

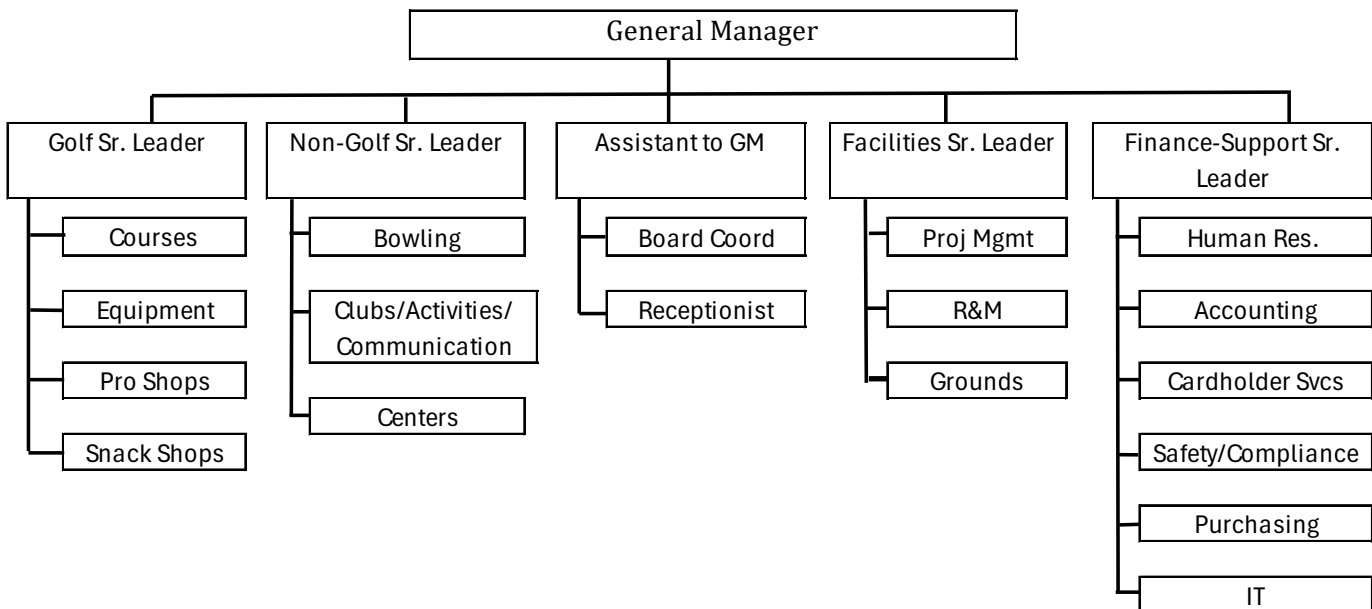
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FINANCE:

Financials:

In early 2024, the RCSC Organization Structure was streamlined, and the number of Divisions was reduced from seven to four. These four divisions are Golf, Non-Golf, Facilities, and Finance/Support. In April, Finance will begin to report financial results under this new organization structure:

RCSC Corporate Org Chart



The Recreation Centers of Sun City, Inc. (RCSC) ended April within its operating and capital budget year to date. All Divisions except Golf have met or exceeded their net operating budget projections year to date. Golf was (\$332.3k) unfavorable to budget due to Daily Public, Cardholder, and Guest Green Fees being below budget by (\$64.1k), (\$39.0k), and (\$23.2k) respectively, Non-Resident Pass fees (\$37.7k) unfavorable to budget, and Tree Trimming being (\$89.6k) unfavorable due to an initiative to trim/remove dead and dying trees, bushes and cacti from RCSC golf courses and Center properties. Operating Income for April totaled \$2,407k and was (\$66.5k) unfavorable to budget due to Public Daily Greens Fees and Non-Resident Pass Fees being below budget by (\$28.2k) and (\$10.2k) respectively. Operating Expenses for the month were \$2,198k and (\$230.6k) unfavorable to budget due primarily to tree trimming expenses as mentioned above. This should reverse substantially due to timing; this work is typically done in the fall but was accelerated and expanded for safety concerns. Year to date Net Operating Excess was \$2,179k and favorable to budget by \$242.5k (11.1%). This favorable year to date Operating Excess was due primarily to Wages and Benefits being favorable to budget by \$314.9k, and General Operating Expenses being favorable by \$251.8k due to the timing of Equipment, Furniture, and Chemicals purchases.

