

Recreation Centers of Sun City West

RCSCW Budget Forums

Operational and Capital Budget

FY 2024-25

Lecture Hall

April 17 - 18, 2024



SUN CITY
WEST



February 15, 1978, some 500 civic and business leaders attend the official ground-breaking for Sun City West



DEL E. WEBB CORPORATION

Job No. 8250 Date Started 2/15/78

Job Name Sun City West, Phase I

Location Maricopa County, AZ

Date of Photo 4/7/82 No. 49

46 Years later...



Planned Community

A Planned Community under A.R.S. § 33-1802 is defined as a “real estate development that includes real estate owned and operated by a non-profit corporation.

Created for the purpose of managing, maintaining or improving the property and in which the owners of separately owned lots, parcels or units are mandatory members and are required to pay assessments to the Association for these purposes.”



Sun City West Inc.
501 C-4
Non-Profit Organization

Net earnings must be exclusively used for charitable, educational, or recreational purposes.

An Association must primarily serve the community rather than the private interests of its members.



SUN CITY
WEST

10 BEST RETIREMENT COMMUNITIES IN THE U.S. 2022





Over 2,600 communities +55 were recently analyzed and assigned numerical values for factors like affordability, amenities, and security features. Out of that came an overall score for each community which Coventry used to determine the “top retirement communities”.

Sun City West ranked # 2 Nationally

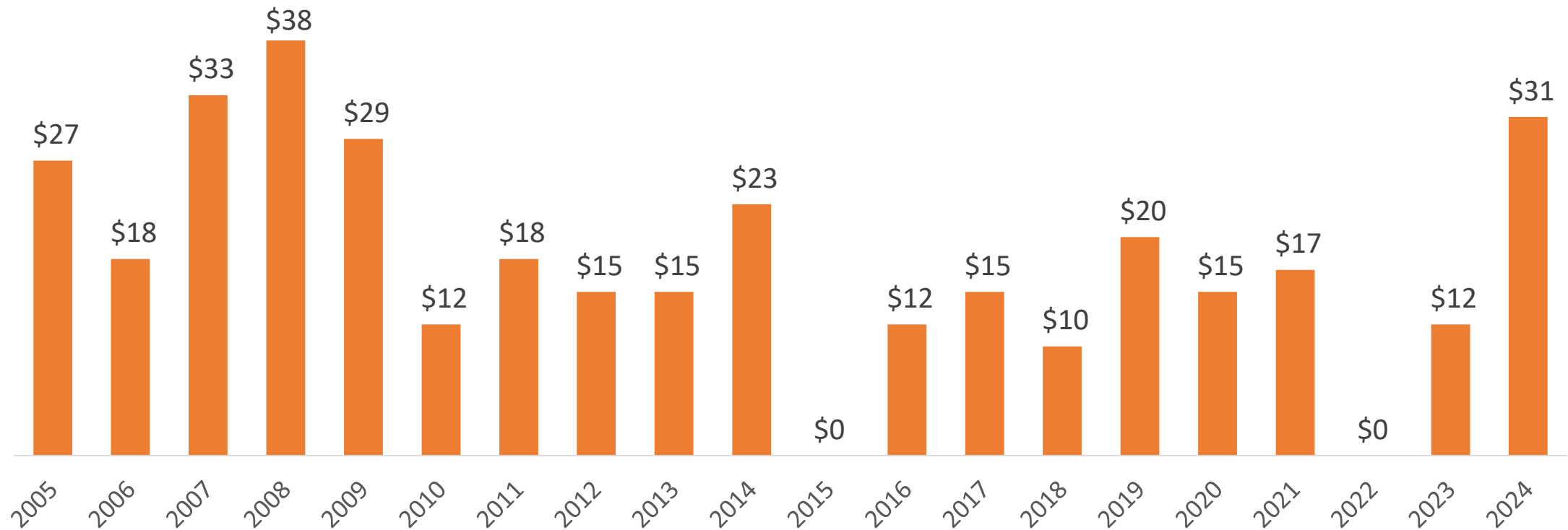


ConsumerAffairs

Surrounding Communities Dues Increases

Community	2024 Dues % Increase	Annual Dues Per Rooftop	APF
Sun City	10%	\$575	\$5,000
The Grand	4%	\$1,861	\$5,000
Westbrook Village	4%	\$777	\$4,221

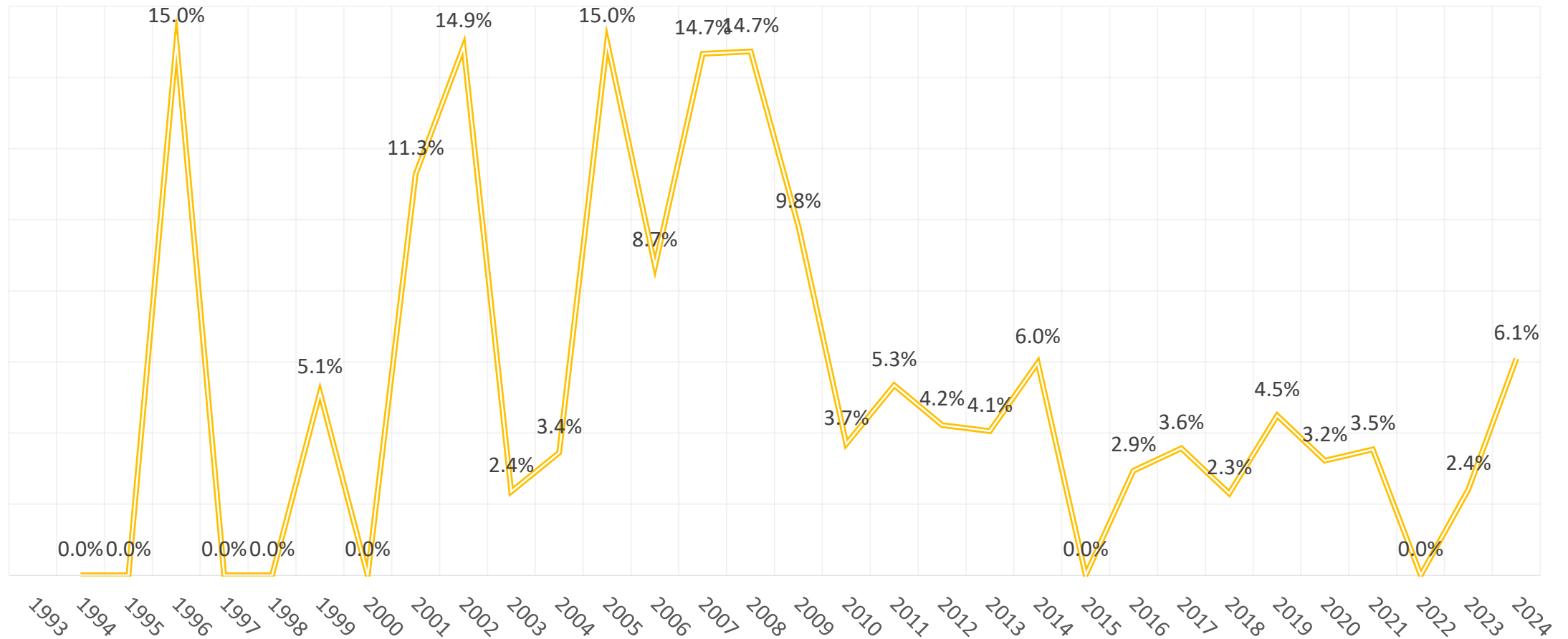
Dues – 20 Year Run Rate



10-YR Dues Increase = \$228
10-YR Inflation = 24%

10-YR Dues Increase = \$132
10-YR Inflation = 27%

Yearly Dues % Increase





Budget Goals

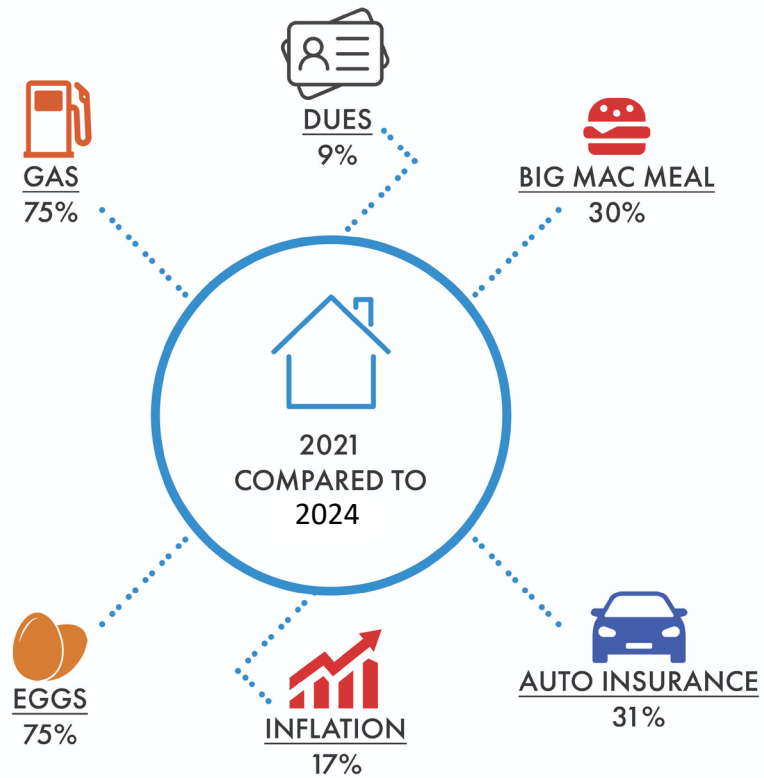
- The primary goal is to preserve, protect, maintain, and enhance the assets of the association.
- Meet or exceed the minimum reserve funding requirement established by policy.
- Continue invest in new capital projects approved by the Governing Board.
- Strive to maintain the RCSCW high standards.

