

RCSC Management Report: July 28, 2023

FINANCE:

Financials:

The Recreation Centers of Sun City, Inc. (RCSC) ended June 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 (\$85.4k) unfavorable year to date due to food and liquor sales being negatively impacted by weather in Q1 2023. Operating Income for June totaled \$1,785k and was (\$43.6k) unfavorable to budget due primarily to Assessments being below budget due to the 2023 budget approval delay. Operating expenses for the month were \$2,209k and (\$110.4k) unfavorable to budget due to Wages being (\$266.2k) unfavorable to budget. Wages were unfavorable due to timing – three payrolls were processed in June while only two were budgeted. This variance will reverse in July when three payrolls are budgeted but only two will be processed. Year to date Net Operating Excess was \$2,967k and favorable to budget by \$503.8k (17.0%).

Cardholder Services:

Payments on past due assessments in June were 12.9% of past due balances. Overall accounts receivable increased in June by 0.5% and are up 2.8% from the end of 2022. Overall accounts receivable past due balances increased in June by 2.9%. May assessments went 30 days past due at a rate of 6.0% and April assessments went 60 days past due at a rate of 2.8%.

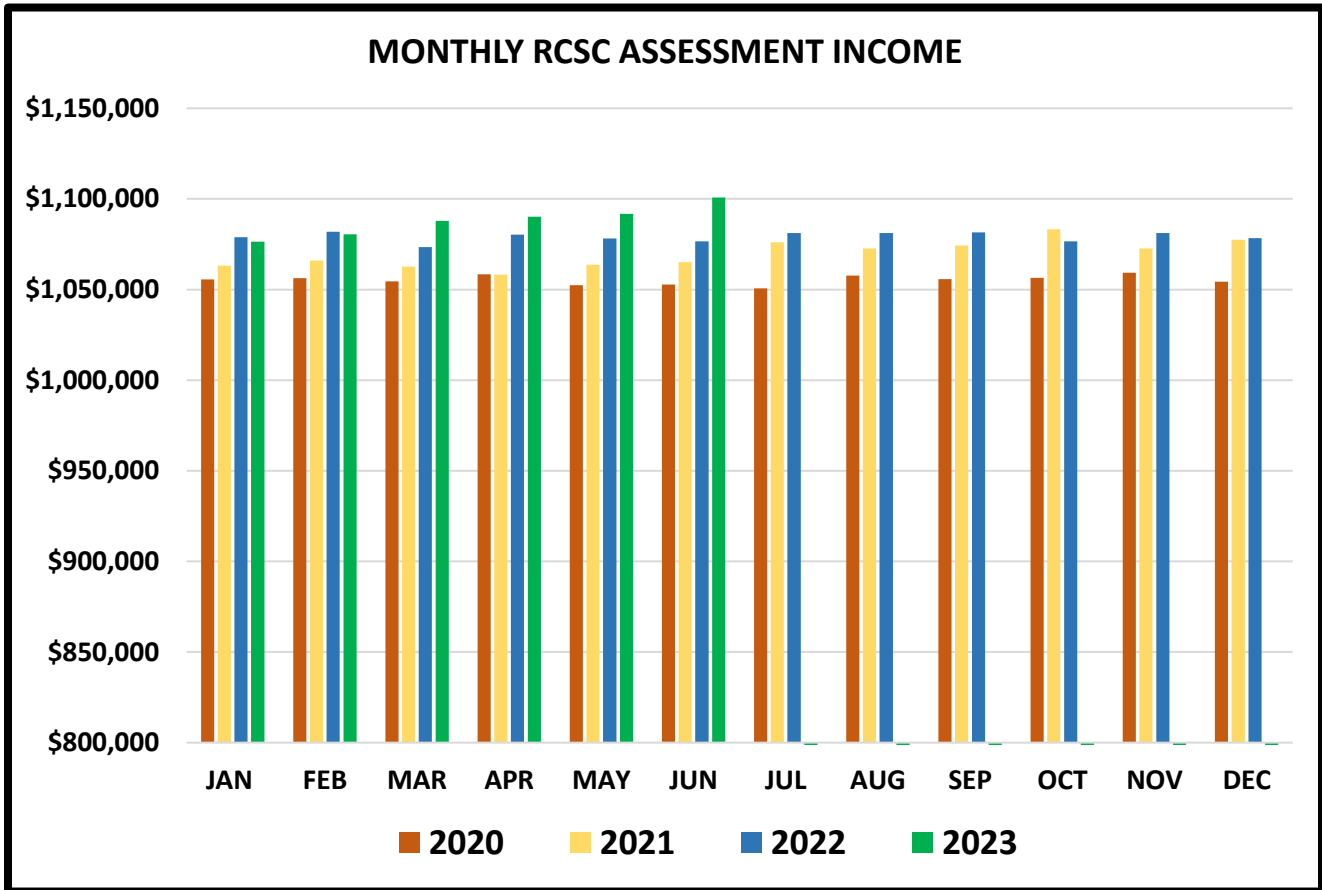
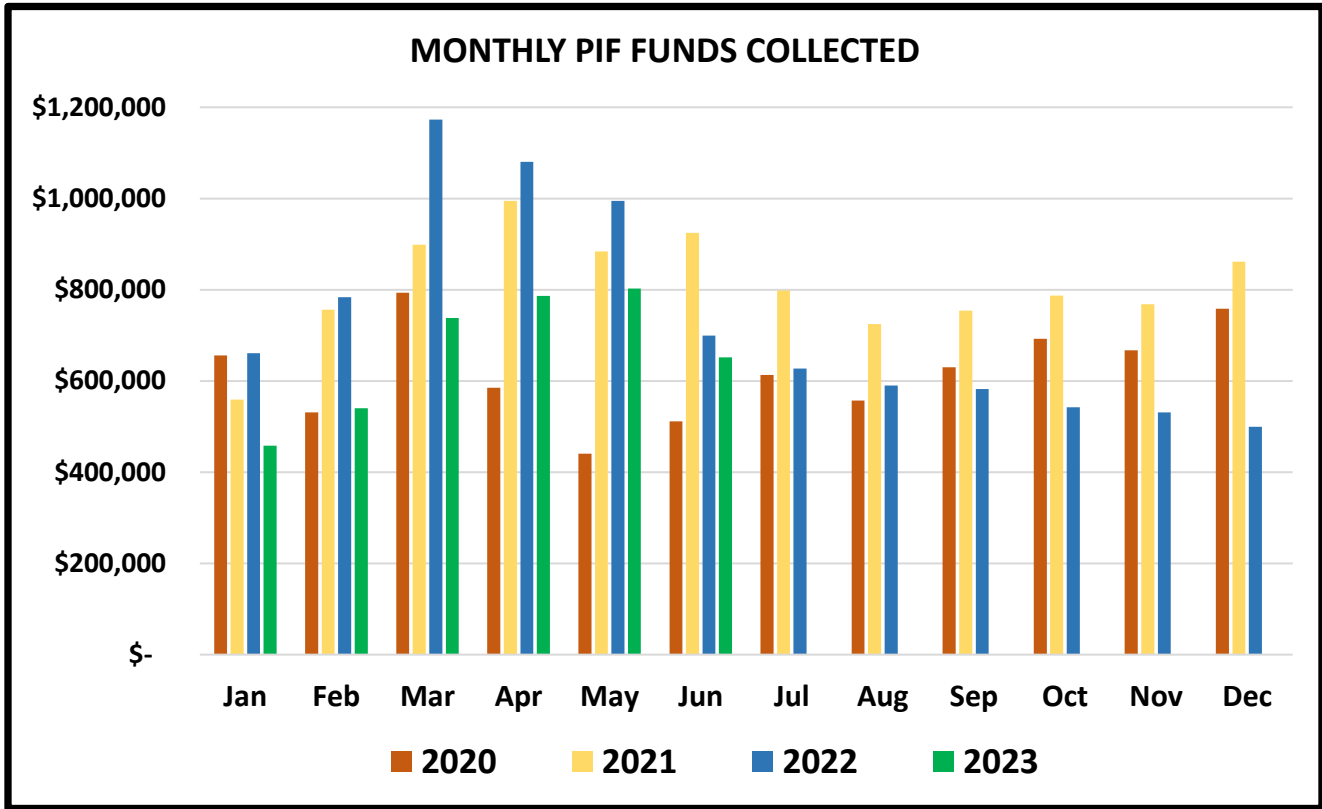
Payments from third-party collections firms totaled \$31,826 in June, and total \$117,289 year to date. June payments made through the online Web Portal totaled \$187,935 from 383 property owners. Year to date online portal payments total \$1,275,736 from 2,605 property owners.

In June, property transfer balances increased by (1.2%). Outstanding balances related to property transfers represent 55% of all receivables and 55% of past due balances. June trustee sale notices on Sun City AZ properties decreased by one to 32, and properties owned by lending institutions remained at 1.

Information Technology:

In June, the Information Technology team received 85 new service requests, and closed 86 requests by month end, leaving 5 tickets remaining open. On average, IT closed service requests in less than one day in June. Year to date, IT has opened 481 tickets, and closed 476 tickets.

The new TEG server has been configured and is undergoing testing before being put into production. IT installed the new cabling to repair fire damaged wiring at Lakes Maintenance. IT also completed installation of the new networking architecture from Cox – SDWAN networking technology – at Willow Maintenance and Lakes Maintenance. IT completed installation of the new credit card readers at all of the golf course snack shops.