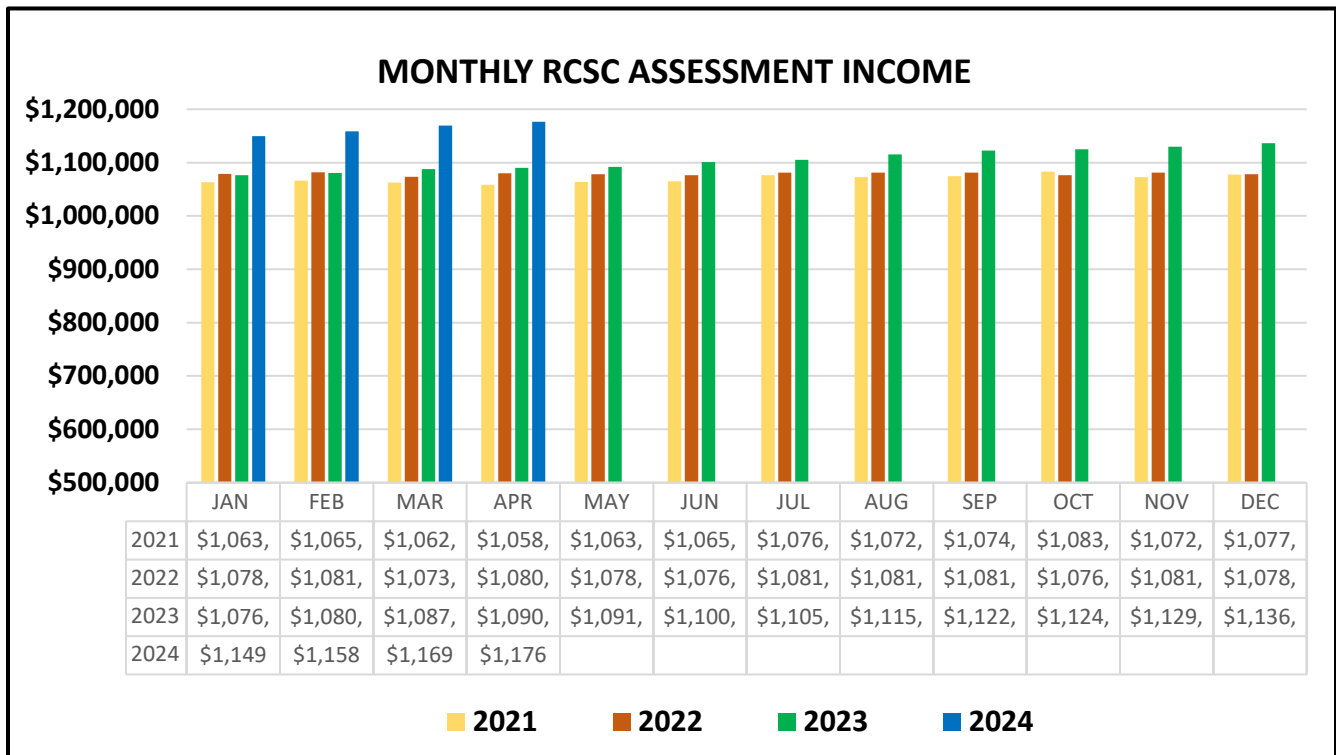
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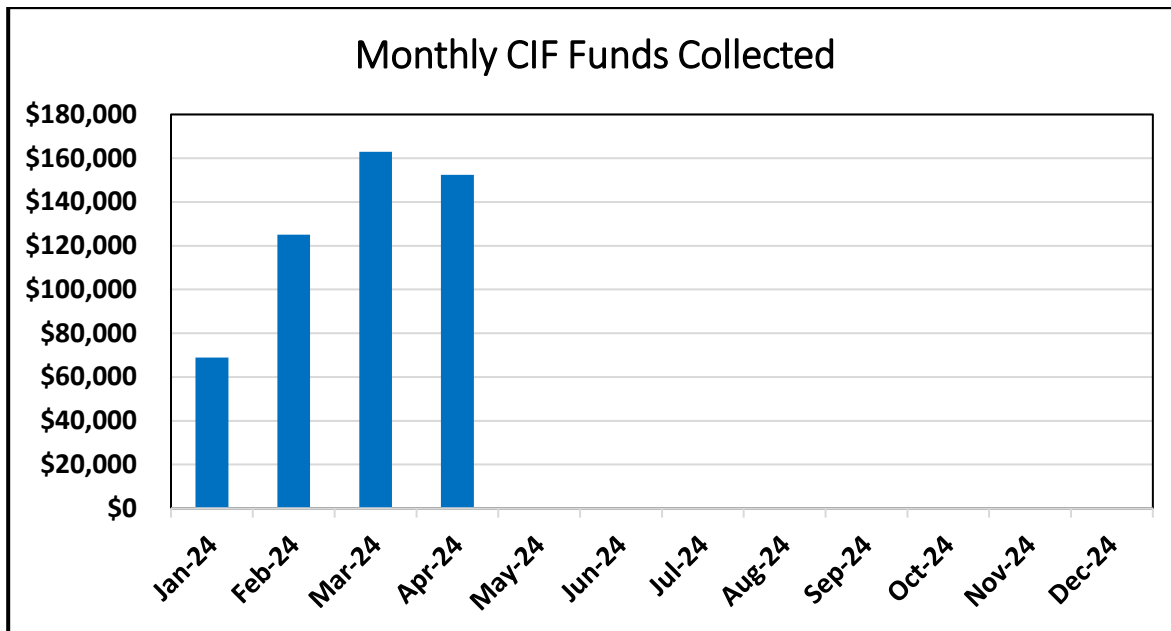
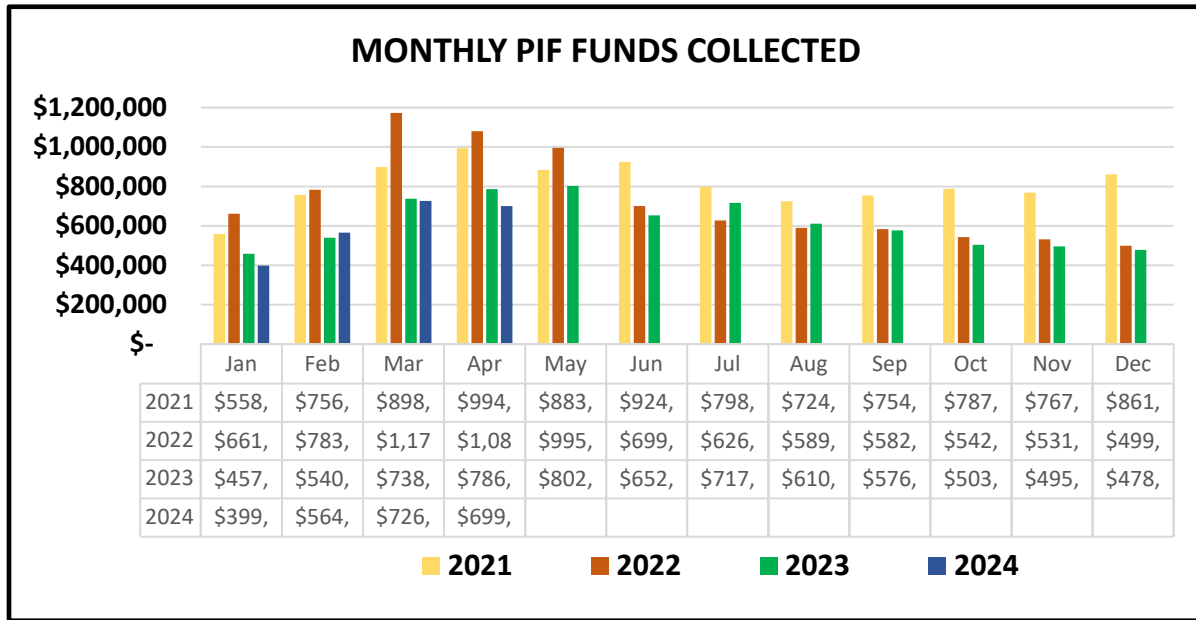
Cardholder Services:

Payments on past due assessments in April were 12.6% of past due balances. Overall accounts receivable increased in the month by 2.5% and are up 5.8% from the end of 2023. Overall accounts receivable for past due balances increased in April by 1.7%. March assessments went 30 days past due at a rate of 4.3% and February assessments went 60 days past due at a rate of 3.0%.

