

FINANCE:

Financials:

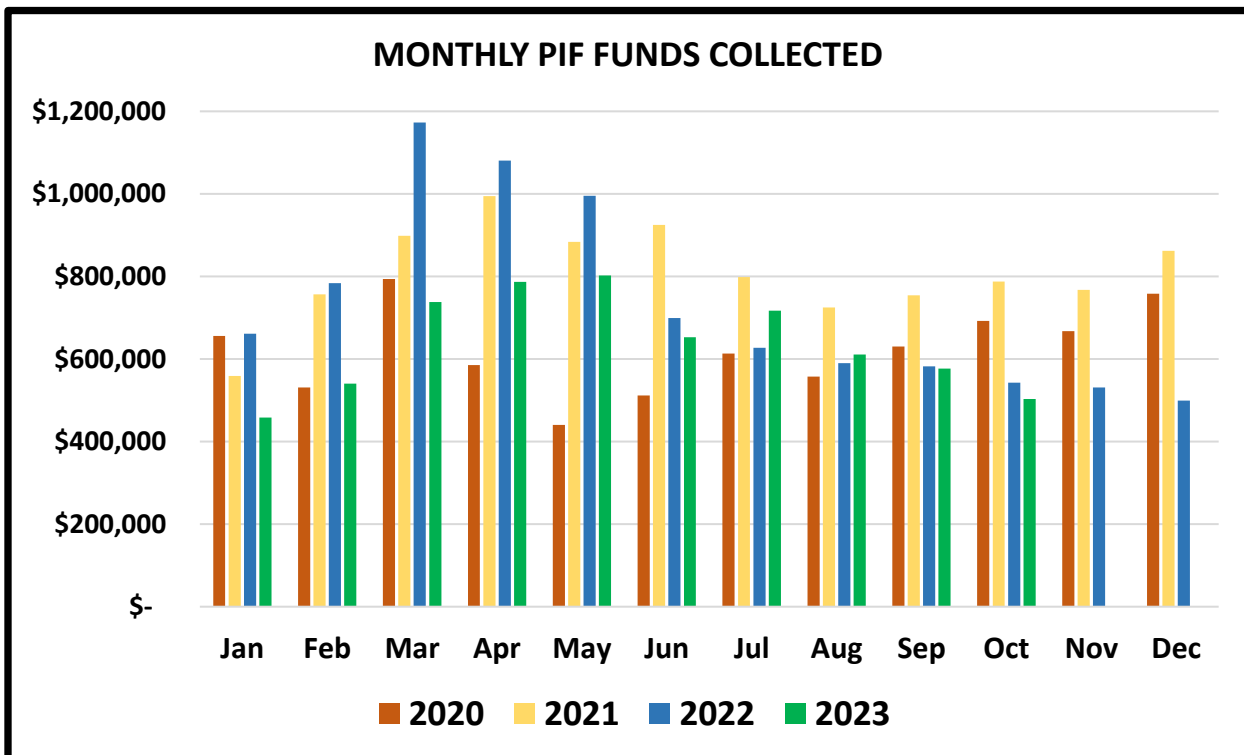
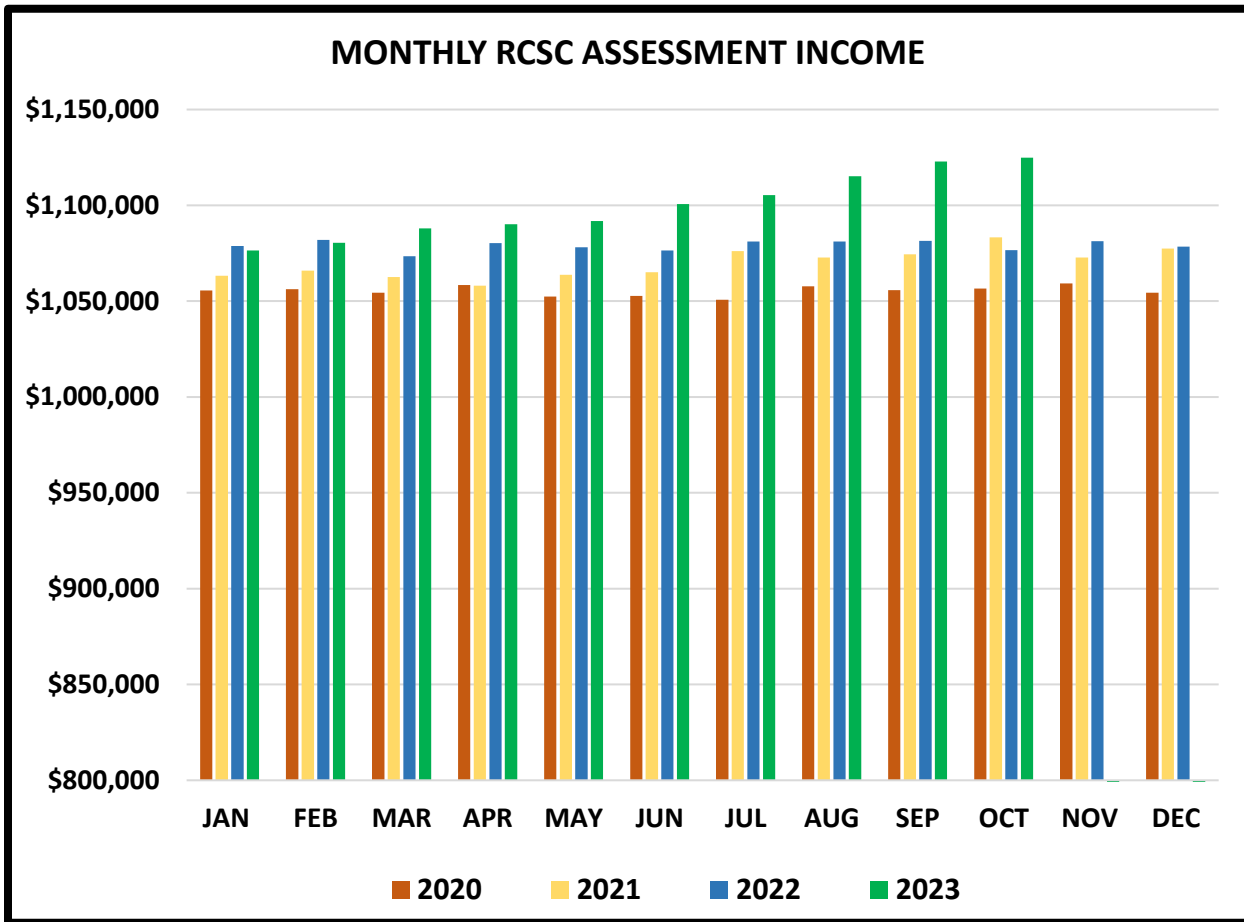
The Recreation Centers of Sun City, Inc. (RCSC) ended October within its operating and capital budget year to date. All Divisions except Food & Beverage have met or exceeded their net operating budget projections year to date. Food & Beverage is (\$122.0k) unfavorable year to date due to food and liquor sales being negatively impacted by weather in Q1 2023, and Building and Equipment repairs at the cafes being (\$20.2k) over budget. Operating Income for October totaled \$1,906k and was (\$7.6k) unfavorable to budget due primarily to the timing of Equipment and Game Supply purchases. Operating expenses for the month were \$1,966k and (\$319.9k) unfavorable to budget due to increased spending on Equipment (\$49.5K), Fertilizer (\$23.5k), and Game Supplies (\$32.5k). Year to date Net Operating Excess was \$2,203k and favorable to budget by \$317.2k (14.4%). This favorable year to date Operating Excess was due to Wages and Benefits being \$649k favorable to budget, offset by Repairs and Maintenance being (\$280.1k) over budget.

