



July 23, 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 March 31, 2019.

Dear Ms. Kraetsch:

The following provides a brief explanation of revenue and expense variances compared to budget for the quarter ended March 31, 2019:

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
INCOME:			
INSTRUCTION	620		Higher than budgeted revenue due to income from City Parks and Rec classes.
GREEN FEES	8,778		Higher than budgeted revenue with increased rounds through the quarter.
CART RENTAL	15,048		Higher than budgeted revenue with increased rounds through the quarter.
RANGE INCOME	15,569		Higher than budgeted revenue due to covered range stalls allowing for play during cold, wet weather during quarter.
TENNIS INCOME	(1,345)		Lower revenue due to less play due to cold, wet weather during quarter.
MERCHANDISE	1,907		Higher than budgeted revenue due to stronger sales in golf balls and gloves.
OTHER INCOME	124		Higher than budgeted due to increased rental club usage.
TOTAL INCOME VARIANCE		40,700	

July 23, 2019

Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended March 2019

Page 2 of 3

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
COST OF SALES MERCHANDISE	442	442	No significant variance in budgeted and actual COS.

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
OPERATING EXPENSES:			
SALARIES/WAGES	19,361		Lower expense due to having fewer full-time maintenance employees than budgeted and using management to cover hourly shifts in the shop and carts.
WATER	38,634		Lower expense due to cold, wet quarter.
POWER	3,967		Lower expense than budgeted.
SEED, SOIL, FERTILIZER	6,383		Lower seed, soil and fertilizer expense due to having to postpone chemical applications due to wet conditions.
REPAIR & MAINTENANCE	(7,243)		Higher expense due to \$9,000 plumbing repair at maintenance building.
SUPPLIES	9,053		Lower expense due to minimizing purchases to offset higher than budgeted repair costs.
UNIFORMS/LAUNDRY	(141)		Lower uniform expense due to fewer full-time maintenance staff.
BANK AND CARD FEES	4,900		Lower expense due to late reconciliation from credit card processing company.
LEASE/RENTAL	(1,004)		Higher than budgeted expense due to true-up of lease expenses for fiscal year.
SANITATION	3,825		Lower expense due to eliminating non-essential purchases.
TELEPHONE	39		No significant variance in budgeted and actual expense.
RANGE BALLS	0		No difference to report between budgeted and actual expense.
OTHER EXPENSES	2,674		Lower expense due to eliminating non-essential purchases.

July 24, 2019

Santa Clara Golf & Tennis Club Variance Report for the Quarter Ended March 2019

Page 3 of 3

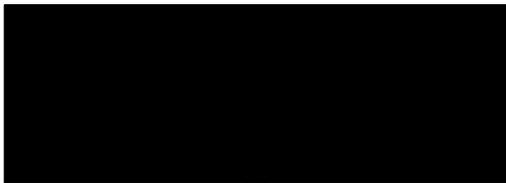
MGMT/ADM FEES	(1,045)		Higher fees due to financial results exceeding plan.
INSURANCE	3,080		Lower expense due to expense not recorded in quarter. True up will occur in fourth quarter.
TOTAL EXPENSE VARIANCE		82,482	

NET INCOME VARIANCE		123,624	
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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

