

RECREATION CENTERS OF SUN CITY WEST



Arizona's Premier Active Adult Golf Community

FINANCIAL REPORT

July 2025 and the One Month Ended

07/31/25

Recreation Centers of Sun City West, Inc.
Summary of Revenues & Expenses
July 31, 2025

Current Month					Year-to-Date					
Actual	Budget	Variance Favorable / (Unfavorable)	P/Y Act	Variance Favorable / (Unfavorable)		Actual	Budget	Variance Favorable / (Unfavorable)	P/Y Act	Variance Favorable / (Unfavorable)
					Operating Revenues					
1,323,345	1,312,723	10,622	1,247,911	75,434	Membership	1,323,345	1,312,723	10,622	1,247,911	75,434
5,567	6,608	(1,041)	7,353	(1,786)	Recreation	5,567	6,608	(1,041)	7,353	(1,786)
352,219	326,709	25,510	329,022	23,197	Golf Fees	352,219	326,709	25,510	329,022	23,197
60,987	50,437	10,550	51,281	9,706	Sports Pavilion	60,987	50,437	10,550	51,281	9,706
203	(1,437)	1,640	(447)	650	Special Events	203	(1,437)	1,640	(447)	650
51,627	45,569	6,058	43,643	7,984	Ancillary Revenue	51,627	45,569	6,058	43,643	7,984
3,708	3,097	611	3,686	22	Merchandise Sales (net)	3,708	3,097	611	3,686	22
27,687	33,090	(5,403)	31,336	(3,649)	Food and Beverage (net)	27,687	33,090	(5,403)	31,336	(3,649)
0	651	(651)	9,329	(9,329)	Interest Income - Operating	0	651	(651)	9,329	(9,329)
102	76	26	90	12	Other Income	102	76	26	90	12
1,825,445	1,777,523	47,922	1,723,204	102,241	Operating Revenues Total	1,825,445	1,777,523	47,922	1,723,204	102,241
					Operating Expenses					
1,398,699	1,470,881	72,182	1,426,047	27,348	Wages And Benefits	1,398,699	1,470,881	72,182	1,426,047	27,348
272,842	287,485	14,643	305,472	32,630	Utilities	272,842	287,485	14,643	305,472	32,630
239,624	204,368	(35,256)	204,149	(35,475)	Repair and Maintenance	239,624	204,368	(35,256)	204,149	(35,475)
96,344	89,092	(7,252)	83,377	(12,967)	Landscape Maintenance	96,344	89,092	(7,252)	83,377	(12,967)
48,443	52,766	4,323	39,824	(8,619)	Supplies and Services	48,443	52,766	4,323	39,824	(8,619)
11,650	11,077	(573)	23,529	11,879	Equipment	11,650	11,077	(573)	23,529	11,879
76,588	78,560	1,972	72,556	(4,032)	Taxes, Licenses and Insurance	76,588	78,560	1,972	72,556	(4,032)
31,842	25,685	(6,157)	34,164	2,322	Interest & Financial Expense	31,842	25,685	(6,157)	34,164	2,322
47,282	48,963	1,681	41,287	(5,995)	Operating Expenses	47,282	48,963	1,681	41,287	(5,995)
13,535	12,879	(656)	26,147	12,612	Legal and Professional	13,535	12,879	(656)	26,147	12,612
20,280	18,479	(1,801)	15,947	(4,333)	Employee Related Expenses	20,280	18,479	(1,801)	15,947	(4,333)
2,257,129	2,300,235	43,106	2,272,499	15,370	Operating Expenses Total	2,257,129	2,300,235	43,106	2,272,499	15,370
(431,684)	(522,712)	91,028	(549,295)	117,611	Operating Cash Inflow/(Outflow)	(431,684)	(522,712)	91,028	(549,295)	117,611
					Capital Related					
84,505	82,801	1,704	85,375	(870)	Investment Income - Reserves	84,505	82,801	1,704	85,375	(870)
(5,000)	(5,247)	247	(5,000)	0	Investment Fees	(5,000)	(5,247)	247	(5,000)	0
0	0	0	0	0	Investment - Realized Gain (Loss)	0	0	0	0	0
(27,921)	0	(27,921)	490,113	(518,034)	Investment - Unrealized Gain (Loss)	(27,921)	0	(27,921)	490,113	(518,034)
0	0	0	0	0	Contributed Capital	0	0	0	0	0
572,000	463,719	108,281	445,600	126,400	Asset Preservation Fee	572,000	463,719	108,281	445,600	126,400
98,126	98,728	(602)	89,684	8,442	Estimated Reserve Fund Allocation	98,126	98,728	(602)	89,684	8,442
0	0	0	(6,548)	6,548	Gain/(Loss) on Asset Disposal	0	0	0	(6,548)	6,548
(464,152)	(502,816)	38,664	(463,417)	(735)	Depreciation Expense	(464,152)	(502,816)	38,664	(463,417)	(735)
257,558	137,185	120,373	635,807	(378,249)	Capital Related Total	257,558	137,185	120,373	635,807	(378,249)
(174,126)	(385,527)	211,401	86,512	(260,638)	Revenues Over/(Under) Expenses	(174,126)	(385,527)	211,401	86,512	(260,638)

