

University Park Recreation District  
Management Discussion & Analysis Report  
As of December 31, 2021

Happy New Year and Happy 2022 Membership Year! December Statements were delivered on Friday, January 7<sup>th</sup> which officially closes our 2021 Membership Year. 2022 begins our new Membership Program with fewer membership categories but enhanced membership flexibility.

### **COVID-19 Update**

Oh Omicron! Yes, the pandemic continues, and the Omicron variant has proven to be very contagious. Thankfully, hospitalizations are not increasing at the same rate as positive cases and most symptoms remain modest. We have had several positive cases within University Park, including residents, members, and limited staff. Thankfully, to date, we have been able to avoid a significant outbreak.

As announced on January 3<sup>rd</sup>, ALL individuals (staff, residents, members, guests, vendors, etc.), regardless of vaccination status, are now required to wear a mask in ALL indoor spaces. This includes Administrative Offices, The Varsity Club, Golf Pro Shop, Fitness Centre, and Community Center.

### **Staffing & Human Resources**

After a brief tenure, F&B Director, Kevin Sassano, is no longer with us. A search for his replacement is ongoing as we look to fill the position with a better fit for our Club.

Hiring qualified candidates for open positions continues to be an ongoing challenge. We are actively seeking positions in Golf Course Maintenance, Food & Beverage (a F&B Director, Servers, Bussers, Hostess), Tennis and Admin.

Staff members should be commended for their hard work under challenging safety conditions and staff shortages.

### **Food and Beverage**

The F&B Team is extremely excited to get back to The Park Grille & Café next week! The Varsity Club and, especially, the Boardwalk Café have served us all well, but it has been an operational hardship. Our many thanks to the staff for working within these difficult conditions.

Holiday dinners including a Hanukah Dinner, an Ugly Holiday Sweater Dinner, “Home for the Holidays” Party, and New Year’s Eve highlighted the special events in December.

Other special events during the month included MGA/LGA Events and UP neighborhood Holiday Parties.

### **Golf**

Golf continues to be extremely busy with booked tee sheets and higher than normal Pro Shop merchandise sales. In addition, our rates are higher than they’ve ever been with little to no rate

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resistance. We continue to keep our rates within our local market and sales continue to suggest we are properly priced. It is important, as we increased our membership dues, to also increase our outside pricing.

Total golf rounds continue to average 7,000-8,000 rounds per month with a fairly consistent 55/45 split between member and outside play. The high demand for golf play reflects the outstanding conditions and reputation that University Park has in our market.

### **Tennis & Fitness**

UPCC Tennis Men's and Women's teams are about halfway through their inter-club league play. We have two teams that are currently in 2nd place and one in 3rd. The remaining teams are around .500 or better.

In addition to league play, the tennis department has also introduced two brand new events this year. In December, we held our Fast Four Holiday Social which consisted of 4 game sets, no lets, no Ad points, and sudden death tiebreaker points. This coming Monday we will have our Battle of the Pros event. This event will consist of Coach Joe and Coach Ryan going head-to-head to create the ultimate tennis line up consisting of themselves and members in both singles and doubles matches.

During the holiday break in league play, our court maintenance crew was able to lay clay down on courts 3, 4, 6, 7, 8, 9, 10, and 11. This brought our tennis courts back to the standard members and guests say are "the best courts in the area."

Sue and her team of Fitness Instructors continue to provide a wide variety of daily fitness classes including Pilates, Yoga, Aquatics, and TRX. Please see the Fitness Schedule which is always included in the Club Weekly and also located at the Fitness Centre.

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**Memberships and membership activity**

End of Year Summary (as of 1.13.22)				
SUMMARY	YE 2021	YE 2020	Difference	% Change
Full	355	291	64	22.0%
Tennis	124	106	18	17.0%
Sports	0	79	-79	-100.0%
Social/Resident	747	667	80	12.0%
Twilight Tennis	0	8	-8	-100.0%
Jr. Exec	2	3	-1	-33.3%
<b>TOTALS</b>	<b>1228</b>	<b>1154</b>	<b>74</b>	<b>6.4%</b>
Annual Fitness Passes Sold: 98				
Social Access Passes Sold: 120				
Twilight Tennis Passes Sold: 4				
Single Memberships converted to Family: 229				

		Full	Racquet s	Social	Soc / Res - Omy Reord	Jr. Exec.	Change in Annual Mbrs	Trial Full	Trial Ten/Fit	Trial Fit/Soc	Trial Social	Sum Golf	Sum Tennis	Sum Dining	Change in Other Mbrs	Required Community Memberships	
2021 Totals		352	124	236	511	2	1225	9	1	1	1	0	0	0	12	922	
<b>NEW</b>	1/11	3		1	-1		3	8							8	3	3 Soc/Res
<b>Total Members</b>		<b>355</b>	<b>124</b>	<b>237</b>	<b>510</b>	<b>2</b>	<b>1228</b>	<b>17</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>925</b>	
Add SAP		90	29				119										
Add AFP		12		33	53		98										
Add Twi Ten				3	1		4										
<b>Total Passes</b>		<b>102</b>	<b>29</b>	<b>36</b>	<b>54</b>	<b>0</b>	<b>221</b>										