Payments from third-party collections firms totaled \$26,112 in April and totaled \$87,267 year to date. April payments made through the online Web Portal totaled \$306,503 from 563 property owners. Year to date online portal payments total \$1,086,350 from 1,984 property owners.

In April, property transfer balances increased by 5.0%. Outstanding balances related to property transfers represent 53% of all receivables and 54% of past due balances. April trustee sale notices on Sun City AZ properties remained at 25, and properties owned by lending institutions decreased to 1.





Purchasing:

In April, the Purchasing department revamped and standardized lease renewals for the fitness and massage spaces at the Bell and Fairway rec centers. Purchasing has also evaluated responses to the RCSC Website RFP and has recommended a vendor for this project. The department filled a newly created position for a part-time contract specialist. This position will assist with the creation and execution of service and purchase agreements with the vendors RCSC uses for goods and services.

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Safety & Compliance:

Oakmont Security Project: The Safety & Compliance, Facilities, and Information Technology departments completed the Oakmont security camera and access control project in April. Members are required to obtain an access control token for entry, which can be obtained at Cardholder Services with a photo RCSC Member/Privilege Card. Safety & Compliance participated in the Clubs Organization Committee meeting to discuss safety inspections in club rooms scheduled for the fall. This ongoing partnership aims to guide RCSC's clubs in adhering to safety procedures and policies. Our Customer Engagement Platform had a soft launch in April, with a full launch planned for May. Initial feedback has been positive, with nearly 200 Members/Cardholders establishing accounts. 135 individuals, employees and club members were trained in First Aid, CPR and AED during the month of April. We are thankful for our partnership with the Sun City Fire and Medical Department who provides this training at a low cost.

Comment Cards responded to in April: 138. Year-to-Date: 783.

Incident Reports investigated in April: 44. Year-to-Date: 158.

Human Resources:

Human Resources opened 22 requisitions during the month of April and filled 21 requisitions, ending the month with 5 open positions. Year-to-date, HR has opened 63 requisitions and filled 63 open positions. The time-to fill requisition in April was 7.6 days.

In April, Human Resources updated a substantial number of position titles in the payroll system and updated the mapping of these positions to the appropriate account in the general ledger. HR worked with our 401(k) plan administrator on the annual plan audit, and continued working with Paylocity to fix some nagging issues with the integration between our payroll system with several benefits vendors' systems.

Information Technology:

In April, the Information Technology team received 82 new service requests, and closed 94 requests by month end, leaving 12 tickets remaining open. On average, IT closed service requests in less than one day in April. Year to date, IT has opened 402 tickets, and closed 400 tickets.

IT is continuing to work on the server and networking upgrade project. The migration of remaining applications and data from the old servers and storage devices to the new server room is on track for completion in June. Installation of the new networking service (SDWAN) from Cox has been completed at more than half of the RCSC facilities, and the project to completely rewire the Bell rec center began this month. IT supported several

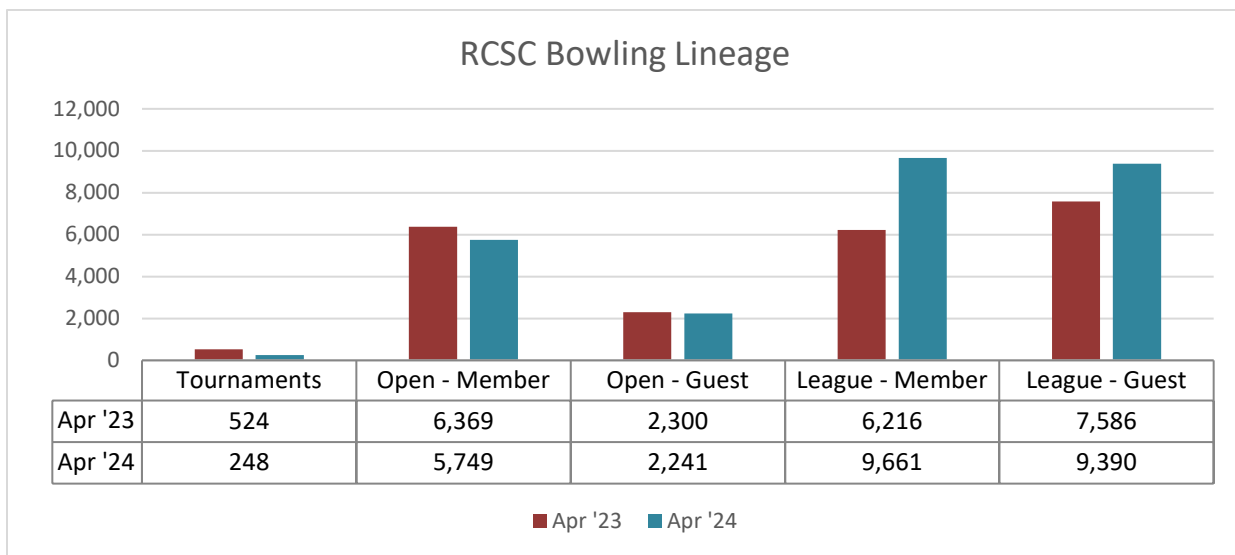
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administrative office moves including the Clubs office move to Oakmont, Accounting's office restructuring, and the move of Safety to the Warehouse space. IT installed kiosks at Fairway, Bell, and Lakeview to allow Members who do not own computers to enter online comments and purchase guest passes on the Portal.

NON-GOLF:

