

# RCSC Management Report – October 27, 2022

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## **Finance:**

### **Financial Report**

The Recreation Centers of Sun City, Inc. (RCSC) ended September 2022 within its operating and capital budget year to date. All Divisions except Food & Beverage and General & Administrative have met or exceeded their net operating budget projections year to date. Food & Beverage is (\$31.0k) unfavorable year to date due primarily to building and equipment repairs at the cafes over budget by (\$20.6k). General & Administrative is (\$65.8k) unfavorable to budget due to spending on the unbudgeted IT Upgrade project. Operating Income for September totaled \$1,745k and was \$107.7k (6.2%) favorable to budget due primarily to Prepaid and Public Greens Fees being \$26.5k and \$16.2k favorable, respectively. Operating expenses for the month were \$1,818k and (\$277.7k) unfavorable to budget due primarily to price increases for Seed purchased for overseeding, and spending on the unbudgeted IT Upgrade project. Year to date Net Operating Excess excluding projects is \$1,689k (42.4%) favorable to budget.

### **Cardholder Services Report**

Payments on past due assessments in September were 9.5% of past due balances. Overall accounts receivable increased in September by 6.5% and is up 13.8% from the beginning of the year. Overall accounts receivable past due balances have increased in September by 2.6%. August assessments went 30 days past due at a rate of 6.1% and July assessments went 60 days past due at a rate of 2.4%.

Payments from our third-party collections firm totaled \$20,791 in September. Year to date payments through our third-party collections firm total \$320,974. Payments made in September through the online RCSC Web Portal totaled \$157,306 from 338 property owners. Year to date web portal payments total \$1,554,913 from 3,349 property owners.

In September, property transfer balances increased by 4.5%. Outstanding balances related to property transfers represent 58% of all receivables and 61% of past due balances. September trustee sale notices on Sun City AZ properties increased by 3 to end at 32, and properties owned by lending institutions remained at 1.

### **Information Technology Report**

In September, the Information Technology team received 91 new service requests, and closed 83 requests by month end. Year to date, IT has received 1,135 service requests, of which 45 remain open. On average, IT is continuing to close service requests in less than one day in 2022.

IT has begun building out a new server room in the Lakeview facility due to a lack of sufficient power and a damaged fiber connection in the current server room location in the Warehouse. The server room buildout will delay the IT upgrade project by several months but will provide RCSC with a more dependable server room with ample power, upgraded HVAC and fire suppression, and space for future expansion.

### **Human Resources Report**

Human Resources began the month of September with 6 open requisitions and added 36 new requisitions during the month. Human Resources filled 32 requisitions and ended

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September with 10 open positions. Year to date, HR has opened 217 positions and filled 212 openings. The time-to fill requisition KPI in September was 5.3 days.

HR has begun preparations for the Open Enrollment meetings scheduled for early November, during which employees will be given the opportunity to make changes to their benefits elections including medical, dental, and life insurance elections.

## **Building & Infrastructure:**

### **Projects:**

#### **In Work**

##### **Lakes East/West Maintenance Yard (PIF)**

- Budget: \$4.0M. Total Cost to date: \$3.0M (thru September 2022)
- Paving and striping of the lot was completed on 10/04/22.
- Closeout activities are in-progress
  - Building punch-list inspection completed 09/13/22
  - As—built survey sent to Maricopa County for approval 10/10/22
  - Permission to occupy issued by Sun City Fire Department 10/13/22
  - Panel Inspection by Maricopa County passed 10/14/22
- Closeout activities to be scheduled:
  - Site punch-list inspection
  - Submit Special Inspection certificates to the building department
  - Canopies and Chemical Shed final inspections
- Revised Substantial Completion date is 10/28/22
- **Status: Yellow.** Project is still within budget but behind the original completion schedule.

##### **Mountain View Rec Center Phases 1 and 2 (PIF)**

- Budget: \$27.3M. Total Cost to date: \$81K (thru September 2022)
- Schematic design is in-progress.
- Request for Proposal for General Contractor candidates went out 09/12/22. Four contractors were invited to propose. Three Proposals received 10/03/22; Contractor interviews scheduled for 10/24/22
- RCSC/Sun City Players /Architect design meeting with Schuler Shook, theater design specialists completed 10/19/22

##### **Status: Green**

- **Sun Bowl Softball Field Improvements (PIF)**

- Budget: \$1.0M. Total Cost to date: \$11K (thru September 2022)
- Initial drawing set for the clubhouse rebuild sent to RCSC on 06/29/22; review with Operations and Softball club pending release of civil preliminary set.
- Proposals being sought from Multicard and Fire Security Electronics & Communications for door security and video surveillance elements.

##### **Status: Green.**

##### **Sundial Rec Center Dehumidifier (Capital)**

- Budget: \$500k. Total Cost to date: \$127K (thru September 2022)
- Contract signed 06/07/22. Production delay at the manufacturer moves the Installation/Completion forecast from January 2023 to February 2023. Contractor: W.D. Manor Mechanical Contractors.