Operating
Expense
Budget



Capital
Improvement
Budget

Rising Household Costs



Cost Increases

Auto Insurance \$478/YR

Gas (20 Gal/Mo) \$358/YR

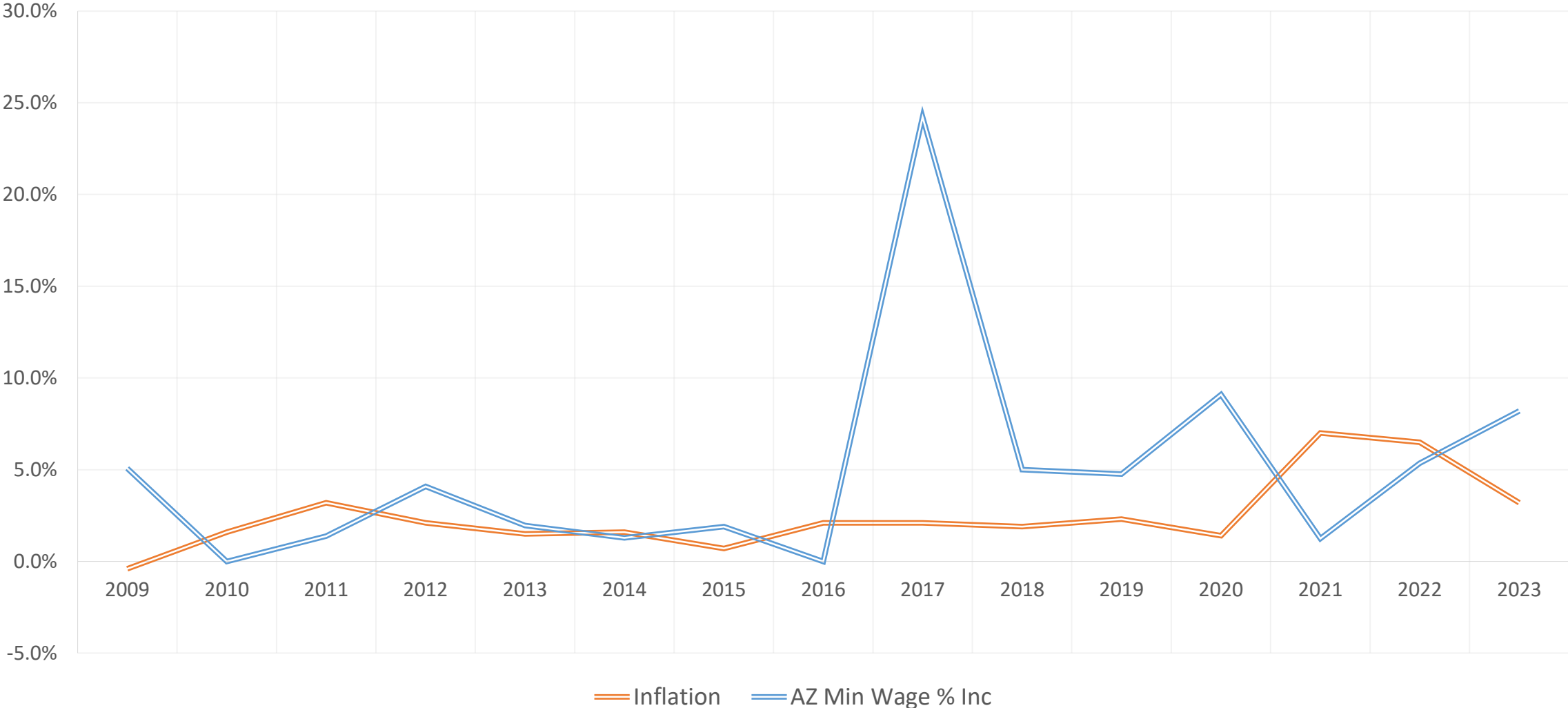
Big Mac Meal (2/Mo) \$55/YR

Eggs (2 Doz/Mo) \$48/YR

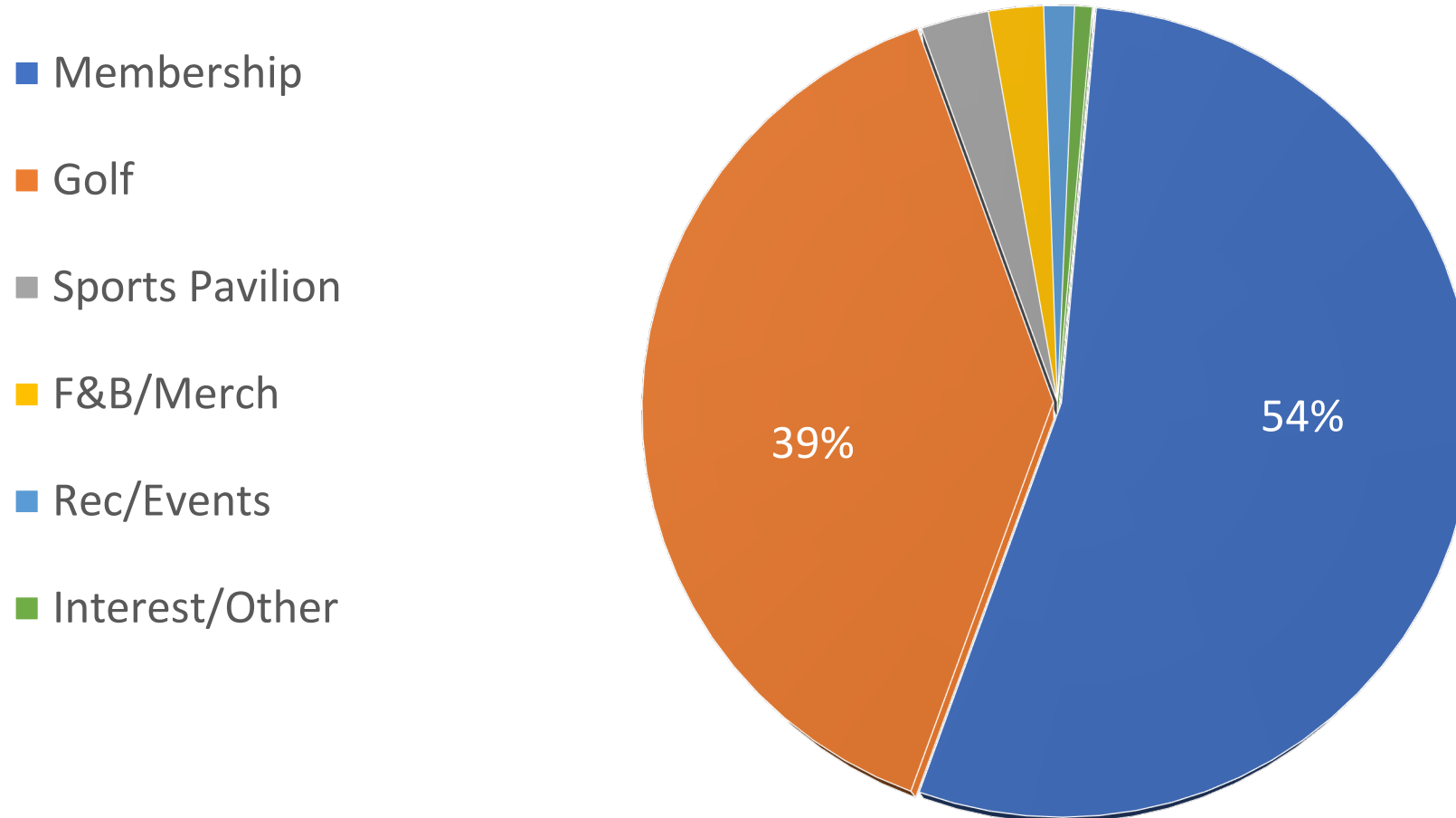
RCSCW Dues \$43/YR

Inflation & Minimum Wage

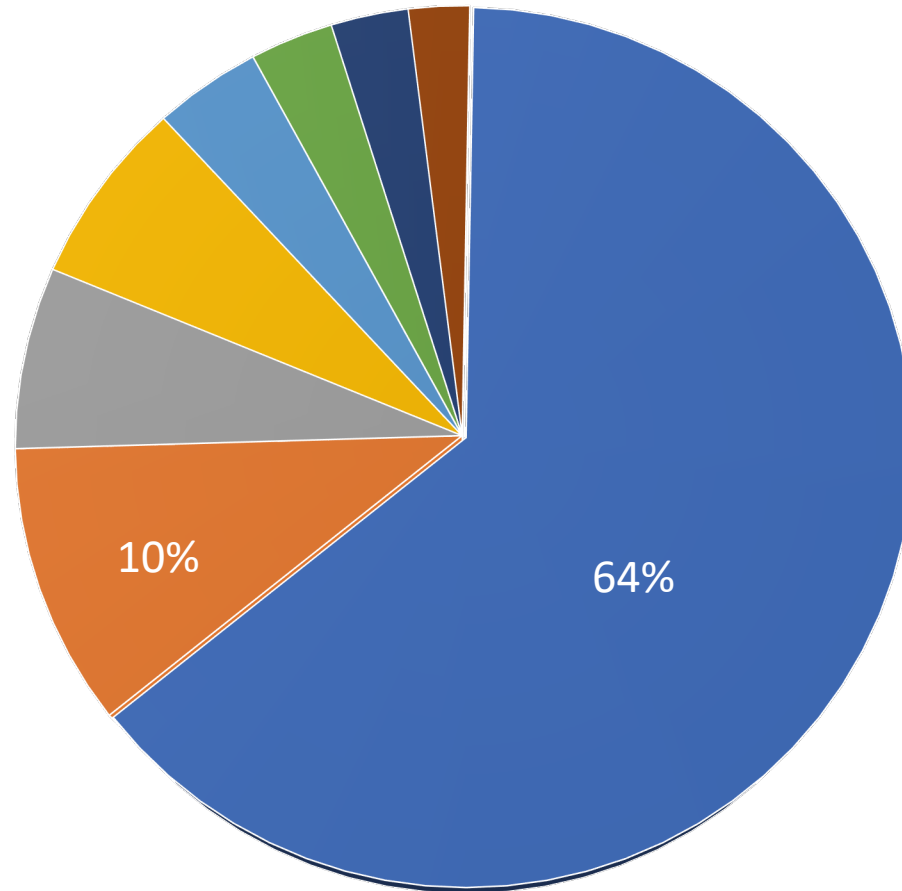
2009 Min Wage \$7.25 vs 2024 Min Wage \$14.35



