

University Park Recreation District
Management Discussion & Analysis Report
As of April 30, 2023

Advisory Groups

We are pleased to announce the new Advisory Groups announced last week, as follows:

FITNESS AND WELLNESS

- Jory Berkwits
- Karen Jones
- Marc Loundy
- Chris Neubert
- Dale Otterman
- Larry Slavin
- Leslie Slavin
- Nancy Stacer

GOLF

- Sheila Cook
- Kyle Gay
- Betsy Nelson
- Keith Ottaway
- Jim Pearson
- Barbara Romig
- Mary Jane Sanacore
- Joe Williams

RACQUETS

- Peter Brooks
- Paul Clark
- Frank Dooley
- Paul Gibson
- Mary Hohler
- Kelly Reeve
- Joyce Tedrick
- Lisa Vieira

SOCIAL AND DINING

- Beth Bertsch
- Barbara Brooks
- Steve Heitzner
- Lori Ross
- Susie Schell
- George Schofield
- Valerie Szymaniak
- Deborah Van Brunt
- Ed Wyatt

These volunteer members will assist Management in enhancing the member experience by recommending events, identifying issues, highlighting successes, etc. and will represent their fellow members with a direct line of communication with the department heads of each respective area. This year, we will also have an enhanced focus on the results of these groups, ensuring the membership are aware of their contributions and changes implemented as a direct result of these Groups.

In addition to the Advisory Groups listed above, I have been working closely with the Business Plan group on the development of a 5-year business plan. We largely remain in the overview and context stage, understanding the current business model, reviewing financials, identifying SWOT analyses, etc. We expect to meet weekly for the foreseeable future with scheduling challenges expected during the summer months. The objective of the Business Plan team is to more clearly explain where we are today as the UPRD and UPCC, where we are going in the future and how we're measurably going to get there. This will be our roadmap to lead UPCC forward in our continuing effort to strengthen the member experience in the years to come.

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Membership

| | | Full | Racquet s | Social | Soc / Res - Cmty Reard | Jr. Exec. | Change in Annual Mbrs | Trial Full | Trial Rac/Fit | Trial Fit/Soc | Trial Social | Sum Golf | Sum Tennis | Sum Dining | Change in Other Mbrs |
|----------------------|------|------------|--------------|------------|---------------------------------|-----------|-----------------------------|---------------|------------------|------------------|-----------------|-------------|---------------|---------------|-------------------------------|
| 2022 Totals | | 386 | 125 | 241 | 521 | 2 | 1275 | 27 | 2 | 6 | 4 | 0 | 0 | 0 | 39 |
| Jan 2023 | | 2 | 1 | -2 | 3 | | 4 | 14 | 1 | | 0 | | | | 15 |
| Feb 2023 | | 5 | | 0 | 3 | | 8 | 5 | -1 | -2 | 3 | | | | 5 |
| March 2023 | | 5 | -2 | 1 | -1 | | 3 | -24 | 1 | -3 | -4 | | | | -30 |
| April 2023 | | -1 | -3 | -1 | 3 | | -2 | -14 | -3 | -1 | 2 | 108 | 18 | | 110 |
| | 5/5 | | | | | | 0 | | | | | 6 | 3 | | 9 |
| NEW | 5/12 | | | | | | 0 | | | | | 6 | 1 | | 7 |
| Total Members | | 397 | 121 | 239 | 529 | 2 | 1288 | 8 | 0 | 0 | 5 | 120 | 22 | 0 | 155 |
| Add SAP | | 97 | 31 | | | | 128 | | | | | | | | |
| Add AFP | | 17 | 1 | 29 | 88 | | 135 | | | | | | | | |
| Add Range | | | 13 | 19 | 29 | | 61 | | | | | | | | |
| Add Twi Ten | | | | 18 | 1 | | 19 | | | | | | | | |
| Add Pickleball | | | | 4 | 34 | | 38 | | | | | | | | |
| Total Passes | | 114 | 45 | 70 | 152 | 0 | 381 | | | | | | | | |

*150 grandfathered non-members

Summer Golf memberships have decreased from 278 at this time a year ago to 120. This is likely due to the price increase and season length being reduced. While perhaps too aggressive, our total revenue decrease isn't as impacted due to the cost increase. In addition, this should provide additional tee times for our annual members to utilize and the public to purchase. Long term, fewer rounds is a benefit to the golf course conditions.

Golf

The golf rates have decreased effective May 1st but remain higher than prior years at this time (morning rate is \$109). There has been no material rate resistance.

Total rounds YTD are down 2,600 from last year. This is comprised of 3,500 fewer public rounds offset by 900 more member rounds. This was planned and as expected. Golf revenue remains over budget but is trailing prior year at this point (offset by membership dues being over prior year and budget).

Racquets & Fitness

Kudos and "thank you" to all involved in the execution of three member events held within the Racquets and Fitness departments in recent weeks:

- The Davis Cup Tennis Tournament
- The "Beat the Heat" Pickleball Tournament
- Fitness Social and Fitness with a Mimosa

Come on out on Memorial Day for a first-ever combined event including Tennis, Pickleball and Croquet.