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Human Resources:

Human Resources added 13 new requisitions during the month of June and filled 14 requisitions, ending the month with 6 open positions. Year to date, HR has opened 85 requisitions, and filled 86 open positions. The time-to fill requisition KPI in June was 9 days. HR continued to work on the salary benchmark project in preparation for the upcoming 2024 Budget cycle.

BUILDINGS & INFRASTRUCTURE:

Projects:

In Process:

Marinette Recreation Center/Clay Corner Upgrade (Capital) Status: Green

- Budget: \$340,000. Total Cost to date: \$73K (thru June 2023).
- Coordination with APS is on-going regarding the new service panel and transformer upgrade for the building; Scheduled for the week of August 7th.
- 72 new LED light fixtures installed.
- Frame-out of the new kiln room expansion underway.

Mountain View Rec Center Phases 1 and 2 (PIF) Status: Red

- Budget: \$27.3M. Total Cost to date: \$391K (thru June 2023).
- Project suspended per Board direction, 04/05/23.

Sun Bowl Softball Field Improvements (PIF) Status: Green.

- Budget: \$1.0M. Total Cost to date: \$43K (thru June 2023).
- B&I has prepared the Bid Package; in-review by the Board and Bid Commission.

Viewpoint Lake Repair (PIF) Status: Green

- Budget: \$8.0M. Total Cost to date: \$5.25M (thru June 2023).
- Shoreline placement and dock re-installations on-going in Phase 3.
- Floor liner placement on-going in Phase 1.
- Project expected to be complete by the end of September 2023.

Recently Completed:

Lakeview Lanes: Repainted the exterior of Lakeview Lanes. Project was completed on 06/16/23 at a cost of \$18,260. Contractor: Arizona Painting Company

Lakeview Recreation Center: Replaced Evaporative Cooler at Lawn Bowls. Project was completed on 07/05/23 at a cost of \$2,725. Contractor: Nextech

Oakmont Recreation Center

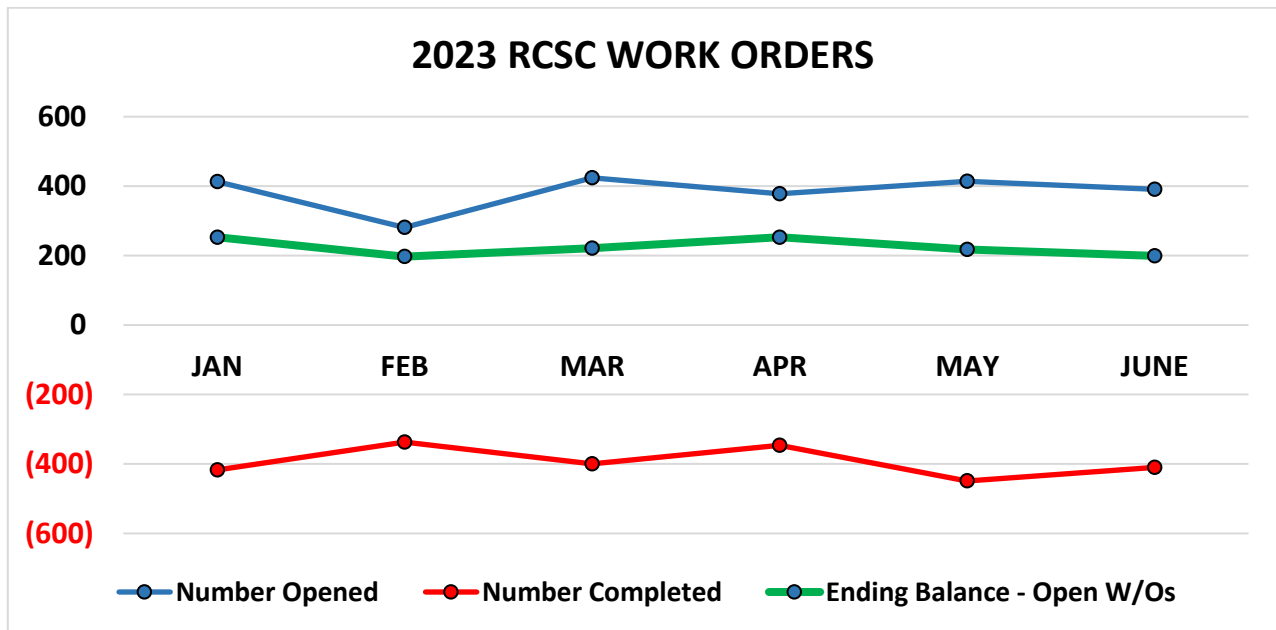
- Replaced shingles on all buildings at Oakmont. Project was completed on 06/30/23 at a cost of \$98,546. Contractor: Lyons Roofing

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- Repaired concrete at the patio location and provided a smoother surface. Project was completed on 06/30/23 at a cost of \$5,200. Contractor: WTI General Services
- Quail Run Golf Course:** Replaced sections of concrete around the on-course restroom. Project was completed on 06/27/23 at a cost of \$6,640. Contractor: K.L. McIntyre

Work Orders (Skilled Trades Repair and Maintenance):

- B&I opened 391 new work orders and completed 388 work orders in June. 199 work orders remained open at the end of June. Year to date, B&I has opened 2,301 work orders, and closed 2,161. The average time to close a work order in 2023 averages just over 8 days.



