

University Park Recreation District

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<http://universityparkrd.com/>

The Workshop meeting of the **Board of Supervisors of University Park Recreation District** will be held on **Tuesday, May 2, 2023, at 2:00 PM** 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=eUE4Q3BTNGVLNXBsOGViRXk1cWo2QT09>

BOARD OF SUPERVISORS' WORKSHOP MEETING AGENDA

Organizational Matters

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

Discussion

1. Discussion of Capital Improvement Plan
 - a) Presentation by the UP Arts Alliance
2. Discussion of Proposed Fiscal Year 2024 Budgets
 - a) Enterprise Fund
 - b) O&M Fund

Date	Meeting Type	Time	Location	Note
May 16, 2023	BOS Meeting- Proposed Budget Meeting	1:00 PM	University Park	Community Center
May 30, 2023	Workshop Meeting	2:00 PM- 4:00 PM	University Park	Community Center

Adjournment



University Park Recreation District

Discussion of Capital Improvement Plan

UP Space Considerations Overview—May 2023

- UPCC members' review of meeting and activities space needs for the future
- Our objective is to provide the Board with data driven information to support space needs, both today and in the future.
- What have we done so far?
 - Talked to many residents and members about how they currently use club facilities, how their individual needs are not met and how their needs are expected to change in the future.
 - Reviewed available scheduling data from UPCC management for existing affinity groups.
 - Asked leaders of affinity groups to provide input on needs that are not met and how needs are expected to change in the future.
 - Summarized the data to better understand what space is needed as Board discussions continue.
- Conclusions and Observations to consider

Space Needs—Current State

- UPCC membership stands at 2,300 people and is expected to continue to increase even more.
- Capacity issues with meeting and activity spaces and dining continue to challenge the quality and quantity of member experiences and other potential outside event opportunities.
- Approximately 1,000 residents and members participate in affinity group activities well beyond dining, golf, rackets and fitness. These activities continue to expand.
- Active affinity groups include:
 - 450 people, The Women's Club—over 20 special interest groups
 - 300 people, The Arts Alliance—over 7 special interest groups
 - 250 people, Cards & Games—over 10 groups
 - 25 -50 people, Book Clubs, Film group, Bird group, Life in Transition, scuba diving, stamps and others.
- Currently, many affinity groups meet in homes vs the club due to space limitations.

Space Needs—Current State

- The RD and UPCA Board and many committees currently meet in the Community Center zoom conference room. Many residents have asked the Boards to meet in a space that provides more in-person, more interactive meetings for larger groups of members and residents.
- Larger meetings currently held in the Lakeside Room (2,400 sq ft) require room breakdowns and set ups causing service disruptions to member and outside revenue events (about 1-2 times a week) and staff inefficiencies. Zoom capabilities are not satisfactory.
- Other activities that utilize the V Club and are top priorities include GM coffees, flu shots, elections, rehearsals, smaller group board meetings and all paying outside events. We understand that cancellations last season averaged about **20% per month**.

Space Needs—Observations, Conclusions and Recommendations

- Observations and conclusions regarding recent potential space information:
 - **Detailed schedule summarizing current and expected group activities shows the need for 4 activity rooms, with about 1,000 sq ft. each. These rooms should be designed to be converted to a larger room(s) to accommodate larger group meetings (100-250 people).**
 - The most recent information relating to space needs presented at the 4/21/23 RD Board meeting appears to satisfy existing and future space needs for affinity groups and larger meeting spaces for Board and committee meetings.
 - The most recent information also shows comparable costs that appear consistent with prior presentations for completing the desired results.

Space Needs—Observations, Conclusions and Recommendations, Continued

- Observations and conclusions regarding recent potential space information, continued:
 - Current Lakeside room usage for meetings would be replaced with new building space, eliminating frequent service disruptions to member and outside dining functions.
 - The most recent information shows the remodeled 1st floor V. Club space would become available for existing resident, member and other events, including outside private meetings, parties and luncheons. Another benefit is that disruption to existing utilized space is minimized during construction.
 - Additional fitness/wellness needs to be considered as an add-on to existing space as differences in purpose and functionality of fitness/wellness space and meeting space requires separate facilities.