Cardholder Services:

Payments on past due assessments in October were 12.2% of past due balances. Overall accounts receivable increased in October by 3.7% and are up 0.6% since the end of 2022. Overall accounts receivable past due balances decreased in October by (1.0%). September assessments went 30 days past due at a rate of 5.7% and August assessments went 60 days past due at a rate of 2.2%.

Payments from third-party collections firms totaled \$22,046 in October, and total \$241,127 year to date. October payments made through the online Web Portal totaled \$171,553 from 351 property owners. Year to date online portal payments total \$1,964,615 from 4,002 property owners.

In October, property transfer balances increased by 11.9%. Outstanding balances related to property transfers represent 57% of all receivables and 55% of past due balances. October trustee sale notices on Sun City AZ properties increased by four to 27, and properties owned by lending institutions remained at 1.



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Information Technology:

In October, the Information Technology team received 107 new service requests, and closed 103 requests by month end, leaving 8 tickets remaining open. On average, IT closed service requests in less than one day in October. Year to date, IT has opened 797 tickets, and closed 789 tickets.

The IT closets at Riverview and South have been organized, toned out and labeled, joining North and Quail Run. IT has completed the WIFI cabling project at Lakeview. Cox has installed the connection to the server room and need to finish the setup before IT can launch the new WIFI environment at Lakeview. Lakeview will be a test environment for the rest of the RCSC environment. IT has saturated the Lakeview building by adding 27 new WIFI access points. IT also provided a dedicated wifi access point for each Club location. The hope is that by installing these additional access points, we can provide significantly better wifi connection despite the concrete block walls that disrupt wifi signals at Lakeview.

Human Resources:

Human Resources added 7 new requisitions during the month of October and filled 6 requisitions, ending the month with 7 open positions. Year to date, HR has opened 147 requisitions, and filled 147 open positions. The time-to fill requisition KPI in October was 12.0 days. HR has been working on setting up for Open Enrollment meetings to be held in November, where employees will have the opportunity to change their medical insurance plan.

BUILDINGS & INFRASTRUCTURE:

PROJECTS:

In Process:

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

- Budget: \$27.3M. Total Cost to date: \$391,596.
- Project suspended per Board direction, 04/05/23.

Sun Bowl Softball Field Improvements (PIF) Status: Yellow

- Budget: \$1.38M. Total Cost to date: \$50,591.
- 3 bids received 6/20/23; Bids subsequently rejected by the Board.
- 2 additional bids received 08/31/23.
- Board authorized increase of PIF budget to \$1,380,000 on 10/26/23
- B&I preparing stipulated sum contract with selected GC; Estimated completion date for contract signing is 11/17/23.

Viewpoint Lake Repair (PIF) Status: Green

- Budget: \$8.0M. Total Cost to date: \$7.2M.

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- Viewpoint Lake refill process began 08/04/23.
- Static Water Test completed 11/06/23.
- Boat ramp open for homeowner boat launches beginning 11/11/23 at Noon.

Recently Completed

Bell Recreation Center

- Performed air balance test on dust collector system at the wood shop. Project was completed on 09/22/23 at a cost of \$1,100. Vendor: ETB Arizona

Lakes E/W Golf Course

- Removed and replaced Evap Cooler serving the snack shop. Project was completed on 11/01/23 at a cost of \$3,742. Contractor: CMS/Nextech

Lakeview Recreation Center

- Performed air balance test on dust collector system at the wood shop. Project was completed on 09/22/23 at a cost of \$1,350. Vendor: ETB Arizona

Quail Run Golf Course

- Converted lighting at Pro Shop to LED fixtures. Project was completed on 10/10/23 at a cost of \$9,123. Contractor: Accel Electric

Sundial Recreation Center

- Complete exterior re-paint of Sundial Buildings A&B plus the sundial itself. Project was completed on 11/01/23 at a cost of \$109,995. Contractor: Ghaster Painting
- Re-line of compromised sewer line in Building B, by the pool deck. Project was completed on 10/31/23 at a cost of \$24,500. Contractor: Sunland Plumbing