- **HAPPY TRAILS, LARRY BUSHONG!** B&I said goodbye to one of our fine skilled tradesman in June. Larry Bushong retired after 36 years with RCSC! A remarkable career of service to Sun City. Thank you, Larry.

Solar:

New Issues:

Bell Lanes Café - Inverter number 8: The inverter is dead and no longer under warranty, Kortman is looking into replacement inverters.

Issues Resolved:

Oakmont Inverter number 2: Kortman replaced inverter with the spare one from Oakmont number 1.

Open Issues: Down Inverters at month end include:

- WB/WC Maintenance Inverter number 3, 7, and 9.

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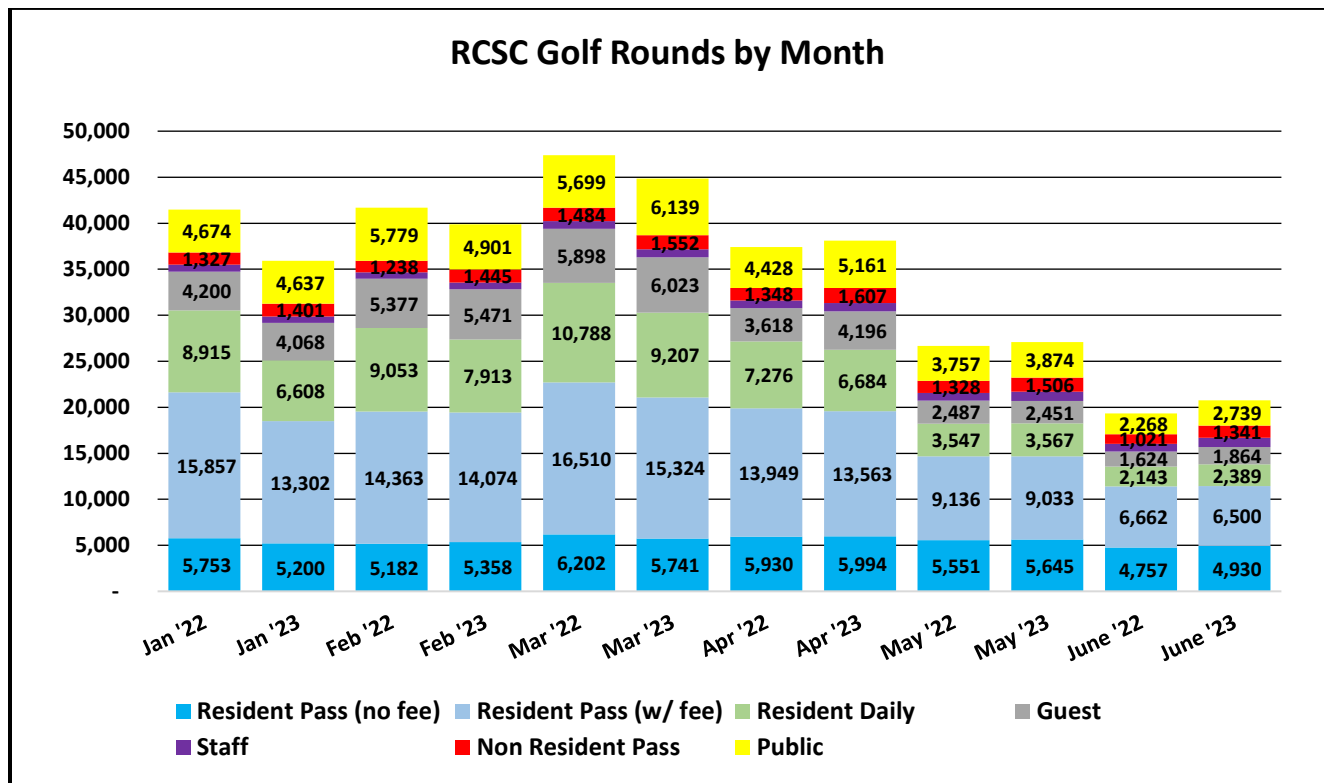
- Lakeview Rec Center Inverter number 9.
- Bell Lanes Café Inverter number 5.

Production Data: Lifetime to date production versus expected went up slightly to 2.79%. The percentage of inverters producing above expectation went down slightly from 73% to 72%.

Preventive Maintenance: Kortman completed the annual preventative maintenance on all inverters and is preparing the assessment reports.