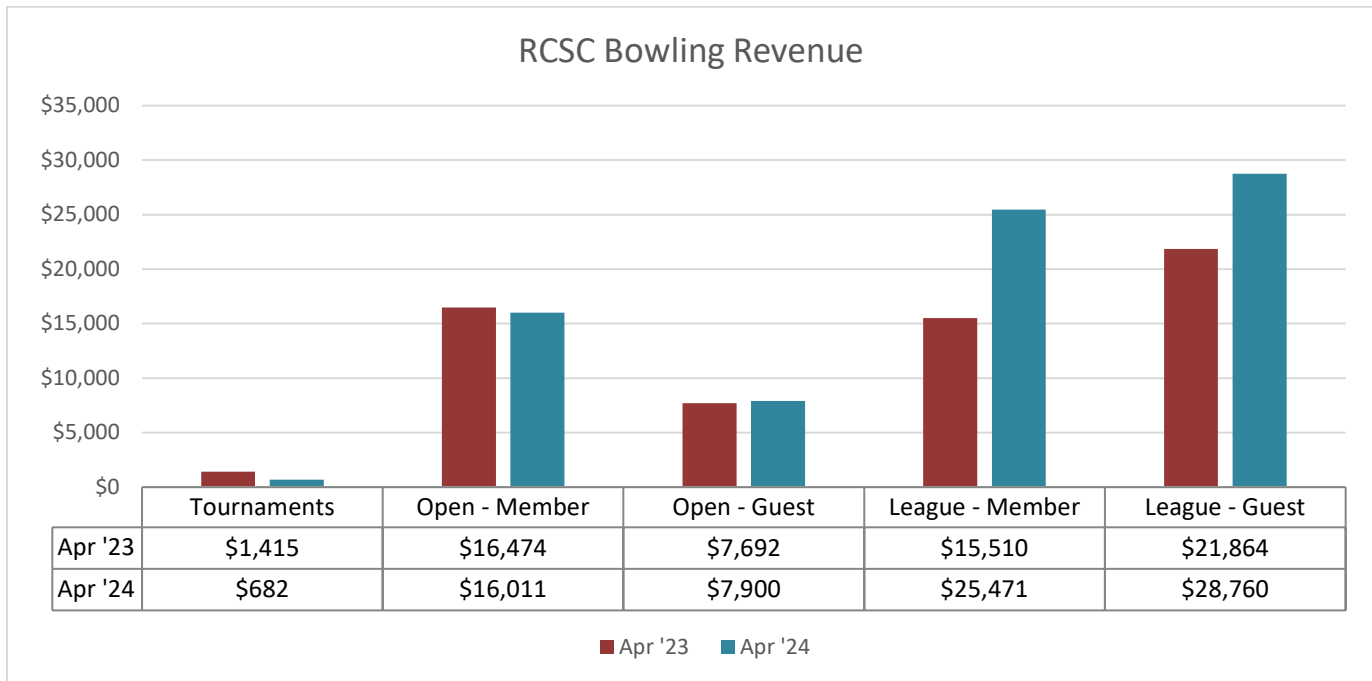
Bowling:

In April of 2024, Bowling lineage totaled 28,232, compared to 23,582 in April of 2023, an increase of 20%. Year to date lineage through April 2024 totaled 131,894 lines, compared to 127,451 through April 2023, an increase of 3%.



Bowling Revenue in April 2024 totaled \$78,823 which was 25% greater than the April 2023 revenue of \$62,955. Year to date, 2024 Bowling revenue is \$371,935, or 7% greater than the total revenue through April of 2023.

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Activities:

A full schedule of summer events is being offered this year! In addition to 4 concerts, a magician, music bingo, 2 game shows similar to Family Feud and Name That Tune, a juggler and a Trivia Night are all on the schedule. There is also a Food Truck event with music by a string folk duo, games and several clubs have been invited to be on-site.

The entire fall schedule for the Sun Bowl concerts has been booked.

Plans for the July 4th event is in full swing with some changes to the ceremony including new video compilations.

An additional Audio/Visual Technician has been hired and started May 15th.

Communications:

Welcome Center - 717 visitors in April, a decrease from March of approximately 12% which is usual for this time of year. Of those 717 visitors, 674 were current residents – renters and owners. The #1 reason for their visit was to pick up club brochures; numbers 2 & 3 were to show family and/or friends what RCSC has to offer and to pick up the latest edition of the Sun City Update and local paper.

Arizona emerged as the top state of origin for the majority of our prospective buyers/renters closely trailed by Colorado and Washington. Half of our prospective buyers cited referrals from friends and family as their source of information, while the other half fell within the 60-

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69 age bracket. Additionally, half of them are planning to relocate within a year or less, with a striking 83% intending to be retired upon arrival. Among the activities that pique the interest of prospective buyers, swimming and walking claim the top spots, followed by bicycling and fitness pursuits.

A new Communications Coordinator has been hired and will begin May 28th. A special thanks goes to Joelyn Higgins for her dedication and years of service to RCSC. We wish her a great retirement; she will be missed.

Clubs:

Budget requests for 2025 have been submitted by all clubs. Room reservations utilized by the clubs throughout the year are being integrated into the online calendar. Inventory lists from the clubs are due by June 1st.

Centers:

USAGE BY CENTER	JAN	FEB	MARCH	APRIL	YTD
BELL	23,335	27,732	30,512	31,182	112,761
FAIRWAY	18,994	18,620	19,439	19,861	76,914
LAKEVIEW	10,129	14,061	17,081	13,036	54,307
MOUNTAIN VIEW	4,003	4,090	6,545	6,203	20,841
MARINETTE	17,278	18,369	19,496	20,589	75,732
OAKMONT	3,119	3,302	4,365	4,182	14,968
SUNDIAL	19,239	17,703	17,990	13,470	68,402
TOTAL CENTER USAGE	96,097	103,877	115,428	108,523	423,925

USAGE SUMMARY BY ACTIVITY	JAN	FEB	MARCH	APRIL	YTD
BASKETBALL	31	61	106	31	229
BILLIARDS	2,795	2,607	2,733	2,441	10,576
BOATS, PEDAL & ROW	587	1,109	1,435	948	4,079
BOCCE (open)	255	206	290	116	867
DARTS	783	833	928	750	3,294
FISHING	289	191	113	76	669
FITNESS	36,395	34,847	34,557	31,275	137,074
WHISPERBALL/RACQUETBALL	322	323	351	270	1,266
HORSESHOES	120	135	80	25	360
MINI GOLF	4,317	6,411	8,568	4,760	24,056
PICKLEBALL	10,362	11,240	11,265	13,007	45,874
POOLS, SWIMMING	12,704	14,306	20,065	20,085	67,160
POOLS, WALKING	3,126	5,466	6,920	11,128	26,640

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USAGE SUMMARY BY ACTIVITY	JAN	FEB	MARCH	APRIL	YTD
POOLS, WARM WATER	2,296	2,368	2,086	1,839	8,589
SHUFFLEBOARD (open)	794	868	940	569	3,171
SPA, INDOOR	4,245	4,008	3,784	2,976	15,013
SPA, OUTDOOR	4,212	6,080	6,812	7,622	24,726
TABLE TENNIS	841	800	904	757	3,302
TENNIS COURTS	1,119	1,136	1,233	1,004	4,492
WALKING, INDOOR	5,579	4,676	4,682	4,810	19,747
WALKING, OUTDOOR	4,925	6,529	7,576	4,034	23,064
TOTAL CENTER USAGE	96,097	104,200	115,428	108,523	424,248

FACILITIES:

Projects:

In Process:

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

- RFP for architectural services yielded 4 proposals, 05/15/24
- Currently responses are in review. Top candidate(s) may be asked to meet with RCSC Management for further details/clarifications. Exact date yet to be determined.

