University Park Recreation District
Management Discussion & Analysis Report
As of March 31, 2022

Staffing & Human Resources

As announced on April 7th, Sue Ertl has announced her retirement from her current LPGA Teaching role. Her last day as an instructor will be April 30, 2022. Fortunately, Sue will remain with UPCC in a new role as Club Ambassador. As Club Ambassador, Sue will continue to represent University Park in a number of capacities including representing UPCC as she plays in various tournaments around the Country, attending UPCC member events (LGA, 9-Hole, MGA, etc.), playing with new members as part of the new member onboarding process, among many others. Simply put, Sue will continue to have a presence at University Park.

Please join me in congratulating Sue on her retirement from full-time work. We look forward to welcoming Sue back in October in her new role.

Food and Beverage

We continue to be very challenged with staff shortages, primarily in the Kitchen. As communicated in earlier communications, Chef Roger is currently out with an injury. He continues to heal and we're hopeful for a return-to-work ASAP. In the interim, we are doing our best to mitigate any decrease in food output, a real struggle given Chef Roger's talents and experience. Milissa Martorano (F&B Director) and Linda Somma (HR Director) are urgently working to add additional staff so we can provide the service and experience our members should experience and expect.

The reopening of the Varsity Club and Boardwalk Café from Wednesday-Friday from 3:00pm-8:00pm (food served 3:00-6:00pm) continues. We have heard a strong desire to bring back the traditional Friday night "happy hour". We are prepared to remain open past 8:00pm if the participation requires, however, given our current kitchen staff shortages, we cannot add food to this experience after 6:00pm as our dinner is actively ongoing in The Park Grille.

Dinner and Member Events continue to be very well attended. March was highlighted by our Men's Member Guest 4-day event. The event was extremely successful with great execution by the F&B Team. A keystone event at most clubs, this was a real "home run" event.

April events are highlighted by the Rombauer Wine Dinner, Music in the Park, Trivia, Bingo, Seder Dinner, Easter Egg Hunt & Luncheon, Easter Brunch Buffett, Name that Tune and LGA/MGA closing luncheons.

Busy, Busy!!

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Golf

Thank goodness for Golf. As inflation continues to impact all businesses, including ours, golf has continued to provide us with a continual stream of revenue beyond our expectations. Rates continue to remain competitively high, and the market has not waned. March concluded 735 rounds over budget (including 491 outside rounds) despite the fee increases.

The MGA and LGA seasons are wrapping up. We thank all our members who participate in these programs and look forward to your return next season.

Racquets, Fitness & Croquet

Men's and Women's league play has wrapped up. We had one team in each division finish in 3rd place with the remaining teams all remaining competitive and finishing in the middle of the pack.

A very successful Ladies Invitational was held in March with 51 participants enjoying a breakfast, spirited matches, and a private lunch in the Varsity Club. The Men's Invitational was postponed to April 9th due to inclement weather.

The new Croquet was unveiled on Monday, April 4th. 50+ members enjoyed a continental breakfast and were able to play on the pitch for the first time. The court has received many positive reviews for its playing surface.

Look out for a new Fitness schedule in May, including Coach Liz introducing fitness classes on Saturday's.

Memberships and membership activity

Summer Membership sales are the primary focus currently. Through April 8th, we have 194 Golf and 22 Racquets memberships sold. 2021 member totals ended at 239 and 17, respectively. We are well on our way to exceeding 2021 totals and will begin discussing a cap on golf memberships (likely 250) to ensure our annual members are not negatively impacted.

Annual memberships have remained at Club highs with Full (362), Racquets (123) and Social (752) for a total of 1,237.

