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The meeting of the **Finance Committee of the University Park Recreation District** will be held on **Wednesday, April 15 at 3:00 pm** at the Business Offices located at 8301 The Park Boulevard, University Park, FL 34201 and or virtually.

Meeting ID: 873 3546 9545 **Passcode:** 899142

Join meeting via Zoom:

<https://us02web.zoom.us/j/87335469545?pwd=dliIn6jiOFztxyJcXZcr5u3bnX53sX.1>

One tap mobile

+13052241968,,87335469545#,,,,*899142# US

+13017158592,,87335469545#,,,,*899142# US (Washington DC)

Join instructions

<https://us02web.zoom.us/join/87335469545?signature=vFCdECGv7xZGs33nCbieXLKqpYKTOQu0uqwq3PakjJE>

Finance Committee 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 Committee]

Staff Matters

1. Review of March Financial Summaries and Membership Report
2. Review and Discuss Audit Report Draft
3. Review and Discuss Capital Expenditure Approval Process

Business Matters

1. **Discuss & Recommend Proposed Operating Budget (Enterprise Fund) FY 2027**
2. **Discuss & Recommend Proposed Capital Budget (Enterprise Fund) FY 2027**
3. **Discuss & Recommend Proposed General Fund Budget FY 2027**
4. **Discuss & Recommend Proposed Debt Service Fund Budget FY 2027**
5. **Discuss & Recommend Proposed Capital Irrigation Fund Budget FY 2027**
6. **Review of Progress on Cost of Ownership Project**
 - *Presenter: Tony Crisafio*
 - Review list of sample group questions
7. **Review Capital Dues ‘What If’ Scenarios**
 - *Presenter: Richard Crouch*

Next Meeting Scheduled

Date	Meeting Type	Time	Location	Note
May 20, 2026	Finance Committee Meeting	3:00 pm	Business Offices	In person or by Zoom

Finance Committee Member Requests & Comments

Public Comments

Adjournment

March Financial Summaries and Membership Report

UNIVERSITY PARK COUNTRY CLUB STATEMENT OF OPERATIONS

YTD OPERATING RESULTS, 6 MONTHS THROUGH 3/31/26	Actual Results of UPCC Operations	Budget	\$ Variance	% Change	COMMENTS
Total Revenues	\$7,995	\$7,815	\$180	2.3%	
Less: Outside Golf Capital Allocation	(186)	(166)	(20)	11.9%	10% of Outside Golf Allocated to Capital
Total Revenues, Less Capital Allocation	7,809	7,648	161	2.1%	
Total Expenses	6,897	7,090	193	2.7%	
Net Operating Surplus (Deficit)	912	558	354	63.5%	Net Operating impact
Revenues and Expenses, Details	Actual	Budget	\$ Variance	% Change	
Dues revenue	\$3,197	\$3,233	(\$ 37)	(1.1%)	
Golf operations revenue	2,534	2,338	196	8.4%	Outside rounds exceeded the budget by 1,424 rounds. Merchandise sales \$43K favorable to budget.
Dining operations revenue	1,914	1,941	(27)	(1.4%)	
Racquets/Fitness/Other operations revenue	164	136	28	20.6%	
Subtotal, Revenues	7,809	7,648	161	2.1%	
Golf operations	972	994	22	2.2%	
Golf maintenance	1,868	1,821	(47)	(2.6%)	Projects that were budgeted for later in the year completed early
Dining operations	2,373	2,524	151	6.0%	COGS 54k, Payroll 31k, Linens 26k, waste and supplies
Racquets & Fitness operations	355	344	(11)	(3.3%)	
General & Adm	1,328	1,407	79	5.6%	Payroll 30k, Advertising 19k, Ins.12k, CC Fees 10k & other various expenses
Subtotal, Expenses	6,897	7,090	193	2.7%	
Net Operating Surplus (Deficit), net of \$186k outside golf capital allocation	\$912	\$ 558	\$ 354	63.5%	Variance is \$354k, 63.5% from budget

UNIVERSITY PARK COUNTRY CLUB COMPARATIVE BALANCE SHEET AS OF MARCH 31, 2026 AND 2025

Assets	UPCC Operating Fund		Capital Irrigation Fund		Comments & Assumptions
	Unaudited 3/31/26	Unaudited 3/31/25	Unaudited 3/31/26	Unaudited 3/31/25	
Operating Cash & Short-Term Investments	\$3,820	\$2,824			
Accounts Receivable	984	884			
Inventory	356	338			
Deposits & Prepays	618	538			
Future Assessments based on BAN or Long-Term Bonds					FY26 - Prepaid Insurance & Prepaid Cart Lease, software, sales tax etc.
			5,975	5,744	Amounts drawn from BAN, \$4,140 + Amounts borrowed from UPCC Capital Reserves, \$1,835
Subtotal, operating assets	5,777	4,584	5,975	5,744	
Board Designated Cash & Investments & Receivable from Irrigation Fund:					
Operating Reserves	400	400			BOS designated for future use.
Capital Reserves & Short-Term Investments	1,478	606			
Capital Reserves Used for Irrigation Project--Due from Capital Irrigation Fund	1,835	1,835			Portion of irrigation project paid out of UPCC reserve funds
Sub total, Board Designated Cash, Capital Reserves & Capital Irrigation Fund Receivable	3,713	2,841	-	-	
Property and Equipment - Net	26,893	20,091			
Property and Equipment - CIP	182	5,762	-	-	
Total Assets	\$36,565	\$33,278	\$5,975	\$5,744	
Liabilities & Net Position:					
Accounts Payable					
Operations Related	\$452	\$364			
Accrued Liabilities & Other Payables	322	291	-	-	
Gift Cards & Store Credits	144	127			
Subtotal, operating liabilities	917	782	-	-	
Deferred Revenue	4,469	4,079			
Capital Lease Obligations	2,009	418			New cart lease and GCM Equipment
Capital Projects Payable	9	-			
Due to UPCC Operating Fund			\$1,835	\$1,835	
BAN Payable to Bank			4,140	3,909	
Total Liabilities	7,404	5,279	5,975	5,744	
Beginning Balance, Purchase of UPCC assets in 2019	16,750	16,750	-	-	
Due From Capital Irrigation Fund	1,835	1,835			
Prior Years' Operating Surplus	9,868	7,281			
Current Period Operating Surplus	708	2,133			
Net Position	29,161	27,999	-	-	
Total Liabilities & Net Position	\$36,565	\$33,278	\$5,975	\$5,744	

UNIVERSITY PARK COUNTRY CLUB CAPITAL SOURCES AND USES AS OF MARCH 31, 2026

Sources		Notes
2019, Construction Fund after UPCC club purchase	\$4,157	
2021, Loan Forgiveness	856	
2024-5, Bond Anticipation Note for Irrigation Project		\$1,835 was paid out of Operating Cash and needs to be repaid from either BAN assessment or 2024 Bond funds when available.
	3,757	
Sub total, Bond Proceeds and Loan Forgiveness	8,769	Bonds & Loan Forgiveness
FY 2021 -2025 Initiation Fees	3,554	
FY 2021-2025 10% Outside Golf	1,530	
FY 2023-2025 Capital Dues	872	
FY 2026 Initiation Fees	755	
FY 2026 10% Outside Golf	186	
FY 2026 Capital Dues	382	
Sub total, Init Fees, Capital Dues & 10% Outside Golf	7,279	Capital raised through Operations
Total Sources of Capital	16,049	
Uses		
2022, Parking Lot - Asphalt	136	
2021-2025, Golf Course Improvement & Irrigation	7,412	
2023, Tennis/Pickleball Courts	810	
2022-2023, Buildings - Renovations, A/C and Upgrades	291	
2023-2025, Range Picker, Bag Drop/Pro Shop FF&E	123	
2022-2024, Grille - Kitchen Equipment	289	
2023, Golf Course Maintenance Equipment	459	
2023, IT Equipment - Computers, Server etc	91	
2023-2024, Racquets And Fitness Equipmet	89	
2021-2023, Indoor Dining Renovation	1,066	
2023-2024, Outdoor Dining (Cafe) Renovation	2,326	
Subtotal, Uses	13,092	
<u>FY2026 Uses</u>		
2026, Golf Course Maintenance Equipment	36	
2026, Back 9 Renovation	1,164	
2026, Buildings, Varsity Club, Admin & Locker Room Renovation	64	
2026, Golf Club Rentals	12	
2026, Grille - Kitchen Equipment	26	
2026, Admin Furniture	3	
Subtotal, FY2026 Uses	1,305	
<u>Construction In Progress</u>		
2020, Master Plan Project	168	
Security Cameras	2	
Cart Barn - Garage Doors	12	
Subtotal, CIP	182	
Total Uses	14,579	
Remaining Capital Reserves	1,469	Capital Account Balance at 3/31/2026
Due to operating capital from BAN or Bond	1,835	
Total Capital Reserves	3,304	Balance with Irrigation Project repayment

MTD & YTD STATEMENT OF CASH FLOWS, 6 MONTHS THROUGH 3/31/26		
	March	
	MTD	YTD
Cash Flows From Operating Activities:		
Cash Receipts From Members & Guests	\$ 1,024	\$ 10,110
Cash Payments To Vendors & Suppliers	(429)	(3,494)
Cash Payments To PBM Staff Serving UPCC & UPRD	(669)	(3,832)
Net Cash Provided (Used) By Operating Activities	(73)	2,784
Cash Flows From Capital, Financing, And Other Non-Operating Activities:		
Initiation Fees	\$ 74	\$ 761
Capital Dues	12	381
Purchase Of Equipment & Capital Projects	(15)	(370)
Transfer to General Fund	(62)	(237)
Interest From Investments	1	3
Net Cash Provided (Used) By Capital And Other Non-Operating Activities	11	537
Net Increase (Decrease) In Cash	(62)	3,320
Cash At Beginning Of Period	5,760	2,378
Cash At End Of Period	\$ 5,698	\$ 5,698

**University Park Recreation District
FY2026 General Fund Actual & Budget**

	Actual Through 03/31/2026	Anticipated Apr. - Sept.	Anticipated FY 2026 Total	FY 2026 Adopted Budget
<u>Revenues</u>				
PrYr Surplus	-	-	-	9,088
Inter-Fund Transfers - Debt Service to O&M	5,486	70,000	75,486	70,000
Inter-Fund Transfers - Country Club to O&M	237,412	10,196	247,608	220,912
	\$242,898	\$80,196	\$323,094	\$300,000
 <u>General & Administrative Expenses</u>				
Assessment Administration	10,000	-	10,000	10,000
Audit	29,125	5,000	34,125	35,000
Bank Fees	120	200	320	500
Bond Administration Fee	6,687	-	6,687	7,500
Contingency	360	360	720	15,000
Dissemination Agent	5,000	-	5,000	5,000
District Counsel	84,358	65,364	149,722	110,000
Dues, Licenses, and Fees	175	-	175	2,500
Election Costs	10,621	-	10,621	10,000
Insurance	21,569	-	21,569	17,500
Legal Advertising	5,527	1,800	7,327	5,000
Management	35,000	35,000	70,000	70,000
Meeting Set Up	-	-	-	5,000
Office Supplies	-	600	600	1,000
Postage & Shipping	128	100	228	1,000
Professional Services, Other	-	-	-	-
Travel and Per Diem	-	-	-	-
Web Site Maintenance	3,000	3,000	6,000	5,000
Total General & Administrative Expenses	\$211,670	\$111,424	\$323,094	\$300,000

UNIVERSITY PARK COUNTRY CLUB
KEY PERFORMANCE INDICATORS
FY 2025 Q2 FY 2026

	Operating and Strategic Insights	FY 2025	1st & 2nd Qtr 2026 Actual	1st & 2nd Qtr 2026 Budget	CB Median	Comments
	Net Worth over Time (CAGR)	1.6%			4.1%	See supplemental workbook for additional detail.
	Net Operating Margin (before golf allocation)	2.5%	14.1%	9.7%	0.7%	(Net Operating Result / Revenue) Driven by outside golf and lower payroll ratio compared to other clubs, and the requirement to fund district expenses (General Fund) with operations. Revenue adjusted for capital leases.
	Total Labor as a % of Operating Revenue	55.4%	49.8%	52.1%	57.0%	Labor includes outside cleaning company and 1099 Racquets and Fitness Instructors
	Net F&B Income/(Loss) as of % of F&B Revenue	-33.8%	-16.7%	-23.3%	-33.0%	(F&B Subsidy/F&B Revenue) KPI performed favorably in Q1, primarily due to strong in-season revenue and favorable expense timing.
*Club Benchmarking - Median data from 74 Clubs, South Region, 10-15M Revenue, 18-27 Holes						

University Park Recreation District
 Summary Operating Data
 As of March 31, 2026

Rounds of Golf (as of March 31, 2026):

	March			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
Member Rounds	5,129	5,326	(197)	25,123	27,214	(2,091)
Outside Rounds	3,858	3,412	446	17,860	16,436	1,424
	8,987	8,738	249	42,983	43,650	(667)

Rounds of Golf (as of March 31, 2025):

	March			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
Member Rounds	5,067	5,739	(672)	23,906	27,311	(3,405)
Outside Rounds	3,596	3,346	250	14,863	17,282	(2,419)
	8,663	9,085	(422)	38,769	44,593	(5,824)

Overall revenue is \$161k favorable to budget, driven primarily by Golf operations. Golf revenue is \$196k favorable to budget (net of capital allocation), with higher outside rounds producing an \$171k favorable variance in greens fees. Merchandise sales also surpassed budget, contributing an additional \$43k favorable variance.

Golf course maintenance expenses continue to remain over budget due to various projects that were scheduled for later in the year but were completed earlier. We anticipate this trend will continue over the next couple of months, with expenses realigning to budget by the end of summer.