Sun Bowl Softball Field Improvements (PIF) Status: Green

- Budget: \$1.38M. Total Cost to date: \$860,000
- Project commenced 11/27/23
- Contractor is Robert E Porter Construction
- Project approved by Maricopa County with a Certificate of Occupancy on May 20
- Working to complete camera/access control installation & staff training before turnover to the Softball Club. Turnover date to be discussed with the club on May 28

Recently Completed

Bell Recreation Center

- Miniature Golf Course new synthetic turf (18 holes). Project was completed on May 14 at a cost of \$ 55,172. Contractor: Baker Brothers
- Stitches Upgrade to LED lighting. Project was completed on May 7 at a cost of \$7,550. Contractor: Accel Electric
- Fitness/Pool Exterior Entrance Door. Project was completed on April 30 at a cost of \$5,753. Contractor: Tri-C Construction

Lakeview Recreation Center

- Replaced (6) column drains. Project was completed on April 14 at a cost of \$ 74,850. Contractor: K.L. McIntyre General Contracting

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- Replaced chlorine tab feeders. Project was completed on May 1 at a cost of \$12,000. Contractor: CPR Pools and Accel Electric
- Acid Tab Feeders replacement. Project was completed on April 10 at a cost of \$ 12,000. Contractor: CPR Pools and Accel Electric

Marinette Recreation Center

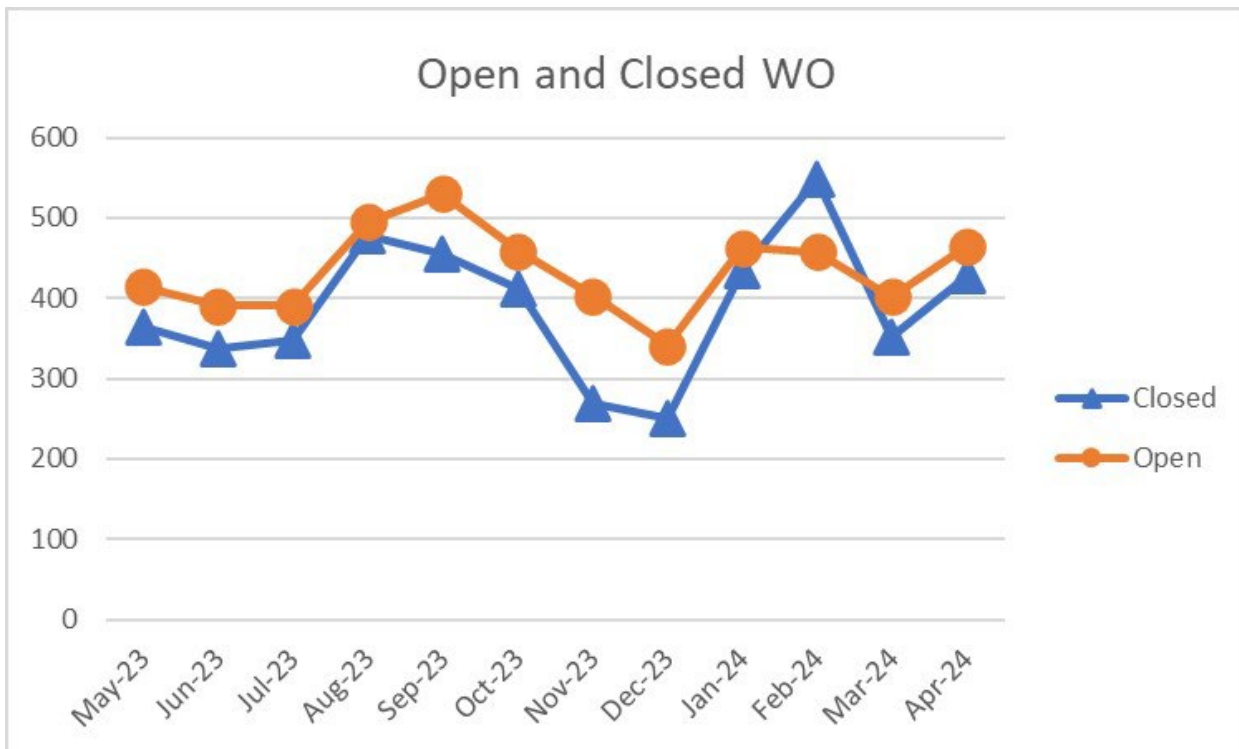
- Demo and installation of new walking/jogging track. Project was completed on May 17 at a cost of \$ 129,072. Contractor: Elite Sports Builders
- Concrete repairs in parking lot. Project was completed on April 15 at a cost of \$ 6,533. Contractor: Rose Paving Co.