##### **Status: Green.**

##### **Viewpoint Lake Repair (PIF)**

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- Budget: \$8.0M. Total Cost to date: \$626K (thru September 2022)
- Pacific Aquascape International is hosting on-site meetings with affected homeowners. RCSC is also in attendance at these meetings. Meetings began August 2<sup>nd</sup> and will run thru October.
- Lake Draining process began 07/05/22. Water level down 6.5 feet (as of 10/11/22)
- Building Permit issued by Maricopa County Planning and Development Department on 08/31/22
- Homeowner Information Session #5 set for 10/27/22. Meeting is at 12:30 pm at Sundial Recreation Center
- **Status: Green.**

## **Recently Completed**

### **Duffeland Dog Park**

- Removed old gate locking hardware and installed new locks. Project was completed 10/03/22 at a cost of \$6,701. Vendor: Quality Lock & Key

### **Fairway Rec Center**

- Removed (2) old Ultraviolet (UV) Low pressure systems and replaced with new for the pool and spa. Project completed on 09/23/22 at a cost of \$52,752. Vendor: Exceptional Water Systems, LLC

### **Lakeview Rec Center**

- Removed (3) old Ultraviolet (UV) Low pressure systems and replaced with new for the pool and both spas. Project completed on 09/29/22 at a cost of \$71,098. Vendor: Exceptional Water Systems, LLC

### **Marinette Rec Center**

- Removed (2) old Ultraviolet (UV) Low pressure systems and replaced with new for the pool and spa. Project completed on 09/30/22 at a cost of \$47,849. Vendor: Exceptional Water Systems, LLC

### **Mountain View Center**

- Removed old Ultraviolet (UV) Low pressure system and replaced with new for the pool. Project completed on 09/22/22 at a cost of \$52,752. Vendor: Exceptional Water Systems, LLC

### **South Golf Course**

- Repaired cracks, applied sealer and re-stripped parking lot. Project was completed on 09/26/22 at a cost of \$8,204. Vendor: Sunland Asphalt

### **Skilled Trades (Repair and Maintenance)**

- Completed 392 work orders in September 2022

## **Solar:**

### **New Issues:**

#### **Oakmont inverter Structure Number 1.**

- Structure was hit by a seed truck. Working on a quote to repair.

#### **WB/WC Maintenance Structure Number 8.**

- Was accidentally hit with a front-end loader. Working on a quote to repair.

#### **WB/WC Maintenance inverter Number 3 and 9**

- Inverters down and will be replaced under warranty.

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## Lakeview Rec Center inverter Number 9

- Inverter is down and will be replaced under warranty.

## Issues Resolved:

## Open Issues:

### LV Lanes – SMA Inverters

- SMA inverters are not talking to Also Energy. Kortman got the key code from AMA and will work on getting them talking.

### WB/WC Maintenance – Data Loggers not communicating.

- New data loggers installed, and Kortman is scheduling an appointment with Also Energy to get the data loggers up and running.

### Bell Lanes Café – Inverter #05

- Power one is awaiting parts to repair inverters. Awaiting an expected delivery date for the parts to come in from Italy.

## Production Data:

After including August's production data, the lifetime to date production versus expected stayed the same at 3.16%. The percentage of inverters producing above expected stayed the same at 73%.

## Preventive Maintenance:

Kortman has finished yearly preventive maintenance on the inverters and panels.

## Golf & Grounds:

### Pro Shops

Total rounds for September were 19,187. The total was 113 greater than prior year and the fourth highest recorded total for September since 2006. For the year we have played 267,996 rounds, which represents our highest 7-month total in 16 years. Among the regulation courses Riverview has played the most rounds (42,996). Lakes West has the second highest total (42,422), followed by Willowcreek, North and South. For the executive courses, Lakes East has played the most rounds (25,173), followed by Willowbrook and Quail Run.

Of the 267,996 rounds this year, 141,162 have been played by Annual No Fee (Resident) and Annual Surcharge passholders. Remaining rounds have been played by Cardholder Daily (47,498), Cardholder Guest (27,996), RCSC Staff (7,366), Non-Resident passholder (10,675) and Public (33,299).

On December 2nd 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.

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Complimentary golf clinics begin November 5th at Lakes West. Topics covered are chipping, putting, irons and woods with putting and chipping to be covered towards the end of the month to allow for the short game areas to recover from overseed. The clinics will also be held on November 12, 19 & 26 starting at 9:30 in the morning. Clinics are open to all skill levels and do not require registration. This is a great opportunity to introduce a family member, friend or neighbor to the wonderful game of golf. Another session of free clinics will be offered in March.

## **Snack Shops**

Snack shops are now closing at 3:00 p.m. on a consistent basis, though will remain open longer, depending on demand.

## **Golf Courses**

All major summer agronomic procedures have been completed and overseeding began on September 26, for Lakes East, Riverview, Willowcreek and South. These courses reopened on October 15 with cart path restrictions in place until November 4. The remaining courses will close October 17 and reopen November 5 with cart path restrictions in place until November 25. We will not be overseeding the fairways on Willowbrook or Lakes West. Therefore, these courses will reopen with limited cart path restrictions.