Quail Run Golf Course

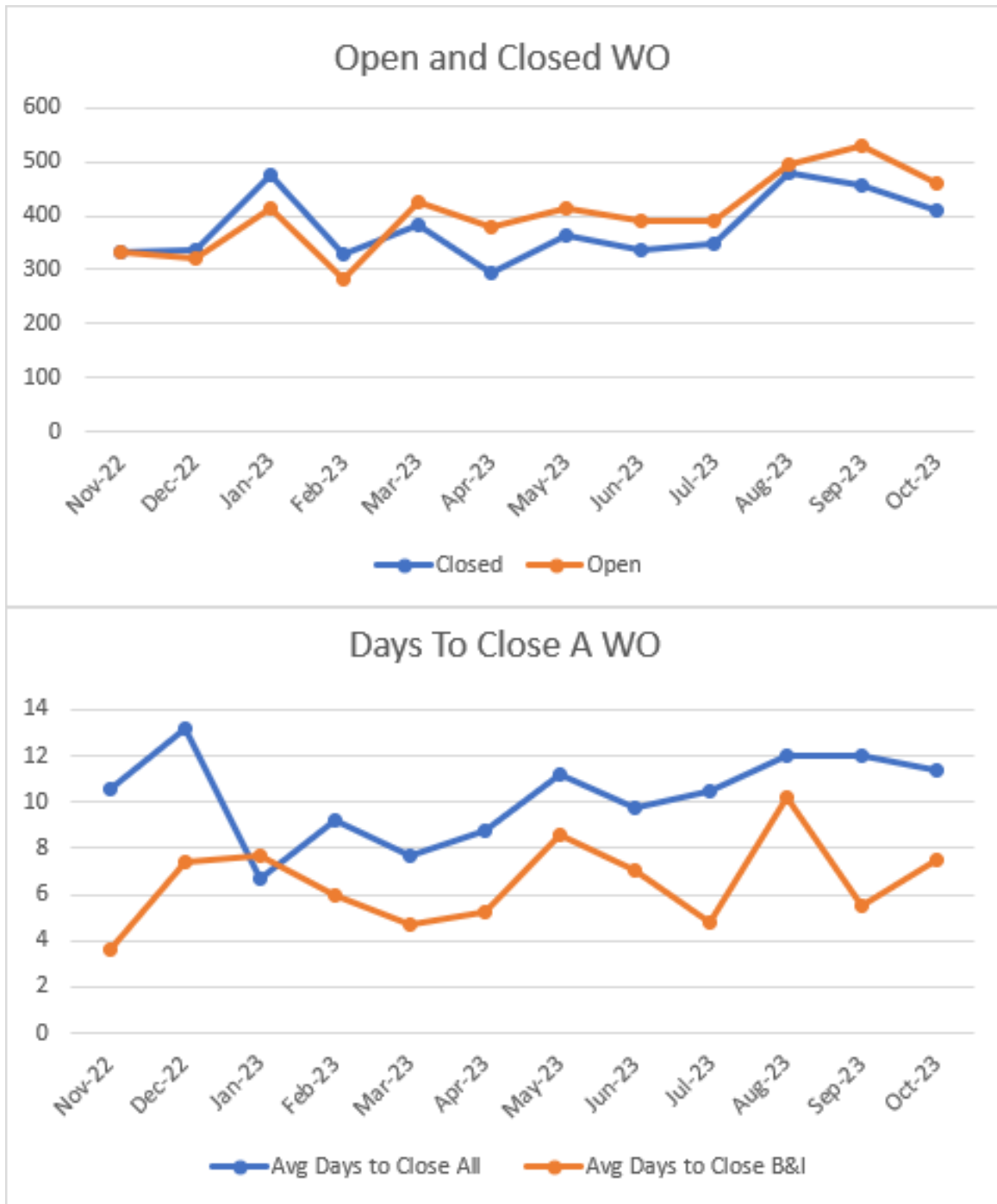
- Converted lighting at Pro Shop to LED fixtures. Project was completed on 10/10/23 at a cost of \$9,123. Contractor: Accel Electric

Willow Maintenance

- Removed and replaced mini-split A/C unit serving the Trades office. Project was completed on 09/18/23 at a cost of \$4,194.

WORK ORDERS (Skilled Trades Repair and Maintenance):

- B&I opened 459 new work orders and completed 411 work orders in October. The average time to close a work order in October was 11.4 days. B&I has completed a total of 3,852 work orders in 2023.



SOLAR:

New Issues:

Bell Lanes Café - Number 12:

- Unit is down

Resolved Issues:

Mountain View Inverter Number 13

- Repaired and operational

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Open Issues:

Willow Maintenance Inverter Number 3, 7, and 9. Lakeview Inverter Number 9. Bell Lanes Inverter Number 5, Bell Rec Center Inverter #8:

- Kortman emailed Firmer on 05/03/23 requesting what action is being taken on the warranty replacement units. These units have been down since last fall.
- Firmer has filed for chapter 11 bankruptcy; working with Kortman Electric and Nexus Integrated Solutions to come up with an alternative Inverter product.