Past Trial Counts					Past Summer Counts			Summer Conversions		
Year	Full	T&F	Fit/Soc	Social	Golf	T&F	Dining	Year		
2012/13	11	3		4	136	25	45	2013		
2013/14	20	3		6	121	22	25	2014		
2014/15	20	5		6	192	26	42	2015		
2015/16	23	7	3		108	26	35	2016		
2016/17	18	4	6	8	76	15	24	2017	4 Full, 3 Tennis, 2 Sports, 2 Social	
2017/18	12	2	2	8	175	17	36	2018	9 Full, 4 Tennis, 1 Sports, 6 Social	
2018/19	21	6	12	2	235	25	40	2019	19 Full, 7 Tennis, 4 Sports, 11 Social	
2019/20	17	4	7	3	152	54	5	2020	15 Full, 18 Tennis, 2 Sports, 3 Social	
2020/21	34	10	8	8	239	17	XX	2021	29 Full, 5 Tennis, 9 Social	
2021/22	18	2	1							

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**Statements of Operations (as of November 30, 2021):**

UNIVERSITY PARK COUNTRY CLUB & RD					
TWO MONTHS ENDING NOVEMBER 30, 2021					
<b>SUMMARY STATEMENT OF OPERATIONS</b>					
Description	FY2022 YTD Actual	FY2022 YTD Budget	FY2022 YTD Variance	FY2022 Budget	
<b>REVENUE:</b>					
MEMBERSHIP DUES	\$ 558,870	\$ 567,523	\$ (8,653)	\$ 3,910,161	
GOLF OPERATIONS	560,521	441,886	118,634	2,869,266	(a)
TENNIS & FITNESS CENTRE	13,412	9,726	3,686	66,305	
RESTAURANT INCOME	282,442	303,836	(21,394)	1,910,971	(b)
OTHER INCOME	799	650	149	5,000	
<b>TOTAL REVENUE</b>	<b>\$ 1,416,044</b>	<b>\$ 1,323,621</b>	<b>\$ 92,422</b>	<b>\$ 8,761,703</b>	
<b>EXPENSES:</b>					
DIRECT EXPENSES:					
GOLF OPERATIONS	\$ 241,910	\$ 232,331	\$ 9,579	\$ 1,303,113	
TENNIS & FITNESS CENTRE	64,630	60,540	4,090	337,447	
RESTAURANT	475,862	472,357	3,505	2,600,337	(b)
GOLF COURSE MAINTENANCE	554,958	513,034	41,924	2,741,586	(c)
GENERAL & ADMIN	343,106	299,888	43,218	1,608,440	(d)
<b>TOTAL DIRECT EXPENSES</b>	<b>\$ 1,680,466</b>	<b>\$ 1,578,150</b>	<b>\$ 102,316</b>	<b>\$ 8,590,923</b>	
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (264,422)</b>	<b>\$ (254,529)</b>	<b>\$ (9,894)</b>	<b>\$ 170,780</b>	
INITIATION FEES & OTHER	211,525	95,300	116,225	212,900	
OUTSIDE GOLF -CAPITAL ALLOCATION	37,975	36,667	1,309	220,000	
<b>SUB-TOTAL</b>	<b>\$ (14,922)</b>	<b>\$ (122,562)</b>	<b>\$ 107,640</b>	<b>\$ 603,680</b>	
RD GOVERNANCE- GENERAL FUND EXPENSES	(47,227)	-	-	(234,000)	
<b>SURPLUS FOR OTHER RD NEEDS</b>	<b>\$ (62,149)</b>	<b>\$ (122,562)</b>	<b>\$ 107,640</b>	<b>\$ 369,680</b>	

- (a) \$119k increase over budget due to 1,129 more rounds than budgeted and increased public rates.
- (b) Reduced income due to fewer dining events (e.g., special events and Sunday brunch); increase in expenses primarily due to higher COGS because of increased costs for various items including meat and seafood.
- (c) \$42k increase to budget primarily due to staffing issues requiring us to utilize outside temp agency labor more than usual.
- (d) \$43k increase to budget primarily due to continued transition of Management Team, increased credit card fees and unbudgeted retirement party.

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**Revenue Flash Report (as of December 31, 2021):**

	December			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
MEMBERSHIP DUES	\$ 293,749	\$ 291,267	\$ 2,482	\$ 852,619	\$ 858,791	\$ (6,172)
GOLF OPERATIONS	409,236	254,527	154,709	1,007,731	733,080	274,651 (a)
TENNIS & FITNESS CENTRE	2,746	5,480	(2,734)	16,158	15,206	952
RESTAURANT OPERATIONS	257,336	233,073	24,263	539,778	536,909	2,869
<b>TOTAL OPERATING REVENUE:</b>	<b>\$ 963,067</b>	<b>\$ 784,347</b>	<b>\$ 178,720</b>	<b>\$ 2,416,286</b>	<b>\$ 2,143,986</b>	<b>\$ 272,300</b>
INITIATION FEES & OTHER INC	66,688	24,425	42,263	279,012	120,375	158,637 (b)
<b>TOTAL OTHER REVENUE:</b>	<b>\$ 66,688</b>	<b>\$ 24,425</b>	<b>\$ 42,263</b>	<b>\$ 279,012</b>	<b>\$ 120,375</b>	<b>\$ 158,637</b>
<b>TOTAL REVENUE:</b>	<b>\$ 1,029,755</b>	<b>\$ 808,772</b>	<b>\$ 220,983</b>	<b>\$ 2,695,298</b>	<b>\$ 2,264,361</b>	<b>\$ 430,937</b>

(a) \$275k over Budget YTD due to pricing and substantially more rounds, as outlined below:

**Rounds of Golf (as of December 31, 2021):**

Member Rounds	3,995	4,040	(45)	12,263	11,785	478
Outside Rounds	4,117	2,570	1,547	10,903	8,750	2,153
	8,112	6,610	1,502	23,166	20,535	2,631

(b) New memberships (the basis for Initiation Fees) exceeded Budget as outlined in the Membership section above.