Revenues



Expenses

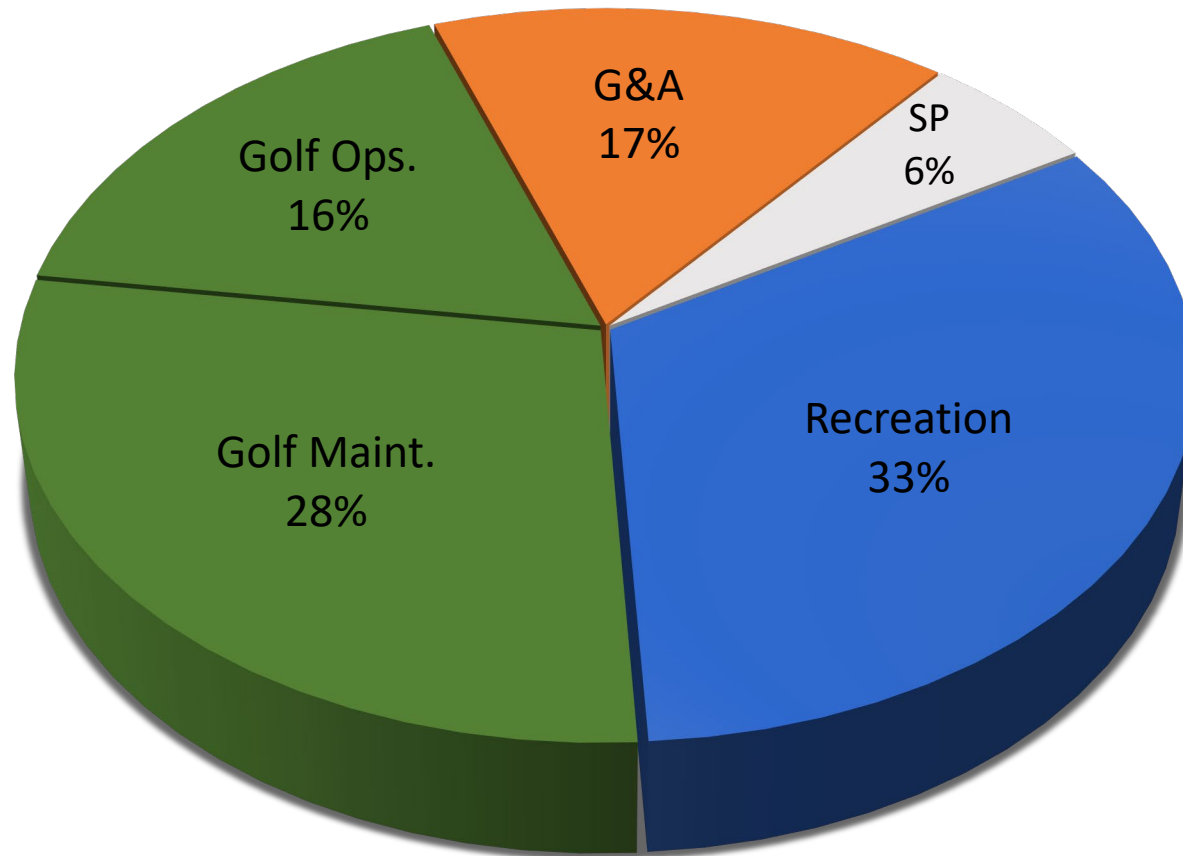


- Wages & Benefits
- Utilities
- Landscape
- Repairs & Maint
- Taxes/Ins/ Prof Services
- Supplies/Equip/Services
- Operating/Other
- CC & Banking Fees

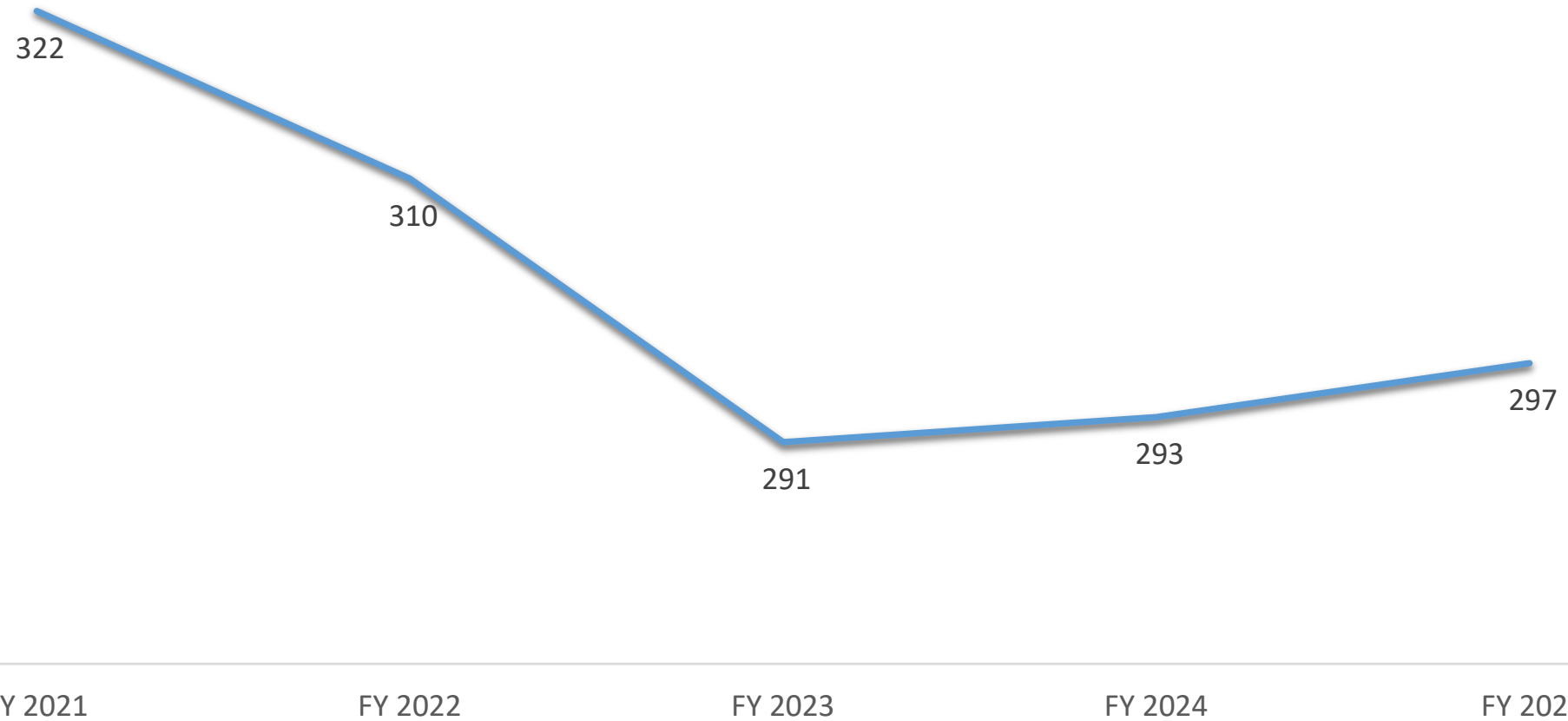
Labor at RCSCW

- 4 Divisions made up of 33 departments
- 92 unique positions
- 489 employees
- 197 full-time and 292 part-time/seasonal
- Approximately 618,000 hours worked annually

Hours by Cost Center



Budgeted 5-Year FTE Trend



Employee Type Distribution

	Positions	Positions %
Managers	13	3%
Supervisors	16	3%
Salaried	12	2%
Full Time Hourly	156	32%
Part Time Hourly	119	24%
Minimum Wage	173	36%



2023 Benchmark Survey

Arizona, Colorado, Utah, and Wyoming

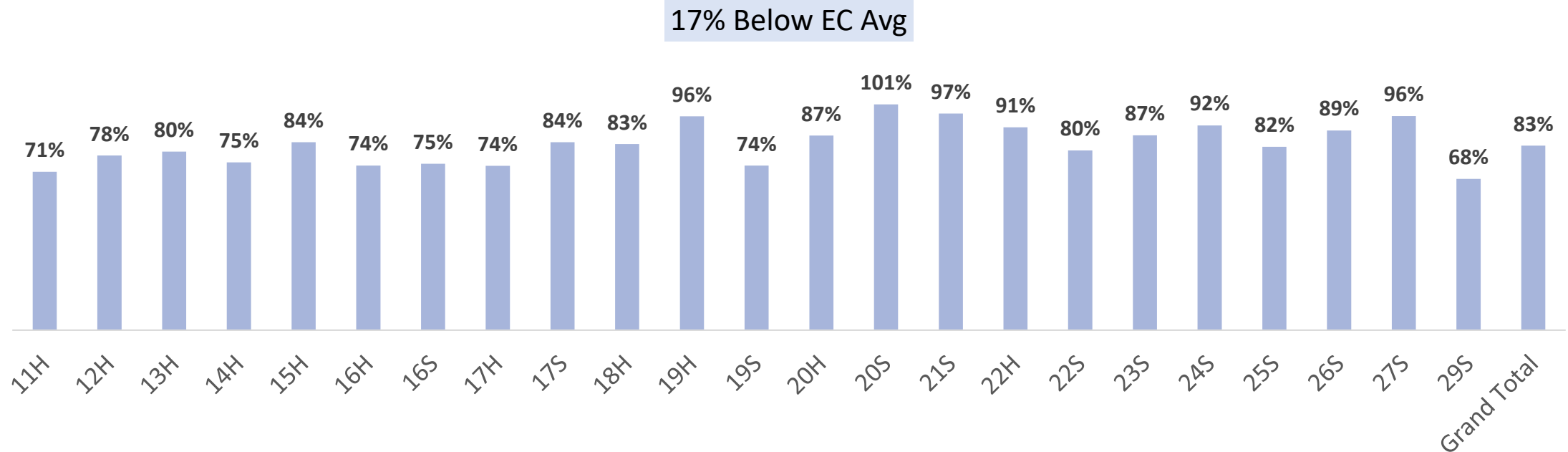
Number of Jobs Surveyed: 3,257

Number of Jobs Published: 1,003

Number of Participating Orgs: 207

Total Number of EEs Reported: 84,870

Employment Law • HR • Training • Surveys



Wages & Benefits Notables

- Merit Wage Increase Effective Jan 2025, up to 3%
- 4 Additional FTEs
- Minimum Wage Increase \$1/hr., \$14.35-\$15.35
- Workers Comp Insurance Increase, 35%
- Health Insurance Increase, 15% Jan 2025, 5% Jan 2024



