

# University Park Recreation District

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<http://universityparkrd.com/>

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The Workshop meeting of the **Board of Supervisors of University Park Recreation District** will be held on **Tuesday, June 28, 2022, at 10:00 a.m.** at the **Community Center** located at 8301 The Park Boulevard, University Park, FL 34201 and or virtually.

**Meeting ID:** 845 8893 8513

**Passcode:** 755354

**Join meeting via Zoom:**

<https://us02web.zoom.us/j/84588938513?pwd=eUE4Q3BTNGVFNXBSOGVlRXk1cWo2QT09>

## **BOARD OF SUPERVISORS' WORKSHOP MEETING AGENDA**

### **Organizational Matters**

- Call to Order
- Roll Call to Confirm Quorum
- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*

### **Discussion**

1. Update of the Strategic Planning of Phase II of the Master Plan Concept and Steps Going Forward

### **Adjournment**

Date	Meeting Type	Time	Location	Note
July 8, 2022	BOS Meeting	1:00 PM	University Park	Community Center
August 2, 2022	Workshop Meeting	10:00 AM	University Park	Community Center



# **University Park Recreation District**

Update of the Strategic Planning of Phase II of  
the Master Plan Concept and Steps Going  
Forward

## Venessa Ripoll

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**From:** billdip1@gmail.com  
**Sent:** Saturday, June 18, 2022 10:08 AM  
**To:** 'james case'; 'Sally Dickson'; 'Steven Ludmerer'; karenlpagano@gmail.com; Vivian Carvalho  
**Cc:** jfetsick; 'Bruce Mantia'  
**Subject:** Friday District Workshop  
**Attachments:** Bond Summary.docx; Member and owner survey draft 6.16.22.docx

**ALERT:** This message is from an external source. **BE CAUTIOUS** before clicking any link or attachment

BOARD MEMBERS, DO NOT RESPOND

Just before our June meeting was continued, I believe we agreed that there were a number of important subjects that should be reviewed and resolved at the upcoming workshop. We should put ourselves in a position to make some definitive decisions on direction. Our objective should be to arrive at a consensus that can be formally voted on at the July meeting. Costs are escalating faster than we anticipated.

These items were mentioned as subjects to review:

1. Establish a date for the referendum. Steve's schedule calls for August 16. Approving this at the July meeting allows time for notification as required by law and provides a definitive track for our progress.
2. Review the project list (*already sent*) for which the funds would be used. The important point for now is not to focus on a specific project or sequence. It is important that we find agreement to follow either Option I or Option II. The key question is Option II worth almost an extra \$2 million.
3. Once the option is decided, the amount of the bond can be definitively established.
4. Review and determine the fairest split for payment by each member.
5. With a firm amount and split established, we will be able to complete the voter information package and determine an approximate amount that will be due from each resident. *A copy of a draft of that document (Bond Summary) is attached.*
6. We have committed to conduct a survey of the residents. I believe we have general agreement on the direction of that survey. *A suggested draft of a survey is attached for your review.* Again, the key point of discussion now is the direction of the survey rather than the wording of specific questions. If we agree on that, we can turn it over to the experts to finalize. I do not believe we need any formal motion to do this.

Because we have spent extensive discussion time on these issues, we can hopefully resolve them before we adjourn, though it could be a long meeting.

VIVIAN: Please make these items part of our agenda.

Bill DiPaolo  
7110 Marston Court  
University Park, FL 34201  
352 220 4496

## **VOTER REFERENDUM INFORMATION (6/14/2022)**

### **INTRODUCTION**

In 2019, Residents agreed to purchase University Park Country Club from the developer by establishing a Recreation District and agreeing to a \$24 million municipal bond issue. Proceeds were to fund the purchase and provide some operating and capital funds. Over the 30-year life of the property, little had been done to maintain or add assets or amenities of the club.

One of the first actions of the new District Board was to establish the mission and vision for UPCC:

*Our mission is to deliver to members and guests ever evolving lifestyle experiences that are engaging and inclusive by providing exemplary service, facilities and amenities. Our vision is to be the preeminent gathering place for members and guests to meet, socialize and enjoy lifestyle opportunities that exceed their expectations in a modern club environment that also enhances our residential community.*

To meet these objectives, a year of planning began that included member advisory groups, surveys, consultants and the retention of Fawley Bryant Architects to create a Master Plan that would serve as a blueprint for club development for the next decade. To verify these findings, new member advisory groups were established and an additional resident survey planned to confirm the results. The guidance of the Master Plan was accepted by the residents.

From the 2019 bond funds, Phase I of the Master Plan was implemented. This includes remodeling dining areas, adding pickleball, constructing a new outdoor bar, parking lot repairs and providing needed maintenance on the golf course, which produces over \$2,000,000 in outside revenue annually, as well as numerous smaller projects.

With Phase I nearing completion, it is time to plan and implement Phase II of the Master Plan.

At the time of the purchase, the capital fund balance was \$0, and while the Club is operationally sound, showing a surplus each year, these funds along with bond funds were needed immediately to maintain and improve our infrastructure and facilities. With this need for funds, there was no ability to build capital reserves for future projects. There are additional priority projects that must be executed and are a part of Phase II of the Master Plan. It is essential that funding be secured for these projects in a sufficient amount that allows for the execution of Phase II as well as provide time to build capital reserves for the future and take meaningful steps towards our mission and vision.