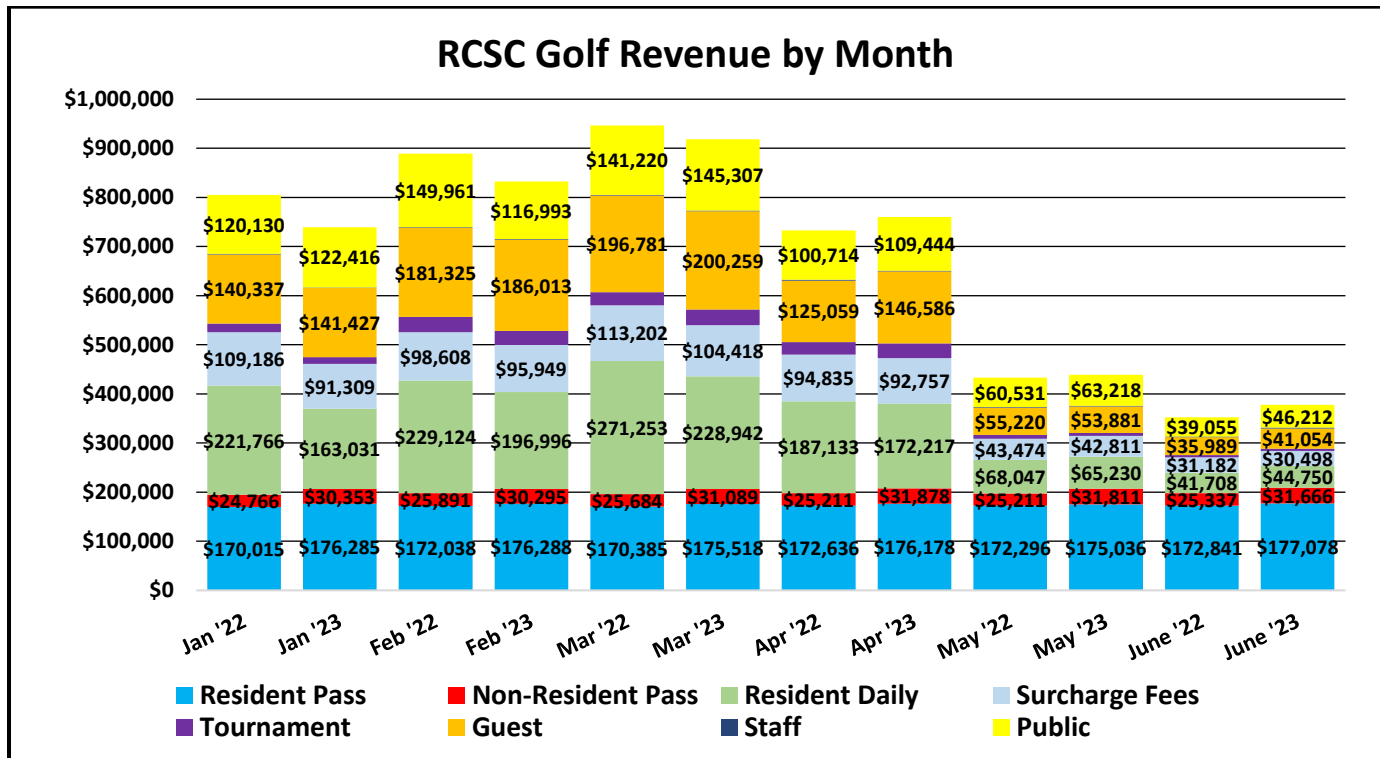
GOLF & GROUNDS:

Golf rounds played in the month of June totaled 20,761 and exceeded the June 2022 total rounds of 19,326. The cooler, wetter weather we experienced this winter reduced first quarter rounds from 130,569 in Q1 2022 to 120,636 in Q1 2023. This trend was reversed in Q2 when total rounds in 2023 totaled 85,954 versus a Q2 2022 total of 83,368. Year to date, total rounds in 2023 were 206,590 and slightly below the 2022 level of 213,937. This represents our fifth highest 6 month total in the last 18 years. Among the regulation courses, Riverview has played the most rounds (34,342), Willowcreek has the second highest total (34,184), followed by Lakes West, South and North. For the executive courses, Lakes East has played the most rounds (19,635), followed by Willowbrook and Quail Run.



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Golf revenue from passes and greens fees were \$377,526 in June 2023 and exceeded the June 2022 total of \$352,079. Year to date revenue from passes and greens fees totaled \$4,067,524 and were 2.2% lower than the year to date total of \$4,159,417 through June of 2022.