University Park Recreation District
Summary Operating Data
As of March 31, 2026

Membership

	<u>CYTD Change</u>	<u>Beg. Mar.</u>	<u>Additions</u>	<u>Resignations</u>	<u>Conversions</u>	<u>Total</u>
Golf						
Family - Resident	1	178	1	(1)	1	179
Family - Non Resident	2	78	-	(1)	-	77
Single - Resident	8	129	1	-	1	131
Single - Non Resident	-	71	-	-	-	71
	11	456	2	(2)	2	458
Racquets & Fitness						
Family - Resident	2	29	1	-	-	30
Family - Non Resident	-	14	1	-	-	15
Single - Resident	1	38	-	-	-	38
Single - Non Resident	(1)	22	1	-	1	24
	2	103	3	-	1	107
Social						
Family - Resident	(4)	456	1	(1)	(2)	454
Family - Non Resident	2	54	-	-	-	54
Single - Resident	(2)	209	-	(3)	-	206
Single - Non Resident	(5)	55	-	(1)	(1)	53
	(9)	774	1	(5)	(3)	767
Total Memberships	4	1,333	6	(7)	-	1,332
Passes						
	<u>CYTD Change</u>	<u>Beg. Mar.</u>	<u>Net Change</u>	<u>Total</u>		
Fitness	(6)	146	(7)	139		
Range	3	57	1	58		
Pickleball	2	49	3	52		
Twilight Tennis	(1)	19	(1)	18		
SAP	6	133	3	136		
	4	404	(1)	403		

*137 grandfathered non-members (-4 to prior month), 184 grandfathered members (Same as prior month)

**294 non-resident memberships (Same as prior month)

Audit Report Draft

UNIVERSITY PARK RECREATION DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

DRAFT

UNIVERSITY PARK RECREATION DISTRICT

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SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
University Park, Florida 34201

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of UNIVERSITY PARK RECREATION DISTRICT ("the District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of UNIVERSITY PARK RECREATION DISTRICT as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the UNIVERSITY PARK RECREATION DISTRICT, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the UNIVERSITY PARK RECREATION DISTRICT's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UNIVERSITY PARK RECREATION DISTRICT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the UNIVERSITY PARK RECREATION DISTRICT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and General Fund budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

Required Supplementary Information (Continued)

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The Debt Service 2019 Fund budgetary comparison information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Debt Service 2019 Fund budgetary comparison information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the UNIVERSITY PARK RECREATION DISTRICT's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the UNIVERSITY PARK RECREATION DISTRICT'S internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the UNIVERSITY PARK RECREATION DISTRICT's internal control over financial reporting and compliance.

PHILLIPS FELDMAN GROUP, P.A.
Certified Public Accountants
Naples, Florida
March 27, 2026

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

University Park Recreation District (the "District") Administration offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended September 30, 2025, and September 30, 2024. Please read it in conjunction with the accompanying financial statements.

	September 30,		Increase/ Decrease
	2025	2024	
Total net position	\$ 24,076	\$ 24,115	\$ (39)
Unrestricted net position available for future use	\$ (3,904)	\$ (1,106)	\$ (2,798)
Governmental net position	\$ (2,542)	\$ 85	\$ (2,627)
Total revenues from all sources	\$ 14,459	\$ 14,216	\$ 243
Governmental revenues	\$ 1,394	\$ 1,392	\$ 2
Total cost of District programs	\$ 924	\$ 904	\$ 20
Governmental change in net position	\$ (2,627)	\$ (1,536)	\$ (1,091)
General fund revenues (under) over expenditures	\$ (20)	\$ (11)	\$ (9)
General fund unassigned fund balance	\$ (1)	\$ 19	\$ (20)
As a percentage of general fund expenditures	-0.33%	6.15%	-6.48%
Country Club operating income (loss)	\$ (1,146)	\$ (881)	\$ (265)
Country Club change in net position	\$ 2,587	\$ 1,745	\$ 842
Change in total long-term debt for the District	\$ 3,573	\$ 874	\$ 2,699

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: 1. Government-wide financial statements that include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole. 2. Fund financial statements tell how these services were financed, as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. 3. Notes to the basic financial statements expand upon information reported in the government-wide and funds financial statements.

REPORTING ON THE DISTRICT AS A WHOLE

Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the District's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the District's revenues and expenses are considered, regardless of when cash is received or paid.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

These two statements report the District's net position and changes therein. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is one way to measure the District's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating.

The Statement of Net Position and the Statement of Activities present information about the following:

- **Governmental activities** - All of the District's basic services are considered to be governmental activities, including general government and recreation. Assessments and fees finance most of these activities.
- **Proprietary activities/Business-type activities** - The District charges fees to its members and non-members (i.e., public) to cover all or most of the cost of the services provided. The District's Country Club operations (University Park Country Club) are reported in this category.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law. However, management may establish other funds at times, which aid in the management of resources for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other resources. The District's two types of funds – governmental and proprietary - use different accounting approaches as explained below.

- **Governmental funds**

Most of the District's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with balances available for spending remaining at year-end. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The District maintains four individual governmental funds as follows:

1. **General Fund** - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Debt Service 2019 Fund** - The Debt Service 2019 Fund accounts accumulated resources for, and the payment of, general long-term principal, interest and related costs for the 2019 project consisting of the acquisition of the existing 27-hole University Park golf course, clubhouse, restaurant, lounge, fitness center, tennis center, and other facilities and approximately 100 acres of additional land and certain renovations and upgrades to such facilities.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

3. **Acquisition and Construction Fund** - The Acquisition and Construction Fund accounts for the construction and acquisition of capital assets including the acquisition of the University Park golf course, clubhouse, restaurant, lounge, fitness center, tennis center, and other facilities and approximately 100 acres of additional land and certain renovations and upgrades to such facilities, as well as certain defined capital improvements described in the 2019 Bond Series Indenture.
4. **Capital Irrigation Fund** - The Capital Irrigation Fund is a fund used to manage financial resources for the replacement of the Golf Course Irrigation System. This fund accounts for the Bond Anticipation Note (BAN), a short-term financing instrument, that was used to obtain temporary funding. The Series 2024 Bond Anticipation Note, also known as the Series 2024 Note or Series 2024 BAN, offered up to \$5,000,000 in funding with a 2-year maturity. In September 2025, the Board of Supervisors approved a resolution extending the maturity date of the note by one additional year.

The basic governmental fund financial statements can be found on pages 16 through 20 of the report.

The District maintains one proprietary fund for its business-type activities:

- **Proprietary Fund** - The District's Proprietary Fund is the Country Club Fund, which accounts for charges to members and non-members (i.e., public) for the services it provides and for expenses incurred to provide services. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time the net position may serve as a useful indicator of a government's financial position. In the case of the District, the net position was \$24,076,010 and \$24,115,454 at September 30, 2025, and September 30, 2024, respectively.

A significant portion of the District's net position reflects its investment in capital assets (e.g., land, golf course and related improvements, buildings, machinery and equipment and tennis courts), less any related debt outstanding, which was used to acquire those assets. The District uses these capital assets to provide services to property owners of the District, as well as to members and non-members; consequently, these assets are not available for future spending.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

NET POSITION AT SEPTEMBER 30, 2025, and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Cash and other assets	\$ 12,449	\$ 32,335	\$ 1,607,811	\$ 979,835	\$ 1,620,260	\$ 1,012,170
Receivables	21,296,602	21,863,679	364,524	392,581	21,661,126	22,256,260
Due from another fund	-	-	-	-	-	-
Inventories	-	-	315,054	287,664	315,054	287,664
Prepaid expenses	278,139	289,599	293,061	175,469	571,200	465,068
Other assets	-	-	4,315	11,899	4,315	11,899
Restricted cash	1,618,322	1,648,502	769,865	180,112	2,388,187	1,828,614
Right of use leased assets, net	-	-	2,023,205	401,926	2,023,205	401,926
Capital assets, net	-	-	25,875,368	25,040,878	25,875,368	25,040,878
Total assets	23,205,512	23,834,115	31,253,203	27,470,364	54,458,715	51,304,479
Deferred outflows of resources:						
Liabilities:						
Current liabilities:						
Accounts payable	13,507	13,201	362,116	696,340	375,623	709,541
Accrued interest	318,054	301,663	51,542	2,679	369,596	304,342
Capital Leases	-	-	513,610	118,951	513,610	118,951
Accrued payroll and other	-	-	632,624	854,947	632,624	854,947
Deferred dues	-	-	1,579,171	1,467,103	1,579,171	1,467,103
Long-term liabilities					-	-
Capital Leases	-	-	1,495,838	299,407	1,495,838	299,407
2019 Bond	21,356,969	21,929,734	-	-	21,356,969	21,929,734
Bond anticipation note	4,059,274	1,505,000	-	-	4,059,274	1,505,000
Total liabilities	25,747,804	23,749,598	4,634,901	3,439,427	30,382,705	27,189,025
Net position:						
Net investment in capital assets	-	-	25,875,368	25,040,878	25,875,368	25,040,878
Restricted	1,334,837	1,277,105	769,865	180,112	2,104,702	1,457,217
Unrestricted	(3,877,129)	(1,192,588)	(26,931)	(1,190,053)	(3,904,060)	(2,382,641)
Total net position	\$ (2,542,292)	\$ 84,517	\$ 26,618,302	\$ 24,030,937	\$ 24,076,010	\$ 24,115,454

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Changes in net position show revenue and expenses for governmental and business-type activities of the District, along with transfers between District funds.

Changes In Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES:						
Non-ad valorem assessments	\$ 1,390,723	\$ 1,392,260	\$ -	\$ -	\$ 1,390,723	\$ 1,392,260
Charges for services	-	-	13,035,242	12,784,369	13,035,242	12,784,369
Other revenues and interest	3,726	97	29,399	39,638	33,125	39,735
Total Revenues	1,394,449	1,392,357	13,064,641	12,824,007	14,459,090	14,216,364
EXPENSES:						
Current:						
General government	353,994	351,599	-	-	353,994	351,599
Debt service:						
Principal	570,000	555,000	-	-	570,000	540,000
Interest	696,588	710,463	-	-	696,588	710,463
Capital Fund:						
Interest and debt issuance	223,942	106,800	-	-	106,800	-
Country Club:						
Operating Expenses	-	-	12,164,500	12,090,173	12,164,500	12,090,173
Interest Expense	-	-	110,882	31,841	31,841	46,951
Amortization Expense	-	-	581,189	476,183	581,189	476,183
Depreciation Expense	-	-	1,464,544	1,138,873	1,464,544	1,138,873
Total Expenses	1,844,524	1,723,862	14,321,115	13,737,070	15,969,456	15,460,932
Excess (deficiency) of revenues over (under) expenses	(450,075)	(331,505)	(1,256,474)	(913,063)	(1,706,549)	(1,244,568)
Contributions, transfers and other						
Capital transfers in (out)	(2,352,500)	(1,404,000)	2,352,500	1,404,000	-	-
Transfers in (out)	175,766	200,000	(175,766)	(200,000)	-	-
Other income/expenses (net)	-	-	1,667,105	1,453,766	1,667,105	1,453,766
Total Contributions, Transfers and other	(2,176,734)	(1,204,000)	3,843,839	2,657,766	1,667,105	1,453,766
Net change in net positions	(2,626,809)	(1,535,505)	2,587,365	1,744,703	(39,444)	209,198
Net position-beginning of year	84,517	1,620,022	24,030,937	22,286,234	24,115,454	23,906,256
Net position-end of year	\$ (2,542,292)	\$ 84,517	\$ 26,618,302	\$ 24,030,937	\$ 24,076,010	\$ 24,115,454

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in Net Position (Continued)

Note - the District acquired the University Park County Club on November 22, 2019, using proceeds from the issuance of its non-ad valorem assessment bonds series 2019.

The District's governmental activities programs include general government and debt service. Each program's net cost (total cost, less revenues generated by the activities) is presented above. The net cost shows the extent to which the District's general taxes support each of the District's programs.

Business-Type Activities

For the fiscal year ended September 30, 2025, the Country Club's total revenues for Business-type activities totaled \$13,064,641, and total expenses were \$12,275,377. Excluding depreciation and amortization of \$2,045,733, the Club generated an excess of revenues over expenses of \$789,264, reflecting the Country Club's ability to meet its operating obligations and demonstrating a financially sound and profitable operation. After incorporating depreciation and amortization, the net result for the fiscal year was an excess of expenses over revenues of \$1,256,469. In addition, investments in capital assets of \$2,352,500 were paid through transfers from the Capital Irrigation Fund in the same amount. During the year, \$175,766 was transferred from the Propriety Fund to the General Fund to pay a portion of Governmental expenditures. The net position of the Proprietary Fund (Country Club) at September 30, 2025, was \$26,618,302.

For the fiscal year ended September 30, 2024, the Country Club's total revenues for Business-type activities totaled \$12,824,007, and total expenses were \$12,122,014. Excluding depreciation and amortization of \$1,615,056, the Club generated an excess of revenues over expenses of \$701,993, reflecting the Country Club's ability to meet its operating obligations and demonstrating a financially sound and profitable operation. After incorporating depreciation and amortization, the net result for the fiscal year was an excess of expenses over revenues of \$913,063. In addition, investments in capital assets of \$1,404,000 were paid through transfers from the Capital Irrigation Fund in the same amount. During the year, \$200,000 was transferred from the Propriety Fund to the General Fund to pay a portion of Governmental expenditures. The net position of the Proprietary Fund (Country Club) at September 30, 2024, was \$24,030,937.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The objective of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted (unassigned/assigned) fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At September 30, 2025, the combined fund balance for all Governmental Funds was \$1,902,005, a decrease from the September 30, 2024 fund balance of \$1,960,908 less than 1% of the combined ending fund balance \$1,902,005 constitutes unrestricted (unassigned/assigned) fund balance, which reflects a deficit of (\$1,059) at year-end. This temporary deficit in the General Fund is not unusual for the District and is attributable to the timing of accounts payable invoices at fiscal year-end, as the District's practice is to transfer funds only as needed rather than maintaining excess liquid balances. The remainder of fund balance \$1,903,063 is restricted (non-spendable/restricted) to indicate that it is not available for new spending because it has already been committed for debt service, acquisition, and construction.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds (Continued)

At September 30, 2024, the combined fund balance for all Governmental Funds was \$1,960,908, a decrease from the September 30, 2023 fund balance of \$1,994,565. Less than 1% of the combined ending fund balance \$1,960,908 constitutes unrestricted (unassigned/assigned) fund balance totaling \$19,128, which is available for spending at the District's discretion. The remainder of fund balance \$1,941,780 is restricted (non-spendable/restricted) to indicate that it is not available for new spending because it has already been committed for debt service, acquisition, and construction.

General Fund

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the total fund balance of the General Fund was unassigned, this amount was (\$1,059). As a measure of the General Fund's liquidity, it is helpful to compare the total fund balance which is -.33% of total general fund expenditures of \$322,108.

The General Fund unassigned fund balance of (\$1,059) represents a decrease of \$20,186 from the 2024 unassigned General Fund balance of \$19,128.

