Mechanical Contractors.
- **Status: Green.**

Viewpoint Lake Repair (PIF)

- Budget: \$8.0M Total Cost to date: \$108k (thru May 2022)
- Pacific Aquascape International submitted 100% Drawing Set to RCSC, Maricopa County & ADWR on 06/17/22.
- The community dock at Lakeview Center will be closed beginning 06/28/22 for dismantling and removal from the lake.
- Temporary construction fencing to go in, where required, beginning 06/30/22
- Lake Draining process to begin 07/05/22
- **Status: Green.**

Recently Completed

Fairway Rec Center

- Added new 2' x 2' LED flat panel panels in main first floor hallway to improve brightness. Project was completed on 05/27/22 at a cost of \$8,040. Contractor: Accel Electric

Lakes Snack Shop

- Removed old incandescent lighting and ceiling fans and replaced with new LED fixtures and new ceiling fans in Talisman Hall. Project was completed on 05/19/22 at a cost of \$9,904. Contractor: Accel Electric

Lakeview Rec Center

- Resurfaced and sealed 2,500 sq. ft of pool deck surface with new acrylic lace cool deck. Project was completed on 05/13/22 at a cost of \$21,000. Contractor: Imagine Concrete

RCSC Management Report – June 30, 2022

Marinette Rec Center

- Installed a new 8' x 8' aluminum canopy over chemical storage area. Project was completed on 05/18/22 at a cost of \$2,532. Contractor: K.L. McIntyre GC

Sundial Rec Center

- Fabricated and Installed 4 new cabinets and a desk for Palo Verde Artists. Project was completed on 06/17/22 at a cost of \$1000. Contractor: B&I Skilled Trades

Skilled Trades (Repair and Maintenance)

- Completed 377 work orders in May 2022

Solar:

New Issues:

- **Bell Lanes Café – Data Logger One**

Data logger is not communicating with Also Energy. Also Energy could not repair, needs the help of IT. Sent to IT.

Issues Resolved: n/a

Open Issues:

- **WB/WC Maintenance – Data Loggers/All Inverters**

IT has an appointment with Also Energy to hook WB/WC system on June 21, 2022.

Production Data:

After including May's production data, the lifetime to date production versus expected went down slightly and is over expected by 3.17%. The percentage of inverters producing above expected stayed the same at 73%.

Preventive Maintenance:

Kortman is planning to start the annual maintenance the first week of August.

Golf & Grounds:

Pro Shops

Total rounds for May were 26,649. The total was 598 fewer than prior year but the sixth highest recorded total for May in the last 17 years. For the year we have played 194,611 rounds, which represents our highest 5-month total in 16 years. Among the regulation courses Riverview has played the most rounds (30,567), Lakes West has the second highest total (29,557), followed by Willowcreek, North and South. For the executive courses, Lakes East has played the most rounds (19,143), followed by Willowbrook and Quail Run. Outside play represented 14.1% of all rounds played in May.

With the heat of summer upon us, the desire to play and practice diminishes. We do have options that allow you stay on top of your game during times the sun is not as intense, and the shadows are a little longer. We have an after 5:00 pass, which allows you to play golf after the pro shops close. The after 5:00 pass sells for \$44.00 for cardholders and \$12.00 for cardholders that are also Surcharge Fee pass holders. Additionally Annual No-Fee pass holders are permitted to play after 5:00 p.m., without the need to purchase an after 5:00 pass.

Snack Shops

Snack shops are now closing at 1:00 p.m. on a consistent basis, though will remain open longer, depending on demand. After the snack shops close snacks and beverages are available through the pro shop.

Golf Courses

Greens aerification began June 23 on Willowbrook and continues through August 3 on South. During this period of course maintenance the regulation courses will be closed in three-day blocks. Aerification

RCSC Management Report – June 30, 2022

of greens serves to reduce compaction and helps to maintain the thatch layer to a healthy level. As we have for the last several years, greens will be aerified twice over three days. The dual aerification eliminated the need to begin our aerification process in May, providing our golfers with more days of normal putting surfaces from May through most of June.

Grounds and Lawn Bowl

Lawn Bowl pace is running from a low of 10.6 seconds on Mountain View to a high of 12.3 seconds on Lakeview West. Moisture readings are running from a low of 9.6 at Bell South to a high of 11.6 at Oakmont. Greens have been core aerified once using half inch tines and have been verticut twice.

In addition to the normal day to day upkeep of the centers, the grounds crew has aerified the softball field.

Bowling:

The Summer League Program is in gear with 632 weekly participants. Year to date League bowling participation has exceeded the 2019 games bowled levels.

The Bell Lanes Summer Tournaments continue the final Sunday in June. The Turkey Shoot is back and included in the events. For the June event, an extra squad was added, raising the maximum number of bowlers from 80 to 128 that can participate. Currently there are 126 bowlers signed up to participate.

Bowl with the Director continued in June and will continue the first Thursday of every month from 10:30 am until 12:00 pm at Lakeview Lanes. This event is free to all RCSC Member/Cardholders and Sun City Bowling League Participants. The purpose of this event is for anyone who may be interested in getting back in to bowling, for current league bowlers to come by and get some extra practice and coaching, and for an opportunity to chat with Mike Dirmyer about any bowling related topic. The events have been well received and the feedback has been tremendously positive. The next event is July 7, 2022.

Angry Birds Bowling has continued with great success. Since its introduction, the event has averaged 30-40 participants every Saturday night. Angry Birds Bowling is a bowling game that aligns with the popular app game and is a fast paced, 5-frame bowling game filled with excitement.

Operations:

Centers Operations

The custodial staff and supervisors at Lakeview Center continued their efforts in keeping geese out of the Lakeview Hillside Park. Keeping the geese out of the park has been a process perfected over the past several years and was necessary to prevent the fecal and molting messes left by the geese in the park, as well as the damage to the grass. Because of the efforts by the staff the geese have been kept out of the park since early May with the grass areas not being impacted and looking their best in years.

The pool chiller was brought online for the lap pool at Bell Center this year just as the outside temperatures began their rise. This was done without any problems and at the right time that resulted in the transition expected by the Swim Club and Cardholders.

RCSC Management Report – June 30, 2022

Events and Entertainment:

The Events and Entertainment Department is finalizing the July 4th Ring That Bell celebration. Lunch will follow the ceremony in the Bell Bowling center with free bowling, shuffleboard, darts, and billiards for all RCSC Cardholders and their escorted guests. We look forward to seeing you there.

Collaboration with ticketing vendors continues with the intention of launching online ticketing in time for the 2023 concert series sales.

The June concert featuring Americana was held 6/15. The crowd was fantastic and thoroughly enjoyed the performance.

The next performance hosted by the Events and Entertainment Department is a free, indoor concert at Sundial Auditorium on Wednesday, July 13, when we welcome back to Sun City “The Walkens”. Doors open for seating at 6:00pm, and show time is 7:00pm. Come and enjoy the show in the cool air conditioning.

A few necessary changes have been made to the 2023 Ticketed Concert Series, which will again consist of twelve shows. In the new season we are eliminating the matinee we experimented with in 2022 and providing one performance only with doors open at 5pm and the performance beginning promptly at 6pm. This will surely benefit those who prefer not driving at night. Ticket prices have changed as well. Prime seats will now be \$25 per person per show; Regular seating will be \$23 per person per show; and a Guest (non-cardholder) ticket will be \$30 per person per show. The 2023 line-up will be released by the first part of August. Check the SunViews and www.suncityaz.org for details.

Have a safe, great summer!