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The meeting of the **Finance Committee of the University Park Recreation District** will be held on **Wednesday, October 21 at 3:00 pm** at the Business Offices located at 8301 The Park Boulevard, University Park, FL 34201 and or virtually.

Meeting ID: 811 8807 2736 **Passcode:** 797531

Join meeting via Zoom:

https://us02web.zoom.us/j/81188072736?pwd=EnYBRVVIRjP8JHCGkLuQMZpdo3hvLk.1

One tap mobile
+13052241968,,81188072736#,,,,*797531# US
+19292056099,,81188072736#,,,,*797531# US (New York)

Join instructions
https://us02web.zoom.us/meetings/81188072736/invitations?signature=DQJjMkc9J_KbDeXGbb6ywmHlCvZXDtR-xZ1hOS01mHk

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Finance Committee Meeting Agenda

Organizational Matters

- Call to Order
- Roll Call to Confirm Quorum
- Public Comment Period

Administrative Matters

1. Approval of Meeting Minutes
    - September 16, 2026 Meeting Minutes

Staff Matters

1. Review of Year-end Financial Summaries and Membership Report
2. Reserve Schedule Status

Business Matters

1. **Regions Bank, Status of Line of Credit**
   - *Presenter: Craig Dwight/ Paul Fay*
2. **Capital Raising Activities**
   - *Presenter: Alan Port*
3. **Capital Approval Process**
   - *Presenter: Dick Crouch*
4. **Review of Progress on Cost of Ownership Project**
   - *Presenter: Tony Crisafio*
5. **Investment of Bond Funds and Roles and Responsibilities of Finance Committee**

Next Meeting Scheduled

Date	Meeting Type	Time	Location	Note
November 18, 2026	Finance Committee Meeting	3:00 pm	Business Offices	In person or by Zoom

Finance Committee Member Requests & Comments

Public Comments

Adjournment

Approval of Meeting Minutes

September 16, 2026 Minutes

MINUTES OF MEETING

UNIVERSITY PARK RECREATION DISTRICT
FINANCE COMMITTEE MEETING
Wednesday, September 16, 2026
3:00 PM
Business Offices
8301 The Park Boulevard, University Park, FL 34201

Finance Committee Members Present:

Richard Crouch	Chair (*in person*)
Alan Port	Secretary (*via Zoom*)
Tony Crisafio	Vice Chair (*in person*)
John Baran	Member (*in person)*

Finance Committee Member(s) Absent:

Craig Dwight	Member

Also Present (in person and via Zoom):

Steve Swanson	Treasurer, UPRD Board of Supervisors
Paul Fay	Controller, University Park Country Club
Joseph Rassett	Interim General Manager, University Park Country Club
Sydney Johnson	Communications Director, University Park Country Club
Members of the Public	

FIRST ORDER OF BUSINESS **Organizational Matters**

Call to Order and Roll Call

The meeting was called to order at 3:00 PM. Roll call was conducted. The required in-person quorum was confirmed.

Pledge of Allegiance

The Pledge of Allegiance was recited.

Public Comment

No public comments were offered at the opening of the meeting. Mr. Crouch advised that comments and questions could also be raised during the applicable agenda items and at the conclusion of the meeting.

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SECOND ORDER OF BUSINESS

Administrative Matters
Approval of Minutes – August 19, 2026 Meeting

The Committee reviewed the August 19, 2026 Finance Committee Meeting Minutes. No revisions were requested.

On MOTION by Mr. Port, duly seconded by Mr. Crisafio, the August 19, 2026 Meeting Minutes were approved unanimously as presented.

THIRD ORDER OF BUSINESS

Staff Matters
Review of August Financial Summaries and Membership Report

Mr. Fay presented the Enterprise Fund financial results for the eleven months ending August 31, 2026. The Club reported an operating surplus of approximately $1.1 million, representing a favorable variance of approximately $481,000 to budget. August produced an operating surplus of approximately $83,000 and increased the favorable year-to-date variance by approximately $103,000.

Golf operations were a principal contributor to the favorable results. Outside golf rounds exceeded the August budget by 2,346 rounds, and golf revenue also benefited from merchandise sales. Dining and general administration expenses were favorable to budget.

The Committee discussed the distinction between operating results and funds designated for capital purposes. Mr. Fay explained that initiation fees, capital dues, and a portion of outside golf revenue are capital funding sources. Members requested clearer presentation of operating, capital, and non-operating activity in future reports. Mr. Fay advised that additional non-operating items, including operating-fund interest income, would be presented in the non-operating section beginning October 1.