At the end of September 30, 2024, the total fund balance of the General Fund was unassigned, this amount was \$19,128. As a measure of the General Fund's liquidity, it is helpful to compare the total fund balance which is 6.15% of total general fund expenditures of \$311,060.

General Fund Budgetary Highlights

There was a formal General Fund budget amendment executed during the year to reclass certain appropriations among its total appropriated expenditures. The General Fund's 2025 total appropriations adopted was \$322,107.

General Fund Budget Analysis

As shown on page 40 of this report, in the Schedule of Revenues and Expenditures Budget and Actual - General Fund, there was no expenditure variance.

Debt Service 2019 Fund and Capital Acquisition and Construction Fund and Capital Irrigation Fund

The District formally adopted a budget for its Debt Service 2019 Fund but had no adopted budget for its Acquisition and Construction Fund since those funds were created initially upon the issuance of the District's Non-Ad Valorem Assessments Bonds Series 2019 and had no adopted budget for its newly formed Capital Irrigation Fund associated with the District's BAN issuance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets of the District are those assets that are used in the performance of the District's functions. Capital assets include land, golf course and related improvements, buildings, machinery and equipment, and tennis courts. There are no Governmental Activities capital assets at September 30, 2025, and September 30, 2024, respectively.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS (INCLUDING LEASES) AT SEPTEMBER 30, 2025 AND SEPTEMBER 30, 2024

	<u>Business-Type Activities</u>	
	<u>2025</u>	<u>2024</u>
Land	8,525,000	8,525,000
Land Improvements	135,876	135,876
Construction in progress	1,216,177	5,002,618
Golf course and improvements	12,239,070	6,332,840
Buildings	3,326,671	3,225,054
Dining Renovations	3,391,611	3,391,611
Machinery and equipment	1,730,730	1,658,058
Tennis/Pickleball courts	1,044,221	1,044,221
Leased assets	2,486,052	1,011,134
Total assets	34,095,408	30,326,412
Less accumulated depreciation	(5,733,988)	(4,274,400)
Less accumulated amortization	(462,847)	(609,208)
Net capital assets	27,898,573	25,442,804

On November 22, 2019, the District acquired, for \$16,750,000, through designated bond proceeds, certain recreation facilities consisting of a 27-hole golf course and practice facilities, a pro shop, a clubhouse with dining facilities and a kitchen, administrative and community facilities, tennis courts, a croquet court, a fitness center, a golf cart storage and other facilities with parcels of land within the University Park Country Club community. These capital assets are included as transfers from the Capital Acquisition and Construction Fund, net of other capital asset activity during the periods. The Proprietary Fund recorded amortization and depreciation of \$2,045,733 for the year ended September 30, 2025, and \$1,615,056 for the year ended September 30, 2024.

The District's investment in capital assets for its business-type activities as of September 30, 2025, and September 30, 2024, was \$25,875,368 and \$25,040,878, respectively (net of accumulated depreciation). The District had no investment in capital assets for its governmental activities in either fiscal year 2025 or 2024.

On October 1, 2021, the District adopted the lease accounting standard GASB 87, which replaced the previous lease accounting method. GASB 87 is based on the principle that leases are financings of the right to use an asset and requires lessees to recognize an intangible right-of-use asset. These intangible right-of-use assets (Capital Leases) totaled \$2,486,052 with accumulated amortization of \$462,847 as of September 30, 2025, and totaled \$1,011,134 with accumulated amortization of \$609,208 as of September 30, 2024.

Debt

Currently, the District uses debt financing on an as-needed basis each year. At September 30, 2025, the District had total long-term debt of \$27,425,691 consisting of \$25,416,242 (including unamortized bond premium of \$66,969 and Bond Anticipation Note of \$4,059,274) in governmental activities and \$2,009,448 (Capital leases) in business-type activities. None of the District's long-term debt comprises debt backed by the full faith and credit of the County and Federal government.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

OUTSTANDING DEBT AT SEPTEMBER 30, 2025 and SEPTEMBER 30, 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Series 2019 Bonds	\$ 21,290,000	\$ 21,860,000	\$ -	\$ -	\$ 21,290,000	\$ 21,860,000
Capital leases	-	-	2,009,448	418,358	2,009,448	418,358
Loan payable	-	-	-	-	-	-
Bond Anticipation Note	4,059,274	1,505,000	-	-	4,059,274	-
Equipment loans	-	-	-	-	-	-
Plus: Bond premium, net	66,969	69,734	-	-	66,969	69,734
Total	\$ 25,416,242	\$ 23,434,734	\$ 2,009,448	\$ 418,358	\$ 27,425,691	\$ 22,348,092

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

FY2026 Budget

The District's Board of Supervisors adopted the preliminary FY2026 Budget for the Enterprise Fund (Country Club), General Fund, and Debt Service Fund on September 2, 2025. The FY2026 Budget reflects stabilized operations, disciplined expense management, and continued investment in infrastructure and service delivery.

Revenue projections were developed using historical performance trends, current membership levels, and anticipated seasonal activity. Expenditure assumptions incorporate known inflationary pressures in labor, insurance, utilities, and food and beverage costs. The District continues to apply conservative forecasting methods to preserve financial flexibility while maintaining service standards.

The FY2026 Budget supports operational stability, capital maintenance, and long-term asset preservation while remaining adaptable to economic variability and pending legal developments related to bond financing.

Results of Operations - Proprietary Fund, Enterprise - Country Club Fund

Club operations in fiscal year 2025 were affected by hurricane cleanup and repair activity. Cleanup and repair costs totaled \$431,297 and were offset by \$448,675 in FEMA and insurance proceeds, including business interruption coverage. Net recovery proceeds exceeded direct cleanup costs; however, operational disruptions and associated indirect impacts affected performance during the fiscal year.

Golf Operations experienced a decline in total rounds played compared to the prior fiscal year, primarily due to colder in-season weather. Reduced play levels contributed to lower dining sales during peak seasonal months. Despite these factors, overall operating revenue increased 1.8% compared to the prior year, reflecting pricing adjustments, membership stabilization, and continued demand for club services.

Total operating expenses exceeded operating revenues, resulting in an operating loss for the fiscal year. The primary drivers of this variance were hurricane-related expenditures and depreciation expense associated with completed capital improvements. Non-operating revenues, including FEMA and insurance recoveries, contributed positively to overall results, resulting in a net increase in position when considering total activities.

The District continues to maintain appropriate liquidity levels and operational reserves to support ongoing activities and capital maintenance needs.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Golf Course Renovations

The renovation of Holes 19-27 was completed in October 2025. The project focused on maintaining and enhancing course safety, playability, and long-term sustainability. Improvements included tee expansions, fairway and bunker renovations, and replacement of bridges and cart paths.

The next planned phase is the renovation of Holes 1-9, anticipated to commence in the summer of 2026. This phase is expected to include improvements to certain tees, bulkheads, bunkers, bridges, and cart paths. These capital investments are intended to extend asset life, reduce long-term maintenance risk, and enhance overall course conditions.

Master Plan, Golf Course Irrigation, Kitchen Renovations, Fitness Center, Staff Workspace

The planned issuance of the Series 2024 Bond was approved by the Board of Supervisors and received support from approximately 62% of voters in referendum. The bond issuance was appealed and remains subject to a pending court decision by the Supreme Court of Florida.

The irrigation system replacement was completed in fiscal year 2025 and represented a significant milestone within the District's Master Plan. The modernization of the irrigation system reduces long-term water management risk and improves operational efficiency.

Remaining Master Plan projects, including kitchen renovation and expansion, fitness center renovation and expansion, and staff workspace improvements, are currently on hold pending the court's ruling on the bond matter. The Board of Supervisors and management continue to monitor developments, coordinate with legal counsel, and evaluate interim capital strategies where feasible.

Economic Factors

The District continues to operate in an economic environment characterized by:

- Elevated property and casualty insurance premiums
- Ongoing labor market competition and wage pressures
- Inflationary impacts on food, beverage, and maintenance supplies
- Weather-related variability affecting seasonal golf activity

Management actively monitors these factors and incorporates them into budget development, pricing strategy, and operational planning.

Additionally, the court's decision regarding the Series 2024 Bond may influence the timing and sequencing of future capital improvements. The District remains positioned to adjust capital planning strategies based on the outcome of that ruling and prevailing economic conditions.

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Formation of New Committees

Finance Committee

The District's Board of Supervisors adopted Resolution 2025-13 establishing a Finance Committee to strengthen fiscal oversight, accountability, and long-term financial planning. The Committee monitors financial performance, reviews budget-to-actual results, and provides recommendations to the Board of Supervisors and management regarding financial sustainability and capital planning.

The establishment of this committee enhances transparency, strengthens internal oversight processes, and supports prudent financial management.

Strategic Planning Committee

Through Resolution 2025-14, the District's Board of Supervisors established a Strategic Planning Committee to guide short-term and long-term strategic initiatives. The Committee reviews and updates the District's Strategic Plan and provides recommendations regarding implementation priorities.

These advisory committees reflect the District's continued commitment to governance best practices, structured planning, and responsible financial stewardship.

Memberships

In fiscal year 2024, the Board of Supervisors and management introduced a cap on Full Memberships to manage course capacity and preserve tee time availability. Trial memberships were limited to residents. These measures stabilized the full membership roster and improved predictability in revenue planning while protecting member access to club amenities.

Social Membership classifications were evaluated due to activity and dining capacity constraints. As a result, Non-resident Social Memberships are no longer being offered to prospective members. This change has reduced the total Social Membership counts and improved availability for resident and active members.

A summary of memberships as of December 31, 2025, and 2024 follows:

Category	YE 2025	YE 2024	Difference	% Change
Full	447	445	2	0.4%
Tennis/Racquets	105	108	(3)	-2.8%
Social/Resident	776	786	(10)	-1.3%
Total	1,328	1,339	(11)	-0.8%

UNIVERSITY PARK RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Memberships (Continued)

Active Activity Passes as of December 31, 2025:

Annual Fitness Passes: 145

Social Access Passes: 130

Twilight Tennis Passes: 19

Pickleball Passes: 50

As of December 31, 2025, approximately 2,400 individuals are members of the Club.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, guests, club members, and creditors with a general overview of the District's finances and to show the District's accountability for the resources it receives and consumes. If you have questions about this report or need additional financial information, please contact the General Manager at (941) 355-3888.

John Fetsick, General Manager
University Park, FL

DRAFT

PART I. FINANCIAL SECTION

UNIVERSITY PARK RECREATION DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business Activities	TOTAL
ASSETS			
Cash and cash equivalents	\$ 12,449	\$ 1,607,811	\$ 1,620,260
Receivables	21,296,602	364,524	21,661,126
Inventories	-	315,054	315,054
Prepaid expenses	278,139	293,061	571,200
Other assets	-	4,315	4,315
Restricted assets:			
Cash, restricted for debt and/or capital investments	1,618,322	769,865	2,388,187
Right of use leased assets, net of amortization	-	2,023,205	2,023,205
Capital assets, net:			-
Non-depreciable assets	-	9,741,177	9,741,177
Depreciable assets (net of depreciation)	-	16,134,191	16,134,191
Total capital assets, net	-	25,875,368	25,875,368
Total assets	<u>\$ 23,205,512</u>	<u>\$ 31,253,203</u>	<u>\$ 54,458,715</u>
LIABILITIES			
Accounts payable	\$ 13,507	\$ 362,116	\$ 375,623
Accrued expenses and other	-	632,624	632,624
Accrued interest payable	318,054	51,542	369,596
Unearned revenue	-	1,579,171	1,579,171
Non-current obligations:			
Portion due within one year	585,000	513,610	1,098,610
Portion due after one year	24,831,243	1,495,838	26,327,081
Total Liabilities	<u>25,747,804</u>	<u>4,634,901</u>	<u>30,382,705</u>
NET POSITION			
Net investment in capital assets	-	25,875,368	25,875,368
Net position-restricted:			
Debt service	1,334,837	-	1,334,837
Capital projects allocation	-	769,865	769,865
Unrestricted:	(3,877,129)	(26,931)	(3,904,060)
Total Net Position	<u>\$ (2,542,292)</u>	<u>\$ 26,618,302</u>	<u>\$ 24,076,010</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY PARK RECREATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL ACTIVITIES
Primary Government					
Governmental activities					
General government	\$ 425,273	\$ 820,723	\$ 395,450	\$ -	\$ 395,450
Interest on long term debt	849,251	-	(849,251)	-	(849,251)
	<u>1,274,524</u>	<u>820,723</u>	<u>(453,801)</u>	<u>-</u>	<u>(453,801)</u>
Business-type activities - Country Club	14,371,129	14,781,760	-	410,631	410,631
Total business-type activities	<u>14,371,129</u>	<u>14,781,760</u>	<u>-</u>	<u>410,631</u>	<u>410,631</u>
Total government	<u>15,645,653</u>	<u>15,602,483</u>	<u>(453,801)</u>	<u>410,631</u>	<u>(43,170)</u>
General Revenues and Transfers:					
Interest income			3,726	-	3,726
Transfers-cash			(2,176,734)	2,176,734	-
Total general revenues and transfers			<u>(2,173,008)</u>	<u>2,176,734</u>	<u>3,726</u>
Change in net position			(2,626,809)	2,587,365	(39,444)
Net position, beginning of year			<u>84,517</u>	<u>24,030,937</u>	<u>24,115,454</u>
Net position, end of year			<u>\$ (2,542,292)</u>	<u>\$ 26,618,302</u>	<u>\$ 24,076,010</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY PARK RECREATION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL	DEBT SERVICE 2019	ACQUISITION AND CONSTRUCTION	CAPITAL IRRIGATION	
ASSETS					
Cash and cash equivalents	\$ 12,449	\$ 1,618,318	\$ 4	\$ -	\$ 1,630,771
Receivables	-	21,296,602	-	-	21,296,602
Prepaid bond insurance	-	-	278,139	-	278,139
Prepaid expenses	-	-	-	-	-
Total Assets	<u>\$ 12,449</u>	<u>\$ 22,914,920</u>	<u>\$ 278,143</u>	<u>\$ -</u>	<u>\$ 23,205,512</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 13,507	\$ -	\$ -	\$ -	\$ 13,507
Total Liabilities	<u>13,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,507</u>
Deferred Inflows of Resources:					
Unavailable revenue-special assessments	-	21,290,000	-	-	21,290,000
Total Liabilities and Deferred Inflows of Resources	<u>13,507</u>	<u>21,290,000</u>	<u>-</u>	<u>-</u>	<u>\$ 21,303,507</u>
Fund Balances:					
Reserved for:					
Non-spendable	-	-	278,139	-	278,139
Restricted	-	1,624,920	4	-	1,624,924
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,058)	-	-	-	(1,058)
Total Fund Balances	<u>(1,058)</u>	<u>1,624,920</u>	<u>278,143</u>	<u>-</u>	<u>1,902,005</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,449</u>	<u>\$ 22,914,920</u>	<u>\$ 278,143</u>	<u>\$ -</u>	<u>\$ 23,205,512</u>

