<u>MINUTES OF MEETING</u>

UNIVERSITY PARK RECREATION DISTRICT FINANCE COMMITTEE WORKSHOP
Wednesday, June 17, 2026
3:00 PM
Business Offices
8301 The Park Boulevard, University Park, FL 34201

Finance Committee Members Present:

Richard Crouch	Chair *(via Zoom)*
Alan Port	Secretary *(via Zoom)*
Tony Crisafio	Member *(in person)*
Craig Dwight	Member *(via Zoom)*

Also Present in Person or Via Zoom:

Steve Swanson	Treasurer, University Park Recreation District
Kwame Jackson	Assistant District Manager, PFM
John Fetsick	General Manager, University Park Country Club
Paul Fay	Controller, University Park Country Club
Sydney Johnson	Communications Director, University Park Country Club

Various members of the public

FIRST ORDER OF BUSINESS **<u>Organizational Matters</u>**

Call to Order, Roll Call, and Pledge of Allegiance

Mr. Crouch called the meeting to order at approximately 3:00 PM. Roll call was conducted. It was determined that a quorum was not present. As a result, the meeting proceeded as a workshop for discussion purposes only. No motions or formal recommendations were made.

SECOND ORDER OF BUSINESS **<u>Staff Matters</u>**

Review of May Financial Summaries and Membership Report

Mr. Fay reviewed the May financial summaries and membership report. He reported that the Club's net operating surplus through the first eight months of the fiscal year totaled approximately $1.15 million, representing a favorable variance of approximately $306,000 over budget. Discussion followed regarding continued strong performance in golf operations driven by outside rounds and merchandise sales, favorable dining results resulting from payroll efficiencies and cost of goods sold, and golf maintenance expenses that remain ahead of budget due to projects being completed earlier than originally scheduled.

The Committee also discussed favorable payroll and general administrative variances resulting from vacant positions and advertising expenditures that are expected to occur later in the fiscal year. Management noted that although operating performance remains favorable, results are expected to normalize during the summer months as seasonal activity declines.

Mr. Fay reviewed the balance sheet, including operating cash and capital reserves. Discussion included the presentation of operating surplus on the balance sheet and the inclusion of non-operating income associated with irrigation financing proceeds. Staff agreed to revise future financial statements to distinguish operating income from non-operating income for improved transparency.

Mr. Fay also reviewed the sources and uses of capital funds report, including remaining capital reserves, current capital expenditures, and FEMA and insurance reimbursements received during prior fiscal years. He also reviewed the monthly and year-to-date cash flow statement.

The membership report reflected only minor changes during the month, with overall membership remaining stable. Discussion also included summer tennis membership performance, the upcoming fixed versus discretionary expense review, and scheduled departmental capital reserve review meetings.

Conclusion:
Operating performance continues to exceed budget expectations while remaining consistent with management's expectation that results will moderate as the fiscal year progresses. Staff will continue reserve reviews and revise future financial reporting to more clearly distinguish operating and non-operating activity.

No formal action was taken.

THIRD ORDER OF BUSINESS **<u>Business Matters</u>**

Capital Raising Activities

Mr. Crouch led a discussion regarding potential increases to non-resident capital dues as part of the Committee's ongoing evaluation of long-term capital funding strategies. Financial scenarios were reviewed, including increasing non-resident capital dues to twenty percent with a proposed annual minimum contribution of $300.

Discussion also included varying minimum contribution amounts by membership category, coordination with the Strategic Planning Committee, and balancing future capital contributions between resident and non-resident members.

Mr. Crisafio volunteered to assume responsibility for continuing the Committee's capital raising analysis.

Irrigation Note Extension Analysis

Mr. Crouch reviewed an analysis of potential extensions of the existing Bond Anticipation Note in response to questions raised during the recent Town Hall meeting. Discussion focused on the costs associated with extending the note, including additional interest, legal expenses, administrative costs, and assessment methodology expenses.

Committee members discussed whether extension costs should be recovered through a separate assessment or incorporated into future capital assessments. Additional discussion centered on a potential two-year extension that would separate kitchen and irrigation assessments into different years in an effort to lessen the financial impact on homeowners.

Conclusion:
Committee members generally expressed support for further evaluating a two-year extension scenario rather than implementing a separate assessment solely to recover extension costs. Staff will prepare additional financial modeling for future Board consideration.

Cash Flow Alternative Plan

Mr. Crouch summarized the Committee's review of the Cash Flow Alternative Plan presented by Board Member Scott Huebner. Discussion included projected revenue generated through additional monthly member charges, available capital reserves, future golf course funding requirements, legal limitations associated with long-term borrowing, and the operational implications of postponing or eliminating planned capital improvement projects.

Committee members generally agreed that the proposed alternative would not generate sufficient funding to support the approved capital improvement program without substantially delaying or abandoning significant capital projects.

Conclusion:
The Committee concluded that the Cash Flow Alternative Plan is not a viable replacement for the District's existing capital improvement funding strategy.

Kitchen Cost Estimate

The Committee discussed questions regarding the inflation assumptions used in estimating kitchen renovation costs. Management agreed to review the original cost estimates and escalation methodology to ensure future communications accurately explain the basis for the estimates.

Country Club Management Agreement Review

Mr. Port provided an update regarding the ongoing review of the Country Club Management Agreement and the Cooperation Agreement. During discussion, Mr. Fetsick advised the Committee that the Park Boulevard Management Operating Agreement had recently been revised by the HOA Board without participation by the Recreation District.

Considering those developments, Mr. Crouch suggested suspending further committee work on the Management Agreement and the Cooperation Agreement until direction is provided by the Board of Supervisors.

Cost of Ownership Benchmarking Update

Mr. Crisafio reported on the status of the Committee's benchmarking project comparing University Park with peer communities. He advised that available research has largely been completed and that he intends to finalize the executive summary and supporting spreadsheet before presenting the information to the Strategic Planning Committee.

Line of Credit Proposal

Mr. Dwight provided an update regarding the Request for Proposals for the District's proposed Line of Credit. Discussion included the pending legal review, anticipated proposal review at the July Finance Committee meeting, and the expected timeline for Board consideration.

Committee Seat Vacancy

Mr. Crouch discussed the vacancy created by Cathie Schaffer's resignation and reviewed the Board's process for appointing a replacement committee member. Committee members also discussed attendance expectations, maintaining quorum throughout the remainder of the year, and the potential need to adjust future meeting schedules if necessary.

Conclusion:
The Committee will continue monitoring committee membership and attendance to ensure quorum can be achieved for future meetings while the Board considers appointment of a replacement member.

No formal action was taken.

Next Meeting Scheduled

Date	**Meeting Type**	**Time**	**Location**	**Note**
July 15, 2026	Finance Committee Meeting	3:00 PM	Business Offices	In person or by Zoom

Committee Member Comments & Requests

Committee members discussed the future frequency of Finance Committee meetings following completion of current financing initiatives, maintaining quorum throughout the year, and continuing long-term reserve planning and capital funding strategies.

Public Comment

Members of the public emphasized the importance of providing homeowners with advance written communication before any future assessments appear on TRIM notices. Additional discussion included alternative approaches for funding irrigation note extension costs and balancing future resident and non-resident capital contributions.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at approximately 4:41 PM.