### **FINANCING RECOMMENDATION**

The Board has limited options to secure needed funding, which current needs show to be \$16 million. Even a substantial increase in dues would not provide sufficient capital in a timely manner. The District Charter currently prohibits borrowing for more than a two-year term. For the capital required, a significant assessment of each residence over a short time frame might place an undue burden on homeowners.

Municipal bond funding is an avenue available to our Club as a Recreation District that is not available to other country clubs. This allows UPCC to secure long-term funding for long term projects at the lowest possible rates, causing the least financial stress on residents. For these reasons,

**The University Park Recreation District Board of Supervisors recommends that residents approve by referendum a \$16 million municipal bond, and that preparations for this issue be done with all due haste.**

To issue such a bond would require approval of a majority of voting homeowners of the District. Other financing methods require only a majority vote of the Board of Supervisors.

### **HOW WILL THE VOTE BE DONE?**

The referendum is scheduled for August 16, 2022. Each residential address will be entitled to one vote. Ballots will be distributed by mail and may be returned by mail or in person to Club offices. There will be a short period of time on election day to allow for in person voting. Ballot counting will begin at the close of the election and results will be independently verified. Assuming the election is favorable, the bond process will begin immediately. It is anticipated funds will be available by December 15, 2022. No payment of the debt will be required by residents before November 2023. Detailed instructions will be included with the ballot.

### **HOW WOULD THE FUNDS BE USED?**

Generally, the funds would be used to implement some Master Plan projects and critical infrastructure and maintenance issues over a three-year period. All projects are designed to preserve and protect existing assets and revenue streams as well as adding to the member experience. It is the intent to provide greater social opportunities, enhanced and expanded dining experience as well as updating and improving our existing athletic facilities. Overall, the investment will add significant value to a UPCC membership and enhance the member experience.

Projects were selected based on crucial maintenance issues and preference input by a wide portion of the membership gathered beginning with the turnover through the present. The projects are consistent with our mission and vision and reflect changing needs of a new generation of club members. A listing of these projects, along with estimated costs and a brief description of each can be found in *Exhibit 1*.

### **ADDRESSING RESIDENTS' QUESTIONS**

Throughout the vetting process, residents have posed significant questions. Most of these, along with responses have been summarized on the Recreation District web site. Please go to <https://universityparkrd.com/questions-answered> for a complete listing of these issues.

Some issues, particularly those with a financial impact, are addressed here.

Question: *Won't all this make UPCC too expensive compared to other clubs in the area?*

While this does not directly relate to the bond issue, it is the use of the bond funds for three years that will allow the accumulation of capital reserves with a combination of increases in dues, initiation fees and the addition of a capital fund charge. See [Exhibit 2](#) for a forecast of the reserves. It is projected that there will be a reserve capital fund of about \$2,000,000. Even with these steps implemented, membership in UPCC is still a bargain. A comparison of UPCC fees and other clubs can be found in [Exhibit 3](#).

Question: *The addition of the new bond payment on top of the original bond and all other Manatee County fees could make our tax bill so high it could depress real estate values.*

Like the Country Club, living in University Park is a bargain as well. Even with the addition of the new bond payment, University Park tax bills are still below comparable properties in Lakewood Ranch. See [Exhibit 4](#).

Question: *How will each resident's share be determined?*

The bond funds will be used for the amenities of the club, which all members enjoy equally, regardless of the value of the home. At the same time, maintaining the Club at high standards contributes to increased real estate values. While all homes participate in this benefit, homes with a higher value can expect more from increased values. The fairest way is to calculate the assessment based on 50% home value and 50% divided evenly among all residences. An exact amount for each residence will be provided before the referendum. Another factor is that if an all-ad valorem (100% of assessed value) approach were used, values would have to be calculated annually and payment would not be consistent.

Question: *When will you be asking for more money?*

This request for this bond funding was not unplanned. During the takeover there was not time to research, create and adopt a master plan. It has taken three years to do a proper job and the bond proceeds allow implementation of Phase 2 of that plan. [Exhibit 2](#) shows the accumulation of capital funds over the next few years because of the bond. This reserve should preclude any need for additional bonds or assessments. While it can never be a promise, it does not appear that additional funds will not be needed for at least 10 years, maybe longer.

## **CURRENT CLUB USAGE**

UPCC is a successful club. Since the takeover, membership has grown substantially, and it is anticipated that growth will continue. See [Exhibit 5](#) for current and projected membership. Between the athletic facilities, restaurant, meetings, close to 500 people per day take advantage of Club facilities. This kind of usage emphasizes and accelerates the need to expand and improve facilities and requires more staff to maintain the level of service. Bond funds allow us to meet these requirements.

Though usage is strong, and facilities are taxed, there is no single amenity, with the exception of the restaurant that is used by more than a third of our membership. Of our amenities, it is offices, meeting space and fitness facilities that are outdated and not up to the standards of University Park. In spite of that, usage of these areas is still good. An expanded fitness center will allow UPCC to offer wellness and fitness training to be included in social membership, increasing the value of that membership class; new offices provide a proper environment for our staff and improved meeting facilities will offer additional social opportunities to all members. The bond funds will address these areas of weakness on the Club campus and increase usage. [Exhibit 6](#) reviews usage of various amenities.