Cost Management and Efficiencies

- Facilities and Equipment Resources Analysis
- Employee Safety Programs
- Bidding and Comparative Pricing
- Employee Training and Best Practices
- Process Improvements
- Technology Enhancements

Operating Expense Notables

- Overall, 4% Operating Expense Increase (Non-Payroll)
- \$126K Increase Utilities 5% – Electric/Natural Gas/Water/Sewer
- Repairs & Maintenance
 - \$170K Increase in Grounds Expense Offset Savings in Wages For Landscape Department (4 FTEs)
 - \$120K Decrease in Outside Services Offset Increase in Wages For Janitorial at Rec Centers (4 FTEs)
 - \$75K Parking Lot Seal & Stripes – RHJ, Grandview, Beardsley, Trail Ridge
 - \$31K Cart Path and Walkway Repairs
 - \$15K Hardwoods – Social Hall, Racquetball/Ping Pong

Operating Expense Notables

- \$89K Property & Casualty Insurance, 15% Increase
- \$42K Update Security Cameras/DVRs
- \$8K Recall Vote Contingency
- \$100K Legal Fees, FY23 \$118K vs FY24 \$234K
- \$42K **Reduction** Phone System Upgrade – Removed T1s

Proposed Fee Increases

- Annual Member Dues
 - 5.6%, \$540 to \$570
- Golf
 - ~320,000 Rounds Budgeted
 - Non-member - Aligned Guest & Public Rate (Committee Recommendation)
 - \$6-\$8 in Peak/Transition Seasons
 - \$2 Summer Season
 - CNP Card \$1,575 to \$1,600

Proposed Fee Increases

- Golf Continued...
 - Member
 - \$2 Peak Season
 - \$1 Transition/Summer Seasons
 - Unlimited Card \$3,600 to \$3,800
 - Twilight Card \$1,399 to \$1,500
 - Employee - \$12 to \$15

Proposed Fee Increases

- Bowling
 - ~ 291,000 Bowling Lines Budgeted
 - New Non-resident, Non-league Bowler's Rate \$4.50
 - Adding 8 Tournaments, NOV - JUN

Proposed APFs

- APF Revenue \$5,771K
 - 1,100 Title Transfers Budgeted
 - APF Increase \$5,000 to \$5,200



FY 2025 Operating Budget



Operating Expenses

	PRJ FY24	BUD FY25	Var Amt	Var %
Wages	13,808,036	14,586,599	778,563	6%
PR Taxes & Benefits	3,997,350	4,323,867	326,517	8%
Wages, Taxes & Benefits	17,805,386	18,910,466	1,105,080	6%
Utilities	2,997,517	3,084,126	86,609	3%
Repairs & Maintenance	2,070,119	2,056,384	(13,735)	(1%)
Landscape Maintenance	1,963,274	2,019,430	56,156	3%
Supplies & Services	687,295	711,393	24,098	4%
Equipment	200,397	210,011	9,614	5%
Taxes, Licenses, & Ins	868,826	966,031	97,205	11%
Interest & Financial Exp	653,951	693,570	39,619	6%
Operating Expenses	780,258	855,976	75,719	10%
Legal & Professional	233,888	250,434	16,546	7%
Employee Related Exp	192,185	201,940	9,755	5%
Total Operating Expenses	28,453,096	29,959,762	1,506,665	5%



Operating Revenue

	PRJ FY24	BUD FY25	Var Amt	Var %
Membership	15,015,098	15,681,541	666,443	4%
Recreation	120,997	120,997	-	0%
Golf Fees	10,231,024	11,081,742	850,717	8%
Sports Pavilion	825,466	850,466	22,800	3%
Special Events	302,301	261,301	(41,000)	(14%)
Ancillary Revenue	1,031,347	1,059,524	28,177	3%
Merchandise Sales	82,439	82,439	-	0%
Food & Beverage	601,333	601,333	2,200	0%
Interest Income	245,051	218,504	(26,547)	(11%)
Other Income / (Expense)	1,914	1,914	-	0%
Total Revenues	28,456,971	29,959,762	1,502,790	5%



Estimated Reserve Fund Allocation

	PRJ FY24	BUD FY25
Total Revenue	28,453,096	29,959,762
Total Operating Expense	28,453,096	29,959,762
Balanced Budget	-	-

	PRJ FY24	BUD FY25	Var Amt	Var %
Estimated Reserve Fund Allocation	1,001,015	*1,157,374	160,233	10%

***Estimated Reserve Fund Allocation – 7.53% of the Member Dues Revenue is allocated to the Reserve Fund.**



Capital Related

	PRJ FY24	BUD FY25	Var Amt	Var %
Asset Preservation Fees	5,650,624	5,770,624	120,000	2%
Est. Reserve Fund Allocation	1,001,015	1,157,374	160,233	10%
Investment Income-Restricted	1,543,509	945,403	(598,106)	(39%)
Club/Restricted Project Funding	70,121	-	(70,121)	(100%)
Gain / (Loss) on Asset Disposal	10,196	10,196	-	0%
Depreciation Expense	(5,421,381)	(5,421,381)	-	0%
Total Capital Related	2,854,084	2,462,216	(391,867)	(14%)

FY24-25 Proposed Capital Improvements



NEW Capital

Over \$50K
Under \$50K



R&R Capital

Over \$50K
Under \$50K



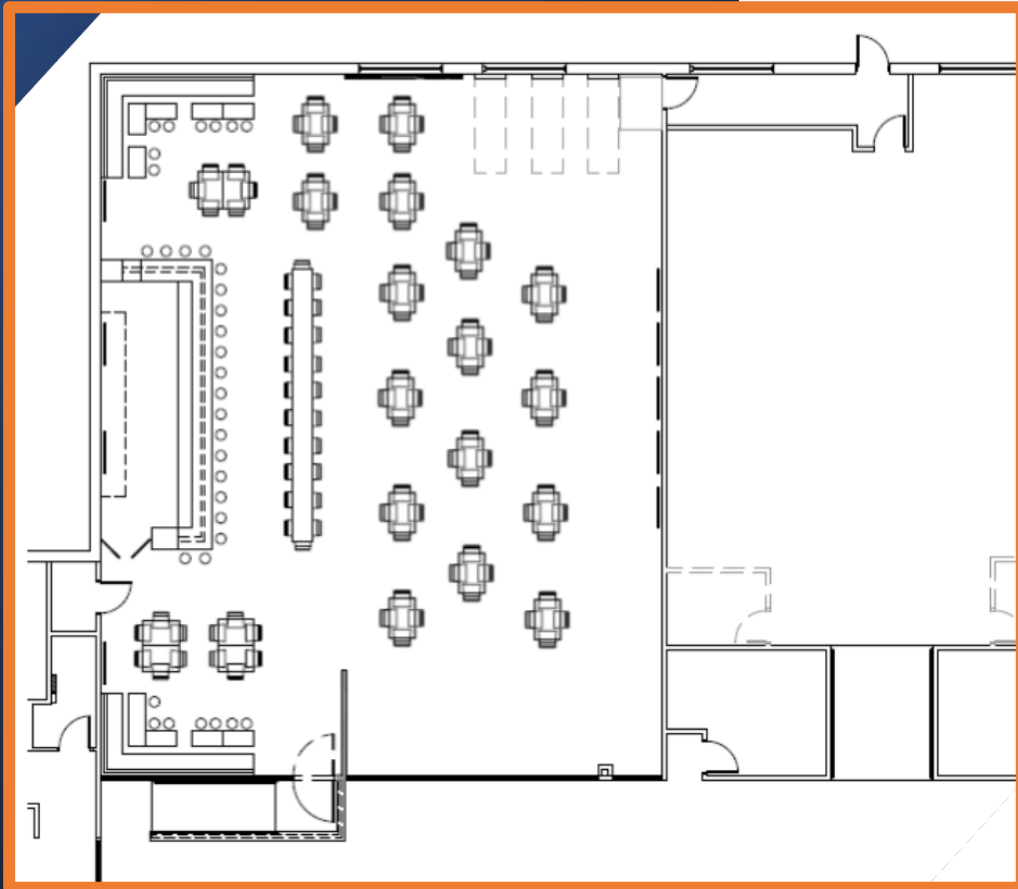
Allowances

Unexpected
Facility
Expenses

Capital Improvement Savings

Cost Center	Deferral	Eliminated	Total Savings
Golf Maint & Landscape	\$161,560	\$136,970	\$298,530
Recreation	\$4,769,755	\$225,000	\$4,994,755
Golf Ops	\$233,004	-	\$233,004
Total	\$5,164,319	\$361,970	\$5,526,289

