

University Park Recreation District
Management Discussion & Analysis Report
As of April 30, 2026

Member Experience/Dining

Season is winding down but the Club remains fairly busy.

April continued a very busy season with Passover Seder (4/1), Breakfast with the Bunny (4/4) and Easter Sunday Brunch (4/5). We served approximately 900 members and guests over this 3-event timeframe.

In addition, we hosted our first ever (at least in recent history), New Member Reception. This Event was attended by approximately 75 people including New Members, invited Club Ambassadors and Club Management. The event was a huge success and the new members were very appreciative. We anticipate hosting this event twice a year moving forward to continue to welcome and integrate our new annual members.

Finally, we hosted the Drew Bledsoe Wine Dinner on April 23rd. The Wine Dinner was attended by over 100 Members with some mentioning it to be their TOP member event ever.

All of this in addition to Trivia, Bingo, Racquets & Wellness events, among many others!

Thank you to the Team for this tremendous effort!

Golf Operations

Golf Revenue is currently \$196k favorable to Budget through March with Outside Rounds favorable to Budget by 1424 rounds. Merchandise Sales continue to be favorable to Budget also.

The Front-Nine project is ongoing, notably the replacement of the bulkhead on hole #5. (Curtis to give further verbal update).

Racquets & Wellness Operations

The Racquets and Wellness facilities, like the golf course and dining operation, are also very busy with all-time high participation!

As communicated to the Board last month, Jose Tolentino, has begun leasing tennis courts here at UPCC. Jose brings with him a large contingent of high-quality players, notably youth players. Jose's presence has been reinvigorating and brings a whole new energy level when here.

We continue to obtain proposals for the modest Wellness Center upgrades discussed at the 4/28 Board Meeting. The proposed project would include new flooring, painting of the walls and possible new ceiling tiles and the removal of the bar area. No work will commence until the board is presented with options, pricing and provides Management with approval.

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%	
Racquets & Fitness operations	355	344	(11)	(3.3%)	COGS 54k, Payroll 31k, Linens 26k, waste and supplies
General & Adm	1,328	1,407	79	5.6%	
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 & Prepaids	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	
FY2026 Uses		
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	
Construction In Progress		
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
	<u>\$242,898</u>	<u>\$80,196</u>	<u>\$323,094</u>	<u>\$300,000</u>
 <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	<u>\$211,670</u>	<u>\$111,424</u>	<u>\$323,094</u>	<u>\$300,000</u>

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 supplement 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>
<u>Golf</u>						
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
<u>Racquets & Fitness</u>						
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
<u>Social</u>						
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
<u>Passes</u>	<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)