## **CLUB FINANCES**

Since the takeover, Club finances for operations have been strong and have met expectations provided in the early proformas. As one understands the financial model of a country club, the need for extensive capital spending, as provided by the bond, becomes obvious. Most people coming from a non-club business, look to a company's subsidiaries to make money. Such is not the case with club amenities. Virtually all country clubs underwrite all amenities. UPCC is not a golf course, a tennis club nor a restaurant. It is the product of all amenities formed into a "club." The primary revenue streams for a club are dues and initiation fees and the amount of those revenues is dependent on the quality of all the amenities. This is what makes the continued capital investment in our assets so important. It insures the future viability and success.

UPCC is fortunate that because of the quality of our golf course, outside play contributes \$2,000,000 to revenues, a figure we must protect with consistent maintenance and improvement to the golf course and attendant facilities.

For a more detailed view of Club finances please see the following exhibits:

**Exhibit 7** – Current financial statement

**Exhibit 8** – Current balance sheet

**Exhibit 9** – Proforma statements of operating results for next 5 years

**Exhibit 10** - Current staffing levels and future requirements

## **WHY THE BOND NOW?**

It was the intent of the Board to introduce the subject of a bond approximately 12 months from now. The specter of rising interest rates, escalating construction costs and supply problems forced the acceleration of the project research, recommendations and the proposal of the bond. By acting earlier, the same results can be achieved at a lower cost to the residents.

## **WHY YOU SHOULD VOTE YES!**

The vast majority of the listed projects, particularly those with high dollar amounts, must be completed within a reasonable period. By not acting in many of these areas, the Board would not be executing its fiduciary responsibility to the membership and residents. It is not the purpose to build a super club nor to compare ourselves to others. The intent is to build a self-sustaining country club that demonstrates the values and supports the lifestyles of our diverse community. The concern is not just this year, but the next ten years and beyond. The goal is to create an environment that reflects the standards of University Park and to position the Club to maintain those standards over the next decade.

A bond issue is the fairest, most economical way to achieve these ends by providing the necessary funding. Projects to be funded are long term projects. Thirty-year financing means residents owning the home at any time would finance the amenities. Any other option could be a burden to some residents and requires payment long before completion of the useful life of the assets with annual payments three to five times larger than the bond and provides a windfall to the next owners of the residence.

**The Board of Supervisors asks that you approve the bond referendum.**

**DRAFT 6/14/22**

**Q 1. I have lived in University Park for:**

- Less than 5 years
- Between 5 -10 years
- More than 10 years

**Q 2. What is your UPCC membership category?**

- Full
- Social/resident social
- Racquets
- Summer
- I am not a member

**Q 3. I'm involved in the following activities in the Park (select all that apply):**

- Cards/games in the Varsity Room/Card room
- Croquet
- Racquets
- Fitness Center
- Golf
- Dining/Special Events (i.e., Trivia, Bingo)
- Specialty clubs/groups (book clubs, biking, walking, etc.)
- Other, Womens' Club, UPCA (Homeowners' Association)

**Q 4. Overall how would you describe the value you receive for your membership?**

- A very good value
- A good value
- An OK value
- Not a good value
- Not a good value at all

**Q 5. The UPRD Board is proposing the Phase II concepts to address a variety of issues including those listed below. Please mark ALL the issues you feel are important to you:**

- To upgrade buildings/infrastructure now 30 years old and in need of renovation
- To maintain/upgrade existing athletic facilities
- To increasing dining options and meet member demands, including member dining as well as outside banquets and weddings.
- To ensure we remain competitive with similar country clubs within our market area
- To maintain/increase the value of our homes
- To build capital reserves for the future.
- To provide our staff with an appropriate work environment
- To attract new club members in all categories (Social/Racquets/Golf, etc.) as a means of maintaining final stability now and in the future.
- To increase the value of a Social Membership
- To increase opportunities for social contact and activities

**Q 6. Based on the UPRD Master Plan developed with the community, the UPRD Board has held several workshops and Town Hall meetings to present Phase II projects and concepts for resident input. These projects and concepts include the maintenance and improvement of amenities that will expand social opportunities, broaden dining opportunities, improve the golf and other athletic facilities and provide the ability to perform critical maintenance on existing infrastructure and assets. How do you feel about the Phase II concepts presented to date?**

- Very Positive
- Somewhat Positive
- Neither Positive nor Negative
- Somewhat Negative
- Very Negative
- Have Not Followed and Need Additional Information

**Q 7. While all projects have merit and most are essential, your opinion in the following areas will help establish the priorities. For those club FACILITIES and recreational areas you use, tell us how you rate the overall PHYSICAL quality of each. (If you have not used the facility or areas - skip that item and go on to the next.)**

*(use 1-5 rating)*

- Dining room
- The Café
- Lakeside Room
- Varsity Club
- Card room
- Pro shop
- Fitness Centre
- Golf course
- Tennis Courts
- Croquet Pitch
- Parking Lot

**Q 8. The estimated cost for Phase II projects will be \$14,000,000-\$18,000,000. Because the Club has limited capital reserves, financing these projects can be accomplished in one of two ways or a combination of both. Please indicate your preference.**

***A. A 30-year bond similar to the bond approved to support the original purchase of the club and turnover of the community. This approach must be approved by a vote of the homeowners. Very preliminary estimates suggest the average Phase II 30-year bond might range from \$\_\_ to \$\_\_ per month per home, depending on interest rates and the bond amount.***

***B. A capital assessment on each residence of approximately \$13,000-\$16,000, payable over three years at approximately \$5,000 annually. This would not require a vote of the homeowners.***

***C. A combination of bond and capital assessment that would generate the required \$14,000,000-\$18,000,000. Residents would vote on the bond portion of this approach.***

- Prefer A.
- Prefer B.
- Prefer C.