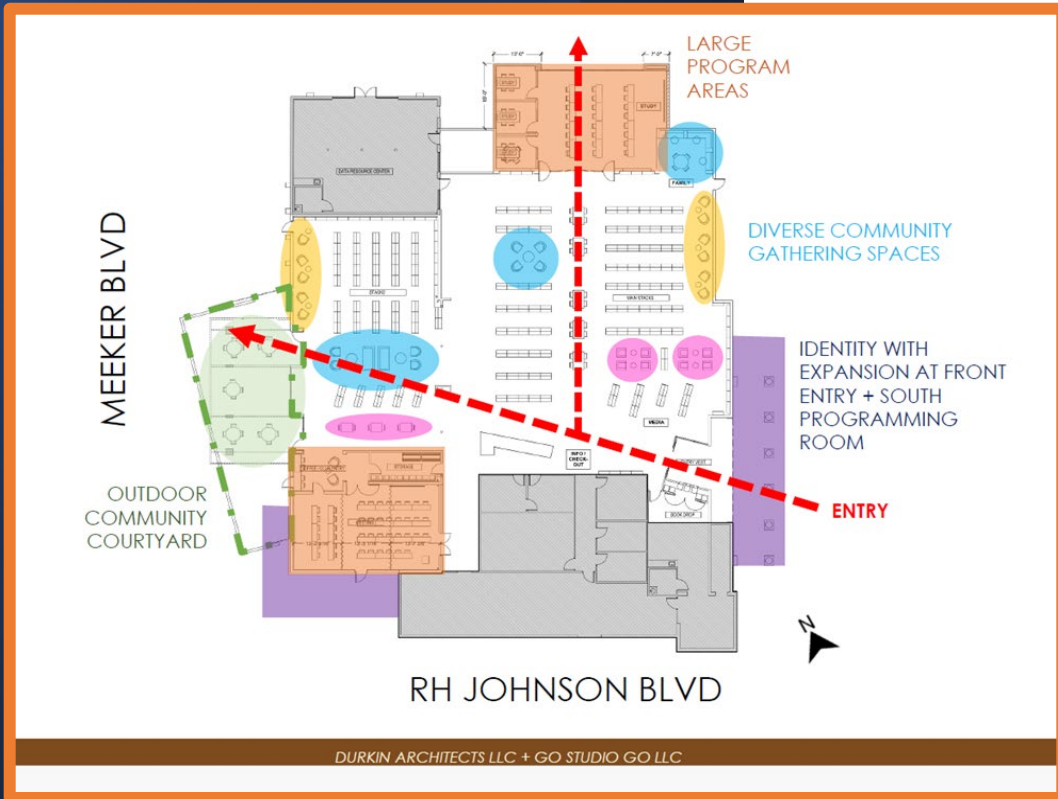
FY24-25 Proposed Capital
New Capital Projects
Items over \$50K



SPORTS PAVILION - LIZARD ACRES
BAR/ROOM RENOVATION & EQUIPMENT
\$225,000

- New 40 Ln. Ft. of Bar & Top
- 2 Walk up Point of Sale Areas
- Static Seating for 160- 180 persons
- Maintains 5 Wii Bowling Displays
- Maintains 3 Dart Boards
- New Coolers & Sanitizing Equip.
- Relocate 3 Compartment Sink
- Relocate 4 Tap Beer Cooler
- Add New 2 Tap Craft Beer Cooler
- Modify/ Add Lighting & Controls
- Modified Plumbing, Electrical, HVAC per Maricopa County Plans
- Bar Framing & Décor per Plans

FY24-25 Proposed Capital New Capital Projects Items over \$50K



LIBRARY EXPANSION/ RENOVATION DESIGN ARCHITECTURE & DOCUMENTS \$100,000

- Interior & Exterior Renovations & Additions
- Design, Architectural, Engineering Fees
- Provides Architectural plans
- Engineering and Structural documents
- Produces 60% planning documents for qualified Vendors and Maricopa County
- Project Planning Process - Year Two
- Ability to solicit cost for future fiscal year budget

FY24-25 Proposed Capital
New Capital Projects
Items over \$50K



BEARDSLEY PARK
IRON FENCE W/ GATES
\$67,500

- DECORATIVELY ENCLOSES BEARDSLEY PARK
- 4' TALL TAN IRON FENCING SET WITHIN LANDSCAPE ALONG 2 SIDES OF THE PARK
- 5 COMMUNITY ENTRY GATES
- 3 MAINTENANCE VEHICLE GATES
- ELIMINATES UNSIGHTLY SEASONAL TEMPORARY FENCE AND REPLACEMENT COST
- REDUCES LABOR AND FATIGUE FROM TEMPORARY FENCE INSTALL
- CREATES CONTROLLED ACCESS POINTS
- SECURES PARK DURING EVENTS
- ADDITIONAL CONCRETE WALKWAY

FY24-25 Proposed Capital
New Capital Projects
Items over \$50K

RHJ – TRACTOR W/ BACKHOE
\$55,000

- FACILITIES MAINTENANCE EQUIPMENT; AS SEEN IN PHOTO, \$55K DIRECTLY QUOTED FROM KUBOTA DEALER VS HIGHER COMPETITOR PRICING.
- USEFUL LIFE SET AT 20 YRS.
- RAPID RESPONSE TIME; REDUCING FACILITY CLOSURE TIMEFRAME.
- AVERAGE USAGE 10 TIMES/ YEAR WITH MULTIPLE DAYS.
- ELIMINATES COSTLY RENTALS \$400/ PER DAY; MOST REPAIRS REQUIRE MULTIPLE DAYS.
- ELIMINATES STAFF HOURLY TRAVEL TIME TO PICK UP RENTAL.
- RENTAL NOT ALWAYS READILY AVAILABLE.
- REDUCES NEED FOR SUB-CONTRACTOR.



FY24-25 Proposed Capital
New Capital Projects
Items over \$50K



KUENTZ TENNIS
FACILITY RENOVATION
DESIGN & ARCHITECTURAL DOCUMENTS
\$50,000

- DOCUMENTS TO SUPPORT RENOVATING (6) EXISTING ASPHALT/ PRO BOUNCE TENNIS COURTS TO POST TENSION CONCRETE COURTS.
- PLANNING INCLUDES NEW LIGHTING AND FENCING.
- ENGINEERING AND STRUCTURAL DOCUMENTS
- PRODUCES 60% PLANNING DOCUMENTS FOR QUALIFIED VENDORS AND MARICOPA COUNTY
- ABILITY TO SOLICIT COST FOR FUTURE FISCAL YEAR BUDGET
- PROJECT PLANNING PROCESS - YEAR TWO

FY24-25 Proposed
Capital
New Capital Projects

Items under \$50K

Metal Shop- Climatec HVAC Control system \$36,135	Palm Ridge- Pickleball Facility- Monitor Station \$30,000
RHJ- Flatbed Trailer for Forklift \$19,000	Palm Ridge- Activities Center Restroom Partitions \$13,000
Desert Trails- Pro Shop Flag Pole \$9,013	Echo Mesa- Pro Shop Flag Pole \$9,013
Trail Ridge- Pro Shop Flag Pole \$9,013	Kuentz- Leather Room Exhaust System \$7,500
Palm Ridge- Swim & Fitness Restroom Partitions \$6,500	

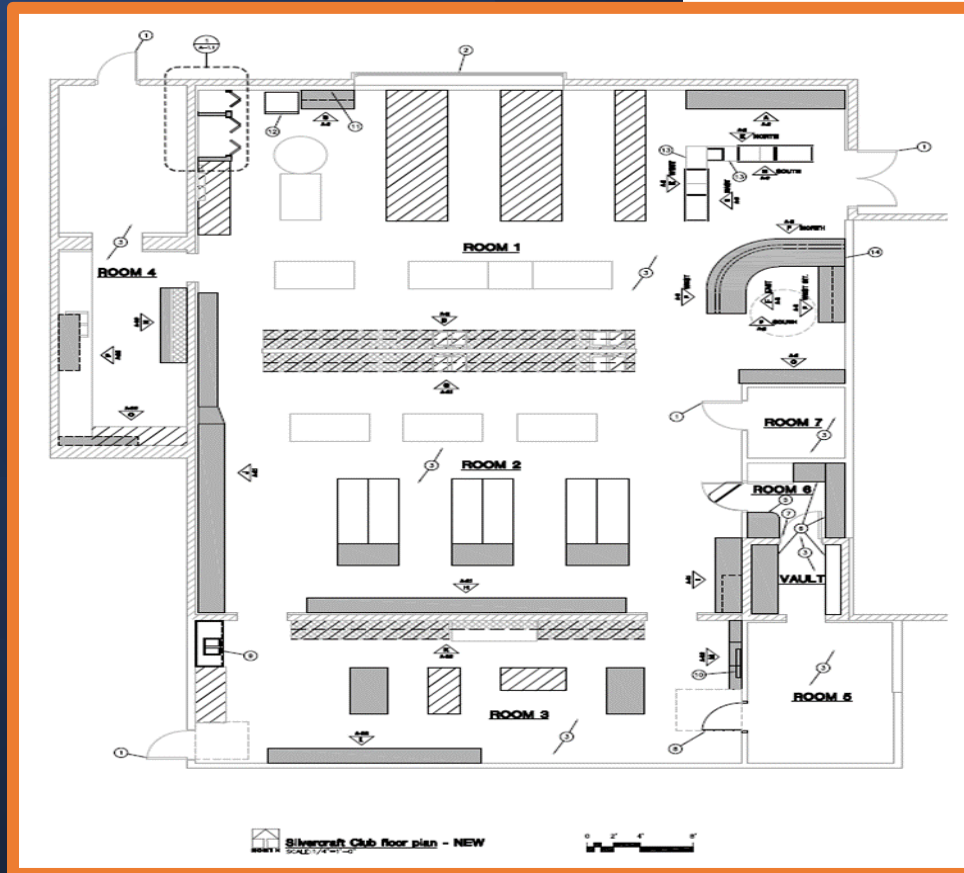
FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



KUENTZ – OUTFIELD FENCE REPLACEMENT
\$495,000

- REPLACE 520 LINEAR FEET OF 24' TALL FENCE
- REPLACE EXISTING CRASH PADS
- NEW FENCE AND POSTS TO SUPPORT 30' TALL FENCE
- FENCE POSTS CURRENTLY BROKEN IN TWO LOCATIONS
- COST IMPACTS:
 - INCREASED DIAMETER OF POSTS & DIGGING
 - PROXIMITY TO EASEMENT WALL LOGISTICS
 - INCREASE IN FENCE HEIGHT
 - WARNING TRACK REMOVAL & REINSTALL FOR FENCE INSTALL