Snack Shops:

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

Golf Courses:

On June 28, staff installed Tif-Tuf grass sprigs on the North Golf Course. This installation is part of our water reduction efforts intended to meet reduced water allotments set by the Arizona Department of Water Resources (ADWR). Tif-Tuf was developed by world renowned University of Georgia's breeding program. This grass strain has undergone decades of testing to become one of the most drought-resistant grasses available. Tif-Tuf also has a stronger tolerance for cooler temperatures, and will go into dormancy later in the fall and come out of dormancy earlier in the spring. The sprigs established quickly and after several weeks of heavy watering were mowed for the first time on July 17. The fairways are nearing a more normal watering schedule, though are still receiving additional watering in the afternoons. Staff also started to prepare the tee boxes on the Lakes West front 9 for their Tif-Tuf installation on July 21. Temporary tee boxes will be utilized as the tee boxes are stripped and prepped for Tif-Tuf sod installation. Once the sod installation is established, we will move golfers back onto the regular teeing areas.

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Willowcreek, Riverview and South also have some minor turf removal projects scheduled to begin in August that will be less disruptive to normal play. Golfers with balls landing in these areas will be provided free relief. On Willowcreek, the area is from the hole #2 tee box, extending into the rough and ending near the lake. On Riverview, the area will be in the rough on the left hand side of hole #6. At South, the area will be along 105th Avenue from the maintenance yard to near the crossing from hole #1 to hole #2. All of these projects were funded primarily by grants provided by Visit Arizona Initiative, supporting golf course water conservation efforts.

Lawn Bowl and Grounds:

The pace of the greens range from a low of 13.0 seconds at Mountain View to a high of 14.3 seconds on Bell South. Moisture readings range from a low of 15.0 at Lakeview West and a high of 17.2 on Mountain View. All greens have been verticut twice began core aerifying on June 24. After the aerifying process is complete, we will be utilizing the greens planar. Centers are mowed and trimmed on a regular basis. Particular attention is being made around Viewpoint Lake as we near the refill date.

BOWLING:

As the summer heat continues into August, league play slows down during the month as the bowling centers prepare for the fall league bowling season. There will be plenty of opportunities to get out of the heat and go bowling.

Fall League sign up books are available online and soon will be available in the two bowling centers. Go to the RCSC website and click Bowling/Bowling Centers, then scroll down and click the 2023-2024 Fall League Booklet (as shown below):



Bell Lanes

Bell Lanes offers 16 lanes of bowling. In addition, Bell Lanes offers Shuffleboard, Darts, Billiards, Pool and Snooker.

- [2023-2024 Fall League Booklet](#)
- [League Standings](#)
- [Lane Availability Chart – Summer 2023](#)
- [Honor Roll](#)
- [Upcoming Tournaments](#)
- [Renew Your USBC Membership](#)
- [Sign Up For Sync Passport and Track Your Scores](#)