SUPPLEMENTAL SLIDES

#1. SPACE COMPARISONS—Provides an overview of various space approaches recently discussed by RD Board with research results presented at 5/2/23 Board meeting.

#2. SCHEDULING EXAMPLE—provides details of current and desired current usage of 4 rooms of various activities for members and guests.

#3. SPACE STANDARDS—provides calculations for room sizes for various activities and number of participants.

1. Space Comparisons, May 2023

Description	Sq Ft needs, <i>May 2023</i>	Sq Ft needs, 4/21/23 Board meeting	Sq Ft needs, 4/4/23 Board meeting	Sq Ft Estimated <i>April '22</i>
Existing Fitness Group Fitness	2,600 sq ft 2,000 sq ft, Fitness add on	2,600 sq ft., \$1.09mm, Existing bldg. New Bldg?	2,600 sq ft., \$1.09mm Existing bldg. 1,300 sq ft., \$1.37mm	3,500 sq ft. 2,500 sq ft.
Meeting Spaces, Offices	New Bldg for both meeting and office space needs, 8,000 sq ft., \$4.35mm	2,800 sq ft., V. Club, 1 st fl remodel, \$.25mm New Bldg, 8,000 sq ft., \$4.35mm	4,900 sq ft., V. Club, 1 st fl with existing cart barn conversion, \$1.66mm + 2,800 sq ft., \$1.43MM	4,000 sq ft. 3,500 sq ft.
TOTALS	12,600 sq ft	13,400 sq ft. \$5.7mm	11,600 sq ft. \$5.5mm	13,500 sq ft
COMMENTS	> Lakeside Room usage for larger meetings is not needed > V Club is remodeled. > Add 5-10% for mechanicals, restrooms, etc	➤ <u>Excludes</u> Lakeside Room usage for larger meetings. ➤ 10,600 sq ft. if V Club is later used for Pro Shop.	> Lakeside Room <u>would need be used</u> for larger meetings.	> <u>Excludes</u> Lakeside Room usage for larger meetings. > Add 5-10% for mechanicals,etc..

2. Example of scheduling for member activities—including those currently scheduled at the Varsity Club

[illegible]

3. Space Standards

- Space standards website page that shows calculated space needs using multiple assumptions:

<https://www.banquettablespro.com/space-and-capacity-calculator>

<u>Meeting description</u>	<u># people</u>	<u>Sq Ft needed</u>
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Spacious Rows of Chairs	300	2,400
Maximum Rows of Chairs	300	1,800
18 Inch Wide Desks	300	4,200
24 Inch Wide Desks		4,800
30 Incn Wide Desks	1300	5,400

University Park Recreation District

Discussion of Proposed Fiscal Year 2024 Budgets

UNIVERSITY PARK RECREATION DISTRICT FY 2024 BUDGET (Oct'23 to Sept'24)

As of May 2, 2023

Operating Budget- Key Assumptions

- Membership dues increase approximately 5-6%
 - Lower than the industry standard
- Membership plans and enrollment remain flat, conservative
- Initiation Fees increase significantly, notably for non-resident members
- Golf Operations remain strong with higher fees and less outside play
- New Outdoor Dining Space increases revenue and expenses (labor)
- Racquets, Fitness and G&A are materially consistent with 2023
- Inflation and Labor Market continues to put financial pressure on operations.