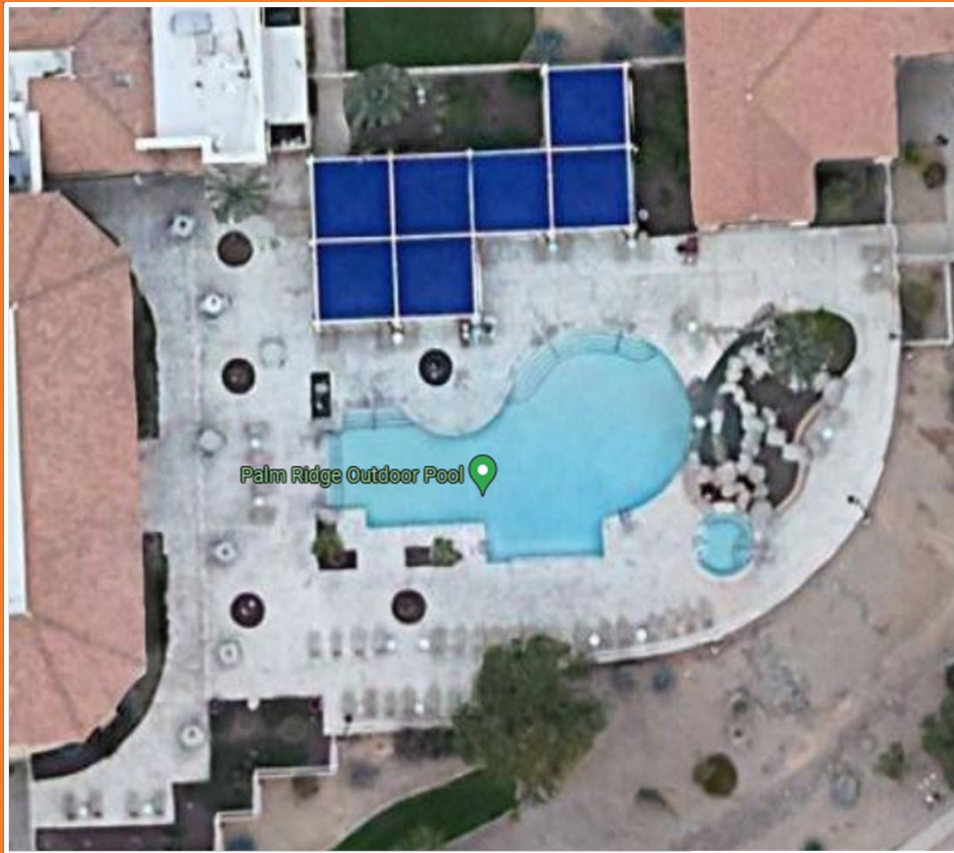
FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



SILVERCRAFT – REMODEL, MILLWORK & COUNTERTOPS \$375,000

- INTERIOR RENOVATION OF ALL ORIGINAL CLUB MILLWORK & COUNTERTOPS
- CUSTOM HEAVY-DUTY COUNTERTOPS REQUIRED IN SOME AREAS
- DIFFICULTY IN PROCURING REFACE MILLWORK VENDOR, MAY REQUIRE ALL NEW MILLWORK
- OFFICE AREA DEMO AND REFRAMING
- PROJECT REQUIRES NEW FLOORING AND GRID CEILING; SEE ADDITIONAL R&R BUDGET LINE ITEMS
- LVT FLOORING \$23,850
- GRID CEILING & SPRINKLER HEAD \$38,000

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



PALM RIDGE – OUTDOOR POOL
DECK SURFACE REPLACEMENT
\$186,266

- REPLACE 12,919 SF. EXISTING DECK COATING WITH EDPM COLORIZED RUBBER
- REPLACE 270 LF. POOL VERTICAL EDGE COPING
- GRIND EXISTING CEMENTITIOUS DECK AND PREPARE FOR NEW RUBBER COATING
- REPAIR CRACKS
- NEW COLOR DESIGN W/ POOL DEPTH MARKER PER COUNTY CODE

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



PALM RIDGE – ACTIVITIES &
AQUATICS BLDG. FLAT ROOF
RESTORATION

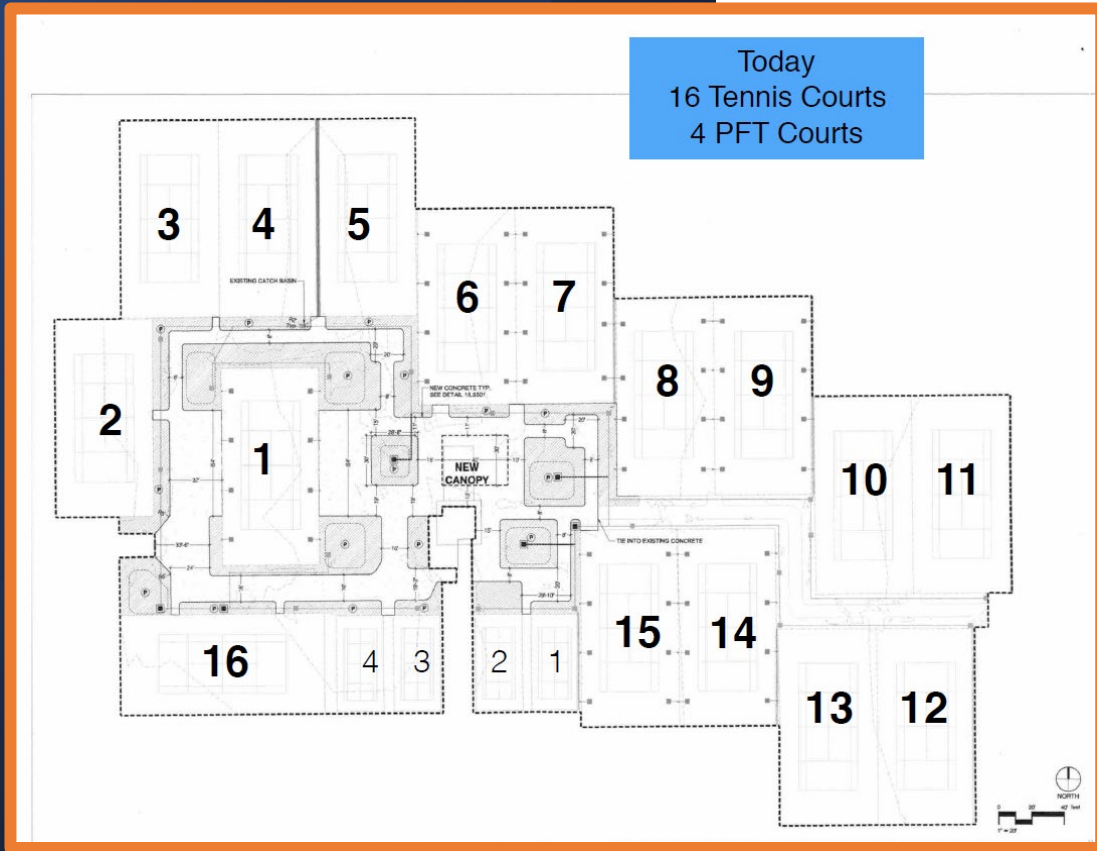
\$160,000

- POWER WASH AND MAKE REPAIRS TO EXISTING ROOF SYSTEM
- SEAL WALLS, PENETRATIONS, AND HVAC CONNECTIONS
- PROVIDE RESTORATIVE COATING SYSTEM
- INCLUDES 10-YEAR EXTENDED ROOF WARRANTY

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K

RHJ- TENNIS FACILITY COURTS-
RESURFACE #1-16
\$160,000

- EXISTING COURTS SURFACE 6 YRS OLD
- FULLY FUNDED IN RSMT AS OF 2023
- SURFACE FADING AND DE-SANDING
- RESTORES SAFE PLAYING CONDITIONS



FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K

PALM RIDGE – FITNESS CENTER
CARDIO EQUIPMENT
\$159,000

- CARDIO EQUIPMENT REPLACEMENT SCHEDULED EVERY 5 YEARS
- 26 PIECES- TREADMILLS, CROSS TRAINERS, RECUMBENT BIKES, UPRIGHT BIKES, ROWER, VERSA STRIDER, AND SCIFIT MACHINES



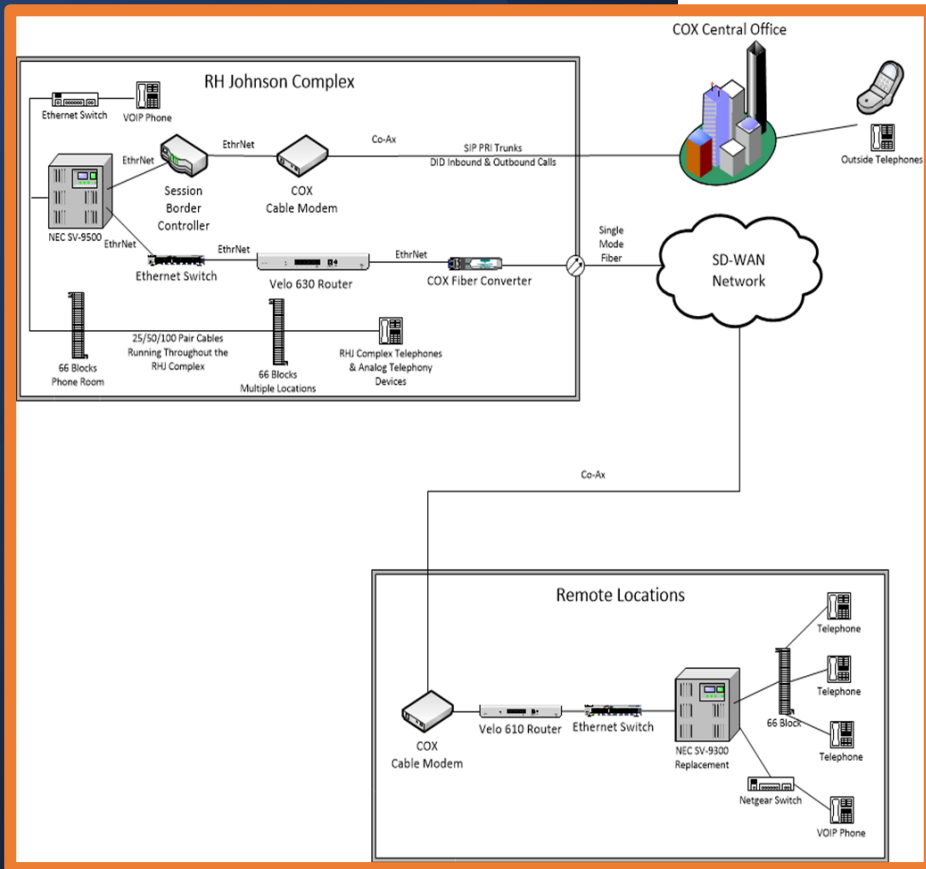
FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