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2025

Total Governmental Fund Balance (Page 18) \$ 1,902,005

Amounts reported for governmental activities in the statement of net position are different because:

The focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (assessments receivable) are offset by deferred inflow in the governmental funds and thus are not included in fund balance:

Adjustment of deferred inflows - unavailable revenue \$ 21,290,000

Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The amount borrowed is received in the governmental funds and increases fund balance. Also, the difference between those amounts are the amortization of bond premium and insurance costs over the life of the debt as well as year-end interest accrual adjustment in the statement of activities. Balance at year-end consist of:

Series 2019 Bonds outstanding	\$ (21,290,000)	
2024 BAN outstanding	(4,059,274)	
Less: unamortized bond premium/other	(66,969)	
Less: accrued interest payable on long-term debt	<u>(318,054)</u>	
		<u>(25,734,297)</u>

Total Net Position (Page 16) \$ (2,542,292)

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL	DEBT SERVICE 2019	ACQUISITION AND CONSTRUCTION	CAPITAL IRRIGATION	
REVENUES					
Non-ad valorem assessments	\$ -	\$ 1,390,723	\$ -	\$ -	\$ 1,390,723
Other revenues and interest	-	3,726	-	-	3,726
Total Revenues	-	1,394,449	-	-	1,394,449
EXPENDITURES					
Current:					
General government	322,108	28,964	-	-	351,072
Debt service:					
Principal	-	570,000	-	-	570,000
Interest	-	696,586	-	130,475	827,061
Debt issuance costs	-	-	-	71,299	71,299
Bond insurance amortization	-	-	11,460	-	11,460
Total Expenditures	322,108	1,295,550	11,460	201,774	1,830,892
(Deficiency) excess of revenues over expenditures	(322,108)	98,899	(11,460)	(201,774)	(436,443)
OTHER FINANCING SOURCES AND USES					
Proceeds from debt issuance	-	-	-	2,554,274	2,554,274
Transfers in (out)	301,922	(126,156)	-	(2,352,500)	(2,176,734)
Total Financing Sources (Uses)	301,922	(126,156)	-	201,774	377,540
Net Change in Fund Balances	(20,186)	(27,257)	(11,460)	-	(58,903)
Fund Balances, Beginning of Year	19,128	1,652,177	289,603	-	1,960,908
Fund Balances, End of Year	\$ (1,058)	\$ 1,624,920	\$ 278,143	\$ -	\$ 1,902,005

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balances - Total Governmental Funds (Page 20) \$ (58,903)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report annual collections of non-ad valorem assessments as revenue, including the portion collected for principal repayment. However, in the statement of activities, the principal repayment portion is eliminated and instead reduces the deferred inflows of resources on the balance sheet. (570,000)

The issuance of long-term debt (e.g. bond anticipation note (BAN)) provides current financial resources to governmental funds, while the repayment of the of the principal of the long-term debt consumes the current resources of governmental funds. This amount denoted is the net effect of these differences in the treatment of long-term debt and related items. (2,554,274)

Interest expense/other in the statement of activities differs from the amount reported in governmental funds for two reasons. The net effect of accrued interest on long-term debt (difference between amount that would have been accrued in the current year accrual), and adjustments arising from bond premium and bond insurance being amortized.

Net effect of accrued interest on long-term debt	(16,391)	
Amortization of bond premium	<u>2,759</u>	
		(13,632)

Repayments of long-term liabilities are reported as expenditures in the governmental fund statement, however, such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. 570,000

Change in Net Position of Governmental Activities (Page 17) \$ (2,626,809)

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2025

	Enterprise (Country Club)
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,607,811
Accounts receivable (net)	364,524
Inventories	315,054
Prepaid expenses	293,061
Other assets	4,315
Restricted assets: cash and cash equivalents	769,865
Total current assets	<u>3,354,630</u>
Non-current assets	
Right of use leased assets, net of amortization	2,023,205
Capital assets, net	<u>25,875,368</u>
Total non-current assets	<u>27,898,573</u>
Total assets	<u>\$ 31,253,203</u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 362,116
Accrued expenses and other	632,624
Accrued interest payable	51,542
Unearned revenue	1,579,171
Lease liabilities	513,610
Total current liabilities	<u>3,139,063</u>
Non-current liabilities	
Lease liabilities	<u>1,495,838</u>
Total non-current liabilities	<u>1,495,838</u>
Total liabilities	<u>4,634,901</u>
NET POSITION	
Net investment in capital assets	25,875,368
Net position-restricted:	
Capital projects allocation	769,865
Unrestricted	<u>(26,931)</u>
Total net position	<u>\$ 26,618,302</u>

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Enterprise (Country Club)
Operating revenue	
Membership dues	\$ 5,988,800
Green/cart fees and other	3,727,168
Dining revenues	3,010,874
Racquets and fitness fees	308,398
Miscellaneous	28,977
Total operating revenues	<u>13,064,217</u>
Operating expenses	
Golf course maintenance	3,094,536
Golf and pro shop operations	1,734,230
Dining operations	4,320,401
Racquets and fitness	627,441
Administrative and general	2,051,972
Insurance	335,919
Depreciation and amortization	2,045,733
Total operating expenses	<u>14,210,232</u>
Operating (loss)	(1,146,015)
Nonoperating revenues (expenses)	
Initiation fees	837,250
Capital dues	380,552
Insurance proceeds	448,675
Interest expense	(110,882)
Nonoperating expenses	(50,015)
Miscellaneous and other	51,066
Total nonoperating revenues (expenses)	<u>1,556,646</u>
Contributions and transfers	
Transfers in from Capital Irrigation Fund	2,352,500
Transfer out to General Fund	(175,766)
Total contributions and transfers	<u>2,176,734</u>
Change in net position	2,587,365
Net position, beginning of year	<u>24,030,937</u>
Net position, ending of year	<u>\$ 26,618,302</u>

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Enterprise (Country Club)
Cash flows from operating activities:	
Receipts from members and customers	\$ 13,204,342
Payments to suppliers for goods or services	(7,211,357)
Payments to contracted employees for services	(5,709,106)
Net cash provided by operating activities	<u>283,879</u>
Cash flows from capital and related financing activities:	
Transfers in from Capital Irrigation Fund	2,352,500
Transfer to general fund	(175,766)
Principal paid on lease obligations and loans	(611,378)
Initiation fees	837,250
Capital dues	380,552
Insurance proceeds/other	449,726
Increase in construction in progress	(1,216,177)
Acquisition of capital assets, net	(1,082,857)
Net cash provided by capital and related financing activities	<u>933,850</u>
Net increase in cash and cash equivalents	1,217,729
Cash and cash equivalents, beginning of year	1,159,947
Cash and cash equivalents, end of year	<u><u>\$ 2,377,676</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating (loss)	<u>\$ (1,146,015)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	2,045,733
Interest expense	(110,882)
Change in assets and liabilities:	
Decrease in accounts receivable	28,057
Increase in inventories	(27,390)
Increase in prepaid expenses	(117,592)
Decrease in other assets	7,584
Decrease in accounts payable	(334,224)
Decrease in accrued payroll and other	(223,979)
Increase in accrued interest payable	50,519
Increase in unearned revenue	112,068
Total adjustments	<u>1,429,894</u>
Net cash provided by operating activities	<u><u>\$ 283,879</u></u>
Supplemental disclosures of cash flow information:	
Capital assets obtained from transfers in from Capital Irrigation Fund	<u>\$ 2,352,500</u>
Non-cash asset financing activity-leases	<u><u>\$ 2,202,468</u></u>

The accompanying notes are an integral part of these financial statements.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The UNIVERSITY PARK RECREATION DISTRICT ("the District") was created on August 3, 2018 pursuant to provisions of Chapters 418 and 189, Florida Statutes, as amended (the "Act"), created by Ordinance No.18-29 enacted by the Board of County Commissioners of Manatee County, Florida and operates within the criteria established. The District was established for the purposes of acquiring and improving recreation facilities benefitting property consisting of 1,226 gross acres of land and 1,201 residential units to be served by the District. The District has undertaken the acquisition, financing, renovation and improvement, in various stages of the recreation facilities known as "University Park County Club" and associated professional fees and incidental costs related thereto for the special benefit of the District lands, pursuant to the Act. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and basic infrastructure for recreational facilities of all kinds, including, but not limited to real property, personal property, roads, parking lots, sidewalks, trails, paths, parks, ponds, lakes, preserves, lighting, landscaping, irrigation, signage, water sewer and parking within boundaries of the UNIVERSITY PARK RECREATION DISTRICT. The District is governed by a five-member Board of Supervisors, who are elected within certain defined terms.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements related to the *Financial Reporting Unit*, which establishes standards for defining and reporting on the financial reporting entity. Under the provisions of those standards, the definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the District organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. The District is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District, or the District has operational responsibility on the organization. Based upon the application of these criteria, there were no entities that met the criteria described above. Therefore, the financial statements include only the operations of the District.

The District's financial statements include both government wide and fund financial statements:

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. *Governmental activities*, which normally are supported by taxes, are reported separately from *business-type activities* of which the District had such activities during 2025. For the most part, the effect of inter-fund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to members, customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds even though such funds are excluded from the government-wide financial statements. All governmental funds of the District are reported as major individual funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-ad valorem assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers all revenues available if they are collected within 60 days after year-end. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The primary revenue sources associated with the current fiscal period that are susceptible to accrual are non-ad valorem assessments and any investment interest. All other revenue items become measurable and available only when cash is received by the District and are recognized as revenue at that time.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service 2019 Fund - This Debt Service 2019 Fund accounts accumulated resources for, and the payment of, general long-term principal, interest and related costs for the 2019 Project consisting of the acquisition of an existing 27-hole University Park championship golf course, clubhouse, restaurant, lounge, fitness center, tennis center, and other facilities and approximately 100 acres of additional land and certain renovations and upgrades to such facilities.

Acquisition and Construction Fund - This Acquisition and Construction Fund accounts for the construction and acquisition of capital assets such as acquisition of University Park club facilities as well as certain defined capital improvements noted in the 2019 Bond Series Indenture.

Capital Irrigation Fund - The Capital Irrigation Fund accounts for the golf course irrigation capital project and related debt funding.

The District reports the following major (and only) proprietary fund:

Enterprise (Country Club) Fund - This Fund accounts for the activities related to the University Park Country Club.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and selling goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise (Country Club) Fund are charges to members and the public for sales and services. Operating expenses for the Enterprise Fund include the cost of sales and amenity services, administrative expenses and depreciation and amortization of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgetary Process

The District's General Fund, Debt Service 2019 Fund and Proprietary Fund budgets and amendments are approved by the Board of Supervisors. There were no formal budgets adopted for the District's Acquisition and Construction and Capital Irrigation Funds during this fiscal year. The District's Debt Service 2019 Fund and Acquisition and Construction Funds are adhering to and following the specific mandates as delineated in the 2019 Bond Series Indenture. The adopted budgets are prepared on a basis consistent with U.S. generally accepted accounting principles except the Proprietary Fund does not budget for depreciation. The adopted budget amounts presented in the accompanying basic financial statements are originally adopted, unless subsequently amended, by the District's Board of Supervisors. Budgetary control is established by the District through the appropriated budget for all applicable Funds.

The annual budgets serve as the legal authorization for expenditures. Expenditure cannot legally exceed the total amounts budgeted. All budget amendments, which change the legally adopted total appropriation, are approved by the Board of Supervisors. Appropriations, if any, lapse at the year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District management team submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain taxpayer comments.
- c) Prior to October 1, the budget is legally adopted via resolution by the District Board.
- d) All budget changes must be approved by the District Board.
- e) All budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

Encumbrances

Encumbrance accounting under which purchase orders and other commitments for expenditures of monies are recorded is not employed by the District and thus no amount has been included in these financial statements for encumbrances.

Due To and From Other Funds

Interfund receivables and payables, if any, arise from interfund transactions and are recorded by funds affected in the period in which transactions are executed. There were no amounts due to and from other funds on September 30, 2025, in the accompanying fund statements.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Total Column on the Statement of Net Position, Statement of Activities, Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

The total columns on the statement of net position, statement of activities, balance sheet - governmental funds and the statement of revenues, expenditures and changes in fund balances - governmental funds is presented only to facilitate financial analysis and also is utilized for reconciliation purposes to the government-wide financial statements. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles, and such data is not comparable to a consolidation.

Cash and Cash Equivalents

Cash consists of petty cash, deposits in checking accounts, money market accounts. Cash equivalents are short-term investment items with a maturity of three months or less when purchased.

Accounts Receivable

Accounts receivable in the Enterprise Fund are stated at the amount management expects to collect from outstanding balances. These accounts represent member charges for goods and/or services provided. It is the District's policy to charge off uncollectible amounts when management determines the receivable will not be collected. There were no accounts receivable written-off during the year and \$3,000 was included as an allowance for any uncollectible accounts at September 30, 2025. The District's collection policy includes sending a collection letter at 30 days past payment due date, sending a second letter outlining consequences for nonpayment at 45 days past payment due date and consideration of suspension of members at 60 days past payment due date for nonpayment. Members will then have 15 days to make payment or their membership may be recalled by Club management. Any past due member balance that includes unpaid dues is subject to the suspension of Club privileges at the 30 days past payment due date. Members who join the Club after January 1 each year will have their dues prorated to the effective date of membership.

Assessments Receivable/Unavailable Revenue

Assessments receivable recorded in the Debt Service 2019 Fund represent the balance of outstanding assessments levied at the time the related debt issuance was authorized. The receivables are collected in annual installments together with assessments for interest and collection costs in amounts sufficient to meet the annual 2019 Bond Series debt service requirements.

The District reports unavailable revenue as a deferred inflow of resources in the fund financial statements in an amount equal to the assessments receivable since this revenue (totaling \$21,290,000 as of September 30, 2025) will be collected in future years. This assessment revenue is not deferred in the government-wide financial statements. Instead, it is recognized as revenue at the time the assessments are levied.