Production Data:

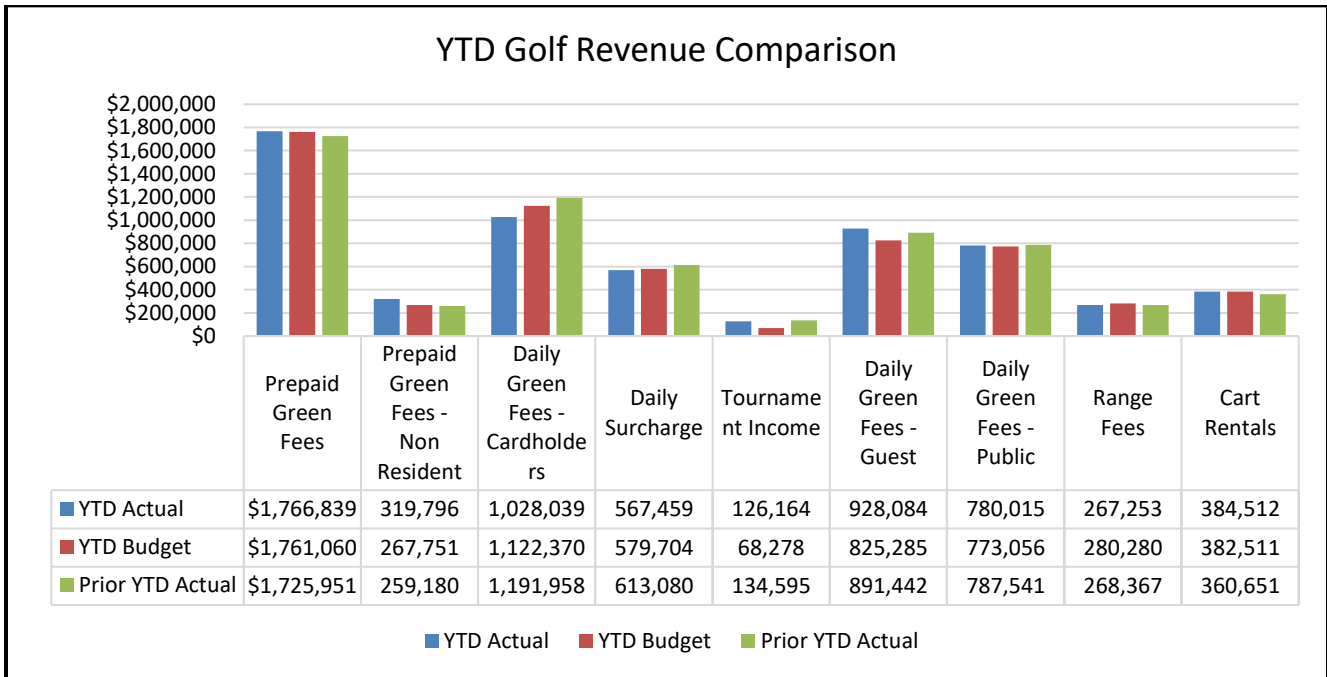
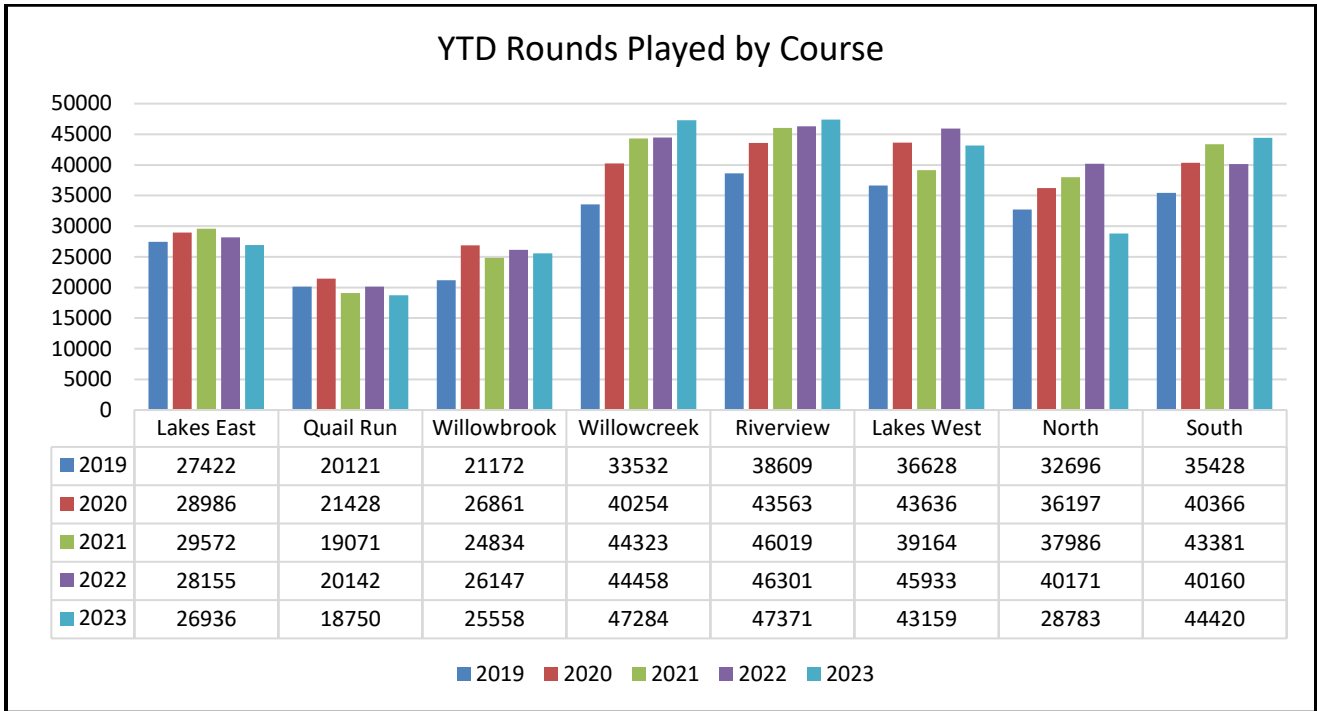
- After including October's production data, the lifetime to date production versus expected went down slightly to 2.13%. The percentage of inverters producing above expected went down to 70%.