RH JOHNSON – ADMIN BLDG. FLAT
ROOF RESTORATION
\$140,000

- POWER WASH AND MAKE REPAIRS TO EXISTING ROOF SYSTEM
- SEAL WALLS, PENETRATIONS, AND HVAC CONNECTIONS
- PROVIDE RESTORATIVE COATING SYSTEM
- INCLUDES 10-YEAR EXTENDED ROOF WARRANTY

FY24-25 Proposed Capital R&R Capital Projects Items over \$50K



RCSCW NEC PHONE SYSTEM UPGRADE \$130,000

- NEC PHONE SYSTEM TECHNOLOGY UPGRADE.
- MOVES PHONES ONTO NEW SD-WAN INFRASTRUCTURE.
- UPGRADE SAVES RCSCW \$7,000 / MONTH IN LUMEN FEES.
- RETURN ON INVESTMENT 18 MONTHS.
- RETAINS MULTIPLE EQUIPMENT COMPONENTS, UTILIZES EXISTING VENDOR RELATIONSHIPS, TAKES ADVANTAGE OF SD-WAN'S LTE BACKUP.

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



PALM RIDGE – INDOOR POOL
DECK SURFACE REPLACEMENT
\$71,648

- REPLACE 4,242 SF. EXISTING DECK COATING WITH EDPM COLORIZED RUBBER
- REPLACE 613 LF. POOL VERTICAL EDGE COPING
- NEW COLOR DESIGN W/ POOL DEPTH MARKER PER COUNTY CODE

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K

PALM RIDGE – FITNESS CENTER
STRENGTH EQUIPMENT
\$63,954



- STRENGTH EQUIPMENT REPLACEMENT SCHEDULED AS 25-YEAR USEFUL LIFE
- REPLACEMENT INCLUDES ALL BENCHES AND ACCESSORIES
- WELDED COMPONENTS FAILING
- MANUFACTURER NO LONGER SUPPORTING REPLACEMENT PARTS AS OF 2023

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



RH JOHNSON – FITNESS ADDITION/
SMALL MAINTENANCE/
POOL STORAGE
FLAT ROOF RESTORATION
\$54,781

- POWER WASH AND MAKE REPAIRS TO EXISTING ROOF SYSTEM
- SEAL WALLS, PENETRATIONS, AND HVAC CONNECTIONS
- PROVIDE RESTORATIVE COATING SYSTEM
- INCLUDES 10-YEAR EXTENDED ROOF WARRANTY

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K

RH JOHNSON – PICK-UP TRUCK
\$54,573

- REPLACES M-8 (2010 CHEVY 2500)



FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



RECREATION – HVAC
REPLACEMENT

KUENTZ (5 UNITS) \$51,584

RHJ LIBRARY (5 UNITS) \$43,888

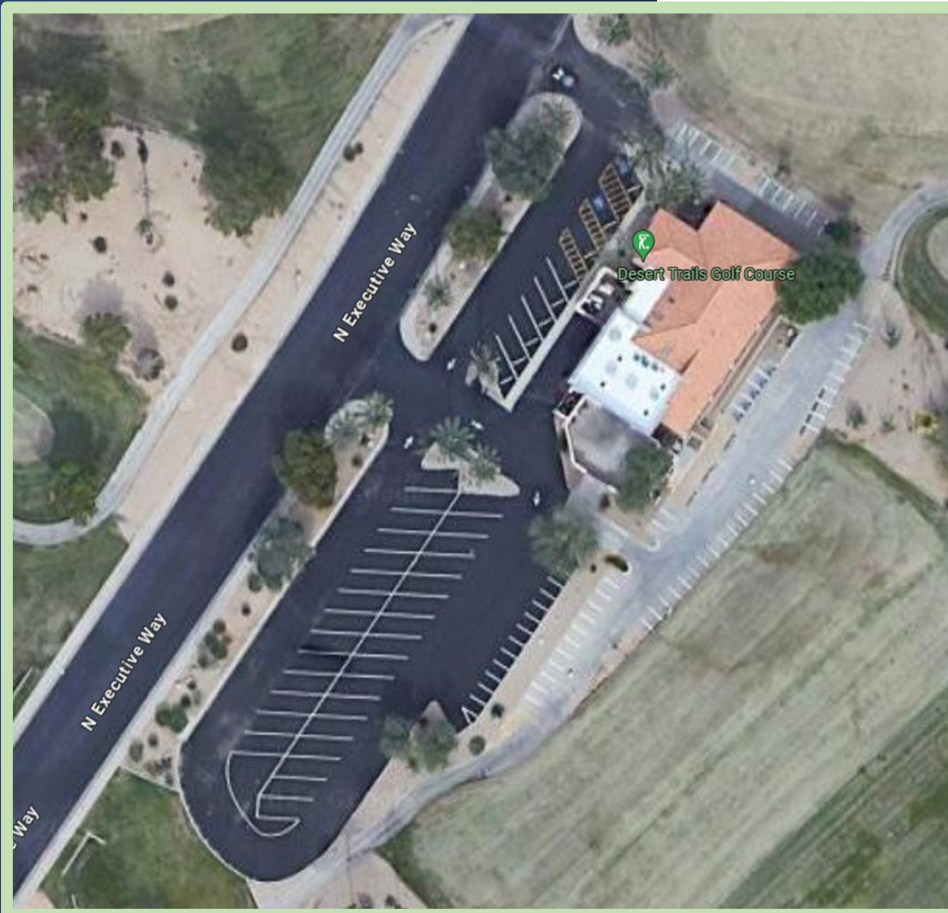
RHJ (3 UNITS) \$38,480

KUENTZ (1 UNIT) \$7,904

FY24-25 Proposed Capital R&R Items Under \$50K

Information Technology- (3) Servers / TEG POS \$29,172	Beardsley- Fitness Center Flooring \$37,586	Admin- Finance Dept. Cubicles Replacement \$31,200
Palm Ridge- Summit Hall Hardwoods- Sand & Seal \$24,000	Palm Ridge- Pickleball Courts Resurface #1-10 \$26,500	RHJ- Social Hall Flat Roof Restore (Walls only) \$25,000
Landscaping- Lawn Bowl Greens Roller \$15,034	RHJ- Pickleball Courts Resurface #1-8 \$20,000	Kuentz- Craft Rooms 3,4,5, Leather, Art Room Chairs \$18,000
Admin- Member Services Awnings Replacement \$9,500	RHJ- Picklball Facility Windscreens Replace \$15,000	RHJ- Aquatic Center Auto Scrubber \$13,520
Palm Ridge- Pickleball Facility Shade Fabric Replacement \$9,094	Palm Ridge- Pool Spa Heater Replacement \$7,554	

FY24-25 Proposed Capital
R&R Capital Projects
Items over \$50K



DESERT TRAILS – PRO SHOP
PARKING LOT ASPHALT
REPLACEMENT
\$135,000

- RESERVE STUDY REPLACEMENT CYCLE FOR ASPHALT
- AFFIRMED NEED TO REPLACE THROUGH PARKING LOT ANALYSIS

FY24-25 Proposed Capital
Capital Projects
Allowances

**When
UNEXPECTED
Things Happen**

ALLOWANCES

\$420,000

- WELL PUMP REPLACEMENTS
- SAFETY & STRUCTURAL
- EQUIPMENT
- INFORMATION TECHNOLOGY
- ENERGY CONSERVATION
- ADA COMPLIANCE
UPGRADES
- UNEXPECTED FACILITY
IMPROVEMENTS



Arizona's Premier Active Adult Golf Community

FY- 24/25 Capital Budget Review Environmental Services





SUN CITY
WEST

Arizona's Premier Active Adult Golf Community

Equipment Replacement Plan FY- 24/25 Capital Budget Golf Maintenance



FY - 2024/2025 Equipment Replacement Plan

Golf Course Maintenance

Golf Course Maintenance Equipment 19 -Units Scheduled for Replacement

<u>Description</u>	<u>Number</u>
Greens Mowers	5
Fairway Mowers	3
Rough Mowers	1
Fairway Aerator	2
Fertigation System	1
Bank Mower	1
Greens Roller	2
200 - Gallon Slide In Sprayer	3
Turf Vacuum	1
	\$992,838

13- Vehicles Scheduled for Replacement

11- Light and Heavy-Duty Utility Carts (Daily Maintenance)

1- Pickup Truck (Transportation)

1- Dump Truck (Shared Equipment)