Restricted Assets

Certain resources set aside for the repayment of the District's special assessment bond proceeds are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The "Cash", restricted for principal and interest account is used to segregate resources accumulated for future debt service payments as shown in the 2019 Bond Series Indenture.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments, if any, are reported and are equal or equivalent to fair value. The District follows Florida Statutes Section 218.415 (17) when investments are acquired. For any investments held, the District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation input used to measure the fair values of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. All District funds held with US Bank (Bond Trustee) at September 30, 2025 are in money market accounts. Investments held at year-end by the District were considered cash equivalents due to their maturation date upon purchase.

Inventories

Inventories in the Enterprise (Country Club) Fund are stated at the lower of cost (first-in, first-out method) or net realizable value and consist of food, beverage, and merchandise held for sale in the pro shop. The costs of governmental fund type inventory, if any, are recorded as expenditures when consumed rather than when purchased.

Prepaid Items

Payments made to vendors for services that will be benefit periods beyond September 30, 2025, in the governmental funds are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and showing the expenditure/expense in the year in which the services are consumed. At the fund reporting level, an equal amount of the fund balance is classified as non-spendable, as this amount is not available for general appropriation.

Capital Assets and Depreciation

Capital assets, which include land, golf course and related improvements, buildings, machinery and equipment and tennis courts are reported in the business-type activities columns in the government-wide financial statements (see Note 3). The District had no governmental capital assets at September 30, 2025. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Capital assets are carried at historical cost or estimated fair value at date of purchase. Contributed assets are recorded at acquisition value as of the date received. As the District constructs or acquires capital assets each period, such assets are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life.

The District's golf course and improvements (excluding land), buildings, machinery and equipment and tennis courts are being depreciated using the straight-line method over the following estimated useful lives.

	<u>YEARS</u>
Golf course and improvements	15
Buildings	28
Machinery and equipment	5 - 7
Tennis courts	7

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payables and Accruals

Payable and accrual amounts are recorded as expenses and liabilities when incurred in the government wide financial statements and as expenditures and liabilities in the fund financial statements when expected to be liquidated with available current expendable financial resources.

Compensated Absences

The District's staff are granted compensated absence pay for vacation and sick leave in varying amounts based on length of service and other adopted policies. Compensated absences are accrued when earned in the government-wide and proprietary financial statements.

Unearned Revenue

The District reports unearned revenue on its government-wide and proprietary fund statements of net position. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On both the government-wide statements and proprietary fund statement, unearned revenues represent the corresponding liability for cash advances received, related primarily to club membership dues and fees to fund future expected expenditures. In subsequent periods, when revenue recognition criteria are met the revenue will be recognized and the unearned revenue will be released.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District had no items that qualify for reporting in this category. In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental Debt Service 2019 fund reported unavailable revenues from the balance of outstanding assessments levied by the District to repay outstanding debt. These amounts are deferred and recognized as an inflow of resources in the future periods that the amounts become available.

Long-Term Obligations

2019 Series bond payable is reported as a liability in the government-wide statement of net position. This liability is not reported in the fund financial statements as they are considered to be current liabilities. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds are reported net of the applicable bond premium or discount. Bond issuance costs, other than prepaid insurance, are expensed at issuance. Prepaid insurance associated with the issuance of debt is reported as an asset and amortized over the term of the related debt. Related interest is expensed in the accompanying statement of activities.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as another financing source while discounts on debt issuances are reported as another financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Related principal and interest payments are reported as expenditures in such statement.

Net Position

Net Position in the legally approved government-wide statements is displayed in three categories: (1) investment in capital assets, net (2) restricted or (3) unrestricted. Investment in capital assets, net, consist of capital assets reduced by accumulated depreciation and by any outstanding debt/liabilities. Restricted net position represents the assets restricted by the District's bond covenants net of accrued interest payable, as well as other internal restrictions approved by the Board of Supervisors for specific use. Unrestricted net position consists of the remaining net position that does not meet the definition of either of the other two categories.

Revenue and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing and delivering goods and/or services. It also includes all revenue and expenses not related to financing or investing activities.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses represent revenue and expense items that are not incurred from the normal user activity of the District. This classification primarily includes revenues received from investments, interest received on special assessments, capital assessments, new member and initiation fees, deferred maintenance assessments, and interest expense and fiscal costs.

Fund Balances

The District establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The District's fund balances classifications are: Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restrictions placed upon fund balance. Fund balances can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of various fund balance classifications refer to Note 8.

Net Position Flow Assumption

At times the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amount to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Flow Assumption

At times the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned and unassigned fund balance). In order to calculate the amount to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which resources are considered to be applied.

It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of the unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Risk Management

The District is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; and natural disasters. Insurance coverage for such losses is purchased from third-party carriers. The financial impact of the District's risk management activities are reported in the General and Enterprise (Country Club) funds. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

There was no such type of occurrence during fiscal 2024. No accrual has been provided for claims and incidents not reported to the insurer. Claims made have not exceeded the insurance coverage for the current year.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH (DEPOSITS) AND CASH EQUIVALENTS

Cash (deposits) and cash equivalents held at September 30, 2025, by each governmental major fund consisted of:

	<u>GENERAL</u>	<u>DEBT SERVICE 2019</u>	<u>ACQUISITION AND CONSTRUCTION</u>	<u>CAPITAL IRRIGATION</u>	<u>TOTAL</u>
Demand Deposits	\$ 12,449	\$ 1,618,322	\$ 4	\$ -	\$ 1,630,771

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - CASH (DEPOSITS) AND CASH EQUIVALENTS (Continued)

Deposits

All District depositories are banks designated by the Florida State Treasurer as qualified public depositories. Chapter 280 of the Florida Statutes "Florida Security for Public Deposits Act" provides procedures for public depositories to ensure public monies in banks and saving and loans are collateralized with the Treasurer as agent for the public entities. Chapter 280 defines deposits as demand deposit accounts, time deposit accounts, and certificates of deposit.

Financial institutions qualifying as public depositories shall deposit with the Florida State Treasurer eligible collateral pursuant to the specific requirements provided in Chapter 280. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof, and therefore the District is not exposed to custodial credit risk.

The District participates in a deposit placement agreement in which balances are placed with participating banks in deposit accounts up to the maximum Federal Deposit Insurance Corporation (FDIC) coverage of \$250,000. At times there are balances waiting to be allocated to participating banks, these amounts are subject to a single FDIC maximum of \$250,000. As of September 30, 2025, the District had approximately excess funds of \$1,266,000 deposits in this program which were not covered by FDIC.

Cash Equivalents

The District's investment policy is to follow Florida Statute 218.415(17), the District is authorized to make investments in:

- Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01;
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Florida Statute 280.02; and
- Direct obligations of the U.S. Treasury.
- Other investments authorized by law and/or denoted at Section 218.415 (16) of the Florida Statutes.

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CAPITAL ASSETS, NET

Capital asset activity for the fiscal year ended September 30, 2025, was as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>TRANSFERS (DELETIONS)</u>	<u>ENDING BALANCE</u>
<u>Governmental activities:</u> (None for the year)	\$ -	\$ -	\$ -	\$ -
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 8,525,000	\$ -	\$ -	\$ 8,525,000
Construction in progress	<u>5,002,618</u>	<u>1,216,177</u>	<u>(5,002,618)</u>	<u>1,216,177</u>
Total capital assets, not being depreciated	<u>13,527,618</u>	<u>1,216,177</u>	<u>(5,002,618)</u>	<u>9,741,177</u>
Capital assets, being depreciated:				
Golf course and improvements	6,332,840	5,906,229	-	12,239,069
Land improvements	135,876	-	-	135,876
Buildings	3,225,054	101,618	-	3,326,672
Dining renovations	3,391,611	-	-	3,391,611
Machinery and equipment	1,658,057	77,627	(4,956)	1,730,728
Tennis courts	<u>1,044,221</u>	<u>-</u>	<u>-</u>	<u>1,044,221</u>
Total capital assets being depreciated	<u>15,787,659</u>	<u>6,085,474</u>	<u>(4,956)</u>	<u>21,868,177</u>
Less accumulated depreciation for:				
Golf course and improvements	(1,917,669)	(739,305)	-	(2,656,974)
Land improvements	(34,717)	(19,411)	-	(54,128)
Buildings	(597,638)	(135,775)	-	(733,413)
Dining renovations	(488,751)	(276,510)	-	(765,261)
Machinery and equipment	(903,334)	(164,531)	4,956	(1,062,909)
Tennis courts	<u>(332,290)</u>	<u>(129,012)</u>	<u>1</u>	<u>(461,301)</u>
Total accumulated depreciation	<u>(4,274,399)</u>	<u>(1,464,544)</u>	<u>4,957</u>	<u>(5,733,986)</u>
Total capital assets, being depreciated, net	<u>11,513,260</u>	<u>4,620,930</u>	<u>1</u>	<u>16,134,191</u>
Business-type activities capital assets, net	<u>\$ 25,040,878</u>	<u>\$ 5,837,107</u>	<u>\$ (5,002,617)</u>	<u>\$ 25,875,368</u>

The Enterprise (Country Club) Fund depreciation and amortization expenses for the year ending September 30, 2025, totaled \$1,464,544 and \$581,189 respectively. Of the \$7,301,651 in capital asset additions above, \$2,352,500 were paid with transfers from the Capital Irrigation Fund during the fiscal year.

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES

Long term obligations are comprised of limited obligations bonds (special assessment debt), Series 2019 bond premium loans, Bond Anticipation Note (BAN) Series 2024, office and equipment leases, and equipment loans.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (Continued)

Changes in long-term liability activity for the fiscal year ended September 30, 2025 was as follows:

	<u>BALANCE SEPTEMBER 30, 2024</u>	<u>ADDITIONS</u>	<u>(REDUCTIONS)</u>	<u>BALANCE SEPTEMBER 30, 2025</u>	<u>DUE WITHIN ONE YEAR</u>
<u>Governmental activities:</u>					
Series 2019 Bonds	\$ 21,860,000	\$ -	\$ (570,000)	\$ 21,290,000	\$ 585,000
Plus: bond premium	69,734	-	(2,765)	66,969	-
Series 2024 BAN	1,505,000	2,554,274	-	4,059,274	-
<u>Business-type activities:</u>					
Office/equipment leases	418,358	2,024,880	(433,790)	2,009,448	513,610
	<u>\$ 23,853,092</u>	<u>\$ 4,579,154</u>	<u>\$ (1,006,555)</u>	<u>\$ 27,425,691</u>	<u>\$ 1,098,610</u>

Government Activities

Special Assessment Debt with Governmental Commitment

Special assessment debt with governmental commitment is not backed by the full faith and credit of the District but is payable solely from the secured lien on and pledge of (non-ad valorem assessments) of the properties benefited by the improvements.

Non-Ad Valorem Assessment Bonds, Series 2019

The District adopted Resolution No. 2019-20 on February 8, 2019 and Resolution No. 2020-02 as ratified and reaffirmed on November 4, 2019 (the "Resolution"), and a Master Trust Indenture (the "Indenture", as amended) on November 1, 2019, authorizing the issuance of Non-Ad Valorem Revenue Assessment Bonds, Series 2019, in one or more Series in the aggregate. Total bonds issued of \$24,000,000 were used to finance the cost of acquiring recreation facilities known as the "University Park Country Club", make certain defined improvements to such facilities and to fund the 2019 bond reserve requirements, the 2020 interest payments and various issuance costs including municipal bond insurance. The Bonds are secured by a covenant to budget and appropriate legally available non-ad valorem revenues of the District.

The Series 2019 Bonds is a tax-exempt issuance for \$24,000,000 bearing interest at rates from 2.5% to 3.5%. Interest is paid semiannually on each May 1 and November 1 and principal is paid annually each May 1. Principal payments began May 1, 2021 totaling \$515,000 with increases of \$15,000 in principal each year thereafter. The final principal payment of \$1,225,000 is due on May 1, 2050.

The Series 2019 Bonds are subject to optional redemption prior to their stated date of maturity beginning May 1, 2029. The Series 2019 Bonds maturing on May 1, 2031 are subject to mandatory sinking fund redemption requirements beginning May 1, 2030 and thereafter as defined in the Indenture. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole or in part on any date at the redemption price of 100% of the principal amount plus accrued interest to the redemption date as denoted or defined in the Indenture.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (Continued)

Non-Ad Valorem Assessment Bonds, Series 2019 (Continued)

The Bond Indenture required establishment of certain funds. The District's key major funds established upon issuance were:

- (1) Debt Service 2019 Fund; and
- (2) Acquisition and Construction Fund.

The Indenture requires a reserve requirement for the Series 2019 Bonds at an amount (calculated from time to time) equal to maximum annual debt service on the Series 2019 Bonds outstanding, initially of \$1,270,244. The Series 2019 Bonds reserve requirement was met for fiscal year ended September 30, 2025.

In addition, the District has established in these accompanying financial statements a Proprietary Fund-Enterprise (Country Club) Fund for the University Park Country Club acquisition.

At September 30, 2025, the scheduled future debt service requirements on the District's outstanding Series 2019 Bonds are as follows:

<u>YEAR ENDING SEPTEMBER 30</u>	<u>SERIES 2019 BONDS</u>		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2026	\$ 585,000	\$ 682,338	\$ 1,267,338
2027	600,000	667,713	1,267,713
2028	615,000	652,713	1,267,713
2029	630,000	637,338	1,267,338
2030	645,000	620,800	1,265,800
2031 - 2035	3,535,000	2,801,600	6,336,600
2036 - 2040	4,120,000	2,221,563	6,341,563
2041 - 2045	4,835,000	1,502,050	6,337,050
2046 - 2050	5,725,000	615,124	6,340,124
Total	<u>\$ 21,290,000</u>	<u>\$ 10,401,239</u>	<u>\$ 31,691,239</u>

Bond Anticipation Note ("BAN"), Series 2024

The District adopted Resolution No. 2024-20 on June 27, 2024, authorizing the issuance of Bond Anticipation Note, Series 2024 not to exceed \$5,000,000 with Regions Capital Advantage, Inc. Total BAN proceeds (not to exceed \$5m) will be used to: (1) finance the golf course irrigation improvements; (2) fund interest through and including maturity, and (3) pay the District's related costs of issuance. The BAN is secured by non-ad valorem assessments as delineated in the District's adopted Resolution No. 2024-12 adopted on November 3, 2023. BAN is bearing interest at a variable rate per annum equal to 79% of month SOFR plus eight basis points (0.0080). Interest is paid semiannually on February 12 and August 12 each year. Principal is due upon maturity. BAN matures on August 12, 2026. The BAN outstanding balance at September 30, 2025 was \$4,059,274.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (Continued)

Business Type Activities

Lease Obligations

The District has entered into agreements with certain vendors for use of office equipment, golf course maintenance equipment, and golf carts.