**Q 9. I plan to live in UPCC for some time**

- Agree
- Disagree

**Q 10. What is your age?**

- Under 35
- 36 – 45
- 46 – 55
- 56 – 65
- 66 – 75
- 76 – 85
- Over 85

**Q 11. What is your work status?**

- Work full time
- Work part-time
- Retired, not employed

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**Thank you for your participation.**

**RESOLUTION 2022-12**

**A RESOLUTION OF THE BOARD OF SUPERVISORS  
SETTING OUT GENERAL PROCEDUES FOR THE 2022  
BOND REFERENDUM ELECTION, REPEALING  
RESOLUTIONS IN CONFLICT; PROVIDING AN  
EFFECTIVE DATE.**

**WHEREAS**, the University Park Recreation District (the "District") is authorized by Chapters 418 and 189 Florida Statutes and Manatee County Ordinance No. 18-29, now Article III of Chapter 2-8 of the Manatee Code of Ordinances, which Ordinance serves as the Charter of the District (the "Charter"), to own, acquire, construct, equip, operate, maintain and improve recreation facilities and improvements within the District, including the facilities and improvements known as the "University Park Country Club", as deemed necessary or convenient by the Board of Supervisors of the District (the "Board") for the carrying out of the functions of the District, and to enter into contracts and agreements necessary or incidental to the functions of the District and the execution of its powers; and

**WHEREAS**, the Board has determined that one owner of each residence or residential property, if there is no residence, within the District ("Owner") shall be entitled, qualified and permitted to vote at such referendum; and

**WHEREAS**, the Board believes that the benefits to be derived by the District from the proposed recreation facility improvements justify the submission to the Owners of the Question of the issuance by the District of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the District that:

Section 1. The Board intends to conduct a referendum to issue bonds in an amount not to exceed \$18,000,000.00 to finance improvements to the facilities and land of the District. The list of proposed recreation facility improvements are listed in Exhibit "A".

Section 2. The Board desires to establish general parameters for the referendum election to provide guidance in conducting the elections as follows:

A. The referendum election shall be held in the University Park Community Center located at 8301 The Park Boulevard, University Park, FL 34201, on \_\_\_\_\_, 2022, from 9:00 A.M. to Noon.

B. The ballot questions shall be in substantially the form as shown in Exhibit "B".

C. One owner of each residence, or residential property if there is no residence, within the District (“Owner”) shall be entitled, qualified and permitted to vote at such referendums.

D. Owners shall be identified as those owning a residence, or residential property, if there is no residence, based on the property owners as identified on the Manatee County Property Appraiser’s website as of June 30, 2022 (“Owners”).

E. Mailed notice of the referendum election shall be sent to the Owners at least 45 days in advance of the election. District Management shall be responsible for mailing the notice. If the mail is returned as undeliverable and there is a second address on record with the District, then District will make reasonable effort to send the mailed notice to the second address.

F. The mailed notice shall include an absentee ballot for voting and a ballot envelope for returning to the District. If voting by absentee ballot, the voter shall place the absentee ballot inside the ballot envelope, which shall be returned to the District Management Office. The District Management Office shall be the sole receiver of ballots. The ballot envelope shall be marked with an identifier to determine the property for which the ballot is being cast. If a ballot is sent without a ballot envelope, the ballot, and any possible identifying information, shall be set aside for review by the Election Chair and shall only be counted if it can be determined the property for which the vote is being cast, is qualified to vote and that no other votes have been cast for that property.

G. All ballot envelopes shall remain sealed until the close of voting on election day.

H. Absentee ballots may also be cast in a locked box in the lobby of the University Park Community Center up until close of polls on election day. The locked box shall only be opened by District Manager personnel after the close of the polls on election day.

I. The notice to the property owners shall identify when the election date shall be, where the election shall be held and where absentee ballots are to be sent or filed consistent with this resolution.

J. After the close of the voting on referendum election day, District Management shall tally the votes, and upon completion of the tally, shall announce the results publicly. The results of the election shall be confirmed at the next regular meeting of the Board of Supervisors.

K. Notice of the election shall be published in the Bradenton Herald by District Management at least twice:

1. Once in the fifth week prior to the election day.
2. Once in the third week prior to the election day.

Section 3. This Resolution shall supersede any resolutions in conflict.

