



Embracing Our History, Building Our Future.

UPRD Capital Improvement Plan & Referendum

Homeowners Information Package

December 8, 2023



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Message from University Park Recreation District Board Chair & UPCC General Manager

Dear University Park Country Club Homeowners, Residents, and Members-

The University Park Recreation District ("UPRD"), dba University Park Country Club ("UPCC"), and Board of Supervisors, with the involvement and support of Club Management, has prepared a multi-phase, multi-year Capital Improvement Plan ("Plan") to commence in 2024. This is the culmination of four-years of evaluating Club needs and priorities, as identified by all of us who live, play, and work at University Park, to ensure the continued success and value UPCC brings to our community and members.

The following information package contains details on UPRD's Capital Improvement Plan and proposed Bond Referendum to support the financial requirements for success. The Plan rectifies critical infrastructure and deferred maintenance needs, replaces aged and inefficient equipment and facilities, and addresses space needs for our active, growing membership and staff.

University Park Country Club has always been a place where we come together to enjoy the finest amenities, facilities, and services UPCC has to offer. With the first phase of capital improvements successfully finished, we look toward completing the remaining capital improvements identified as part of a shared vision and path forward.

UPRD has in place a comprehensive Homeowner Communications Plan to ensure a fully engaged and informed community. This includes town hall meetings, an ambassador program, neighborhood meetings, informational sessions and events, GM and UPRD Chair events, leadership communications, and more. We are committed to communicating often, openly, and in a 2-way manner that encourages dialogue and factual clarity for the community.

We invite you to thoroughly educate yourself on the Capital Improvement Plan and proposed Bond Referendum through this information package. Your questions and comments are welcome.

We are committed to ensuring University Park Country Club remains a place that enhances our lifestyles and property values. Thank you for your valued support and dedication to our Club and community now and into the future.

Best Regards,

Sally Dickson & John Fetsick



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Executive Summary

The University Park Recreation District ("UPRD") Board of Supervisors, along with University Park Country Club ("UPCC") Management, has established a multi-phase, multi-year Capital Improvement Plan anticipated to commence in 2024. The goal is to address and correct critical infrastructure and deferred maintenance needs of University Park Country Club, while developing additional new and exciting amenities, services, and facilities to enhance the quality of community life we all treasure and enjoy.

This Capital Improvement Plan & Bond Referendum information package has been developed to ensure all UPCC homeowners, residents, and members are fully educated and informed on all details. This is an important and strategic investment in University Park and the future for all who live, play, and enjoy UPCC.

We are excited to present strategic investment details in support of our future.

Proposed Projects & Benefits:



Golf Course Irrigation & Infrastructure Maintenance

- Comprehensive & needed maintenance of course irrigation systems and overall conditions.
- Sustainability measures to reduce water consumption and environmental impact.
- Sustainability measures to maintain UPCC's natural beauty and aesthetics.
- Maintenance to improve course playability & increase player and staff satisfaction.
- Enhancements to sustain member dues/rates, increase greens fees, decrease equipment R&M and increase guest interest.



Kitchen Renovation & Modernization

- Update & renovate outdated kitchen structure and equipment.
- Modernize space to improve end-to-end customer experience, timely food delivery, table turnover, and menu variety.
- Increase space efficiency to serve additional members.
- Increase revenue-generating functions and areas.
- Enhance energy efficiency and improve operations.



Fitness Centre Renovation & Modernization

- Renovate & update existing fitness structure.
- Modernize current space to improve user experience.
- Create additional space & accommodate existing and new fitness classes/ private lessons.
- Enhance facilities for new resident consideration.
- Sustain lifestyle dues/rates while driving social member upgrades & additional membership options.



Activity & Admin Centre Development

- Develop modest new structure to provide additional community activity space & replace outdated employee offices.
- Support growing community clubs & activities.
- Support UPCC staff and administration.
- Eliminate capacity issues/off-site costs.



Additional Parking

- Provide additional community parking with an estimated +70 parking spaces located along a new Activity & Admin Center and within UPCC's existing parking footprint.

These enhancements are focused on ensuring UPCC offers all homeowners, residents, and members with a place where we all come together to enjoy the finest amenities, facilities, and services UPCC has to offer. With the first phase of capital improvements successfully finished we look toward completing these remaining capital improvements – which are a part of a shared vision and path toward securing UPCC's future.

Established in 1991, University Park Country Club (UPCC) is a premier 1201 home community bordering Manatee and Sarasota counties.

With its mature landscaping and sprawling natural beauty, UPCC offers a comprehensive collection of recreational and social amenities and facilities, including a 27-hole, four-star rated Golf Course, practice area, Pro Shop, eleven Har-Tru Tennis Courts, four state-of-the-art Pickleball Courts, Croquet Pitch, Fitness Centre, Varsity Club, The Park Grille and Café, Lakeside Room, and outdoor dining areas.

An award-winning residential community recognized with prestigious awards including *"Best Design in America," "Best Community in the Southeast,"* and *"Best Development in the Region,"* University Park residents petitioned for a Recreation District to better unite its community and preserve the superior quality of life in University Park. The University Park Recreation District ("UPRD") was created with the goal of acquiring University Park, its facilities, and amenities. Its charter and responsibility are to operate and maintain UPCC's recreational land, facilities, programs, and services, strategically and fiscally.



