



April 3, 2019

Angela Kraetsch
 Director of Finance
 Sports and Open Space Authority
 City of Santa Clara
 1500 Warburton Avenue
 Santa Clara, CA 95050

Re: Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended December 31, 2018.

Dear Ms. Kraetsch:

The following provides a brief explanation of revenue and expense variances compared to budget for the quarter ended December 31, 2018:

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
INCOME:			
INSTRUCTION	300		Higher than budgeted revenue due to income from the hiring of an additional instructor.
GREEN FEES	3,859		Higher than budgeted revenue due to warm dry, weather in December.
CART RENTAL	15,213		Higher than budgeted revenue due to increased on-line bookings that include a cart in the fee, and the \$1 price increase in cart rental fee.
RANGE INCOME	13,270		Higher than budgeted revenue due to closure of Pin High range facility.
TENNIS INCOME	(401)		Lower than budgeted revenue due to the lower rent from collection from contractors. Smoke from wild fires depressed tennis lessons during November
MERCHANDISE	(773)		Lower than budgeted revenue due to slower sales in December.
OTHER INCOME	(757)		Lower fees from rental clubs and NCGA annual sign-ups.
TOTAL INCOME VARIANCE		30,711	

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
COST OF SALES MERCHANDISE	444	444	No significant variance in budgeted and actual COS

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
OPERATING EXPENSES:			
SALARIES/WAGES	60,288		Lower expense due to not finding replacement workers for maintenance department and salaried employee on LOA.
WATER	(32,996)		Higher irrigation expense due to leaks in system and watering required for fall aerification of greens.
POWER	(2,911)		Higher expense than budgeted due to late postings from quarter one of expenses by billing consolidator.
SEED, SOIL, FERTILIZER	6,894		Lower seed, soil and fertilizer expense required due to improving turf conditions.
REPAIR & MAINTENANCE	2,415		Lower expense in repair and maintenance budget.
SUPPLIES	8,730		Lower supplies expense due to eliminating non-essential purchases.
UNIFORMS/LAUNDRY	544		Lower uniform expense due to fewer full-time maintenance staff.
BANK AND CARD FEES	16,100		Lower expense than budgeted due to more tournament events paying by check.
LEASE/RENTAL	2,182		Annual budget based on lease costs for expired leases and replaced with lower cost leases – i.e. Yamaha carts
SANITATION	4,343		Lower expense than budgeted due to fewer waste pick-ups during quarter.
TELEPHONE	134		No significant variance in budgeted and actual fees.

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Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended December 2018

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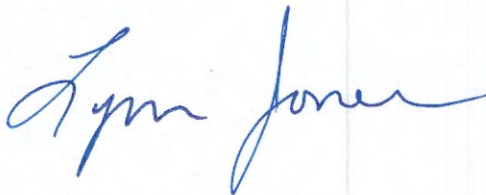
RANGE BALLS	3,000		Lower than budgeted expense due to eliminating range ball purchase to help offset overage in water expense.
OTHER EXPENSES	1,000		Lower than budgeted expense due to eliminating range ball purchase to help offset overage in water expense.
MGMT/ADM FEES	(783)		Higher than budgeted expense due to overage in revenue.
INSURANCE	756		Lower expense than budgeted.
OTHER VARIANCES			
TOTAL EXPENSE VARIANCE		69,638	

NET INCOME VARIANCE		100,793
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Note: Totals may not add to the dollar due to rounding.

Please feel free to contact me with any questions.

Sincerely,



Lynn Jones
General Manager
Santa Clara Golf & Tennis Club
408-980-9515