Mr. Fay reviewed the balance sheet and reported that cash decreased by approximately $303,000 during August. Mr. Port identified an accounts payable typographical error in an earlier version of the report. Mr. Fay confirmed that the corrected version had been posted.

Membership increased by a net three members during August. The Committee discussed additions, resignations, and conversions associated largely with home sales. Mr. Port suggested presenting membership activity from the beginning of the calendar year, including year-to-date additions, resignations, and sales, to provide a clearer view of trends. Mr. Fay agreed to revise the report format.

Golf rounds were approximately on budget year to date, with a variance of 65 rounds, and were approximately 5,300 rounds ahead of the prior year.

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Capital Sources and Uses

Mr. Fay reviewed capital receipts from interest, initiation fees, outside golf revenue, and capital dues. He also reviewed expenditures associated with the Front Nine, boardwalk, and golf course master plan projects.

The Committee discussed current capital balances, anticipated reimbursement of eligible irrigation expenditures from bond proceeds, and the need to plan for both existing assets and future facilities. Members noted that capital dues provide a more predictable funding source than initiation fees and outside golf revenue.

Status of Reserve Schedule as a Result of Departmental Meetings

Mr. Fay presented a preliminary six-year schedule of golf course capital improvements developed with the golf course team. The schedule contemplates cart path and bridge work in summer 2027; fairway regrassing and bunker renovations on successive nines in 2028 and 2029; fairway, bunker, and initial greens work in 2030; and greens renovations on the remaining nines in 2031 and 2032.

Annual project estimates are generally approximately $1.2 million to $1.4 million, except for 2030, when the combination of fairway, bunker, and greens work is estimated at approximately $2.5 million. The scope and cost of the 2027 cart path and bridge work remain under development. The bridge near the ninth hole is being assessed to help determine its remaining useful life.

The Committee discussed the condition of the aging greens, the timing of course closures, and the effect of the projected 2030 expenditures on reserves. Members also noted that the reserve schedule will need to account for maintenance and replacement of facilities constructed with bond proceeds.

The golf course improvement schedule will be incorporated into the reserve study as project estimates are refined.

Review of Bond Closing and Accounting

Mr. Fay reviewed the sources and uses of the recently closed Series 2026 bond financing. Total proceeds were approximately $21.265 million, including a premium of approximately $665,000. Approximately $15.365 million was deposited in the project fund, and the Series 2024 note to Regions Bank was repaid. The transaction also funded the debt service reserve and issuance expenses.

The Committee discussed the planned requisition of approximately $1.8 million for eligible irrigation expenditures, investment of project funds pending construction, and accounting treatment of the bond premium, issuance costs, and related items.

Mr. Fay advised that PFM Advisors would review the anticipated project cash flow and recommend an investment approach consistent with the District's investment policy. He also planned to consult the auditor regarding presentation of the financing in the financial statements.

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Capital Expenditure Requests – Fitness Equipment & New Server

Fitness Equipment
Mr. Fay presented a request to purchase two recumbent bikes and one elliptical machine for the Fitness Center. The Committee discussed the equipment's durability, maintenance, and suitability for use in a future expanded fitness facility. After removal of sales tax from the quoted amount, the purchase price was $9,796.43.

On MOTION by Mr. Port, duly seconded by Mr. Crisafio, the Committee voted unanimously to recommend the fitness equipment purchase in the tax-exempt amount of $9,796.43 to the Board of Supervisors.

New Server
Mr. Fay presented a request of approximately $19,700 to replace an aging file server that had experienced intermittent issues. Mr. Swanson suggested evaluating cloud-based hosting before purchasing another physical server and offered to assist management in reviewing the options.

The server replacement request was deferred pending an evaluation of cloud-based alternatives.

FOURTH ORDER OF BUSINESS

Business Matters
Review of Bank Proposals, Discuss Recommendation Regarding Line of Credit and Banking Relationship

Mr. Fay reviewed the banking Request for Proposals and the comparison prepared with Mr. Dwight's assistance. Regions Bank and First Horizon submitted written proposals; First Horizon subsequently withdrew. JPMorgan Chase did not submit a proposal.

The Committee discussed Regions Bank's local banking presence, fees, cash-management and investment features, purchase-card services, and experience serving governmental entities. Members also discussed the proposed revolving line of credit. The form of security available for that facility requires further review.