In November 2019, UPRD issued \$24M of Series 2019 Bonds to fund the purchase of University Park from its original developer, Neal Communities, and to finance other Club provisions and reserves, including \$4M earmarked for deferred maintenance, planned facility and infrastructure renovations, upgrades, and new amenities. Through the transaction, University Park proudly established itself as 100% resident-led and resident-owned.

Shortly following, UPRD partnered with 3rd party architectural firm Fawley Bryant developing a two-Phase Master Capital Improvement Plan. In 2020, UPRD initiated Phase I of the Capital Improvement Plan which addresses (approximately) \$7M in deferred maintenance and capital improvement projects. Completed mid-year 2023, finished projects are as stated:

- The Park Grille & Café/Lakeside Dining Room Renovation
- Outdoor Dining Area
- State-of-the-Art Pickleball Facility
- Croquet Pitch Relocation & Expansion



UPRD Phase I projects are positively impacting University Park, its community, staff, operations, and the Club's financial bottom line. Ancillary benefits go beyond project completion and UPRD is pleased to share, with community feedback the following benefits:

- Enhanced & Expanded Member Experiences
- New Member Social Engagement Opportunities
- Elevated Dining
- Enhanced Property Values
- Staff Growth and Retention
- Increased Attractiveness to Prospective & New Home Buyers

UPRD's Capital Improvement Plan (Master Phase II) projects were identified in 2022, in partnership with UPCC advisory groups and 3rd party architectural, development, and finance professionals. These projects address University Park's current and on-going Club challenges. This is the genesis of UPRD's proposed Bond to fund the following:

- Golf Course Irrigation System Replacement with Lake Banks & Bulkhead Maintenance
- Kitchen Renovation & Expansion
- Fitness Centre Renovation & Expansion
- Activity/Gathering Space Expansion
- Staff Workspace Improvements
- Additional and Resurfaced Parking

A View Into The **Future**

UPRD and UPCC Management teamed with Kimley-Horn, one of the nation's premier engineering, planning, and design consultants, to evaluate University Park's current recreational footprint and infrastructure. With rigor, due diligence, and focus on developing a solution that meets the unique needs of our Club, UPRD and the team are pleased to share project renderings for the Capital Improvement Plan.

These renderings showcase the meticulous planning and thoughtful design that have gone into creating spaces that address our core Capital Improvement needs, while also setting a new standard of excellence at UPCC, elevating our member experiences, and providing additional recreational opportunities to meet the diverse interests of our membership.

Rendering 1 – Fitness and Activity & Administration Centres



An aerial glimpse of the future of University Park, highlighting the Fitness Centre expansion and new Activity & Administration Centre structure. These spaces are designed to accommodate additional space, activity, and staff needs.

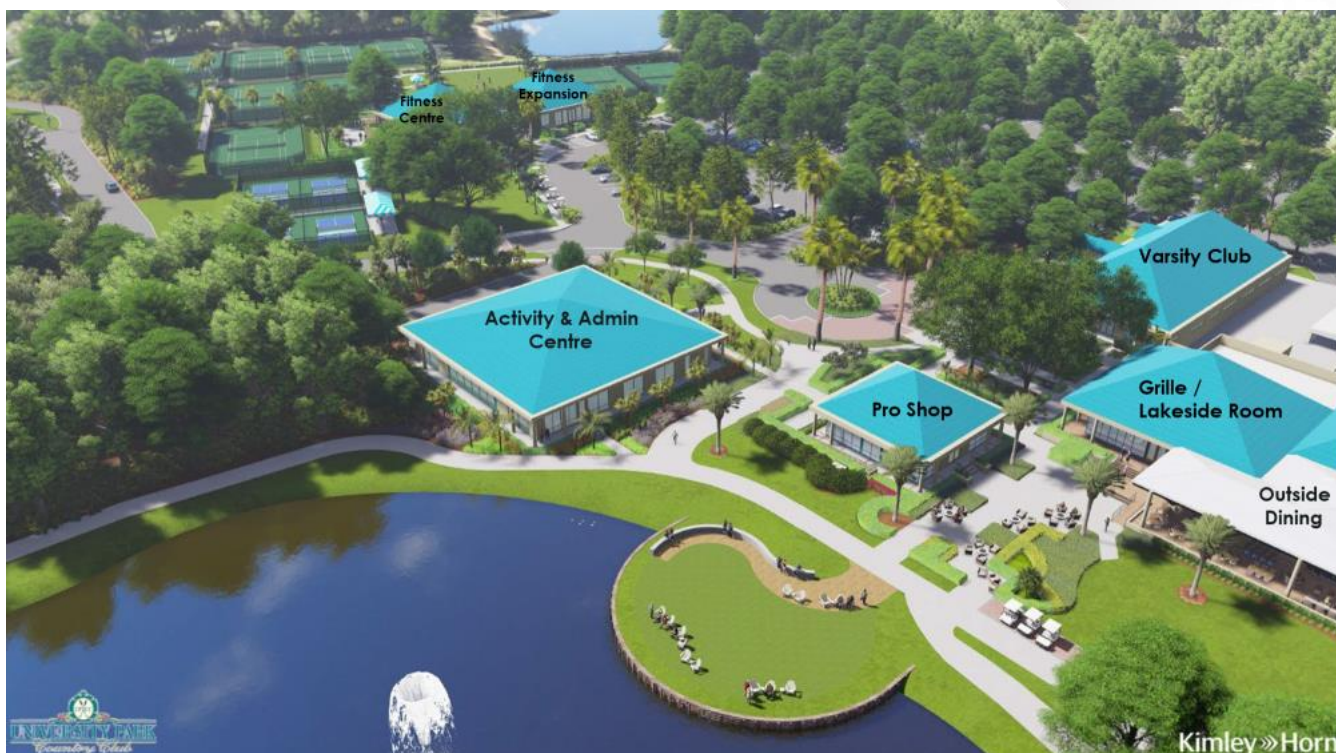
The scale of both structures complements surrounding buildings with proportions carefully balanced to create architectural focal points aligned to UPCC's culture and style – all while maintaining a cohesive aesthetic within the full campus landscape. (This includes roof line heights, overall building dimension, single-story levels, building colors, and other details.)