GOLF & GROUNDS:

Superintendent Update

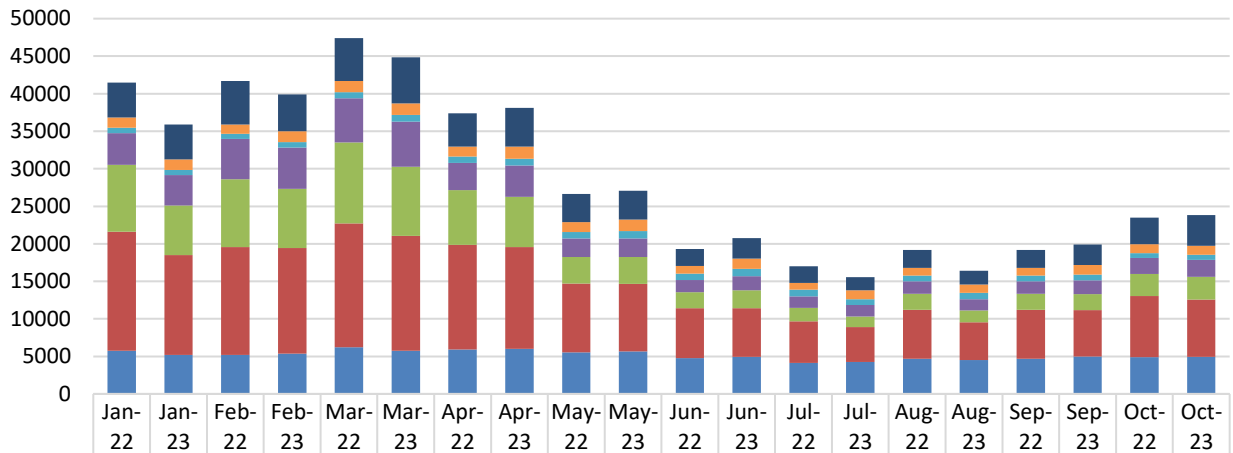
All 8 of our RCSC golf courses have been successfully overseeded and are reopened for play. The expansion of the seeded green banks should provide golfers with many options to play shots from around the greens. Although some areas of the courses may still be a little on the wet side from the grow-in, be assured this is being closely monitored on a daily basis. Green speeds on the courses will slowly be speeding up to our desired pace as we will be dropping heights of cut based on the density of the putting surface. A critical piece to our Fall schedule is the application of our pre-emergent Herbicide in our non-overseeded roughs. This is currently in progress and will be one of our main points of focus through the month of November. This application will provide us with a barrier to keep unwanted weeds and volunteer grasses from becoming prevalent in our roughs. We ask that you and your playing partners abide by the cart restrictions at each course. This will help tremendously with compaction as well as allow the young Ryegrass a chance to become an established plant. Lastly, please repair your ball marks and rake the bunkers after each use. We look forward to seeing you all out there enjoying these wonderful courses this Fall and Winter.

Pro Shops



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YTD Rounds Comparisons by Month



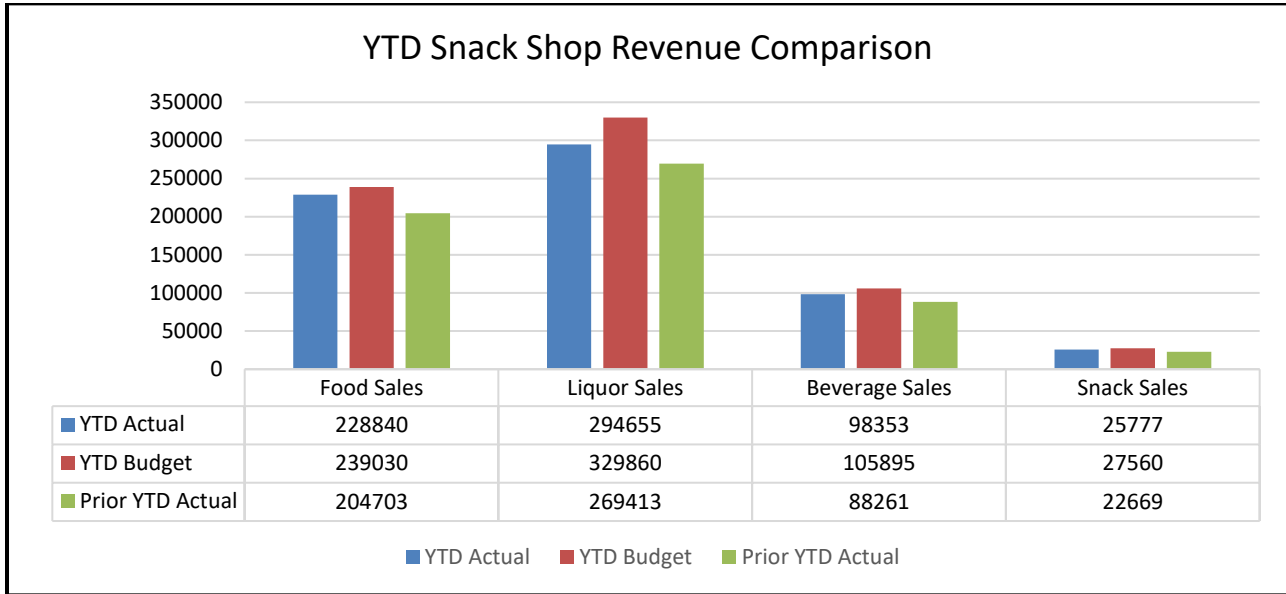
	Jan-22	Jan-23	Feb-22	Feb-23	Mar-22	Mar-23	Apr-22	Apr-23	May-22	May-23	Jun-22	Jun-23	Jul-22	Jul-23	Aug-22	Aug-23	Sep-22	Sep-23	Oct-22	Oct-23
Public - 18 Hole	4674	4637	5779	4901	5699	6139	4428	5161	3757	3874	2268	2739	2226	1770	2376	1804	2376	2721	3537	4075
Non Resident no fee	1327	1401	1238	1445	1484	1552	1348	1607	1328	1506	1021	1341	892	1165	1039	1120	1039	1269	1163	1203
Staff	762	683	687	730	821	859	844	902	843	1010	851	998	884	789	766	873	766	789	636	674
Guest	4200	4068	5377	5471	5898	6023	3618	4196	2487	2451	1624	1864	1548	1510	1651	1461	1651	1839	2163	2275
Cardholder Daily	8915	6608	9053	7913	10788	9207	7276	6684	3547	3567	2143	2389	1781	1433	2126	1578	2126	2130	2948	3022
Annual fee	15857	13302	14363	14074	16510	15324	13949	13563	9136	9033	6662	6500	5514	4625	6527	5059	6527	6181	8126	7630
Annual no fee	5753	5200	5182	5358	6202	5741	5930	5994	5551	5645	4757	4930	4152	4268	4702	4506	4702	4966	4898	4936