Recreation Centers of Sun City West, Inc.
Financial Statement Notes
July 31, 2025

EXCESS OF REVENUES OVER/(UNDER) EXPENSES - July was favorable to Budget by \$211K and unfavorable to Prior Year (hereinafter PY) by \$261K.

NET OPERATING CASH INFLOW/(OUTFLOW) - July was favorable to Budget by \$91K and favorable to PY by \$118K.

OPERATING REVENUES - July revenues were favorable to Budget by \$48K and favorable to PY by \$102K.

Membership - July revenues were favorable to the Budget by \$11K and favorable to PY by \$75K.

Golf Fees - July revenues were favorable to Budget by \$26K and favorable to PY by \$23K. July rounds were favorable to Budget by 1,289 and favorable to PY by 1,289.

Sports Pavilion - July revenues were favorable to Budget by \$11K and favorable to PY by \$10K. Due to no closure this year.

Ancillary Revenue - July revenues were favorable to Budget by \$6K and favorable to PY by \$8K.

Food & Beverage - July revenues were unfavorable to Budget by \$5K and unfavorable to PY by \$4K.

EXPENSES - July Operating Expenses were favorable to budget by \$43K and unfavorable to PY by \$15K.

Wages & Benefits - July expenses were favorable to Budget by \$120K and favorable to PY by \$27K. Due to \$67K employee health insurance rebate on positive claims results from CY 2024.

Utilities - July expenses were favorable to Budget by \$15K and favorable to PY by \$33K. Due to less useage and phone system savings.

Repairs & Maintenance - July expenses were unfavorable to Budget by \$35K and unfavorable to PY by \$35K.

Landscape Maintenance - July expenses were unfavorable to Budget by \$7K and unfavorable to PY by \$13K.

Supplies and Services - July expenses were favorable to Budget by \$4K and unfavorable to PY by \$9K. Due to change in gasoline prices.

Interest & Financial - July expenses were unfavorable to Budget by \$6K and favorable to PY by \$2K.

CAPITAL RELATED REVENUES & EXPENSES - July was favorable to Budget by \$120K and unfavorable to PY by \$378K.

Investment Income - July revenues were favorable to the Budget by \$2K and unfavorable to PY by \$1K.

Investment Gains and Losses - Due to the unpredictable nature of the market, we do not assign a Budget to this line item. For the month of July there were \$28K in realized/unrealized loss, compared to realized/unrealized gain of \$490K in PY.

APF Fees - July APF fees were favorable to Budget by \$108K and favorable to PY by \$126K. Collected 23 APFs than budgeted and 21 more than Prior Year.

Recreation Centers of Sun City West, Inc.