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Statements of Operations (as of February 28, 2022):

UNIVERSITY PARK COUNTRY CLUB & RD				
FIVE MONTHS ENDING FEBRUARY 28, 2022				
SUMMARY STATEMENT OF OPERATIONS	**FY2022**	**FY2022**	**FY2022**	**FY2022**	
Description	**YTD Actual**	**YTD Budget**	**YTD Variance**	**Budget**	
REVENUE:					
MEMBERSHIP DUES	$ 1,609,881	$ 1,525,874	$ 84,007	$ 3,910,161	
GOLF OPERATIONS	1,896,858	1,414,258	482,600	2,869,266	(a)
TENNIS & FITNESS CENTRE	41,581	28,000	13,581	66,305	
RESTAURANT INCOME	912,744	936,636	(23,892)	1,910,971	(b)
OTHER INCOME	5,095	3,025	2,070	5,000	
TOTAL REVENUE	**$ 4,466,159**	**$ 3,907,793**	**$ 558,366**	**$ 8,761,703**	
EXPENSES:					
DIRECT EXPENSES:					
GOLF OPERATIONS	$ 657,490	$ 584,121	$ 73,369	$ 1,303,113	(c)
TENNIS & FITNESS CENTRE	159,891	142,391	17,500	337,447	
RESTAURANT	1,242,238	1,132,907	109,331	2,600,337	(b)
GOLF COURSE MAINTENANCE	1,286,063	1,179,582	106,481	2,741,586	(d)
GENERAL & ADMIN	798,640	718,799	79,841	1,608,440	(e)
TOTAL DIRECT EXPENSES	**$ 4,144,322**	**$ 3,757,800**	**$ 386,522**	**$ 8,590,923**	
OPERATING INCOME/(LOSS)	**$ 321,837**	**$ 149,993**	**$ 171,844**	**$ 170,780**	
CAPITAL ALLOCATION:					
INITIATION FEES & OTHER	329,050	155,600	173,450	212,900	
OUTSIDE GOLF -CAPITAL ALLOCATION	145,434	91,667	53,767	220,000	
TOTAL CAPITAL ALLOCATION	**$ 474,484**	**$ 247,267**	**$ 227,217**	**$ 432,900**	

(a) $483k increase over budget due to 3,569 more rounds than budgeted and increased public rates.

(b) Increase in expenses primarily due to higher COGS because of increased costs for various items including meat and seafood.

(c) $73k over Budget primarily due to merchandise cost of goods and credit card fees, each of which has increased proportionately to increased revenue.

(d) $106k increase to budget primarily due to staffing issues requiring us to utilize outside temp agency labor more than usual and much higher supply costs (fuel, fertilizers, etc.).

(e) $80k 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 March 31, 2022):

	March			YTD			
	Actual	Budget	Variance	Actual	Budget	Variance	
MEMBERSHIP DUES	$ 456,040	$ 392,506	$ 63,534	$ 2,065,921	$ 1,918,380	$ 147,541	
GOLF OPERATIONS	585,387	417,552	167,835	2,627,679	1,923,477	704,202	(a)
TENNIS & FITNESS CENTRE	14,240	7,524	6,716	55,821	35,524	20,297	
RESTAURANT OPERATIONS	290,371	222,581	67,790	1,203,115	1,159,217	43,898	
TOTAL OPERATING REVENUE:	**$ 1,346,038**	**$ 1,040,163**	**$ 305,875**	**$ 5,952,536**	**$ 5,036,598**	**$ 915,938**	
INITIATION FEES & OTHER INC	13,339	13,375	(36)	347,484	172,000	175,484	(b)
TOTAL OTHER REVENUE:	**$ 13,339**	**$ 13,375**	**$ (36)**	**$ 347,484**	**$ 172,000**	**$ 175,484**	
TOTAL REVENUE:	**$ 1,359,377**	**$ 1,053,538**	**$ 305,839**	**$ 6,300,020**	**$ 5,208,598**	**$ 1,091,422**	

(a) $704k over Budget YTD due to pricing and substantially more rounds, as outlined below:

Rounds of Golf (as of March 31, 2022):

Member Rounds	5,234	4,990	244	26,457	26,230	227
Outside Rounds	4,301	3,810	491	23,562	19,485	4,077
	9,535	8,800	735	50,019	45,715	4,304

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