■ Annual no fee ■ Annual fee ■ Cardholder Daily ■ Guest ■ Staff ■ Non Resident no fee ■ Public - 18 Hole

- 18.3% of total rounds played by Annual (Resident) No Fee Passholders YTD
- 33.8% of total rounds played by Annual Surcharge Passholders YTD
- 15.8% of total rounds played by Resident Cardholders YTD
- 4.8% of total rounds played by Annual (Non-Resident) Passholders YTD
- 13.4% of total rounds played by Public Golfers YTD
- 11.0% of total rounds played by Guests
- 2.9% of total rounds played by Staff

On December 1st 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.

Snack Shops



Lawn Bowl and Grounds

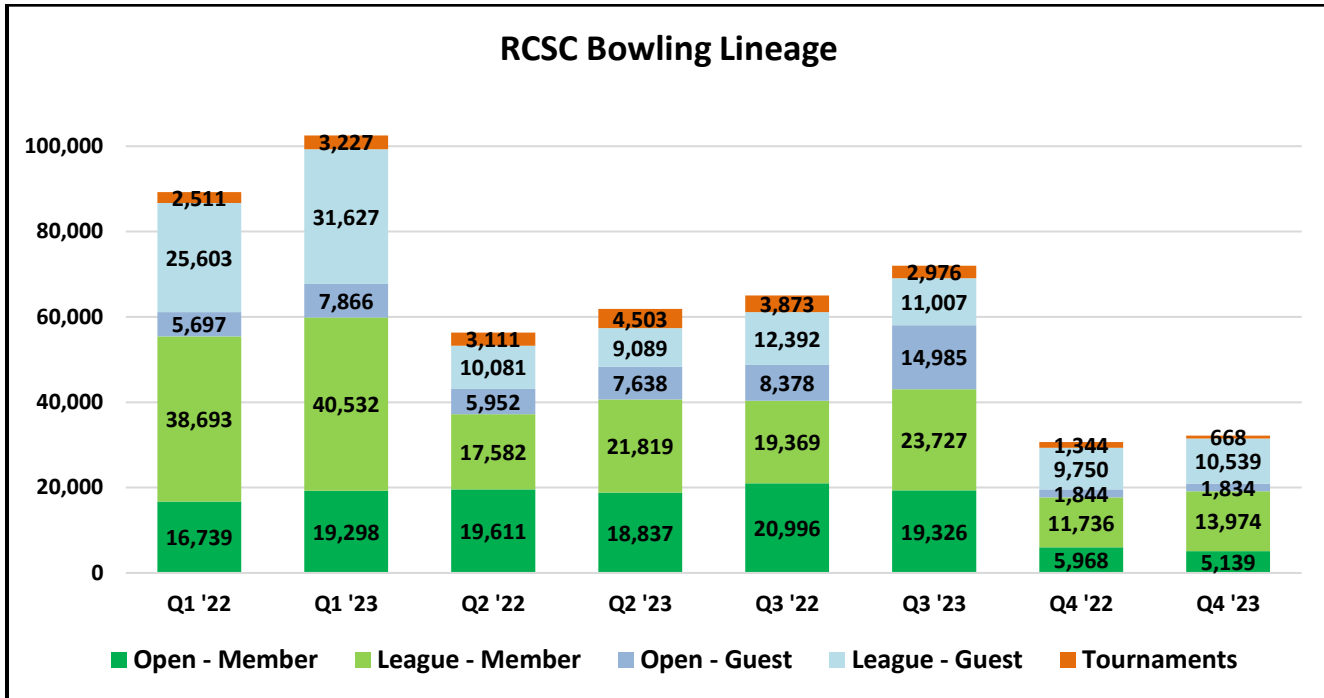
The average pace of the greens is 13.5 seconds. Moisture readings range from a low of 8.9 at both greens at Bell and a high of 17.5 on Lakeview West. The lawn bowl greens are now ready for their busy season.

Overseeded areas have had weak spots touched up with additional seed and are looking healthy. The grounds team is back on their normal schedule of trimming around centers and mowing overseeded areas.