Balance Sheets for month ending July 31, 2025 and June 30, 2024

	<u>July-25</u>	<u>June-25</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$9,703,091	\$10,677,430
Accounts Receivable (net)	214,087	230,263
Notes Receivable	422,094	440,432
Inventories	189,220	192,438
Prepaid and Other Assets	547,138	622,301
Total Current Assets	11,075,630	12,162,864
Board Reserve Funds	32,632,408	32,575,824
<u>Fixed Assets</u>		
Land & Building	115,602,232	115,594,245
Furniture, Fixtures & Equipment	26,574,070	26,364,650
Vehicles	2,057,681	2,057,681
Fixed Assets	144,233,983	144,016,576
Accumulated Depreciation	(90,123,283)	(89,665,756)
Fixed Assets-Net Book Value	54,110,700	54,350,820
Construction In Progress	4,819,517	4,604,210
Total Fixed Assets	58,930,217	58,955,030
Total Assets	102,638,255	103,693,718
<u>LIABILITIES AND EQUITY</u>		
<u>Liabilities</u>		
Accounts Payable-Trade & Other	596,294	1,291,664
Payroll Related Liabilities	1,308,393	1,174,790
Association Events & Other Program Payables	192,017	238,984
Charter Clubs Payables	57,543	57,543
Notes Payable		
Deferred Membership Dues/Fees & Golf Revenues	35,232,857	35,505,473
Total Liabilities	37,387,104	38,268,454
<u>Members' Equity</u>		
Retained Earnings	65,425,277	61,156,548
Surplus (Deficit)	(174,126)	4,268,716
Total Equity	65,251,151	65,425,264
TOTAL LIABILITIES AND EQUITY	102,638,255	103,693,718

Recreation Centers of Sun City West, Inc.

Statement of Cash Flows

	One Month Ended July 2025	Fiscal Year Ended June 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ (174,113)	\$ 4,268,717
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Depreciation and amortization	464,152	5,581,504
(Gain) / Loss on Disposals of Fixed Assets	-	(27,788)
Net (Gains) / Loss on Investments	27,921	(974,376)
Asset Preservation & Facility Investment Fees	(572,000)	(5,707,900)
Reserve for Uncollectible Accounts	-	-
Increase (decrease) in cash resulting from changes in		
Receivables (net)	34,514	38,580
Inventories	3,218	(231)
Prepaid expenses and other assets	75,163	(64,391)
Accounts payable and accrued expenses	(608,734)	758,740
Deferred income	(272,616)	328,060
	(1,022,495)	4,200,915
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of land improvements, buildings and equipment	(439,341)	(8,359,803)
Proceeds from Disposal of Fixed Assets	-	60,245
Asset Preservation & Facility Investment Fees	572,000	5,707,900
Cash Flow Funding Transfer (to) / from Reserves (Net)	-	2,214,740
Net (purchase) redemption of investments	(84,505)	(5,616,895)
	48,154	(5,993,813)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(974,341)	(1,792,898)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	10,677,434	12,470,332
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 9,703,093	\$ 10,677,434

Recreation Centers of Sun City West, Inc.

Cash and Investment Balances

<u>Account</u>	<u>July 2025</u>	<u>% Total</u>	<u>June 2025</u>	<u>% Total</u>	<u>Change</u>
General Fund					
Petty Cash/Change Funds	13,980	0.14%	13,980	0.13%	-
Short-term Operating Cash Investments	5,912,313	60.93%	-	0.00%	5,912,313
Checking and Sweep Account	3,776,798	38.92%	10,663,450	99.87%	(6,886,652)
Total Cash and Cash Equivalents	<u>9,703,091</u>	<u>100.00%</u>	<u>10,677,430</u>	<u>100.00%</u>	<u>(974,339)</u>
Reserve Fund					
<u>Cash/Money Market/CD's</u>					
JP Morgan	-	0.00%	-	0.00%	-
CapTrust	456	0.00%	454	0.00%	2
Total Cash Investments	<u>456</u>	<u>0.00%</u>	<u>454</u>	<u>0.00%</u>	<u>2</u>
<u>Mutual Fund Investments</u>					
Vanguard					
Fixed	-	0.00%	-	0.00%	-
Equities	-	0.00%	-	0.00%	-
CapTrust					
Fixed	24,305,517	74.48%	24,322,253	74.66%	(16,736)
Equities	8,326,435	25.52%	8,253,116	25.34%	73,319
Total Fund Investments	<u>32,631,952</u>	<u>100.00%</u>	<u>32,575,370</u>	<u>100.00%</u>	<u>56,583</u>
Total Reserve Funds	<u>32,632,408</u>	<u>100.00%</u>	<u>32,575,824</u>	<u>100.00%</u>	<u>56,584</u>
TOTAL FUNDS	<u><u>42,335,499</u></u>		<u><u>43,253,254</u></u>		<u><u>(917,755)</u></u>