A View Into The Future

Rendering 2 – Fitness and Activity & Administration Centres (Zoomed Aerial View)



Rendering 3 – Aerial View of Activity & Administration Centre aligned to the Pro Shop, Dining Areas & Varsity Club



A View Into The **Future**

Rendering 4 – Front Elevation View of Activity & Administration Centre aligned to the Pro Shop, & Dining Areas with Water Feature/Lake

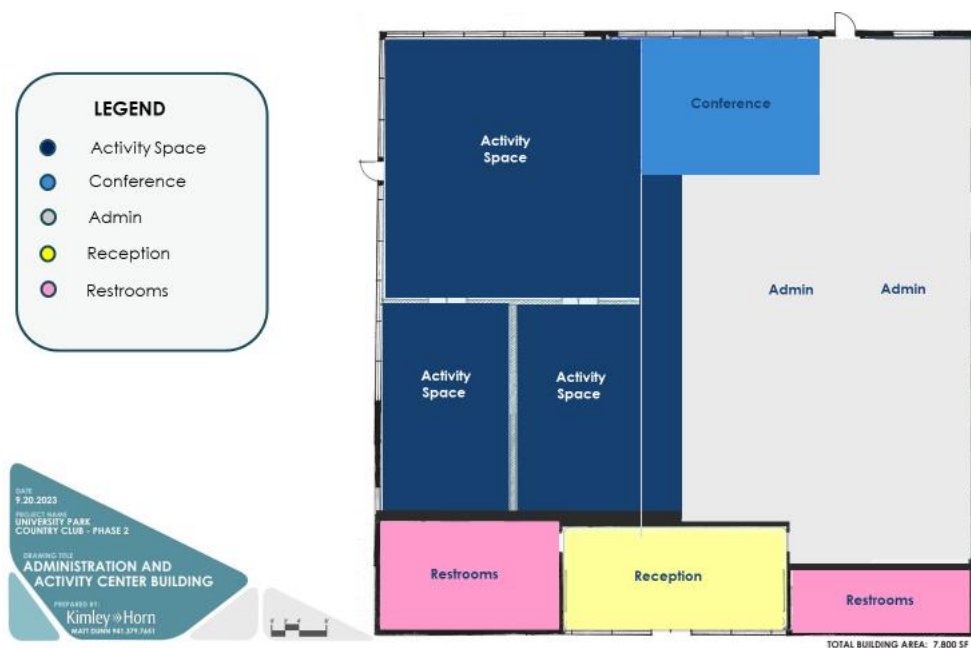


The front elevation here provides a direct view of the Activity & Administration building's facade, highlighting windows, doors, minimal architectural features, and overall design aesthetic. In this view, note the activity space windows facing the water feature, with administrative space windows facing in the rear parking area.

Rendering 5 – Front Elevation View of Activity & Administration Centre facing “The Circle”



Rendering 6 – Activity & Administration Centre Interior Layout



This rendering unveils the simple but highly functional, flexible, and vibrant interior of the new activity space seamlessly integrated with a modern administrative office. This space is designed not just as a hub for administration but as a dynamic and welcoming center for our community.

The interior layout is focused on functionality and fluidity. The activity space and administration office are strategically positioned, promoting a seamless connection between the two with a balance of open areas and private zones to ensure an inclusive environment for both collaboration and focused work.

Architectural features defining this space include expansive glass walls that flood the area with natural light and specifically – for activity members, panoramic views to the Lakeside water feature, outdoor dining area, and 18th hole on the Golf Course.

The functionality of the space is enhanced by well-defined zones totaling 7,800 square feet, allocated as 51% activity space, 13% common space (conference, restrooms & reception), and 36% administrative space. The administration space is characterized by modular workstations and collaborative meeting rooms, is separated from the 3,978 square feet of activity space. Flexible partitions and adaptable furnishings ensure that this space can evolve to accommodate any number of various functions and events.