Section 4. This Resolution shall become effective upon adoption and shall remain in effect unless rescinded, superseded or repealed.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**ATTEST:**

**BOARD OF SUPERVISORS  
UNIVERSITY PARK RECREATION  
DISTRICT**

\_\_\_\_\_  
**Secretary/Assistant Secretary**

\_\_\_\_\_  
**James Case, Chairman**

# **EXHIBIT “A”**

## **List of Proposed Recreation Facility Improvements**

# **EXHIBIT B**

## **Official Ballot**

**OFFICIAL BALLOT**

UNIVERSITY PARK RECREATION  
DISTRICT MANATEE COUNTY,  
FLORIDA  
BOND  
REFERENDUM  
\_\_\_\_\_, 2022

**PROPOSITION**

**ISSUANCE OF ASSESSMENT BONDS FOR  
IMPROVEMENT OF UNIVERSITY PARK RECREATION DISTRICT**

Shall University Park Recreation District issue not exceeding \$18,000,000 of non-ad valorem assessment bonds to provide permanent financing for the acquisition and improvement of the University Park Recreation District, maturing within 32 years, bearing interest at not exceeding the maximum legal rate, and payable from non-ad valorem assessments of the District levied in connection therewith?

**YES (FOR BONDS)**

**NO (AGAINST**

If you are in favor of the agreement to issue said bonds, place an "X" in the box to the left of the words "**YES (FOR BONDS)**"

If you are not in favor of the issuance of said bonds, place an "X" in the box to the left of the words "**NO (AGAINST BONDS)**"

## BOND PROJECT WORKSHEET

	OPTION I	OPTION II
<b>ESSENTIAL PROJECTS</b>		
Kitchen	\$ 2,000,000	\$ 1,900,000
Bulkheads/Bridges	\$ 525,000	\$ 525,000
Golf irrigation	\$ 4,300,000	\$ 4,300,000
Lake Banks	\$ 400,000	\$ 400,000
Enviomental Upgrades	\$ 300,000	\$ 300,000
Parking Lot	\$ 750,000	\$ 750,000
Office, Activity, Fitness-Wellness Space		\$ 6,500,000
Remodel Varisty Club /Cart Barn for Office/Meeting	\$ 5,000,000	
New Cart Barn ???		
Fitness Center	\$ 3,000,000	inc. in office/acti
Upgrade Varsity Club		\$ 100,000
Upgrade ProShop with Deck area		\$ 600,000
Upgarde Pro Shop for mtg/dining/deck to VC capacity (+2000ft.	\$ 1,500,000	
	<u>\$ 17,775,000</u>	<u>\$ 15,375,000</u>
<b>OTHER PROJECTS</b>		
Board Walk	\$ 210,000	\$ 210,000
Entry View	\$ 500,000	\$ 500,000
Water Feature	\$ 100,000	\$ 100,000
2 Tennis Courts	\$ 250,000	\$ 250,000
2 Pickleball Courts	\$ 310,000	\$ 310,000
Cart Path Bump Out	\$ 275,000	\$ 275,000
	<u>\$ 1,645,000</u>	<u>\$ 1,645,000</u>
<b>TOTAL FUNDS</b>	<b>\$ 19,420,000</b>	<b>\$ 17,020,000</b>

Option I includes total remodel of Varsity Club & cart barn.

Option II includes new 15,000 s.f. of office/activity/fitness-wellness space

Figures are approximately \$2+ million over original estimates because of inflation.

OTHER PROJECTS include future projects funded out of capital fundss , as necessary.

Expanding golf practice facilities not included.

Furnishings not included.

6/19/2022



# University Park Recreation District Series 2022 Bonds Financing Scenario Comparison Summary

**Presented By: PFM**

June 24, 2022

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200 S. Orange Avenue  
Ste 760  
Orlando, FL 32801

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3501 Quadrangle Blvd  
Ste 270  
Orlando, FL 32817

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[www.pfm.com](http://www.pfm.com)



## Propose Series 2022 Bond Issuance

- The District has identified additional recreation projects and capital improvements needed within the University Park Recreation District (“UPRD” or “District”)
  - If approved by referendum, the projects would be financed via the District’s issuance of the Series 2022 Bonds secured by special assessments
- The District followed a similar process for its Series 2019 Bond Issuance which funded the acquisition & improvement of recreational facilities within UPRD
- The Series 2022 Bond Issuance includes two Preliminary Sizing Scenarios
  - Scenario 1 - \$16,000,000 with an interest rate of 5.5% (Project Fund \$13,130,684)
  - Scenario 2 - \$18,000,000 with an interest rate of 5.5% (Project Fund \$14,771,774)
- The repayment of the bonds would be via special assessments payable by the residents of UPRD to be collected over a 30-year term
- The payment runs with the land and can be prepaid by the landowner at any time prior to the maturity of the bonds



# Series 2022 Bonds Sizing - \$16M (Preliminary)

## SOURCES AND USES OF FUNDS

University Park Recreation District  
Non-Ad Valorem Assessment Bonds, Series 2022

-----  
Preliminary Numbers  
Interest Rate: 5.50%

Dated Date 10/15/2022  
Delivery Date 10/15/2022

**Sources:**

Bond Proceeds:	
Par Amount	16,000,000.00
	<u>16,000,000.00</u>

**Uses:**

Project Fund Deposits:	
Project Fund	13,130,684.44
Other Fund Deposits:	
Debt Service Reserve Fund (100% of MADS)	1,118,625.00
Capitalized Interest (Through 11/1/2023)	<u>919,111.11</u>
	2,037,736.11
Delivery Date Expenses:	
Cost of Issuance	320,000.00
Underwriter's Discount	216,000.00
Bond Insurance (BAM - 90 bps)	<u>295,579.45</u>
	831,579.45
	<u>16,000,000.00</u>

