



October 29, 2019

Kenn Lee
 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 September 30, 2019.

Dear Mr. Lee:

The following provides a brief explanation of revenue and expense variances compared to budget for the quarter ended September 30, 2019:

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
INCOME:			
INSTRUCTION	(876)		Lower than budgeted revenue due to closing of property.
GREEN FEES	(35,880)		Lower than budgeted revenue due to closing of property.
CART RENTAL	1,118		Higher than budgeted revenue with increased riding versus walking rounds through the quarter.
RANGE INCOME	(10,127)		Lower than budgeted revenue due to closing of property.
TENNIS INCOME	(522)		Lower than budgeted revenue due to closing of property.
MERCHANDISE	14,225		Higher than budgeted revenue due to discounting of all merchandise as part of the closure.
OTHER INCOME	1,108		Higher than budgeted due to increased sales of miscellaneous items due to closing of property.
TOTAL INCOME VARIANCE		(30,955)	

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	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
COST OF SALES MERCHANDISE	(15,533)	(15,533)	Significant discounting to sell through merchandise.

	FAVORABLE/ (UNFAVORABLE) VARIANCE	SUBTOTAL	VARIANCE – EXPLANATION
OPERATING EXPENSES:			
SALARIES/WAGES	59,524		Lower than budgeted expense due to wind down of property.
WATER	18,249		Lower than budgeted expense due to wind down of property.
POWER	482		Lower than budgeted expense due to wind down of property.
SEED, SOIL, FERTILIZER	14,767		Lower than budgeted expense due to wind down of property.
REPAIR & MAINTENANCE	14,295		Lower than budgeted expense due to wind down of property.
SUPPLIES	9,088		Lower than budgeted expense due to wind down of property.
UNIFORMS/LAUNDRY	202		Lower than budgeted expense due to fewer full-time maintenance staff.
BANK AND CARD FEES	(927)		Higher than budgeted expense due to increased usage for merchandise purchases.
LEASE/RENTAL	(2,854)		Higher than budgeted expense due to termination of cart lease in September.
SANITATION	(711)		Higher than budgeted expense due to heavy usage of on-course facilities.
TELEPHONE	2		No significant variance in budgeted and actual expense.

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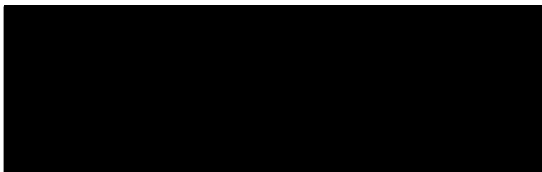
RANGE BALLS	4,500		Lower than budgeted expense due to eliminating non-essential purchases.
OTHER EXPENSES	(8,707)		Higher than budgeted expense due to purchases required for wind down of property.
MGMT/ADM FEES	165,014		Lower than expected expense due to missing revenue targets for the quarter.
INSURANCE	167		No significant variance in budgeted and actual expense..
TOTAL EXPENSE VARIANCE		273,089	

NET INCOME VARIANCE		226,601
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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