The activity space is a hub of possibilities. From a flexible group meeting space with movable walls and seating to recreational corners for casual gatherings, all details have been designed to accommodate a full variety of interests and activities of our membership.

The administration office is configured to encourage teamwork and efficient workflow. The workspace is designed to facilitate communication, while dedicated meeting rooms and breakout areas provide spaces for focused discussions, brainstorming sessions, breaks and private meetings.

The design prioritizes accessibility, comfort, and inclusivity. The overall layout is conducive to a positive and collaborative atmosphere for both our members and staff alike.

Rendering 7 – Aerial View Focusing on the Expanded Fitness Centre & Location



Rendering 8 – Front Elevation View of the Expanded Fitness Centre relative to the Existing Fitness Centre and Parking Lot



A View Into The **Future**

Rendering 9 – Elevation View of the Expanded Fitness Centre with back seating area across from the Croquet Pitch



Rendering 10 – Expanded Fitness Centre Interior View



Rendering 11 – Expanded Fitness Centre Interior View Showing Flexible Wall Structures



This rendering is a testament to UPRD’s commitment to providing a fitness facility that provides a comfortable, modern, and usable space that meets the unique health, exercise, and fitness interests of all UPCC members.

The interior layout is designed to provide additional and flexible space that will accommodate larger class sizes, a broader menu of class options, and expanded schedule options. From the front doors, openness prevails, with strategically arranged workout zones, stretching and relaxation areas. The seamless flow from cardio spaces to strength training zones ensures a comprehensive and balanced fitness experience for all members.

Functional zones are meticulously planned to cater to the diverse needs of our members. Cardio areas will feature newly leased equipment with integrated entertainment options, while dedicated spaces for strength training, group classes, and personal training sessions ensure a well-rounded fitness experience. Thoughtful zoning allows for both individual focus and vibrant group dynamics. A welcoming reception desk also contributes to an environment that promotes not only physical fitness but also mental well-being.

The Expanded Fitness Centre seamlessly integrates with the overall design, culture, and aesthetics of University Park. Flowing from fitness to relaxation, members can transition between their daily workouts and other UPCC amenities and facilities, creating a holistic experience for UPCC members.

A View Into The **Future**

**Rendering 11 – Enjoy Your Own Virtual Tour of UPRD’s Capital Improvements –
Click the Image Below**



This virtual, 3-D video tour provides a sneak peak into the future vision of University Park Country Club based on the full implementation of UPRD’s Capital Improvement Plan.

UPRD **Due Diligence**

The Master Plan for UPRD's Capital Improvement projects were strategically and fiscally planned in two phases. With Phase I underway, Phase II of the Capital Improvement Plan projects was fully researched and vetted for feasibility based on space requirements, structural considerations, and costs.



IRRIGATION

The UPRD Board of Supervisors understood that the Golf Course Irrigation system repairs could no longer be handled via a "break/fix" model. Critical and necessary parts are no longer manufactured and used parts are no longer available for purchase from other golf courses.

A professional assessment of UPCC's entire golf irrigation system has been conducted and used to understand UPCC's golf course irrigation system maintenance needs. Complete audit [HERE](#).

To accompany, the following includes detailed cost analysis, including installation and materials.

- ❖ [UPCC Golf Course Pump Station](#)
- ❖ [UPCC Irrigation Agreement](#)
- ❖ [Irrigation Equipment/Supplies Quote](#)

KITCHEN

UPCC's Kitchen -- originally designed to serve one small dining room 30+ years ago vs. the current three dining rooms, is inefficient in its design and layout, and much of the equipment is beyond its useful life. It bears noting that in UPCC's search last year for an Executive Chef, (during Chef Roger's brief hiatus), we were unable to attract acceptable talent due to the layout and condition of the kitchen. It is imperative for our Club to address the kitchen.

As part of the Capital Improvement Plan, UPRD enlisted three companies specializing in kitchen design and construction to assess UPCC's kitchen space and needs. The following outline competitive estimates for UPRD's proposed Kitchen Renovation & Modernization.

- ❖ [UPCC Preliminary Kitchen Plans](#)
- ❖ [UPCC Food Service Renovation](#)
- ❖ [UPCC Kitchen Renovation](#)
- ❖ [UPCC Food Service Plan](#)
- ❖ [UPCC Equipment Quote](#)

ACTIVITY/GATHERING SPACE

Existing space for Activities and non-dining Social Gatherings and Events is extremely limited. Activity space is important to all members including those who do not engage in golf, racquets, and fitness activities. Currently, the Varsity Club room and adjacent Card Room are the only spaces available for the growing number of groups seeking space to meet and pursue activities. This problem is exacerbated when groups lucky enough to reserve space are pre-empted due to paid outside events, member events and Club associations (such as the MGA, LGA, etc.).

Removal of the Golf Cart area (at the rear of the Varsity Club Building) was considered but would not provide adequate square footage for needed activity space. This would not satisfy the stated need and would trigger a need for the construction of a separate and new cart barn.