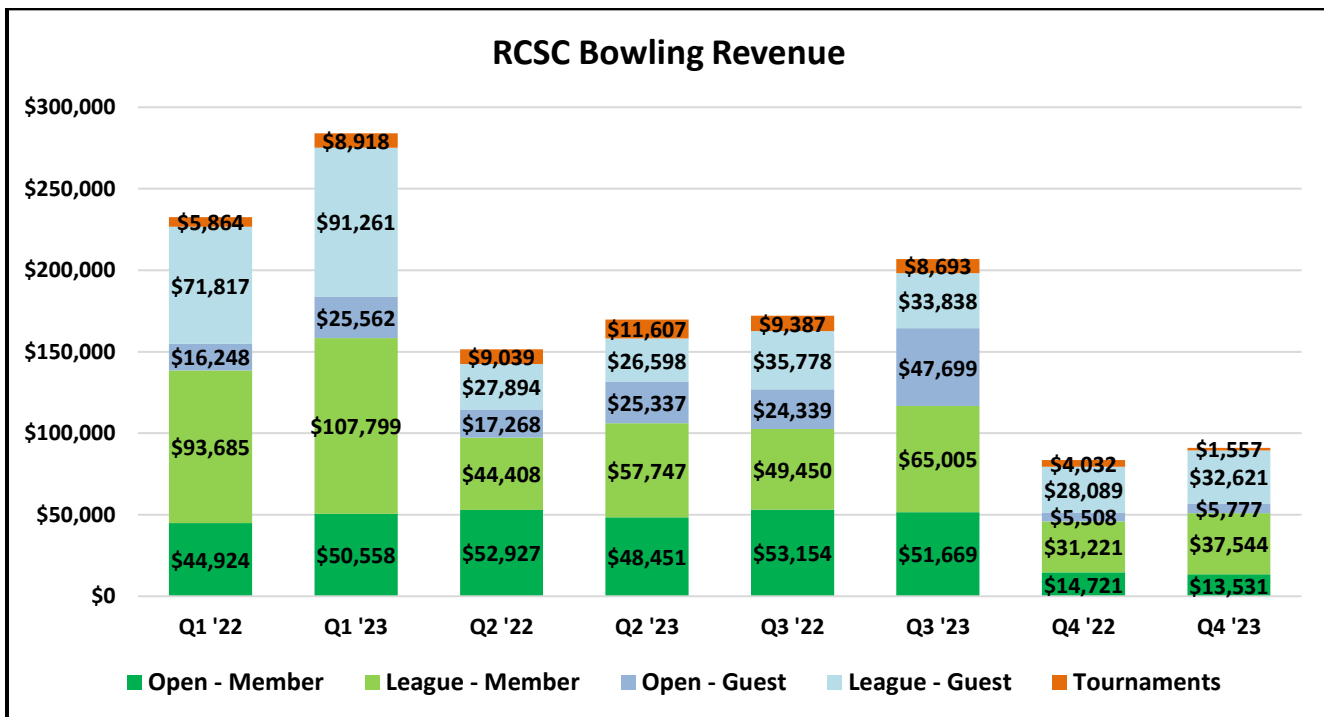
BOWLING:

The USBC (United States Bowling Congress) is scheduled to complete the center certification inspection at Bell Lanes December 7, 2023. The inspection involves the lane surface, foul lights, and pin spots. The bowling department anticipates this will go well. Bowl with the Director continued in November and will continue the first Thursday of every month from 10:30 am until 12:00 pm at Lakeview Lanes. The November event had thirty-four people that attended. This event is free to all RCSC Member/Cardholders. The purpose of this event is for anyone who may be interested in getting back into bowling, for current league bowlers to come by and get extra practice and coaching, and for an opportunity to chat with Mike Dirmyer about any bowling related topic. The next event is December 7, 2023.

In October of 2023, Bowling lineage continued to outpace 2022 totals. October 2023 lineage totaled 32,824, compared to 31,104 in October of 2022, an increase of 6%. Year to date lineage through October 2023 totaled 275,327 lines, compared to 247,065 through October 2022, an increase of 11%.



Bowling Revenue in October 2023 totaled \$91,032 which was 9% higher than the October 2022 revenue of \$83,571. Year to date, 2023 Bowling revenue was \$751,774, or 18% greater than the total revenue through October of 2022.



OPERATIONS:

MARKETING & COMMUNICATIONS:

Website Update:

The Website is the core of any communication effort, and multiple projects are underway to improve communications to and with Members/Cardholders:

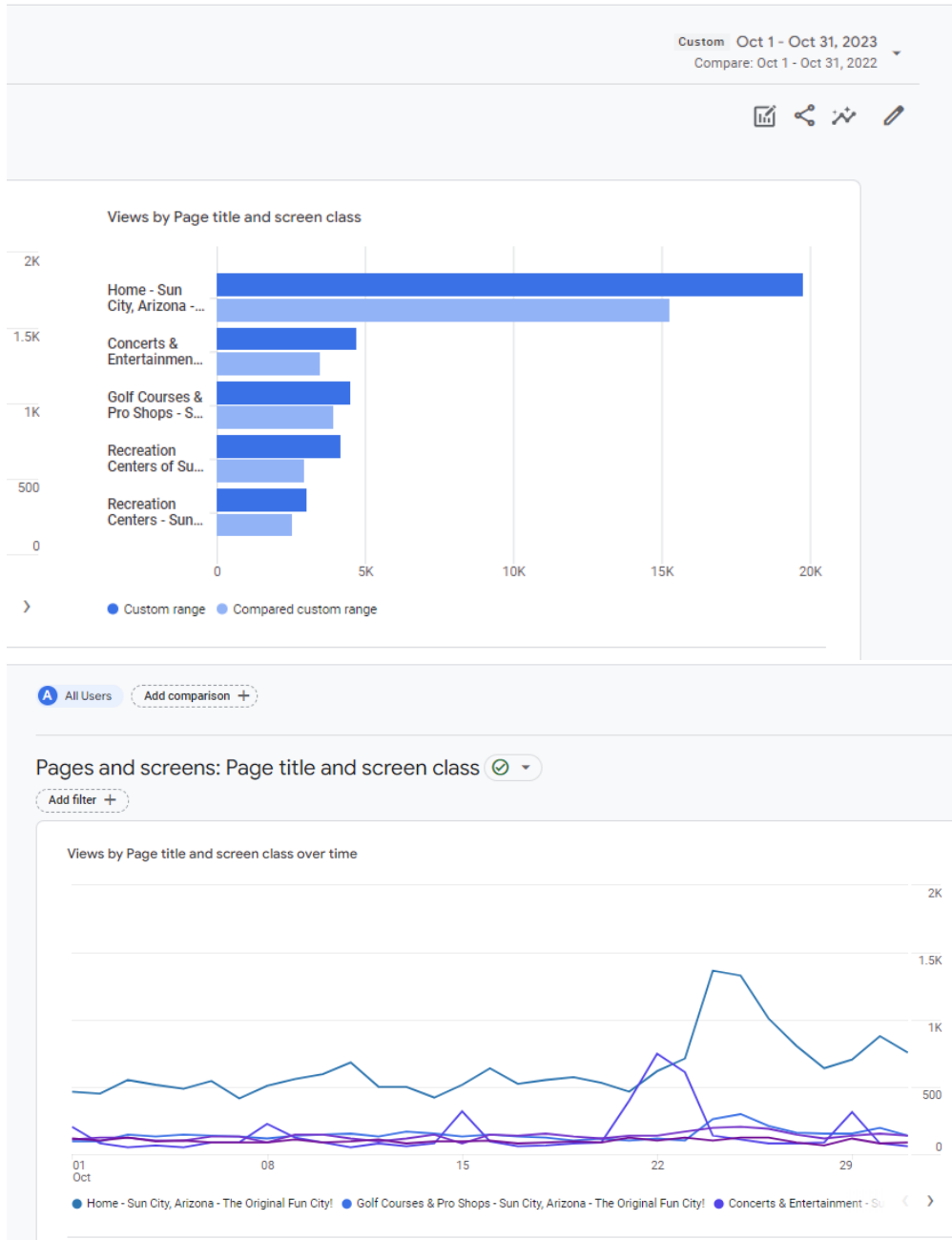
- A Website update that will have improved function, organization and content. The goal is to make information, including commonly sought data, easy to find and intuitive. Member feedback is always welcome at rcsc@suncityaz.org.
- During the transition to November from October, a central News page was developed that will include regular and weekly news updates and links to all sources of news, to assist Members in being well informed. This page is located on the top menu of the Website, at suncityaz.org/news. Feedback is always welcome at rcsc@suncityaz.org.
- Work to claim and improve Google My Business and other pages to impact search engine optimization in a positive manner.