\$357,689

Delayed the purchase of 4-units for a total of **\$161,560**

Total Equipment Replacement **\$1,350,527 / \$192,932 Per Course**

Equipment Replacement - Summary

Location	Project Description	FY Ending					
		2025	2026	2027	2028	2029	
							Replaces per Inv Wksheet
Deer Valley	Mower Fairway - Toro RM 7000D - F-21	127,093					2012 Reelmaster 7000
Deer Valley	Mower Greens - Toro GM 3150Q - F-41	56,990					2014 Greensmaster 3150Q
Deer Valley	Mower Rough - Toro GM 4500D - F-52	117,099					2015 Groundsmaster 4500D
Desert Trails	Mower Greens - Toro GM 3150 - G-52-1	56,990					2015 Greensmaster 3150Q
Echo Mesa	Mower Greens - Toro GM 3150Q - D-54	56,990					2016 Greensmaster 3150Q
Echo Mesa	Mower Fairway - Toro RM 5610 - D-43	95,754					2015 Reelmaster 5610
Echo Mesa	Greens Roller - Greenspro 1240 - D-50	19,002					2016 Greenspro 1240
Echo Mesa	Sprayer - 200 Gallon Slide-in - D-02	17,165					2010 Slide-in Turf Sprayer
Grandview	Mower Fairway - Toro RM 7000-D - C-54-1	127,093					2015 Reelmaster 5510
Grandview	Fairway Aerator - Agrimetal - C-59	12,285					2000 Agrimetal
Grandview	Sprayer - 200 Gallon Slide-in - C-05	17,165					2010 Slide-in Turf Sprayer
Pebblebrook	Sweeper/Vacuum - Toro Rake-O-Vac - A-5	56,525					1995 Rake-O-Vac 29-Yrs
Pebblebrook	Mower Greens - Toro GM 3150Q - A-47	56,990					2016 Greensmaster 3150Q
Pebblebrook	Fertigation System	18,278					Not on FAS or inventory sheets
Stardust	Fairway Aerator - Agrimetal - B-62	12,285					2000 Agrimetal
Stardust	Mower Bank - Toro RM 3100 - B-55	51,977					2016 Reelmaster 3100D
Trail Ridge	Mower Greens - Toro GM 3150Q - E-52-1	56,990					2016 Greensmaster 3150Q
Trail Ridge	Greens Roller - Greenspro 1240 - E-51-1	19,002					2015 GreensPro 1240
Trail Ridge	Sprayer - 200 Slide-in Sprayer - E-06	17,165					2010 Slide-in Turf Sprayer
		992,838					

Average Age 10.5 – Years

Vehicle Replacement – Summary

Recreation Centers of Sun City West, Inc.					
Summary of R&R, Allowances and New Capital Requests					
Location	Project Description	FY Ending			
		2025	2026	2027	2028
				Replaces per Inv Wksheet	
Deer Valley	Utility Vehicle - Light - Workman MDX - F-85	16,228		2010 Club Carry-All	
Deer Valley	Utility Vehicle - Light - Workman MDX - F-32	16,229		2013 Workman MDX	
Desert Trails	Dump Truck - G-1	54,261		1994 Isuzu	30-Yrs
Echo Mesa	Utility Vehicle - Light - Workman MDX - D-35	16,228		2014 Club Car	
Echo Mesa	Utility Vehicle - Light - Workman MDX - D-38	16,229		2014 Workman MDX	
Grandview	Utility Vehicle - Heavy - Workman HDX - C-31	38,403		2013 Workman HDX	
Grandview	Utility Vehicle - Light - Workman MDX - C-35	16,229		2013 Workman MDX	
Pebblebrook	Utility Vehicle - Heavy - Workman HDX - A-37	36,797		2013 Workman HDX	
Stardust	Pick-up Truck - Ford F-150 - B-1	37,821		1993 Ford F-150	31-Yrs
Stardust	Utility Vehicle - Light - Workman MDX - B-33	16,229		2014 Workman MDX	
Trail Ridge	Utility Vehicle - Heavy - Workman HDX - E-33	38,403		2013 Workman HDX	
Trail Ridge	Utility Vehicle - Heavy - Workman HDX - E-37	38,403		2013 Workman HDX	
Trail Ridge	Utility Vehicle - Light - Workman MDX - E-31	16,229		2013 Workman MDX	
		357,689		Average Age – 13.8 Years	

Equipment Replacement Plan FY-24/25 Capital Budget Landscape Maintenance

■ \$15,034



- 1-Greens Roller - Replaces 18-year-old Roller (Lawn Bowling)
- Reserve Study Replacement
- Delayed the Purchase of 1-Unit Deleted 2-Units (Dump Trailers) from the Reserve Study



Utility Cart Replacement Landscape Maintenance

■ \$56,903

- 1-Heavy-Duty Utility Cart (Toro Workman)
Replaces 12-year-Old Workman
Needs New Motor
\$38,403
- 1-Club Car Carryall (Street Legal)
Replaces 12-Year- Carryall Utility Cart
Needs New Motor
\$18,500
- Listed on the Reserve Study





Rental Cart Replacement Golf Operations

■ \$129,792

- Twenty Rental Carts Scheduled for Replacement
Unit Cost **\$6,489.60**
- Listed on the Reserve Study
- Replacing Average Cart Age of 10+ Years
- Reduces Repair Cost
- More Rental Cart Availability / Increased Golf Rounds

*Echo Mesa
Irrigation & Turf Reduction
Project
FY-2024/2025 Capital Budget*

Proposed Start Date April 7, 2025



**SUN CITY
West**

Arizona's Premier Active Adult Golf Community



2022/2024 Cost Comparisons

Grandview Irrigation Cost Per Acre	\$39,780
Echo Mesa Irrigation Cost Per Acre	\$49,978
Grandview Landscape Cost Pre Acre	\$43,425
Echo Mesa Landscape Cost Per Acre	\$49,600

Rainbird Rotors

2022 Head Price	\$238.78
2024 Head Price	\$269.52
\$30.74 Increase Per Head	

Decomposed Granite

Grandview	\$55.37 / Ton
Echo Mesa	\$74.10 / Ton
\$18.73 Increase Per Ton	



Phase II FY- 24/25 Capital Budget

Irrigation & Turf Reduction Project

Cost Review *Revised 4-2-2024*

<u>Heritage</u>	<u>Landscapes Unlimited</u>	<u>Wadsworth</u>
\$5,677,152.00	\$5,306,943.00	*\$5,066,304.00
<u>Total Project Cost with Low Bid (Wadsworth)</u>		
Wadsworth	\$5,066,304	
Design Team	\$171,000	
Pump Station	\$279,531	
Pump Station Connection	\$16,000	
Project Cost	\$5,532,835	

Golf Course Maintenance Projects

Five-Year Plan

2024

Pebblebrook

Tree
Removal/ Replacement
Tee Expansion
Cart Path Seal Coat

Stardust

Tree
Removal/Replacement
Cart Path Seal Coat

2025

Trail Ridge

Shoreline Hardscape #3

Echo Mesa

Irrigation Project
Phase II

2026

Deer Valley

Shoreline Hardscape #18

Desert Trails

Shoreline Hardscape #14

Stardust Irrigation
Project Phase I

2027

Grandview

Shoreline and Island Repair
#13/#14

Stardust
Irrigation Project
Phase II

2028

Trail Ridge

Shoreline Hardscape #12
Bunker Sand Replacement

Echo Mesa

Tree
Removal/ Replacement

Pebblebrook
Irrigation Project
Phase I



Projected Reserve Fund Inflow/(Outflow)

	Projected FY2023-24	Budget FY2024-25	Projected FY 2025-26	Projected FY 2026-27	Projected FY 2027-28	Projected FY 2028-29
<u>Reserve Fund Inflows</u>						
Estimated Reserve Allocation	1,001,015	1,157,374	1,500,000	1,500,000	1,500,000	1,500,000
APFs	5,650,624	5,770,624	6,480,000	6,720,000	6,960,000	7,200,000
Investment Income	1,543,509	945,403	950,000	880,000	880,000	800,000
Total Inflows	8,195,148	7,873,401	8,930,000	9,100,000	9,340,000	9,500,000
<u>Reserve Fund Outflows</u>						
Capital Improvements	(5,339,302)	(10,994,444)	(10,155,975)	(9,525,993)	(4,668,435)	(13,310,570)
Inc./(Dec.) to Reserve Fund	2,855,846	(3,121,043)	(1,225,975)	(425,993)	4,671,565	(3,810,570)



Projected Reserve Fund FFB%

	Projected FY2023-24	Budget FY2024-25	Projected FY 2025-26	Projected FY 2026-27	Projected FY 2027-28	Projected FY 2028-29
<u>Reserve Fund Impact</u>						
Projected Reserve Fund Balance	29,524,546	26,403,503	25,177,528	24,751,535	29,423,100	25,612,530
Projected Fully Funded Balance	59,200,540	57,287,903	56,373,807	56,491,809	61,691,905	58,709,993
FFB%	50%	46%	45%	44%	48%	44%

Federal and State Mandates



DOL Proposes ~\$60K Overtime
Rule Threshold



AZ Minimum Wage Increase
Initiative (2024) \$18/Hr.

Timeline \$18/Hr. Min. Wage Initiative



July 3, 2024, signatures from the initiative are due to secretary of state.



If the required signatures are collected, ~ 256,000, and validated, the initiative is certified on the November 2024 ballot.



If the majority votes for the increase, AZ Minimum Wage is increased to \$18/Hr. effective January 1, 2025.

Impacts
\$18
Min Wage

455 of 489 Positions

- 173 Minimum Wage Employees
- 119 Hourly Part-time
- 152 Hourly Full-time
- 11 Salaried

Operating Budget

- FY 25 Budget = \$825K (6 Mos.)
- 1 Year Impact = \$1,650K

Operations Contingency Proposal

FFB Impacts

- Proposed New Capital Projects ~ \$375K
 - Delay/Eliminate until we know
 - Lizard Acres Remodel - \$225K, Library Design - \$100K, and Kuentz Courts Design - \$50K
- Allowances Budgeted \$420K for Emergencies Only ~ \$125K
 - Delay/Eliminate until we know
 - Emergencies only
- Operating Expense Projects Deferral ~ \$100K
 - Delay/Eliminate until we know
 - P-lot seal and stripes - \$75K and Golf Cart Paths - \$25K

FY 2024 – 2025 Contingency Impact

	Budget FY 2024-25	\$18/HR Impact	Impact Budget FY 2024-25	Contingency Plan	ADJ Budget FY 2024-25
<i>(In Thousands)</i>					
Est Reserve Fund Alloc	1,157	(825)	332	100	432
APFs	5,771		5,771		5,771
R&R Capital Spend	(9,938)		(9,938)		(9,938)
New Capital Spend	(1,057)		(1,057)	500	(557)
Investment Change	945		945		945
Reserve Fund Bal.	26,403		25,578		26,178
Fully Funded Bal.	57,288		57,288		57,288
FFB %	46%		45%		46%

Questions