STAFF WORKSPACE

Working in the Varsity Club Building attic are managers and staff who regularly need to interact face to face with each other, with the Dining staff and with members. Relocating staff off campus into a rented space is inefficient and inappropriate in a service-based industry. Further, there is inadequate space within the existing UPCA Business Center to support the current needs.

Operating on a work from home basis is contrary to current standards where employees are returning to offices in a post-COVID environment. In a service environment, teamwork and exhibiting a shared culture in service to our members is an important part of member satisfaction and a feeling of community.

PRO SHOP/VARSITY CLUB BUILDING SWAP

The concept of moving the Pro Shop closer to all of the Golf activities makes sense in terms of traffic flow from the bag drop to registration to direct access to practice areas and the starter.

Moving the Varsity Club and the "TGIF Tradition" to the existing Pro Shop building entailed a number of considerations:

Facts:

1. Space – The Varsity Club (not including the restrooms but including the Card Room which is used for TGIF) spans 2,577 square feet. The existing Pro Shop building offers only 1,888 square feet.
2. Adding a bar to the Pro Shop building would utilize a portion of the 1,888 square feet and there would be no space for restrooms, unless further diminishing space for social interaction.
3. A plan was suggested for adding a large deck to the structure so that members would have space to interact.

Concerns:

- ❖ Expansion with an open-air deck would not appeal to members when temperature control creates a comfortable environment (A/C during the hot weather).
- ❖ Without four walls, there is exposure to the elements, no sound mitigation from the new outdoor dining and firepit areas and no insect control.
- ❖ Restroom access requires leaving the building.

Conclusion:

Until the new outdoor dining venue is fully experienced and the potential for new ways in which TGIF can be enjoyed and embraced, making such a change is premature. Further, usage of the envisioned space with open air deck would preclude use for paid events that require an enclosed environment for privacy and separation from other activities. The outdoor segment of this plan would not replace nor be practical for the activity and gathering space that would be displaced from the Varsity Club, which is currently insufficient.

Part of the gathering space goal, which must be recognized, is our ability to host audiences of up to 200 people for social events, presentations, and meetings. Continuing to utilize the Lakeside Room for such gatherings is space prohibitive and requires F&B staff to set up and tear down room configurations within hours of consecutive events. This is inefficient use of staff and curtails opportunities to hold events of interest to members of the Club and the Community (where there is currently no space for large scale gatherings when the community needs to come together to share critical information.)

Until the Varsity Club tradition evolves and the need for three bars within close proximity of each other is reviewed, UPRD believes such a change is not appropriate and could be accomplished at a later date if appropriate.

UPRD CAPITAL IMPROVEMENT PLAN DETAILED PROJECT ESTIMATES

The following provides transparency, insight, and detailed cost estimates for UPRD's proposed Capital Improvement Plan projects.

- ❖ [UPCC Master Plan Concept Estimate 4/11/23](#)
- ❖ [UPCC Master Plan Concept Estimate 4/12/23](#)
- ❖ [UPCC Master Plan Concept Estimate OPTION II Part 1 4/17/23](#)
- ❖ [UPCC Master Plan Concept Estimate OPTION II Part 2 4/17/23](#)
- ❖ [UPCC Parcel L New Building & Site Development Concept Estimate I 5/16/23](#)
- ❖ [UPCC Parcel L New Building & Site Development Concept Estimate II 5/16/23](#)
- ❖ [UPCC Phase II Improvements Concept Estimate 9/18/23 Part 1](#)
- ❖ [UPCC Phase II Improvements Concept Estimate 9/18/23 Part 2](#)

CAPITAL IMPROVEMENT PLAN

After careful review and consideration of the options listed above (and other permutations), The Plan being presented addresses the key considerations of integration with the look and feel of the campus, successfully addressing our space needs, project costs and executing the construction with the least disruption to the Campus and Club Functions.

MINIMIZING DISRUPTION

Golf Course Irrigation is scheduled to be completed during the off-season, closing only one 9-hole section at a time with no impact to member playability.

During the Kitchen Renovation and Expansion food service will not be materially impacted. Contingency plans include construction in stages and/or use of a mobile kitchen.

Regarding the Varsity Club, Activity Space, and Staff Workspace we anticipate zero disruption. Until the construction of the Activity & Administration building is completed, all areas will continue to function 100% as they currently do.

The Fitness Expansion will be addressed first, with no disruption to the current Fitness Centre. When the expansion is completed, fitness equipment will temporarily move into the new space with some space allocated for small classes. When the renovation of the existing building is completed, fitness equipment will be relocated back to the renovated Fitness Centre and the classroom space will be prepped for full implementation in the new Building.

Parking Lot resurface and expansion takes place after all construction is completed.

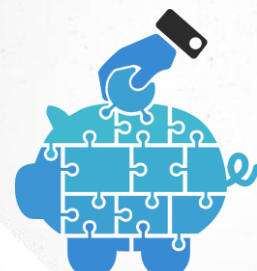
PROPOSED SCHEDULE OF CONSTRUCTION PROJECTS

- ❖ Golf Course Irrigation- May 2024
- ❖ Kitchen Renovation & Expansion- May 2025
- ❖ Fitness Expansion- May 2025
- ❖ Activity & Administration- May 2026
- ❖ Fitness Renovation- May 2026
- ❖ Parking Expansion & Resurfacing- October 2026

Bond Financials

UPRD is proposing to issue a 30-year, tax-free municipal Bond to finance the following infrastructure and recreational improvements outlined in the 2023 Capital Improvement Plan.