Amortization and interest expenses related to these leases for the year ended September 30, 2025, consisted of the following:

Lease Expense	
Amortization expense by class of underlying asset	
Equipment	\$ 560,655
Copy machines	20,534
Total amortization expense	581,189
Interest on lease liabilities	110,882
Variable lease expense	-
Total Lease Expense	\$ 692,070

The following is a schedule by years of future minimum lease payments as of September 30, 2025:

Maturity Analysis for Years Ending September 30,			
	Principal	Interest	Total Payments
2026	\$ 513,610	\$ 141,948	\$ 655,558
2027	554,214	101,344	655,558
2028	569,259	58,132	627,391
2029	372,365	17,461	389,826
Total Future Payments	<u>\$ 2,009,448</u>	<u>\$ 318,885</u>	<u>\$ 2,328,333</u>

Principal and interest payments are due monthly. As of September 30, 2025, the principal amounts outstanding were \$2,009,448 and the net book value of the equipment was \$2,023,205. Amortization of leased equipment under right-of-use assets is grouped with depreciation expense. The interest or discount rates on the leases range from 6.00% to 13.46%. The lease agreements include a provision that upon the occurrence of any event of default, the lessor may retake possession of the equipment under lease.

Right-of-use assets included on the statement of net position and the related accumulated amortization as of September 30, 2025, were as follows:

Cost	<u>\$ 2,486,052</u>
Accumulated depreciation	<u>\$ 462,847</u>
Right-of-use assets, net	<u>\$ 2,023,205</u>

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - INTERFUND TRANSACTIONS

Transfers of resources from a fund receiving revenue to the fund through which the resources will be expended are recorded as transfers and are reported as other financing sources (uses) in the governmental or proprietary funds. Non-recurring or non-routine transfers of equity between funds are also reported as transfers. These transfers were made in the year from the Capital Irrigation Fund to the Enterprise (Country Club) Fund for specific District funds expended to make certain capital improvements as provided in Resolution No.2024-20, as well as other transfers of excess income from the Debt Service 2019 and Enterprise (Country Club) Fund to the General Fund for operation and management purposes.

Following is a summary of transfers individually by Major Funds and the Enterprise (Country Club) Fund for the year and also between governmental activities and business-type activities in the government-wide statement of activities:

	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
Major Funds:		
Capital Irrigation Fund	\$ -	\$ (2,352,500)
Debt Service 2019 Fund	-	(126,156)
General Fund	301,922	-
Proprietary Fund:		
Enterprise (Country Club) Fund	<u>2,352,500</u>	<u>(175,766)</u>
Total Interfund Transfers	<u>\$ 2,654,422</u>	<u>\$ (2,654,422)</u>

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, if any, are referred to as "due to/from other funds". There were no amounts due from and to other funds on September 30, 2025.

NOTE 6 - RETIREMENT PLAN

The District offers a 401(k) retirement plan through its management company for the benefit of its staff. Each eligible employee is permitted to make a contribution to the plan in amounts as provided by Internal Revenue Service regulations. The current plan does not require matching contributions by the District of the employee's deferral amount. Consequently, there was no contribution expense for the year ended September 30, 2025.

NOTE 7 - MANAGEMENT CONTRACTS

The District has contracted with PFM Group Consulting, LLC, a management company, through September 30, 2025 to perform management advisory services. One employee of the management company serves as Secretary of the District. Under the agreement, the District compensated the management company for administrative, management, and other ancillary costs, in the amount of \$83,748 during the year ending September 30, 2025. Additionally, the District paid \$6,858 to US Bank for bond administration costs.

The District has contracted with Park Boulevard Management, LLC ("PBM"), a management company, through September 30, 2025 to perform the management, operation, organization, administration and maintenance of the University Park Country Club in accordance with the terms of the agreement.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 - MANAGEMENT CONTRACTS (Continued)

Park Boulevard Management, LLC is owned by the University Park Community Association, Inc (“the Association”). PBM is a company active in the management of the Association and the District. PBM acts as an agent on behalf of the Association and the District and provides payroll services to the Association and the District. As an agent in 2025, PBM has no net income as all charges for payroll services are paid out as salary or payroll taxes.

The District entered into a Collection Agreement with PFM Grouping Consulting, LLC to act as collection agent (the “Collection Agent”) to monitor payments of the Series 2019 Non-Ad Valorem Assessments. The Collection Agent is required to maintain a lien book for the assessed properties evidencing the requirement of payment of the Series 2019 Non-Ad Valorem Assessments including any prepayment of the such assessments on subjected properties. The Collection Agent is authorized to release the applicable lien upon receipt of each Series 2019 Non-Ad Valorem Assessment. The Collection Agreement established procedures for the Collection Agent to monitor properties subject to the assessment lien and to assure payment is being delivered to the Trustee. Total Collection Agent fees paid for 2025 were \$10,000.

NOTE 8 - FUND BALANCE DISCLOSURE

In accordance with GASB No. 54, the District classifies governmental fund balances (as applicable) as follows:

- Non-spendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements.
- Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, lenders or amounts constrained due to constitutional provisions or enabling legislation.
- Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through a formal action of the highest level of decision-making authority.
- Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balances may be assigned by the Supervisors to assign amounts for specific purposes.
- Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above classifications. Unassigned fund balance may include negative balances for any governmental fund is expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents and/or contracts that prohibit doing this, such as grant agreements requiring certain dollars spent. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditure is made.

UNIVERSITY PARK RECREATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 8 - FUND BALANCE DISCLOSURE (Continued)

A schedule of the District's government fund balances at September 30, 2025 is as follows:

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL	DEBT SERVICE 2019	ACQUISITION AND CONSTRUCTION	CAPITAL IRRIGATION	
Non-spendable	\$ -	\$ -	\$ 278,139	\$ -	\$ 278,139
Restricted	-	1,624,920	4	-	1,624,924
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,058)	-	-	-	(1,058)
Total	<u>\$ (1,058)</u>	<u>\$ 1,624,920</u>	<u>\$ 278,143</u>	<u>\$ -</u>	<u>\$ 1,902,005</u>

The District's enterprise fund balance has restricted fund balances for various capital allocations of \$769,865.

NOTE 9 - SUBSEQUENT EVENTS

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through March 27, 2026, the date that the financial statements were available to be issued. The following matters were identified as subsequent events:

1. In November 2025, the District paid interest of \$341,169 on the Series 2019 Bonds.

NOTE 10 - LITIGATION AND DISPUTES

The District deals with various legal matters involving District residents and certain government agencies arising in the ordinary course of its governmental activities and services. The District believes that these various legal matters will not adversely affect the overall District's financial position. The outcome of any legal matters is uncertain and thus it is not possible to predict with any degree of certainty the outcome or result of any such litigation nor is it possible to predict with any degree of certainty the impact of any such litigation on the District.

In addition, the District initially took steps to issue a \$21,000,000 bond for improvements to the District in 2024. A certain District resident opposed the proposed improvements and the issuance of the Bonds. Presently, this matter is awaiting a decision by the Supreme Court or an Order requiring Oral Argument. As such bond issuance is in dispute, the District authorized in 2024 the issuance of a Bond Anticipation Note, Series 2024 not to exceed \$5,000,000 with Regions Capital Advantage, Inc. The BAN Series 2024 outstanding balance at September 30, 2025, was \$4,059,274, see Note 4. The District borrowed funds of \$2,554,274 during the year for the golf course irrigation project.

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PART II. REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

UNIVERSITY PARK RECREATION DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

REVENUES	GENERAL FUND			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL AMOUNT	
	ORIGINAL	FINAL		
Prior Year Surplus	\$ 7,734	\$ 20,186	\$ -	\$ (20,186)
Inter-Fund Transfers from Debt Service	70,000	126,156	126,156	-
Inter-Fund Transfers from Country Club	175,766	175,766	175,766	-
Total Revenues	<u>253,500</u>	<u>322,108</u>	<u>301,922</u>	<u>(20,186)</u>
EXPENDITURES				
Current:				
General government	239,500	320,890	320,890	-
Capital outlay	-	-	-	-
Contingency/revenue reserve	14,000	1,218	1,218	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>253,500</u>	<u>322,108</u>	<u>322,108</u>	<u>-</u>
(Deficiency) excess of revenues over expenditures	-	-	(20,186)	(20,186)
OTHER FINANCING SOURCES AND (USES)				
Inter-Fund Transfers from Debt Service	-	-	-	-
Inter-Fund Transfers from Country Club	-	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Net Position	\$ -	\$ -	(20,186)	\$ (20,186)
Net Position, Beginning			19,128	
Net Position, Ending			<u>\$ (1,058)</u>	

The accompanying notes are an integral part of these financial statements.

PART III. SUPPLEMENTARY INFORMATION

UNIVERSITY PARK RECREATION DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - DEBT SERVICE 2019
FOR THE YEAR ENDED SEPTEMBER 30, 2025

REVENUES	DEBT SERVICE 2019			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL AMOUNT	
	ORIGINAL	FINAL		
Non ad valorem assessments	\$ 1,607,755	\$ 1,759,279	\$ 1,390,723	\$ (368,556)
Interest income	-	3,597	3,726	129
Total Revenues	<u>1,607,755</u>	<u>1,762,876</u>	<u>1,394,449</u>	<u>(368,427)</u>
EXPENDITURES				
Current:				
General government	-	28,963	28,964	(1)
Capital outlay	-	-	-	-
Contingency/revenue reserve	-	-	-	-
Debt service:				
Principal retirement	570,000	570,000	570,000	-
Interest	696,588	696,588	696,586	2
Total Expenditures	<u>1,266,588</u>	<u>1,295,551</u>	<u>1,295,550</u>	<u>1</u>
(Deficiency) excess of revenues over expenditures	341,167	467,325	98,899	(368,426)
OTHER FINANCING SOURCES AND (USES)				
Inter-Fund Transfers	-	-	-	-
Inter-Fund Transfers out	-	(126,156)	(126,156)	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>(126,156)</u>	<u>(126,156)</u>	<u>-</u>
Net Change in Net Position	<u>\$ 341,167</u>	<u>\$ 341,169</u>	<u>(27,257)</u>	<u>\$ (368,426)</u>
Net Position, Beginning			<u>1,652,177</u>	
Net Position, Ending			<u>\$ 1,624,920</u>	

The accompanying notes are an integral part of these financial statements.

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PART IV. OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

March 27, 2026

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
University Park, Florida 34201

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business – type activities and each major fund of UNIVERSITY PARK RECREATION DISTRICT, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the UNIVERSITY PARK RECREATION DISTRICT'S basic financial statements, and have issued our report thereon dated March 27, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered UNIVERSITY PARK RECREATION DISTRICT'S internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UNIVERSITY PARK RECREATION DISTRICT'S internal control. Accordingly, we do not express an opinion on the effectiveness of UNIVERSITY PARK RECREATION DISTRICT'S internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
March 27, 2026

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether UNIVERSITY PARK RECREATION DISTRICT'S financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PHILLIPS FELDMAN GROUP, P.A.
Certified Public Accountants
Naples, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

March 27, 2026

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
University Park, Florida 34201

We have examined UNIVERSITY PARK RECREATION DISTRICT's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2025. UNIVERSITY PARK RECREATION DISTRICT's management is responsible for compliance with those requirements. Our responsibility is to express an opinion on UNIVERSITY PARK RECREATION DISTRICT's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether UNIVERSITY PARK RECREATION DISTRICT complied, in all material respects, with those requirements. An examination involves performing procedures to obtain evidence about whether UNIVERSITY PARK RECREATION DISTRICT complied with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on UNIVERSITY PARK RECREATION DISTRICT's compliance with the specified requirements.

We are required to be independent of the District and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our attestation engagement

In our opinion, UNIVERSITY PARK RECREATION DISTRICT complied, in all material respects, with Section 218.415 of the Florida Statutes for the year ended September 30, 2025.

This report is intended solely for the information and use of the UNIVERSITY PARK RECREATION DISTRICT and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

PHILLIPS FELDMAN GROUP, P.A.
Certified Public Accountants
Naples, Florida

MANAGEMENT LETTER
LOCAL GOVERNMENT ENTITIES

March 27, 2026

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
University Park, Florida 34201

Board of Supervisors:

Report on the Financial Statements

We have audited the financial statements of UNIVERSITY PARK RECREATION DISTRICT, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 27, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The District discloses this information in the notes to the financial statements. The District does not have any component units as of September 30, 2025.

Financial Condition and Management

Sections 10.554(1)(i)5.a and 10.556(8), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not UNIVERSITY PARK RECREATION DISTRICT met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that UNIVERSITY PARK RECREATION DISTRICT did not meet any of the conditions described in the Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for UNIVERSITY PARK RECREATION DISTRICT. It is management's responsibility to monitor UNIVERSITY PARK RECREATION DISTRICT's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, UNIVERSITY PARK RECREATION DISTRICT reported:

- a. The total number of District employees compensated in the last pay period of the District's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation were paid in the last month of the District's fiscal year as 55.
- c. All compensation earned by or awarded to contracted employees, whether paid or accrued, regardless of contingency as \$5,917,058.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$823,862.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported: Back 9 Renovation, with associated project cost of \$1,164,233.
- f. A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, as included below: the 2025 budget for the District's Enterprise and General funds were amended, see pages 41-42.

To the Board of Supervisors
UNIVERSITY PARK RECREATION DISTRICT
March 27, 2026

Specific Information (Continued)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the UNIVERSITY PARK RECREATION DISTRICT reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the District as 2.5% to 3.5%.
- b. The total amount of special assessments collected by or on behalf of the District as \$1,394,450.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as \$21,290,000.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

PHILLIPS FELDMAN GROUP, P.A.
Certified Public Accountants
Naples, Florida

Capital Expenditure Approval Process

Capital Expenditure Approval Process

University Park Country Club

A capital expenditure is any purchase or project that: Has a useful life greater than one year, and exceeds the Club's capitalization threshold of \$2,500, and results in the acquisition, improvement, or replacement of a fixed asset.