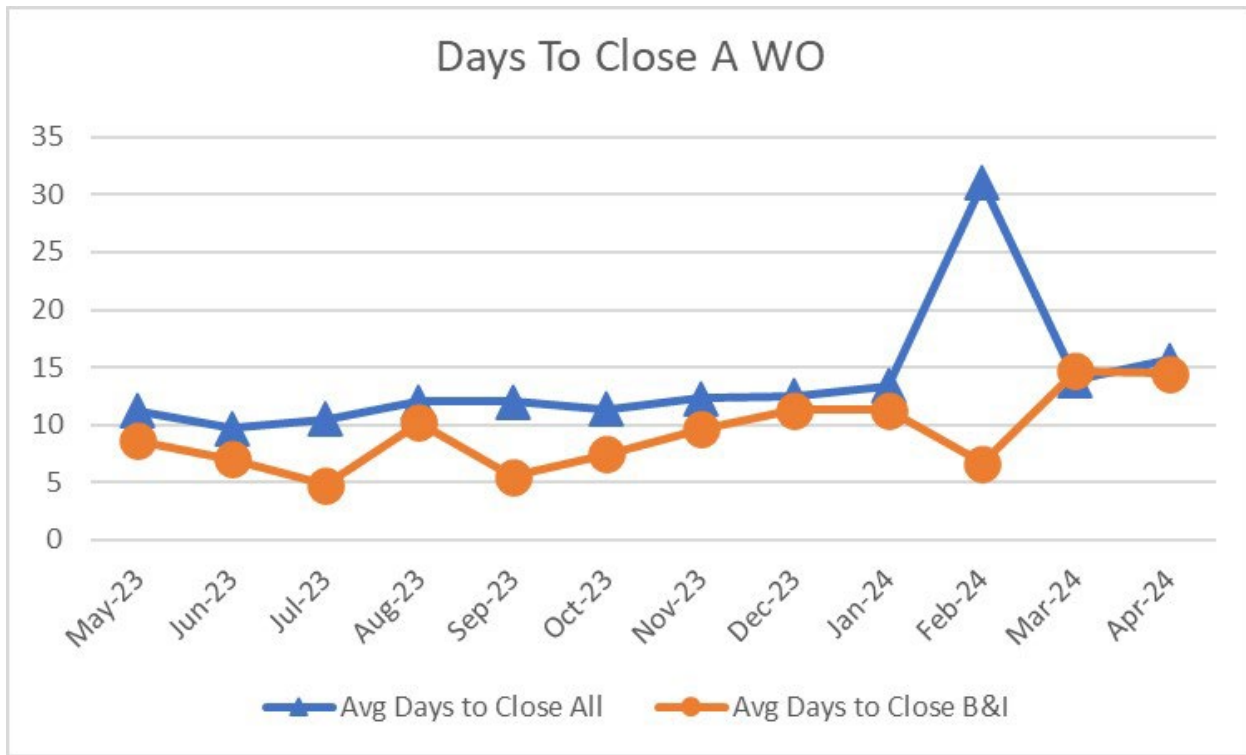
Oakmont Recreation Center

- Security enhancement pilot project at Oakmont. Project was completed on May 14 at a cost of \$177,044. Contractors: ADT/Everon, Exquisite Painting, Fairlane Fence

WORK ORDERS (Skilled Trades, Repair and Maintenance):

The Facilities Department had 130 open work orders as of May 1 and completed 429 work orders in April 2024. The average time to close a work order in April 2024 was 14.5 days. The Facilities Department has completed 1,763 work orders as of April 30.





LAWN BOWL AND GROUNDS:

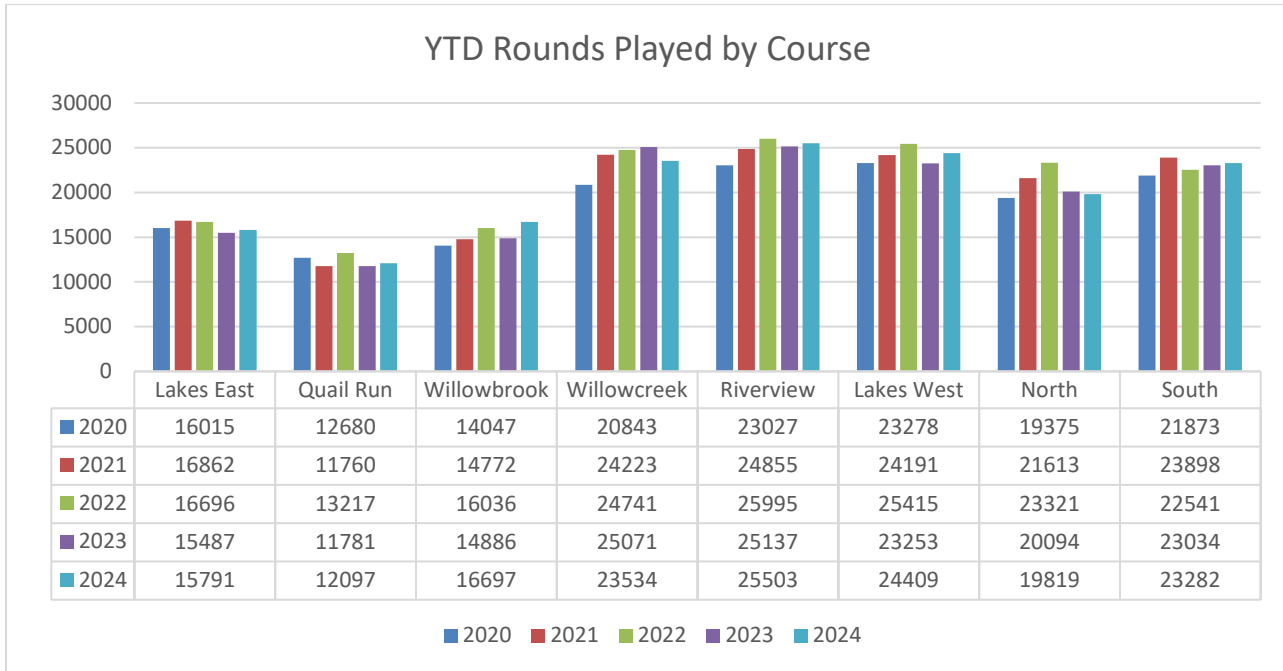
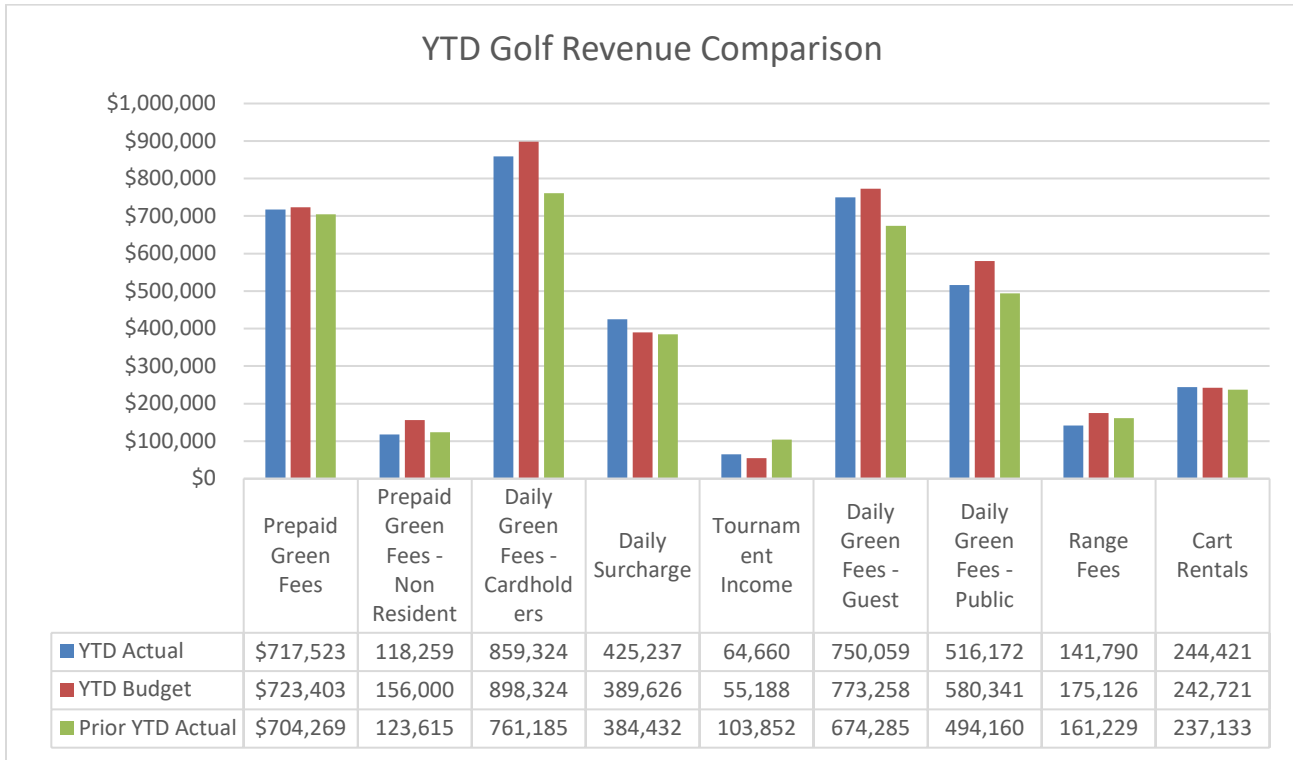
Lawn Bowls - Green speeds range from a low of 11.9 seconds at Lakeview East to a high of 13.5 seconds at Bell South. Moisture readings range from a low of 9.8 at Mountain View to a high of 12.5 at Lakeview West. Verticutted all greens. Added fertilizer and insecticide to kill grubs on all greens. Mowing twice a week, cleaning ditches three times a week and rolling three times a week.