Capital Improvement Plan Projects		Estimated Costs
Golf Course Irrigation & Infrastructure		\$ 6,000,000
Kitchen Renovation & Expansion		
	Construction	\$ 2,200,000
	Equipment	\$ 800,000
Fitness Centre Classroom Expansion		\$ 2,500,000
Fitness Centre Renovation		\$ 1,000,000
Activity & Admin Centre		\$ 5,500,000
Additional Parking		\$ 500,000
Estimated Total		\$18,500,000



The interest rate on the Bond will not be finalized until completion of a public auction. The Bond has been estimated based on the following core considerations – 1) a par amount of \$20,600,000, 2) an interest coupon of 5.5% and, 3) a term of 30 years. We will be working with our financial advisors to get the best possible terms at the time of issuance.

With any issuance of long-term debt there are elements standard to its issuance, such as debt service reserve account, a capitalized interest account, and cost of issuance which pays for costs associated with necessary legal and professional services, and bond insurance, if used. The following summarizes the expectations for the Series 2024 Bond:

Category	Total Value
Project Funds	\$18,500,000
Debt Service Reserve (50% of MADS)	\$712,000
Capitalized Interest	\$617,000
Cost of Issuance	\$771,000
Maximum Bond Principal	\$20,600,000
Average Annual Interest Rate:	5.5%
Term (Years):	30
Capitalized Interest (Months):	7
Maximum New Annual Debt Service:	\$1,423,488
Maximum Gross Annual Debt Service:	\$1,530,632

Bond Financials

Homeowner Financial Snapshot of the Series 2024 Bonds: The allocation of debt to the median homeowner is estimated as an annual payment of \$1,222, with the initial payment in December 2024. The following summarizes the timeframe across which each Capital Improvement Plan project is anticipated to commence and/or be completed using the Series 2024 Bonds.

Payment Date	Bond
2024	\$1,222 (Median) - Golf Course Irrigation, Banks & Bulkheads
2025	\$1,222 (Median) - Kitchen Renovation & Expansion - Fitness Centre Expansion Begins & Completed - Activity & Admin Centre Begins
2026	\$ 1,222 (Median) - Fitness Centre Renovation Completed - Activity & Admin Centre Completed - Parking Expansion
Total first 3 years	\$3,666

Alternative financing options to the Series 2024 Bond may include a homeowner assessment, bank loans, or other financing. The following table summarizes an example of what an assessment payment timeline might look like. A larger or additional assessment to address the Activity & Administrative Centre, The Fitness Centre Renovation and Expansion, and Parking needs may also be imposed.

Payment Date	Assessment
2024	\$5,000 per Household - Golf Irrigation, Lake Banks & Bulkheads Only
2025	\$2,500 per Household - Kitchen Renovation & Expansion
Total first 2 years	\$7,500

Return on Investment ("ROI") for a Club and community such as ours is different than a typical stand-alone for-profit business. Member value is achieved by bringing together lifestyle amenities that create a social fabric supporting the Club and Community. In a Club, ROI is subjective. Amenities do not have a direct ROI but rather are created to enhance the lifestyle of UPCC and to help attract new homeowners as properties turn over. A focus on overall membership growth, retention, engagement, and satisfaction is key to success.

Bond Financials

The proposed bond is to be financed by an assessment of homeowners to be coincident with property and other taxes paid to Manatee County. The gross annual assessment needed to fund the projects is \$1,530,631.72.

Category	Amount
Debt Service	\$1,423,487.50
Administrative Cost + Discount	\$107,144.22
Total Annual Assessment	\$1,530,631.72
50% of Annual Assessment (incl. admin costs + discount)	\$765,316
# of Homes	1,201
Base Rate per Home (includes admin costs)	\$636.70

The assessment allocation methodology apportions 50% of the annual debt service cost on an equal pro rata basis to all 1,201 homes in UPRD. The remaining 50% is allocated based on the market value (as determined by the Manatee County Property Appraiser) of homes as of September 2022. Market value was selected, because market value (as compared to assessed value) is most consistent with the logic that the special benefit from the recreational facilities is conferred in part based on property value. This is the same assessment methodology used for the Series 2019 Bonds.