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Statements of Operations (as of March 31, 2023):

| UNIVERSITY PARK COUNTRY CLUB & RD | | | | |
|--|--|-------------------|-------------------|---------------------|
| SIX MONTHS ENDING MARCH 31, 2023 | | | | |
| <i>(in thousands)</i> | | | | |
| SUMMARY STATEMENT OF OPERATIONS | | FY2023 | FY2023 | FY2023 |
| Description | | YTD Actual | YTD Budget | YTD Variance |
| REVENUE: | | | | |
| MEMBERSHIP DUES | | \$ 2,399 | \$ 2,395 | \$ 4 |
| GOLF OPERATIONS | | 2,386 | 2,180 | 206 (a) |
| TENNIS & FITNESS CENTRE | | 70 | 53 | 17 |
| RESTAURANT INCOME | | 1,554 | 1,432 | 122 (b) |
| OTHER INCOME | | 20 | 21 | (2) |
| TOTAL REVENUE | | \$ 6,429 | \$ 6,081 | \$ 347 |
| EXPENSES: | | | | |
| GOLF OPERATIONS | | \$ 832 | \$ 852 | \$ (20) |
| TENNIS & FITNESS CENTRE | | 240 | 241 | (1) |
| RESTAURANT | | 2,061 | 1,765 | 296 (b) |
| GOLF COURSE MAINTENANCE | | 1,494 | 1,487 | 7 |
| GENERAL & ADMIN | | 969 | 999 | (30) |
| TOTAL DIRECT EXPENSES | | \$ 5,596 | \$ 5,344 | \$ 252 |
| OPERATING INCOME/(LOSS) | | \$ 833 | \$ 737 | \$ 95 |
| CAPITAL ALLOCATION: | | | | |
| INITIATION FEES & OTHER | | \$ 510 | \$ 426 | 85 |
| OUTSIDE GOLF -CAPITAL ALLOCATION | | 176 | 113 | 63 |
| CAPITAL DUES | | 74 | 74 | 0 |
| TOTAL CAPITAL ALLOCATION | | \$ 760 | \$ 612 | \$ 149 |

(a) \$242k favorable to budget due to 2,030 more rounds than budgeted and increased public rates.

(b) \$122k favorable to budget due to overall increased capacity for a la carte dining and member events and slight menu pricing to combat continued inflation.

\$296k unfavorable to budget primarily due to higher COGS (variable with revenue + real cost increases) and labor increases (OT wages due to club activity).

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Revenue Flash Report (as of April 30, 2023):

| <i>(in thousands)</i> | April | | | YTD | | |
|----------------------------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| MEMBERSHIP DUES | \$ 562 | \$ 499 | \$ 62 | \$ 2,961 | \$ 2,894 | \$ 67 |
| GOLF OPERATIONS | 400 | 338 | 62 | 2,787 | 2,518 | 269 (a) |
| TENNIS & FITNESS CENTRE | 20 | 9 | 12 | 91 | 62 | 29 |
| RESTAURANT OPERATIONS | 271 | 239 | 32 | 1,824 | 1,671 | 154 |
| OTHER INCOME | 1 | 1 | 0 | 21 | 22 | (2) |
| TOTAL OPERATING REVENUE: | \$ 1,254 | \$ 1,086 | \$ 169 | \$ 7,684 | \$ 7,167 | \$ 517 |
| CAPITAL ALLOCATION: | | | | | | |
| INITIATION FEES & OTHER | \$ 18 | \$ 8 | \$ 11 | \$ 528 | \$ 433 | \$ 95 |
| OUTSIDE GOLF -CAPITAL ALLOCATION | 29 | 19 | 10 | 204 | 131 | 73 |
| CAPITAL DUES | 25 | 25 | 1 | 99 | 98 | 1 |
| TOTAL CAPITAL ALLOCATION: | \$ 72 | \$ 51 | \$ 21 | \$ 831 | \$ 662 | \$ 169 |
| TOTAL REVENUE: | \$ 1,326 | \$ 1,136 | \$ 190 | \$ 8,515 | \$ 7,829 | \$ 686 |

(a) 269k over Budget YTD due to pricing and more outside rounds than budgeted, as outlined below:

Rounds of Golf (as of April 30, 2023):

| | April | | | YTD | | |
|----------------|--------|--------|----------|--------|--------|----------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| Member Rounds | 4,704 | 4,485 | 219 | 32,310 | 32,040 | 270 |
| Outside Rounds | 2,952 | 3,280 | (328) | 23,186 | 21,535 | 1,651 |
| | 7,656 | 7,765 | (109) | 55,496 | 53,575 | 1,921 |

Rounds of Golf (as of April 30, 2022):

| | | | | | | |
|----------------|-------|-------|-------|--------|--------|-------|
| Member Rounds | 5,003 | 4,085 | 918 | 31,394 | 30,315 | 1,079 |
| Outside Rounds | 3,069 | 3,510 | (441) | 26,697 | 22,995 | 3,702 |
| | 8,072 | 7,595 | 477 | 58,091 | 53,310 | 4,781 |