<u>Investment Activity</u>	<u>FY2025-26 YTD</u>	<u>FY2024-25</u>	<u>Inception (FY15-23)</u>
Beginning Balance	32,575,824	28,199,294	-
Investment Transfers-In	-	2,214,740	21,761,027
Investment Earnings	84,505	1,187,415	5,357,847
Advisor Fees	-	-	(181,015)
Realized Gains (Losses)	-	1,874	4,001,948
Un-Realized Gains (Losses) ***	(27,921)	972,502	(2,740,513)
Ending Balance	<u>32,632,408</u>	<u>32,575,824</u>	<u>28,199,294</u>

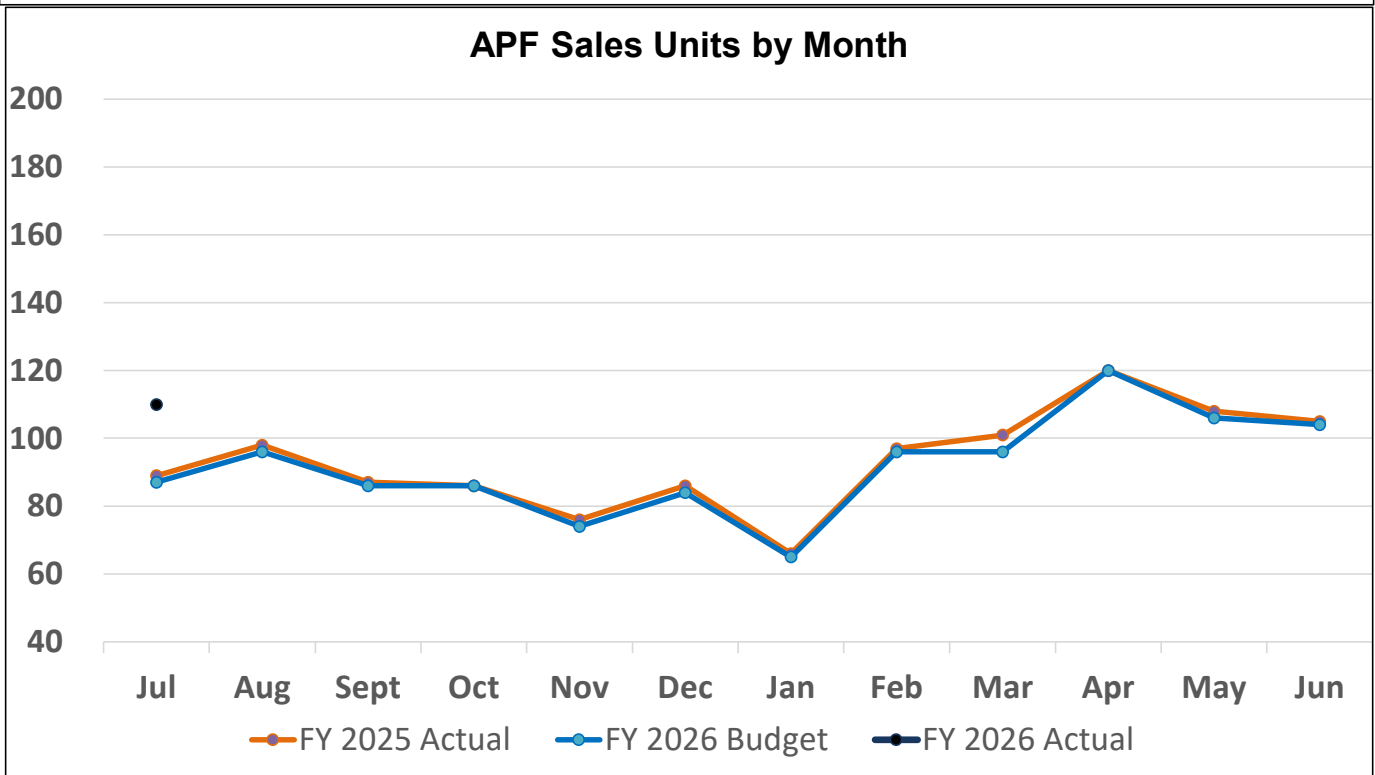
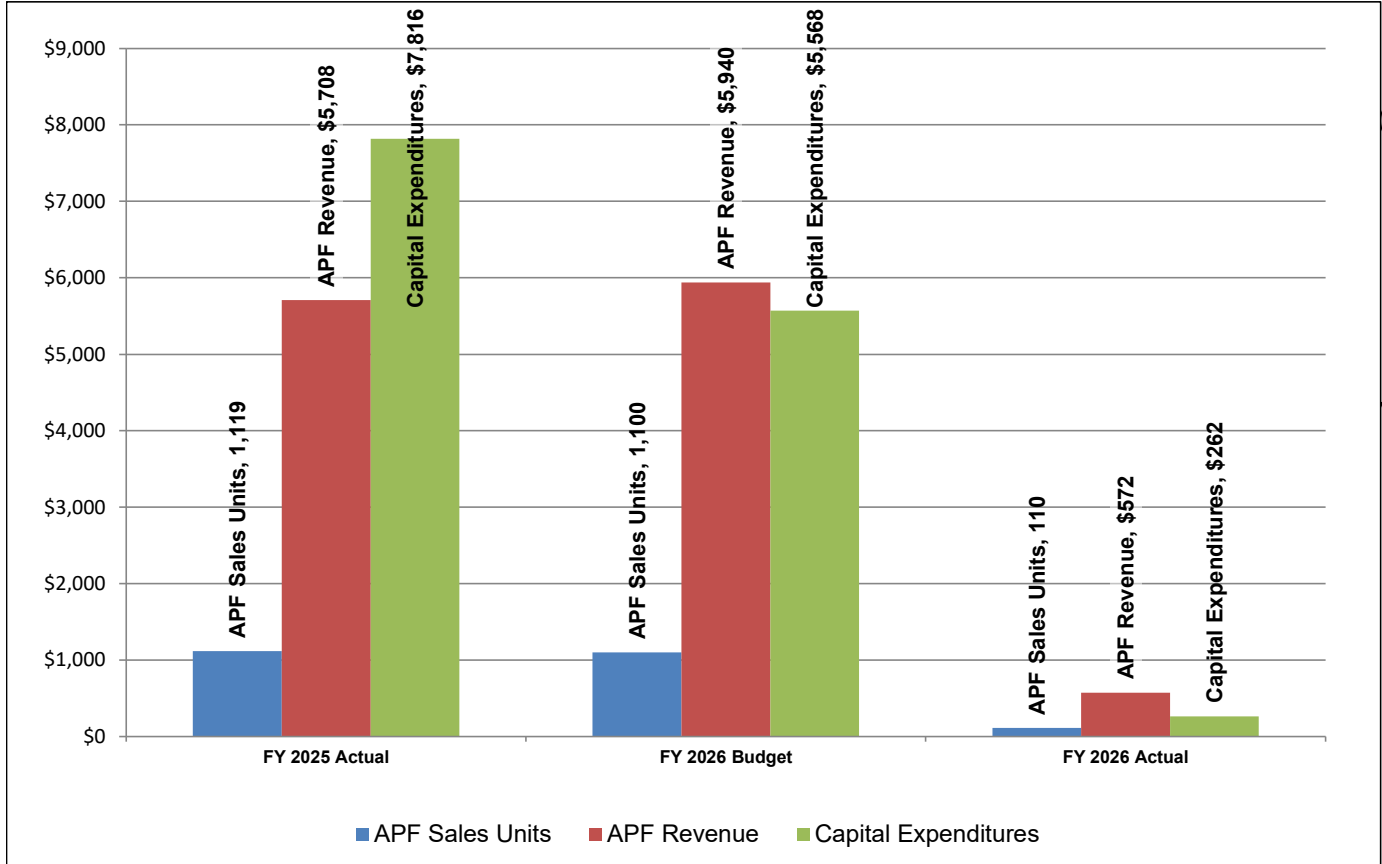
*** Unrealized Gains (Losses) are the difference between the basis (cost) of Investments & the market value at any point in time. Reserve Funds are invested based on a long-term investment strategy (FI12) and over time Unrealized Gains (Losses) have historically fluctuated both up and down depending on the time period measured (e.g. monthly, annually, since inception).