Managing to alleviate stress on golf course can be a constant issue for the golf course superintendents. Foot or vehicular travel can cause soil compaction and soil degradation which can result in thinning turf canopy. The area of turf impact carrying two golfers is at least 48 times greater than the area affected by foot traffic. Studies conducted by USGA agronomists had very surprising results. The average area of impact on a 6,200-yard golf course was staggering with one riding golfer with a motorized cart on 18 holes covering 4,761,600 sq ft.

At RCSC we allow 5 golfers per tee time which results in the total number of square feet impacted being 23,808,000 sq ft. Peak golf season at RCSC golf courses we can see upwards to 250 golfers a day at an 18-hole golf course. The number of square feet impacted is tremendous.

RCSC golf course superintendents encourage golfers who play at RCSC courses to use the 90-degree rule. Though we still allow one rider per golf cart, any time golfers are able to pair up in a golf cart you are cutting the impacted area in half. Please pair up whenever possible.

The 90-degree rule is in place to minimize the impact on the turf. When the 90-degree rule is in effect at a golf course, it means the following:

- Riding in golf carts is allowed
- Those carts can be driven onto the fairway.
- They must remain on the cart path as much as possible, turning off the path only at right angles (90 degrees) to reach the player's ball.

## **Lawn Bowling**

Lawn Bowl pace is running from a low of 12.2 seconds on Lake View West to a high of 13.5 seconds on Bell North. Moisture readings are running from a low of 8.4 at Bell North to a high of 11.7 at Oakmont. The team is busy fine tuning the Lawn Bowl greens at Bell to host the National Championships for Lawn Bowling. Practice for the National Championship begins November 2, with play being held November 4 – 6. Play will be from 9:00 a.m. to 4:00 p.m. each day. Bowlers participating have qualified by winning a tournament in their division across the United States. Bowlers will be competing in women's singles, women's pairs, men's singles and men's pairs.

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The softball field opened for play on October 25, following the closure for overseed. All other grassed areas at Centers have also been overseeded. Grounds crew remains busy with day-to-day cleanup around all center areas.

## **Bowling:**

Bowling is as popular as ever at Lakeview and Bell Lanes. In September, there were 12,438 games bowled at Bell Lanes and 16,579 bowled at Lakeview. This was the most games bowled at Bell since 2011, and the most games bowled at Lakeview ever since we started keeping track of games monthly in 2004.

The Bell Lanes Summer Tournament Series concluded the final Sunday in September. The September event was a Mixed Scotch Doubles Tournament with 39 teams that participated.

Bowl with the Director continued in October and will continue the first Thursday of every month from 10:30 am until 12:00 pm at Lakeview Lanes. The October event had 21 people that attended. 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 November 3, 2022.

Angry Birds Bowling has continued with great success. Since its introduction, the event has averaged 30-50 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.

There have been four 300 games and four 800 series bowled in the first month of the league bowling season.

## **Operations:**

### **Centers Operations**

Delivery of the upgraded cardio equipment is expected in mid-November which is approximately a 30-day delay. Installation at Bell Center is now projected for early December.

## **Events and Entertainment:**

The full 2023 events series, along with the winter concert series, has been released and is available on the Sun City website [www.suncityaz.org](http://www.suncityaz.org). Season Ticket packets went on sale Monday, October 17, 2022 with great success exceeding prior year sales by over \$20,000. Tickets can now be purchased online by logging into <https://suncityaz.org/> then click on the "Portal Login" bottom at the top of the page then follow the prompts. Tickets may also be purchased in person at the Events and Entertainment office located at Sundial Recreation Center or by phone at 623-561-4680. Season Ticket packets will be available until Sunday, November 13, 2022, and individual show tickets will go on sale Monday, November 14, 2022, at 8:00 a.m. No longer will there be a matinee performance. All Ticketed shows will now have a door time of 5:00 pm and showtime at 6:00 p.m.

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Due to the draining of Lakeview Lake for repairs and maintenance please mark your calendars that this year the Holiday Celebration/Duck Race will be held at Sundial Recreation Center beginning at 3:00 p.m. We will have all the fun festivities including Mini Ho-Ho-Hole in One; Reindeer Pie Yahtzee; Tic-Tac Mistletoe; the Money Tree; photos with Santa; Christmas movies and music; coffee, cocoa, hot apple cider and cupcakes and last, but not least three food trucks serving burgers, Mexican food and ice cream. RCSC Members are encouraged to deck out your golf carts and sign up to enter the parade at the Events and Entertainment Offices located at Sundial just inside the west hall. Golf cart registration will begin Monday November 21 at 8:00 a.m. through Thursday, December 8 at 4:00 p.m.

Due to inclement weather, the Nashville Gold show scheduled at the Sun Bowl, Sunday, October 16, had been moved to the Sundial Auditorium.

The remaining October shows are Rhythm Edition Oct 23, and The Eight Tracks Oct 30 at 6 p.m.

Be sure to join us on Sunday, November 6 at the Sun Bowl for our annual tribute to the veterans show presented by the Sun City Concert band along with the Sun City Women's Chorus. This performance will start promptly at 4pm

We look forward to seeing you at the Sun Bowl!