Grounds - Cleaned around the hill at Lakeview Center for Memorial Day. Trimmed bushes and general landscaping at the Softball Field. Mowing Lakeview once per week. Mowing Sunbowl once a week.

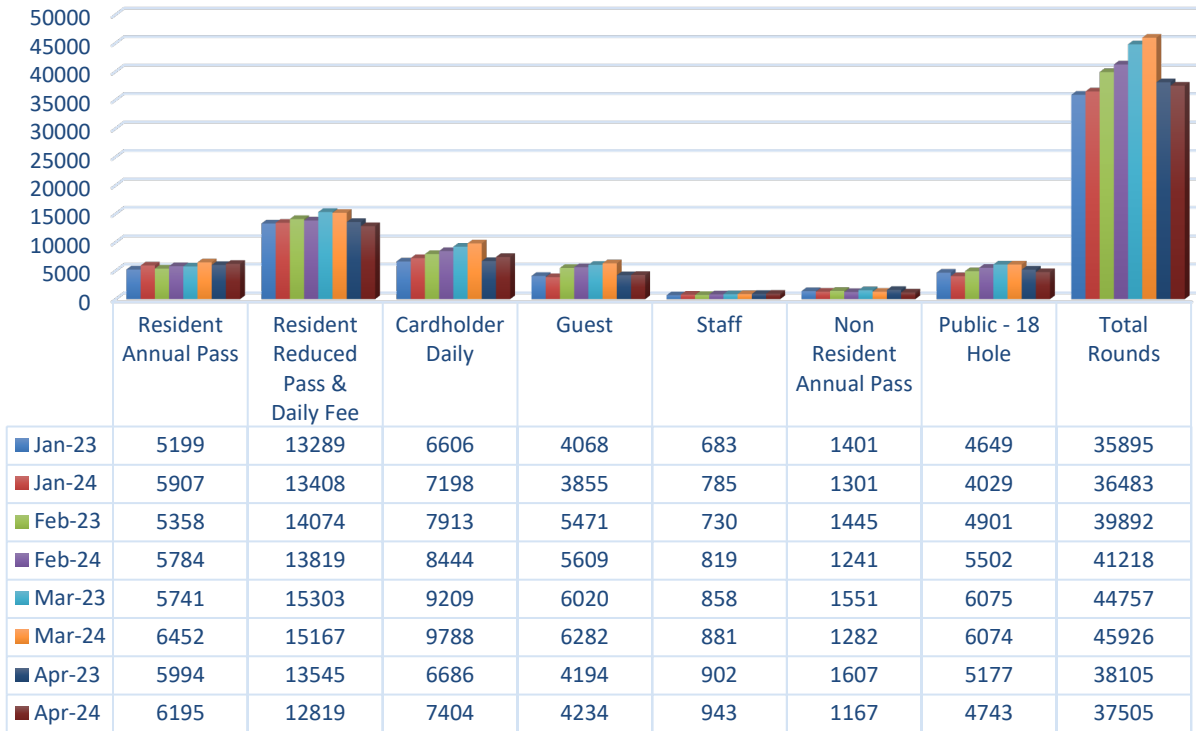
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GOLF:

Pro Shops:



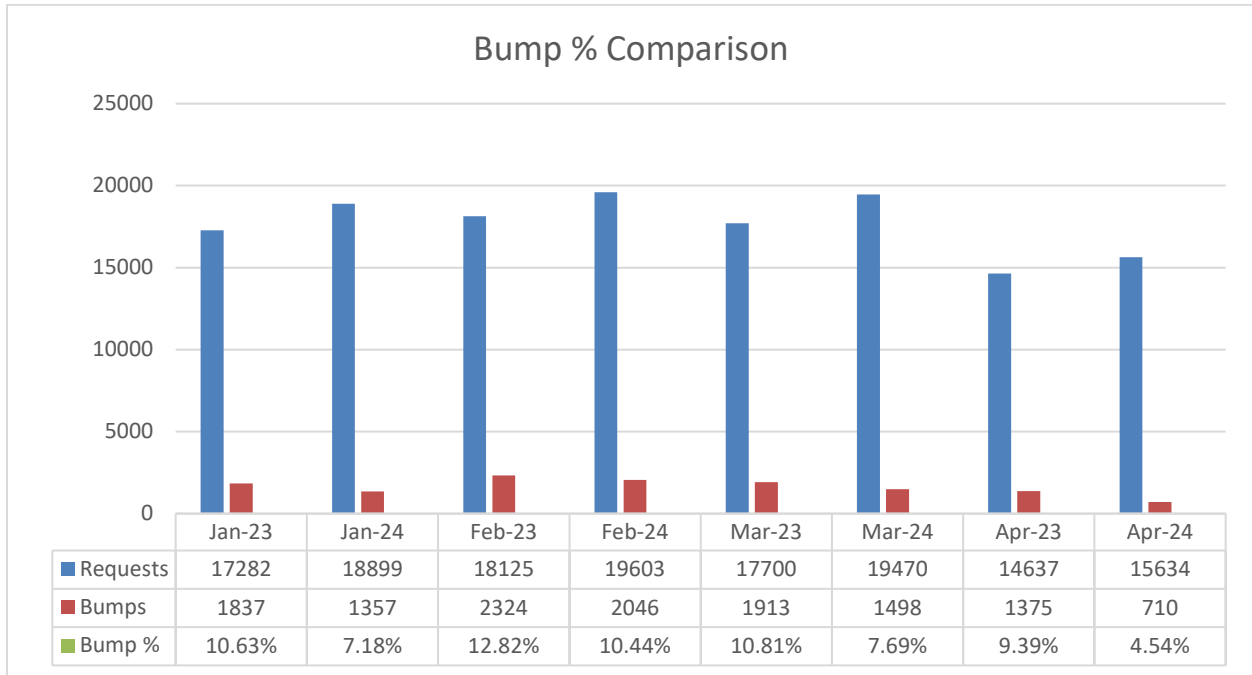
YTD Rounds Comparison



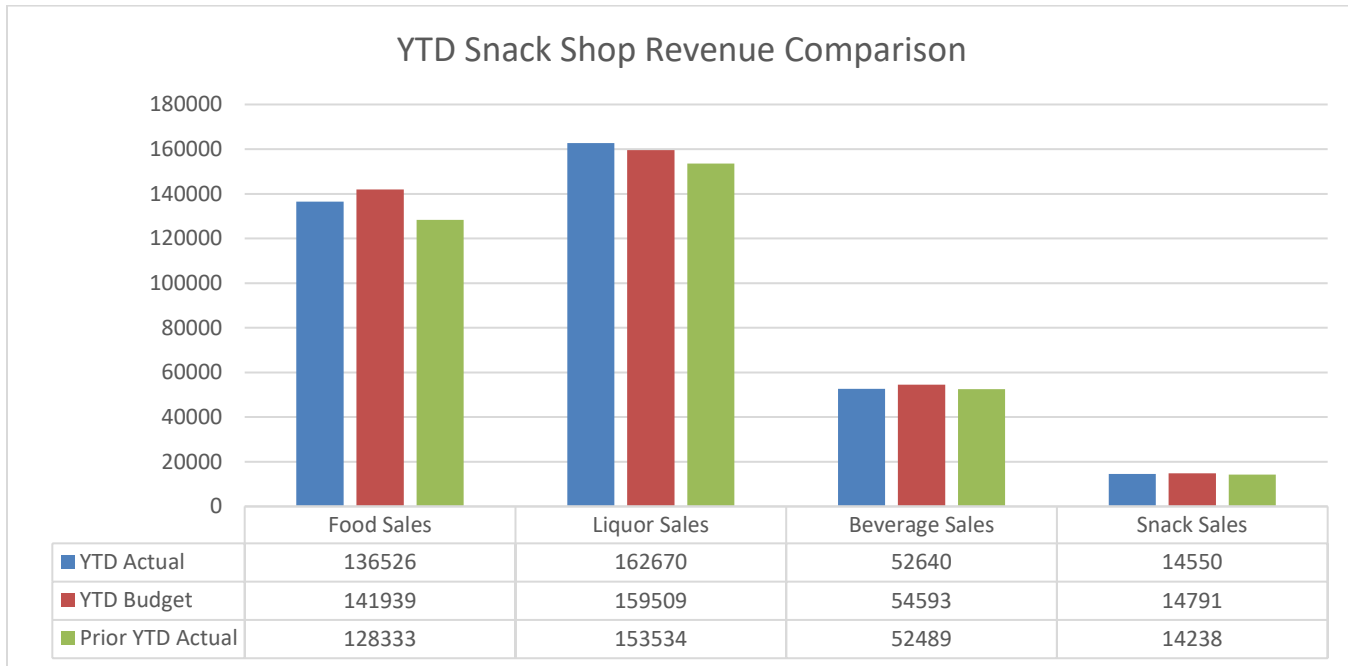
- 15.1% of total rounds played by Annual (Resident) No Fee Passholders YTD, up from 14.0% last year
- 34.27% of total rounds played by Annual Surcharge Passholders YTD, down from 35.43% last year
- 20.38% of total rounds played by Resident Cardholders YTD, up from 19.17% last year
- 3.1% of total rounds played by Annual (Non-Resident) Passholders YTD, down from 3.78% last year
- 12.63% of total rounds played by Public Golfers YTD, down from 13.11% last year
- 12.4% of total rounds played by Guests, down from 12.45% last year
- 2.13% of total rounds played by Staff, up from 2.00% last year

The bump rate (those golfers requesting a tee time through the lottery that were unsuccessful), showed improvement for the fourth consecutive month this year. For the month there was an increase in the number of requests of 997 (14,637 in 2023 versus 15,634 in 2024), however the number of golfers bumped dropped by 665 (1,375 in 2023 versus 710 in 2024). Overall, our bump rate was 4.54% for the month. For the first four months our overall bump rate was 7.62% versus 11.00% for the first four months last year.

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Snack Shops:



Golf Courses:

Fairway verticutting began April 18 on Willowbrook and continued through May 7 on South. The full golf maintenance schedule can be found on the RCSC website at www.suncityaz.org under the Course Maintenance tab under Golf. Verticutting helps to thin out the winter rye grass by using blades the cut perpendicular to the soil. Thinning out the canopy allows more sunlight to reach the Bermuda grass coming out of dormancy as well as increased oxygen and moisture to reach the root zones more easily.

Following fairway verticutting, fairway aerification and green aerification began May 20 on Willowbrook and will continue through September 6 on Quail Run. Aerification of fairways and greens helps to relieve the compaction resulting in play and further allows increased oxygen and moisture to reach the root zones of both playing surfaces. This year we have opted to close the courses for longer periods of time and perform both aerification events during the closure. The longer closures will allow crews to provide some TLC to other areas of the course as well as some added healing time to the playing surfaces.