Using this allocation, individual homeowner assessment may be determined by the formula:

$\$636$ (the equally shared 50%) + $0.00093 \times \text{Market Value} = \text{Annual Assessment}$

- ❖ A home with Market Value of \$600,000 would be assessed \$1194 per year
- ❖ A home with Market Value of \$1,000,000 would be assessed \$1566 per year
- ❖ A home with Market Value of \$1,400,000 would be assessed \$1938 per year

UPCC Capital Reserves:

Capital Reserves are monies set aside for long-term capital projects and future repair and replacement of assets. Capital reserve requirements for UPRD/UPCC are based on a Capital Reserve Study completed in 2022 by a qualified independent organization. The study addressed all existing and planned capital items valued over \$2500 and was based on the date each asset was installed, the asset's estimated useful life, and its inflation adjusted replacement cost. The study indicated that in order to keep our assets up to date, adequately repaired or replaced when needed and relevant to our members, we need approximately \$37 million dollars over every twenty-year period (~\$2 MM/year). Because several of the assets



Bond Financials

will be replaced with newer assets as part of the proposed Capital Improvement Program, the Capital Reserve Study was revised to reflect more realistic capital needs over the next 5 years. As a result, the capital needs for the first five years will drop from \$15.4 million (average \$3.1 million per year) to \$ 6.9 million (average \$1.4 million per year). As a good fiduciary policy, the Board and Management believe we should have two years of capital needs (\$~4 million) available at all times. We are currently generating ~\$1.1 million toward capital reserves annually from initiation fees, 10% of outside play, and capital fees (residents 5% dues, non-residents 10%dues). This total can be supplemented by our annual surplus, projected to be in excess of \$400K per year for the next five years.

Assuming the Capital Improvement Plan projects move forward with the Bond, and the club generates the anticipated surplus, we will secure the required annual capital reserves. If additional reserves are needed, we will consider a surcharge on non-member F&B, an increase in the capital fee percentage, a transfer fee, and other options.

Cost of Ownership: We often get questions about the Cost of Ownership (Property Taxes, HOA fees, and CDD/UPRD Assessments) in University Park versus similar communities, such as Lakewood Ranch.

Property Taxes: Property Taxes are most notably affected by the Florida Homestead Act and Save Our Homes Assessment Limitation that provides certain exemptions and limits assessed value increases to the lesser of 3% or the change in the Consumer Price Index. There are also certain portability provisions from one Florida home to another. As a result, homes with similar market values may have very different property tax obligations. Accordingly, we must focus on comparing HOA Fees and CDD/RD Assessments.

HOA Fees and CDD/UPRD Assessments: In comparing these figures among several homes in both communities we found that certain elements of University Park's HOA assessments are in the Lakewood Ranch's CDD, such that we believe these two assessments need to be addressed together. In comparing a home on Camargo Place in Lakewood Ranch with a similar home in Knightsbridge we found that the University Park home was less expensive even after the proposed 2024 Assessment was added. In another case we compared a home in Silverwood at Lakewood Ranch with a home in Heathfield. In this case the total Heathfield home assessments after considering the proposed 2024 Bond cost were higher, but largely explained by differences in landscaping and the premium cable offered at UPCC.

In sum, we believe the overall cost of University Park is competitive with Lakewood Ranch in Cost of Ownership even after including the proposed 2024 Bond Assessment.

The following is a comprehensive overview of University Park Country Club's financial operations since 2020, when club residents formed the University Park Recreation District (UPRD), to the present.

The challenges posed by global events, namely the Covid-19 pandemic, have compelled us to adapt and strategize with resilience. The fiscal stewardship that has guided us through this time firmly sets UPCC's financial operations in solid financial standing and our commitment to prudent financial management, cost-effective strategies, and member engagement has contributed to a positive fiscal performance.

FY 2020-2023 Financial Picture:

	Actuals			
	2020	2021	2022	2023
Revenue	\$6,709	\$8,435	\$10,547	\$11,843
Expenses	\$6,290	\$8,498	\$9,959	\$11,373
Operating Income/Loss	\$420	\$(62)	\$589	\$470
CAPITAL ALLOCATION				
Initiation Fees	54	324	394	787
Outside Golf – 10% Golf Allocation	-	220	272	268
Capital Dues	-	-	-	223
Operating Income/Loss	420	(62)	589	470
Total Capital Allocation	\$473	\$482	\$1,254	\$1,748

Operating results for FY2020-2023, despite a global pandemic, labor wage increases, supply chain issues, hyper-inflation, among others, were very positive. Operating Income (with the exception of 2021 due to COVID) ranged from \$420k to \$589k while keeping operating dues increases below industry standards.

In addition, since 2020, additional Capital Reserves have been generated by increasing Initiation Fees (new members), allocating 10% of outside golf revenue (public), and the introduction of Capital Dues (current members). Each of these financial results has resulted in an increase in annual Capital Reserves from approximately \$500,000 in 2020 to \$1,750,000 in 2023.

5-Year Financial Projections:	Projected				
	2024	2025	2026	2027	2028
Revenue	\$12,579	\$13,019	\$13,446	\$14,162	\$14,631
Expenses	\$12,137	\$12,568	\$13,015	\$13,677	\$14,164
Operating Income/Loss	\$442	\$451	\$432	\$484	\$467
CAPITAL ALLOCATION					
Initiation Fees	481	481	481	481	481
Outside Golf – 10% Golf Allocation	270	251	264	277	291
Capital Dues	314	346	359	386	401
Operating Income/Loss	442	451	432	484	467
Total Capital Allocation	\$1,506	\$1,529	\$1,535	\$1,628	\$1,639

As outlined in the actual financial results noted above, the 5-year financial projection conservatively shows operations generating approximately \$500k of operating surplus. In addition, Initiation Fees, Outside Golf and Capital Dues continue to generate annual Capital Reserves in excess of \$1.5M. These financial results create the roadmap to financial success and stability.