Roles and Responsibilities

Management

- Review and update capital budget
- Identify capital needs and prepare capital request form(s)
- Provide operation justification for each request
- Obtain quote and attach to form
- Manage approved projects within budget and scope

General Manager

- Review and approve capital expenditures within authorized limits
- Make recommendations to the Board

Finance Committee & Treasurer

- Review of the annual capital plan and proposed capital budget
- Provide recommendations to the Board of Supervisors
- Review Capital Expenditure Requests for alignment with the approved budget
- Evaluate financial impact, including reserve balances and cash flow
- Monitor progress of approved capital projects and receive periodic updates from Management

Controller

- Ensures expenditures are properly recorded and tracked by project
- Evaluate impact on reserves, debt, and operating budgets

Board of Supervisors

- Review and approve capital expenditures
- Ensure alignment with the Club's strategic and master plans
- Approve funding methods (reserves, assessments, financing)

Capital Planning/Budgeting Process

1. The Controller annually updates the Capital Reserve Study and prepares a proposed capital budget. The budget includes all existing capital assets, identifies assets currently due for replacement, and outlines assets scheduled for replacement in the upcoming fiscal year.

2. Department Managers meet with the controller and a member of the Finance Committee to review and revise the asset listings relevant to their areas, including remaining useful life, lifecycle assumptions, and estimated replacement costs. Managers will then categorize each asset as:
 - **Need to Have**
 - **Like to Have**
 - **Deferrable**
3. The Finance Committee and Treasurer will review the capital plan and proposed capital budget on an annual basis and provide recommendations as necessary.
4. The Board of Supervisors approves the annual capital budget as part of the overall Club budgeting process.

Capital Expenditure Request Process

1. Management submits a completed Capital Expenditure Request form that includes the project description, purpose, estimated cost, and supporting vendor quotes.
2. The Controller, Finance Committee and Treasurer review the request to confirm alignment with the approved capital budget and assess the impact on reserve balances and cash flow. If a capital expenditure included in the original approved budget exceeds the authorized amount by more than 20%, additional approval from the Board of Supervisors is required.
3. Management is responsible for project execution and vendor oversight. Projects are expected to be completed within the approved scope, timeline, and budget. Management will provide periodic progress updates to the Finance Committee and the Board.
4. Upon completion, actual project costs are compared to the approved budget and reported to the Board of Supervisors. Capital assets are recorded in the Club's fixed asset register, and reserve schedules are updated as necessary.

Approval authority for unplanned capital expenditures is as follows:

- **Management:** Limited to \$50,000 per project or expenditure and no more than \$100,000 per year.
- **Board of Supervisors:** Approval for expenditures exceeding Management authority

Proposed Operating Budget (Enterprise Fund) FY 2027

UNIVERSITY PARK RECREATION DISTRICT

FY 2027 Budget

October 2026 – September 2027

May 2025 Presentation

Enterprise Fund – Executive Summary

	FY'27 Budget		FY'26 Forecast		FY'26 Budget
Revenue	14,335		13,782		13,702
Expenses	13,854		13,072		13,299
Operating Income	481		710		403
Capital Allocation	1,387		1,384		1,174

Total Revenue Breakdown

- MEMBERSHIP DUES
- GOLF OPERATIONS
- RACQUETS & FITNESS
- DINING INCOME

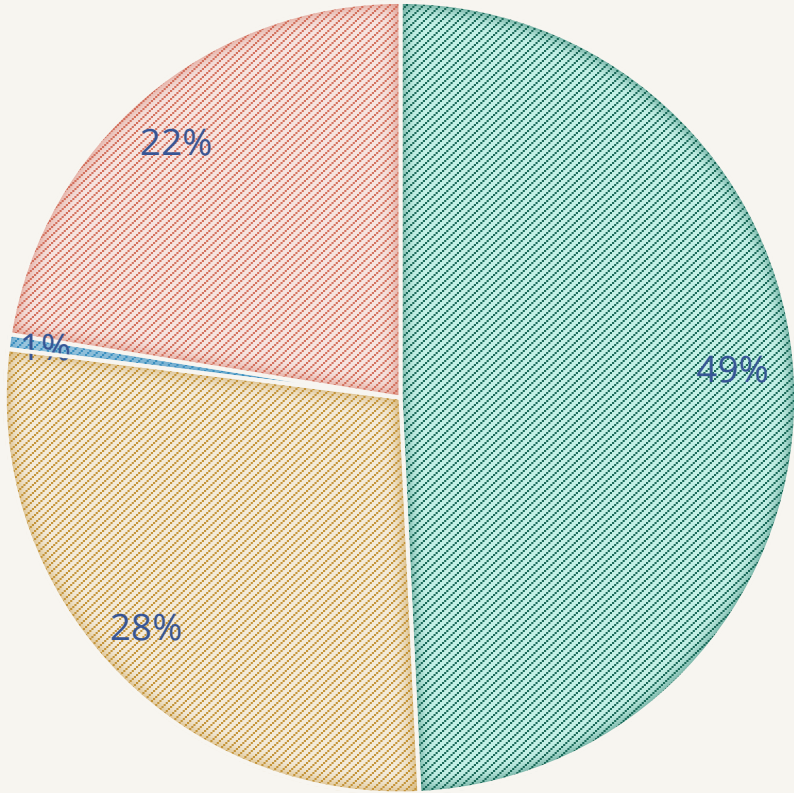
Total Revenue: \$14,335

Membership Dues \$7,056

Golf Operations \$3,972

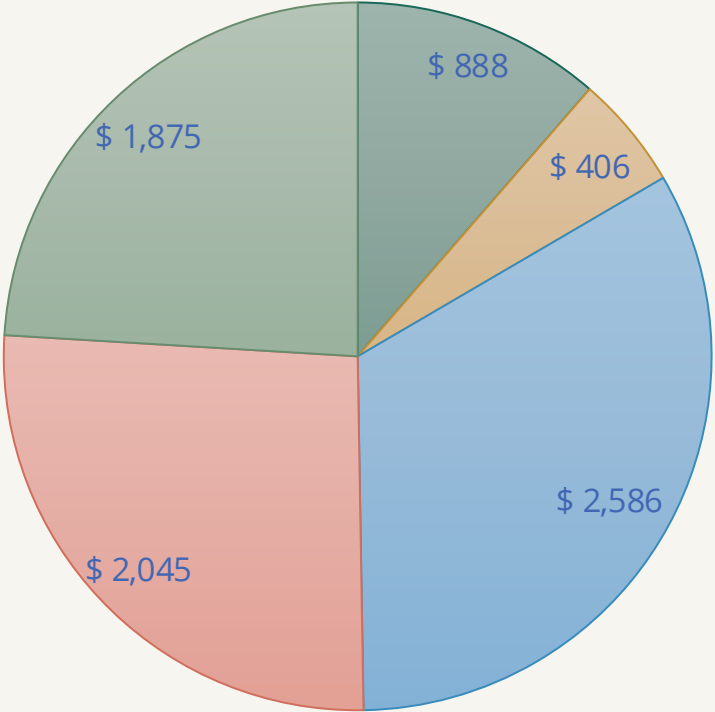
Racquets & Fitness \$86

Dining \$3,215



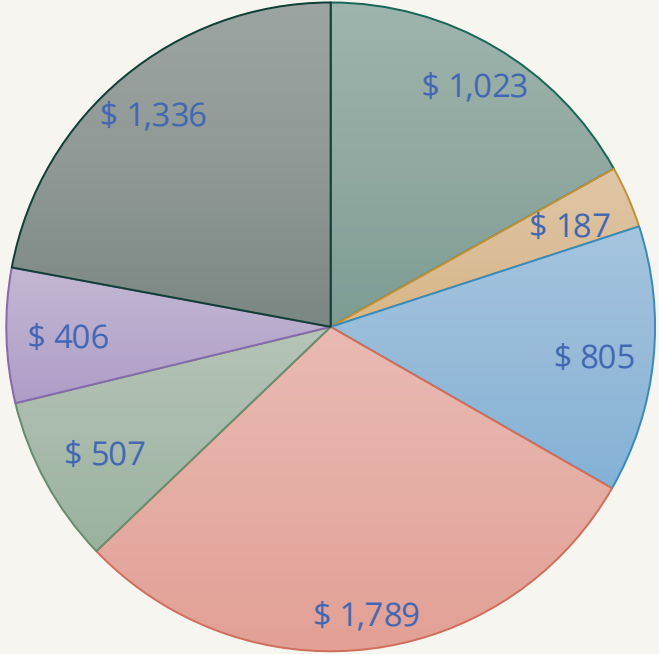
Total Expense Breakdown

Payroll Expense \$7,800



- Golf Operations
- Dining
- General & Administrative
- Racquets & Fitness
- Golf Course Maintenance

Direct Expense \$6,054



- Golf Operations
- Dining Oper Exp
- General & Admin
- Dining CGS
- Racquets & Fitness
- Golf Course Maintenance
- Property Insurance

Key Assumptions – Membership Dues

	Family		Single	
	2027 Budget	2026 Actual	2027 Budget	2026 Actual
Full Memberships	\$ 12,425	\$ 11,715	\$ 9,450	\$ 8,910
Racquets Memberships	\$ 5,355	\$ 5,050	\$ 4,015	\$ 3,785
Social Memberships	\$ 1,650	\$ 1,550	\$ 1,275	\$ 1,200

Annual Dues Increases:

- Full: \$710 / \$540
- Racquets: \$305 / \$230
- Social: \$100 / \$75
- Annual Full Membership capped at 450

Minimal Pass Increases:

- Pickleball Pass \$800 (+\$50)
- Twilight Pass \$800 (+\$50)
- Social Access Pass \$550 (+\$50)
- Social Driving Range Pass \$500 (+\$50)

Initiation Fees, Capital Funding, & Capital Dues

Initiation Fees:

	2026 / 2027 Fees		2025 / 2026 Fees	
	Resident	Non-Resident	Resident	Non-Resident
Full	\$ 25,000	\$ 50,000	\$ 20,000	\$ 30,000
Racquets	4,500	5,500	4,000	5,000
Social/Resident	3,500	N/A	2,500	N/A

- Continued Outside Golf Allocation (10%)
 - Capital Dues – Same percentages as 2023–2026
 - Resident: 5% of Dues
 - Non-Resident: 10% of Dues
 - Capital Dues rates remain flat & competitive locally
-

Key Assumptions – Golf Operations

Golf Rounds

	2027 Budget	2025 Actual	Last 12 Mths
Member Rounds	44,446	41,706	42,859
Outside Rounds	28,281	26,639	29,372
Total	72,727	68,345	72,231

- Continue prioritizing member rounds and experience
- More Full Members – capacity available for members
- 10% Social Member Discount

Trail Fee Increase

	2027 Fees		2026 Fees	
	Resident	Non-Resident	Resident	Non-Resident
Single	\$ 1,950	\$ 2,950	\$ 1,750	\$ 2,650
Family	2,450	3,675	2,200	3,300

Key Assumptions – Dining Operations

- No disruption due to Renovation of Kitchen considered
 - Similar hours of operation to FY2026
 - Revenue reflects modest increase aligned with menu price adjustments
 - Wage expenses increased for minimum wage & cost-of-living adjustments
 - Food costs reduced via improved kitchen efficiency, strategic planning, and optimized menu design
-

Key Assumptions – Labor

- No significant headcount increases or decreases
 - Blended 4-5% increase for salaried employees
 - Hourly Wages:
 - Minimum wage increase
 - Discretionary increases generally around 3–4%
 - Total Payroll reflects 54% of Total Revenue, near industry standard
-

Enterprise Fund – Executive Summary

	FY'27 Budget		FY'26 Forecast		FY'26 Budget
Revenue	14,335		13,782		13,702
Expenses	13,854		13,072		13,299
Operating Income	481		710		403
Capital Allocation	1,387		1,384		1,174

University Park Country Club
2026 Budget

SUMMARY INCOME STATEMENT	2025	2026	2026	Rolling	2027	2027 Budget
FISCAL YEARS ENDING SEPTEMBER 30	Actual	Budget	Forecast	12 Months	Budget	vs. 2026 FC
COUNTRY CLUB OPERATIONS:						
REVENUE:						
MEMBERSHIP DUES	6,131,043	6,724,088	6,690,397	6,331,983	7,055,981	365,584
GOLF OPERATIONS	3,451,413	3,759,858	3,873,761	3,819,508	3,972,489	98,728
RACQUETS & FITNESS CENTRE	58,549	77,324	78,767	63,510	86,217	7,451
DINING INCOME	3,010,876	3,135,420	3,128,216	3,095,363	3,214,730	86,514
OTHER INCOME	13,499	5,480	10,735	11,073	5,480	(5,255)
TOTAL REVENUE	12,665,380	13,702,170	13,781,877	13,321,437	14,334,898	553,021
EXPENSES:						
PAYROLL & RELATED:						
GOLF OPERATIONS	719,677	856,026	815,823	740,303	887,667	71,844
RACQUETS & FITNESS CENTRE	359,929	386,008	381,840	368,553	406,008	24,168
DINING	2,308,561	2,435,666	2,404,993	2,331,002	2,585,690	180,697
GOLF COURSE MAINTENANCE	1,833,506	2,068,992	2,003,005	1,822,931	2,044,986	41,982
GENERAL & ADMINISTRATIVE	1,675,776	1,834,071	1,814,260	1,712,294	1,875,406	61,146
TOT PAYROLL & RELATED	6,897,450	7,580,764	7,419,920	6,975,083	7,799,757	379,837
DIRECT EXPENSES:						
GOLF OPERATIONS	1,016,726	1,018,068	1,026,855	1,063,757	1,023,261	(3,595)
RACQUETS & FITNESS CENTRE	131,816	161,459	162,277	141,345	186,837	24,560
DINING CGS	1,249,831	1,306,757	1,264,088	1,264,138	1,336,151	72,063
DINING OPER EXP	755,303	782,785	741,513	736,277	805,415	63,902
GOLF COURSE MAINTENANCE	1,611,411	1,566,167	1,635,319	1,715,778	1,789,315	153,996
GENERAL & ADMIN	446,790	493,443	451,071	461,094	506,890	55,820
PROPERTY INSURANCE	335,919	390,000	371,063	351,187	406,436	35,372
TOTAL DIRECT EXPENSES	5,547,796	5,718,679	5,652,186	5,733,575	6,054,305	402,118
OPERATING INCOME/(LOSS)	220,133	402,726	709,770	612,779	480,836	(228,934)
CAPITAL ALLOCATION:						
INITIATION FEES	853,150	510,800	707,750	1,411,900	680,400	(27,350)
CAPITAL ALLOCATION- GOLF OPS	252,656	248,670	261,299	257,158	265,305	4,006
CAPITAL DUES	380,552	414,769	414,835	393,970	440,948	26,113
TOTAL CAPITAL ALLOCATION	1,486,358	1,174,239	1,383,884	2,063,028	1,386,653	2,769
Net Operating Margin	1.74%	2.94%	5.15%	4.60%	3.35%	
Payroll Ratio	54.46%	55.33%	53.84%	52.36%	54.41%	
Net F&B Income/(Loss) as of % of F&B Revenue	-43.27%	-44.33%	-40.99%	-39.93%	-47.05%	