On MOTION by Mr. Baran, duly seconded by Mr. Crisafio, the Committee voted in favor of recommending that the Board of Supervisors move the District's banking relationship to Regions Bank, with a target transition date of January 1, 2027, subject to resolution of the line-of-credit security question.

FIFTH ORDER OF BUSINESS

Capital Raising Activities – Final Board Recommendation

Mr. Port and Mr. Fay presented an updated memorandum and financial analysis regarding capital dues. The proposal called for a 7.5 percent capital-dues rate for resident members and a 15

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percent rate for non-resident members, with applicable category minimums. It also included elimination of the $900 dining minimum-spend requirement.

The Committee discussed the approximately $2 million annual capital funding need, the stability of capital dues relative to initiation fees and outside golf revenue, and the effect of the proposed changes across membership categories. During discussion, a change was suggested to set the minimum capital contribution for non-resident Full Golf memberships at $750.

On MOTION by Mr. Port, duly seconded Mr. Baran, the Finance Committee voted in favor of recommending that the Board of Supervisors adopt the capital-dues changes described in the memorandum, amended to set the non-resident Full Golf minimum at $750, together with elimination of the $900 dining minimum-spend requirement.

The Committee also received an update from Mr. Port and Mr. Crisafio on research into capital fees assessed upon property transfers in comparable communities. Mr. Crisafio reported that information was difficult to obtain from public listings and that the examples identified to date generally involved fixed amounts rather than fees calculated as a percentage of the sale price.

Members discussed additional sources of information, including community management contacts, real estate professionals, and closing documents. They also discussed terminology that would distinguish a potential capital contribution from routine transfer-processing charges. No property-transfer fee or implementation recommendation was adopted.

SIXTH ORDER OF BUSINESS

Status of Capital Approval Process

The Committee did not complete its review of the proposed capital expenditure approval process. Mr. Crouch deferred the item to a future meeting to allow time for additional discussion, including emergency capital expenditures.

During a related discussion, Mr. Swanson reviewed the history of the Club boardwalk. Earlier replacement and redesign estimates were substantially higher than the approximately $20,000 repair ultimately completed. Management will consider the boardwalk's longer-term condition in capital planning. The capital approval process will return for discussion at a future meeting.

SEVENTH ORDER OF BUSINESS

Review of Progress on Cost of Ownership Project

Mr. Crisafio provided an update on the comparative study of the cost of living in University Park and other communities. The Committee discussed updating portions of the analysis and preparing a shorter memorandum explaining the comparisons.

Members emphasized the importance of obtaining input from the University Park Community Association before distributing material intended to represent the broader community. Mr. Crisafio indicated that he would work with Ms. Johnson on the summary and contact an appropriate UPCAI

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representative regarding collaboration. The comparative material will remain in draft form pending updates and appropriate UPCAI review.

Next Meeting Scheduled

Date	Meeting Type	Time	Location	Note
October 21, 2026	Finance Committee Meeting	3:00 PM	Business Offices	In person or by Zoom

Committee Member Requests/Comments

Mr. Crouch reported that the Strategic Planning Committee had requested historical financial, membership, dues, and related information. He indicated that the request was appropriate and that management would provide the available information. A future discussion with a Strategic Planning Committee representative may be arranged to review it.

No additional Committee business was raised.

Public Comment

Steve Ludmerer made public comment.

Adjournment

On MOTION by Mr. Crisafio, duly seconded by Mr. Baran, with all in favor, the meeting was adjourned at 5:30 PM.

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Year-end Financial Summaries and Membership Report