## BOND SUMMARY STATISTICS

University Park Recreation District  
Non-Ad Valorem Assessment Bonds, Series 2022

-----  
Preliminary Numbers  
Interest Rate: 5.50%

Dated Date 10/15/2022  
Delivery Date 10/15/2022  
First Coupon 05/01/2023  
Last Maturity 05/01/2052

Arbitrage Yield 5.499682%  
True Interest Cost (TIC) 5.622704%  
Net Interest Cost (NIC) 5.570537%  
All-In TIC 5.988070%  
Average Coupon 5.500000%

Average Life (years) 19.139  
Duration of Issue (years) 11.317

Par Amount 16,000,000.00  
Bond Proceeds 16,000,000.00  
Total Interest 16,842,161.11  
Net Interest 17,058,161.11  
Total Debt Service 32,842,161.11  
Maximum Annual Debt Service 1,118,625.00  
Average Annual Debt Service 1,111,618.84

Underwriter's Fees (per \$1000)  
Average Takedown  
Other Fee 13.500000

Total Underwriter's Discount 13.500000

Bid Price 98.650000



## Series 2022 Bonds Sizing - \$18M (Preliminary)

### SOURCES AND USES OF FUNDS

University Park Recreation District  
Non-Ad Valorem Assessment Bonds, Series 2022

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Preliminary Numbers  
Interest Rate: 5.50%

Dated Date 10/15/2022  
Delivery Date 10/15/2022

#### Sources:

Bond Proceeds:	
Par Amount	18,000,000.00
	18,000,000.00

#### Uses:

Project Fund Deposits:	
Project Fund	14,771,774.00
Other Fund Deposits:	
Debt Service Reserve Fund (100% of MADS)	1,258,550.00
Capitalized Interest (Through 11/1/2023)	1,034,000.00
	2,292,550.00
Delivery Date Expenses:	
Cost of Issuance	360,000.00
Underwriter's Discount	243,000.00
Bond Insurance (BAM - 90 bps)	332,676.00
	935,676.00
	18,000,000.00

### BOND SUMMARY STATISTICS

University Park Recreation District  
Non-Ad Valorem Assessment Bonds, Series 2022

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Preliminary Numbers  
Interest Rate: 5.50%

Dated Date 10/15/2022  
Delivery Date 10/15/2022  
First Coupon 05/01/2023  
Last Maturity 05/01/2052

Arbitrage Yield 5.499682%  
True Interest Cost (TIC) 5.622626%  
Net Interest Cost (NIC) 5.570476%  
All-In TIC 5.987839%  
Average Coupon 5.500000%

Average Life (years) 19.156  
Duration of Issue (years) 11.324

Par Amount 18,000,000.00  
Bond Proceeds 18,000,000.00  
Total Interest 18,964,000.00  
Net Interest 19,207,000.00  
Total Debt Service 36,964,000.00  
Maximum Annual Debt Service 1,258,550.00  
Average Annual Debt Service 1,251,132.00

Underwriter's Fees (per \$1000)  
    Average Takedown  
    Other Fee

13.500000

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Total Underwriter's Discount 13.500000

Bid Price 98.650000



## Series 2022 Bond – Assessment Allocation

- ◆ The allocation of the Series 2022 Bond assessments is still to be determined.
- ◆ The Series 2019 Bonds were allocated using a methodology which resulted in a fixed annual assessment for all property owners within the District
  - 50% of the annual debt service assessment was based on a fixed amount for each of the 1,202 residential units within the District
  - 50% of the annual debt service assessment was allocated using the market value of each home based on 2017 valuations.
- ◆ Similar to the Series 2019 Bonds assessment allocation, the Series 2022 Bonds are being evaluated based on the following scenarios:
  - 50% Market Rate & 50% Fixed
  - 75% Market Rate & 25% Fixed
  - 100% Market Rate



## Summary of Series 2022 Bonds – Assessment Allocation Scenarios

### Series 2022 Bonds - \$16,000,000 Pricing

Scenario(s)*	50 Mkt / 50 Fix	75 Mkt / 25 Fix	100 Mkt
No. of Homes	1,202	1,202	1,202
Bond Par Amount	\$16,000,000	\$16,000,000	\$16,000,000
MADS (net)	\$1,118,625	\$1,118,625	\$1,118,625
MADS (gross - 7%)	\$1,202,823	\$1,202,823	\$1,202,823
<b>Series 2022 Gross Assessments</b>			
Fixed Series 2022 Assessment Per Unit	\$500.34	\$250.17	\$0.00
Avg. Assessment	\$1,000.68	\$1,000.68	\$1,000.68
Median assessment	\$962.34	\$943.17	\$924.00