Unrealized Gains (Losses) are recorded due to accounting rules which produce "Paper" gains/(losses), Realized Gains/(losses) occur at the time investments are sold.

Recreation Centers of Sun City West, Inc.

Asset Preservation Fees & Capital Expenditures

	July			Year to Date		
	Actual	Budget	Var over/(under)	Actual	Budget	Var over/(under)
APF Sales Units	110	87	23	110	87	23
APF Revenue (000's)	\$ 572	\$ 464	\$ 108	\$ 572	\$ 464	\$ 108
Capital Expend. (000's)	\$ 262	\$ 250	\$ 12	\$ 262	\$ 250	\$ 12



Recreation Centers of Sun City West, Inc.

Summary Item Purchases and Counts of Various Products

Fiscal Year	Rate	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	YTD	% YTD
Golf - Unlimited Card Sales																
FY 2023-24	\$ 3,600	6	8	17	33	26	25	19	12	13	16	9	10	194	6	3%
FY 2024-25	\$ 3,800	7	5	23	33	31	20	16	7	20	14	8	14	198	7	4%
FY 2025-26 Bud	\$ 3,900	7	4	22	33	30	20	16	6	9	11	4	10	170	7	4%
FY 2025-26	\$ 3,900	6												6	6	100%
														% of Budget YTD	87%	
														% of Prior Year YTD	86%	
Kachina Golf Card Sales																
FY 2023-24	\$ 895	9	17	63	100	151	76	89	51	52	40	23	18	689	9	1%
FY 2024-25	\$ 895	8	10	62	105	136	74	97	59	49	35	14	22	671	8	1%
FY 2025-26 Bud	\$ 895	8	10	59	102	132	69	94	47	59	34	23	14	653	8	1%
FY 2025-26	\$ 895	9												9	9	100%
														% of Budget YTD	113%	
														% of Prior Year YTD	113%	
Coyote Golf Card Sales																
FY 2023-24	\$ 325	14	12	24	139	185	122	138	63	37	35	15	12	796	14	2%
FY 2024-25	\$ 325	9	10	31	145	155	117	141	69	36	27	18	12	770	9	1%
FY 2025-26 Bud	\$ 325	9	10	30	144	155	117	139	63	52	28	14	12	773	9	1%
FY 2025-26	\$ 325	10												10	10	100%
														% of Budget YTD	111%	
														% of Prior Year YTD	111%	
CNP Frequent Play Card Sales																
FY 2023-24	\$ 1,575	0	0	1	1	3	3	2	1	0	1	0	1	13	0	0%
FY 2024-25	\$ 1,600	1	0	0	1	2	1	3	0	1	1	0	0	10	1	10%
FY 2025-26 Bud	\$ 1,600	1	0	0	1	2	1	3	1	0	0	0	0	9	1	11%
FY 2025-26	\$ 1,600	0												0	0	
														% of Budget YTD	0%	
														% of Prior Year YTD	0%	
Twilight Golf Card Sales																
FY 2023-24	\$ 1,339	1	4	4	8	12	9	14	9	3	9	5	5	83	1	1%
FY 2024-25	\$ 1,500	4	4	6	9	10	17	16	6	9	4	0	3	88	4	5%
FY 2025-26 Bud	\$ 1,550	4	4	6	9	10	17	16	4	0	6	2	2	80	4	5%
FY 2025-26	\$ 1,550	6												6	6	100%
														% of Budget YTD	150%	
														% of Prior Year YTD	150%	

Recreation Centers of Sun City West, Inc.