UNIVERSITY PARK COUNTRY CLUB STATEMENT OF OPERATIONS

YTD OPERATING RESULTS, 12 MONTHS THROUGH 9/30/26	Actual Results of UPCC Operations	Budget	$ Variance	% Change	COMMENTS
Total Revenues	$14,416	$14,100	$316	2.2%	
Less: Outside Golf Capital Allocation	(279)	(239)	(40)	16.6%	10% of Outside Golf Allocated to Capital
Total Revenues, Less Capital Allocation	14,137	13,861	276	2.0%	
Total Expenses	13,146	13,448	303	2.3%	
Net Operating Surplus (Deficit)	991	412	579	140.4%	Net Operating impact
Revenues and Expenses, Details	**Actual**	**Budget**	**$ Variance**	**% Change**	
Dues revenue	$6,631	$6,724	($ 93)	(1.4%)	
Golf operations revenue	4,036	3,770	266	7.1%	Outside rounds exceeded the budget by 2,238 rounds. Merchandise sales $36K favorable to budget.
Dining operations revenue	3,169	3,135	33	1.1%	
Racquets/Fitness/Other operations revenue	301	232	70	30.2%	
Subtotal, Revenues	14,137	13,861	276	2.0%	
Golf operations	1,889	1,874	(15)	(0.8%)	
Golf maintenance	3,529	3,635	106	2.9%	
Dining operations	4,419	4,525	106	2.3%	Food COGS 55k, Linens 26k, waste and
Racquets & Fitness operations	729	696	(33)	(4.7%)	
General & Adm	2,580	2,718	137	5.0%	Payroll 121k & Insurance 19k
Subtotal, Expenses	13,146	13,448	303	2.3%	
Net Operating Surplus (Deficit), net of $279k outside golf capital allocation	$991	$ 412	$ 579	140.4%	Variance is $579k, 140.4% from budget
Other Income	8	-	(8)	0.0%	Final FEMA payment received
Interest Income (Operating Funds)	62	-	(62)	0.0%	
Consulting Services (SCS & Osprey)	(112)	-	112	0.0%	Strategic Plan & Project Manager
General Fund - Transfers	(317)	(237)	80	(33.7%)	
Subtotal, Non-Operating	(359)	(237)	122		
SURPLUS FOR OTHER RD NEEDS	$632	$175	$701	400.7%	

UNIVERSITY PARK UNIVERSITY PARK COUNTRY CLUB COMPARATIVE BALANCE SHEET

	UPCC Operating Fund		
Assets	Unaudited 9/30/26	Unaudited 9/30/25	Comments & Assumptions
Operating Cash & Short-Term Investments	$2,105	$1,445	
Accounts Receivable	432	365	
Inventory	328	315	
Deposits & Prepaids	331	297	FY26 - Prepaid Insurance & Prepaid Cart Lease, software, sales tax etc.
Subtotal, operating assets	3,195	2,422	
Board Designated Cash & Investments & Receivable from Irrigation Fund:			
Operating Reserves	400	400	BOS designated for future use.
Capital Reserves & Short-Term Investments	1,411	532	
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	3,646	2,767	
Property and Equipment - Net	26,237	26,682	
Property and Equipment - CIP	271	1,216	
Total Assets	$33,349	$33,088	
Liabilities & Net Position:			
Accounts Payable			
Operations Related	$394	$368	
Accrued Liabilities & Other Payables	429	448	
Gift Cards & Store Credits	137	122	
Subtotal, operating liabilities	959	938	
Deferred Revenue	1,709	1,579	
Capital Lease Obligations	2,009	2,009	Cart lease and GCM Equipment
Capital Projects Payable	19	108	
Due to UPCC Operating Fund			
BAN Payable to Bank			
Total Liabilities	4,698	4,635	
Beginning Balance, Purchase of UPCC assets in 2019	16,750	16,750	
Due From Capital Irrigation Fund	-	1,835	
Prior Years' Operating Surplus	9,868	7,281	
Current Period Non-Operating Surplus (Deficit)	1,042	1,906	
Current Period Operating Surplus (Deficit)	991	682	
Net Position	28,651	28,453	
Total Liabilities & Net Position	$33,349	$33,088	

UNIVERSITY PARK COUNTRY CLUB STATEMENT OF CASH FLOWS AS OF SEPTEMBER 30, 2026

Sources		Notes
Beginning Balance	532	
Interest Income (Capital Funds)	20	
Initiation Fees	1,015	
10% Outside Golf	279	
Capital Dues	445	
Total Sources of Capital	1,758	Capital raised through Operations
	2,291	
Uses		
FY2026 Uses		
Golf Course Maintenance Equipment	36	
Back 9 Renovation	245	2026 Spend - Total Project $1.164m
Buildings, Varsity Club, Admin & Locker Room Renovation, Cart Barn Garage Doors	87	
Golf Club Rentals	12	
Grille - Kitchen Equipment	12	
Security Cameras	23	
Front 9 Project	349	
Boardwalk Project	25	
Subtotal, FY2026 Uses	790	
Construction In Progress		
2020, Master Plan Project	51	
Garl Nix -Master Plan	69	
Subtotal, CIP	120	
Total Uses	910	
Remaining Capital Reserves	1,381	Capital Account Balance at 9/30/2026
Due to operating 2026 Bond	1,835	
Total Capital Reserves	3,216	Balance with Irrigation Project repayment