\*Series 2022 Bonds will be applying 2021 Market Values

### Series 2022 Bonds - \$18,000,000 Pricing

Scenario(s)*	50 Mkt / 50 Fix	75 Mkt / 25 Fix	100 Mkt
No. of Homes	1,202	1,202	1,202
Bond Par Amount	\$18,000,000	\$18,000,000	\$18,000,000
MADS (net)	\$1,258,550	\$1,258,550	\$1,258,550
MADS (gross - 7%)	\$1,353,280	\$1,353,280	\$1,353,280
<b>Series 2022 Gross Assessments</b>			
Fixed Series 2022 Assessment Per Unit	\$562.93	\$281.46	\$0.00
Avg. Assessment	\$1,125.86	\$1,125.86	\$1,125.86
Median assessment	\$1,082.72	\$1,061.15	\$1,039.58

\*Series 2022 Bonds will be applying 2021 Market Values



June 23, 2022

Steve Ludmerer  
Treasurer  
University Park Recreation District  
3501 Quadrangle Blvd., Ste 270  
Orlando, FL 32817

Dear Mr. Ludmerer:

**pfm**

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3501 Quadrangle Blvd  
Suite 270  
Orlando, FL 32817  
407.723.5900

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[pfm.com](http://pfm.com)

As provided for in Exhibit A and Exhibit B of the Agreement for Financial Advisory Services ("Agreement") between Fishkind and Associates, Inc. ("Fishkind") and the University Park Recreation District (the "Client" and/or "District") dated January 4, 2019 and assigned to PFM Financial Advisors, LLC ("PFM") on April 18, 2019, PFM agrees to provide Financial Advisory ("FA") services associated with the Series 2022 Bond issuance consistent with Agreement.

**Services to be Provided:**

As requested by the District, PFM agrees to provide assessment consulting and debt transaction management services associated with the District's Series 2022 Bonds as such services are described in Exhibit A of the Agreement.

**Compensation for Services Provided:**

PFM shall be compensated a fixed fee of 0.50% of the net bond proceeds of the Series 2022 Bonds (i.e., net of original issue discount or premium), plus expenses not to exceed \$2,500, for the assessment consulting and debt transaction management services described above. Such fees are contingent upon the successful issuance of the Series 2022 Bonds and payable at closing.

Subject to the receipt and access to information we deem necessary, in our sole discretion, to complete the tasks outlined above, PFM anticipates being able to complete the scope of work within the scheduled refunding timeline as presented by the District.



Provided the terms are acceptable, please have an authorized official of the District sign and return a copy of this letter to us to acknowledge acceptance of the terms of this engagement.

Sincerely,  
**PFM FINANCIAL ADVISORS LLC**

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Managing Director

Accepted by:

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(Signature)

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(Print Name)

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(Date)

**DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER  
IMPORTANT MUNICIPAL ADVISORY INFORMATION  
PFM FINANCIAL ADVISORS LLC**

**I. Introduction**

Public Financial Management, Inc., PFM Financial Advisors LLC, and PFM Swap Advisors LLC (hereinafter, referred to as “We,” “Us,” or “Our”) are registered municipal advisors with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. In accordance with MSRB rules, this disclosure statement is provided by Us to each client prior to the execution of its advisory agreement with written disclosures of all material conflicts of interests and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c) (ii). We employ a number of resources to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest provided herein.

***How We Identify and Manage Conflicts of Interest***

**Code of Ethics.** The Code requires that all employees conduct all aspects of Our business with the highest standards of integrity, honesty and fair dealing. All employees are required to avoid even the appearance of misconduct or impropriety and avoid actual or apparent conflicts of interest between personal and professional relationships that would or could interfere with an employee’s independent exercise of judgment in performing the obligations and responsibilities owed to a municipal advisor and Our clients.

**Policies and Procedures.** We have adopted policies and procedures that include specific rules and standards for conduct. Some of these policies and procedures provide guidance and reporting requirements about matters that allows Us to monitor behavior that might give rise to a conflict of interest. These include policies concerning the making of gifts and charitable contributions, entertaining clients, and engaging in outside activities, all of which may involve relationships with clients and others that are important to Our analysis of potential conflicts of interest.

**Supervisory Structure.** We have both a compliance and supervisory structure in place that enables Us to identify and monitor employees’ activities, both on a transaction and Firm-wide basis, to ensure compliance with appropriate standards. Prior to undertaking any engagement with a new client or an additional engagement with an existing client, appropriate municipal advisory personnel will review the possible intersection of the client’s interests, the proposed engagement, Our engagement personnel, experience and existing obligations to other clients and related parties. This review, together with employing the resources described above, allows Us to evaluate any situations that may be an actual or potential conflict of interest.

**Disclosures.** We will disclose to clients those situations that We believe would create a material conflict of interest, such as: 1) any advice, service or product that any affiliate may provide to a client that is directly related to the municipal advisory work We perform for such client; 2) any payment made to obtain or retain a municipal advisory engagement with a client; 3) any fee-splitting arrangement with any provider of an investment or services to a client; 4) any conflict that may arise from the type of compensation arrangement We may have with a client; and 5) any other actual or potential situation that We are or become aware of that might constitute a material conflict of interest that could reasonably expect to impair Our ability to provide advice to or on behalf of clients consistent with regulatory requirements. If We identify such situations or circumstances, We will prepare meaningful disclosure that will describe the implications of the situation and how We intend to manage the situation. We will also disclose any legal or disciplinary events that are material to a client’s evaluation or the integrity of Our management or advisory personnel. We will provide this disclosure (or a means to access this information) in writing prior to starting Our proposed engagement, and will provide such additional information or clarification as the client may request. We will also advise Our clients in writing of any subsequent material conflict of interest that may arise, as well as the related implications, Our plan to manage that situation, and any additional information such client may require.