UPCC Capital Reserves:

Capital Reserves are monies set aside for long-term capital projects and future repair and replacement of assets. Capital reserve requirements for UPRD/UPCC are based on a Capital Reserve Study completed in 2022 by a qualified independent organization.

The study addressed all existing and planned capital items valued over \$2,500 and was based on the date each asset was installed, the asset's estimated useful life, and its inflation adjusted replacement cost. The study indicated that in order to keep our assets up to date, adequately repaired or replaced when needed and relevant to our members, we need approximately \$37 million dollars over every twenty-year period (~\$2 MM/year).

Because several assets will be replaced with newer assets as part of the proposed Capital Improvement Plan, the Capital Reserve Study was revised to reflect more realistic capital needs over the next 5 years. As a result, the capital needs for the first five years will drop from \$15.4 million (average \$3.1 million per year) to \$6.9 million (average \$1.4 million per year). As a good fiduciary policy, the Board and Management believe we should have two years of capital needs (\$~4 million) available at all times.

We are currently generating ~\$1.1 million toward capital reserves annually from initiation fees, 10% of outside play, and capital fees (residents 5% dues, non-residents 10% dues). In addition, this total is supplemented by our annual surplus which is projected to cover the anticipated Capital Gap.

Assuming the Capital Improvement Plan projects move forward with the Bond, we will be close to achieving our goal. If additional reserves are needed to support our fiduciary responsibility, we will consider a surcharge on non-member F&B, an increase in the capital fee percentage, a transfer fee, and other options.

Membership Growth

Member Type	A/O November 2023				
	2019	2020	2021	2022	2023
Full	314	322	364	405	434
Racquets	105	120	120	126	125
Sports	111	105	68	-	-
Twilight Tennis	9	6	9	-	-
Social	630	647	688	761	767
Total	1,169	1,200	1,249	1,292	1,326



Vote Process Overview:

Ballots will be mailed to each residential address on December 15, 2023, in advance of Election Day which is January 16, 2024. Specific instructions for returning ballots by mail, depositing them on site, or delivering them on voting day will be included with the ballot and are summarized below.

Eligibility:

- ❖ All District homeowners will be entitled to one vote per home.
- ❖ Homeowners do not have to be a Registered Florida Voter or UPCC Member.
- ❖ Homeowners may provide a proxy to their renter. If they do so, the homeowner relinquishes their right to vote in the referendum.

How to Vote:

- ❖ Vote by Mail:
 - Place the ballot you receive in the return envelope provided.
 - Ballots must be received by 5:00pm EST on January 15, 2024.
- ❖ Vote by In-person Delivery:
 - Place your ballot in the supplied envelope and deposit it in the ballot box at the UPCC Administrative Offices (Ann Backus' office).
 - Ballots must be received by 5:00pm EST on January 15, 2024.
- ❖ Vote In-Person on Election Day, January 16, 2024:
 - You may hand deliver your ballot to the Varsity Club on Election Day between the hours of 9:00am and 12:00pm EST.
- ❖ If you are Renter who has been given a proxy form from the registered owner of the property (to be provided in the election ballot), include the signed Proxy Form along with your ballot.
- ❖ Legal verification (driver's license, passport, or other legal U.S. identification) of your right to vote will be required for those voting in-person on Election Day.

Results:

- ❖ Upon completion of the ballot counting, UPRD will hold a special Board of Supervisors meeting at 3:00pm EST on January 16, 2024, to canvass and certify results.

On behalf of UPRD's Board of Supervisors:

We extend our sincere gratitude to each of you for dedicating your time to review the comprehensive information package regarding the upcoming Series 2024 Bond Referendum. Your commitment to staying informed and engaged is appreciated.

Your participation in this process is an essential part of University Park's growth, enhancement, and future. Thoughtful consideration of the proposed changes and improvements outlined in this information package is invaluable as we collectively shape the future of UPCC.

UPRD recognizes that your time is valuable, and we are grateful for the attention you have given to the details of the Bond Referendum. Your questions, comments, and feedback are essential components of a transparent and collaborative decision-making process, and we encourage you to reach out to any one of us, as Board Supervisors.

In the coming weeks, we will continue on-going communications, hosting Town Hall meetings, community forums, and information sessions, along with digital communications via email, the Weekly Newsletter, and more, to provide further clarity and facilitate open discussions. These forums provide an opportunity for direct interaction, ensuring that all homeowners, residents, and members have a voice in this important decision-making process.

If you are not 'opted in' to receive UPRD electronic communications (BOS information, newsletters, emails, important dates, announcements, etc.) [PLEASE CLICK HERE](#).

Thank you for your active involvement in shaping the future of University Park. Together, we are Embracing our History and Building the Future.

Sincerely,

**University Park Recreation District Board of Supervisors, along with
UPCC General Manager John Fetsick**



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Chair

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GM

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