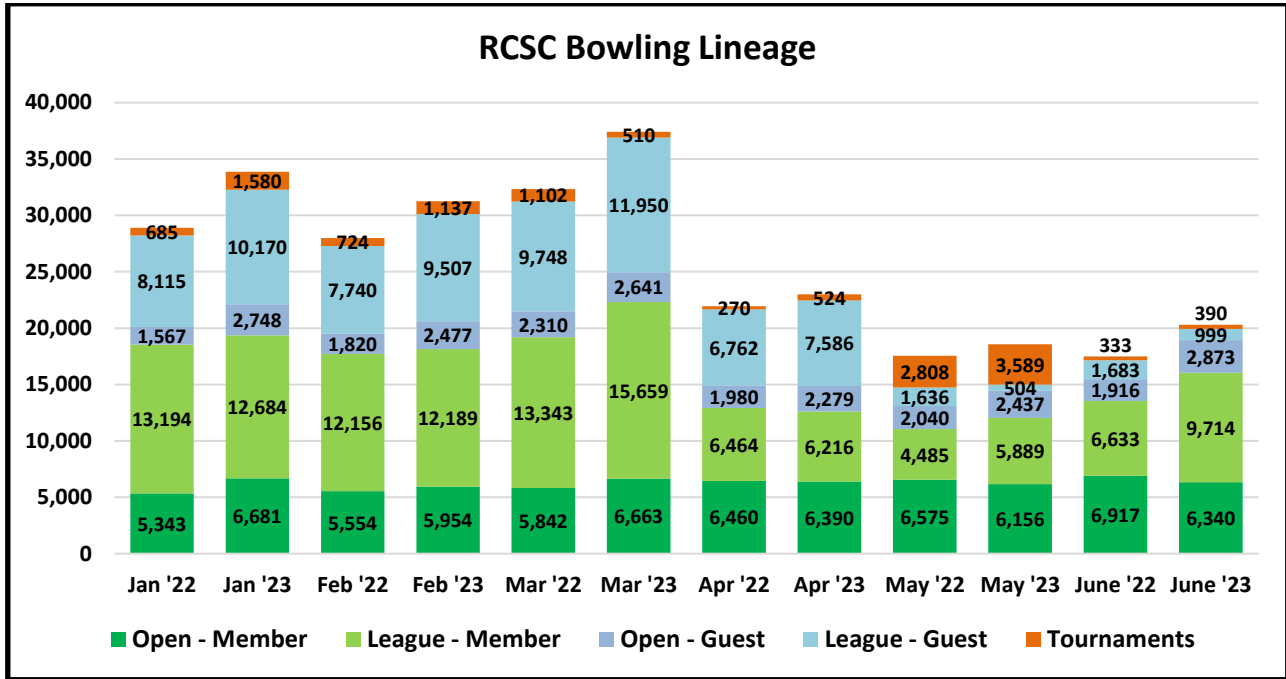
Lakeview Lanes

Adjacent to the Lakeview Recreation Center, Lakeview Lanes offers 24 lanes of bowling as well as Billiards, Pool and Snooker.

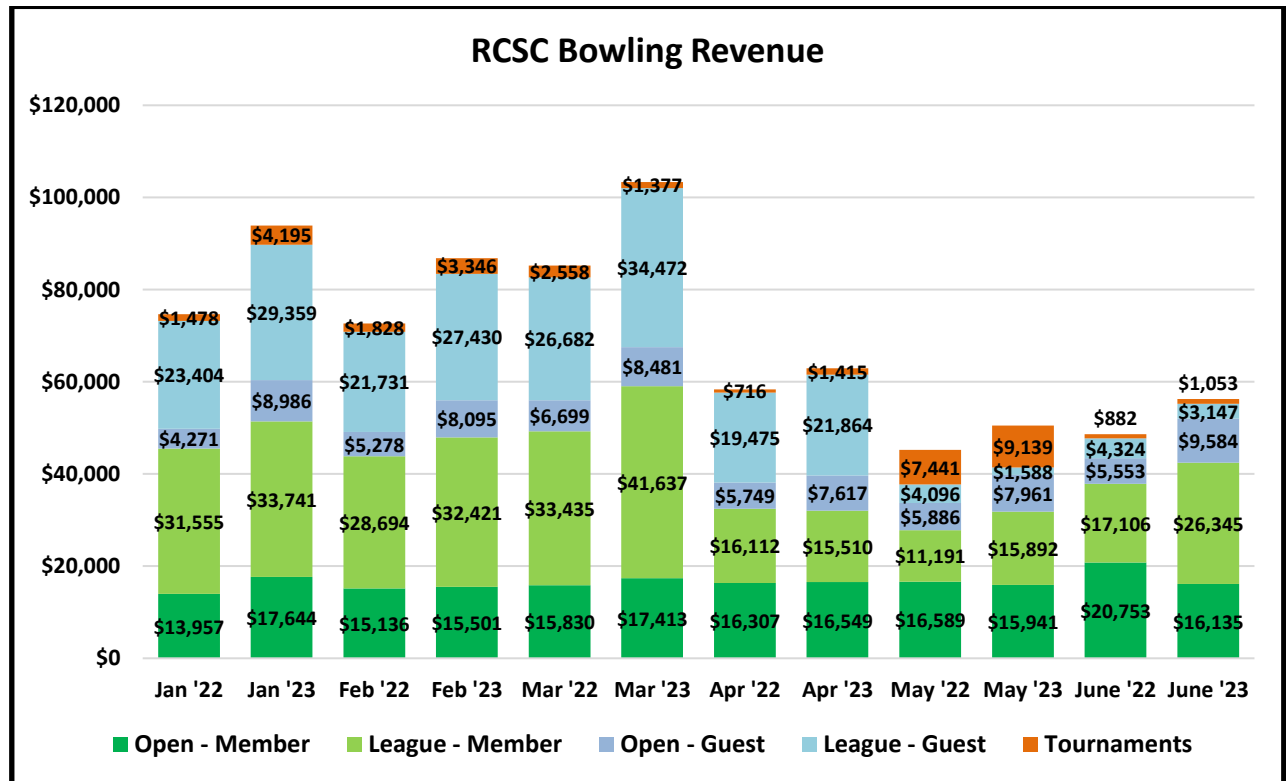
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In June of 2023, Bowling lineage and revenue continued to outpace 2022 totals. June 2023 lineage totaled 20,983, compared to 18,080 in June of 2022, an increase of 16.1%. Year to date lineage through June 2023 totaled 167,603 lines, compared to 149,508, through June 2022, an increase of 12.1%.



Bowling Revenue in June 2023 totaled \$56,264 which was 15.7% higher than the June 2022 revenue of \$48,618. Year to date, 2023 Bowling revenue was \$453,838, or 18.0% greater than total Bowling revenue of \$384,717 through June of 2022.