## **II. General Conflict of Interest Disclosures**

### ***Disclosure of Conflicts Concerning the Firm's Affiliates***

Our affiliates offer a wide variety of financial services, and Our clients may be interested in pursuing services separately provided by an affiliate. The affiliate's business with the client could create an incentive for Us to recommend a course of action designed to increase the level of the client's business activities with the affiliate or to recommend against a course of action that would reduce the client's business activities with the affiliate. In either instance, We may be perceived as recommending services for a client that are not in the best interests of Our clients, but rather are in Our interests or the interests of Our affiliates. Accordingly, We mitigate any perceived conflict of interest that may arise in this situation by disclosing it to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances. Further, We receive no compensation from Our affiliates with respect to a client introduction or referral. If a client chooses to work with an affiliate, We require that the client consult and enter into a separate agreement for services, so that the client can make an independent, informed, evaluation of the services offered.

### ***Disclosure of Conflicts Related to the Firm's Compensation***

From time to time, We may be compensated by a municipal advisory fee that is or will be set forth in an agreement with the client to be, or that has been, negotiated and entered into in connection with a municipal advisory service. Payment of such fee may be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal or par amount of municipal securities or municipal financial product. While this form of compensation is customary in the municipal securities market, it may be deemed to present a conflict of interest since We may appear to have an incentive to recommend to the client a transaction that is larger in size than is necessary. Further, We may also receive compensation in the form of a fixed fee arrangement. While this form of compensation is customary, it may also present a potential conflict of interest, if the transaction requires more work than contemplated and We are perceived as recommending a less time consuming alternative contrary to the client's best interest so as not to sustain a loss. Finally, We may contract with clients on an hourly fee bases. If We do not agree on a maximum amount of hours at the outset of the engagement, this arrangement may pose a conflict of interest as We would not have a financial incentive to recommend an alternative that would result in fewer hours. We manage and mitigate all of these types of conflicts by disclosing the fee structure to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances.

### ***Disclosure Concerning Provision of Services to State and Local Government, and Non-Profit Clients***

We regularly provide financial advisory services to state and local governments, their agencies, and instrumentalities, and non-profit clients. While Our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of Our clients, there may be or may have been clients with interests that are different from (and adverse to) other clients. If for some reason any client sees Our engagement with any other particular client as a conflict, We will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes an "Informational Bubble" that creates physical, technological and procedural barriers and/or separations to ensure that non-public information is isolated to particular area such that certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, We will withdraw from the engagement.

### ***Disclosure Related to Legal and Disciplinary Events***

As registered municipal advisors with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2, Our legal, disciplinary and judicial events are required to be disclosed on Our forms MA and MA-I filed with the SEC, in ‘**Item 9 Disclosure Information**’ of form MA, ‘**Item 6 Disclosure Information**’ of form MA-I, and if applicable, the corresponding disclosure reporting page(s) (“DRP”). To review the foregoing disclosure items and material change(s) or amendment(s), if any, clients may electronically access PFM Financial Advisors LLC filed forms MA and MA-I on the SEC’s Electronic Data Gathering, Analysis, and Retrieval system, listed by date of filing starting with the most recently filed, at:

PFM Financial Advisors LLC –

<http://www.sec.gov/cgi-bin/browse-edgar?company=PFM+Financial&owner=exclude&action=getcompany>

### **III. Specific Conflicts of Interest Disclosures – University Park Recreation District – Series 2022**

To Our knowledge, following reasonable inquiry, we are not aware of any other actual or potential conflict of interest that could reasonably be anticipated to impair Our ability to provide advice to or on behalf of the client in accordance with applicable standards of conduct of MSRB Rule G-42.

PFMFA currently advises numerous entities including the Manatee County School District which may have relationships or activities from time to time that overlap with those of the University Park Recreation District. While Our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of Our clients, there may be or may have been clients with interests that are different from (or adverse to) other clients. If for some reason any client sees Our engagement with any other particular client as a conflict, We will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes an “Information Bubble” that creates physical, technological and procedural barriers and/or separations to ensure that non-public information is isolated to particular area such that certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, We will withdraw from the engagement.

### **IV. Municipal Advisory Complaint and Client Education Disclosure**

The MSRB protects state and local governments and other municipal entities and the public interest by promoting fair and efficient municipal securities markets. To that end, MSRB rules are designed to govern the professional conduct of brokers, dealers, municipal securities dealers and municipal advisors. Accordingly, if you as municipal advisory customer have a complaint about any of these financial professionals, please contact the MSRB’s website at [www.msrb.org](http://www.msrb.org), and consult the MSRB’s Municipal Advisory Client brochure. The MSRB’s Municipal Advisory Client brochure describes the protections available to municipal advisory clients under MSRB rules, and describes the process for filing a complaint with the appropriate regulatory authority.

PFM’s Financial Advisory services are provided by Public Financial Management Inc., and PFM Financial Advisors LLC. PFM’s Swap Advisory services are provided by PFM Swap Advisors LLC. All entities are registered municipal advisors with the MSRB and SEC under the Dodd Frank Act of 2010.