Proposed Capital Budget (Enterprise Fund) FY 2027

University Park Country Club
Fiscal Year 2027
Capital Budget Detail - Replacements Needed

Department	Asset Name	Year Installed	Estimated Cost
Grille-Cafe	Keerator, Beverage Air 6 Tap DD58	2004	4,223
Grille-Cafe	Merchandiser, True Single Glass Door GDM 23	1999	3,605
Grille-Cafe	Refrigerator, Perlick 2 Door PS2DP	2004	4,996
Grille-Cafe	Refrigerator, True Under Counter Cooler TBB-2	2004	5,150
Grille-Cafe	Ice Maker, Hoshizaki Water and Ice Dispenser	2016	4,841
Varsity Club	Refrigerator, True Varsity Club 3 Tap Keerator	1999	3,914
Kitchen	Walk-In, Kolpak Freezer Capital Refurbishment	2019	5,000
Fitness	Aerobic, True Recumbent Bike	2017	3,811
Fitness	Aerobic, True Recumbent Bike	2017	3,811
Racquets	Court, Ball Machine	2006	6,695
Golf Operations	Door, Pro Shop Double Glass and Wood	1999	18,540
Golf Operations	Roof Assembly, Cart Barn Flat Roof Membrane	1999	53,354
Golf Operations	Wall, Cart Barn Metal	1999	77,250
Golf Operations	Rolling Rack System, Renovation	1999	7,725
Golf Operations	Ice & Water Machine, Hoshizaki	2022	9,270
Golf Operations	Water & Ice Machine, Hoshizaki Holes 10-18	2022	4,841
Golf Operations	Water & Ice Machine, Hoshizaki Holes 1-9	2019	4,841
Golf Operations	Water & Ice Machine, Hoshizaki Holes 19-27	2022	4,841
Golf Operations	Awning, Bag Drop	2015	7,210
GCM	Golf Course Improvements		1,200,000
GCM	Artificial Turf, Fiberbuilt Mat	2022	10,609
GCM	Furniture, Bag Stand	2019	9,013
GCM	Starter Structure, Refurbishment	2019	3,605
GCM	Vehicle, Club Car Carryall 2	2014	13,792
GCM	Vehicle, Club Car Carryall 2	2014	13,792
GCM	Vehicle, Club Car Carryall 2	2014	13,792
GCM	Vehicle, Club Car Carryall 2	2014	13,792
GCM	Vehicle, Club Car Carryall 300	2015	13,792
GCM	Grinder, Bernhard Express Dual Reel 5500	2020	56,940
Total			1,583,045

University Park Country Club
Fiscal Year 2027
Capital Budget Detail - Items that may need to be replaced

Department	Asset Name	Year Installed	Estimated Cost
Kitchen	Oven, Zephaire Convection Oven	2018	14,850
Kitchen	Refrigerator, Pull Out Drawers Cold Line	1992	5,665
Kitchen	Refrigerator, Pull Out Drawers Hot Line	1992	5,665
Kitchen	Shelving, Shelving for walk-ins	2023	7,000
Kitchen	Warming Cabinet, FWE Plate Carrier & Warmer	2006	6,901
Fitness	Aerobic, True Elliptical	2017	8,446
Fitness	Aerobic, True Elliptical	2017	8,446
Fitness	Aerobic, True Treadmill	2017	8,034
Fitness	Aerobic, True Treadmill	2017	8,034
Fitness	Aerobic, True Treadmill	2017	8,034
Fitness	Aerobic, True Treadmill	2014	8,034
Fitness	Aerobic, True Upright Bike	2017	3,399
Fitness	Aerobic, True Upright Bike	2017	3,399
Racquets	Demolition of existing ball/work shed	New	TBD
Racquets	New Ball/Work Shed	New	6,000
Racquets	Hitting Wall	New	TBD
Racquets	Court 1 Remove Landscape, Replace With Bleachers/Seating	New	TBD
GCM	Blower, Buffalo	2015	8,549
GCM	Vehicle, Club Car Carryall	2010	13,390
		Total	123,846

Proposed General Fund Budget FY 2027

**University Park Recreation District
FY2027 Proposed General Fund Budget**

	Actual Through 2/28/2026	Anticipated Mar. - Sept.	Anticipated FY 2026 Total	FY 2026 Adopted Budget	FY 2027 Proposed Budget
<u>Revenues</u>					
PrYr Surplus	-	-	-	9,088	2,878
Inter-Fund Transfers - Debt Service to O&M	5,486	70,000	75,486	70,000	70,000
Inter-Fund Transfers - Country Club to O&M	175,000	72,412	247,412	220,912	269,822
	<u>\$180,486</u>	<u>\$142,412</u>	<u>\$322,898</u>	<u>\$300,000</u>	<u>\$342,700</u>
 <u>General & Administrative Expenses</u>					
Assessment Administration	10,000	-	10,000	10,000	10,000
Audit	29,125	5,000	34,125	35,000	35,000
Bank Fees	120	-	120	500	500
Bond Administration Fee	6,687	-	6,687	7,500	7,500
Contingency	300	420	720	15,000	15,000
Dissemination Agent	5,000	-	5,000	5,000	5,000
District Counsel	65,722	84,000	149,722	110,000	150,000
Dues, Licenses, and Fees	175	900	1,075	2,500	2,500
Election Costs	6,691	-	6,691	10,000	-
Insurance	21,569	-	21,569	17,500	24,200
Legal Advertising	5,065	2,100	7,165	5,000	5,000
Management	29,167	40,833	70,000	70,000	75,000
Meeting Set Up			-	5,000	5,000
Office Supplies			-	1,000	1,000
Postage & Shipping	36	50	86	1,000	1,000
Web Site Maintenance	2,700	3,300	6,000	5,000	6,000
Total General & Administrative Expenses	<u>\$182,357</u>	<u>\$136,603</u>	<u>\$318,961</u>	<u>\$300,000</u>	<u>\$342,700</u>

Proposed Debt Service Fund Budget FY 2027

**University Park Recreation District
FY 2027 Proposed Debt Service Budget**

	FY 2027 Proposed Budget
REVENUES:	
Series 2019 Bonds Special Assessments	\$ 1,594,068.75
TOTAL REVENUES	<u>\$ 1,594,068.75</u>
EXPENDITURES:	
Interest 11/01/2026	333,856.25
Interest 5/1/2027	333,856.25
Principal 5/1/2027	600,000.00
TOTAL EXPENDITURES	<u>\$ 1,267,712.50</u>
Funds Available for 11/1 Payment	<u>326,356.25</u>
Interest 11/01/2027	326,356.25

Proposed Capital Irrigation Fund Budget FY 2027

**University Park Recreation District
FY 2027 Proposed Capital Irrigation Budget**

	FY 2027 Proposed Budget
REVENUES:	
Series 2024 Note Special Assessments	\$ 5,000,000.00
TOTAL REVENUES	\$ 5,000,000.00
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EXPENDITURES:	
Series 2024 Note due 8/11/2027	\$ 5,000,000.00
TOTAL EXPENDITURES	\$ 5,000,000.00
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Capital Dues 'What If' Scenarios

University Park Country Club
Capital Dues Scenarios

Capital Dues		2027				Scenario #1				Scenario #2				Scenario #3				Scenario #4					
		Preliminary Budget				Nonresident % Increase to 12%				Nonresident % Increase to 13%				Nonresident % Increase to 14%				Nonresident % Increase to 15%					
Memberships	Membership Dues	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total		
Full Family - Resident	12,425	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25		
Full Single - Resident	9,450	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00		
Full Family - Nonresident	12,425	10%	73	1,242.50	90,702.50	12%	73	1,491.00	108,843.00	13%	73	1,615.25	117,913.25	14%	73	1,739.50	126,983.50	15%	73	1,863.75	136,053.75		
Full Single - Nonresident	9,450	10%	70	945.00	66,150.00	12%	70	1,134.00	79,380.00	13%	70	1,228.50	85,995.00	14%	70	1,323.00	92,610.00	15%	70	1,417.50	99,225.00		
Full Total					328,238.75				359,609.25				375,294.50				390,979.75				406,665.00		
Racquets Family - Resident	5,355	5%	21	267.75	5,622.75	5%	21	267.75	5,622.75	5%	21	267.75	5,622.75	5%	21	267.75	5,622.75	5%	21	267.75	5,622.75		
Racquets Single - Resident	4,015	5%	36	200.75	7,227.00	5%	36	200.75	7,227.00	5%	36	200.75	7,227.00	5%	36	200.75	7,227.00	5%	36	200.75	7,227.00		
Racquets Family - Nonresident	5,355	10%	15	535.50	8,032.50	12%	15	642.60	9,639.00	13%	15	696.15	10,442.25	14%	15	749.70	11,245.50	15%	15	803.25	12,048.75		
Racquets Single - Nonresident	4,015	10%	23	401.50	9,234.50	12%	23	481.80	11,081.40	13%	23	521.95	12,004.85	14%	23	562.10	12,928.30	15%	23	602.25	13,851.75		
Racquets Total					30,116.75				33,570.15				35,296.85				37,023.55				38,750.25		
Social Family - Resident	1,650	5%	459	82.50	37,867.50	5%	459	82.50	37,867.50	5%	459	82.50	37,867.50	5%	459	82.50	37,867.50	5%	459	82.50	37,867.50		
Social Single - Resident	1,275	5%	205	63.75	13,068.75	5%	205	63.75	13,068.75	5%	205	63.75	13,068.75	5%	205	63.75	13,068.75	5%	205	63.75	13,068.75		
Social Family - Nonresident	1,650	10%	51	165.00	8,415.00	12%	51	198.00	10,098.00	13%	51	214.50	10,939.50	14%	51	231.00	11,781.00	15%	51	247.50	12,622.50		
Social Single - Nonresident	1,275	10%	58	127.50	7,395.00	12%	58	153.00	8,874.00	13%	58	165.75	9,613.50	14%	58	178.50	10,353.00	15%	58	191.25	11,092.50		
Social Total					66,746.25				69,908.25				71,489.25				73,070.25				74,651.25		
				Total	425,101.75			Total	463,087.65			Total	482,080.60			Total	501,073.55			Total	520,066.50		
				Increase from Preliminary Budget				37,985.90				56,978.85				75,971.80				94,964.75			
Capital Dues		2027				Scenario #5				Scenario #6				Scenario #7				Scenario #8					
		Preliminary Budget				Nonresident % Increase to 12%				Nonresident % Increase to 13%				Nonresident % Increase to 14%				Nonresident % Increase to 15%					
						Minimum Amount	Yes			Minimum Amount	Yes			Minimum Amount	Yes			Minimum Amount	Yes				
						\$ 200				\$ 300				\$ 400				\$ 500					
Memberships	Membership Dues	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total	% of Dues	Count	Rate	Total		
Full Family - Resident	12,425	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25	5%	177	621.25	109,961.25		
Full Single - Resident	9,450	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	472.50	61,425.00	5%	130	500.00	65,000.00		
Full Family - Nonresident	12,425	10%	73	1,242.50	90,702.50	12%	73	1,491.00	108,843.00	13%	73	1,615.25	117,913.25	14%	73	1,739.50	126,983.50	15%	73	1,863.75	136,053.75		
Full Single - Nonresident	9,450	10%	70	945.00	66,150.00	12%	70	1,134.00	79,380.00	13%	70	1,228.50	85,995.00	14%	70	1,323.00	92,610.00	15%	70	1,417.50	99,225.00		
Full Total					328,238.75				359,609.25				375,294.50				390,979.75				410,240.00		
Racquets Family - Resident	5,355	5%	21	267.75	5,622.75	5%	21	267.75	5,622.75	5%	21	300.00	6,300.00	5%	21	400.00	8,400.00	5%	21	500.00	10,500.00		
Racquets Single - Resident	4,015	5%	36	200.75	7,227.00	5%	36	200.75	7,227.00	5%	36	300.00	10,800.00	5%	36	400.00	14,400.00	5%	36	500.00	18,000.00		
Racquets Family - Nonresident	5,355	10%	15	535.50	8,032.50	12%	15	642.60	9,639.00	13%	15	696.15	10,442.25	14%	15	749.70	11,245.50	15%	15	803.25	12,048.75		
Racquets Single - Nonresident	4,015	10%	23	401.50	9,234.50	12%	23	481.80	11,081.40	13%	23	521.95	12,004.85	14%	23	562.10	12,928.30	15%	23	602.25	13,851.75		
Racquets Total					30,116.75				33,570.15				39,547.10				46,973.80				54,400.50		
Social Family - Resident	1,650	5%	459	82.50	37,867.50	5%	459	200.00	91,800.00	5%	459	300.00	137,700.00	5%	459	400.00	183,600.00	5%	459	500.00	229,500.00		
Social Single - Resident	1,275	5%	205	63.75	13,068.75	5%	205	200.00	41,000.00	5%	205	300.00	61,500.00	5%	205	400.00	82,000.00	5%	205	500.00	102,500.00		
Social Family - Nonresident	1,650	10%	51	165.00	8,415.00	12%	51	200.00	10,200.00	13%	51	300.00	15,300.00	14%	51	400.00	20,400.00	15%	51	500.00	25,500.00		
Social Single - Nonresident	1,275	10%	58	127.50	7,395.00	12%	58	200.00	11,600.00	13%	58	300.00	17,400.00	14%	58	400.00	23,200.00	15%	58	500.00	29,000.00		
Social Total					66,746.25				154,600.00				231,900.00				309,200.00				386,500.00		
				Total	425,101.75			Total	547,779.40			Total	646,741.60			Total	747,153.55			Total	851,140.50		
				Increase from Preliminary Budget				122,677.65				221,639.85				322,051.80				426,038.75			