UNIVERSITY PARK COUNTRY CLUB STATEMENT OF CASH FLOWS AS OF SEPTEMBER 30, 2026
2026 ACQUISITION AND CONSTRUCTION FUND

Sources		Notes
2026 Bond Issuance	19,599	
Total Sources of Capital	19,599	
	19,599	
Uses		
FY2026 Uses		
Irrigation Project - Regions Note	4,234	
Subtotal, FY2026 Uses	4,234	
Construction In Progress		
Subtotal, CIP	-	
Total Uses	4,234	
Remaining Capital Reserves	15,365	2026 Acquisition and Construction Fund Account Balance at 9/30/2026
Due to operating capital	-1,835	
Total Capital Reserves	13,530	Balance after Irrigation Project repayment

UNIVERSITY PARK COUNTRY CLUB STATEMENT OF CASH FLOWS

MTD & YTD STATEMENT OF CASH FLOWS, 12 MONTHS THROUGH 9/30/26		
	September	
	MTD	YTD
Cash Flows From Operating Activities:		
Cash Receipts From Members & Guests	$ 400	$ 14,471
Cash Payments To Vendors & Suppliers	(283)	(5,930)
Cash Payments To PBM Staff Serving UPCC & UPRD	(459)	(7,236)
Net Cash Provided (Used) By Operating Activities	(342)	1,305
Cash Flows From Capital, Financing, And Other Non-Operating Activities:		
Initiation Fees	$ 40	$ 1,026
Capital Dues	10	445
Purchase Of Equipment & Capital Projects	(25)	(890)
FEMA Proceeds	-	8
Payments to SCS/Osprey	(14)	(112)
Transfers to General Fund	(80)	(317)
Interest From Investments	3	74
Net Cash Provided (Used) By Capital And Other Non-Operating Activities	(66)	233
Net Increase (Decrease) In Cash	(407)	1,538
Cash At Beginning Of Period	4,324	2,378
Cash At End Of Period	$ 3,916	$ 3,916

University Park Recreation District			
Actual Vs. Budget			
For the period of 10/1/2025 Through 9/30/2026			
General Fund - Operations & Maintenance			
	Actual FY 2026	**FY 2026 Adopted Budget**	**Variance**
Revenues			
PrYr Surplus	-	9,088	(9,088)
Inter-Fund Transfers - Debt Service to O&M	75,486	70,000	5,486
Inter-Fund Transfers - Country Club to O&M	317,412	220,912	96,500
	$392,898	**$300,000**	**$92,898**
General & Administrative Expenses			
Assessment Administration	10,000	10,000	-
Audit	36,392	35,000	1,392
Bank Fees	140	500	(360)
Bond Admistration Fee	6,687	7,500	(813)
Contingency	720	15,000	(14,280)
Dissemination Agent	5,000	5,000	-
District Counsel	218,019	110,000	108,019
Dues, Licenses, and Fees	1,075	2,500	(1,425)
Election Costs	10,621	10,000	621
Insurance	21,569	17,500	4,069
Legal Advertising	10,217	5,000	5,217
Management	70,000	70,000	-
Meeting Set Up	-	5,000	(5,000)
Office Supplies	-	1,000	(1,000)
Postage & Shipping	1,862	1,000	862
Professional Services, Other	350	-	350
Web Site Maintenance	6,000	5,000	1,000
Total General & Administrative Expenses	**$398,652**	**$300,000**	**$98,652**

UNIVERSITY PARK UNIVERSITY PARK COUNTRY CLUB
KEY PERFORMANCE INDICATORS

Operating and Strategic Insights	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26	Q4 FY26	Q4 Budget	FY 25	FY 26	CB Median
				Trend								
Net Operating Margin (before golf allocation) (Net Operating Result / Revenue)	**3.3%**	**14.4%**	**7.7%**	**-10.7%**	**9.7%**	**17.8%**	**10.8%**	**-4.4%**	**-17.4%**	**2.5%**	**9.7%**	**1.3%**
Total Labor as a % of Operating Revenue	**52.6%**	**51.8%**	**51.9%**	**68.6%**	**49.1%**	**50.4%**	**49.8%**	**67.6%**	**75.7%**	**55.4%**	**53.3%**	**57.0%**
Net F&B Income/(Loss) as of % of F&B Revenue (F&B Subsidy/F&B Revenue)	**-20.8%**	**-19.2%**	**-31.1%**	**-100.5%**	**-12.5%**	**-20.6%**	**-27.7%**	**-92.2%**	**-112.7%**	**-33.8%**	**-29.9%**	**-34.0%**