Membership Operating Dues

	Family		Single	
	FY'24 Budget	FY'23 Actual	FY'24 Budget	FY'23 Actual
Full Memberships	\$ 10,000	\$ 9,500	\$ 7,600	\$ 7,200
Racquets Memberships	\$ 4,310	\$ 4,100	\$ 3,250	\$ 3,075
Social Memberships	\$ 1,100	\$ 1,025	\$ 825	\$ 775
Summer Memberships	\$ 1,850	\$ 1,750	\$ 1,300	\$ 1,250

- Approximately 5-6% Dues Increase from 2023 to 2024
- Minimal change in number of memberships
- Minimal change in resident/non-resident mix

Capital Funding, Initiation Fees & Capital Dues

- Initiation Fees

	Resident		Non-Resident	
	2024 Fees	2023 Fees	2024 Fees	2023 Fees
Full	\$ 12,500	\$ 10,000	\$ 20,000	\$ 12,500
Racquets	\$ 3,500	\$ 2,500	\$ 4,000	\$ 3,000
Social/Resident	\$ 2,000	\$ 1,500	\$ 3,000	\$ 2,000

- Significant increase in non-resident full member initiation fee
- Continued Outside Golf Allocation (10%)
- Capital Dues – Same %'s as 2023
 - Resident- 5% of Dues
 - Non-Resident- 10% of Dues
- Capital Dues and Initiation Fees remain competitive locally

Golf Operations

- Revenue
 - Increases to Greens Fee and Cart Fee Rates
 - Pro Shop Sales
 - Fewer Rounds
 - Prioritize member rounds and experience
 - Continued high full membership

	2024	2023	2023
	Budget	Forecast	Budget
Member Rounds	46,165	45,596	45,545
Outside Rounds	33,067	35,654	33,675
	79,233	81,250	79,220

- Expenses
 - Market impact on wages
 - Credit Card Charges (variable to revenue)
 - Pro Shop COGS

Restaurant Operations

Revenue, increase of \$366k over '22 Forecast

- Opening of outdoor dining and bar with extended hours
- Retain F&B Minimum
- Menu Pricing Increased
- More Banquet Events

• Expenses, increase of \$404k over '22 Forecast

- Market impact on wages
- Expanded staffing to meet increased demand & hours of operation
- Entertainment with more dining events
- Costs of Goods Sold improves

Racquets/Fitness & G&A

Racquets & Fitness

- Revenue in line with prior years
- Expenses
 - Maintenance for tennis courts
 - Additional staffing for member services

General & Administrative

- Administrative salaries and benefits
- Other Expenses, including:
 - Property Insurance
 - Office Supplies & Equipment

	FY'24 Budget		FY'23 Forecast		FY'23 Budget
Revenue	12,192		11,196		10,833
Expenses	11,812		10,798		10,477
Operating Income	380		397		356
RD Expenses	(175)		(125)		(90)
Available for other RD needs	205		272		266
Capital Allocation	1,070		938		1,025

Executive Summary

Conclusions

- Operating Income, after RD expenses, of ~\$205k
- Revenue increased through increases in membership dues and increased dining while remaining competitive in the market.
- Expenses are being dictated by inflation and labor market.
- Our operations can continue to sustain despite these issues and not cost our members operating dues outside of this increase.
- Our stated goal of establishing a \$1.0M+ annual Capital Fund continues through an outside golf allocation, increased initiation fees, and a capital dues fee.

**University Park Recreation District
FY2024 Proposed General Fund Budget**

	Actual Through 03/31/2023	Anticipated April - Sept.	Anticipated FY 2022 Total	FY 2023 Adopted Budget	FY 2024 Proposed Budget
<u>Revenues</u>					
Other Income & Other Financing Sources	-	-	-	-	-
PrYr Surplus	60,864		60,864	79,566	4,737
Inter-Fund Transfers - Debt Service to O&M	51,889	20,000	71,889	70,000	70,000
Inter-Fund Transfers - Country Club to O&M	90,000	35,000	125,000	88,934	175,263
Net	\$202,753	\$55,000	\$257,753	\$238,500	\$250,000
 <u>General & Administrative Expenses</u>					
Assessment Administration	10,000	-	10,000	10,000	10,000
Audit	35,630	1,525	37,155	25,000	35,000
Bank Fees	7,468	-	7,468	8,000	8,000
Contingency	357	360	717	25,000	14,000
Dissemination Agent	5,000	-	5,000	5,000	5,000
District Counsel	43,246	42,000	85,246	60,000	70,000
Dues, Licenses, and Fees	16,175	-	16,175	5,000	5,000
Insurance	13,022	-	13,022	3,000	15,000
Legal Advertising	928	1,200	2,128	5,000	3,000
Management	35,000	35,000	70,000	70,000	70,000
Meeting Set Up	-	-	-	1,000	1,000
Travel and Per Diem	-	-	-	1,000	1,000
Office Supplies	-	900	900	500	500
Postage & Shipping	47	50	97	1,000	1,000
Election Costs	3,713	-	3,713	15,000	7,500
Web Site Maintenance	1,910	1,910	3,820	4,000	4,000
Total General & Administrative Expenses	\$172,496	\$82,945	\$255,441	\$238,500	\$250,000