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OPERATIONS:

Centers Operations:

The additional pool loungers ordered in June have been delayed. There is not an estimated time for delivery. Staff continue to stay in contact with the provider to identify when these will be received, and will continue to evaluate vendor fulfillment timeframes for commercial pool chairs and loungers in selecting suppliers.

Bell Center pool and fitness areas began earlier opening time on Sundays this month. RCSC Cardholders were very appreciative of the change and brought donuts to the staff on the first day. The focal point of the request for the earlier hours was to accommodate swimmers in the lap pool ahead of the heat of the day. While Cardholders are coming early to use the pool, we are also seeing other activities getting use during these earlier Sunday hours.

Marinette started its earlier opening time on Sundays a week after Bell Center. Attendance is lower than at Bell with more use than the requested times for earlier pickleball play. Pickleball play is seeing the most activity though. The chart below highlights the attendance at Bell and Marinette Centers before the previous 8:00AM opening times on Sunday.

Date	Bell Center				Marinette Center			
	All	Swimming	Walking Pool	Fitness	All	Pickleball	Swimming	Fitness
7/2/2023	100	20	45	36				
7/9/2023	89	19	40	35	26	11	8	7
7/16/2023	93	15	39	41	33	18	6	10

Chartered Clubs:

Additional storage space has been provided to the Fairway Knitters club at the Fairway Center. The club will begin to move items in the new space provided later in July.

The Chartered Club 2023 Attendance Summary has been resorted as requested by the Board so that attendance information can be summarized by center. The grouping of the clubs is by the assigned center for the clubs where the clubs typically meet. There may be some imperfection should a club have met at a different location than its assigned center. Additionally, those clubs that regularly use multiple centers have not had their attendance split across the different centers in this report. That breakdown is seen in the monthly monitored activity report.

MARKETING & COMMUNICATIONS:

Visitors Center:

The Sun City Visitors Center assisted 415 guests in June, a small decrease from the 455 assisted in May as summer took hold. Of those, 36 were prospective residents. Top states prospective residents are moving from include California, Illinois, Minnesota and Washington, although many already reside in Arizona. The SCVC mailed 141 welcome postcards to new members. The Sun City Experience tour is going strong despite the summer, with 26 guests on two tours in June, most of whom were prospective residents. Looking ahead to July, tours appear to be largely new residents learning about their new home, which is a demographic we are very excited to reach and assist.

Social Media:

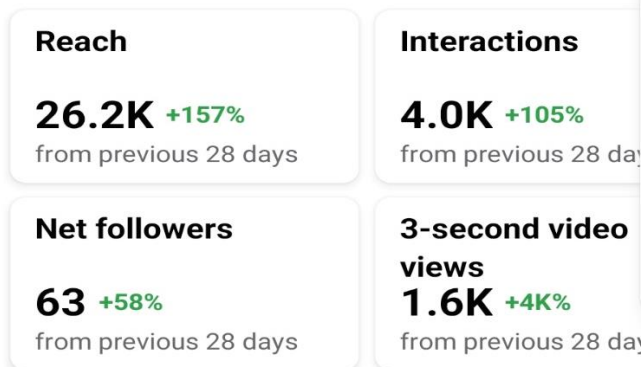
Numbers reported on June 30, 2023 showed our Facebook Followers have increased to 4,340 during the month, and we were read by more than 26,000 Facebook users, 4,000 of whom responded to, liked, or shared a post. Our increase in net followers was 63 in June. More video is being utilized, leading to a small increase in video views as well. See Facebook report below.

Professional dashboard

Performance ⓘ

Followers: 4,340

Last 28 days



RCSC Website:

Website use has decreased over the summer, but year over year June views remained slightly elevated. In June 2023, suncityaz.org had 17,838 total views, with 11,335 being from an organic search. That compares to 17,182 total views in June 2022. Top pages visited were the home page, recreation centers landing page, golf courses and pro shops, employment, clubs, green fees and passes, golf calendar, home styles, bowling, cost of living page and the web portal. New pages also tend to get noticed, such as the SAC page which had 784 views in June.

EVENTS:

The Ring That Bell 4th of July Event was held on July 4 at Bell Center. We were privileged to have Retired, Chief, United States Navy, Robert Scent as Master of Ceremony along with a special performance by the Sun City Poms. It was standing room only during the presentation and over 300 lunches were served at Georges café with a dollar from each lunch going to benefit the Sun City Foundation.

The last concert of the summer was Wednesday, July 12. Rhythm Edition entertained those in attendance with non-stop dancing and two encores.

The Events and Entertainment Department is working on the events and concert series line-up for 2024. Exciting things coming your way. Stay tuned for updates.

Our next event is scheduled for September 24th, at Sun Bowl Amphitheatre as we welcome Re-Boot The Band to kick off the fall concert series.

Facilities:

During the second quarter of 2023, RCSC contracted 39 room rentals for various occasions, which generated income for Facility rentals of \$18,208.