The Website continues to see some growth year to year. In October 2023, suncityaz.org had 22,658 visitors compared to 21,472 in 2022. Visitors stayed longer on the Website, with engagement increasing by more than 23 percent and average time on the Website doubling to two minutes. Pages most often visited in October 2023 show a need for the ongoing work to increase recreation center information online but showed the top pages landed on being:

Home page, Concerts and Entertainment, Golf Courses & Pro Shops, Recreation Centers (About Us), Golf Calendar, Green Fees, Portal, Clubs.

This graphic shows the jumps in visits to these top pages in 2023 compared to 2022.

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Sun City Welcome Center:

The Sun City Visitor & Welcome Center has continued to transition its focus, following a soft rename launch, to zero in on our primary goal with the further improved name, Sun City Welcome Center. The soft transition is aimed at ensuring those who know the “Visitors Center” know that the Sun City Welcome Center located at Bell Center is home to information they need about clubs, amenities, activities, and community support.

In October, the center assisted 481 guests, and held one Sun City Experience presentation for new and prospective members. Seven new home purchases in October were members who

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had inquired about Sun City at the Welcome Center. Top interests recorded among prospective members this month were cooking classes, concerts and golf. Guests to the center have grown more than 10 percent in both September and October in 2023 compared to 2022. Work is underway to transition welcome post cards to electronic and to better track their impact in drawing new members to the Welcome Center. Staff is also reviewing and making brochures that feature the recreation centers more user friendly. The goal is to connect more members to activities and amenities that would further enhance their quality of life.

EVENTS:

Season Ticket sales began Monday, October 23; to date we have sold 473 Season Passes. Individual Show Tickets go on sale Monday, November 27, 2023, at 8:00am up until the time of each individual show.

We concluded the fall Sun Bowl shows on Sunday, November 5, with a wonderful performance and tribute to our veterans by the Ahwatukee Foothills Concert Band. The "Royal Autumn Ball" Senior Prom is Friday, November 10, from 6-9pm at Sundial Auditorium. There are over 300 tickets out for this event.

There are many upcoming events for the remainder of the year:

Town Hall meeting @ Fairway Arizona Rooms 1 & 2, Wednesday, November 8, 7-9pm.

Safety Fraud & Summit Seminar, hosted by Sheriff Penzone and MCSO @ Sundial Auditorium 9am-12pm.

RCSC Board Meeting @ Sundial Auditorium, Thursday, November 16, 9am.

Town Hall Meeting @ Sundial Auditorium Monday, November 20, 1-3pm.

RCSC Arts and Crafts Festival @ Sundial Center Friday, November 24, 8am-4pm and Saturday, November 25, 8am-3pm.

Annual Membership meeting @ Sundial Auditorium, Wednesday, November 29, 6pm-9pm.

Mark your calendar for December events:

Board Member Exchange @ Sundial Auditorium, Monday, December 4, 9am.

Holiday Celebration @ Sundial Auditorium, including Duck Race, Games, and Golf Cart Parade, Friday, December 8, 3pm-7:30pm.

Christmas Spectacular Concert "In the Christmas Mood" @ Sundial Auditorium, doors at 5:00pm and show begins at 6pm. Complimentary Hot Cocoa and Hot Apple Cider will be served at this event.

"Grand Re-Opening" of Viewpoint Lake celebration in conjunction with the Annual Boat Parade, including an ice cream social, demonstrations of RC Boats by the Sun City Yacht Club, and tours of Viewpoint Hill accompanied by the history of the lake as presented by the Sun City Museum

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Historiographers. This event is Friday, December 15, 3:30pm-7:30pm. The boat parade is expected to begin at 6:10pm.

Facility Rentals:

There were 15 Facility/Room rentals during the month of October 2023, grossing \$6,850 in revenue.