*Club Benchmarking - Median data from 74 Clubs, South Region, 10-15M Revenue, 18-27 Holes

UNIVERSITY PARK UNIVERSITY PARK COUNTRY CLUB MEMBERSHIP COUNTS AS OF SEPTEMBER 30, 2026

MEMBERSHIP COUNTS	Beg. Jan.	CYTD Change	Beg. Sep	Additions	Resignations	Conversions	Total
Golf							
Family - Resident	178	3	180	-	-	1	181
Family - Non Resident	75	-	75	-	-	-	75
Single - Resident	123	6	130	-	-	(1)	129
Single - Non Resident	71	(1)	72	-	-	(2)	70
	447	8	457	-	-	(2)	455
Racquets & Fitness							
Family - Resident	28	3	31	-	-	-	31
Family - Non Resident	15	(1)	14	-	-	-	14
Single - Resident	37	(2)	36	-	(1)	-	35
Single - Non Resident	25	1	26	-	-	-	26
	105	1	107	-	(1)	-	106
Social							
Family - Resident	458	-	456	4	(1)	(1)	458
Family - Non Resident	52	1	52	-	-	1	53
Single - Resident	208	8	214	1	-	1	216
Single - Non Resident	58	(5)	52	-	-	1	53
	776	4	774	5	(1)	2	780
Total Memberships	1,328	13	1,338	5	(2)	-	1,341

Passes	Beg. Jan.	CYTD Change	Beg. Sep	Net Change	Total
Fitness	145	10	152	3	155
Range	55	7	61	1	62
Pickleball	50	4	54	-	54
Twilight Tennis	19	(2)	17	-	17
SAP	130	7	138	(1)	137
	399	26	422	3	425

Grandfathered	Beg. January	Added	Resigned	Sold	Total
Members	188	1	(3)	(6)	180
Non-Members	139	(1)	3	(14)	127
	327	-	-	(20)	307

University Park Recreation District
Summary Operating Data
As of September 30, 2026

Golf Operations

Rounds of Golf (as of September 30, 2026):

	September				YTD		
	Actual	Budget	Variance		Actual	Budget	Variance
Member Rounds	2,282	1,938	344		42,942	45,449	(2,507)
Outside Rounds	1,520	1,203	317		30,520	28,282	2,238
	3,802	3,141	661		73,462	73,731	(269)

Rounds of Golf (as of September 30, 2025):

	September				YTD		
	Actual	Budget	Variance		Actual	Budget	Variance
Member Rounds	2,524	3,250	(726)		41,700	49,147	(7,447)
Outside Rounds	1,426	1,846	(420)		26,637	31,979	(5,342)
	3,950	5,096	(1,146)		68,337	81,126	(12,789)

Overall revenue is $276k favorable to budget, driven primarily by Golf operations. Golf revenue is $266k favorable to budget (net of capital allocation), with higher outside rounds producing a $292k favorable variance in greens fees. Merchandise sales also surpassed budget, contributing an additional $36k favorable variance.

Dining Operations

- **Food Cost of Sales:** Favorable at 44.2% of food revenue versus the 46% budget target ($54,847 favorable). Savings reflect effective menu pricing, portion control, and inventory management. The from-scratch kitchen model further supports cost efficiency while maintaining quality. The 46% budget target remains appropriate given continued food price inflation and the goal of minimizing future price increases.
- **Uniforms:** $20,985 favorable. The planned uniform refresh was deferred pending further review. New banquet uniforms were ordered in October for use at Elegant Night.
- **Laundry & Dry Cleaning:** $26,392 favorable. Reduced rental linen costs by purchasing reusable linens, reserving specialty rentals for select events and elegant dining experiences.
- **Operating Supplies:** $16,025 favorable. Savings were achieved through improved pricing from Edward Don and more disciplined purchasing to avoid excess and unnecessary products.

Reserve Schedule Status

Regions Bank, Status of Line of Credit

Capital Raising Activities

Capital 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.

<u>Roles and Responsibilities</u>

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)

<u>Capital Planning/Budgeting Process</u>

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.

<u>Capital Expenditure Request Process</u>

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 that was included in the original approved budget exceeds the authorized amount by the lesser of $50,000 or 20%, it must receive additional approval from the Board of Supervisors.
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 <u>unplanned</u> capital expenditures necessary to protect assets, ensure safety and maintain operational continuity 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

Investment of Bond Funds and Roles and Responsibilities of Finance Committee