SUMMARY INCOME STATEMENT	2022	2023	2023	Rolling	2024	2024 Budget
FISCAL YEARS ENDING SEPTEMBER 30	Actual	Budget	Forecast	12 Months	Budget	vs. 2022 FC
COUNTRY CLUB OPERATIONS:						
REVENUE:						
MEMBERSHIP DUES	4,391,325	4,893,570	4,897,778	4,724,682	5,287,340	389,562
GOLF OPERATIONS	3,884,973	3,453,799	3,671,523	3,840,751	3,860,176	188,652
TENNIS & FITNESS CENTRE	100,856	95,420	112,586	115,178	165,836	53,250
RESTAURANT INCOME	2,150,493	2,385,038	2,507,068	2,501,087	2,873,344	366,276
OTHER INCOME	8,080	5,000	6,608	7,401	5,480	(1,128)
TOTAL REVENUE	10,535,727	10,832,827	11,195,563	11,189,099	12,192,175	996,612
EXPENSES:						
PAYROLL & RELATED:						
GOLF OPERATIONS	613,097	756,593	697,014	635,588	811,323	114,309
TENNIS & FITNESS CENTRE	250,520	317,152	299,519	260,975	363,582	64,063
RESTAURANT	1,471,549	1,601,688	1,819,955	1,689,313	2,020,138	200,183
GOLF COURSE MAINTENANCE	1,672,514	1,674,777	1,620,348	1,601,085	1,676,481	56,133
GENERAL & ADMINISTRATIVE	1,229,298	1,347,278	1,331,241	1,194,682	1,468,498	137,257
TOT PAYROLL & RELATED	5,236,978	5,697,488	5,768,077	5,381,643	6,340,021	571,945
DIRECT EXPENSES:						
GOLF OPERATIONS	887,925	821,840	861,774	895,515	871,199	9,425
TENNIS & FITNESS CENTRE	155,676	168,111	184,675	186,328	240,350	55,675
RESTAURANT CGS	1,184,381	1,087,718	1,229,716	1,342,022	1,396,028	166,312
RESTAURANT OPER EXP	558,738	593,482	649,524	636,032	687,843	38,319
GOLF COURSE MAINTENANCE	1,309,520	1,465,264	1,526,421	1,360,659	1,561,898	35,477
GENERAL & ADMIN	409,856	417,850	379,373	372,247	454,375	75,002
PROPERTY INSURANCE	215,580	225,000	198,535	187,901	260,000	61,465
TOTAL DIRECT EXPENSES	4,721,676	4,779,265	5,030,018	4,980,704	5,471,692	441,675
OPERATING INCOME/(LOSS)	577,073	356,074	397,469	826,752	380,461	(17,007)
FUNDING OF UPRD GENERAL FUND	(100,000)	(90,000)	(125,000)	(125,000)	(175,263)	(50,263)
SURPLUS/(LOSS) FOR OTHER RD NEEDS	477,073	266,074	272,469	701,752	205,198	(67,270)
CAPITAL ALLOCATION:						
INITIATION FEES	405,450	505,700	587,225	588,675	480,550	(106,675)
CAPITAL ALLOCATION- GOLF OPS	271,815	225,000	276,393	250,000	277,974	1,581
CAPITAL DUES	-	294,678	74,135	74,135	311,711	237,576
TOTAL CAPITAL ALLOCATION	677,265	1,025,378	937,753	912,810	1,070,235	132,482