Summary Item Purchases and Counts of Various Products

Fiscal Year	Rate	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	YTD	% YTD
Range Ball Key Sales																
FY 2023-24	\$90/\$180	30	44	356	241	270	203	270	246	256	194	123	75	2,308	30	1%
FY 2024-25	\$90/\$180	57	71	99	160	268	212	255	285	250	197	133	98	2,085	57	3%
FY 2025-26 Bud	\$90/\$180	57	71	99	160	268	212	255	285	250	197	133	98	2,085	57	3%
FY 2025-26	\$90/\$180	77												77	77	100%
														% of Budget YTD		135%
														% of Prior Year YTD		135%

Members (with No Golf Card)														Average
FY 2023-24		30,718	30,720	30,699	30,764	30,797	30,970	31,047	31,023	31,117	30,842	30,617	30,720	30,836
FY 2024-25		30,572	30,366	29,520	29,375	29,538	29,575	29,859	29,813	28,925	28,341	28,170	28,153	29,351
FY 2025-26		28,172												28,172

Unlimited Golf Card Holders														Average
FY 2023-24		184	183	182	184	188	191	187	188	188	189	190	190	187
FY 2024-25		189	186	193	193	197	193	192	189	193	194	193	193	192
FY 2025-26		193												193

Kachina Golf Card Holders														Average
FY 2022-23		669	668	680	676	676	675	670	662	661	668	669	662	670
FY 2023-24		656	662	664	677	682	683	691	693	689	681	679	676	678
FY 2025-26		657												657

Coyote Golf Card Holders														Average
FY 2023-24		779	774	774	793	797	793	809	802	792	784	782	776	788
FY 2024-25		769	768	767	768	768	770	765	766	761	749	741	745	761
FY 2025-26		738												738

CNP Freq Play Card Holders														Average
FY 2023-24		11	11	12	11	11	11	10	10	10	11	11	12	11
FY 2024-25		13	13	12	13	12	10	11	10	11	11	11	10	11
FY 2025-26		9												9

Twilight Golf Card Holders														Average
FY 2023-24		60	68	69	64	65	63	67	71	74	79	79	80	70
FY 2024-25		82	83	85	88	87	91	95	94	96	94	93	93	90
FY 2025-26		95												95

Recreation Centers of Sun City West, Inc.
Summary Item Purchases and Counts of Various Products

Fiscal Year	Rate	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	YTD	% YTD
Bowling Lineage																
FY 2023-24		18,980	0	16,814	30,684	30,596	26,685	33,920	33,625	34,366	20,711	21,266	21,367	289,014	18,980	7%
FY 2024-25		21,937	8,240	23,771	32,283	31,280	29,405	35,987	33,104	35,686	18,361	24,029	23,507	317,590	21,937	7%
FY 2025-26 Bud		21,482	8,069	23,278	31,613	30,631	28,795	35,240	32,417	34,945	17,980	23,530	23,020	311,000	21,482	7%
FY 2025-26		24,432												24,432	24,432	100%
														% of Budget YTD	114%	
														% of Prior Year YTD	111%	
Transfer Fee (Home Sale)																
FY 2023-24	\$ 275	114	92	71	76	74	95	72	78	133	127	111	105	1,148	114	10%
FY 2024-25	\$ 275	83	94	78	90	78	89	75	95	114	129	118	114	1,157	83	7%
FY 2025-26 Bud	\$ 275	92	100	94	93	80	96	79	108	132	130	118	117	1,239	92	7%
FY 2025-26	\$ 275	112												112	112	100%
														% of Budget YTD	122%	
														% of Prior Year YTD	135%	
Asset Preservation Fees																
FY 2023-24	\$ 5,000	107	89	63	79	84	93	86	84	134	124	104	100	1,147	107	9%
FY 2024-25	\$ 5,200	89	98	87	86	76	86	66	97	101	120	108	105	1,119	89	8%
FY 2025-26 Bud	\$ 5,400	87	96	86	86	74	84	65	96	96	120	106	104	1,100	87	8%
FY 2025-26	\$ 5,400	110												110	110	100%
														% of Budget YTD	126%	
														% of Prior Year YTD	124%	